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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR PROGRAM TRANSACTIONS

To the Board of Directors
Catholic Community Services of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report thereon dated December 19, 1996.

In connection with our audit of the financial statements of CCS, and with our consideration of CCS's control structure used to administer federal awards programs, as required by Office of Management and Budget Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions," we selected certain transactions applicable to certain nonmajor federal awards programs for the year ended June 30, 1996.

As required by OMB Circular A-133, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, and eligibility applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on CCS's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that CCS had not complied, in all material respects, with those requirements.

This report is intended for the information of the board of directors, management, and the Louisiana Legislative Auditors. However, this report is a matter of public record, and its distribution is not limited.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 19, 1996

CATHOLIC COMMUNITY SERVICES OF BAYSH KOUGE, INC.

**SCHEDULES OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1990**

L.A. Older Worker Connection Career Net

Administrative:		
Operating services	\$	500
Direct services:		
Travel		414
Other costs		<u>3,398</u>
Total Expenses	\$	<u>3,312</u>

Enter Goodperson Program, Title II, Part B

Administrative:		
Salaries and fringe	\$	49,198
Operating services		13,393
Supplies		598
Travel		428
Direct services:		
Supplies		176,006
Meals		13,680
Supportive services		7,539
Travel		16,133
Other costs		<u>280</u>
Total Expenses	\$	<u>273,723</u>

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in accounts 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 structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the board of directors, management, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

Pastelblauite & Matternville

Baton Rouge, Louisiana
December 15, 1996

CATHOLIC COMMUNITY SERVICES OF BAYTON BOULE, INC.

SCHEDULES OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1990

M.R.S. Career Hq

Direct services:	
Other costs	\$ 3,200
Total Expenses	\$ 3,200

Caban/Haitian

Administrative:	
Operating services	\$ 4,700
Direct services:	
Salaries and fringe	52,511
Emergency assistance	29,200
Supportive supplies	216
Travel	1,811
Other costs	18
Total Expenses	\$ 88,536

Black Quest

Administrative:	
Salaries and fringe	\$ 1,400
Operating services	420
Direct services:	
Salaries and fringe	29,300
Emergency assistance	5,000
Other costs	291
Total Expenses	\$ 47,311

CATHOLIC COMMUNITY SERVICES OF BATES BOWDLE INC.

SCHEDULES OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1998

Joseph Home, Inc.

Administrative:

Operating services	\$	588
Supplies		777

Direct services:

Salaries and fringe		43,058
Emergency assistance		3,307
Travel		1,607
Other costs		<u>28,722</u>

Total Expenses **\$ 85,427**

Counseling, Maternity and Adoption

Direct services:

Salaries and fringe	\$	171,688
Emergency assistance		41,573
Supplies		1,458
Travel		5,286
Other costs		<u>42,621</u>

Total Expenses **\$ 263,126**

Self Is. Counseling Office

Direct services:

Supplies	\$	377
Travel		1,863
Other costs		<u>28,512</u>

Total Expenses **\$ 31,752**

CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

**SCHEDULES OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1995**

Crisis Advocacy

Direct services:		
Salaries and fringe	\$	56,146
Supplies		514
Travel		899
Training		1,085
Other costs		<u>4,521</u>
Total Expenses	\$	<u>63,165</u>

Disaster Relief

Administrative:		
Supplies	\$	99
Direct services:		
Salaries and fringe		28,908
Emergency assistance		13,892
Travel		<u>155</u>
Total Expenses	\$	<u>43,054</u>

EDMA - Emergency Assistance Program

Administrative:		
Operating services	\$	791
Direct services:		
Emergency assistance		<u>20,797</u>
Total Expenses	\$	<u>21,588</u>

United Way Emergency Funds

Direct services:		
Emergency assistance	\$	<u>12,213</u>
Total Expenses	\$	<u>12,213</u>



CATHOLIC COMMUNITY SERVICES OF BAYTON SQUARE, INC.

**SCHEDULE OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1998**

Other Program Services

Administrative:	
Salaries and fringe	\$ 12,658
Operating services	27,455
Supplies	98
Other costs	10,122
Direct services:	
Emergency assistance	15,112
Other costs	<u>4,118</u>
Total Expenses	<u>\$ 71,513</u>

Admin

Administrative:	
Salaries and fringe	\$ 688
Operating supplies	1,340
Other costs	<u>2,290</u>
Total Expenses	<u>\$ 4,318</u>



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Catholic Community Services
of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report thereon dated December 19, 1996.

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.

The management of CCS is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of CCS for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk 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 structure. Accordingly, we do not express such an opinion.

CATHOLIC COMMUNITY SERVICES OF BAYLOR HOSPITAL, INC.

SCHEDULES OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1998

M.R.S. Title XX

Administrative:	
Salary and fringe	\$ 8,878
Operating services	18,583
Travel	89
Direct services:	
Salary and fringe	51,268
Supportive services	9,111
Travel	4,823
Training	836
Other costs	<u>15,799</u>
Total Expenses	\$ <u>85,124</u>

United States Catholic Conference

Administrative:	
Operating services	\$ 1,678
Direct services:	
Salary and fringe	99,748
Emergency assistance	65,723
Supplies	2,123
Travel	1,992
Other costs	<u>12,716</u>
Total Expenses	\$ <u>141,538</u>

City Parish JTB Title IIIA

Administrative:	
Operating services	\$ 780
Direct services:	
Salary and fringe	15,288
Supportive supplies	134
Training	989
Travel	<u>76</u>
Total Expenses	\$ <u>22,187</u>



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Catholic Community Services
of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report thereon dated December 19, 1996. We have also audited CCS's compliance with requirements applicable to major federal award programs and have issued our report thereon dated December 19, 1996.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether CCS complied with laws and regulations, noncompliance with which would be material to a major federal award program.

In planning and performing our audits for the year ended June 30, 1996, we considered CCS's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on CCS's financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal award programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated December 19, 1996.

The management of CCS is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal awards in the following categories:

General Requirements

1. Political activity
2. Civil Rights
3. Cash management
4. Federal financial reports
5. Allowable costs/unit principles
6. Drug-free workplace act
7. Administrative requirements

Specific Requirements

1. Types of services allowed or disallowed
2. Eligibility
3. Matching, level of effort, or cost-sharing and allowability of amounts claimed or used for matching
4. Federal financial reports and claims for advances and reimbursements
5. Special requirements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, CTC expended 95% of its total federal awards under major programs.

We performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of CTC's major federal award programs, which are identified in the accompanying Schedule of Federal Awards. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal awards, would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal award program 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 structure and its operations that we consider to be material weaknesses as defined above.



This report is intended for the information of the board of directors, management, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

Parishwaste ; Natchitoches

Baton Rouge, Louisiana
December 15, 1996

CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

SCHEDULE OF EXPENSES BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 1986

S.C.S.P. Title V

Administrative:	
Salary and fringe	\$ 76,500
Operating services	20,000
Supplies	1,084
Travel	3,585
Direct services:	
Salary and fringe	82,235
Participant wages	583,541
Participant fringe	99,645
Supportive services	2,280
Training	3,286
Other costs	284
Total Expenses	<u>\$ 826,231</u>

L.T.F.A. Title II, Part A

Administrative:	
Salary and fringe	\$ 12,911
Operating services	1,566
Supplies	381
Other costs	381
Travel	532
Direct services:	
Salary and fringe	153,389
Participant wages	1,900
Supportive services	3,789
Supportive supplies	2,485
Training	4,793
Travel	7,284
Other costs	42,485
Total Expenses	<u>\$ 252,582</u>



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL AWARDS PROGRAMS

To the Board of Directors
Catholic Community Services of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report thereon dated December 19, 1996.

We have applied procedures to test CCS's compliance with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended June 30, 1996:

1. Political activity
2. Civil Rights
3. Cash management
4. Federal financial reports
5. Allowable costs/cost principles
6. Drug-free workplace act
7. Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Audits of Institutions of Higher Education and Other Nonprofit Institutions." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on CCS's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that CCS had not complied, in all material respects, with those requirements.

This report is intended for the information of the board of directors, management, and Louisiana Legislative Auditors. However, this report is a matter of public record, and its distribution is not limited.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 19, 1996



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INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF FEDERAL AWARDS

To the Board of Directors
Catholic Community Services
of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of and for the year ended June 30, 1996 and have issued our report thereon dated December 18, 1996. These financial statements are the responsibility of CCS'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, *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions". These standards and OMB Circular A-133 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of CCS 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 presented in all material respects in relation to the basic financial statements taken as a whole.

Postlethwaite & Natterville

Baton Rouge, Louisiana
December 18, 1996

**SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 1996**

<u>FEDERAL GRANT AGENCY/RECIPIENT STATE</u> <u>AGENCY/GRANT PROGRAM NUMBER</u>	<u>FEDERAL</u> <u>CATALOGUE</u> <u>NUMBER</u>	<u>DISBURSMENTS/</u> <u>EXPENDITURES</u>
Department of Labor:		
Pass through from State of Louisiana - Governor's Office of Elderly Affairs:		
S.C.S.E.P. - Title V	17.339	\$ 836,051 *
Pass through from State of Louisiana - Department of Labor:		
Job Training Partnership Act Program - Title II, Part A		
	17.250	268,965 *
City Parks/JTFA Title II A	17.250	25,191
Migration and Refugee Services Program - Career Net	13.814	36,180
L.A. Older Worker Consortium - Career Net	17.339	13,908
Total Department of Labor		<u>1,120,295</u>
Department of Health and Human Services:		
State of Louisiana - Office of Community Services:		
Migration and Refugee Services Program	13.814	85,124 *
Department of Housing and Urban Development:		
ESOS Grant	14.331	7,367
Department of State:		
United States Catholic Conference	-	147,198 *
United States Catholic Conference - March Grant	-	48,363
United States Catholic Conference - Cubanization	-	82,328
Total Department of State		<u>277,889</u>

*Denotes a major program.

See auditors' report on Federal Awards.

CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Nature of Activities

Catholic Community Services of Baton Rouge, Inc. (CCS and the Organization) is a nonprofit corporation organized under the laws of the State of Louisiana on April 2, 1975, to promote organized charitable welfare and social service work for the moral betterment of all persons. CCS receives grants which comprise more than 10% of its revenue from two grantors; the Department of Labor and Cooperation for National and Community Service.

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.

c. Promises to Give

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 restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

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

d. Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range as follows:

Equipment	5 - 10 Years
Furniture and fixtures	5 - 10 Years
Shelter	20 years

e. Donated Services

A significant portion of CCS's functions are conducted by unpaid volunteers. The value of the contributed time is not reflected in the accompanying financial statements since no objective basis is available to measure its value.



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Catholic Community Services of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report thereon dated December 19, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to CCS is the responsibility of the organization's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the organization's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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.

This report is intended for the information of the board of directors and management, and Louisiana Legislative Auditors. However, this report is a matter of public record, and its distribution is not limited.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 19, 1996

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**SCHEDULE OF FEDERAL FINANCIAL AWARDS
FOR THE YEAR ENDED JUNE 30, 1985**

FEDERAL GRANT AGENCY/RECIPIENT STATE ____AGENCY/GRANT PROGRAM/NUMBER____	FEDERAL CATALOGUE NUMBER	DISBURSEMENTS/ EXPENDITURES
Corporation for National and Community Service (formerly ACTION):		
Foster Graduation Program, Title E, Part B	72-001	\$ 129,379 *
Federal Emergency Management Agency:		
Emergency Assistance Program	85-216	_____21,408
Total All Grants		\$ 1,814,812

*Denotes a major program.

See auditors' report on Federal Awards.

CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

NOTES TO FINANCIAL STATEMENTS

12. Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors to the following programs:

S.C.S.E.P. Title V	\$ 804,258
J.T.P.A. Title II, Part A	329,549
L.A. Older Worker Consortium Career Net	1,312
Positive Grandparent Program Title II, Part B	279,373
M.R.S. Title IX	85,194
United States Catholic Conference	141,993
City Parish (JTPA) Title II A	25,197
M.R.S. Career Net	3,020
Cuban/Haitian	88,586
Match Grant	47,322
Joseph Homes, Inc.	88,427
Counseling, Mentoring and Adoption	260,388
Satellite Counseling Offices	31,552
Children Advocacy	68,165
Disaster Relief	45,009
FEMA - Emergency Assistance Program	21,488
United Way Emergency Funds	12,213
Other Program services	71,539
	<u>\$ 2,368,511</u>

<u>Unrestricted Net Assets</u>	<u>Temporarily Restricted Net Assets</u>	<u>Total Fund Balances or Net Assets</u>
\$ -	\$ -	\$ 476,461
200,791	279,676	-
<u>-</u>	<u>79,343</u>	<u>79,343</u>
200,791	352,017	552,808
<u>37,918</u>	<u>34,473</u>	<u>72,390</u>
<u>\$ 238,709</u>	<u>\$ 386,490</u>	<u>\$ 625,199</u>

CATHOLIC COMMUNITY SERVICES OF BAYTON BOULEVARD, INC.

STATEMENT OF CHANGES IN NET ASSETS
 YEAR ENDED JUNE 30, 1996

	Unrestricted Fund Balance	Restricted Fund Balance	Plant Fund
BALANCE AT JUNE 30, 1995, as previously reported	\$ 200,791	\$ 234,797	\$ 48,875
Reclassification related to new method of financial reporting and financial statement presentation	(200,791)	(234,797)	(48,875)
Adjustment for the cumulative effect in prior years of retroactively applying new method of accounting for contributions	_____	_____	_____
BALANCE AT JUNE 30, 1995, as restated	-	-	-
Change in net assets	_____	_____	_____
BALANCE AT JUNE 30, 1996	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

The accompanying note is an integral part of this statement.



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 1996**

	<u>Program Services</u>	<u>Administration</u>	<u>Total Expenses</u>
Salaries and fringe benefits	\$ 762,899	\$ 961,714	\$ 1,724,613
Participant wages	585,461	-	585,461
Stipends	176,836	-	176,836
Participants fringe benefits	59,645	-	59,645
Emergency assistance	207,495	-	207,495
Meals	15,690	-	15,690
Supportive services	16,679	92,685	109,364
Supplies	7,385	4,262	11,647
Travel	42,294	6,640	48,934
Training	12,379	-	12,379
Other costs	<u>195,888</u>	<u>18,189</u>	<u>214,077</u>
	<u>\$ 2,861,631</u>	<u>\$ 1,079,792</u>	<u>\$ 3,941,423</u>

The accompanying notes are an integral part of this statement.



CATHOLIC COMMUNITY SERVICES OF BAYON BOULE, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 1986**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES			
Capital Area United Way	\$ -	\$ 167,214	\$ 167,214
Contributions	35,002	85,887	124,889
Federal and state contracts	-	1,824,791	1,824,791
Catholic Charities USA	-	25,081	25,081
Catholic Diocese of Baton Rouge	-	121,024	121,024
Fee income	-	118,793	118,793
Miscellaneous	9,448	25,546	34,794
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>2,344,514</u>	<u>(2,344,514)</u>	<u>-</u>
Total revenues	<u>2,388,964</u>	<u>34,472</u>	<u>2,424,526</u>
 EXPENSES			
Program Services	2,081,431	-	2,081,431
Administration	<u>278,700</u>	<u>-</u>	<u>278,700</u>
Total expenses	<u>2,352,136</u>	<u>-</u>	<u>2,352,136</u>
 CHANGE IN NET ASSETS	 <u>\$ 76,818</u>	 <u>\$ 34,472</u>	 <u>\$ 111,290</u>

The accompanying notes are an integral part of this statement.



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

STATEMENT OF FINANCIAL POSITION
JUNE 30, 1996

ASSETS

	<u>Total</u>
CURRENT ASSETS	
Cash	\$ 151,800
Contracts receivable	298,787
Unconditional promises to give	
United Way Services funding for the next fiscal year	81,542
Other current assets	<u>10,695</u>
Total current assets	482,724
Due from Catholic Diocese of Baton Rouge	37,624
Fleet, furniture and equipment, net of accumulated depreciation of \$124,955	<u>51,095</u>
Total assets	\$ <u>571,443</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Notes payable	\$ 1,772
Accounts payable	38,538
Accrued payables	<u>57,862</u>
Total current liabilities	98,172
LONG TERM LIABILITIES	
Due to Catholic Diocese of Baton Rouge	58,836
Notes payable	8,854
Due to LBOC	<u>12,508</u>
Total long term liabilities	80,208
NET ASSETS	
Unrestricted	238,798
Temporarily restricted	<u>382,489</u>
Total net assets	621,287
Total liabilities and net assets	\$ <u>571,443</u>

The accompanying notes are an integral part of this statement.





Postlethwaite & Netterville

A Professional Accounting Corporation
CERTIFIED PUBLIC ACCOUNTANTS

8000 LAMAR BLVD., SUITE 1000 • DAVENPORT, IOWA 52801 • TELEPHONE (319) 392-4000 • FAX (319) 392-8011

Independent Auditors' Report

To the Board of Directors
Catholic Community Services
of Baton Rouge, Inc.
Baton Rouge, Louisiana

We have audited the statement of financial position of Catholic Community Services of Baton Rouge, Inc. (CCS) (a nonprofit organization) as of June 30, 1996, and the related statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of CCS'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, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of the Office of Management and Budget (OMB) Circular A-133, "Audit of Institutions of Higher Education and Other Nonprofit Institutions." 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 statements 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 CCS as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules on pages 14 through 20 are presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information 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 respects in relation to the basic financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated December 19, 1996 on our consideration of the Agency's internal control structure and a report dated December 19, 1996 on its compliance with laws and regulations.

As described in Note 1 to the financial statements, CCS changed its method of accounting for contributions and its financial statement presentation in 1996 as required by the provisions of Statements of Financial Accounting Standards No. 116 and 117.

Postlethwaite & Netterville

Baton Rouge, Louisiana
December 19, 1996

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Independent Auditors' Report on Compliance With Specific Requirements Applicable to Nonmajor Program Transactions	29
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**CATHOLIC COMMUNITY SERVICES OF
MAYON REGION, INC.**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 1996**



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1996

CASH FLOW FROM OPERATING ACTIVITIES

Change in net assets	\$	71,398
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense		17,324
Change in:		
United Way Services funding for the next fiscal year	(3,999
Contract receivables		33,199
Other current assets	(3,373
Accounts payable	(7,389
Accrued payables	(7,780
Net cash provided by operating activities		<u>119,679</u>

CASH FLOW FROM INVESTING ACTIVITIES

Purchase of furniture and equipment	(<u>96,013</u>
Net cash used in investing activities	(<u>96,013</u>

CASH FLOW FROM FINANCING ACTIVITIES

Repayment of debt	(<u>983</u>
Net cash used in financing activities	(<u>983</u>

Increase in cash		62,758
Cash beginning of year		<u>284,249</u>
Cash end of year	\$	<u>347,007</u>

The accompanying notes are an integral part of this statement.



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**CATHOLIC COMMUNITY SERVICES OF
BATON ROUGE, INC.**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 1986**

RECEIVED

JAN 02 1987

LEGISLATIVE BUREAU

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: APR 2 1987



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

NOTES TO FINANCIAL STATEMENTS

1. *Summary of Significant Accounting Policies (continued)*

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include highly liquid investments with original maturities of three months or less.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

c. Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

d. Retrospective Change for New Pronouncements

The Organization adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, in 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. As permitted by SFAS No. 116, the Organization has retroactively applied the provisions of this new statement by restating net assets as of June 30, 1995. The Organization made an adjustment to increase net assets as of June 30, 1995 by \$79,347. Under SFAS No. 116, such contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction. The effect of this new statement on the Organization's change in net assets for 1996, was an increase of \$2,585 from what would have been reported under prior accounting principles.

In 1996, CCS also 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.



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

NOTES TO FINANCIAL STATEMENTS

9. Related Party

CCS has a relationship with the Roman Catholic Diocese of Baton Rouge (DCBR) that includes participation in Diocesan benefit programs, and considerable savings on rent, insurance, telephones, and other equipment usage of which, no amounts are able to be determined. Due to the nature of CCS's organization, this relationship is expected to continue for the duration of program operations of Catholic Community Services.

In addition, three of CCS's programs, Counseling, Mentoring and Adoption, Satellite Counseling Offices and Children Advocacy, are administered by the DCBR. Included in revenues is \$151,854 of funding from the DCBR to subsidize these programs. Due to the nature of CCS's organization, this funding is expected to continue for the duration of program operations of CCS.

10. Off-Balance Sheet Risk

As June 30, 1995 the Organization had deposits in a bank in excess of federally insured limits by approximately \$27,000. Management believes the credit risk associated with these deposits is minimal.

11. Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

Provide social services related to state and federal programs	\$ 171,337
For periods after June 30, 1995	<u>218,152</u>
	<u>\$ 389,489</u>

CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

NOTES TO FINANCIAL STATEMENTS

3. Due From Catholic Diocese of Baton Rouge

The Organization has \$27,634 on deposit with the Roman Catholic Diocese of Baton Rouge. The deposits are payable on demand and at June 30, 1996, the Organization earned \$1,134 in interest at rates ranging from 4.9% to 4.2%.

4. Plant, Furniture and Equipment

The composition of furniture and equipment at June 30, 1996 was as follows:

Shelving	\$	53,614
Furniture and Fixtures		40,340
Equipment		<u>121,034</u>
		215,048
Accumulated depreciation	(<u>124,953</u>)
	\$	<u>81,095</u>

5. Due to USCC

Prior to January 1, 1980, the Migration and Refugee Services Program established a revolving account with the United States Catholic Conference (USCC) for the purpose of resettling refugees. In accordance with the revolving account agreement, these funds are to be returned to the USCC upon the termination of the program. As of June 30, 1996, the balance due USCC amounted to \$12,500.

6. Agency Contributions

The Organization has received in-kind contributions during the year from various donors for meals, space and recognition to program participants without charge. For the year ended June 30, 1996, these agency contributions have been recorded as revenue with the offset being recorded as expenditures in the amount of \$48,000.

7. Pension Plan

Employees of the Organization participate in a defined benefit pension plan with the Roman Catholic Diocese of Baton Rouge and the participants are required to contribute 5% with the Organization contributing 4%. The plan is administered by the Diocese. At June 30, 1996 contributions required for the year were \$20,955 for the Organization and \$20,581 for the participants.

8. Due to Catholic Diocese of Baton Rouge

As of June 30, 1996, the Senior Community Service Employment Program and the Migration and Refugee Services Program owed the Roman Catholic Diocese of Baton Rouge \$30,000 and \$28,696, respectively. These loans bear interest at a variable rate which was 6.5% throughout 1996. Interest expense of \$3,831 was incurred on these loans in 1996 and is included in other costs.

CATHOLIC COMMUNITY SERVICES OF BAYTON BOULEVARD, INC.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

In addition, the Organization is required to present a statement of cash flows. As permitted by this new statement, the Organization 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 1998.

i. Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 504(c)(29) of the Internal Revenue Code.

ii. Fair Values of Financial Instruments

Cash: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of these instruments.

Unconditional promises to give: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of these instruments.

Investments: The carrying amounts reported in the statement of financial position approximate fair values due to the variable rates of the investments.

Notes Payable: The carrying amount of the note payable to Lantier approximates fair value.

2. Contracts Receivable

The detail of contracts receivable as of June 30, 1998, is as follows:

I.T.P.A. Title II, Part A	\$	14,549
M.R.S. Title IX		131,219
United States Catholic Conference		25,818
L.A. Office Workers Consortium Career Net		13,900
M.R.S. Career Net		18,000
Cuban/Russian		5,533
March Clinic		3,231
City Parish I.T.P.A. Title II A		<u>22,000</u>
	\$	<u>238,250</u>

Management feels that all receivables are collectible, and as such, no allowance for doubtful accounts has been established.

