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## DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION

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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 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 AUG 12 1998

**FINANCIAL AND COMPLIANCE AUDIT**

**TOGETHER WITH**

**INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 1997**

**Bruno**

CERTIFIED PUBLIC ACCOUNTANTS

**& Tervalon**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
**Dryades Young Men's Christian Association**

We have audited the accompanying statement of financial position of **Dryades Young Men's Christian Association (the Association)** as of December 31, 1997, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of **the Association'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 **the Association** as of December 31, 1997, and the changes in its net assets and cash flows for the year then ended in conformity with generally accepted accounting principles.

**INDEPENDENT AUDITORS' REPORT**  
**(CONTINUED)**

To the Board of Directors  
**Dryades Young Men's Christian Association**  
Page 2

In accordance with *Government Auditing Standards*, we have also issued a report dated May 29, 1998 on our consideration of **the Association's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

May 29, 1998



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR 1996**

**ASSETS**

	<u>1997</u>	<u>1996</u>
Cash and cash equivalents (NOTE 2)	\$103,928	\$ 65,715
Grants receivable (NOTE 14)	99,372	30,495
Amounts receivable	27,002	-0-
United Way funding (NOTE 7)	320,034	219,585
Prepaid and other assets	35,159	52,957
Cash surrender value of life insurance (NOTE 9)	8,227	33,658
Investments (NOTE 7)	6,837	10,103
Land (NOTE 11)	70,704	70,704
Property and equipment, net of accumulated depreciation (NOTES 3 and 11)	<u>307,931</u>	<u>329,856</u>
Total assets	<u>\$979,194</u>	<u>\$813,073</u>

**LIABILITIES AND NET ASSETS**

**Liabilities**

Accounts payable and other liabilities	\$211,576	\$169,038
Salaries, taxes and other payables (NOTE 13)	20,035	26,977
Deferred revenue (NOTE 14)	65,687	33,696
Unearned grant - Due from City of New Orleans	75,000	-0-
Notes payable (NOTE 4)	<u>18,224</u>	<u>40,174</u>
Total liabilities	<u>390,522</u>	<u>269,885</u>

**CONTINGENCIES AND COMMITMENTS**  
**(NOTES 10 and 12)**

-0-                      -0-

**Net assets:**

Unrestricted	261,801	313,500
Temporarily restricted (NOTE 7)	320,034	219,585
Permanently restricted (NOTE 7)	<u>6,837</u>	<u>10,103</u>
Total net assets	<u>588,672</u>	<u>543,188</u>

Total liabilities and net assets	<u>\$979,194</u>	<u>\$813,073</u>
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The accompanying notes are an integral part of these  
financial statements.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996**

	UNRESTRICTED NET ASSETS	TEMPORARILY RESTRICTED NET ASSETS	PERMANENTLY RESTRICTED NET ASSETS	1997	1996
<u>SUPPORT AND REVENUE</u>					
Support:					
Grants - City of New Orleans	\$ 195,970	\$ -0-	\$ -0-	\$ 195,970	\$ 222,069
Grants - State of Louisiana	232,497	-0-	-0-	232,497	241,192
Volunteers of America	4,999	-0-	-0-	4,999	10,496
In-kind (NOTE 8)	89,008	-0-	-0-	89,008	57,593
United Way Allocation - current year (NOTE 7)	203,307	-0-	-0-	203,307	-0-
United Way Designations	6,789	-0-	-0-	6,789	-0-
CFC Designations	7,563	-0-	-0-	7,563	-0-
Net assets released from restriction:					
Expiration of time					
restriction - United Way - current year	-0-	(219,585)	-0-	(219,585)	116,415
United Way funding for the next periods	<u>-0-</u>	<u>320,034</u>	<u>-0-</u>	<u>320,034</u>	<u>219,585</u>
Total support	<u>740,133</u>	<u>100,449</u>	<u>-0-</u>	<u>840,582</u>	<u>867,350</u>

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



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996**

	UNRESTRICTED NET ASSETS	TEMPORARILY RESTRICTED NET ASSETS	PERMANENTLY RESTRICTED NET ASSETS	1997	1996
Revenue:					
Membership dues	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 100
Program income and fees	25,135	-0-	-0-	25,135	30,249
Bingo revenue	-0-	-0-	-0-	-0-	357,853
Self support revenue	115,765	-0-	-0-	115,765	107,061
Interest income	106	-0-	72	178	291
Rental income	11,118	-0-	-0-	11,118	45,352
Contributions and donations	60,007	-0-	-0-	60,007	197,793
Other	<u>9,994</u>	<u>-0-</u>	<u>-0-</u>	<u>9,994</u>	<u>9,575</u>
Total revenue	<u>222,125</u>	<u>-0-</u>	<u>72</u>	<u>222,197</u>	<u>748,274</u>
Total support and revenue	<u>962,258</u>	<u>100,449</u>	<u>72</u>	<u>1,062,779</u>	<u>1,615,624</u>

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

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996**

	UNRESTRICTED NET ASSETS	TEMPORARILY RESTRICTED NET ASSETS	PERMANENTLY RESTRICTED NET ASSETS	1997	1996
Expenses:					
Program services	\$ 745,724	\$ -0-	\$ -0-	\$ 745,724	\$1,108,919
Management and general	<u>271,571</u>	<u>-0-</u>	<u>-0-</u>	<u>271,571</u>	<u>296,566</u>
Total expenses	<u>1,017,295</u>	<u>-0-</u>	<u>-0-</u>	<u>1,017,295</u>	<u>1,405,485</u>
Increase (decrease) in net assets	(55,037)	100,449	72	45,484	210,139
Operating transfer in (out)	3,338	-0-	(3,338 )	-0-	-0-
Net assets, beginning of year	<u>313,500</u>	<u>219,585</u>	<u>10,103</u>	<u>543,188</u>	<u>333,049</u>
Net assets, end of year	<u>\$ 261,801</u>	<u>\$320,034</u>	<u>\$ 6,837</u>	<u>\$ 588,672</u>	<u>\$ 543,188</u>

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

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

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

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996**

	<u>1997</u>	<u>1996</u>
Cash flow from Operating Activities:		
Increase in net assets	\$ 45,484	\$210,139
Adjustments to reconcile change in net assets to net cash provided by (used) in operating activities:		
Depreciation	26,253	25,443
Changes in assets and liabilities:		
Decrease (increase) in:		
Amounts receivable	(27,002)	-0-
Grants receivable	(68,877)	164,156
Prepaid and other assets	17,798	(19,147)
United Way funding	(100,449)	(118,095)
Cash surrender value of life insurance	25,431	(33,658)
Increase (decrease) in:		
Accounts payable and other liabilities	42,538	(157,103)
Salaries, taxes and other payables	(6,942)	(53,798)
Deferred revenue	31,991	(41,150)
Unearned grant - Due from City of New Orleans	<u>75,000</u>	<u>-0-</u>
Net cash provided by (used) in operating activities	<u>61,225</u>	<u>(23,213)</u>
Cash flow from Investing Activities:		
Proceeds from investments	3,266	2,643
Retirements	<u>(4,328)</u>	<u>(3,499)</u>
Net cash used in investing activities	<u>(1,062)</u>	<u>(856)</u>
Cash flow from financing activities:		
Repayment of notes payable	(21,950)	(19,683)
Proceeds from notes payable	<u>-0-</u>	<u>43,520</u>
Net cash provided by (used) in investing activities	<u>(21,950)</u>	<u>23,837</u>
Increase (decrease) in cash and cash equivalents	38,213	(232)
Cash and cash equivalents, beginning of year	<u>65,715</u>	<u>65,947</u>
Cash and cash equivalents, end of year	<u>\$103,928</u>	<u>\$ 65,715</u>
Interest paid	<u>\$ 2,348</u>	<u>\$ 13,059</u>

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

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 1 - Background and General Data:**

**Background**

**Dryades Young Men's Christian Association (the Association)** is a non-profit corporation organized under the laws of the State of Louisiana. **The Association** is primarily engaged in providing community services that consist of youth development, counseling, crime reduction and physical education activities. **The Association** also administers Job Training, Food Service, Day Care and Adolescent Drug Free Rehabilitation Programs through grants received from the City of New Orleans, the State of Louisiana and the United Way of Greater New Orleans.

**General**

As of December 31, 1997 **the Association** administered the following funds, programs and grants:

- o General Fund
- o Building Rental Fund
- o Food Service
- o Dynasty Place
- o School of Commerce
- o Community Development Block Grant - YMCA Renovation
- o Community Development Block Grant - Philip Street Renovation
- o Drug Abuse and Abatement
- o YMCA Bingo
- o Youth Development and Outreach
- o Endowment Fund - Restricted

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 1 - Background and General Data, Continued:

Below is a brief description of each fund, program or grant administered:

o General Fund

Included in the general fund of **the Association** are the following:

- o Support from United Way of Greater New Orleans;
- o Support from the State of Louisiana Block Grant-Vendor and Project Independence Payments (Infant Day Care);
- o Membership Dues;
- o Program Income and Fees;
- o Special Events - Self Support;
- o Public Contributions and Donations;
- o Support from the Orleans Private Industry Council (OPIC);
- o Support from Volunteers of America;
- o Support from State of Louisiana Department of Education for Church-Based Tutorial Program;
- o Support from Great Expectations Foundation; and
- o Support from CNO/NFL-YET Program.

The resources of the general fund are used to fund the operations of **the Association** that are not directly covered by specific programs or grants administered by **the Association**.

o Building Rental Fund

Premises located at 2226-28 Oretha Castle Haley Boulevard were purchased with the intention of providing expansion opportunities for **the Association** in the near future.

o Food Service

The Food Service Program, funded by the State of Louisiana Department of Education, provides nutritional supplements to the children enrolled in the Infant Day Care Program.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 1 - Background and General Data, Continued:

o Dynasty Place

Dynasty Place, funded by the United Way of Greater New Orleans, provides for the operation of an Adolescent Drug Free Rehabilitation Program.

o School of Commerce

The School of Commerce, funded by the City of New Orleans - Orleans Private Industry Council through the Job Training Partnership Act and the State of Louisiana - Project Independence, provides job training to youths and unskilled adults for entry into the labor force, counseling and placement into unsubsidized employment. This program also provides job training to those economically disadvantaged individuals facing special need of such training to obtain productive employment.

o Community Development Block Grant - YMCA Renovation

The Community Development Block Grant funds, provided by the City of New Orleans, are used to have certain improvements made to **the Association's** building. Under the terms of the agreement with the City of New Orleans, all funds are provided on a cost reimbursement basis. The funds are in the form of a deferred loan with a term co-existent with use restrictions of five (5) years. The first anniversary date of the loan shall be one (1) year after the improvements are completed. On each anniversary date of the loan, the sum of \$100,000 will be forgiven, subject however, to the proviso that should **the Association** for any reason sell or convert the property into an ineligible Community Development Block Grant use, the then fair market value of the property shall become immediately due and payable to the City.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 1 - Background and General Data, Continued:

o Community Development Block Grant - Philip Street Renovation

The Community Development Block Grant funds, provided by the City of New Orleans, are used to have certain improvements made to a building owned by the New Orleans Youth Foundation for the purpose of providing a day care facility for **the Association**. Under the terms of the agreement with the City of New Orleans, all funds are provided on a cost reimbursement basis. The funds are in the form of a deferred loan with a term co-existent with use restrictions of five (5) years. The first anniversary date of the loan shall be one (1) year after the improvements are completed. On each anniversary date of the loan, (December 31), the sum of \$76,000 (seventy-six thousand dollars) will be forgiven, subject however to the proviso that should **the Association** for any reason sell or convert the property into an ineligible Community Development Block Grant use, the then full market value of the property shall become immediately due and payable to the City.

o Drug Abuse and Abatement

The Drug Abuse and Abatement program is funded by the City of New Orleans and the United Way of Greater New Orleans for the purpose of identifying, recruiting and counseling youth to prevent drug abuse or related problems. Under the terms of the agreement with the City of New Orleans, all funds are provided on a cost reimbursement basis.

o YMCA Bingo

The YMCA Bingo Fund is established to account for the revenue and expenses generated in the course of operating bingo fundraisers held by **the Association**.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 1 - Background and General Data, Continued:

o Youth Development and Outreach

The Youth Development and Outreach Programs are funded by resources from both the general fund and United Way for the purpose of contacting, counseling and providing follow-up for youth and their families to aid in reducing crime and loitering by youth in the district.

o Endowment Fund - Restricted

This Fund is established to account for the revenue and expenses related to a restricted donation received by **the Association** in 1987 (see NOTE 7).

o Volunteers of America

The Volunteers of America grant is designated to provide summer camp services to youth.

Financial Statement Presentation

Certain reclassifications have been made to prior years' financial statements to conform to the current year's presentation.

NOTE 2 - Summary of Significant Accounting Policies:

Principles of Accounting

The financial statements of each of **the Association's** funds are prepared in accordance with generally accepted accounting principles, and are prepared on the accrual basis.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Promises to Give

Contributions are recognized when the donor makes a promise to give to **the Association** 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 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 Association** uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At December 31, 1997 no allowance for uncollectible amounts is considered necessary.

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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Funding

**The Association** receives its primary funding through support from the United Way of Greater New Orleans, grants from the State of Louisiana and the City of New Orleans, program fees, membership dues, and special events (primarily other fundraisers).

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Contributed Services

During the year ended December 31, 1997, the value of contributed services meeting the requirements for recognition in **the Association's** financial statements was not material and has not been recorded.

Property and Equipment

**The Association** follows the practice of capitalizing all property and equipment expenditures over \$500. Depreciation is computed under the straight-line method for all depreciable assets over their respective estimated useful lives.

**The Association's** building located at 2220 Oretha Castle Haley Boulevard is fully depreciated. Building improvements are depreciated over a ten-year period and equipment is depreciated over a five-year period.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

For purposes of the statement of cash flows, **the Association** considers all investments with original maturities of three months or less to be cash equivalents.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Financial Statement Presentation

In June 1993, the Financial Accounting Standards Board (FASB) issued two (2) new pronouncements: Statement of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made and SFAS No. 117, Financial Statements of Not-for-Profit Organizations.

Under SFAS No. 116, **the Association** must recognize contributions received as revenue, including unconditional promises to give, in the period received at their fair value. At the same time, contributions made, including unconditional promises to give, must be recognized as expenses in the period made at their fair value.

Under SFAS No. 117, **the Association** is required to report 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 Association** is required to present a statement of cash flows.

Fair Value of Financial Instruments

The estimated fair value of all significant financial statement amounts have been determined by **the Association** using available market information and appropriate valuation methodologies.

**The Association** considers the carrying amounts of cash, investments, promises due in less than one year, accounts payable, accrued and other liabilities and notes payable to be at fair market.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Total Column on Statements

The total column on the statements in the supplementary information section of this report is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Such data is not comparable to a consolidation.

Investments

**The Association** has elected to adopt SFAS No. 124, "Accounting for Investments Held by Not-for-Profit Organizations," in 1997. Under the SFAS, investments in marketable securities with readily determinable fair values and all debt securities are reported at their fair values. At December 31, 1997 there are no unrealized gains and/or losses.

Total Column on Statements

Comparative total data for the prior year have been presented in the accompanying financial statements to provide an understanding of changes in **the Association's** financial position and results of operations.

NOTE 3 - Property and Equipment:

At December 31, 1997 property and equipment consisted of the following:

Building and building improvements	\$ 861,046
Furniture and Equipment	247,261
Less-accumulated depreciation	<u>(800,376)</u>
Total	<u>\$ 307,931</u>

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 4 - Notes Payable:

At December 31, 1997 note payable consisted of the following:

11.0% unsecured note payable to a bank due at maturity plus interest, maturing on April 15, 2000	<u>\$18,224</u>
Total	<u>\$18,224</u>

NOTE 5 - Income Taxes:

**The Association** is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 6 - Pension Plan:

**The Association** has a defined contribution retirement plan for all employees with a year or more of service. The Association contributes for each eligible employee 7% of their respective gross salary. Pension costs are funded on a current basis. **The Association's** total pension costs for 1997 was \$24,053.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 7 - Restricted Net Assets:

At December 31, 1997 temporarily and permanently restricted assets consisted of the following:

<u>Description</u>	<u>Cost</u>	<u>Market</u>
<u>Temporarily Restricted</u>		
United Way Services funding	\$320,034	\$320,034
Total temporarily restricted assets	\$320,034	\$320,034

The United Way Services funding covers the period January 1998 through June 1999. All funds are receivable within one year. Allowance for estimated uncollectable receivables as of December 31, 1997 is \$-0-.

Permanently Restricted

Endowment Fund:

Investment in Y-Mutual Insurance, Ltd.	\$ 5,635	\$ 5,635
Endowment Trust Fund	<u>1,202</u>	<u>1,202</u>
Total permanently restricted assets	\$ <u>6,837</u>	\$ <u>6,837</u>

In accordance with donor stipulations **the Association** may utilize interest earned from the restricted endowment fund investments for general operations.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

---

NOTE 7 - Restricted Net Assets, Continued:

During 1997, net assets were released from United Way Service restrictions by incurring expenses satisfying the restricted purposes as follows:

Youth Development and Outreach/Ponchartrain Park	\$106,801
Infants Day care/Food Service	36,670
Dynasty Place/Drug Contract Period	34,586
Midnight Basketball	<u>25,250</u>
Total United Way Allocation	<u>\$203,307</u>

NOTE 8 - In-kind Support:

For the year ended December 31, 1997, **the Association** provided in-kind support as required by agreements with the City of New Orleans for the Drug Abuse and Abatement Program in the amount of \$89,008. The amount required by the City of New Orleans in those contracts was \$89,008.

NOTE 9 - Cash Surrender Value of Life Insurance:

**The Association** is the beneficiary of insurance policies on the lives of six(6) officers of **the Association**. At December 31, 1997, the total cash surrender value on these life insurance policies was \$8,227.

NOTE 10 - Litigation:

Representation from **the Association's** Counsel reflects one (1) pending or threatened claim in which counsel's representation indicates plaintiff is seeking recovery of damages. The matters involves a situation in which the plaintiff alleges that **the Association** failed to remit payments in the amount of \$226,185 under a general construction contract. Counsel indicates that the case is scheduled for trial in September, 1998 and is unable to determine the potential outcome until that process has been completed.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 10 - Litigation, Continued:

At December 31, 1997 and May 29, 1998, no provision has been recorded by **the Association** in its financial statements for any possible losses related to these matters.

NOTE 11 - Contributed Capital:

Contributed capital represents those funds received by **the Association** under its Community Development Block Grant (CDBG) renovation programs from the City of New Orleans to improve certain properties owned by **the Association** and the Foundation as well as donations of property from private donors.

NOTE 12 - Contingencies and Commitments:

**The Association** is a recipient of grants from the State of Louisiana, the City of New Orleans and the United Way of Greater New Orleans. These grants are governed by various guidelines, regulations and contractual agreements.

The administration of the program and activities funded by these grants is under the control and administration of **the Association** and is subject to audit and/or review by the applicable funding sources. Any grants or award funds found to be not properly spent in accordance with the terms, conditions and regulations of the funding sources may be subject to recapture.

At December 31, 1997, forty-six (46) percent of **the Association's** operating revenue is derived from grants.

**The Association** leases a certain office space under an operating lease expiring August 31, 1998.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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NOTE 12 - Contingencies and Commitments, Continued:

Also, **the Association** leases two photocopy machines under operating leases expiring in 1999.

Minimum future rental payments under these operating leases having remaining terms in excess of one year as of December 31, 1997 and for subsequent years are as follows:

Year Ended December 31,

1998	\$31,493
1999	<u>2,511</u>
	<u>\$34,004</u>

Rental expense for the year ended December 31, 1997 under these leases was \$46,798.

**The Association** has executed multi-year contracts with the State of Louisiana for its Nursing Assistants, Office Administration and Office Occupation programs that expire in 1998. The funding of approximately \$235,000 for the periods subsequent December 31, 1997 is subject to and conditional upon the availability and appropriation of Federal and/or State funds.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS, CONTINUED**

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**NOTE 13 - Salaries, Taxes and Other Payables:**

At December 31, 1997 salaries, taxes and other payables consisted of the following:

Salaries payable	\$ 7,157
Taxes payable	2,844
Other withholdings payable	<u>10,034</u>
Total	<u>\$20,035</u>

**NOTE 14 - Deferred Revenue:**

Deferred revenue represent contracts (tuition based program) for which revenue will be recognized in subsequent year as the services are rendered.

**NOTE 15 - Risk Management:**

**The Association** is exposed to various risk of loss related to torts; theft of; damage to and destruction of assets for which **the Association** carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

## **SUPPLEMENTARY INFORMATION**

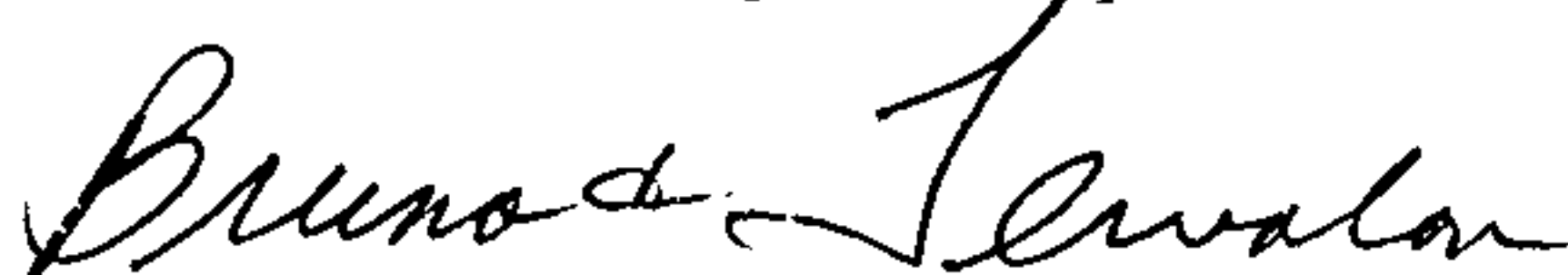
**INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION**

To the Board of Directors  
**Dryades Young Men's Christian Association**

Our report on the audit of the financial statements of **Dryades Young Men's Christian Association** as of and for the year ended December 31, 1997 appears on page 1. 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 OMB Circular A-133 "*Audits of States, Local Governments, and Non-Profit Organizations*" for the purpose of forming an opinion on the financial statements taken as a whole. The Supplementary Information listed in the *Table of Contents* is presented for the purpose of additional analysis and is not a required part of the financial statements.

Except as discussed in the following paragraph the Supplementary Information referred to above has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The information in the Schedule of Beneficiary Statistics, which is of a non-accounting nature, has not been subjected to the auditing procedures applied in the audit of the financial statements and we express no opinion on it.



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

May 29, 1998

DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION  
COMBINED SCHEDULE OF FINANCIAL POSITION  
DECEMBER 31, 1997  
WITH COMPARATIVE TOTALS FOR 1996

		CITY OF NEW ORLEANS											
		Orleans Private Industry Council -----STATE OF LOUISIANA----- Office of Family Support School of Commerce Food Service Department of Education											
		DIVISION OF HOUSING AND NEIGHBORHOOD DEVELOPMENT											
		General Fund	Building Rental Fund	YMCA Bingo	Community Development Block Grant- YMCA Renovation	Development Block Grant-Philip St. Renovation	Drug Abuse And Abatement	Youth Intervention	School of Commerce	Food Service	Temporarily Restricted Fund	Restricted Fund	Totals (MEMORANDUM ONLY) 1997 1996
ASSETS	Cash and cash equivalents	\$ 94,001	\$ -	\$ 153	\$ -	\$ 302	\$ 468	\$ 113	\$ 4,607	\$ 4,284	\$ -	\$ -	\$ 103,928 \$ 65,715
	Amounts receivable	26,927	-	-	-	-	-	-	-	75	-	-	27,002 -
	Grants receivable	87,360	-	-	-	-	6,436	3,048	-	2,528	-	-	99,372 30,495
	United Way funding	-	-	-	-	-	-	-	-	-	-	-	-
	Due from other programs	25,703	-	12,661	-	29,752	185	-	84,912	33,141	320,034	-	320,034 219,585
	Prepaid and other assets	35,159	-	-	-	-	-	-	-	-	-	-	186,354 153,578
	Cash surrender value of life insurance	8,227	-	-	-	-	-	-	-	-	-	-	35,159 52,957
	Investments	-	-	-	-	-	-	-	-	-	-	-	8,227 33,638
	Land	62,104	8,500	-	-	-	-	-	-	-	-	6,837	10,103
	Property and equipment, net of accumulated depreciation	289,584	18,347	-	-	-	-	-	-	-	-	-	70,704 70,704
Total assets		\$ 629,055	\$ 25,947	\$ 12,814	\$ -	\$ 30,054	\$ 7,089	\$ 3,161	\$ 89,519	\$ 40,028	\$ 320,034	\$ 6,837	\$ 1,165,548 \$ 966,651

See Independent Auditors' Report on Supplementary Information.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**COMBINED SCHEDULE OF FINANCIAL POSITION**  
**DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR 1996**

(CONTINUED)

CITY OF NEW ORLEANS

Orleans  
 Private  
 Industry  
 Council

STATE OF LOUISIANA  
 Department  
 of  
 Education

DIVISION OF HOUSING AND NEIGHBORHOOD DEVELOPMENT

	General Fund	Building Rental Fund	YMCA Bingo	Community Development Block Grant- YMCA Renovation	Community Development Block Grant- Philip St. Renovation	Drug Abuse And Abatement	Youth Intervention	School of Commerce	Food Service	Temporarily Restricted Fund	Restricted Fund	Totals (MEMORANDUM ONLY) 1997	Totals (MEMORANDUM ONLY) 1996
<b>LIABILITIES AND NET ASSETS</b>													
<b>Liabilities</b>													
Accounts payable and other liabilities	\$ 174,499	\$ -0-	\$ -0-	\$ -0-	\$ 25,648	\$ -0-	\$ -0-	\$ 4,859	\$ 6,570	\$ -0-	\$ -0-	\$ 211,576	\$ 169,038
Salaries, taxes and other payables	19,998	-0-	-0-	-0-	-0-	-0-	-0-	37	-0-	-0-	-0-	20,035	25,977
Due to other programs	131,410	-0-	2,100	-0-	4,500	7,045	3,161	38,138	-0-	-0-	-0-	186,354	153,578
Deferred revenue	19,318	-0-	-0-	-0-	-0-	-0-	-0-	46,369	-0-	-0-	-0-	65,687	33,696
Unearned grant - Due from City of New Orleans	75,000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	75,000	-0-
Notes payable	18,224	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	18,224	40,174
<b>Total liabilities</b>	<b>438,449</b>	<b>-0-</b>	<b>2,100</b>	<b>-0-</b>	<b>30,148</b>	<b>7,045</b>	<b>3,161</b>	<b>89,403</b>	<b>6,570</b>	<b>-0-</b>	<b>-0-</b>	<b>576,876</b>	<b>423,463</b>
<b>Net assets</b>	<b>190,616</b>	<b>26,947</b>	<b>10,714</b>	<b>-0-</b>	<b>(94)</b>	<b>44</b>	<b>-0-</b>	<b>116</b>	<b>33,458</b>	<b>320,034</b>	<b>6,837</b>	<b>588,672</b>	<b>543,188</b>
<b>Total liabilities and net assets</b>	<b>\$ 629,065</b>	<b>\$ 26,947</b>	<b>\$ 12,814</b>	<b>\$ -0-</b>	<b>\$ 30,054</b>	<b>\$ 7,089</b>	<b>\$ 3,161</b>	<b>\$ 89,519</b>	<b>\$ 40,028</b>	<b>\$ 320,034</b>	<b>\$ 6,837</b>	<b>\$ 1,165,548</b>	<b>\$ 966,651</b>

See Independent Auditors' Report on Supplementary Information.

## CITY OF NEW ORLEANS-

See Independent Auditors' Report on Supplementary Information.



**(CONTINUED)**

CITY OF NEW ORLEANS-

Orleans  
Private  
Industry  
Council

—STATE OF LOUISIANA—  
Office of Family Support  
Department of Education

**See Independent Auditors' Report on Supplementary Information.**

DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION  
 COMBINED SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS  
 FOR THE YEAR ENDED DECEMBER 31, 1997  
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

(CONTINUED)

CITY OF NEW ORLEANS

Orleans  
 Private  
 Industry  
 Council

STATE OF LOUISIANA  
 Office of  
 Family  
 Support

Department  
 of  
 Education

DIVISION OF HOUSING AND NEIGHBORHOOD DEVELOPMENT

	General Fund	Building Rental Fund	YMCA Bingo	Community Development Block Grant- YMCA Renovation	Community Development Block Grant-Philip St Renovation	Drug Abuse And Abatement	Youth Intervention	School of Commerce	Food Service	Temporarily Restricted Fund	Restricted Fund	Totals (MEMORANDUM ONLY) 1997	1996
Expenses:													
Programs services	\$ 265,957	\$ 1,720	\$ 167	\$ -0-	\$ 4,078	\$ 151,762	\$ 47,057	\$ 242,020	\$ 32,963	\$ -0-	\$ -0-	\$ 745,724	\$ 1,108,919
Management and general	271,571	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	271,571	296,566
Total expenses	537,528	1,720	167	-0-	4,078	151,762	47,057	242,020	32,963	-0-	-0-	1,017,295	1,405,485
Increase (decrease) in net assets	(15,912)	(1,720)	(167)	-0-	(4,078)	7,218	-0-	(39,070)	(1,308)	100,449	72	45,484	210,139
Operating transfer in (out)	(27,526)	-0-	-0-	-0-	-0-	(7,216)	(36)	39,186	(1,070)	-0-	(3,336)	-0-	-0-
Net assets, beginning of year	225,294	28,667	10,881	-0-	3,984	42	36	-0-	44,596	219,585	10,103	543,188	333,049
Adjustment to net assets	8,760	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(8,760)	-0-	-0-	-0-	-0-
Net assets, end of year	\$ 190,616	\$ 26,947	\$ 10,714	\$ -0-	\$ (94)	\$ 44	\$ -0-	\$ 116	\$ 33,458	\$ 320,034	\$ 6,837	\$ 588,672	\$ 543,188

See Independent Auditors' Report on Supplementary Information.

DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION  
COMBINED SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 1997  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996

CITY OF NEW ORLEANS																
PROGRAM SERVICES																
DIVISION OF HOUSING AND NEIGHBORHOOD DEVELOPMENT																
	Orleans Private Industry Council										STATE OF LOUISIANA Office of Family Support		Department of Education		Totals (MEMORANDUM ONLY) 1997 1996	
	Church Based	Midnight Basketball	Great Expectation Foundation	Volunteers of America Coalition	Youth Development and Outreach/ Porchtrain Park	Infant Daycare	Building Rental Fund	YMCA Bingo	Community Development Block Grant- YMCA Renovation	Community Development Block Grant-Philip St. Renovation	Drug Abuse And Abatement	Youth Intervention	School of Commerce	Food Service		
Salaries and wages	\$ -0-	\$ 4,206	\$ 5,537	\$ 1,486	\$ 32,074	\$ 51,309	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 66,989	\$ 16,468	\$ 74,848	\$ 11,854	\$ 264,771	\$ 314,372
Employee benefits and payroll taxes	139	1,177	832	268	5,190	7,419	-0-	-0-	-0-	-0-	12,246	2,919	14,737	2,220	47,145	51,821
Professional fees and contract service	1,161	13,780	-0-	1,478	13,610	2,932	-0-	-0-	-0-	4,078	488	-0-	64,578	2,192	104,277	81,800
Supplies	-0-	-0-	1,061	67	8,839	2,515	-0-	-0-	-0-	-0-	6,875	493	12,650	1,866	34,168	64,334
Telephone	-0-	404	67	-0-	3,348	2,592	-0-	-0-	-0-	-0-	207	61	3,557	-0-	10,236	8,538
Postage and shipping	-0-	-0-	-0-	-0-	278	254	-0-	-0-	-0-	-0-	-0-	-0-	780	-0-	1,312	1,420
Occupancy	-0-	3,524	377	335	36,882	34,087	-0-	-0-	-0-	-0-	1,950	595	57,541	-0-	135,291	125,756
Printing	-0-	-0-	-0-	-0-	3,460	265	-0-	-0-	-0-	-0-	-0-	-0-	394	-0-	4,119	3,135
Equipment rental	-0-	118	-0-	9	958	832	-0-	-0-	-0-	-0-	-0-	-0-	9,843	-0-	11,760	20,369
Repairs and maintenance	-0-	-0-	-0-	-0-	1,347	1,268	-0-	-0-	-0-	-0-	-0-	-0-	234	-0-	2,849	1,883
Dues and subscriptions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	200	-0-	200	-0-
Conferences and conventions	-0-	-0-	-0-	-0-	1,084	-0-	-0-	-0-	-0-	-0-	-0-	-0-	873	300	2,267	2,438
Transportation and travel	-0-	-0-	500	915	3,678	8,520	-0-	-0-	-0-	-0-	-0-	-0-	92	-0-	13,705	19,743
Dues to National YMCA	-0-	1,542	-0-	-0-	2,527	526	-0-	-0-	-0-	-0-	692	-0-	-0-	-0-	5,287	4,492
Page total	\$ 1,300	\$ 24,731	\$ 8,374	\$ 4,558	\$ 113,285	\$ 112,519	\$ -0-	\$ -0-	\$ -0-	\$ 4,078	\$ 89,447	\$ 20,596	\$ 240,327	\$ 18,232	\$ 637,385	\$ 700,399

See Independent Auditors' Report on Supplementary Information.

DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION  
 COMBINED SCHEDULE OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 1997  
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996  
 (CONTINUED)

	PROGRAM SERVICES														CITY OF NEW ORLEANS		
	DIVISION OF HOUSING AND NEIGHBORHOOD DEVELOPMENT																
	Church Based	Midnight Basketball	Great Expectation Foundation	Volunteers of America Coalition	Youth Development and Outreach Pontchartrain Park	Infant Daycare	Building Rental Fund	YMCA Bingo	Community Development Block Grant-YMCA Renovation	Community Development Block Grant-Philip St. Renovation	Drug Abuse And Abatement	Youth Intervention	School of Commerce	Food Service	Totals	(MEMORANDUM ONLY)	1996
Other expenses	\$ 27	\$ 122	\$ -	\$ 443	\$ 389	\$ 83	\$ -	\$ 167	\$ -	\$ -	\$ 118	\$ -	\$ 1,693	\$ 20	\$ 3,042	\$ 4,175	
Food cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,998	
Advertisement	-	-	-	-	-	148	-	-	-	-	-	-	-	-	148	-	
Support-in-kind	-	-	-	-	-	-	-	-	-	-	82,197	26,521	-	-	88,718	57,593	
Bingo prizes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	329,034	
Total expenses before depreciation	1,327	24,853	8,374	4,999	113,674	112,730	-	167	-	4,078	151,762	47,057	242,020	32,963	744,004	1,107,199	
Depreciation	-	-	-	-	-	-	1,720	-	-	-	-	-	-	-	1,720	-	
Total	1,327	24,853	8,374	4,999	113,674	112,730	1,720	167	-	4,078	151,762	47,057	242,020	32,963	745,724	1,108,919	

See Independent Auditors' Report on Supplementary Information.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**COMBINED SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 1996**

(CONTINUED)

MANAGEMENT AND GENERAL

	<u>Totals</u>	
	<u>1997</u>	<u>1996</u>
Salaries and wages	\$ 49,503	\$ 52,342
Employee benefits and payroll taxes	18,560	23,766
Professional fees and contract service	49,140	9,548
Supplies	2,700	6,813
Telephone	2,028	3,822
Postage and shipping	295	337
Occupancy	20,027	63,030
Printing	905	3,343
Equipment rental	2,701	8,756
Repairs and maintenance	1,606	626
Dues and subscriptions	242	110
Conferences and conventions	3,633	1,602
Transportation and travel	68	1,270
Specific assistance to individuals	500	1,000
Dues to National YMCA	1,713	6,464
Interest expense	2,227	2,348
Other expenses	29,889	30,583
Self support expense	61,011	57,083
In-kind expense	<u>290</u>	<u>-0-</u>
Total expenses before depreciation	<u>247,038</u>	<u>272,843</u>
Depreciation	<u>24,533</u>	<u>23,723</u>
Total	<u>\$271,571</u>	<u>\$296,566</u>

See Independent Auditors' Report on Supplementary Information.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF BENEFICIARY STATISTICS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

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<u>Program Service</u>	<u>Number of Persons Served</u>
Youth Development and Outreach/Pontchartrain Park	1,765 (1)
Midnight Basket ball	1,100 (2)
Infant Day Care/Food Service	160 (3)
Substance Abuse	550 (4)
School of Commerce	104 (5)
Special Events	640 (6)

**(1) Youth Development and Outreach/Pontchartrain Park**

The number of persons served for Youth Development and Outreach is the number of participants in attendance for activities such as baseball, basketball, Career Awareness Workshop, Youth Leadership Training Session, Summer Camp, etc.

**(2) Midnight Basketball**

The number of persons served is the number of participants in attendance for the services provided which includes team league play.

**(3) Infant Day Care/Food Service**

The number of persons served is the number of participants in attendance at events which includes activities such as breakfast, lunch, snacks and daily instructional activities (such as reading, mathematics and languages).

See Independent Auditors' Report on Supplementary Information.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF BENEFICIARY STATISTICS, CONTINUED**  
**FOR THE YEAR ENDED December 31, 1997**

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(4) **Substance Abuse (Drug Abatement)**

The number of persons served is the number of participants in attendance for services provided which includes daily classroom instruction, counseling services, restitution participation, employment assistance, workshops, etc.

(5) **School of Commerce**

The number of persons served is the number of participants in attendance for the services provided which includes office procedure, typing, job placement, word processing and counseling.

(6) **Special Events**

The number of persons served is the number of participants in attendance at any particular event(s) held by the Association during the year, such as, the annual meeting, Black Achievers Program, etc.

See Independent Auditors' Report on Supplementary Information.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

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<u>GRANTOR/PROGRAM</u>	<u>FEDERAL CFDA NUMBER</u>	<u>CONTRACT NUMBER</u>	<u>CONTRACT PERIOD</u>	<u>GRANT AMOUNT</u>	<u>GRANT REVENUE</u>	<u>GRANT EXPENDITURES</u>
<b><u>CITY OF NEW ORLEANS</u></b>						
City of New Orleans/ Drug Abatement	14.218	CD#50-069F (87)	01/01/97 12/31/97	65,000	62,197	62,197
City of New Orleans/ Youth Intervention	14.243	CD#50-081F	04/01/97 12/31/97	27,500	20,536	20,536
City of New Orleans/OPIC School of Commerce Nursing Assistant II	17.250	95-2A-002 96-2A-001	07/01/95 06/30/97	214,400	20,696	20,696
City of New Orleans/OPIC School of Commerce Out-of-School	17.250	95-2C-012	08/07/95 06/27/97	143,491	24,223	24,223
Great Expectation	93.926A	N/A	11/01/97 12/31/97	<u>10,000</u>	<u>8,318</u>	<u>8,318</u>
Total City of New Orleans				<u>460,391</u>	<u>135,970</u>	<u>135,970</u>

See Independent Auditors' Report on Supplementary Information.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

(CONTINUED)

<u>GRANTOR/PROGRAM</u>	<u>FEDERAL CFDA NUMBER</u>	<u>CONTRACT NUMBER</u>	<u>CONTRACT PERIOD</u>	<u>GRANT AMOUNT</u>	<u>GRANT REVENUE</u>	<u>GRANT EXPENDITURES</u>
<b><u>STATE OF LOUISIANA</u></b>						
Child Care (Summer Camp Program) (Project Independence) Department of Social Services	10.559	010002557	01/01/97 12/31/97	\$ 13,372	\$ 13,372	\$ 13,372
State of Louisiana Church Based Program	N/A	CFMS 524061	10/09/97 05/03/98	4,403	1,010	1,010
State of Louisiana/ (School of Commerce Project Independence) Office of Family Support	93.561	CFMS 509-404	07/01/96 09/30/99	446,400	134,168	95,900
		CFMS 509-407	09/01/96 06/30/99	259,200	23,863	23,863
Food Service Program Department of Education	10.558	N/A	10/01/96 09/30/98	52,119	31,655	34,033
Child Care Program (Project Independence) Department of Social Service	10.558	010002557	01/01/97 12/31/97	<u>28,429</u>	<u>28,429</u>	<u>28,429</u>
Total State of Louisiana				<u>803,923</u>	<u>232,497</u>	<u>196,607</u>
TOTAL ALL FEDERAL GRANTS				<u>\$1,264,314</u>	<u>\$368,467</u>	<u>\$332,577</u>

See Independent Auditors' Report on Supplementary Information.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF REVENUE AND EXPENSES BY PROGRAM**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

	YOUTH DEVELOPMENT & OUTREACH PONTCHARTRAIN PARK	INFANT DAY CARE/ FOOD SERVICE	DYNASTY PLACE/DRUG ABUSE & ABATEMENT	SCHOOL OF COMMERCE	MIDNIGHT BASKETBALL	TOTAL (MEMORANDUM ONLY)
<u>PROGRAM SUPPORT</u>						
In-kind support	\$ 26,521	\$ -0-	\$ 62,197	\$ -0-	\$ -0-	\$ 88,718
Fees and grants-government	<u>48,235</u>	<u>60,084</u>	<u>62,197</u>	<u>202,950</u>	<u>-0-</u>	<u>373,466</u>
Total direct program support	74,756	60,084	124,394	202,950	-0-	462,184
Support service revenue	<u>116,176</u>	<u>27,882</u>	<u>27,882</u>	<u>60,412</u>	<u>-0-</u>	<u>232,352</u>
Total program support	190,932	87,966	152,276	263,362	-0-	694,536
<u>SELF GENERATING SUPPORT</u>						
Contributions and donations	-0-	-0-	-0-	-0-	25,000	25,000
Program income and fees	6,155	18,980	-0-	-0-	-0-	25,135
Other	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total self generating support	6,155	18,980	-0-	-0-	25,000	50,135
United Way Grant	106,801	36,670	34,586	-0-	25,250	203,307
United Way Designation	3,395	815	815	1,764	-0-	6,789
United Way CFC	<u>3,782</u>	<u>908</u>	<u>908</u>	<u>1,965</u>	<u>-0-</u>	<u>7,563</u>
Total United Way	113,978	38,393	36,309	3,729	25,250	217,659
Total Revenues	<u>\$311,065</u>	<u>\$145,339</u>	<u>\$188,585</u>	<u>\$267,091</u>	<u>\$ 50,250</u>	<u>\$962,330</u>

See Independent Auditors' Report on Supplementary Information.

DRADES YOUNG MEN'S CHRISTIAN ASSOCIATION  
SCHEDULE OF REVENUE AND EXPENSES BY PROGRAM  
FOR THE YEAR ENDED DECEMBER 31, 1997

	(CONTINUED)					TOTAL (MEMORANDUM ONLY)
	YOUTH DEVELOPMENT & OUTREACH PONTCHARTRAIN PARK	INFANT DAY CARE/ FOOD SERVICE	DYNASTY PLACE/DRUG ABUSE & ABATEMENT	SCHOOL OF COMMERCE	MIDNIGHT BASKETBALL	
<u>OPERATING EXPENSES</u>						
Salaries and wages	\$ 55,565	\$ 63,163	\$ 66,989	\$ 74,848	\$ 4,206	\$ 264,771
Employee benefits and payroll taxes	<u>9,346</u>	<u>9,639</u>	<u>12,246</u>	<u>14,737</u>	<u>1,177</u>	<u>47,145</u>
Total compensation expenses	64,911	72,802	79,235	89,585	5,383	311,916
Professional fees	16,249	5,124	488	64,578	13,760	100,199
Supplies	10,460	4,181	6,875	12,650	-0-	34,166
Telephone	3,476	2,592	207	3,557	404	10,236
Postage and shipping	278	254	-0-	780	-0-	1,312
Occupancy	38,189	34,087	1,950	57,541	3,524	135,291
Equipment rental	967	832	-0-	9,843	118	11,760
Repairs and maintenance	1,347	1,268	-0-	234	-0-	2,849
Printing	3,460	265	-0-	394	-0-	4,119
Transportation and travel	5,093	8,520	-0-	92	-0-	13,705
Conferences and conventions	1,094	300	-0-	873	-0-	2,267
Other expense	859	83	118	1,693	122	2,875
National dues	2,527	526	692	-0-	1,542	5,287
Support in-kind	26,521	-0-	62,197	-0-	-0-	88,718
Food cost	-0-	14,711	-0-	-0-	-0-	14,711
Advertismnt	-0-	148	-0-	-0-	-0-	148
Dues & subscription	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>200</u>	<u>-0-</u>	<u>200</u>
Direct program expenses	175,431	145,693	151,762	242,020	24,853	739,759
Support service expenses	123,519	29,645	29,645	64,229	-0-	247,038
Bingo expenses	<u>84</u>	<u>20</u>	<u>20</u>	<u>43</u>	<u>-0-</u>	<u>167</u>
Total expenses	299,034	175,358	181,427	306,292	24,853	986,964
Difference	\$ <u>12,031</u>	\$ <u>(30,019)</u>	\$ <u>7,158</u>	\$ <u>(39,201)</u>	\$ <u>25,397</u>	\$ <u>(24,634)</u>
Number of persons served	<u>1,765</u>	<u>160</u>	<u>550</u>	<u>104</u>	<u>1,100</u>	<u>3,679</u>
Unit cost per person	\$ <u>169.42</u>	\$ <u>1,095.99</u>	\$ <u>329.87</u>	\$ <u>2,945.12</u>	<u>22.59</u>	\$ <u>268.27</u>
Depreciation	\$ <u>12,267</u>	\$ <u>2,944</u>	\$ <u>2,944</u>	\$ <u>6,378</u>	\$ <u>-0-</u>	\$ <u>24,533</u>

See Independent Auditors' Report on Supplementary Information.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**COMBINING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS - - SCHOOL OF COMMERCE**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**  
**With Comparative Totals for the Year Ended December 31, 1996**

		STATE OF LOUISIANA				Totals	
		PROJECT INDEPENDENCE				(Memorandum Only)	
		School of Commerce	School of Nursing PI	School of Nursing II	Out of School	1997	1996
<b>SUPPORT</b>							
City of New Orleans	\$ -0-	\$ -0-	\$ -0-	\$ 20,696	\$ 24,223	\$ 44,919	\$ 143,763
Grants-State of Louisiana	-0-	23,863	134,168	-0-	-0-	158,031	165,985
Other	-0-	-0-	-0-	-0-	-0-	-0-	170
Total support	-0-	23,863	134,168	20,696	24,223	202,950	309,918
<b>EXPENSES</b>							
Salaries and wages	-0-	23,378	22,262	15,589	13,619	74,848	106,725
Employee benefits and payroll taxes	-0-	4,837	4,678	3,486	1,736	14,737	18,650
Professional fees and contract service	-0-	21,111	22,554	20,336	577	64,578	46,818
Supplies	-0-	1,396	11,019	222	13	12,650	20,429
Telephone	-0-	743	2,323	491	-0-	3,557	3,410
Postage and shipping	-0-	300	309	-0-	171	780	377
Occupancy	-0-	12,240	29,892	7,302	8,107	57,541	62,471
Equipment rental	-0-	5,860	1,224	2,759	-0-	9,843	18,487
Printing	-0-	12	234	148	-0-	394	758
Repairs and maintenance	-0-	136	98	-0-	-0-	234	351
Conferences and conventions	-0-	-0-	873	-0-	-0-	873	51
Transportation and travel	-0-	-0-	92	-0-	-0-	92	-0-
Other expenses	116	893	342	342	-0-	1,693	1,573
Dues and subscriptions	-0-	200	-0-	-0-	-0-	200	
Total expense	116	71,106	95,900	50,675	24,223	242,020	280,100
Change in net assets	(116)	(47,243)	38,268	(29,979)	-0-	(39,070)	29,818
Operating transfer in (out)	(8,100)	15,369	283	31,634	-0-	39,186	(36,548)
Net assets, beginning of year	-0-	-0-	-0-	-0-	-0-	-0-	6,730
Net assets, end of year	\$ (8,216)	\$ (31,874)	\$ 38,551	\$ 1,655	\$ -0-	\$ 116	\$ -0-

See Independent Auditors' Report on Supplementary Information.

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

To the Board of Directors  
**Dryades Young Men's Christian Association**

**Compliance**

We have audited the compliance of **Dryades Young Men's Christian Association (the Association)** 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. **The Association's** major federal programs are identified in the summary of auditors' results section of the accompanying report. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **the Association's** management. Our responsibility is to express an opinion on **the Association'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, *Audits of States, 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 **the Association'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 **the Association's** compliance with those requirements.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**  
**(CONTINUED)**

In our opinion, **the Association** 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. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs are items 97-2 and 97-3.

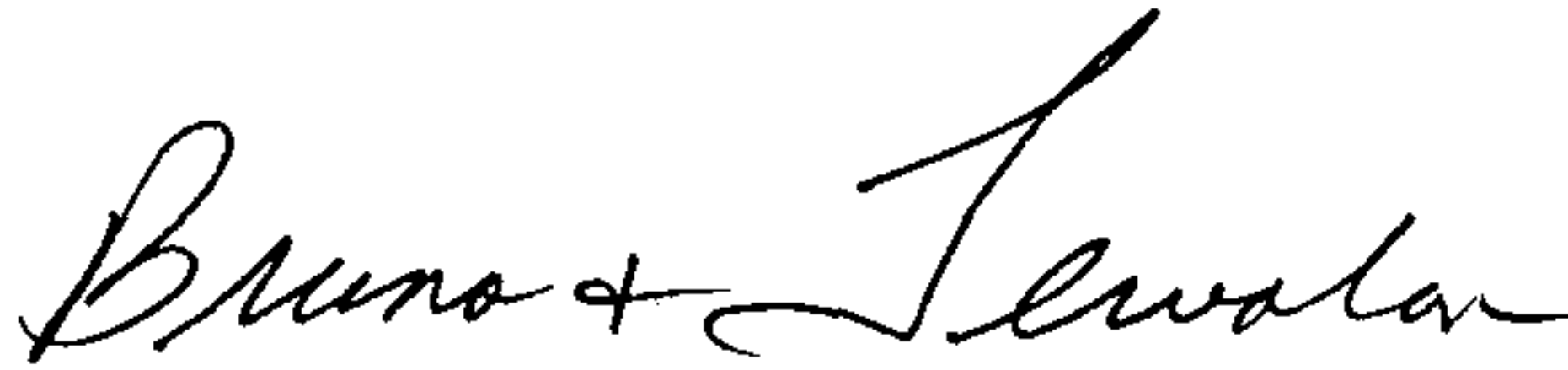
**Internal Control over Compliance**

The management of **the Association** 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 **the Association'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.

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 grant 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.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133  
(CONTINUED)**

This report is intended for the information of the Board of Directors, management, the United Way and regulatory agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



**BRUNO & TERVALON  
CERTIFIED PUBLIC ACCOUNTANTS**

May 29, 1998



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

To the Board of Directors  
**Dryades Young Men's Christian Association**

We have audited the financial statements of **Dryades Young Men's Christian Association (the Association)** as of and for the year ended December 31, 1997, and have issued our report thereon dated May 29, 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.

**Compliance**

As part of obtaining reasonable assurance about whether **the Association'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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 97-2 and 97-3.

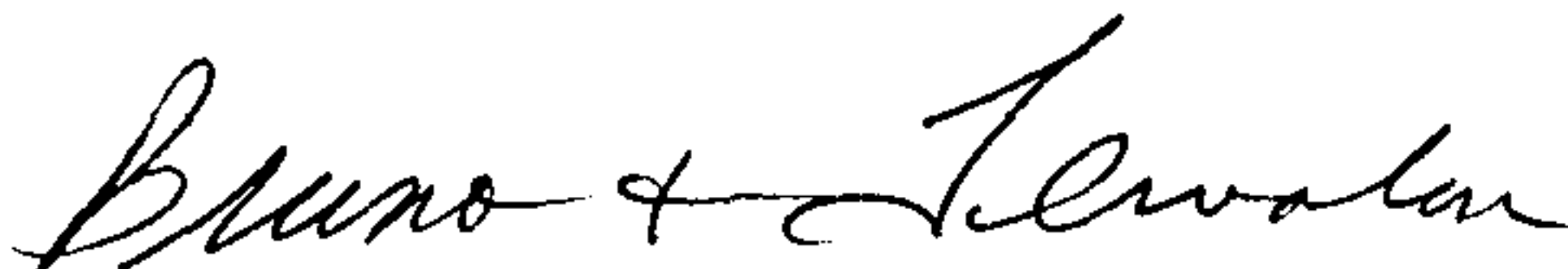
**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)**

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Association'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. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Association's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. See schedule of reportable condition for the reportable condition described item 97-1.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

This report is intended for the information of the Board of Directors, management, the United Way and regulatory agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



**BRUNO & TERVALON  
CERTIFIED PUBLIC ACCOUNTANTS**

May 29, 1998



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF REPORTABLE CONDITION**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

Reference Number:

97-1

o **YEAR 2000 COMPLIANCE**

**Condition**

The approach of the year 2000 presents significant issues for many financial, information, and operational systems. Many systems in use today may not be able to interpret dates after December 31, 1999 approximately, because such systems allow only two digits to indicate the year in a date. As a result, such systems are unable to distinguish January 1, 1900, which could have adverse consequences on the operations of **the Association** and the integrity of information processing, causing safety, operational, and financial issues.

Our audit of **the Association's** financial statements for the year ended December 31, 1997, does not provide any assurances that **the Association's** system are year 2000 compliant. In addition, we were not engaged to perform, nor did we perform, any procedures to test whether **the Association's** systems are year 2000 compliant or whether the plans and activities of **the Association** are sufficient to address and correct the system or any other problems that might arise because of the year 2000. Accordingly, we do not express any opinion nor provide any other assurances regarding the year 2000.

**Recommendation**

We recommend that management ensure that **the Association's** systems are year 2000 compliant.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF REPORTABLE CONDITION**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

(CONTINUED)

Management's Response

Management is in the process of contacting vendors to secure updated software and if necessary will obtain new software to ensure that all of **the Association's** systems are year 2000 complaint.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

Reference Number:

97-2

o **GENERAL FILE MAINTENANCE**

Condition

Our review of twenty (20) participant files revealed the lack of an organized system of file maintenance. We noted no consistency and order in documentation maintained in participant folders.

Criteria

Based on various grant agreements, **the Association** is required to maintain specifically identified documentation in participant folders.

Comment

Audit finding.

Recommendation

We recommend that **the Association** establish procedures to ensure that all documentation maintained in participant folders are consistent and complete.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

(CONTINUED)

Management's Response

Management is currently working on a uniform filing system to ensure that participants' files contain all required documentations.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

(CONTINUED)

Reference Number:

97-3

o **BLOCK GROUP NUMBER DOCUMENTATION**

Condition

**The Association** did not maintain documentation of block group number according to the census tract for ten (10) participant files reviewed. Subsequent to the above finding, **the Association** provided individual block group numbers. However, the information provided included participants with unidentified block group numbers.

Criteria

Based on grant agreements between the City of New Orleans and **the Association** (CD# 50-081 (90) and CD# 50-069F), **the Association** must provide services to participants residing in a prescribed area of the census tract. The agreement further states that documentation must be kept on file regarding participant's location of residence, census tract of residence and block group number according to census tract.

Comment

Audit finding.

Recommendation

**The Association** should implement the necessary procedures to ensure compliance with its contractual obligations.

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 1997**

---

(CONTINUED)

Management's Response

A block grant verification form will be maintained in each participant's file to ensure compliance with contractual obligations.



**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**STATUS OF PRIOR YEAR REPORTABLE CONDITION**

---

<u>Description</u>	Status	
	<u>Resolved</u>	<u>Unresolved</u>
Untimely payment of retirement contributions	X	

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SUMMARY OF INDEPENDENT AUDITORS' RESULTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

We have audited the financial statements of **Dryades Young Men's Christian Association (the Association)** as of and for the year ended December 31, 1997, and have issued our report thereon dated May 29, 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 and the provisions of OMB Circular A-133. Our audit of the financial statements as of December 31, 1997 resulted in an unqualified opinion.

- |    |  |             |
|----|--|-------------|
| 1. | Type of report issued on the financial statements                                      | Unqualified |
| 2. | Reportable conditions disclosed in internal control                                    | Yes         |
| 3. | Reportable conditions that were material weaknesses                                    | No          |
| 4. | Instances of noncompliance material to the financial statements                        | No          |
| 5. | Reportable conditions in internal control over major programs                          | No          |
| 6. | Reportable conditions in internal control over major programs were material weaknesses | No          |
| 7. | Type of report issued on compliance for major programs                                 | Unqualified |
| 8. | Audit findings required to be reported under 501(a) of OMB Circular A-133              | Yes         |

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**  
**SUMMARY OF INDEPENDENT AUDITORS' RESULTS**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

---

(CONTINUED)

9. Major programs

<u>CFDA Number</u>	<u>Name of Federal Program</u>
--------------------	--------------------------------

Pass-through programs - City of New Orleans:

14.218	Drug Abatement
14.243	Youth Intervention
17.250	Orleans Private Industry Council/School of Commerce Nursing Assistant II and Out of School

10. Dollar threshold use to distinguish between Type A  
and Type B programs \$300,000

11. Does auditee qualify as a low risk auditee Yes

12. Financial Statement Findings  
See Schedule of Reportable Condition item 97-1  
on page 45

13. Federal Award Findings and Questioned Costs  
See Schedule of Findings and Questioned Costs  
items 97-2 and 97-3 on pages 47 and 49, respectively

14. Prior Year Findings  
See Schedule of Prior Year Reportable Condition  
on page 51

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**

**EXIT CONFERENCE**

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December 31, 1997

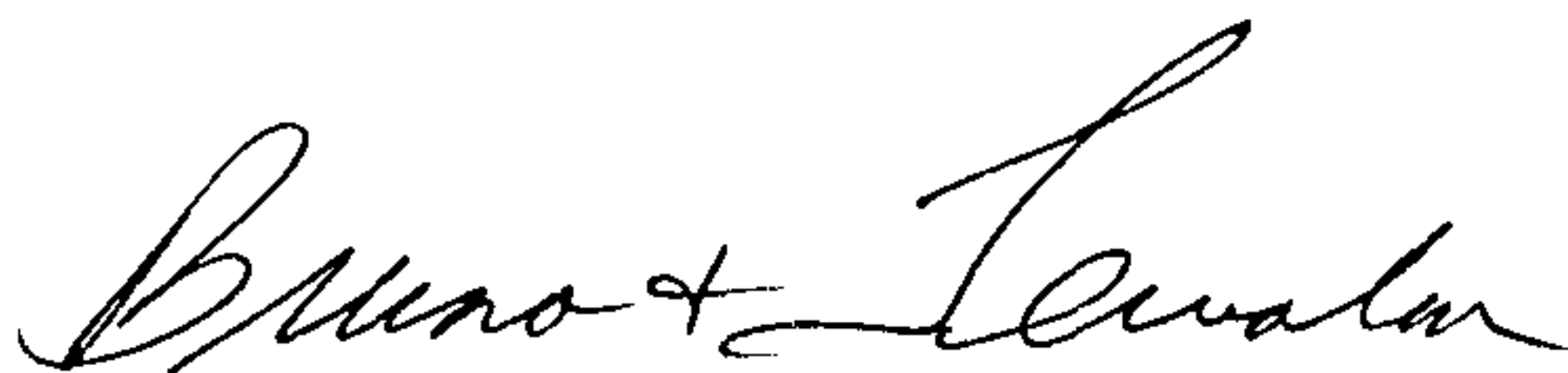
The financial statements and all related reports and schedules were discussed at an exit conference attended by:

**DRYADES YOUNG MEN'S CHRISTIAN ASSOCIATION**

Mr. Douglas Evans	--	General Director
Ms. Cynthia Hubbard	--	Controller

**BRUNO & TERVALON, CERTIFIED PUBLIC ACCOUNTANTS**

Mr. Alcide J. Tervalon, Jr., CPA	--	Partner
Mr. Paul K. Andoh, Sr., CPA	--	Senior Manager
Mrs. Latona Robertson Thomas	--	Staff Accountant



**BRUNO & TERVALON**  
**CERTIFIED PUBLIC ACCOUNTANTS**

May 29, 1998



**YOUNG MEN'S CHRISTIAN ASSOCIATION**

2220 Oretha Castle Haley Boulevard  
New Orleans, LA 70113  
(504) 522-8811 FAX (504) 522-9431

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Lamar Zeigler

***Dryades Young Men's Christian Association  
Schedule of Reportable Condition  
For the Year Ended December 31, 1997***

---

***Reference Number:***  
***97-1***

***Year 2000 Compliance***

***Condition***

***The approach of the year 2000 presents significant issues for many financial, information, and operational systems. Many systems in use today may not be able to interpret dates after December 31, 1999, because such systems allow only two digits to indicate the year in a date. As a result, such systems are unable to distinguish January 1, 1900, which could have adverse consequences in the operations of the Association and the integrity of information processing, causing safety, operational, and financial issues.***

***Our audit of the Association's financial system for the year ended December 31, 1997, does not provide any assurance that the Association's systems are year 2000 compliant. In addition, we were not engaged to perform, nor did we perform, any procedures to test whether the Association's systems are sufficient to address and correct the system or any other problems that might arise because of the year 2000. Accordingly, we do not express any opinion nor provide any other assurances regarding the year 2000.***

***Recommendation***

***We recommend that management ensure that the Association's systems are year 2000 compliant.***

***Management's Response***

***Management is in the process of contacting vendors to secure updated software and if necessary will obtain new software to ensure that all of the Association's systems are year 2000 compliant.***





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King Wells  
Wallace Young  
Lamar Zeigler

***Dryades Young Men's Christian Association  
Schedule of Findings and Questioned Cost  
For the Year Ended December 31, 1997***

---

***Reference Number:***  
***97-2***

***General File Maintenance***

**Condition**

***Our review of twenty (20) participant files revealed the lack of an organized system of file maintenance. We noted no consistency and order in documentation maintained in participant folders.***

**Criteria**

***Based on various grant agreements, the Association is required to maintain specifically identified documentation in participant folders.***

**Comment**

***Audit finding.***

**Recommendation**

***we recommend that the Association establish procedures to ensure that all documentation maintained in participant folders are consistent and complete.***

**Management's Response**

***Management is currently working on a uniform filing system to ensure that participant files contain all required documentations.***







**YOUNG MEN'S CHRISTIAN ASSOCIATION**

2220 Oretha Castle Haley Boulevard  
New Orleans, LA 70113  
(504) 522-8811 FAX (504) 522-9431

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***Dryades Young Men's Christian Association  
Schedule of Findings and Questioned Cost  
For the Year Ended December 31, 1997***

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***Reference Number:***  
***97-3***

**Condition**

***The Association did not maintain documentation of block group number according to the census tract of ten (10) participant files reviewed. Subsequent to the above finding, the Association provided individual block group numbers. However, the information provided include participants with unidentified block group numbers.***

**Criteria**

***Based on grant agreements between the City of New Orleans and the Association (CD# 50-081 (90) CD# 50-069F), the Association must provide services to participants residing in a prescribed area of census tract. The agreement further states that documentation must be kept on file regarding participant's location of residence, census tract of residence and block group number according to census tract.***

**Comment**

***Audit finding.***

**Recommendation**

***The Association should implement the necessary procedures to ensure compliance with its contractual obligations.***

**Management's Response**

***A block group verification form will be maintained in each participant's file to ensure compliance with contractual obligations.***

***For further information on the above, contact Cynthia B. Hubbard, Controller, 2220 Oretha Castle Haley Blvd., New Orleans, LA 70113, (504) 522-8811; Fax (504) 522-9431.***

