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FAMILIES HELPING FAMILIES

OF NORTHWEST LOUISIANA

SHREVEPORT, LOUISIANA

JUNE 30, 1967

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: MAY 13 1968

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FAMILIES HELPING FAMILIES OF NORTHWEST LOUISIANA

SHREVEPORT, LOUISIANA

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AUDITED FINANCIAL STATEMENTS

March 18, 1988

The Board of Directors
Families Helping Families of
Northwest Louisiana
Shreveport, Louisiana

Independent Auditor's Report

We have audited the statement of financial position of Families Helping Families of Northwest Louisiana at June 30, 1987, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Families Helping Families of Northwest Louisiana'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 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. 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 Families Helping Families of Northwest Louisiana at June 30, 1987, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated March 15, 1988 on our consideration of the organization's internal control structure and a report dated March 18, 1988 on its compliance with laws and regulations.

Heard, McElroy & Vestal, LLP

Receipt Acknowledged
Legislative Auditor

By: P. McElroy

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FAMILIES HELPING FAMILIES OF NORTHWEST LOUISIANA

STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 1997

ASSETS

Cash on hand	8
Grants receivable-Non J	28,816
Prepaid expenses	2,904
Furniture and equipment	3,677
Less-accumulated depreciation	<u>(857)</u>
Total assets	<u>28,198</u>

LIABILITIES AND NET ASSETS

Bank overdraft	1,689
Accounts payable	25,720
Total liabilities	27,399
Net assets-unrestricted and endowment	<u>12,400</u>
Total liabilities and net assets	<u>28,799</u>

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

<u>Parent and Professionals Collaboration</u>	<u>Parent Support</u>	<u>Assistive Technology Receipt</u>	<u>Total</u>
-	-	-	41,656
-	-	-	34,171
-	6,947	-	6,947
8,754	-	-	8,754
-	-	8,763	8,763
<u>8,754</u>	<u>6,947</u>	<u>8,763</u>	<u>95,251</u>
-	4,273	-	35,168
-	400	-	3,827
5,389	-	-	13,587
-	38	-	4,697
-	-	-	3,193
-	807	-	8,882
-	308	-	3,318
-	-	7,483	8,568
3,445	368	-	3,713
-	-	-	857
-	-	-	793
<u>8,754</u>	<u>8,383</u>	<u>7,483</u>	<u>21,609</u>
-	684	(640)	11,243
-	-	1,083	1,187
-	<u>684</u>	<u>443</u>	<u>12,482</u>

FAMILIES HELPING FAMILIES OF NORTHWEST LOUISIANA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 1992

<u>Cash flows from operating activities:</u>	
Change in net assets	11,242
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	837
(Decrease) in grants receivable	(17,419)
(Decrease) in prepaid expenses	(2,908)
Increase in accounts payable	18,137
(Decrease) in payroll liabilities	(41)
Total adjustments	<u>(8,579)</u>
Net cash provided by operating activities	1,872
<u>Cash flows from investing activities:</u>	
Purchase of furniture and equipment	<u>(3,872)</u>
Net cash (used) by investing activities	(3,872)
<u>Cash flows from financing activities:</u>	
Increase in bank credit	<u>1,608</u>
Net cash provided by financing activities	<u>1,608</u>
<u>Net (decrease) in cash and cash equivalents</u>	<u>(2,396)</u>
<u>Cash and cash equivalents beginning of year</u>	<u>2,694</u>
<u>Cash and cash equivalents end of year</u>	<u>28</u>

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

FAMILIES HELPING FAMILIES OF NORTHWEST LOUISIANA

NOTES TO FINANCIAL STATEMENTS

AT JUNE 30, 1992

I. Nature of Operations

Families Helping Families of Northwest Louisiana is a nonprofit service organization exempt from federal income taxation under Internal Revenue Code Section 501(c)(3). The purpose of the organization is to assist and strengthen families with disabilities in northwest Louisiana by providing a coordinated network of resources, support, and services, while respecting the ethnic, cultural, and racial diversity of these families. Revenues are derived primarily from state government grants, under third-party reimbursement plans, for the following purposes:

- Family Resource and Referrals - operate a comprehensive family resource center that provides information, referrals, workshops, and peer support for families of individuals with developmental disabilities or special needs.
- Conference Stipends - provide stipends to individuals with disabilities or their parents to enable them to attend certain workshops and conferences.
- Parent and Family Facilitator - provide parent-to-parent information, communication, and support about the services and supports which may be needed by individuals with developmental disabilities.
- Parent and Professionals Collaboration - provide parents and professionals with workshops, workshops, training and other educational opportunities regarding information and resources or disabilities.
- Parent Support - provide assistance to parents of children with special health needs through training and information sharing.
- Assistive Technology Access - provide stipends to individuals with disabilities and their family members to attend trainings and conferences focusing on assistive technology.

2. Summary of Significant Accounting Policies

(a) Financial Statement Presentation

Families Helping Families is required to report information regarding its financial position and activities based on the absence or existence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are subject to classification and reporting as follows:

Unrestricted net assets-Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the Board for specific purposes.

Temporarily restricted net assets-Net assets subject to donor-imposed stipulations that may or will be met by actions of the organization, and/or by the passage of time.

2. Summary of Significant Accounting Policies (Continued)

Permanently restricted net assets Net assets subject to donor-imposed stipulations that they be maintained permanently by the organization. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes.

There were no significant temporarily or permanently restricted net assets at June 30, 1997, or for the year then ended.

k) Contributions:

Any contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor-imposed restrictions. Contributions are recognized when the donor makes a promise to give to Families Helping Families that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in restricted 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.

l) Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

m) Cash Equivalents:

For purposes of the statement of cash flows, Families Helping Families considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents.

n) Furniture and Equipment:

Furniture and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over estimated useful lives of five years.

o) Advertising Costs:

Costs of advertising are expensed as incurred.

3. Grants Receivable

Grants receivable are summarized by source, as follows:

Louisiana Planning Council on Developmental Disabilities	700
Louisiana Office for Citizens with Developmental Disabilities	16,215
Louisiana Children's Special Health Services	2,288
Louisiana Department of Education	1,442
Other	12
Total	<u>\$20,657</u>

4. Rent Expense

Families Helping Families rents office and storage space under operating lease arrangements. The lease for office space runs for a term of one year at \$0,000 per year payable every four months. Storage space is leased on a month-to-month basis. There are no lease commitments in excess of one year at June 30, 1997.

3. Conditional Promises

Conditional promises consist of the unfunded portions of approved governmental grants, either currently in effect or approved for commencement after June 30, 1997. Future funding of such awards is conditioned upon the organization's operation of certain programs, incurrence of certain costs, and possibly meeting certain matching requirements. Because such awards represent conditional promises to Families Helping Families, they have not been recognized in the financial statements. Such conditional promises amounted to approximately \$5,700 as June 30, 1997.

OTHER REPORTS

March 18, 1998

The Board of Directors
Families Helping Families of
Northwest Louisiana
Shreveport, Louisiana

Report on Compliance with Laws and Regulations
Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards

We have audited the financial statements of the Families Helping Families of Northwest Louisiana as of and for the year ended June 30, 1997, and have issued our report thereon dated March 18, 1998.

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 misstatements.

Compliance with laws, regulations, contracts, and grants applicable to the Families Helping Families of Northwest Louisiana is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we performed tests of Families Helping Families of Northwest Louisiana'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 the following instances of noncompliance that are required to be reported under Government Auditing Standards:

1. The books of Families Helping Families reflect the maximum revenue amount of \$49,490 allowed by a grant from Louisiana Planning Council on Developmental Disabilities, but only \$18,241 had been received cumulatively through the June 1997 cost reimbursement billing. The July 1997 billing included an additional \$611 in costs related to pre-July 1, 1997 purchases, resulting in \$29 more in revenue recognized than actual reimbursable costs incurred as of the end of the fiscal year.
2. Under Louisiana Revised Statute 28:513(A)(5)(a), audits of quasi-public agencies must be issued within six months of the close of the entity's fiscal year. Because of the recent termination of Families Helping Families of Northwest Louisiana, turnover of management personnel, and unfamiliarity with audit requirements imposed by its grantors, the organization was not able to arrange for an audit until January 1998, resulting in its inability to comply with this requirement of state law.

The Board of Directors
Families Helping Families of
Northwest Louisiana
March 18, 1998
Page 2

We considered these instances of noncompliance in forming our opinion as whether Families Helping Families of Northwest Louisiana's 1997 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated March 25, 1998, on those financial statements.

This report is intended for the information of the board of directors, management, and the State of Louisiana Departments Education and Health and Hospitals. However, this report is a matter of public record and its distribution is not limited.

Richard M. Elroy & Vostal, Ltd

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March 18, 1998

The Board of Directors
Families Helping Families of
Northwest Louisiana
Shreveport, Louisiana

Report on the Internal Control Structure in Accordance with Government Auditing Standards

We have audited the financial statements of Families Helping Families of Northwest Louisiana as of and for the year ended June 30, 1997, and have issued our report thereon dated March 18, 1998.

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 misstatements.

The management of Families Helping Families of Northwest Louisiana 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 recorded 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 work of the financial statements of Families Helping Families of Northwest Louisiana for the year ending June 30, 1997, 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.

HMV

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We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data in a manner that is consistent with the assertions of management in the financial statements. We noted the following reportable conditions.

- a. Testing of bank reconciliations at the beginning and end of the fiscal year revealed numerous cash receipts and checks written after the end of a given fiscal year, but that were erroneously included as a cash transaction in that fiscal year. Such transactions pertaining to a given fiscal period, should be included in that period by means of accrual as a payable or receivable if the related cash transaction occurs in the subsequent fiscal period.
- b. Our review of the board minutes of the organization indicates the lack of certain necessary formalities in their reconciliation. All minutes should be signed by the recording secretary or clerk, and by the presiding officer. In addition, the minutes should specifically cite the approval or acceptance by the board of the minutes of the prior meeting.

A material weakness is a reportable 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 or irregularities 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we consider the reportable conditions noted above to be material weaknesses. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of Families Helping Families of Northwest Louisiana for the year ended June 30, 1997.

This report is intended for the information of the board of directors, management, and the State of Louisiana Department of Education and Health and Hospitals. However, this report is a matter of public record and its distribution is not limited.

Richard J. Elsky & Vothal, LLP