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Financial Report

Volunteer and Information Agency, Inc.

June 30, 1997

Under provisions of State law, this report is a public document. A copy of the report has been furnished to the audited, or reviewed, entity and other appropriate public officials. This 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 NOV 19 1997

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June 30, 1997

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Special Reports of Certified Public Accountants

**Independent Auditor's Report on Compliance and
on Internal Control over Financial Reporting
Based on an Audit of Financial Statements
Performed in Accordance with Government
Auditing Standards**



Bougeois Bennett

INDEPENDENT AUDITOR'S REPORT

The President and Board of Directors
Volunteer and Information Agency, Inc.,
New Orleans, Louisiana.

We have audited the accompanying statement of financial position of Volunteer and Information Agency, Inc. (a nonprofit organization) as of June 30, 1997 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency'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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 Volunteer and Information Agency, Inc. as of June 30, 1997 and the changes in its net assets 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 our report dated October 8, 1997 on our consideration of Volunteer and Information Agency, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
October 8, 1997.

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STATEMENT OF FINANCIAL POSITION

Volunteer and Information Agency, Inc.

June 30, 1997

Assets

Cash and cash equivalents	\$ 4,175
Certificates of deposit	34,132
Unconditional promises to give:	
United Way funding for next year:	
United Way allocations	207,958
United Way designation	2,203
Accounts receivable	32,649
Inventory of directorates (at cost)	9,358
Prepaid expenses	616
Equipment, furniture and fixtures at cost \$106,759 net of accumulated depreciation of \$ 51,772	<u>48,987</u>
Total assets	\$ 380,078

Liabilities

Accounts payable	\$ 18,145
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Net Assets

Unrestricted	148,473
Temporarily restricted	<u>232,460</u>
Total net assets	<u>361,003</u>

Total liabilities and net assets	\$ 380,078
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See notes to financial statements.

STATEMENT OF ACTIVITIES

Volunteer and Information Agency, Inc.

For the year ended June 30, 1997

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Public Support and Revenues			
Allocations by United Way:			
New Orleans United Way allocations		\$ 382,185	\$ 382,185
New Orleans United Way designations		2,281	2,281
Other United Way allocations		26,780	26,780
Contributions	\$ 182,537	6,720	189,257
Program service fees	37,968		37,968
Contract for services	254,560		254,560
Sales of directories, net of direct cost	18,349		18,349
Sales to public - other	8,517		8,517
Grants	43,658		43,658
Miscellaneous income	1,898		1,898
Investment income	2,880		2,880
	<u>470,287</u>	<u>377,889</u>	<u>848,176</u>
Net assets released from restrictions:			
New Orleans United Way allocations	380,781	(288,701)	
Other United Way allocations	31,085	(31,805)	
Christmas Bureau	27,167	(27,367)	
	<u>399,033</u>	<u>(347,873)</u>	<u>51,160</u>
Total public support and revenues	<u>729,320</u>	<u>(10,984)</u>	<u>718,336</u>
Expenses			
Program services:			
Information and referral/crisis intervention	458,348		458,348
Volunteer Center:			
Browse program	34,458		34,458
Other programs	179,289		179,289
Total program services	<u>682,995</u>		<u>682,995</u>
Supporting services - management and general	<u>42,874</u>		<u>42,874</u>
Total expenses	<u>725,869</u>		<u>725,869</u>
Change in net assets	<u>3,991</u>	<u>(21,180)</u>	<u>(17,189)</u>
Net Assets			
Beginning of year, as restated	145,852	234,644	379,736
End of year	<u>\$ 148,473</u>	<u>\$ 213,464</u>	<u>\$ 361,937</u>

See notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

Volunteer and Information Agency, Inc.

For the year ended June 30, 1987

Expenses	Information and Referral/ Citizen Intervention Center	Program Services			Supporting Services Management and General	Totals
		Volunteer Center		Total		
		Drawn Program	Colter Program			
Salaries	\$ 293,144	\$ 28,134	\$ 84,843	\$ 406,121	\$ 6,817	\$ 412,938
Employee health and retirement benefits	8,368	95	4,842	14,305	668	15,063
Payroll taxes	27,212	1,787	8,862	37,861	1,154	39,015
Total salaries and related expenses	328,724	28,196	97,547	454,467	8,639	463,106
Professional fees	28,568	543	6,564	35,675	9,133	44,808
Office supplies	13,288	1,215	18,149	32,652	2,814	35,466
Telephones	21,587	168	218	21,973	1,465	23,438
Postage	3,500	515	4,684	8,700	2,368	11,107
Occupancy	31,000		8,243	39,243	4,666	43,909
Rentals and equipment maintenance	6,905		1,860	8,765	838	9,603
Depreciation	8,971		3,849	12,820	1,424	14,244
Printing and publications	18,143	1,029	8,296	28,068	3,728	31,796
Travel	3,000	787	2,297	6,084	718	6,802
Conferences and conventions	15,541	1,758	18,638	35,937	2,384	38,321
Membership dues	1,043		835	1,878	708	2,586
Awards / grants			18,287	18,287		18,287
Miscellaneous expense	583		212	795	3,719	4,514
Total expenses	\$ 468,285	\$ 34,458	\$ 129,582	\$ 632,325	\$ 42,874	\$ 675,200

See notes to financial statements.

STATEMENT OF CASH FLOWS

Volunteer and Information Agency, Inc.

For the year ended June 30, 1997

Cash Flows From Operating Activities	
Change in net assets	\$ (17,793)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	14,244
Increase in unconditional promises to give	537
Increase in accounts receivable	(18,981)
Decrease in inventory of donations	11,254
Decrease in prepaid expenses	362
Increase in accounts payable	11,240
Total adjustments	18,756
Net cash provided by operating activities	963
Cash Flows From Investing Activities	
Purchases of equipment and furniture and fixtures	(12,454)
Decrease in cash and cash equivalents	(12,497)
Cash and Cash Equivalents	
Beginning of year	16,662
End of year	\$ 4,175

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Volunteer and Information Agency, Inc.**

June 30, 1997

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Organization and Nature of Business**

VIA is a not-for-profit corporation located in the Greater New Orleans area that coordinates volunteer efforts in the region and operates a 24-hour crisis-intervention line.

b) Financial Statement Presentation

The Agency's financial statements comply with Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-For-Profit Organizations. Under SFAS No. 117, the Agency reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Agency is required to present a statement of cash flows.

Unrestricted net assets represent resources over which the Board of Directors has discretionary control and are used to carry out the operations of the organization in accordance with its bylaws.

Temporarily restricted net assets represent resources currently available for use, but expendable only for those purposes specified by the donor. Resources of this kind originate from contributions.

The Agency has no permanently restricted net assets.

c) Estimates

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Cash and Cash Equivalents

For purpose of cash flows, the Agency considers highly liquid investments with a maturity of three months or less to be cash equivalents.

e) Contributions

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

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

f) Promises to Give

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

g) Equipment, Furniture and Fixtures, and Depreciation

Depreciation of equipment is provided over the estimated useful lives of the assets on a straight-line basis. Depreciation expense for the year ended June 30, 1997 was \$14,244.

h) Functional Expenses

VIA allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by a predetermined allocation percentage, which is reviewed annually.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Functional Expenses (Continued)

VIA's principal programs comprise:

Information and Referral/Crisis-Intervention Center

This program provides individuals and organizations with information and referral to appropriate community resources while working with human service organizations to promote an effective network of human service organizations to promote an effective network of human service delivery. It also provides crisis counseling and operates a 24-hour crisis-intervention / suicide prevention service which counsels individuals in crisis situations.

Volunteer Center

This program develops volunteer resources to meet community needs by promoting volunteers and the professional development of volunteer programs and by referring volunteers and groups for service in community agencies and operates a Christmas Bureau which counsels with donors regarding gifts to individuals and agencies with special needs.

i) Tax-Exempt Status

VIA qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986.

Note 2 - RESTRICTIONS ON ASSETS

Temporarily restricted net assets are restricted by the donor for specific programs, purposes, or to assist specific programs of the Agency. These restrictions are considered to expire when payments for restricted purposes are made. The activity in temporarily restricted net assets for the year ended June 30, 1997 was as follows:

Note 2 - RESTRICTIONS ON ASSETS (Continued)

	Balance July 1, 1996	Public Support	Released From Restrictions	Balance June 30, 1997
United Way Funding For Next Year	\$210,698	\$231,369	\$(231,700)	\$210,367
Christmas Bonus	23,846	6,720	(27,367)	3,299
Total	\$234,544	\$238,089	\$(259,067)	\$213,566

Note 3 - CONTRACTS FOR SERVICES

The Agency operates a 24-hour crisis-intervention line and gambling hotline. The Agency has a contract with the State of Louisiana to receive reimbursements of part of the cost of operating these programs. Reimbursement from the State for the year ended June 30, 1997, was \$226,049, of which \$45,485 was recorded as a receivable at year end. The contracts were renewed for the year ending June 30, 1998 for an amount not to exceed \$155,400.

Note 4 - GRANTS

The Agency was the recipient of the following grants:

The New Orleans Council on Aging grants funds for the Senior Adult Information and Referral Program. A grant of \$5,000 was received during the year ended June 30, 1997.

The Department of Health and Hospitals grants funds to provide after hours mental health services for clients of the mental health clinics for Region 9. Grants of \$4,200 was received during the year ended June 30, 1997.

The Brown Foundation established a program that provides monetary awards to students, in local area schools, for their efforts in volunteer and community service. The Agency administers this program. During the year ended June 30, 1997, the Agency received a grant of \$34,458.

Note 5 - LEASE COMMITMENT

The Agency's office facilities are rented.

The lease term is for five years commencing on August 26, 1995 and ending on August 25, 2000. Future fixed rentals under the lease are as follows:

1998	\$ 39,038
1999	40,050
2000	34,013
2001	<u>8,508</u>
Total	<u>\$122,309</u>

Rent expense for the year ended June 30, 1997, was \$43,138. The lease contains an option to renew for one year with terms to be negotiated at the time the option is exercised.

Note 6 - CHANGE IN ACCOUNTING PRINCIPLES FOR CONTRIBUTIONS

Effective July 1, 1996, the Agency adopted Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made." The Agency previously recorded United Way allocations as revenues in the period to which they related. In accordance with SFAS No. 116, the Agency must record as revenue the United Way allocations and designations when they receive notification on the funding. The July 1, 1996 temporarily restricted net assets were restated by \$210,698 to reflect United Way allocations for the period July 1, 1996 through June 30, 1997, since the Agency was notified of these amounts prior to June 30, 1996. At June 30, 1997, \$210,661 was recorded as unconditional promises to give and temporarily restricted revenue to reflect United Way funding for the period July 1, 1997 through June 30, 1998 in which the Agency was notified prior to June 30, 1997.



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Volunteer and Information Agency, Inc.
New Orleans, Louisiana

We have audited the financial statements of Volunteer and Information Agency, Inc. (a nonprofit organization) as of and for the year ended June 30, 1997, and have issued our report thereon dated October 8, 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 Volunteer and Information Agency, 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Volunteer and Information Agency, 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 operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and the Louisiana Department of Health and Hospitals, Division of Mental Health. However, this report is a matter of public record, and its distribution is not limited.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

New Orleans, La.,
October 8, 1997.



Ernst & Young

October 8, 1997

Finance Committee
Volunteer & Information Agency, Inc.
4747 Easton Blvd., Suite 200
New Orleans, LA 70125

We have audited the financial statements of Volunteer & Information Agency, Inc. for the year ended June 30, 1997, and have issued our report thereon dated October 8, 1997. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

Our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defraudations, may exist and not be detected by us.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Volunteer & Information Agency, Inc. are described in Note 1 to the financial statements. We noted no transactions entered into by the Agency during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, of transactions for which there is a lack of authoritative guidance or consensus.

Change in Accounting Principles for Contributions

The Agency adopted Statement of Financial Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made. In accordance with this statement, United Way allocations are recorded as revenue when notification is received.

Finance Committee
Volantour & Information Agency, Inc.
October 8, 1987
Page 2

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Agency that could potentially cause future financial statements to be materially misstated, even though we have concluded that such adjustments are not material to the current financial statements. We did not make any material audit adjustments during our recent examination.

This information is intended solely for the use of the Finance Committee, Board of Directors, and management of Volantour & Information Agency, Inc. and should not be used for any other purpose. I would be glad to discuss this letter or any matters that come to your attention.

Very truly yours,



For the Firm

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