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THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

COMPILATION OF FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

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

FEB 17 1999

Release Date _____

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FINANCIAL SECTION

Charles L. Lacoste, Jr.

Certified Public Accountant

8116 Burthe Street

New Orleans, Louisiana 70118

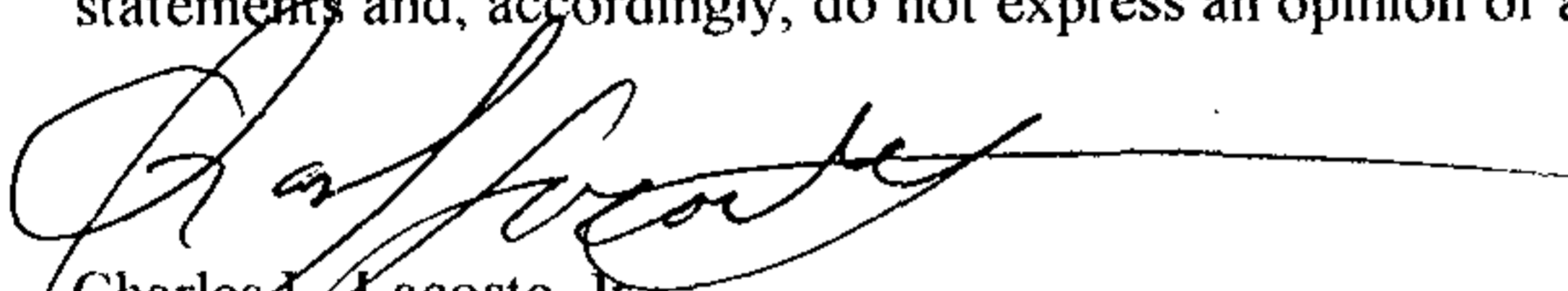
(504) 861-0513

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To the Board of Directors
The Louisiana Families in Need
of Services Association, Inc.

I have compiled the accompanying statement of financial position of The Louisiana Families in Need of Services Association, Inc. (a nonprofit organization) as of June 30, 1998 and the related statements of activities and cash flows 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. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Charles L. Lacoste, Jr.

December 21, 1998

THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

STATEMENT OF FINANCIAL POSITION
June 30, 1998

ASSETS

| | |
|-------------------------|------------------|
| Cash or cash equivalent | \$ 22,465 |
| Accounts receivable | <u>10,125</u> |
| Total assets | <u>\$ 32,590</u> |

LIABILITIES

| | |
|------------------|--------|
| Accounts payable | \$ 608 |
|------------------|--------|

NET ASSETS

| | |
|-------------------------|------------------|
| Unrestricted net assets | <u>31,982</u> |
| Total | <u>\$ 32,590</u> |

THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 1998

UNRESTRICTED NET ASSETS
SUPPORT

| | |
|-------------------------------|---------------|
| Contributions - | |
| Government grants | \$ 45,000 |
| Foundations and civic leagues | 5,000 |
| Members' dues | 2,794 |
| Program fees | |
| Conference fees | <u>19,251</u> |
| Total | <u>72,045</u> |

EXPENSES

| | |
|-----------------------------|---------------|
| Executive director fees | 26,060 |
| Conference expenses | 13,132 |
| Telephone and communication | 5,302 |
| Travel | 2,003 |
| Publication- newsletters | 2,309 |
| Accounting | 1,066 |
| Printing | 1,165 |
| Office supplies | 1,287 |
| Postage and delivery | 743 |
| Expendable equipment | 400 |
| Other operating services | <u>1,624</u> |
| Total | <u>55,091</u> |

Increase in unrestricted Net Assets 16,954

NET ASSETS AT BEGINNING OF YEAR 15,028

NET ASSETS AT END OF YEAR \$ 31,982

THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

STATEMENT OF CASH FLOWS
Year Ended June 30, 1998

| | |
|--|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Increase in net assets | \$ 16,954 |
| Adjustments to reconcile change in net assets to Net cash provided by operating activities: | |
| (Increase)decrease in operating assets - Accounts receivable | (10,125) |
| Increase(decrease) in operating liabilities - Accounts payable | <u>608</u> |
| net cash provided by operating activities | 7,437 |
| BEGINNING CASH | 15,028 |
| ENDING CASH | \$ <u>22,465</u> |

THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Louisiana Families in Need of Services Association, Inc. was formed April 7, 1997 under the provisions of the Louisiana Nonprofit corporation law. On August 11, 1998 the Internal Revenue Service recognized the Organization as a publicly supported entity exempt for income tax under Section 501(c)(3) of the Internal Revenue Code and is also exempt from Louisiana income tax.

The Families in Need of Services (FINS) programs were created by a revision of the Louisiana Children's Code in 1991. These programs seek to halt problem behavior before it progresses to criminal behavior by intervention in troubled families. There are currently over fifty programs in state. The Louisiana Families in Need of Services Association was formed by the FINS officers throughout the state. It seeks to support the law of FINS, to support and assist the individual programs, and to support the education of the public, the service providers, the legislature, and the courts about FINS.

The Organization has only one program, education, but many activities to accomplish that program.

Significant Accounting Policies

Promise to Give - Contributions are recognized when the donor makes a promise to give the Organization 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 fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires temporarily restricted net assets are reclassified to unrestricted net assets.

THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1998

Contributed Services - The Organization received valuable services from its dedicated volunteers. However, these services are not recognized as revenue as they do not create nonfinancial assets nor are they specialized services as described in SFAS 116.

Functional Expenses - The Organization does not consider itself a voluntary health and welfare organization and therefore does not present a statement of functional expenses.

Property and Equipment - Donations of property and equipment are recorded as support at their estimated fair value. Such assets are recorded as unrestricted support unless the donor imposes a restriction. If such restriction exists the support is recorded in accord with the nature of the restriction. Property and equipment purchases having a value of less than \$500 are not recorded as an asset. All other property and equipment is depreciated using the straight line method.

Income Taxes - The Organization is a nonprofit corporation that is exempt from both Federal and Louisiana income taxes under Section 501(c)(3) of the Internal Revenue Code and R.S. 12:201 of Louisiana law.

Cash and Cash Equivalents - The Organization considers all funds in bank accounts, money market accounts, or certificates of deposit as cash or its equivalent.

Financial Statement Presentation - The Organization has adopted Statement Of Financial Accounting Standard (SFAS) No 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, the Organization 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 (if each is applicable). In addition, the Organization is required to present a statement of cash flows.

THE LOUISIANA FAMILIES IN NEED
OF SERVICES ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

June 30, 1998

Contributions - The Organization also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made". In accordance with SFAS no. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

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 disclosures 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.

NOTE B - ACCOUNTS RECEIVABLE

Accounts receivable, materially, represent receivables under government funded grants. Due to the nature of the receivable no allowance for uncollectibles is deemed necessary.

SUPPLEMENTARY SECTION

Charles L. Lacoste, Jr.

Certified Public Accountant

8116 Burthe Street

New Orleans, Louisiana 70118

(504) 861-0513

(504) 861-0548 fax

INDEPENDENT ACCOUNTANT'S REPORT

To the board of Directors
The Louisiana Families in Need of
Services Association, Inc

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of The Louisiana Families in Need of Services Association, Inc. the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about The Louisiana Families in Need of Services Association, Inc.'s compliance with certain laws and regulations during the year ended June 30, 1998 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year by grant and grant year.

The Louisiana Families in Need of Services Association, Inc. award expenditures for all programs for the fiscal year follow:

| <u>GRANT NAME</u> | <u>GRANT PERIOD</u> | <u>CFDA NO.</u> | <u>AMOUNT</u> |
|--|---------------------------------------|-----------------|---------------|
| State of Louisiana - OCS Children's Trust | July 1, 1997 to June 30, 1998 | CFMS 522989 | \$15,000 |
| State of Louisiana - OCS | March 1, 1998 to February 28, 1999 | CFMS 530290 | 4,368 |

| | | | |
|--|--------------------------------------|--------|-----------------|
| Louisiana Commission on Law Enforcement - Juvenile Justice | October 1, 1997 to March 31, 1998 | 16.540 | 20,000 |
| Total expenditures | | | <u>\$39,368</u> |

2. For each Federal, state and local award, I randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

3. For the items selected in procedure 2, I traced the six disbursements to supporting documentation as to proper amount and payee.

I examined supporting documentation for each of the selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, I determined if the disbursements selected were properly coded to the correct program and general ledger account.

All payments were properly coded to the correct program and general ledger account.

5. For the items selected in procedure 2, I determined whether the disbursements selected received proper approval.

All payments were approved by the proper authority.

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

Activities allowed or unallowed:

I reviewed the disbursements selected in procedure 2 for types of services allowed or not allowed. All disbursements met the criteria for allowability.

Eligibility

I reviewed the disbursements selected in procedure 2 for eligibility requirements. All disbursements met the criteria for eligibility.

Reporting

I reviewed the disbursements selected in procedure 2 for reporting requirements. All disbursements met the criteria for reporting.

6. For the programs selected for testing in procedure 2 that had been closed out during the period under review, I compared the close-out report, when required, with the organization's financial records to determine whether the amounts agree.

Of the disbursements selected, one included a state program that was closed out and the amount reported on the close-out agreed to the organization's financial records.

MEETINGS

7. I examined evidence indicating that agendas for meetings recorded in the minutes book were posted as an open meeting as required by LSA-RS 42:1 - 42:12 (the open meetings law).

The organization did not meet the requirement to hold an open meeting at any time within the period under review.

COMPREHENSIVE BUDGET

8. For all grants exceeding five thousand dollars, I determined 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.

The organization provided comprehensive budgets to the applicable state grantor agencies for the programs previously mentioned. These budgets specified the anticipated uses of the funds, estimates of the duration of the project (where applicable) and plans showing specific goals and objectives that included measures of performance.

PRIOR COMMENTS AND RECOMMENDATIONS

9. I reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

This is the organization's first examination, therefore there are no prior-year matters.

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

This report is intended solely for the use of management of The Louisiana Families in Need of Services Association, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor/agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



December 21, 1998

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

December 5, 1998 (Date Transmitted)

The Louisiana FINS ASSOCIATION, Inc.

Charles L. Raccosta, Jr. (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 _____ (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).

Not apply. 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

Not apply. Yes [] No []

Prior Year Comments

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

Not apply. Yes [] 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.

Sonia D'Alles Smith Secretary 11/16/98 Date

Brenda Ellen Johnson Treasurer Nov. 16, 1998 Date

Sup Cockrell President 11-16-98 Date