

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

9140
27 98200967
9140

Release Date AUG 12 2008

Human Services Foundation, Inc.

Baton Rouge, Louisiana

**OFFICIAL
FILE COPY
DO NOT REMOVE**

Obtain additional
copies from the
State and PLAC
BACS in 1991

*Financial Statements
and Supplementary Information*

Years Ended December 31, 1997 and 1996

Johnson & Hayden, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Receipt Acknowledged
Legislative Auditor

[Signature]
7-3-98
12:29 PM

CONTENTS

	<u>Page</u>
<i>Independent Auditors' Report</i>	3 - 4
<i>Statements of Assets, Liabilities and Fund Equity</i>	5
<i>Statements of Support and Revenue and Expenses</i>	6
<i>Statements of Changes in Fund Balance</i>	7
<i>Statements of Cash Flows</i>	8
<i>Notes to the Financial Statements</i>	9 - 13
<i>Auditors' Report on Compliance and Internal Control in Accordance with Government Auditing Standards</i>	14 - 15
<i>Auditors' Report on Compliance with Requirements Applicable to Major Programs and Internal Control Over Compliance in Accordance with OMB Circular A-133</i>	16 - 17
<i>Supplementary Information:</i>	
<i>Schedule of Expenditures of Federal Awards</i>	19
<i>Schedule of Findings and Questioned Costs</i>	20 - 23

Johnson & Haydon, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

11800 Georges Boulevard
Baton Rouge, Louisiana 70808

MEMBER OF THE
FIRM OF
JOHNSON & HAYDON, L.L.C.
AND
JOHNSON & HAYDON, P.C.

MEMBER OF
MEMBER OF THE
FIRM OF
JOHNSON & HAYDON, L.L.C.
AND
JOHNSON & HAYDON, P.C.

MEMBER OF
MEMBER OF THE
FIRM OF
JOHNSON & HAYDON, L.L.C.
AND
JOHNSON & HAYDON, P.C.

INDEPENDENT AUDITORS' REPORT

To the Program Director
Human Services Foundation, Inc.
Baton Rouge, Louisiana

We have audited the accompanying statements of assets, liabilities and fund equity of Human Services Foundation, Inc., as of December 31, 1997 and 1996, and the related statements of support and revenue and expenses, changes in fund balance, and cash flows for the years then ended. These financial statements are the responsibility of the Program's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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, and provisions of Office of Management and Budget Circular A-133, *Audit of Expenditures of Higher Education and Other Nonprofit Institutions*. Those 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund equity of Human Services Foundation, Inc., as of December 31, 1997 and 1996, and the changes in its fund balances and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 23, 1998, on our consideration of Human Services Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The accompanying schedule of expenditures of federal awards 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.

April 22, 1998

Johnston & Hoyle

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

STATEMENTS OF ASSETS, LIABILITIES AND FUND EQUITY

December 31,

	1997	1996
ASSETS		
CURRENT:		
Cash	\$ 36,323	\$ 35,873
Accounts receivable	<u>237,168</u>	<u>154,828</u>
Total Current Assets	<u>273,491</u>	<u>190,701</u>
PROPERTY AND EQUIPMENT:		
Depreciable assets	346,975	315,666
Less accumulated depreciation	<u>168,156</u>	<u>133,633</u>
Net Property and Equipment	<u>178,819</u>	<u>182,033</u>
OTHER:		
Due from affiliates	<u>106,174</u>	<u>106,174</u>
TOTAL ASSETS	\$ <u>558,484</u>	\$ <u>481,928</u>

The accompanying notes are an integral part of the financial statements.

	1992	1990
LIABILITIES		
CURRENT:		
Accounts payable	\$ 379,496	\$ 171,804
Payroll taxes payable	17,387	4,688
Accrued expenses	1,399	4,048
Current portion of notes payable	<u>18,545</u>	<u>18,471</u>
Total Current Liabilities	<u>416,827</u>	<u>201,012</u>
LONG-TERM:		
Notes payable, less current portion	<u>17,896</u>	<u>36,515</u>
OTHER:		
Due to officers	49,003	503,884
Due to affiliates	<u>8,118</u>	<u>8,118</u>
Total Other Liabilities	<u>57,121</u>	<u>512,002</u>
TOTAL LIABILITIES	<u>491,844</u>	<u>719,529</u>
FUND EQUITY	<u>186,360</u>	<u>113,369</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 678,204</u>	<u>\$ 832,898</u>

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

STATEMENTS OF SUPPORT AND REVENUE AND EXPENSES

Years Ended December 31,

	<u>2003</u>	<u>2002</u>
SUPPORT AND REVENUE:		
Contract revenues	\$ 1,613,922	\$ 1,097,452
Resident services	-	200
Grants	54,212	49,212
Other	<u>13,428</u>	<u>12,470</u>
Total Support and Revenue	<u>1,678,612</u>	<u>1,160,324</u>
EXPENSES:		
Program services:		
Vocational transition	268,487	274,440
Vocational rehabilitation	468,059	363,229
Case management services	117,480	134,587
Residential substance abuse treatment	49,488	47,605
Partial day psychological program	485,404	326,171
Substance abuse program	121,529	-
Drug Court program	31,495	-
Health care institute	<u>46,348</u>	<u>-</u>
Total Program Services	<u>1,588,217</u>	<u>1,046,041</u>
Support services:		
Management and general	34,766	65,828
Other	<u>4,158</u>	<u>6,221</u>
Total Support Services	<u>38,924</u>	<u>72,049</u>
Total Expenses	<u>1,628,121</u>	<u>1,068,090</u>
Excess of Support and Revenue		
Over Expenses	\$ <u>54,551</u>	\$ <u>97,238</u>

The accompanying notes are an integral part of the financial statements.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

STATEMENTS OF CHANGES IN FUND BALANCE

Years Ended December 31,

	1997	1996
FUND BALANCE, beginning of year	\$ 112,369	\$ 76,535
Excess of support and revenue over expenses	54,391	97,238
Other Changes in Fund Balance: Restricted funds for acquisition of property and equipment	_____	_____ 71,688
FUND BALANCE, end of year	\$ <u>166,760</u>	\$ <u>117,360</u>

The accompanying notes are an integral part of the financial statements.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

STATEMENTS OF CASH FLOWS

Years Ended December 31,

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of support and revenue over expenses and changes in fund balance	\$ 54,391	\$ 188,924
Adjustments to reconcile excess of support and revenue over expenses to cash provided by operating activities:		
Depreciation	17,560	15,558
Loss on disposal of assets	-	8,969
(Increase) decrease in:		
Accounts receivable	(82,340)	(85,893)
Due from affiliates	-	19,215
Increase (decrease) in:		
Accounts payable	105,680	(3,197)
Due to affiliates	-	8,118
Other liabilities	<u>9,952</u>	<u>(10,242)</u>
Net cash provided by operating activities	<u>105,188</u>	<u>179,448</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	<u>(21,319)</u>	<u>(150,163)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase (decrease) in officer loans	(54,854)	28,601
New borrowings	-	27,684
Reduction of debt	<u>(18,945)</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>(73,799)</u>	<u>56,285</u>
NET INCREASE (DECREASE) IN CASH	450	35,573
CASH, beginning of year	<u>35,873</u>	<u>300</u>
CASH, end of year	\$ <u>36,323</u>	\$ <u>35,873</u>

The accompanying notes are an integral part of the financial statements.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the organization

Human Services Foundation, Inc. (the "Foundation"), is a non-profit entity established to support various programs providing care and treatment to individuals requiring mental, developmental and rehabilitation services. The Foundation operates a number of programs located in Baton Rouge and New Orleans, Louisiana. These programs include a halfway house to provide care and treatment for alcohol and drug abuse to chronically dependent adolescents, mental health and development diagnosis services, and vocational transition services for foster children between the ages of sixteen and twenty-one.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of support and revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Significant estimates included in or affecting the presentation of the accompanying financial statements include provision for doubtful accounts and estimated useful lives of property and equipment.

Cash and cash equivalents

For the purpose of the statement of cash flows, the Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of December 31, 1997 and 1996, the Foundation had no cash equivalents.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts receivable

Programs are funded primarily through contractual agreements with the State of Louisiana through the Department of Health and Hospitals, Division of Alcohol and Drug Abuse; the Medicaid program; and grants through the Department of Social Services, Office of Community Services.

With the State of Louisiana as the Foundation's only creditor, all receivables are expected to be fully collectible. Therefore, no provision or liability for uncollectible accounts has been recognized in the accompanying financial statements. A significant reduction in the level of support provided by the State of Louisiana, if this were to occur, could have an impact on the Foundation's activities.

Property and equipment

All property and equipment is stated at cost. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized and depreciated over their estimated useful life.

As a general rule, when items are retired or otherwise disposed, the accumulated depreciation is reduced by the accumulated amount of depreciation applicable therein. Any gain or loss from such retirement or disposal is credited or charged to income in the year of disposal.

Depreciation

Depreciation is computed on the straight-line and accelerated methods over the following estimated useful lives of the various classes of depreciable assets:

Buildings	31.5 years
Equipment	5 years
Furniture and fixtures	7 years
Leasehold improvements	5 years
Vehicles	5 years

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Foundation is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

Reclassification of financial statement presentation

Certain reclassifications have been made to the 1996 financial statements in order to conform with the 1997 financial statement presentation. Such reclassifications have had no effect on the excess of support and revenues over expenses as originally reported.

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment and accumulated depreciation as of December 31, 1997 and 1996, are as follows:

	1997	1996
Buildings	\$ 127,716	\$ 127,716
Equipment	49,542	39,376
Furniture and fixtures	57,713	57,713
Leasehold improvements	31,177	31,177
Vehicles	<u>84,832</u>	<u>39,672</u>
	346,975	315,656
Less accumulated depreciation	<u>168,156</u>	<u>129,633</u>
	\$ <u>178,819</u>	\$ <u>186,023</u>

Depreciation expense for the years ended December 31, 1997 and 1996, was \$ 17,563 and \$ 13,558, respectively.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE C - RELATED PARTY TRANSACTIONS

The amount due from affiliates of \$ 106,174 at December 31, 1997 and 1996, and the amount due to affiliates of \$ 8,118 at December 31, 1997 and 1996, represent funds advanced to and from the Foundation and various entities under common management for various reimbursable operating expenses. Accounts receivable at December 31, 1997, includes \$ 106,808 from related parties, and accounts payable at December 31, 1997, includes \$ 121,907 payable to related parties for operating expenses.

The amount due to officers at December 31, 1997 and 1996, of \$ 49,000 and \$ 109,884, represents funds advanced by officers to the Foundation for current working capital needs. These amounts are due on demand and do not bear interest. Management does not anticipate that this liability will be liquidated in the current period.

During the years ended December 31, 1997 and 1996, the Foundation leased various facilities from related parties. One building in Baton Rouge, Louisiana, was leased from Baton Rouge Developmental Corporation, which shares common management with the Foundation, for a total of \$ 36,000 for each of the years ended December 31, 1996 and 1995. The Foundation also leased facilities from Professional Rehabilitation Services, Inc., which also shares common management with the Foundation, for a total of \$ 36,000 for each of the years ended December 31, 1997 and 1996. Additionally, the Foundation leased space in locations in Baton Rouge, Louisiana, from an officer of the Foundation. Rental expense for these leases for the years ended December 31, 1997 and 1996, totaled \$ 11,620 and \$ 9,588, respectively.

Baton Rouge Development Corporation, which as stated above shares common management with the Foundation, provides administrative and professional services related to the Foundation's programs. Fees for these services for the years ended December 31, 1997 and 1996, totaled \$ 42,000 and \$ 27,361.

During the year ended December 31, 1996, the Foundation purchased a building from Professional Rehabilitation Services, Inc., which shares common management with the Foundation. This property was purchased for \$ 137,705, which was partially funded from funds received from Louisiana Rehabilitation Services.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

NOTE D - NOTES PAYABLE

Notes payable at December 31, 1997 and 1996, consists of the following:

	1997	1996
Note payable to a local bank, payable in monthly installments of \$ 793, including interest at variable rates; secured by real estate	\$ 31,480	27,425
Note payable to a local bank, payable in monthly installments of \$ 1,150, including interest at 10.5%; secured by real estate	<u>34,551</u>	<u>27,563</u>
	36,441	54,988
Less current portion	<u>18,545</u>	<u>18,473</u>
	\$ <u>17,896</u>	\$ <u>36,515</u>

NOTE E - SUPPLEMENTARY CASH FLOW INFORMATION

Cash payments for the years ended December 31, 1997 and 1996, for interest totaled \$ 4,268 and \$ 6,223, respectively. Since the Foundation was organized as a non-profit organization under the Internal Revenue Code, no cash payments were made for income taxes for the years ended December 31, 1997 and 1996.

The Foundation had no noncash investing and financing activities for the years ended December 31, 1997 and 1996.

Johnson & Hayden, LLC

CERTIFIED PUBLIC ACCOUNTANTS

18840 Cooney Boulevard
Briar Ridge, Louisiana 70318

TELEPHONE 848-7658
FAX 848-7658

MEMBER OF
AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS

AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Program Director
Human Services Foundation, Inc.
Briar Ridge, Louisiana

We have audited the financial statements of Human Services Foundation, Inc., as of and for the year ended December 31, 1997, and have issued our report thereon dated April 23, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

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

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

This report is intended for the information of the managers of Human Services Foundation, Inc., and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

April 22, 1998

Johnston G. Haynes

Johnson & Hayden, LLC

CERTIFIED PUBLIC ACCOUNTANTS

13800 Coates Boulevard
Baton Rouge, Louisiana 70804

TELEPHONE (504) 382-0000
FAX (504) 382-1000

MICHAEL D. JOHNSON - CPA #1712
Baton Rouge, Louisiana 70804

WILLIAM E. HAYDEN - CPA #1712

MEMBER OF
AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS

**AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO MAJOR PROGRAMS AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Program Director
Human Services Foundation, Inc.
Baton Rouge, Louisiana

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

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Auditor of States, Local Governments, and Non-Profit Organizations*. These 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 Human Services Foundation, Inc.'s compliance with these 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 of Human Services Foundation, Inc.'s compliance with these requirements.

In our opinion, Human Services Foundation, Inc., complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1997.

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

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 federal program being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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 management of Human Services Foundation, Inc., and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

April 22, 1998



SUPPLEMENTARY INFORMATION

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 1997

<u>Name of Federal Program/Client</u>	<u>Federal CFDA Number</u>		<u>Federal Expenditures</u>
U. S. Department of Education Pass-through from Department of Social Services, Louisiana Rehabilitation Services Formula Grants for Vocational Rehabilitation	84.136A	\$	612,095
U. S. Department of Health and Human Services Pass-through from Department of Social Services, Office of Community Services Title IV-E, Independent Living Program	85.674	\$	91,212
U. S. Department of Health and Human Services Pass-through from Department of Health and Hospitals, Office of Mental Health Federal Block Grants for Community Mental Health Services	85.958	\$	47,423
U. S. Department of Health and Human Services Pass-through from Department of Health and Hospitals, Office of Alcohol and Drug Abuse Federal Block Grants for Alcohol and Drug Abuse	85.959	\$	476,344

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 1997

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

- Material weaknesses identified? ___ yes X no
- Reportable conditions identified that are not considered to be material weaknesses? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal controls over major programs:

- Material weaknesses identified? ___ yes X no
- Reportable conditions identified that are not considered to be material weaknesses? ___ yes X none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any such findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ___ yes X no

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

Year ended December 31, 1997

Section B- Summary of Auditors' Results (continued)

Identification of major programs:

<u>Name of Federal Program/Cluster</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U. S. Department of Education Pass-through from Department of Social Services, Louisiana Rehabilitation Services Formula Grants for Vocational Rehabilitation	84.126A	\$ 612,073
U. S. Department of Health and Human Services Pass-through from Department of Health and Hospitals, Office of Alcohol and Drug Abuse Federal Block Grants for Alcohol and Drug Abuse	93.959	\$ 436,044

Dollar threshold used to distinguish
between type A and type B programs: \$ 300,000

Auditor qualified as low-risk auditor? no X yes

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

Year Ended December 31, 1997

Section II - Financial Statement Findings

There were no findings relating to the financial statements for the year ended December 31, 1997.

HUMAN SERVICES FOUNDATION, INC.
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

Year Ended December 31, 1997

Section III - Federal Award Findings and Questioned Costs

There were no findings nor questioned costs relating to Federal awards and expenditures for the year ended December 31, 1997.