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PRIDE OF ST. TAMMANY, INC.

AUDIT REPORT

JUNE 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or investigated, 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 1-19-8000

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Pride of St. Tammany, Inc.
Covington, Louisiana

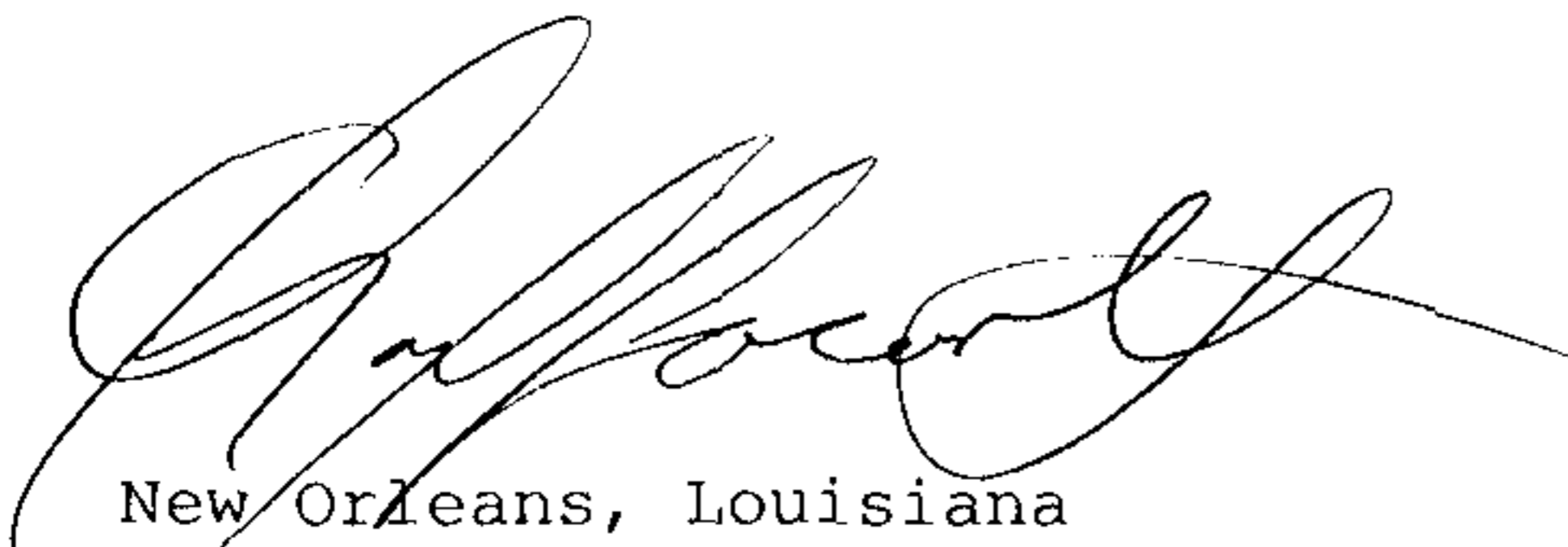
I have audited the accompanying statement of financial position of Pride of St. Tammany, Inc. as of June 30, 1999, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Pride of St. Tammany, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pride of St. Tammany, Inc. as of June 30, 1999, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated December 7, 1999 on my consideration of Pride of St. Tammany, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Pride of St. Tammany, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script, appearing to read "R. Ballard", is written in black ink. The signature is fluid and extends across the width of the text area below it.

New Orleans, Louisiana
December 7, 1999

Pride of St. Tammany, Inc.

STATEMENT OF FINANCIAL POSITION

June 30, 1999

ASSETS

Cash	\$ 83,246
Accounts receivable	39,083
Property and equipment	4,337
Deposits	<u>835</u>
Total assets	<u>\$127,501</u>

NET ASSETS

Unrestricted	<u>\$127,501</u>
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The accompanying notes are an inherent part of the financial statements.

Pride of St. Tammany, Inc.

STATEMENT OF ACTIVITIES
Year Ended June 30, 1999

UNRESTRICTED NET ASSETS

Support -	
Foundations and civic leagues	\$ 27,370
Contracts for services	207,635
Program fees	49,219
Membership and contributions	15,122
Special events and other	15,658
Interest income	<u>2,801</u>
Total	<u>317,805</u>

Expenses -

Program services -	
Community Awareness	165,547
Teaching Positive Life Skills	<u>101,250</u>
Total for program services	<u>266,797</u>
Supporting services -	
Management and general	17,072
Fund raising	<u>2,598</u>
Total for supporting services	<u>19,670</u>
Total expenses	<u>286,467</u>

 Increase in Unrestricted Net Assets 31,338

NET ASSETS AT BEGINNING OF YEAR 96,163

NET ASSETS AT END OF YEAR \$ 127,501

Pride of St. Tammany, Inc.

STATEMENT OF CASH FLOWS
Year Ended June 30, 1999

CASH FLOWS FROM OPERATING ACTIVITIES -	
Increase in net assets	\$ 31,338
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	2,167
(Increase) decrease in operating assets -	
Accounts receivable	(8,503)
Deposits	153
Increase (decrease) in operating liabilities -	
Lease payable	(<u>443</u>)
Net cash provided by operating activities	<u>24,712</u>
 BEGINNING CASH	 <u>58,534</u>
ENDING CASH	\$ <u><u>83,246</u></u>

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

PRIDE OF ST. TAMMANY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
 June 30, 1999

	Program Services			Supporting Services			Total
	Community Awareness	Teaching Positive Life Skills	Total	Management and General	Fund Raising	Total	
Salaries	\$ 91,489	16,737	108,226	7,835	1,959	9,794	118,020
Payroll tax and benefits	7,513	1,284	8,797	718	96	814	9,611
Advertising	525	5	530	43	0	43	573
Conferences and conventions	3,996	21,372	25,368	741	0	741	26,109
Dues and subscriptions	1,142	100	1,242	0	0	0	1,242
Educational/program supplies	23,427	19,215	42,642	0	0	0	42,642
Office supplies	2,194	953	3,147	1,427	0	1,427	4,574
Postage	2,300	505	2,805	250	33	283	3,088
Printing	4,481	360	4,841	0	0	0	4,841
Travel	3,730	762	4,492	0	0	0	4,492
Professional services	5,495	15,850	21,345	2,000	1,665	3,665	25,010
Insurance	4,181	1,393	5,574	375	54	429	6,003
License and taxes	0	0	0	600	0	600	600
Rent	6,220	19,416	25,636	558	80	638	26,274
Repairs	883	158	1,041	79	11	90	1,131
Utilities	765	137	902	69	10	79	981
Other operating expense	<u>2,352</u>	<u>1,932</u>	<u>4,284</u>	<u>1,941</u>	<u>6,597</u>	<u>8,538</u>	<u>12,822</u>
Total	163,587	100,947	264,804	16,920	10,562	27,482	292,286
Depreciation	<u>1,690</u>	<u>303</u>	<u>1,993</u>	<u>152</u>	<u>22</u>	<u>174</u>	<u>2,167</u>
Total	<u>165,547</u>	<u>101,250</u>	<u>266,797</u>	<u>17,072</u>	<u>10,584</u>	<u>27,656</u>	<u>294,453</u>
Less: Allocated to special events					<u>7,986</u>	<u>7,986</u>	<u>7,986</u>
Total	<u>\$ 165,547</u>	<u>101,250</u>	<u>266,797</u>	<u>17,072</u>	<u>2,598</u>	<u>19,670</u>	<u>286,467</u>

The accompanying notes are an inherent part of the financial statement.

PRIDE OF ST. TAMMANY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE A- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Pride of St. Tammany, Inc. was incorporated September 29, 1986 under the provisions of the Louisiana Nonprofit corporation law. On January 31, 1987 the Internal Revenue Service recognized the Organization as a publicly supported entity exempt from income tax under Section 501 (c) (3) of the Internal Revenue Code and is also exempt from Louisiana income tax.

The Organization operates two programs to accomplish its mission:

- Community Awareness- various activities and events to raise awareness and to educate the community regarding substance abuse, it prevention and remediation.
- Teaching Positive Life Skills- various activities and events to teach adolescents coping and life management skills so as to reduce the incidence of substance abuse.

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.

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

PRIDE OF ST. TAMMANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

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 reported 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, with a maturity of one year or less, as cash or its equivalent.

Financial Statement Presentation- the Organization has adopted Statement of Financial Accounting Standards (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.

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

PRIDE OF ST. TAMMANY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 1999

NOTE B- ACCOUNTS RECEIVABLE

Accounts receivable represent revenues earned and receivable under government funded contracts. No allowance for uncollectibles is deemed necessary.

NOTE C- PROPERTY AND EQUIPMENT

Property and equipment consists of the following components:

Equipment	\$ 6,378
Furniture and fixtures	2,589
Computers	<u>4,455</u>
	13,422
Accumulated depreciation	<u>9,085</u>
Total	<u>\$ 4,337</u>

NOTE D-CONCENTRATION OF REVENUES

The Organization receives approximately 65% of its revenues from government funded contracts which are concentrated in a single department of the State of Louisiana.

SUPPLEMENTARY SECTION

PRIDE OF ST. TAMMANY, INC.
SCHEDULE OF FEDERAL AWARDS
Year Ended June 30, 1999

Awarding Agency/ Program Title	Project/agency number	Expenditure
State of Louisiana		
Department of Health and Hospitals		
Prevention	900391	\$ 108,838
Treatment	900397	42,496
High Impact	ADA-99-H-S-0807	9,986
Department of Education		
	99-73-ZO-D	30,000
Department of Social Services Children's Trust Fund		
	535856	9,000
St. Tammany Parish Public School System SDFSCA		
	93-2196-3200	<u>8,000</u>
Total		\$ <u>208,320</u>

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Certified Public Accountant

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

To the Board of Directors of
Pride of St. Tammany, Inc.

I have audited the financial statements of Pride of St. Tammany, Inc. (a Nonprofit organization) as of and for the year ended June 30, 1999, and have issued my report thereon dated December 7, 1999. I conducted my 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

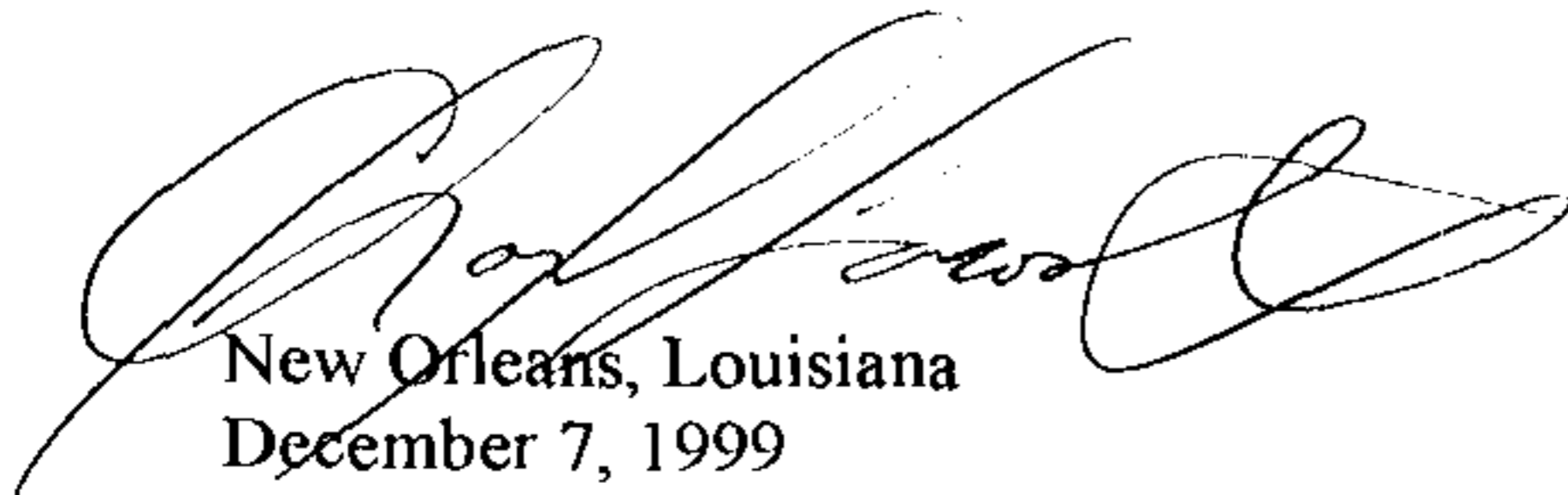
As part of obtaining reasonable assurance about whether Pride of St. Tammany, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect of the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Pride of St. Tammany, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report intended for the information of management, the board of directors and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



New Orleans, Louisiana
December 7, 1999