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**NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.**

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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 Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: ~~SEP 02 1997~~

**FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED DECEMBER 31, 1997  
(UNAUDITED COMPILATION)**

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**INDEPENDENT ACCOUNTANTS' REPORT**

To the Board of Directors  
**New Orleans Career Development  
Center, Inc.**  
3439 Rabol Drive  
New Orleans, LA 70111

We have compiled the accompanying balance sheet of **New Orleans Career Development Center, Inc. (the Center)** as of December 31, 1997 and the related statement of operations, retained earnings and cash flows for the six month period then ended, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Center's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Bruno & Tervalon*

**BRUNO & TERVALON**  
CERTIFIED PUBLIC ACCOUNTANTS

August 11, 1998

NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.  
BALANCE SHEET  
DECEMBER 31, 1997

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ASSETS

Current Assets:	
Cash	\$ 1,788
Grants receivable	8,590
Prepaid rent	<u>2,900</u>
Total current assets	12,278
Furniture and equipment (net of accumulated depreciation of \$1,704)	<u>15,318</u>
Total assets	<u>\$28,156</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities:	
Accounts payable	\$ 270
Refundable to grantor	1,500
Advances from stockholder	<u>8,925</u>
Total current liabilities	10,695
Stockholder's Equity:	
Common stock, no par value, 100 shares authorized, issued and outstanding	17,022
Retained earnings	<u>411</u>
Total stockholder's equity	17,433
Total liabilities and stockholder's equity	<u>\$28,156</u>

See Accountants' Compilation Report.

NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.  
STATEMENT OF OPERATIONS AND RETAINED EARNINGS  
FOR THE SIX MONTHS ENDED DECEMBER 31, 1997

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**REVENUE**

Grant - Federal agency	\$41,609
Grant - State agency	<u>31,189</u>
Total program revenue	52,798
Grant administrative fee - State agency	<u>3,813</u>
Total grant revenue	<u>56,611</u>

**EXPENSES**

Program Expenses:

Salaries and fringe benefits	27,523
Office and student supplies	1,109
Computer maintenance	1,500
Professional services	12,690
Building rent	2,500
Utilities	1,216
Telephone	1,247
Postage	<u>13</u>
Total program expenses	52,798

Management and administrative expenses	<u>1,630</u>
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Total program, management and administrative expenses before depreciation	54,428
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Depreciation	<u>1,204</u>
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Total expenses	<u>55,632</u>
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Net income	479
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Retained earnings, July 1, 1997	<u>0</u>
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Retained earnings, December 31, 1997	<u>\$ 479</u>
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See Accountants' Compilation Report.

NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.  
STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED DECEMBER 31, 1997

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Cash flows from Operating Activities:	
Net profit	\$ 479
Adjustments to reconcile net profit to net cash provided by operating activities:	
Depreciation	1,204
(Increase) in assets:	
(Increase) in grants receivable	(8,590)
(Increase) in prepaid rent	(2,500)
Increase in liabilities:	
Increase in accounts payable	270
Increase in refundable to grantor	<u>1,500</u>
Net cash used in operating activities	<u>(7,117)</u>
Cash flows from financing activities:	
Advances from stockholder	14,425
Repayments	<u>(5,500)</u>
Net cash provided by financing activities	<u>8,925</u>
Net increase in cash	1,788
Cash, beginning of year	<u>—</u>
Cash, end of year	<u>\$ 1,788</u>

See Accountants' Compilation Report.

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NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.

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INDEPENDENT ACCOUNTANTS' REPORT

ON APPLYING

AGREED-UPON PROCEDURES

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

**Bruno  
& Tervalon**

CERTIFIED PUBLIC ACCOUNTANTS

Release Date: \_\_\_\_\_

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**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLIED AGREED-UPON PROCEDURES**

Ms. Adelaide A. Farris  
New Orleans Career Development Center, Inc.

At your request, we have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **New Orleans Career Development Center, Inc. (the Center)** and the *Legislative Auditor, State of Louisiana*, and applicable state grantor agency solely to assist the users in evaluating management's assertion about the Center's compliance with certain laws and regulations during the six (6) months period ended December 31, 1997, included in the accompanying *Louisiana Attachment (Attachment)*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**FEDERAL, STATE, AND LOCAL AWARDS**

- Determine the amount of federal, state and local award expenditures for the six (6) months period, by grant and grant year.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLIED AGREED-UPON PROCEDURES  
(CONTINUED)**

The Center's federal and state award expenditures for the program for the six (6) months period follow:

Federal/State Grant Name	Grant Year	CFDA/ Budget No.	Amount
<b>FEDERAL AGENCY:</b>			
Administration for Children and Families--Job Opportunities and Basic Skills (JOBS) Training			
	1997/98	93.561	\$41,609
<b>STATE AGENCY:</b>			
Department of Social Services, Office of Family Support-Project Independence			
	1997/98	Budget Unit #10-8333	13,002
Total Expenditures			<u>\$54,611</u>

2. For each federal, state, and local award, we randomly select six (6) disbursements from each award administered during the period under examination, provided that no more than thirty (30) disbursements would be selected.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLIED AGREED-UPON PROCEDURES  
(CONTINUED)**

3. For the items selected in procedure 2, we trace the six (6) disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six (6) selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determine if the six (6) disbursements were properly coded to the correct fund and general ledger account.

The six (6) payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determine whether the six (6) disbursements received approval from proper authority.

Inspection of documentation supporting each of the six (6) selected disbursements indicated approvals from the President and Chief Executive Officer.

6. For the items selected in procedure 2: For federal awards, we determine whether the disbursements complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLIED AGREED-UPON PROCEDURES  
(CONTINUED)**

**Activities allowed or unallowed**

We reviewed the previously listed disbursements for types of services allowed or not allowed. The disbursements complied with the allowability requirements.

**Eligibility**

We reviewed the previously listed disbursements for eligibility requirements. All the disbursements met the eligibility requirements.

**Reporting**

We reviewed the previously listed disbursements for reporting requirements. All the disbursements were properly reported.

7. For the program selected for testing in item 2 that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

The six (6) disbursements selected were included in a federal program that has not closed out yet.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLIED-AGREED-UPON PROCEDURES  
(CONTINUED)**

**Meetings**

8. We examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:13 (the open meetings law).

*The Center is only required to post a notice of each meeting and the accompanying agenda on the door of the office building. We could find no evidence supporting such assertion.*

**Comprehensive Budget**

9. For all grants exceeding five (5) thousand dollars, we determined that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

*The Center provided comprehensive budgets to the applicable state grantor agency for the program mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing goals and objectives that included measures of performance.*

**Prior Comments and Recommendations**

10. There were no prior-year suggestions, recommendations, and/or comments to review. The program began in July 1997.

INDEPENDENT ACCOUNTANTS' REPORT  
ON  
APPLIED AGREED-UPON PROCEDURES  
(CONTINUED)

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

\*\*\*\*\*

This report is intended solely for the use of management of New Orleans Career Development Center, Inc. and the Legislative Auditor, State of Louisiana, and the applicable state grantor agency and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Bruno & Tervalon*  
BRUNO & TERVALON  
CERTIFIED PUBLIC ACCOUNTANTS

August 11, 1998

August 11, 1998,

**LOUISIANA ATTESTATION QUESTIONNAIRE**

Hiram B. Yarbrough, CPA  
650 N. Poydras St.  
New Orleans, La. 70119

In connection with your compilation of our financial statements as of December 31, 1997 and for the period then ended, and as required by Louisiana Revised Statute 24:305 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with the following laws and regulations pertain to making these presentations.

These representations are based on the information available to us as of December 31, 1997.

**Federal, State, and Local Awards**

We have detailed for you the amount of Federal, state and local award expenditures for the six month period.

(Yes)

All transactions relating to Federal, state and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

(Yes)

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

(Yes)

We have complied with all applicable specific requirements of all Federal, state, and local programs we administer, to include matters contained in Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

(Yes)

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by

LSA-018 42.0 through 42.12 (the open meeting law)  
(Yes)

### Budget



For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget (for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance).  
(Yes)

### Prior Year Comments

We have resolved all prior-year recommendations and/or comments.  
(N/A)

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contributions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

 Secretary/Treasurer 1/21/98 Date  
 President (CEO) 1/21/98 Date



NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.  
SUMMARY OF CURRENT YEAR FINDINGS

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**997-01 Open Meetings**

**Condition**

The Center's meetings, as they relate to public funds, have not been posted as an open meeting, as required by LSA-RS 42:1 through 42:12 (the open meeting laws).

**Recommendation**

We recommend that management make all necessary efforts to ensure all meetings are posted as required by law.

**Management's Response**

We agree with the findings on open meetings. The Center will comply in the future by posting Open Meetings on the front of the office building.

NEW ORLEANS CAREER DEVELOPMENT CENTER, INC.  
SUMMARY OF CURRENT YEAR FINDINGS, CONTINUED

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**#97-02 Annual Attestation**

**Condition**

The compilation/attestation of financial statements of the Center for the six (6) months ended December 31, 1997 was not completed within six (6) months in accordance with the Louisiana Revised Statute 24:513 and Section 329.01 of the Louisiana Governmental Audit Guide.

**Recommendation**

We recommend that management make all necessary efforts to ensure timely compilation/attestation of all the financial statements of the Center as required by law.

**Management's Response**

We agree with the findings on annual attestation. The Center will comply by having the attestation done in a timely manner in the future.