

**SCHEDULE OF FEDERAL FINANCIAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 1997**

FEDERAL GRANT AGENCY/RECIPIENT STATE AGENCY GRANT PROGRAM NUMBER	FEDERAL CATALOGUE NUMBER	DISBURSEMENTS (\$215,000), 815
Cooperation For National and Community Service (Formerly ACTION)		
Foster Grandparent Program, Title II, Part B	72-001	\$ 221,734*
Federal Emergency Management Agency:		
Emergency Assistance Program	85-516	92,791
Total All Grants		\$ 314,525

\* Denotes a major program.

**SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 1997**

FEDERAL GRANT AGENCY (COMPONENT STATE) ... AGENCY GRANT PROGRAM NUMBER ...	FEDERAL CATALOGUE NUMBER	DEPARTMENT OF EXPENSES (\$) *
<b>Department of Labor:</b>		
Pass through from State of Louisiana - Governor's Office of Elderly Affairs:		
S.C.S.E.P. - Title V	17259	\$ 448,457
Pass through from State of Louisiana - Department of Labor:		
Job Training Partnership Act Program - Title B, Part A	17258	290,278
City Parish FIPA Title IIIA	17258	3,117
Total Department of Labor		741,852
<b>Department of Health and Human Services:</b>		
State of Louisiana - Office of Community Services:		
Migration and Refugee Services Program	17814	144,969
<b>Department of Housing, and Urban Development:</b>		
FMR/Closed		
	14231	44,611
<b>Department of State:</b>		
United States Catholic Conference	-	92,756
United States Catholic Conference - Match Grant	-	55,913
United States Catholic Conference - Cuban/Hispanic	-	4,926
United States Catholic Conference - Kurdish	-	25,088
Total Department of State		178,683

\*Denotes a major program.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major financial program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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.

*Paul H. Schmitt, III* / *Nuttall*

Harris Rouseff, Louisiana  
November 28, 1997



## Postlethwaite & Netterville

A Professional Accounting Corporation  
CERTIFIED PUBLIC ACCOUNTANTS

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### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL SYSTEM COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

#### Compliance

We have audited the compliance of Catholic Community Services of Hanes Group, Inc. (CCS) (a non-profit organization) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 (OMB Compliance Requirements) that are applicable to each of its major federal programs for the year ended June 30, 1997. CCS's major federal programs are identified in the accompanying schedule of federal awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs, is the responsibility of CCS's management. Our responsibility is to express an opinion on CCS'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 *Governance, Auditing, Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Standards of State, 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 CCS'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 CCS's compliance with those requirements.

In our opinion, CCS 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 June 30, 1997.

#### Internal Control Over Compliance

The management of CCS 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 CCS'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.



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### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL UNDER FINANCIAL REPORTING 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)'s non-profit organization (as of and for the year ended June 30, 1997, and have issued our report thereon dated November 28, 1997. 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 CCS's financial statements are free of material misstatement we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, non-compliance 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 non-compliance that are required to be reported under Government Auditing Standards.

#### Internal Control Over Financial Reporting

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

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

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
November 20, 1997

**CATHOLIC COMMUNITY SERVICES OF BAYON BOULE, INC.**

**SCHEDULE OF EXPENDITURES BY PROGRAM**  
**FOR THE YEAR ENDING JUNE 30, 1997**

	Expenses	Non-rush	Equipment	Expenditures
		Adjustments, including Depreciation		
501 C.F.R. Title V	\$ 388,220	\$ (855)	\$ 1,088	\$ 388,453
FFPSA, Title B, Part A	211,285	(2,798)	563	209,050
Foster Care/Adoption Program Title II, Part E	270,998	(283)	-	270,715
MOR, Title XXX	64,533	789	-	65,322
United States Catholic Conference	102,903	(1,871)	248	101,280
City Parish FFPSA Title BA	7,309	-	-	7,309
Volunteer Incentive	5,603	-	-	5,603
Match Grant	89,984	(238)	-	89,746
Joseph Homes, Inc.	84,795	(8,811)	-	75,984
Counseling, Maternity & Adoption	702,143	-	-	702,143
Sanctify Counseling Offices	22,960	-	-	22,960
Consumer Advocacy	88,887	-	-	88,887
Consumer Help	3,622	(5,622)	-	-
Diocese Relief	11,883	-	-	11,883
FEMA - Emergency Assistance Program	43,632	-	-	43,632
United Way Emergency Assistance	15,779	-	-	15,779
Knights Hospitaller	25,008	-	-	25,008
Other Programs/Services	43,812	-	-	43,812
Agency	18,133	-	-	18,133
	<u>\$ 4,385,117</u>	<u>\$ (94,672)</u>	<u>\$ 1,899</u>	<u>\$ 4,292,344</u>

**CATHOLIC COMMUNITY SERVICES OF BAYTOWNSHIP, INC.**

**SCHEDULES OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1997**

**Other Program Services**

Program services:		
Grants and allocations	\$	1,280
Specific assistance to individuals		15,321
Other employee benefits		2,329
Conferences, conventions, and meetings		3,574
Management and general:		
Other salaries and wages		1,486
Accounting fees		681
Telephone		1,284
Interest		3,851
Other		874
Fundraising:		
Miscellaneous		7,172
<b>Total Expenses</b>	<b>\$</b>	<b>41,872</b>

**Agency**

Management and general:		
Other employee benefits	\$	3,464
Other		7,004
Fundraising:		
Miscellaneous		5,179
<b>Total Expenses</b>	<b>\$</b>	<b>15,647</b>

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

**SCHEDULES OF EXPENSES BY PROGRAM  
FOR FISCAL YEAR ENDING JUNE 30, 1997**

**Disaster Relief**

Program services:	
Specific assistance to individuals	\$ 15
Other salaries and wages	30,788
Travel	794
Management and general:	
Supplies	_____799
Total Expenses	\$ _____11,496

**FEMA - Emergency Assistance Programs**

Program services:	
Specific assistance to individuals	\$ 45,790
Management and general:	
Other	_____839
Total Expenses	\$ _____46,629

**Federal Way Emergency Assistance**

Program services:	
Specific assistance to individuals	\$ _____15,779
Total Expenses	\$ _____15,779

**Non-Fed. Relieffes**

Program services:	
Specific assistance to individuals	\$ 13,168
Other salaries and wages	_____11,993
Total Expenses	\$ _____25,161





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

**SUBSIDIARIES OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDING JUNE 30, 1997**

**Satellite Counseling Offices**

Program services:	
Other salaries and wages	\$ 36,811
Supplies	292
Telephone	1,359
Postage and shipping	352
Occupancy	1,909
Equipment, rental and maintenance	758
Printing and publications	344
Travel	1,213
Other	<u>628</u>
 Total Expenses	 \$ <u>43,766</u>

**Office Adminis**

Program services:	
Specific assistance to individuals	\$ 390
Other salaries and wages	46,343
Pension plan contributions	1,798
Office employee benefits	2,807
Payroll taxes	2,689
Accounting fees	1,633
Supplies	182
Postage and shipping	175
Occupancy	1,090
Printing and publications	713
Conferences, conventions, and meetings	585
Other	<u>853</u>
 Total Expenses	 \$ <u>58,881</u>

**Capital Bldg**

Depreciation	\$ <u>5,622</u>
 Total Expenses	 \$ <u>5,622</u>



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

**SCHEDULES OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1997**

**Joseph Home, Inc. (continued)**

Management and general:	
Accounting fees	\$ 500
Supplies	47
Postage and shipping	104
Printing and publications	588
Other	_____ 571
<b>Total Expenses</b>	<b>\$ 1,856</b>

**Counseling, Maternity and Adoption**

Program services:	
Specific assistance to individuals	\$ 40,280
Office salaries and wages	162,975
Pension plan contributions	4,855
Office employee benefits	18,250
Payroll taxes	12,070
Accounting fees	1,881
Legal fees	2,841
Supplies	2,276
Telephone	7,771
Postage and shipping	1,875
Occupancy	20,547
Equipment rental and maintenance	1,243
Printing and publications	15,800
Travel	5,700
Conferences, conventions, and meetings	9,892
Other	_____ 12,079
<b>Total Expenses</b>	<b>\$ 302,181</b>

**CATHOLIC COMMUNITY SERVICES OF BAYTON BOULEVARD, INC.**

**SCHEDULES OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDING JUNE 30, 1997**

**Mark Street**

<b>Program services:</b>	
Specific assistance to individuals	\$ 3,071
Other salaries and wages	34,548
Pension plan contributions	1,078
Other employee benefits	1,071
Payroll taxes	2,071
Supplies	734
Postage and shipping	60
Occupancy	1,045
Travel	487
Depreciation	218
Other	918
<b>Management and general:</b>	
Other salaries and wages	988
Pension plan contributions	60
Other employee benefits	64
Payroll taxes	78
Accounting fees	2,814
<b>Total expenses</b>	<b>\$ 75,117</b>

**Joseph Homes, Inc.**

<b>Program services:</b>	
Specific assistance to individuals	\$ 27,480
Other salaries and wages	41,170
Pension plan contributions	933
Other employee benefits	171
Payroll taxes	3,874
Supplies	686
Telephone	1,271
Occupancy	2,080
Travel	800
Conferences, conventions, and meetings	581
Depreciation	4,081
Other	1,584

**CATHOLIC COMMUNITY SERVICES OF DATON BOULE, INC.**

**SCHEDULE OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1997**

**United States Catholic Conference (continued)**

<b>Program Services (continued)</b>	
Travel	\$ 5,607
Conferences-conventions, and meetings	9
Depreciation	1,607
Other	9,888
<b>Management and general:</b>	
Other salaries and wages	4,818
Accounting fees	4,247
<b>Total Expenses</b>	<b>\$ 182,517</b>

**City Parish / CPA TRB BA**

<b>Program services:</b>	
Other salaries and wages	\$ 6,214
Pension plan contributions	119
Other employee benefits	236
Payroll taxes	497
<b>Management and general:</b>	
Accounting fees	215
<b>Total Expenses</b>	<b>\$ 7,279</b>

**Children's Home**

<b>Program services:</b>	
Specific assistance to individuals	\$ 480
Other salaries and wages	4,376
Pension plan contributions	24
Other employee benefits	75
Payroll taxes	31
<b>Management and general:</b>	
Accounting fees	587
<b>Total Expenses</b>	<b>\$ 5,553</b>



**CATHOLIC COMMUNITY SERVICES OF BOSTON, INC.**

**SCHEDULE OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1987**

**M.R.S. Title XX**

<b>Program services:</b>		
Other salaries and wages	\$	105,419
Pension plan contributions		4,490
Other employee benefits		7,256
Payroll taxes		30,697
Supplies		1,807
Postage and shipping		409
Occupancy		2,876
Equipment rental and maintenance		148
Travel		2,718
Other		3,983
<b>Management and general:</b>		
Other salaries and wages		3,966
Pension plan contributions		68
Other employee benefits		96
Payroll taxes		135
Accounting fees		5,406
Supplies		172
Telephone		4,384
Occupancy		1,567
Travel		153
Other		869
		<hr/>
<b>Total Expenses</b>	\$	<u>264,237</u>

**United States Catholic Conference**

<b>Program services:</b>		
Specialty assistance to individuals	\$	21,514
Other salaries and wages		54,072
Pension plan contributions		1,708
Other employee benefits		4,881
Payroll taxes		2,770
Supplies		2,066
Telephone		2,783
Postage and shipping		785
Occupancy		5,880
Equipment rental and maintenance		2,176
Printing and publications		495



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

**SCHEDULE OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1987**

**J.T.C.A. Title II, Part A (continued)**

Management and general		
Other salaries and wages	\$	15,183
Pension plan contributions		496
Other employee benefits		1,813
Payroll taxes		957
Accounting fees		3,263
Supplies		114
Telephone		944
Postage and shipping		1,585
Occupancy		988
Equipment rental and maintenance		5
Travel		58
Other		<u>100</u>
Total expenses	\$	<u>211,252</u>

**Foster Grandparent Program Title II, Part B**

Program services:		
Specific assistance to individuals	\$	281,335
Management and general		
Other salaries and wages		45,805
Pension plan contributions		1,915
Other employee benefits		2,269
Payroll taxes		1,898
Accounting fees		5,248
Supplies		325
Telephone		2,317
Occupancy		4,835
Printing and publications		38
Travel		1,817
Depreciation		280
Other		<u>230</u>
Total Expenses	\$	<u>378,958</u>

**CATHOLIC COMMUNITY SERVICES OF BARRONVILLE, INC.**

**SCHEDULES OF EXPENSES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1997**

**CCSFP, Title Y**

Program services:	
Specific assistance to individuals	\$ 661,694
Other salaries and wages	70,280
Pension plan contributions	1,660
Other employee benefits	1,977
Payroll taxes	5,385
Supplies	810
Telephone	4,317
Postage and shipping	1,632
Occupancy	2,879
Equipment rental and maintenance	1,548
Printing and publications	416
Travel	2,098
Other	80,780
Management and general:	
Other salaries and wages	60,879
Pension plan contributions	2,898
Other employee benefits	3,604
Payroll taxes	4,235
Accounting fees	7,495
<b>Total Expenses</b>	<b>\$ 848,720</b>

**CCFA, Title II, Part A**

Program services:	
Specific assistance to individuals	\$ 3,852
Compensation of officers and directors	9,234
Other salaries and wages	118,285
Pension plan contributions	4,585
Other employee benefits	4,137
Payroll taxes	9,528
Telephone	8,837
Postage and shipping	1,820
Occupancy	21,175
Equipment rental and maintenance	780
Travel	6,811
Interest	4,286
Depreciation	2,398
Other	25

CATHOLIC COMMUNITY SERVICES OF BOSTON HOUSE, INC.

SCHEDULE OF RECEIVABLES BY PROGRAM  
FOR THE YEAR ENDED JUNE 30, 1992

	Capital Asset Liquid Fund	Contributions	Federal and State Grants	Gifts and Bequests	Fee Income	Revolving Funds	Reserves	Total
RECEIVABLES	\$ -	\$ -	\$ 88,813	\$ -	\$ -	\$ -	\$ -	\$ 88,813
FFA - 5051, Part 1	-	17,628	21,228	-	-	-	-	38,856
Inter-Company Program (See Note 8)	-	-	20,138	-	-	1,291	-	21,529
M.B.S. - 505	-	-	92,974	-	1,248	-	-	94,222
United States Catholic Conference	-	-	96,144	-	1,913	-	-	98,057
Eye Health (FFA) (See 5)	-	-	7,811	-	-	-	-	7,811
Colonization	-	-	4,482	-	-	-	-	4,482
Males Fund	-	1,628	27,436	-	811	-	-	29,875
Knights of Columbus (B)	-	18,207	88,683	-	4,298	-	-	111,188
Accounting, Machinery & Supplies	87,683	16,482	-	118,728	29,881	-	-	242,774
Reading, Machinery & Supplies	95,561	289	-	-	5,616	-	-	101,466
CECIS - Advisory	-	289	-	-	-	-	-	289
FFA - Emergency - Academic Program	14,739	-	95,891	-	-	-	-	110,630
Beneficial - 505	-	-	21,228	-	-	-	-	21,228
Other Program Income	28,817	32,811	-	4,899	4,513	511	13,217	47,958
	\$ 118,864	\$ 78,813	\$ 1,167,145	\$ 141,728	\$ 37,619	\$ 13,299	\$ 13,217	\$ 1,406,685

RECEIVABLES  
FFA - 5051, Part 1  
Inter-Company Program (See Note 8)  
M.B.S. - 505  
United States Catholic Conference  
Eye Health (FFA) (See 5)  
Colonization  
Males Fund  
Knights of Columbus (B)  
Accounting, Machinery & Supplies  
Reading, Machinery & Supplies  
CECIS - Advisory  
FFA - Emergency - Academic Program  
Beneficial - 505  
Other Program Income  
Agency



**SUPPLEMENTAL SCHEDULE**



**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 stipulated purposes of the encumbrances of other events specified by the donors to the following programs:

S.C.S.F.P. Title V	\$	848,228
J.T.P.A. Title II, Part A		211,238
Senior Guardianship Program Title II, Part B		270,558
M.R.S. Title IX		184,535
United States Catholic Conference		162,913
City Parish FIPA, Title IA		5,176
Colonization		5,413
March Grant		28,154
Joseph Homes, Inc.		84,785
Counseling, Maternity and Adoption		302,163
Sacred Counseling Offices		52,981
Citizens Advocacy		58,887
Career Help		3,622
Deafness Relief		11,483
HOMM - Emergency Assistance Program		43,630
United Way Emergency Assistance		12,379
English Religion		23,808
Other Program services		<u>41,872</u>
	\$	<u>2,288,817</u>



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 (DOBR) that includes participation in Diocesan benefit programs, and considerable savings on rent, insurance, telephone, 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, some of CCS's programs, Counseling, Minority and Adoption, Satellite Counseling Offices, and Children Advocacy, are administered by the DOBR. Included in revenues is \$142,534 of funding from the DOBR 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.

Due to the Campaign for Tomorrow conducted by the DOBR, fund raising activities for CCS are limited for the duration of the Campaign. As a result of the successful completion of the Campaign for Tomorrow, CCS anticipates the contribution of the use of facilities valued at approximately \$1 million.

10. **CCS Policies/Short Risk**

At June 30, 1997 the Organization had deposits in a bank in excess of federally insured limits by approximately \$655,080. Management believes the credit risk associated with these deposits is minimal.

11. **Net Assets**

Temporarily restricted net assets are available for the following purposes for periods after June 30, 1997:

Provide social services in state and federal programs	\$ 103,529
Provide social services in other programs	<u>228,821</u>
	<u>\$ 332,350</u>

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

**NOTES TO FINANCIAL STATEMENTS**

**4. Plant, Furniture, and Equipment**

Property and equipment acquired by the Organization is considered to be owned by the Organization. However, the State of Louisiana maintains the title to the property and equipment purchased in whole or in part under contract grant funded by the State of Louisiana. The State has the right to require the transfer of the property and equipment (including title) to the State or to an eligible non-state party named by the State. Such transfers may occur at any time.

The composition of furniture and equipment at June 30, 1997 was as follows:

Buildings	\$ 68,214
Furniture and equipment	<u>121,558</u>
	\$ 189,772
Accumulated depreciation	<u>(1,000,668)</u>
	\$ <u>(810,896)</u>

**5. Due to USCC**

Prior to January 1, 1990, 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, 1997, the balance due USCC amounted to \$12,580.

**6. In-kind Contributions**

The Foster Grandparents Program received in-kind contributions during the year from various donors. For travel, space and recognition to program participants without charge. For the year ended June 30, 1997, these in-kind items have been recorded as revenue with the other being recorded as expenditures in the amount of \$18,000.

**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 3% of their salaries with the Organization covering the 4%. The plan is administered by the Diocese. At June 30, 1997 contributions required for the year were \$27,466 for the Organization and \$28,150 for the participants.

**8. Due to Catholic Diocese of Baton Rouge**

As of June 30, 1997, the Senior Community Service Employment Program and the Migration and Refugee Services Program owed the Roman Catholic Diocese of Baton Rouge \$28,000 and \$28,906, respectively. These loans bear interest at a variable rate which was 6.5% throughout 1997. Interest expense of \$1,811 was incurred on these loans in 1997.



CATHOLIC COMMUNITY SERVICES OF BAYTON BRIDGE, INC.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

f. 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.

g. 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 amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

h. Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. Contracts Receivable

The detail of contracts receivable as of June 30, 1997, is as follows:

R.T.P.A. - Title B, Part A	\$	28,554
M.B.S. - Title XX		49,207
United States Catholic Conference		17,833
Catholic Mission		194
March Drive		25,298
S.C.N.P. - Title V		40,468
Joseph Thomas		16,752
Karen's Religion		12,605
	\$	<u>213,509</u>

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

3. Due From Catholic Diocese of Baton Rouge

The Organization has \$28,487 on deposit with the Roman Catholic Diocese of Baton Rouge. The deposit is not payable on demand and the Organization earned \$1,253 in interest during 1997 at 4.5%.



**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 cooperative organized under the laws of the State of Louisiana on April 3, 1973, to promote organized charitable activities 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. Premiums to Gifts and Revenue Recognition**

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 does not have any permanently restricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional premium receivables. The allowance is based on prior year's experience and management's analysis of specific premiums made.

**d. Depreciation 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:

Furniture & Equipment	5 - 10 Years
Other	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 it.



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

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

**CASH FLOW FROM OPERATING ACTIVITIES:**

Change in net assets	(B)	44,813
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense		13,540
Changes in:		
United Way Services funding for the next fiscal year	(C)	12,619
Contract receivables		16,281
Other current assets		3,278
Accounts payable	(C)	34,969
Accounts payables		19,736
Net cash used in operating activities		(C) 42,796

**CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of fixtures and equipment	(C)	593
Net cash used in investing activities		(C) 593

**CASH FLOW FROM FINANCING ACTIVITIES**

Repayment of debt	(C)	3,779
Net cash used in financing activities		(C) 3,779

Decrease in cash	(I)	46,168
Cash, beginning of year		30,117
Cash, end of year		\$ 13,949

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash paid during the year:		
Interest		\$ 8,314

The accompanying notes are an integral part of this statement.



CATHOLIC COMMUNITY SERVICES OF RATON, BOUGE, INC.

STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 1997

	<u>Unrestricted</u> <u>Net Assets</u>	<u>Temporarily</u> <u>Restricted</u> <u>Net Assets</u>	<u>Total</u> <u>Net Assets</u>
BALANCE AT JUNE 30, 1996	\$ 258,709	\$ 308,009	\$ 566,718
Change in net assets	11,513	(56,177)	(44,664)
BALANCE AT JUNE 30, 1997	<u>\$ 270,222</u>	<u>\$ 251,832</u>	<u>\$ 522,054</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, 1997**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Grants and allocations	\$ 1,200	\$ -	\$ -	\$ 1,200
Specific assistance to individuals	1,053,360	-	-	1,053,360
Compensation of officers and directors	9,234	-	-	9,234
Other salaries and wages	629,212	137,237	-	812,349
Pension plan contributions	20,590	4,516	-	24,606
Other employee benefits	33,878	11,080	-	46,878
Payroll taxes	47,458	9,423	-	56,881
Fundraising expenses	-	-	12,341	12,341
Accounting fees	3,528	29,851	-	33,379
Legal fees	2,844	-	-	2,844
Supplies	8,474	899	-	9,329
Telephone	26,118	8,845	-	34,963
Postage and shipping	7,026	1,793	-	8,789
Occupancy	89,113	6,790	-	95,903
Equipment rental and maintenance	6,503	7	-	6,510
Printing and publications	16,773	623	-	17,396
Travel	25,994	1,264	-	27,118
Conferences, conventions, and meetings	11,683	-	-	11,683
Depreciation	13,582	-	-	13,582
Interest	4,385	3,831	-	8,136
Other	40,221	19,780	-	59,901
	<u>\$ 2,085,551</u>	<u>\$ 256,793</u>	<u>\$ 12,341</u>	<u>\$ 2,354,685</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, 1997**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES</b>			
Capital Area United Way	\$ -	\$ 191,984	\$ 191,984
Contributions	-	89,871	89,871
Federal and state contracts	-	1,667,530	1,667,530
Catholic Diocese of Baton Rouge	-	182,534	182,534
Fee income	-	123,129	123,129
Miscellaneous	18,056	2,523	20,579
Fundraising	15,777	15,447	31,224
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>2,188,817</u>	<u>(2,188,817)</u>	<u>0</u>
Total revenues	<u>2,316,670</u>	<u>4,385,130</u>	<u>6,701,800</u>
<b>EXPENSES</b>			
Program Services	2,866,531	-	2,866,531
Management and general	226,265	-	226,265
Fundraising	17,345	-	17,345
Total expenses	<u>3,109,141</u>	<u>0</u>	<u>3,109,141</u>
<b>CHANGE IN NET ASSETS</b>	<u>\$ 1,597,529</u>	<u>\$ 4,385,130</u>	<u>\$ 5,982,659</u>

The accompanying notes are an integral part of this statement.



CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.

**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 1987**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 31,181.5
Contracts receivable	223,568
Unconditional promises to give United Way Services funding for the next fiscal year	94,564
Other current assets	6,990
Total current assets	656,307
Due from Catholic Diocese of Baton Rouge	28,880
Plant, furniture and equipment, net of accumulated depreciation of \$100,668	18,290
Total assets	\$ 743,867

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Notes payable, current portion	\$ 2,990
Accounts payable	2,475
Accrued payables	17,679
Total current liabilities	23,144

**LONG TERM LIABILITIES**

Due to Catholic Diocese of Baton Rouge	58,936
Notes payable, net of current portion	4,761
Due to USCC	12,189
Total long term liabilities	75,906

**NET ASSETS**

Unrestricted	288,222
Temporarily restricted	323,752
Total net assets	611,974
Total liabilities and net assets	\$ 743,867

The accompanying notes are an integral part of this statement.





# Postlethwaite & Notterville

A Professional Accounting Corporation  
CERTIFIED PUBLIC ACCOUNTANTS

MEMPHIS 201 ALBANY BLVD., SUITE 8, 38107 • DARTMOUTH, MASSACHUSETTS 01928 • TELEPHONE (603) 544-4444 • FAX (603) 577-4141

## 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, 1997, 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 States, Local Governments, and Non-Profit Organizations*. 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 respects, the financial position of CCS as of June 30, 1997, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

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 12 through 22 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards on pages 26 and 27 is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, 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 November 20, 1997 in our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Postlethwaite & Notterville*

Baton Rouge, Louisiana  
November 20, 1997

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

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 1987**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, 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 4/23/04/1988

