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LOUISIANA CENTER FOR THE BLIND, INC.
BOSTON, LOUISIANA

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1987
WITH SUPPLEMENTAL INFORMATION SCHEDULES

STATE OF LOUISIANA
LEGISLATIVE AUDITOR

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 2-25-98

LOUISIANA CENTER FOR THE BLIND, INC.
BUSTON, LOUISIANA

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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**UNQUALIFIED OPINION ON THE BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS - NOT-FOR-PROFIT ORGANIZATION**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Louisiana Center For The Blind, Inc.

I have audited the accompanying balance sheet of Louisiana Center for the Blind, Inc. (a non-profit organization) as of June 30, 1997, and the related statement of support, revenue and expense, statement of changes in fund balances and statement of functional expense for the year then ended. These financial statements are the responsibility of the Center's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Center for the Blind, Inc. as of June 30, 1997, and the results of its operations and the changes in its fund balances for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated November 14, 1997 on my consideration of the Louisiana Center for the Blind's internal control over financial reporting, and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was made for the purpose of forming an opinion on the basic financial statements of Louisiana Center for the Blind, Inc. taken as a whole. The accompanying schedule of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", 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 my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

WILLIAM R. HULSEY
Certified Public Accountant



November 14, 1997

LOUISIANA CENTER FOR THE BLIND, INC.
 RUSTON, LOUISIANA
 BALANCE SHEET
 JUNE 30, 1987

	Operating Fund	Restricted Fund	Plant Fund	Total All Funds
Assets:				
Cash	\$ 389,443	\$ -	\$ -	\$ 389,443
For grants receivable	24,689	-	-	24,689
Student loans receivable	380	-	-	380
Accounts receivable - other	<u>58,293</u>	<u>-</u>	<u>-</u>	<u>58,293</u>
Total current assets	<u>583,695</u>	<u>-</u>	<u>-</u>	<u>583,695</u>
Land, buildings and equipment at cost:				
Buildings	-	-	1,098,880	1,098,880
Leasehold improvements	-	-	19,971	19,971
Equipment	-	-	445,884	445,884
Transportation equipment	-	-	38,911	38,911
Accumulated depreciation	<u>-</u>	<u>-</u>	<u>(1,728,489)</u>	<u>(1,728,489)</u>
Net land, buildings and equipment	<u>-</u>	<u>-</u>	<u>1,334,697</u>	<u>1,334,697</u>
Other assets:				
Cash surrender value of life insurance	25,469	-	-	25,469
Prepaid expenses	-	-	-	-
Due to other funds	<u>12,880</u>	<u>-</u>	<u>-</u>	<u>12,880</u>
Total other assets	<u>38,349</u>	<u>-</u>	<u>-</u>	<u>38,349</u>
TOTAL ASSETS	<u>\$ 621,818</u>	<u>\$ -</u>	<u>\$ 1,334,697</u>	<u>\$ 1,956,515</u>

	Operating Fund	Restricted Fund	Plant Fund	Total All Funds
Liabilities and Fund Balances:				
Current liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	2,541	-	-	2,541
Due to other funds	12,880	-	-	12,880
Notes payable	2,285	-	-	2,285
Total current liabilities	17,706	-	-	17,706
Non-current liabilities:				
Notes payable, net of current portion	-	-	-	-
Fund balances:				
Unrestricted	404,413	-	1,324,097	1,728,510
Restricted	-	-	-	-
Total fund balances	404,413	-	1,324,097	1,728,510
TOTAL LIABILITIES AND FUND BALANCE	\$ 421,929	\$ -	\$ 1,324,097	\$ 1,746,026

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

LOUISIANA CENTER FOR THE BLIND, INC.
 HUNTER, LOUISIANA
 STATEMENT OF SUPPORT, REVENUES, AND EXPENSES
 FOR THE YEAR ENDED JUNE 30, 1989

	Operating Fund	Restricted Fund	Plant Fund	Total All Funds
Revenues:				
Public support:				
For income - Louisiana	\$ 424,468	\$ -	\$ -	\$ 424,468
Grant income (Note 4)	190,518	-	-	190,518
For income - other states	<u>200,428</u>	<u>-</u>	<u>-</u>	<u>200,428</u>
Total public support	<u>815,414</u>	<u>-</u>	<u>-</u>	<u>815,414</u>
Other revenues:				
Shop fees	2,300	-	-	2,300
Donations	10,514	-	-	10,514
Diigo proceeds	217,000	-	-	217,000
Interest	1,471	-	-	1,471
Miscellaneous	<u>14,874</u>	<u>-</u>	<u>-</u>	<u>14,874</u>
Total other revenue	<u>246,160</u>	<u>-</u>	<u>-</u>	<u>246,160</u>
Total public support and other revenue	<u>1,061,574</u>	<u>-</u>	<u>-</u>	<u>1,061,574</u>
Expenses:				
Program services:				
Training program	603,489	-	150,811	754,300
Booky program	5,445	-	1,212	6,657
Shop program	11,982	-	3,899	15,881
Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total program services	<u>620,916</u>	<u>-</u>	<u>155,922</u>	<u>776,838</u>
Supporting services:				
Management and general	<u>170,155</u>	<u>-</u>	<u>48,773</u>	<u>218,928</u>
Total supporting services	<u>170,155</u>	<u>-</u>	<u>48,773</u>	<u>218,928</u>
Total expenses	<u>791,071</u>	<u>-</u>	<u>204,695</u>	<u>995,766</u>
PUBLIC SUPPORT AND OTHER REVENUE OVER (UNDER) EXPENSES	<u>\$ 270,503</u>	<u>\$ -</u>	<u>\$ 4,195,351</u>	<u>\$ 4,465,854</u>

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

<u>Contri- bution Program</u>	<u>Total</u>	<u>Supporting Services</u>	<u>Total All Funds</u>
\$ -	\$ 340,933	\$ 48,888	\$ 281,825
-	<u>3,100</u>	<u>38,642</u>	<u>32,782</u>
-	244,837	71,530	213,567
-	44,377	2,088	49,065
-	18,479	18,789	29,268
-	8,326	3,599	10,024
-	2,017	12,623	14,640
-	-	3,035	3,035
-	16,182	-	16,182
-	3,797	15,844	19,641
-	13,792	23,523	36,257
-	9,247	-	9,247
-	-	600	600
-	12,912	8,739	21,651
-	9,748	1,862	11,610
-	19,582	2,772	22,354
-	32,432	8,641	41,073
-	-	1,322	1,322
-	48,703	-	48,707
-	189,115	-	189,115
-	31,305	-	11,285
-	<u>31,024</u>	<u>4,394</u>	<u>15,418</u>
-	689,757	179,256	850,012
-	<u>134,380</u>	<u>48,323</u>	<u>129,523</u>
\$ -	\$ 822,521	\$ 228,028	\$ 1,055,165

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

LOUISIANA CENTER FOR THE BLIND, INC.
 BUSTON, LOUISIANA
 STATEMENT OF CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 1997

	<u>Operating Fund</u>	<u>Restricted Fund</u>	<u>Plant Fund</u>	<u>Total All Funds</u>
FUND BALANCE, JUNE 30, 1996	\$ 217,155	\$ 3,321	\$ 1,500,400	\$ 1,720,876
Public support and other revenue over (under) expenses	284,357	-	(393,515)	6,804
Transfers in (out)	(18,885)	(3,321)	18,228	-
FUND BALANCE, JUNE 30, 1997	<u>\$ 282,627</u>	<u>\$ -</u>	<u>\$ 1,125,113</u>	<u>\$ 1,407,740</u>

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

LOUISIANA CENTER FOR THE BLIND, INC.
BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Louisiana Center for the Blind, Inc. (Center) in Ruston, Louisiana operates a training facility for blind adults. The center works towards integrating the blind into the social and economic life of their community through training in the skills of blindness and by encouraging the development of positive attitudes about blindness. The Center receives a fixed monthly fee for each student in the program from the student's home state.

Basis of Presentation

Financial statement presentation follows the recommendations of the American Institute of Certified Public Accountants in its Industry Audit Guide, "Audits of Voluntary Health and Welfare Organizations". The accompanying financial statement is presented on the accrual basis of accounting.

Fund Accounting

The accounts of the Center are maintained in accordance with the principles of fund accounting, whereby resources are classified for accounting and reporting purposes into funds established according to their source and purpose. Separate accounts are maintained for each fund; accordingly, all financial transactions have been recorded in the funds as follows:

The general unrestricted fund represents revenues and expenses related to the operation and management of the Center's primary programs and supporting services.

The current restricted fund represents resources available for use, but expendable only for the purposes specifically stated by the donor or grantor.

The plant fund represents the Center's investment in land, buildings and major equipment and the unexpended balance of funds specifically restricted by the grantor for the purchase of land, buildings and major equipment.

The costs of the Center's program and supporting services have been reported on a functional basis. This requires the allocation of certain costs among the various programs and supporting services based on estimates made by management.

LOUISIANA CENTER FOR THE BLIND, INC.
BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land, Buildings and Equipment

All expenditures for land, buildings and equipment are capitalized. Depreciation is computed by the straight-line method, beginning in the month of acquisition, based on the following estimated useful lives:

Instructional buildings	20 years
Apartment complex	20 years
Student activity center	15 years
Leasehold improvements	10 years
Office Equipment	5 years
Transportation Equipment	5 years

Depreciation expense for the year ended June 30, 1997 was \$185,553. Depreciation expense is reported as program and supporting services in the "Plant Fund" in the statement of support, revenue and expenses.

Compensated Absences

Employees of the Company are entitled to paid vacations and sick days depending on length of service to the Company. It is impracticable to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Company's policy is to recognize the costs of compensated absences when paid to employees.

Support and Revenue

Certain revenues received under government grant programs are subject to audit by the providing agency. Contributions are considered to be available for unrestricted use unless specifically restricted by the grantor or the Board of Directors.

Federal Income Taxes

The Center qualifies as a tax-exempt organization under Section 501(c) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

Total Columns

The accompanying balance sheet and statements of support, revenue and expenses and changes in fund balances reflect totals of all fund balances and activity. The totals are shown for recreational purposes only and do not reflect the elimination of financial activities using principles of consolidation.

LOUISIANA CENTER FOR THE BLIND, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 1997

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS

At year end, the carrying amounts of the Center's deposits was \$306,440, while the book balance was \$477,577. The bank balance is categorized as follows:

Amount insured by FDIC and FSLIC	\$ 200,000
Securities pledged in the entity's name	<u>277,577</u>
Total bank balance	<u>\$ 477,577</u>

NOTE 3 - LAND, BUILDINGS AND EQUIPMENT

For the year ending June 30, 1997:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Apartments Complex	\$ 481,257	\$ 200,869	\$ 280,388
Student Activity Center	38,377	18,111	20,266
Instructional Building	685,991	88,329	597,662
Horton Building	<u>365,122</u>	<u>132,303</u>	<u>232,819</u>
Total buildings	<u>1,530,747</u>	<u>439,612</u>	<u>1,091,135</u>
Horton Equipment	69,455	36,128	33,327
Office Equipment	286,507	225,339	61,168
Construction Equipment	55,306	24,904	30,402
Zero's Grant Equipment	<u>28,558</u>	<u>16,558</u>	<u>11,999</u>
Total equipment	<u>440,826</u>	<u>298,929</u>	<u>141,897</u>
Leasehold Improvements	19,971	10,517	9,454
Transportation Equipment	<u>28,011</u>	<u>22,852</u>	<u>5,159</u>
Total land, buildings and equipment	<u>\$ 2,037,582</u>	<u>\$ 767,932</u>	<u>\$ 1,269,650</u>

LOUISIANA CENTER FOR THE BLIND, INC.
 BOSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 1997

NOTE 4 - GRANT INCOME

The following was included in Grant Income for the year ended June 30, 1997:

<u>Grant/Purpose</u>	<u>Grant Amount</u>
Federal Grants:	
Department of Education, Office of Special Educational Services	\$ 43,875
Purpose: Training teacher aides to serve as paraprofessionals in the delivery of educational services to blind/visually impaired children under the supervision of a contracted VI teacher/consultant	
Department of Education, Office of Special Educational Services	37,801
Purpose: Early intervention services for blind/visually impaired toddlers/infants	
Department of Education, Office of Special Educational Services	18,763
Purpose: Training young adults in Braille, cane travel, independent living skills, computer literacy, socialization skills and increasing working and leadership skills	
State of Louisiana, Department of Social Services, Louisiana Rehabilitation Services	38,712
Purpose: Providing an informational brochure and a dial-in Newslite and Information Service for the blind in Louisiana	

LOUISIANA CENTER FOR THE BLIND, INC.
 RUSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 1997

NOTE 4 - GRANT INCOME (Continued)

State of Louisiana, Department of Social Services, Louisiana Rehabilitation Services	\$	8,599
<i>Purpose:</i> For the implementation of a Job Information Line to provide individuals who are blind, visually impaired or deaf-blind access to job information and job listings statewide through use of their own telephones		
State of Louisiana, Department of Social Services, Louisiana Rehabilitation Services		22,468
<i>Purpose:</i> Installation of a cooling system and acoustically-sound windows and walls in the industrial arts workshop		
Total federal grants		<u>106,510</u>
State Grants:		
Louisiana Tech University, Instructional Micro Manufacturing		4,000
<i>Purpose:</i> Consulting on the research and development of a long white cane		
Total state grants		<u>4,000</u>
Total grant income		<u>\$ 110,510</u>

NOTE 5 - DONATED RENT

The Center receives use of its operations center rent free from the National Federation of the Blind of Louisiana, Inc. The National Federation of the Blind purchased the building under a grant which restricts its use to services provided for the benefit of the blind. As the building can only be used for a specific purpose, the Center is not charged rent for use of the operations center. The value of this agreement has not been measured, and, therefore, is excluded from the financial statements.

LOUISIANA CENTER FOR THE BLIND, INC.
 BOSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (Continued)
 JUNE 30, 1997

NOTE 6 - TRANSFERS IN/OUT

The transfers (in/out) are for funds transferred in the normal course of business when funds are not available for the various programs. The individual fund with balances at June 30, 1997, are as follows:

Fund	Transfer <u>In</u>	Transfer <u>Out</u>
Operating Funds:		
General	\$ 10,779	\$ 113,000
Contributions	127,000	-
Slop	7,441	-
Restricted Funds:		
FVR Historic	-	-
Construction	-	-
Plant Fund	<u>-</u>	<u>18,220</u>
Totals	<u>\$ 145,220</u>	<u>\$ 145,220</u>

NOTE 7 - LONG-TERM DEBT

Long-term debt consisted of the following at June 30, 1997:

Central Bank, 9.38% rate, originally due in 84 payments of \$3,250 per month through February, 2002, assured by ten co-signors each signing for \$10,000 as a total of 1/3 of the face amount. However, the lender has paid off the loan at a faster rate and, therefore, the note will be paid off in 1998.	\$ 2,285
Less: current portion	<u>(2,285)</u>
Net long-term debt	<u>\$ -</u>

LOUISIANA CENTER FOR THE BLIND, INC.
BOSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 1997

NOTE 7 - LONG-TERM DEBT (Continued)

Schedule of aggregate maturities of long-term debt for the next five years ending after June 30, 1997, are approximately as follows:

1998	\$ 2,285
1999	-
2000	-
2001	-
After	-----
Total	<u>\$ 2,285</u>

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CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
F. C. BOEHLER
MEMBER, LOUISIANA STATE
CHAPTER

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

To the Board of Directors of
Louisiana Center for the Blind, Inc.
Monroe, Louisiana

I have audited the financial statements of Louisiana Center for the Blind, Inc., as of and for the year ended June 30, 1997, and have issued my report thereon dated November 14, 1997. I conducted my 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 Louisiana Center for the Blind, Inc.'s financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Louisiana Center for the Blind, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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

but 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Board of Directors of Louisiana Center for the Blind, Inc. and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

WILLIAM R. BRIDLEY
Certified Public Accountant


November 14, 1997

LOUISIANA CENTER FOR THE BLIND, INC.
 BOSTON, LOUISIANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 1997

Federal/Grantor/Pass Through Grants/ Program Title	Federal CFDA Number	Agency or Pass Through Number	Program or Award Amount	Federal Expenditures
UNITED STATES DEPART- MENT OF EDUCATION:				
PASS THROUGH LOUISIANA REHABIL- ITATION SERVICES:				
Social Services Newsletter	84-177A	86897 503914	\$ 36,208 ____168,908	\$
Total Newsletter			205,116	18,180
Social Services Jobline	84-177A	503915	41,948	9,006
Social Services-Heads Support	84-128A	587731	22,451	22,684
Social Services-Orientation and Mobility	84-262A	506893	____180,248	____22,284
Total Louisiana Rehabilitation Services			____281,652	____50,184
PASS THROUGH LOUISIANA DEPART- MENT OF EDUCATION:				
Part H Infant/Toddler	84-181	96-CIT3-XD	42,875	30,938
VI Teacher/Consultant	84-007	96-CIS3-LC 84-CIS3-LC	50,808 ____50,808	
Total VI Teacher			100,808	41,454
Special Educational Services Grant	84-007	96-CIS3-LC	____28,302	____30,507
Total Louisiana Department of Education			____177,178	____82,961
Total Direct			____368,178	____182,115
TOTAL FEDERAL AWARDS			\$ 368,178	\$ 182,115

NOTE: The above schedule is prepared using the accrual method of accounting.