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STATE OF LOUISIANA
OFFICE OF THE LEGISLATIVE AUDITOR
Baton Rouge, Louisiana

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**THE EXTRA SHIELD, REGION VI, INC.
PINEVILLE, LOUISIANA**

**FINANCIAL STATEMENTS
AND
AUDITORS' REPORTS**

**FOR THE YEAR ENDED
JUNE 30, 1997**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-18-98

THE EXTRA MILE, REGION VI, INC.
PINEVILLE, LOUISIANA

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MEMBER
AMERICAN INSTITUTE OF
CERTIFIED ACCOUNTANTS

MEMBER
NATIONAL SOCIETY OF
CERTIFIED ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

INDEPENDENT AUDITORS' REPORT

Board of Directors
The Extra Milk, Region VI, Inc.
Pineville, Louisiana

We have audited the accompanying balance sheet of The Extra Milk, Region VI, Inc. as of June 30, 1997, and the related statements of activity and changes in cash flows for the year ended June 30, 1997. These financial statements are the responsibility of the management of The Extra Milk, Region VI, Inc. Our responsibility is to express an opinion on these financial statements based upon our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Extra Milk, Region VI, Inc., as of June 30, 1997, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

As discussed, in note (1)(c) to the Financial Statements, in 1997 the organization changed its method of Financial Reporting and Financial Statement presentation.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information listed in the table of contents is presented for the purposes of additional analysis and is not a required part of the financial statements of The Extra Mile, Region VI, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report, dated December 19, 1997, on our consideration of The Extra Mile, Region VI, Inc.'s internal control structure over Financial Reporting, and our tests of compliance with laws, regulations, contracts and grants.

Harris, Bond & Debovec, CPAs, APC



Alexandria, Louisiana

December 19, 1997

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

Balance Sheet
June 30, 1997

ASSETS

Cash	\$ 25,168
Prepaid Insurance	883
Due from the State of Louisiana	29,852
Property and equipment net of accumulated depreciation	<u>15,332</u>
Total Assets	<u>\$80,235</u>

LIABILITIES AND
NET ASSETS

Liabilities	
Payroll taxes	\$ 172
Accounts payable	17,471
Due to State of Louisiana	<u>481</u>
Total Liabilities	18,124
Net Assets	
Unrestricted	13,756
Temporarily Restricted	44,795
Permanently Restricted	<u>6,981</u>
Total Net Assets	<u>65,532</u>
Total Liabilities and Net Assets	<u>\$80,235</u>

The Accompanying Notes Are An Integral Part Of This Statement.

THE EXTRA MILE, REGION VI, INC.
 Pineville, Louisiana

STATEMENT OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 1987

	Unrestricted	Temporarily Restricted	Programs Restricted	Total
SUPPORT AND REVENUE				
Development grants		\$ 150,338		\$ 150,338
Private grants		58,800		58,800
Fundraising	\$ 12,670			12,670
Contributions	22,903	3,190		26,093
Admin. reimbursements	29,884			29,884
Miscellaneous	3,794	3,658		7,452
Total Support & Revenue	69,172	161,166		230,338
EXPENSES				
Adult Day Program		70,649		70,649
Child Care Program		12,683		12,683
Epilepsy Foundation Program		47,589		47,589
Rural Drop-in Program		90,503		90,503
Urban Drop-in Program		175,463		175,463
The Extra Mile Program		58,466		58,466
Children's Trust Program		4,899		4,899
Substance Abuse Supply Program		20,691		20,691
Substance Abuse CCDF Program		2,480		2,480
OC/DA Disabilities Program		4,715		4,715
Consumer Employment Program		6,800		6,800
Public Relations Programs		28,000		28,000
Office of Community Services Program		5,865		5,865
Other Support Services	48,088		3,000	51,088
Total Expenses	48,088	415,332	3,000	466,420
EXCESS (DEFICIENCY) OF SUPPORT AND REVENUE OVER EXPENSES	21,084	6,207	990	13,271
NET ASSETS, BEGINNING OF PERIOD	3,360	28,000	1,184	32,544
Additions/Transfers	118,814	7,990	6,600	
NET ASSETS, END OF PERIOD	\$ 121,258	\$ 35,197	\$ 7,784	\$ 164,239

The Accompanying Notes Are An Integral Part Of This Statement.

THE EXTRA MILE, REGION VI, INC.
 Pineville, Louisiana

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1997

CASH FLOWS FROM	
OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets	\$ 15,871
Adjustments to Reconcile (Increase) Decrease in Net Assets to Net Cash Provided by Operations	
Depreciation	3,104
Increase/Decrease	
in Operating Assets:	
Accounts Receivable	(51,355)
Increase (Decrease) in	
Operating Liabilities:	
Accounts Payable	14,798
Payroll Taxes Payable	490
Due to Federal and State Agencies	(2,682)
Net Cash from Operating Activities	<u>14,889</u>
CASH FLOWS FROM	
INVESTING ACTIVITIES	
Purchase of Equipment	(11,825)
Net Cash Flows from Investing Activities	<u>(11,825)</u>
NET INCREASE (DECREASE) IN	
CASH AND CASH EQUIVALENTS	(13,585)
CASH AND CASH EQUIVALENTS	
AT BEGINNING OF PERIOD	<u>40,663</u>
CASH AND CASH EQUIVALENTS	
AT END OF PERIOD	\$ 25,100

The Accompanying Notes Are An Integral Part Of This Statement.

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1997

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) ORGANIZATION

The Extra Mile, Region VI, Inc., was created by Patricia Anne Burgess, of Pineville, Louisiana on March 23, 1991. The Extra Mile, Region VI, Inc., is an organized and professionally staffed system of community-based volunteer programs revolving around a Regional Volunteer Council system of management. The program encompasses state mental health, mental retardation/developmental disabilities and substance abuse services and programs. The mission of the program is to offer an opportunity for volunteers to work with the three disability areas in creating an enhanced and enriched environment for clients served by the Office of Human Services, Louisiana Department of Health and Hospitals. Therefore, The Extra Mile, Region VI, Inc., organized as an independent non-profit corporation, is the reporting entity. The Extra Mile, Region VI, Inc., has no oversight responsibility for any component units.

(B) BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

The accounts of the Organization are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds have been combined and presented for the Organization as a whole in accordance with the provisions of Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations".

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1997
(continued)

(C) INCOME TAX

Under Section 501(c) of the Internal Revenue Code, the organization is exempt from federal income taxes; therefore, no provision for such taxes has been made. The organization is classified for tax purposes as an other than private foundation.

(D) SUPPORT

All support is considered to be available and unrestricted unless grant regulations contain legal requirements and restrictions. The restricted grant support for fiscal year ended June 30, 1997, was received from the State of Louisiana on a cost reimbursement basis.

(E) FINANCIAL STATEMENT PRESENTATION

In 1997, the Organization adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by this new statement, the Organization, Inc. has discontinued its use of presenting financial statements by fund and has, accordingly reclassified its financial statements to present the three classes of net assets required.

(F) Budget Policy

Budgets are prepared by The Extra Mile's Executive Director and approved by the grantor of the funds. Budgets are prepared on a basis consistent with generally accepted accounting principles.

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1997
(continued)

(G) CHANGE IN ACCOUNTING PRINCIPLE

As permitted by Statement (SFAS) No. 117, The Extra Mile, Region VI, Inc. has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets for the years-ended June 30, 1997 and 1996.

(H) PROPERTY AND EQUIPMENT

Property and Equipment is recorded at cost for purchased assets or at fair market value on the date of any donations. Depreciation is provided in the Financial Statements over the estimated useful lives of the depreciable assets on the straight line basis. The following estimated useful lives are generally used:

Furniture and Equipment 5 - 7 years

(I) CASH AND CASH EQUIVALENTS

For the purpose of Financial Statements, The Extra Mile, Region VI, Inc., considers all demand deposits and time deposits with an initial maturity of three months or less to be cash equivalents.

NOTE 2 FUNDING POLICIES AND SOURCES OF FUNDS

The Extra Mile receives its monies on a contract basis. Under this method, funds are received on a cost reimbursement basis from the State of Louisiana Department of Health and Hospitals.

The Extra Mile, Region VI, Inc., also receives donations from the general public.

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1987
(continued)

NOTE 3 DUE FROM THE STATE OF LOUISIANA

Contracts receivable at June 30, 1987, consist of reimbursements for expenses incurred under contracts with the State of Louisiana which were received subsequent to year end. These amounts by Grant are as follows:

Adult Day Program	\$ 10,438
Rural Drop in Program	671
Urban Drop in Program	8,199
The Extra Mile Program	5,206
Children's Trust Program	1,106
Substance Abuse Supply Program	8,168
Substance Abuse CCOP Program	700
Public Relations Program	3,800
Consumer Employment Program	2,700
Total	<u>\$ 38,088</u>

NOTE 4 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any members.

NOTE 5 IN-KIND CONTRIBUTIONS

The Extra Mile received various in-kind contributions during the year. Office facilities were furnished in Pineville to The Extra Mile without charge for rent and/or utilities by the Central Louisiana State Hospital. Although these contributions have not been reported as revenues, the collecting expenses have not been incurred thereby producing no effect on the financial statements.

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1997
(continued)

NOTE 4 PROPERTY AND EQUIPMENT

A summary of property and equipment and accumulated depreciation is provided:

	Property and Equipment		
	Balance	Additions	Balance
Furniture and Equipment	\$28,796		\$28,796
Furniture and Equipment	<u>\$14,202</u>	<u>\$11,023</u>	<u>\$25,225</u>
	Accumulated Depreciation		
	Balance	Additions	Balance
Furniture and Equipment	\$ 7,258		\$ 7,258
Furniture and Equipment	<u>\$ 7,258</u>	<u>\$ 3,104</u>	<u>\$10,362</u>

NOTE 7 COMPENSATED ABSENCES

As of June 30, 1997, all annual leave earned by employees was taken. Therefore, no liability is recorded at June 30, 1997.

NOTE 8 CASH

As of June 30, 1997, cash held by The Extra Mile, Region VI, Inc., was secured in full by FDIC (Federal Depository Insurance Corporation) insurance at the institution where deposited.

THE EXTRA MILE, REGION VI, INC.
Pineville, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1997
(continued)

NOTE 9 ECONOMIC DEPENDENCY

The Extra Mile, Region VI, Inc. receives the majority of its revenue from funds provided through contracts administered by the Louisiana Department of Health and Hospitals. The contract amounts are appropriated each year by the State government. If significant budget cuts are made at the State level, the amount of funds The Extra Mile, Region VI, Inc. receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds The Extra Mile, Region VI, Inc. will receive in the next fiscal year.

NOTE 10 CONTINGENCIES

The Extra Mile, Region VI, Inc. evaluates contingencies based upon the best available evidence. The Organization believes that no allowance for loss contingencies is considered necessary.

Amounts received from grantor agencies are subject to audit and adjustment by the agency. Any disallowed cost, including amounts already collected may constitute a liability. The amount, if any, which may be disallowed cannot be determined at this time although the Organization expects such amounts to be insignificant.

NOTE 11 DUE TO STATE OF LOUISIANA

The Organization owes the State Department of Health and Hospitals for part of the start up Grant advance. The amount owed by the Grant is as follows:

Grant Program	Amount
Children's Oral Program	\$ 481

THE EXTRA MILE, REGION VI, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 1997

	Functional Expenses						
	Admin Exp.	Child Dev.	English Proficiency	Home Repairs	Other Exp. A	Other Exp. B	Child's Total
Personal Services	11,079			4,433	4,724	20,211	36,447
Medical Benefits	1,429			364	1,116	1,068	4,977
Travel				1,249	1,119	729	3,137
Operating Services	14,495	6,854		2,749	2,189	20	26,317
Supplies	748			2,864	4,488	174	8,274
Professional	1,509	89		1,144	1,726	1,268	6,436
Capital Expenditures							
Depreciation	3,889	1,489	2,979	3,477	11,974		23,829
Other			(4,108)				
Other Contingency	6,073	1,288		3,811		11,487	22,659
Wages							
Retirement							
Professionals							
Total	24,416	22,672	41,002	23,521	21,631	23,688	136,930

THE EXTRA MILE, REGION VI, INC.
SCHEDULE OF FUNTIONAL EXPENSES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 1997

	General Account					Total
	Business Auto Supply	Business Auto CDTP	Business Disability	Business Employee	Business Contract Service	
Account for State Health Plan		2,114				2,114
Operating Service Public Utilities	22	100			48	122
Operating Service Public Contractors	6,208		1,794	4,100	18,880	24,882
Auto State Campaign Other	2,175		39		758	2,972
Telephone Service					1,016	1,016
						99
						2,250
Total	12,082	2,488	1,833	4,100	21,694	21,694

Provisionally
Adjusted
For
Operating
Service

THE EXTRA MILE, REGION VI, INC.
PINEVILLE, LOUISIANA

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

The following pages contain the report on internal control structure and compliance with laws and regulations required by Government Auditing Standards issued by the Comptroller General of the United States. The paragraph on internal control structure is based solely on the audit of the financial statements and includes where appropriate, any reportable conditions and/or material weaknesses. The paragraph on compliance with laws and regulations is, likewise, based solely on the audit of the financial statements and presents, where applicable, compliance matters that would be material to the general purpose financial statements.



DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
The Extra Milk, Region VI, Inc.
Pineville, Louisiana

We have audited the financial statements of The Extra Milk, Region VI, Inc. as of and for the year ended June 30, 1993, and have issued our report thereon dated December 19, 1993. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether The Extra Milk, Region VI, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Extra Milk, Region VI, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of The Extra Milk, Region VI, Inc. However, this report is a matter of public record and its distribution is not limited.

Respectfully Submitted,



Daniel, Beall & DeBorja, CPAs, APC

Albany, Louisiana

December 19, 1997

THE EXTRA MILE, REGION VI, INC
Placerville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 1996

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Reported</u>	<u>Description of Finding</u>	<u>Planned Corrective Corrective Action Taken (Yes, No, Partially)</u>	<u>Action/Partial Corrective Action Taken</u>	<u>Additional Explanations</u>
<u>36-1</u>	<u> </u>	<u>General Ledger used</u>	<u>Yes</u>	<u>Checked accounts</u>	<u> </u>
		<u>Different ledgers</u>		<u>High accounts</u>	<u> </u>
<u>36-2</u>	<u> </u>	<u>File Hand-Receipts for</u>	<u>Yes</u>	<u>Statutes submitted</u>	<u> </u>
		<u>Multiple use rates</u>		<u>For single use only</u>	<u> </u>
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Kris Hickman
 Executive Director
 Kris Hickman

**THE EXTRA MILE REGION VI, INC.
PINEVILLE, LOUISIANA**

**Corrective Action Plan for Current Year Audit
Findings For the Year Ended June 30, 1997**

No. of Findings	Description of Findings	Corrective Action Planned	Status of CA	Completion Date
-----	None	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
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