

OFFICIAL
FILE COPY
DO NOT SIGN OVER

General Operations
Expires Every 90 Days
and 21:00
ISSUE # 1011

96302791
5823

33

YOUNG WOMEN'S CHRISTIAN ASSOCIATION

OF NORTHEAST LOUISIANA, INC.

MONROE, LOUISIANA

DECEMBER 26, 1997

Under provisions of state law, this record is a public document. A copy of this report has been distributed to the auditor, or retained, and by statute is a public record. This report is available for public inspection at the State Department of Institutional Affairs or any other appropriate office of the state or local branch of court.

Release Date 12/26/97

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SHREVEPORT, LOUISIANA

TABLE OF CONTENTS

AUDITED FINANCIAL STATEMENTS

	<u>Page</u>
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-8

SUPPLEMENTARY INFORMATION

Independent Auditor's Report on Supplementary Information	9
Schedule of Federal Awards	10

OTHER REPORTS

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	11-12
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	13-14
Schedule of Findings and Questioned Costs	15-16
Summary Schedule of Prior Audit Findings	17
Management's Corrective Action Plan	

AUDITED FINANCIAL STATEMENTS

October 26, 1998

The Board of Directors
Young Women's Christian Association of
Northwest Louisiana, Inc.
Shreveport, Louisiana

Independent Auditor's Report

We have audited the statement of financial position of the Young Women's Christian Association of Northwest Louisiana, Inc. ("YWCA") at December 31, 1997, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Young Women's Christian Association of Northwest Louisiana, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 aspects, the financial position of the Young Women's Christian Association of Northwest Louisiana, Inc. at December 31, 1997, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 26, 1998 on our consideration of the Association's internal control structure and on its compliance with laws and regulations.

Heard, McElroy & Vestal, LLP

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHEAST LOUISIANA, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2007

	Unrestricted	Temporarily Restricted	Total
Support and revenue:			
Came Rations	84,245	12,213	96,458
Contributions to capital campaign	-	9,846	9,846
Fundraising	62,271	-	62,271
United Way	216,819	-	216,819
Governmental grants	682,812	20,000	702,812
Membership and associate fees	3,898	-	3,898
Programs service fees	54,175	-	54,175
Sales to public	35,027	-	35,027
Insurance	9,472	-	9,472
Miscellaneous	3,700	-	3,700
Transfer sales	65,418	-	65,418
Total support and revenue	1,213,600	52,869	1,266,469
Net assets released from restrictions	(12,727)	(12,727)	-
Expenses:			
Community programming	68,328	-	68,328
Health and education services	185,741	-	185,741
Women's crisis services	555,923	-	555,923
Children and youth services	129,822	-	129,822
Administrative	214,864	-	214,864
Fundraising	18,828	-	18,828
Total expenses	1,273,526	-	1,273,526
Change in net assets	32,782	(89,389)	-(56,607)
Net assets, beginning of year	1,169,618	581,942	1,651,560
Net assets, end of year	1,202,400	492,553	1,694,953

The accompanying notes to financial statements are an integral part of such statements.

LIABILITIES AND NET ASSETS

Current liabilities	
Bank overdraft	60,540
Accounts payable	95,791
Leases payable	390
Other current liabilities	58,150
Advances and prepayments on goods	9,908
Notes payable, current maturities-Note B	<u>15,904</u>
Total current liabilities	230,683
Non-current	
Notes payable	
Less current liabilities-Note B	<u>60,540</u>
Total liabilities	170,143
Net assets	
Unrestricted	1,242,400
Temporarily restricted	<u>602,576</u>
Total net assets	<u>1,844,976</u>
Total liabilities and net assets	<u>1,815,117</u>



Children and Youth Services	Administration	Enrollment	Total
88,418	896,474	6,468	723,112
3,276	3,772	644	31,089
6,833	26,249	318	34,189
50	(1,211)	1,365	34,371
19,384	31,541	381	48,786
1,442	6,327	18	22,960
15	3,245	1,209	7,878
8,081	18,749	879	114,857
1,165	2,649	278	12,277
655	3,857	812	13,189
2,874	7,318	-	23,483
118	358	-	15,255
588	-	-	19,883
-	288	-	968
-	1,088	3,583	8,993
588	28,084	241	28,729
127	(1,399)	334	3,568
<u>11,813</u>	<u>8,353</u>	<u>-</u>	<u>31,453</u>
<u>139,832</u>	<u>724,862</u>	<u>19,838</u>	<u>1,273,934</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2007

<u>Cash flows from operating activities:</u>	
Change in net assets	(26,584)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	77,403
Contribution of Canton Street Property	-
Decrease (increase) in pledges receivable-capital campaigns	131,152
Decrease in other receivables	28,000
Decrease in grant receivable	(48,500)
Decrease (increase) in other assets	688
Increase in prepaid expenses	1,133
(Decrease) increase in accounts payable	(2,518)
(Decrease) increase in other current liabilities	(443)
Total adjustments	208,864
Net cash provided by operating activities	179,280
 <u>Cash flows from investing activities:</u>	
Purchase of fixed assets	(144,000)
Net cash (used) by investing activities	(144,000)
 <u>Cash flows from financing activities:</u>	
Bank overdraft	39,428
Drawings on note payable	81,000
Repayments on note payable	(133,251)
Net cash provided by financing activities	87,177
 Net (decrease) in cash and cash equivalents	111,783
 Cash and cash equivalents beginning of year	85,985
 Cash and cash equivalents end of year	218,718
 Interest paid	8,502

The accompanying notes to financial statements are an integral part of such statements.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

NOTES TO FINANCIAL STATEMENTS

AT DECEMBER 31, 1992

1. Nature of Operations

The YWCA is a nonprofit organization which provides various services including counseling, education, physical fitness, social opportunities, advocacy, and temporary shelter to women and children of northwest Louisiana. The organization receives significant amounts of income from federal and state government grants, generally under third-party reimbursement plans.

2. Summary of Significant Accounting Policies

a) Financial Statement Presentation

In 1988, the YWCA adopted Statements of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the YWCA is required to report information regarding its financial position and activities based on the absence or existence of donor-imposed restrictions. Accordingly, net assets of the YWCA and changes therein are classified and reported as follows, as applicable:

Unrestricted net assets-Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the board for specific purposes.

Temporarily restricted net assets-Net assets subject to donor-imposed stipulations that may or will be met by action of the YWCA, and/or by the passage of time.

Permanently restricted net assets-Net assets subject to donor-imposed stipulations that they be maintained permanently by the YWCA. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes.

b) Contributions

The YWCA also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made," in 1990. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor-imposed restrictions.

c) Provision for Gifts

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The YWCA uses the allowance method to determine uncollectible unconditional promises receivable, when material. The allowance is based on prior years' experience and management's analysis of specific promises made.

2. Summary of Significant Accounting Policies (Continued)

d) Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

e) Fixed Assets:

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives:

Asset	Estimated Life
Furniture, fixtures, and equipment	5-7 years
Buildings and improvements	10-40 years

Depreciated property and equipment are reported at their estimated fair market value at the date of gift.

f) Cash Equivalents:

For purposes of the statement of cash flows, the YWCA considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents.

g) Advertising Costs:

Costs of advertising are expensed as incurred.

3. Retirement Plan

The YWCA participates in a multi-employer, defined benefit retirement plan through the National YWCA. The plan is available to employees who meet length of service requirements. The total amount contributed by the YWCA to the plan in 1997 was approximately \$31,000.

A summary of the National YWCA plan is presented below. Participants should refer to the Plan documents for more complete information.

Each participant is entitled to receive an actuarially determined monthly pension commencing at normal or early retirement. The following information is based upon the actuarial valuation of January 1, 1997. The plan year ends in December 31. The assumed rate of return was 5.5%.

Vested benefits:	
Participants currently receiving payments	\$2,429,000
Other participants	708,450,000
	181,979,000
Nonvested benefits	1,470,000
Total actuarial present value of accumulated plan benefits	<u>883,228,000</u>
Net assets available for pension benefits	<u>219,818,000</u>

4. Grants and Other Receivables

Grants receivable are summarized by source, as follows:

U.S. Department of Housing and Urban Development	11,023
State of Louisiana	130,000
City of Shreveport	<u>78,475</u>
Total	<u>219,500</u>

4. **Grants and Other Receivables** (Continued)

Other receivables include promises to give received by the YWCA in the amount of \$15,000. These promises are expected to be collected within one year.

The YWCA also received in 1985 an award through the U.S. Department of Housing and Urban Development for approximately \$200,000. This award, payable over three years, is conditioned upon the Association's establishment of a transitional support for housing program and upon meeting certain matching requirements. The unexpended portion of this award, approximately \$180,000 at December 31, 1987, represents a conditional promise to the YWCA, and has not been recognized in the financial statements.

5. **Pledges Receivable - Capital Campaign**

Such pledges result from a campaign held in 1986 to raise funds for a capital improvements to the Association's property, plant, and equipment. The pledges generally are receivable over the next three years, and have been reduced to an amount that management estimates to be collectible. These pledges are subject to restrictions that they be used to pay qualifying capital expenditures.

6. **Notes Payable**

Notes payable consist of the following:

Notes to Deposit Guaranty National Bank for \$91,000, interest at 8.55%, monthly payments of \$1,890 for five years, secured by land and building at Travis Street location	<u>\$1,804</u>
--	----------------

Future maturities of this debt for the next five years and in the aggregate are:

1988	15,544
1989	15,430
1990	15,257
1991	14,814
1992	<u>9,738</u>
	<u>\$62,883</u>

SUPPLEMENTARY INFORMATION

October 26, 1998

The Board of Directors
Young Women's Christian Association of
Northwest Louisiana, Inc.
Shreveport, Louisiana

Independent Auditor's Report on Supplementary
Information-Schedule of Federal Awards

We have audited the financial statements of the Young Women's Christian Association of Northwest Louisiana, Inc. as of and for the year ended December 31, 1997, and have issued our report thereon dated October 26, 1998. These financial statements are the responsibility of the Young Women's Christian Association of Northwest Louisiana, Inc.'s management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Young Women's Christian Association of Northwest Louisiana, Inc. taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that Schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material aspects in relation to the basic financial statements taken as a whole.

Heard, McClellroy & Vestal, LLP

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SCHEDULE OF FEDERAL AWARDS

FOR THE YEAR ENDING DECEMBER 31, 1997

<u>Federal Grant/ Pass-Through Grant/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenue</u>	<u>Expenditures</u>
Memorial Programs:			
U. S. Department of Labor			
City of Shreveport, Louisiana:			
Job Training Partnership Act	17-250	68,834	68,834
U. S. Department of Health and Human Resources			
Louisiana Department of Health and Hospitals:			
AIDS Cooperative Agreement	93-318	87,780	87,780
U. S. Department of Health and Human Resources			
Louisiana Department of Health and Hospitals:			
DHHS-Preventive Health Block Grant	13-900	35,501	35,501
State of Louisiana, Office of Women's Services:			
Family Violence Program	13-673	38,418	38,418
U. S. Department of Housing and Urban Development			
City of Shreveport, Louisiana:			
Emergency Shelter Program	14-271	22,879	22,879
Community Development Block Grant	14-228	27,611	27,611
Shreveport SRO, Inc.			
Supportive Housing Grant	14-228	121,595	121,595
Majors Program			
U. S. Department of Justice			
Louisiana Commission on Law Enforcement and			
Administration of Criminal Justice:			
Crime Victim Assistance	16-375	26,777	26,777
Violence Against Women Act	16-588	13,776	13,776
Federal Emergency Management Agency			
Emergency Food and Shelter National			
Block Program			
	N/A	13,788	13,788
U. S. Department of Agriculture			
Louisiana Department of Education:			
Child and Adult Care Food Program	16-358	<u>18,791</u>	<u>18,791</u>
Total		<u>508,833</u>	<u>508,833</u>

LITERATURE CITED

October 26, 1998

The Board of Directors
Young Women's Christian Association
of Northwest Louisiana, Inc.
Shreveport, Louisiana

**Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in
accordance with Government Auditing Standards**

We have audited the financial statements of Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA), as of and for the year ended December 31, 1997, and have issued our report thereon dated October 26, 1998. 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 YWCA'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 and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these 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*. However, we noted certain immaterial instances of noncompliance that are described in the accompanying schedule of findings and questioned costs as Item 98-1 through 98-6.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered YWCA'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 an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect YWCA's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as Items 98-1 and 98-4.

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. Our



consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the items identified above to be material weaknesses.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Heard McElroy i Vestal, LLP

HEARD McFELROY & VESTAL, CPA

Chartered Firm - Louisiana

2000 P. O. Box 10000, Suite 100
1007 Third Street, Suite 1000
Baton Rouge, LA 70801
504.388.1175
504.388.3000 fax
Baton Rouge, LA 70801
www.heard-mcfelroy.com

Partners
J. Keith McFelroy, CPA, CMA
L. Wayne Vestal, CPA, CMA
Senior Accountants
Deborah A. Broussard, CPA
H. Jay McFelroy, CPA, CMA
L. Ann McFelroy, CPA, CMA, CFRE, CFP®

Tim B. Patterson, CPA, CMA
Gary M. Feltz, CPA, CMA
Shane D. Broussard, CPA
Shirley D. Broussard, CPA
Bryan D. McFelroy
Cheryl Cook
Christina M. McFelroy, CPA

October 26, 1998

The Board of Directors
Young Women's Christian Association
of Northwest Louisiana, Inc.
Bossieres, Louisiana

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133

Compliance:

We have audited the compliance of Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA) with the types of compliance requirements described in the U. S. Office of Management and Auditor (OMA) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 1997. YWCA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of YWCA's management. Our responsibility is to express an opinion on YWCA's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YWCA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on YWCA's compliance with these requirements.

In our opinion, YWCA complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1997. However, the results of our auditing procedures disclosed several instances of noncompliance with these requirements that are required to be reported in accordance with OMB Circular A-133. These instances are described in the accompanying schedule of findings and questioned costs at Items 98-5 and 98-6.

IMV

A Firm Certified to ISO 9001:1994
NAB 0000001-000000000000000000

See Page 20 for our 1998
www.heard-mcfelroy.com

Internal Control Over Compliance

The management of YWCA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered YWCA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect YWCA's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 96-4.

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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 96-4 to be a material weakness.

This report is intended for the information of the board of directors, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Heard, M^cElroy ishtal, LLC

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 1997

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA).
2. Reportable conditions relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of YWCA were disclosed during the audit.
4. Reportable conditions relating to the audit of the major federal award program is reported.
5. The auditor's report on compliance for the major federal award programs for YWCA expresses an unqualified opinion.
6. Audit findings relative to the major federal award program for YWCA are reported in Part C of this schedule.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA No.</u>
Emergency Shelter Program	14.231
Community Development Block Grant	14.228
Supportive Housing Grant	14.230

8. The threshold for distinguishing Types A and B programs was \$200,000.
9. YWCA was determined to be a low-risk auditee.

II. Findings - Financial Statement Audit

- 95-1 Excessive delays in billing monthly grant reimbursements were noted in our tests of the ARRA Cooperative Agreement grant, which requires billings within forty-five days of the end of the month:

January 1997	Billed 3-14-97
February 1997	Billed 5-14-97
April 1997	Billed 6-23-97
July 1997	Billed 11-12-97
November 1997	Billed 3-4-98
December 1997	Billed 3-6-98

Continued

This noncompliance appears immaterial, as the granting agency reinforced the cost.

98-2 Our testing of costs billed over the Crime Victim Assistance Program (domestic violence) for August 1997 indicated the salary of a children's counselor was billed at 94%, while the grant budget required 97.17% to be billed. This resulted in a minor overbilling of \$19.

98-3 Louisiana Revised Statute 24:511 requires quarterly expenditures to reflect annual medical financial statements to the office of the Legislative Auditor within six months of the end of their fiscal year. The YWCA was not able to meet this deadline because of significant turnover in its accounting department, including the position of Finance Director.

98-4 During the course of our audit, we observed that reconciliations of supporting statements or subsidiary detail to the related general ledger accounts were not performed by YWCA personnel on a regular basis for certain accounts:

- Operating costs
- Medical accounts with Merrill-Lynch
- Grant receivables and related revenue costs
- Accounts payable

It was necessary for accounting personnel to research these details and make necessary adjustments to the books well after the close of the year, but before significant audit work could begin. This condition was the result of inadequately trained accounting staff, and an unqualified Finance Director who never became fully familiar with the accounting system.

See also items 98-3 and 98-6, as shown in Section C below.

C. Findings and Questioned Costs - Major Federal Award Programs

98-3 Our testing of costs billed under Emergency Shelter Program grants indicated that certain utility costs are billed under allocation ratios as pre-determined percentages calculated for various cost functions. We noted two instances that the support for an allocation code could not be located by these personnel. However, as other allocations were supportable, this noncompliance appears to be immaterial.

98-4 Under its agreement with the City of Shreveport in administering the Community Development Block Grant as it applies to the Women to Teachers Training Program, the YWCA is required to maintain detailed records of property acquired with CDBG funds, including property description, specific acquisition date, and the percentage of CDBG funds in the property cost. These last two elements do not appear in the property costed records for property under CDBG.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

(FOR THE YEAR ENDED DECEMBER 31, 1992)

Non-Compliance

- 96-1 - Excessive delays in billing grant reimbursements - mainly unresolved and continued in current year findings new personnel had no opportunity to correct the deficiencies before commencement of current engagement.
- 96-2 - Reimbursement request for \$782 personnel cost not incurred - resolved.
- 96-3 - Reimbursement request for \$6,700 in excess of actual costs incurred - resolved.
- 96-4 - Submission of audited financial statements to Legislative Auditors within six months of end of fiscal year - unresolved and continued in current year findings because the six month deadline has passed before the commencement of the current audit, also.

Reportable Conditions

- 96-5 - Reconciliations of supporting statements to subsidiary detail-unity unresolved and continued in current year finding because new personnel had no opportunity to correct these deficiencies before commencement of current engagement.
- 96-4 - Unrecorded assets and liabilities - corrected as part of the prior audit.



of Northeast Louisiana

700 PINE
BIRMINGHAM, LA 70001
PHONE 337-331-1111
OR 337-331-1111

"Where People Make the Difference"

700 PINE
BIRMINGHAM, LA 70001
(337) 331-1111

RE: The YWCA of Northeast LA, Inc. 1989 Audit

To Show This May Concerns:

Regarding the following items shown on the Schedule of Findings and Questioned Costs:

1. Excessive delays in billing grant reimbursement requests.

All previous accounting staff has resigned. The new accounting director is a Certified Public Accountant and the Board of Directors has approved the hiring of only graduate accountants. They have also approved a new accounting position, designated as a full time Cost Reimbursement Specialist.

The accounting staff has established a time table for all grants which includes due date, date reviewed, date mailed, amount due, and date payment received.

We are also current in all grant reimbursement requests through November 30, 1989.

2. Error in applying grant budget percentages.

I believe this occurred because the grant budget relates to a twelve month period and we pay every two weeks with twenty-six pay periods in a year. (24 X 24 = 344)

3. Louisiana Revised Statute 24:513

The Executive Director and the Finance Director are aware that quasi-public organizations are required to submit an audited financial statement to the office of the Legislative Auditor within six months of the end of the fiscal year. Also we have set a tentative start date of the last week in April of 1990 for our 1989 audit. This allows plenty of time to meet the 1990 deadline.



A United Way Agency

4. Reconciliation of Subsidiary Detail

We are addressing this issue on a daily basis and intend to maintain all of our subsidiary detail on a current basis.

5. Allocation Percentages

We are reexamining our methods of allocation and are focusing on maintaining documentation.

6. Community Development Block Grant requirements

We will make certain that the requirements are met in the future.

Sincerely,



Eileen Pedersen-Johnson
Executive Director