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YOUTH DEVELOPMENT ASSOCIATION, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1998

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.

RELEASED 4 1999

Release Date _____

**Bruno
& Tervalon**

CERTIFIED PUBLIC ACCOUNTANTS

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& Tervalon

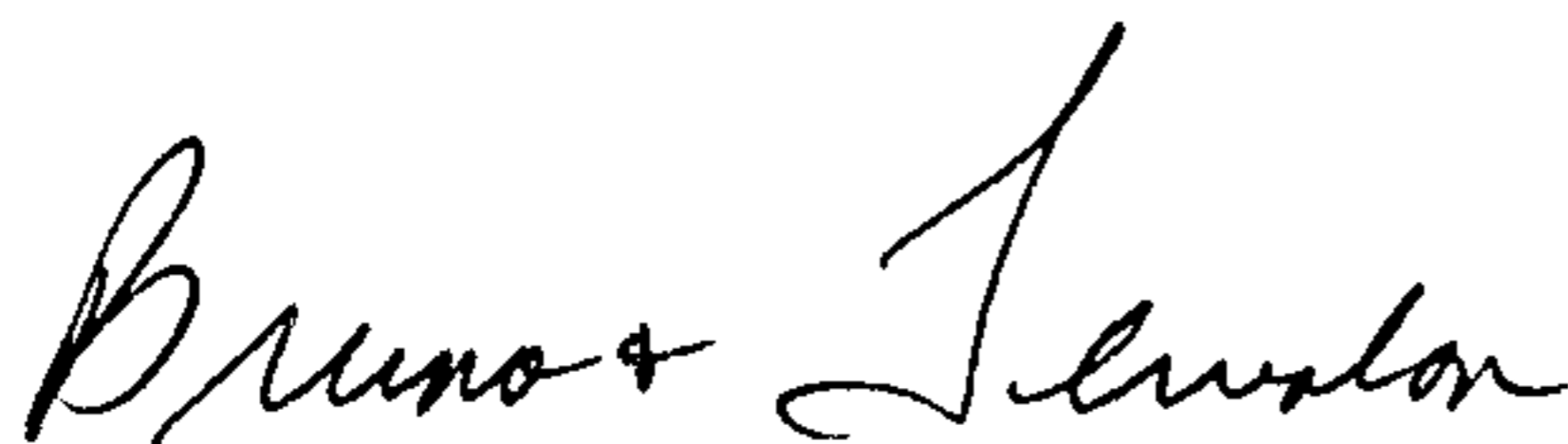
MICHAEL B. BRUNO, CPA
ALCIDE J. TERVALON, JR., CPA
WALDO J. MORET, JR., CPA

ACCOUNTANTS' REPORT

To the Board of Directors
Youth Development Association, Inc.
(A Non-Profit Organization)
New Orleans, Louisiana 70119

We have compiled the accompanying statement of financial position of **Youth Development Association, Inc. (YDA)** as of June 30, 1998, and the related statements of activities, cashflows and functional expenses for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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



BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

February 8, 1999

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 1998

ASSETS

Cash and temporary cash equivalents (NOTE 5)	\$ 7,048
Amounts receivable	5,955
Grant receivable	<u>22,887</u>
 Total assets	 <u>\$35,890</u>

LIABILITIES AND NET ASSETS

<u>Liabilities</u>	
Accounts and other payables	<u>19,849</u>
 Total liabilities	 <u>19,849</u>
 Unrestricted net assets	 <u>16,041</u>
 Total liabilities and net assets	 <u>\$35,890</u>

See Accountant's Compilation Report.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 1998

UNRESTRICTED NET ASSETS

Program Restrictions Satisfied:

Support and other income:

Grant-Office of Urban Affairs	\$100,000
Grant-Department of Public Safety and Corrections	<u>198,954</u>

Total support	<u>298,954</u>
---------------	----------------

Other Income:

Interest income	<u>91</u>
-----------------	-----------

Total other income	<u>91</u>
--------------------	-----------

Total support and other income	<u>299,045</u>
--------------------------------	----------------

Expenses:

Program services	279,159
Management and general	<u>14,202</u>

Total expenses	<u>293,361</u>
----------------	----------------

Change in unrestricted net assets	5,684
-----------------------------------	-------

Net unrestricted assets, beginning of year	<u>10,357</u>
--	---------------

Net unrestricted assets, end of year	<u>\$ 16,041</u>
--------------------------------------	------------------

See Accountants' Compilation Report.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 1998

Cashflows from (used in) operating activities:	
Change in net unrestricted assets	\$ 5,684
Increase in grants receivable	(15,927)
Decrease in taxes payable	(2,838)
Increase in accounts and other payables	<u>3,019</u>
Net cash (used in) operating activities	(10,062)
Cash and temporary cash equivalents, beginning of year	<u>17,110</u>
Cash and temporary cash equivalents, end of year	\$ <u><u>7,048</u></u>
Interest expense paid	\$ <u><u>101</u></u>

See Accountants' Compilation Report.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 1998

	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>
Salaries	\$219,826	\$13,115	\$232,941
Employee benefits	18,406	1,087	19,493
Occupancy	21,143	-0-	21,143
Transportation	2,075	-0-	2,075
Insurance expense	1,386	-0-	1,386
Supplies	2,164	-0-	2,164
Audit cost	4,540	-0-	4,540
Equipment rental and repairs	755	-0-	755
Postage and printing	955	-0-	955
Other	<u>7,909</u>	<u>-0-</u>	<u>7,909</u>
Total	<u>\$279,159</u>	<u>\$14,202</u>	<u>\$293,361</u>

See Accountants' Compilation Report.

YOUTH DEVELOPMENT ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - Background and General Data:

The **Youth Development Association, Inc., (YDA)** was established on October 1, 1976. YDA is a private, non-profit corporation established to provide cultural, social, recreational and educational programs for youth of the Seventh ward and Treme areas of the City of New Orleans.

As of June 30, 1998, YDA administered program activities funded by the Louisiana Department of Public Safety and Corrections and the Governor's Office of Urban Affairs and Development.

Under the Department of Public Safety Corrections grant, YDA provides delinquency prevention services to juveniles considered at high risk of involvement in the juvenile justice system.

Services are primarily directed toward the enhancement of their educational competency and providing for positive social experiences.

The Urban Affairs and Development grant serves to provide a setting for youths to use their leisure time for productive and meaningful activities.

NOTE 2 - Summary of Significant Accounting Policies:

Principles of Accounting

The financial statements of YDA are prepared in accordance with generally accepted accounting principles, and are prepared on the accrual basis.

Cash and Temporary Cash Equivalents

For purposes of the statement of cashflows, YDA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

YOUTH DEVELOPMENT ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Funding

YDA receives its funding through support from the State of Louisiana.

Property and Equipment

YDA 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. At June 30, 1998 all depreciable property and equipment are fully depreciated.

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 benefitted.

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, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Contributed Services

Contribution of services is recognized if the services received create or enhance nonfinancial assets or require specialized skills, and would typically need to be purchased if not provided by donation. Contributed services for the year ended June 30, 1998 was \$-0-.

YOUTH DEVELOPMENT ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Basis of Presentation

YDA adopted Financial Accounting Standards Board Statement of Accounting Standards (FASB) No. 117 for presentation of its financial statements. As such, the financial statements are presented on the basis of unrestricted net assets.

NOTE 3 - Income Taxes:

YDA is a not-for-profit entity exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 4 - Fair Value of Financial Instruments:

The carrying amounts of cash, amount and grant receivables, and payables approximate their fair value because of the short maturities of these items.

NOTE 5 - Cash and Temporary Cash Equivalents:

YDA has invested \$12 in a short-term investment account. This investment is valued at cost which approximates market at June 30, 1998.

NOTE 6 - Risk Management:

YDA is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, for which YDA carries commercial insurance.

NOTE 7 - Subsequent Events:

Subsequent to year-end, YDA has executed contracts with its funding sources for grants totaling \$300,000.

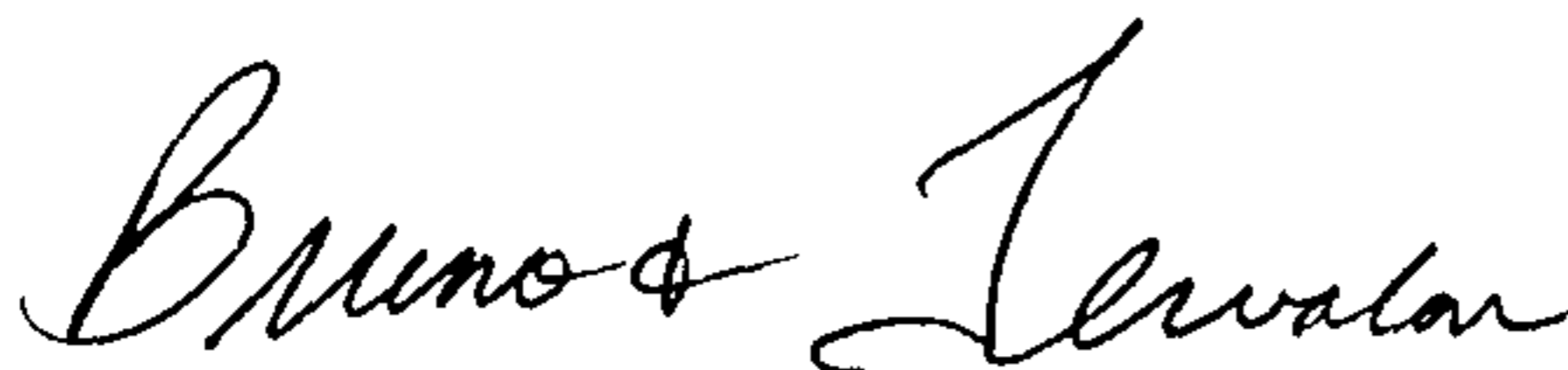
SUPPLEMENTARY INFORMATION

**ACCOUNTANTS' REPORT
ON
SUPPLEMENTARY INFORMATION**

To the Board of Directors
Youth Development Association, Inc.
(A Non-Profit Organization)
New Orleans, Louisiana 70119

Our report on our compilation of the basic financial statements of **Youth Development Association, Inc. (YDA)** appears on page 1.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the financial statements and, accordingly, do not express an opinion or any other form of assurance on them. The information included in the accompanying Exhibits I, II and III is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information



BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

February 8, 1999

EXHIBIT I

YOUTH DEVELOPMENT ASSOCIATION, INC.
COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 1998

	-----STATE OF LOUISIANA-----		
	GOVERNOR'S OFFICE OF URBAN AFFAIRS	LOUISIANA DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONS	TOTAL MEMORANDUM ONLY
<u>ASSETS</u>			
Cash and temporary cash investments	\$ 12	\$ 7,036	\$ 7,048
Due from other program	15,910	1,302	17,212
Amounts receivable	2,102	3,853	5,955
Grant receivable	<u>-0-</u>	<u>22,887</u>	<u>22,887</u>
Total assets	<u>\$18,024</u>	<u>\$35,078</u>	<u>\$53,102</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>Liabilities</u>			
Due to other program	\$ 1,302	\$15,910	\$17,212
Accounts and other payables	<u>681</u>	<u>19,168</u>	<u>19,849</u>
Total liabilities	<u>1,983</u>	<u>35,078</u>	<u>37,061</u>
Unrestricted net assets	<u>16,041</u>	<u>-0-</u>	<u>16,041</u>
Total liabilities and net assets	<u>\$18,024</u>	<u>\$35,078</u>	<u>\$53,102</u>

See Accountants' Report on Supplementary Information.

EXHIBIT II

YOUTH DEVELOPMENT ASSOCIATION, INC.
 COMBINING STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 1998

	-----STATE OF LOUISIANA-----		TOTAL
	GOVERNOR'S	LOUISIANA	MEMORANDUM
	OFFICE OF URBAN	DEPARTMENT OF	ONLY
	AFFAIRS	PUBLIC SAFETY	
		AND CORRECTIONS	
Program Restrictions Satisfied:			
Grant-Office of Urban Affairs	\$100,000	\$ -0-	\$100,000
Grant-Department of Public Safety and Corrections	<u>-0-</u>	<u>198,954</u>	<u>198,954</u>
Total support	<u>100,000</u>	<u>198,954</u>	<u>298,954</u>
Other Income:			
Interest income	<u>91</u>	<u>-0-</u>	<u>91</u>
Total other income	<u>91</u>	<u>-0-</u>	<u>91</u>
Program services	89,437	189,722	279,159
Management and general	<u>4,970</u>	<u>9,232</u>	<u>14,202</u>
Total expenses	<u>94,407</u>	<u>198,954</u>	<u>293,361</u>
Change in unrestricted net assets	5,684	-0-	5,684
Net unrestricted assets, July 1, 1997	<u>10,357</u>	<u>-0-</u>	<u>10,357</u>
Net unrestricted assets June 30, 1998	<u>\$ 16,041</u>	<u>\$ -0-</u>	<u>\$ 16,041</u>

UNRESTRICTED NET ASSETS

See Accountants' Report on Supplementary Information

EXHIBIT III

YOUTH DEVELOPMENT ASSOCIATION, INC.
COMBINING STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 1998

	-----STATE OF LOUISIANA -----		TOTAL
	GOVERNOR'S	DEPARTMENT OF	MEMORANDUM
	OFFICE OF URBAN	PUBLIC SAFETY	ONLY
	<u>AFFAIRS</u>	<u>AND CORRECTIONS</u>	
Program Services:			
Salaries	\$76,939	\$142,887	\$219,826
Employee benefits	6,442	11,964	18,406
Occupancy	3,611	17,532	21,143
Transportation	809	1,266	2,075
Insurance expense	-0-	1,386	1,386
Supplies	809	1,355	2,164
Audit cost	681	3,859	4,540
Equipment rental and repairs	-0-	755	755
Postage and printing	-0-	955	955
Other	<u>146</u>	<u>7,763</u>	<u>7,909</u>
Total program services	<u>\$89,437</u>	<u>\$189,722</u>	<u>\$279,159</u>
Management and General:			
Salaries	\$ 4,590	\$ 8,525	\$ 13,115
Employee benefits	<u>380</u>	<u>707</u>	<u>1,087</u>
Total management and general	<u>\$ 4,970</u>	<u>\$ 9,232</u>	<u>\$ 14,202</u>

See Accountants' Report on Supplementary Information.

YOUTH DEVELOPMENT ASSOCIATION, INC.

EXIT CONFERENCE

An exit conference was held with a representative of YDA. The contents of this report were discussed and management is in agreement. Those persons in attendance were as follows:

YOUTH DEVELOPMENT ASSOCIATION, INC.

Mr. Walter J. Mitchell, Jr. -- Executive Director

BRUNO & TERVALON, CERTIFIED PUBLIC ACCOUNTANTS

Mr. Alcide J. Tervalon, Jr., CPA -- Partner

Mr. Paul K. Andoh, Sr., CPA -- Senior Manager

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Youth Development Association, Inc.
(A Non-Profit Organization)

We have performed the procedures enumerated below, which were agreed to by **Youth Development Association, Inc. (YDA)** and the Legislative Auditor - State of Louisiana solely to assist you with respect to the accounting records of **YDA** as of and for the year ended June 30, 1998.

This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- Procedure

Determine the amount of Federal, State and local award expenditures for the year ended June 30, 1998 by grant and grant year.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

Finding

YDA received for the fiscal year July 1, 1997 through June 30, 1998 the following grants:

<u>Grantor</u>	<u>Award Amount</u>	<u>Grant Expenditures</u>
Governor's Office of Urban Affairs - State of Louisiana	\$100,000	\$94,407
Department of Public Safety and Corrections	<u>200,000</u>	<u>198,954</u>
	<u>\$300,000</u>	<u>\$293,361</u>

- Procedure

For each Federal, State and local award:

- Randomly select six (6) disbursements from each award administered during the year ended June 30, 1998.
- Trace the six (6) disbursements to supporting documentation as to proper amount and payee.
- Determine if the six (6) disbursements were properly coded to the correct fund and general ledger account.
- Determine whether the six (6) disbursements received approval from proper authorities.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

- Procedure, Continued

- Determine whether the disbursements comply with the applicable specific program compliance requirements summarized in the Compliance Supplement (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, determine whether the disbursements comply with the grant agreement, relating to:
 - Activities allowed or unallowed
 - Eligibility
 - Reporting

Finding

Randomly selected twelve (12) disbursements (six each for the two programs administered by YDA) and performed the following steps:

Traced all disbursements to the applicable supporting documentation noting payee, amount and approval by management. Also, noted that the disbursements were properly coded or allocated to the applicable program and general ledger account.

In addition, we reviewed all disbursements selected noting allowability and allocability of expenditures to grant award.

Two (2) of the twelve (12) disbursements lacked invoices to support the respective payment. It is our understanding through discussions with management that the missing invoices results from misfiled documents due to staff changes during the year. It is the intent of management to locate the documents.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

- Procedure

For the programs selected for testing above that have been closed-out during the period under review, compare the close-out report, when required, with YDA's financial records to determine whether the amounts agree.

Finding

No programs were closed-out by YDA during the fiscal year ended June 30, 1998.

- Procedure

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

Finding

Noted that the executed grant award for YDA, as described on page 2, included an approved budget as well as specific program goals, objectives and measures of performance.

- Procedure

Review the status of prior year suggestions, recommendation and/or comments.

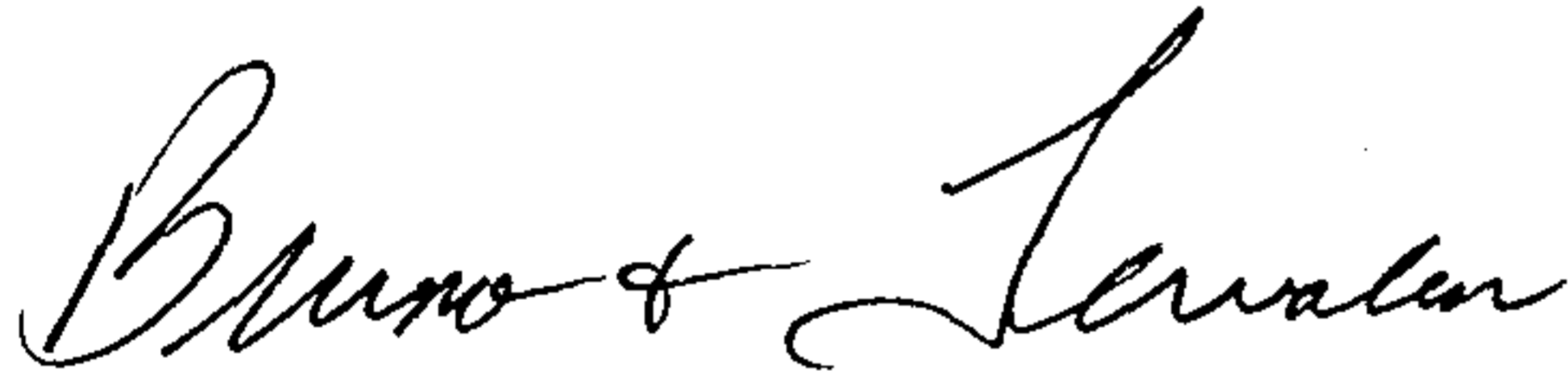
Finding

See Schedule I.

INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the specified users previously listed and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.



BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

February 8, 1999

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

June 30, 1998 (Date Transmitted)

Bruno & Tervalon

650 S. Pierce Street, Suite 203

New Orleans, LA 70119

(Auditors)

In connection with your compilation of our financial statements as of June 30, 1998 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 30, 1998 / FEB. 8, 99 (date of completion/respresentation).

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes No

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

Yes No

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

Yes No

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

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes No

Budget

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

Yes [x] No []


Prior Year Comments

We have resolved all prior-year recommendations and/or comments.


Yes [x] No []

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

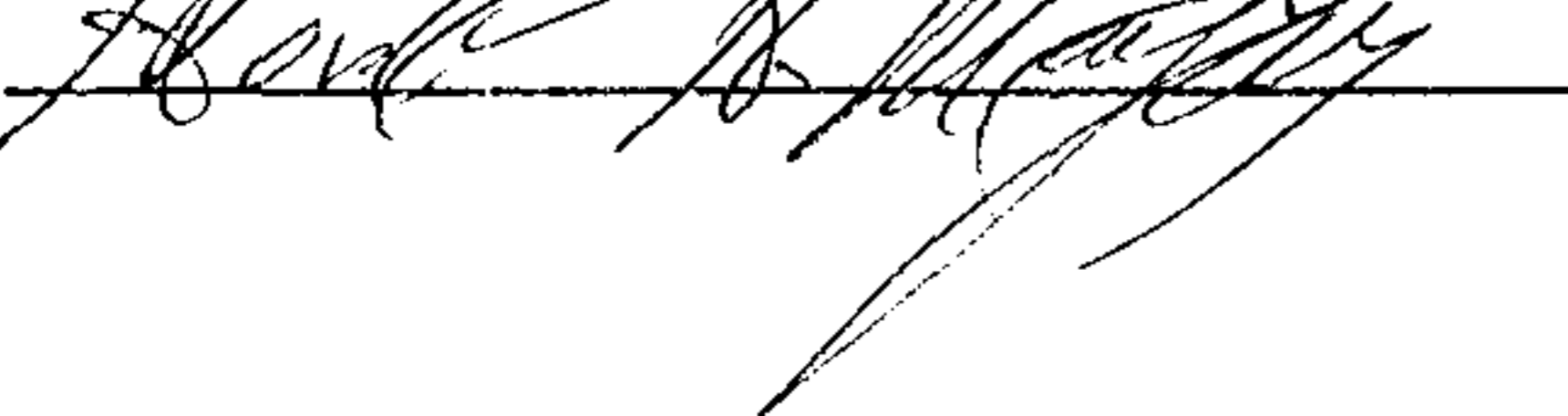
We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose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



Secretary June 30, 1998 / FEB. 8, 99 Date X



Treasurer June 30, 1998 / FEB. 8, 99 Date X



President June 30, 1998 / FEB. 8, 99 Date X

SCHEDULE I

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATUS OF PRIOR YEAR'S REPORTABLE CONDITIONS AND FINDINGS
JUNE 30, 1998

<u>CONDITION/FINDING</u>	<u>STATUS</u>		<u>UNRESOLVED</u>
	<u>IN-PROGRESS</u>	<u>RESOLVED</u>	
No general ledger and/or related subsidiary ledgers		X	
Preparation of monthly bank reconciliation	X*		
No formal Drug-Free Work-Place policy		X	
Performance of services	X		
Verification of service area of participants	X*		
Participant eligibility requirements	X*		
Agreement of cost reports to internal records	X*		
Filing of annual IRS Form 990			X
Filing of accurate federal and state tax reports	X*		
Untimely submission of audit/ compilation report			X

*Repeated

Youth Development Association

Walter J. Mitchell, Jr., Director
3116 St. Claude Avenue
New Orleans, Louisiana 70117

Telephone 504-948-3976
Fax 504-283-2623

February 15, 1999

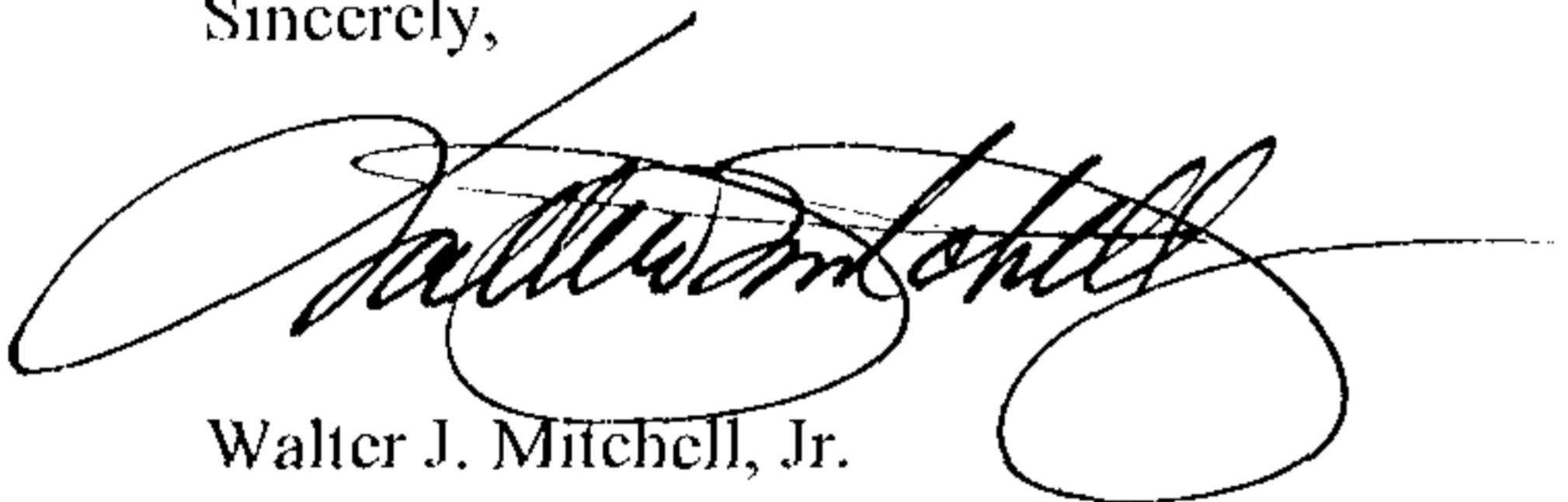
Bruno & Tervalon
Certified Public Accountants
650 So. Pierce Street - Suite 203
New Orleans, LA 70119

Dear Sirs:

Enclosed is a summary schedule of prior audit findings for the year ending June 30, 1997 for **Youth Development Association, Inc.**

If any further information is required, do not hesitate to contact me at (504) 948-3976.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'Walter Mitchell, Jr.', is written over the typed name and title.

Walter J. Mitchell, Jr.
Director

LM/

Enclosures

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATUS OF PRIOR YEAR'S REPORTABLE CONDITIONS AND FINDINGS
JUNE 30, 1998

REFERENCE NUMBER

97-1

CONDITION

No general ledger and/or related subsidiary ledgers.

CURRENT STATUS

Resolved

REFERENCE NUMBER

97-2

CONDITION

Preparation of monthly bank reconciliation.

CURRENT STATUS

YDA has hired a new accountant and anticipates resolution by no later than April 30, 1999.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATUS OF PRIOR YEAR'S REPORTABLE CONDITIONS AND FINDINGS
(CONTINUED)
JUNE 30, 1998

REFERENCE NUMBER

97-3

CONDITION

No formal Drug-free Workplace Policy.

CURRENT STATUS

Resolved.

REFERENCE NUMBER

97-4

CONDITION

Performance of services.

CURRENT STATUS

Pre and post test assessments are administered. The average participant showed an increase of 0.5 grade level.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATUS OF PRIOR YEAR'S REPORTABLE CONDITIONS AND FINDINGS
(CONTINUED)
JUNE 30, 1998

REFERENCE NUMBER

97-5

CONDITION

Verification of service area participants.

CURRENT STATUS

YDA continues its recruitment effort to attract more participants, who live in its service area.

REFERENCE NUMBER

97-6

CONDITION

Participant eligibility requirements.

STATUS

Eligibility requirements are being enforced by **YDA**.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATUS OF PRIOR YEAR'S REPORTABLE CONDITIONS AND FINDINGS
(CONTINUED)
JUNE 30, 1998

REFERENCE NUMBER

97-7

CONDITION

Agreement of cost reports to internal records.

CURRENT STATUS

The completion of the general ledger conversion should aid in resolution of the above condition.

REFERENCE NUMBER

97-8

CONDITION

Filing of annual IRS Form 990.

CURRENT STATUS

YDA anticipates filing all IRS form 990 reports by no later than April 30, 1999.

YOUTH DEVELOPMENT ASSOCIATION, INC.
STATUS OF PRIOR YEAR'S REPORTABLE CONDITIONS AND FINDINGS
(CONTINUED)
JUNE 30, 1998

REFERENCE NUMBER

97-9

CONDITION

Filing of accurate federal and state tax reports.

CURRENT STATUS

Filing of accurate federal and state tax reports should be resolved with the implementation of the new general ledger system.

REFERENCE NUMBER

97-10

CONDITION

Untimely submission of audit or compilation report.

CURRENT STATUS

The implementation of the new general ledger system should resolve the above condition.

Youth Development Association

Walter J. Mitchell, Jr., Director
3116 St. Claude Avenue
New Orleans, Louisiana 70117

Telephone 504-948-3976
Fax 504-283-2623

February 12, 1999

*Daniel G. Kyle, CPA, CFE
Legislative Auditor
1600 3rd Street
Baton Rouge, LA 70604*

Dear Mr. Kyle:

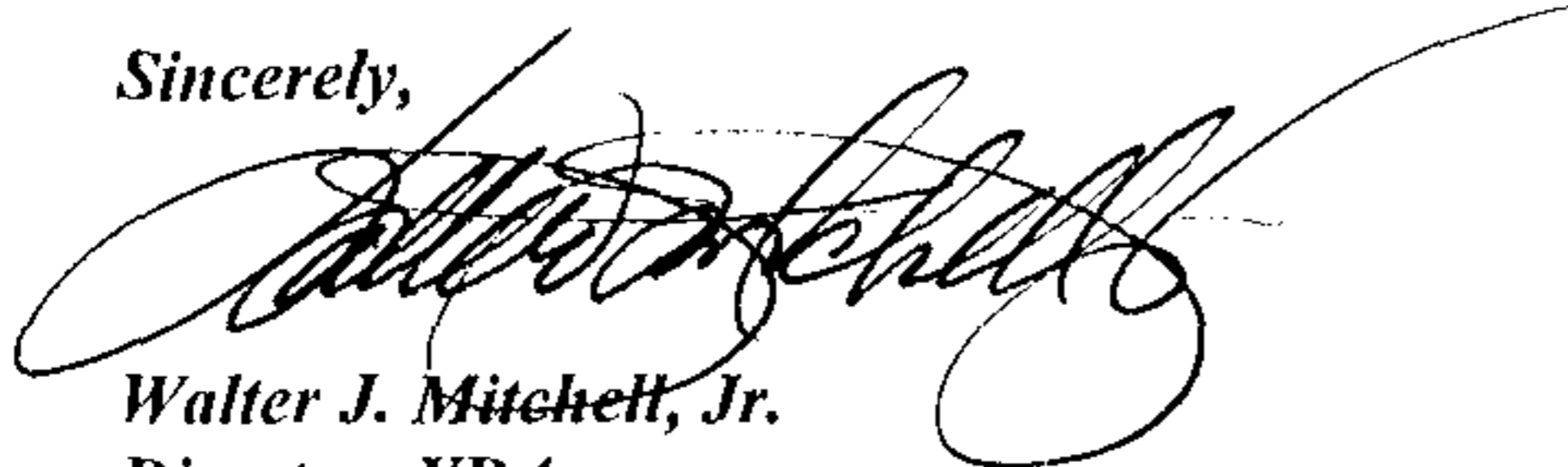
I am sincerely apologizing for the delay in submitting the Youth Development Association's Attestation. I hope that you will accept my apology.

As stated in my previous letter, I have taken the following steps to prevent this problem from reoccurring:

- Hired a new bookkeeper who is familiar with Quickbooks Pro, the computer program that we are using to maintain our records;*
- Acquired the assistance of Mr. Paul K. Andoh; and*
- Conduct periodic tests of the computer program system to make data corrections, if needed, in order to ensure that our attestation is submitted according to schedule.*

Thank you for your patience and assistance in this matter.

Sincerely,



*Walter J. Mitchell, Jr.
Director -YDA*