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Financial Report

Volunteer and Information Agency, Inc.

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.

Release Date OCT 1 4 1998

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Volunteer and Information Agency, Inc.

June 30, 1998

Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying statement of financial position of Volunteer and Information Agency, Inc. (a nonprofit organization) as of June 30, 1998 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Volunteer and Information Agency, Inc. as of June 30, 1998 and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

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In accordance with Government Auditing Standards, we have also issued our report dated August 7, 1998 on our consideration of Volunteer and Information Agency, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
August 7, 1998.

Exhibit A

STATEMENT OF FINANCIAL POSITION

Volunteer and Information Agency, Inc.

June 30, 1998

Assets	
Cash and cash equivalents	$ 31,461
Certificates of deposit	34,132
Unconditional promises to give:	
United Way funding for next year:	
United Way allocations	210,533
United Way designation	1,759
Accounts receivable	23,694
Inventory of directories (at cost)	1,081
Prepaid expenses	612
Equipment, furniture and fixtures at cost of $104,099 net of accumulated depreciation of $ 67,312	36,787
Total assets	$ 340,059
Liabilities	
Accounts payable	$ 14,060
Net Assets	
Unrestricted	91,361
Temporarily restricted	234,638
Total net assets	325,999
Total liabilities and net assets	$ 340,059

See notes to financial statements.

Exhibit B

STATEMENT OF ACTIVITIES

Volunteer and Information Agency, Inc.

For the year ended June 30, 1998

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenues			
Allocations by United Way:			
New Orleans United Way allocations		$ 203,750	$ 203,750
New Orleans United Way designations		1,759	1,759
Other United Way allocations		16,250	16,250
Contributions	$ 116,027	42,227	158,254
Program service fees	37,879		37,879
Contract for services	192,907		192,907
Sales of directories, net of direct cost	2,596		2,596
Sales to public - other	7,760		7,760
Grants	50,099		50,099
Miscellaneous income	4,583		4,583
Investment income	2,800		2,800
	414,651	263,986	678,637
Net assets released from restrictions:			
New Orleans United Way allocations	201,480	(201,480)	
New Orleans United Way designations	2,203	(2,203)	
Other United Way allocations	15,945	(15,945)	
Christmas Bureau	23,180	(23,180)	
	242,808	(242,808)	
Total public support and revenues	657,459	21,178	678,637
Expenses			
Program services:			
Information and referral/ crisis intervention	402,900		402,900
Volunteer Center:			
Brown program	40,898		40,898
Other programs	214,898		214,898
Total program services	658,696		658,696
Supporting services - management and general	55,875		55,875
Total expenses	714,571		714,571
Change in net assets	(57,112)	21,178	(35,934)
Net Assets			
Beginning of year	148,473	213,460	361,933
End of year	$ 91,361	$ 234,638	$ 325,999

See notes to financial statements.

Exhibit C

STATEMENT OF FUNCTIONAL EXPENSES

Volunteer and Information Agency, Inc.

For the year ended June 30, 1998

	Program Services					
	Information and Referral/ Crisis Intervention Center	Volunteer Center Brown Program	Volunteer Center Other Programs	Total	Supporting Services Management and General	Totals
Expenses						
Salaries	$ 237,873	$ 28,441	$ 100,492	$ 366,806	$ 9,882	$ 376,688
Employee health and retirement benefits	10,848	1,207	4,102	16,157	1,746	17,903
Payroll taxes	22,665	1,813	8,679	33,157	1,661	34,818
Total salaries and related expenses	271,386	31,461	113,273	416,120	13,289	429,409
Professional fees	27,005		10,765	37,770	19,249	57,019
Office supplies	10,523	606	26,693	37,822	2,458	40,280
Telephone	20,559	168	865	21,592	849	22,441
Postage	1,843	535	4,900	7,278	1,436	8,714
Occupancy	31,779		8,341	40,120	4,135	44,255
Rental and equipment maintenance	5,373	4	1,451	6,828	695	7,523
Depreciation	10,877		3,108	13,985	1,554	15,539
Printing and publications	6,073	1,089	11,893	19,055	1,120	20,175
Travel	2,246	309	2,707	5,262	634	5,896
Conferences and conventions	7,298	6,726	15,628	29,652	1,494	31,146
Membership dues	668		772	1,440	1,351	2,791
Awards / grants			13,237	13,237		13,237
Miscellaneous expense	7,270		1,265	8,535	7,611	16,146
Total expenses	$ 402,900	$ 40,898	$ 214,898	$ 658,696	$ 55,875	$ 714,571

See notes to financial statements.

Exhibit D

STATEMENT OF CASH FLOWS

Volunteer and Information Agency, Inc.

For the year ended June 30, 1998

Cash Flows From Operating Activities	
Change in net assets	$ (35,934)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	15,539
Increase in unconditional promises to give	(2,131)
Decrease in accounts receivable	28,955
Decrease in inventory of directories	8,277
Decrease in prepaid expenses	4
Decrease in accounts payable	(4,085)
Total adjustments	46,559
Net cash provided by operating activities	10,625
Cash Flows From Investing Activities	
Redemption of certificate of deposit	20,000
Purchases of equipment and furniture and fixtures	(3,339)
Net cash provided by investing activities	16,661
Increase in cash and cash equivalents	27,286
Cash and Cash Equivalents	
Beginning of year	4,175
End of year	$ 31,461

See notes to financial statements.

Exhibit E

NOTES TO FINANCIAL STATEMENTS

Volunteer and Information Agency, Inc.

June 30, 1998

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Organization and Nature of Business

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

b) Financial Statement Presentation

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

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

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

The Agency has no permanently restricted net assets.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Estimates

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

d) Cash and Cash Equivalents

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

e) Contributions

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

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

f) Promises to Give

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

g) Equipment, Furniture and Fixtures, and Depreciation

Depreciation of equipment is provided over the estimated useful lives of the assets on a straight-line basis. Depreciation expense for the year ended June 30, 1998 was $15,539.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Functional Expenses

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

VIA's principal programs comprise:

Information and Referral/Crisis-Intervention Center

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

Volunteer Center

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

i) Tax-Exempt Status

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

Note 2 - UNCONDITIONAL PROMISES TO GIVE

At June 30, 1998, $212,292 was recorded as unconditional promises to give and temporarily restricted revenue to reflect United Way funding for the period July 1, 1998 through June 30, 1999 in which the Agency was notified prior to June 30, 1998.

Note 3 - RESTRICTIONS ON ASSETS

Temporarily restricted net assets are restricted by the donor for specific programs, purposes, or to assist specific programs of the Agency. These restrictions are considered to expire when payments for restricted purposes are made. The activity in temporarily restricted net assets for the year ended June 30, 1998 was as follows:

	Balance July 1, 1997	Public Support	Released From Restrictions	Balance June 30, 1998
United Way Funding For Next Year	$210,161	$221,759	$(219,628)	$212,292
Christmas Bureau	3,299	24,227	(23,180)	4,346
Youth Connections		3,000		3,000
Wisner Grant		15,000		15,000
Totals	$213,460	$263,986	$(242,808)	$234,638

Note 4 - CONTRACTS FOR SERVICES

The Agency operates a 24-hour crisis-intervention line and gambling hotline. The Agency has a contract with the State of Louisiana to receive reimbursements of part of the cost of operating these programs. Reimbursement from the State for the year ended June 30, 1998, was $153,960, of which $13,285 was recorded as a receivable at year end. The contracts were renewed for the year ending June 30, 1999 for an amount not to exceed $117,900.

Note 5 - GRANTS

The Agency was the recipient of the following grants:

The New Orleans Council on Aging grants funds for the Senior Adult Information and Referral Program. A grant of $5,000 was received during the year ended June 30, 1998.

The Department of Health and Hospitals grants funds to provide after hours mental health services for clients of the mental health clinics for Region 9. A Grant of $4,200 was received during the year ended June 30, 1998.

The Brown Foundation established a program that provides monetary awards to students, in local area schools, for their efforts in volunteers and community service. The Agency administers this program. During the year ended June 30, 1998, the Agency received a grant of $40,899.

Note 6 - LEASE COMMITMENT

The Agency's office facilities are rented.

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

1999	$40,050
2000	40,688
2001	6,802
Total	$87,540

Rent expense for the year ended June 30, 1998 was $44,255. The lease contains an option to renew for one year with terms to be negotiated at the time the option is exercised.

NOTE 7 - SIMPLE IRA

Effective January 1, 1998, the Agency adopted a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE). All employees are eligible to participate. This plan provides for employees to elect to make a salary reduction, which cannot exceed $6,000 for any calendar year. The Agency will make a matching contribution to each employee's individual retirement account (IRA) equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year. The Agency matched $3,121 for the year ended June 30, 1998.

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

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

We have audited the financial statements of Volunteer and Information Agency, Inc. (a nonprofit organization) as of and for the year ended June 30, 1998, and have issued our report thereon dated August 7, 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 Volunteer and Information Agency, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Volunteer and Information Agency, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that

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

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
August 7, 1998.

SCHEDULE OF FINDINGS

Volunteer and Information Agency, Inc.

For the year ended June 30, 1998

Section I Summary of Auditor's Report

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes _X_ no
- Reportable condition(s) identified that are not considered to be material weakness ___ yes _X_ none reported

Noncompliance material to financial statements noted? ___ yes _X_ no

b) Federal Awards

For the year ended June 30, 1998 the Volunteer and Information Agency, Inc. was not subject to OMB Circular A-133, Audits of States, Local Government and Non-Profit Organizations.

Section II Financial Statement Findings

There were no financial statement findings required to be reported for the year ended June 30, 1998.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS

Volunteer and Information Agency, Inc.

For the year ended June 30, 1998

Section I Internal Control and Compliance Material to the Financial Statements

For the year ended June 30, 1997 there were no internal control or compliance issues reported or noted.

Section II Internal Control and Compliance Material To Federal Awards

Not applicable.

Section III Management Letter

Not applicable.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Volunteer and Information Agency, Inc.

For the year ended June 30, 1998

Section I Internal Control and Compliance Material to the Financial Statements

For the year ended June 30, 1998 there were no internal control or compliance issues reported or noted.

Section II Internal Control and Compliance Material To Federal Awards

For the year ended June 30, 1998 the Volunteer and Information Agency, Inc. was not subject to OMB Circular A-133, Audits of States, Local Government and Non-Profit Organizations.

Section III Management Letter

See separate letter. Management agrees to follow recommendations.

Bourgeois Bennett

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August 13, 1998

Board of Directors
Volunteer & Information Agency, Inc.
4747 Earhart Blvd., Suite 200
New Orleans, LA 70125

Ladies and Gentlemen:

We appreciate the opportunity to serve as auditors for the Volunteer and Information Agency, Inc. (VIA). To assist you in your efforts to improve the financial administration and operations of VIA, we offer the following observation for your consideration:

Maison Blanche Charity Sale

During our audit we noted that record keeping for the Maison Blanche Charity Sale was lacking in certain areas and that there was insufficient follow up on organizations that did not turn in either money or tickets in the amount of the tickets they checked out. As of August (three months after the sale) there were still 3,100 tickets/money that was unaccounted for. Of this amount, 1,000 is outstanding from Maison Blanche-Lake Forest, itself. VIA maintains a spreadsheet for each sale that shows: the organization, contact person, phone number, if the organization filled out a registration form, number of tickets checked out, date tickets checked out, volunteer's store, dollar and ticket amount returned, date tickets returned, if an evaluation form was returned, and the signature of the person who returned the money and/or tickets. We suggest that this spreadsheet be edited to show a separate columns for tickets returned, money returned, and the sum of tickets and money returned. This way the person in charge could easily see if the amount accounted for is equal to the tickets checked out and follow up on it if there is a discrepancy. Also, procedures need to be put in place to follow up on organizations who checked out tickets, but have not returned either money or tickets by the deadline. At a minimum, organizations who fail to report, should not be allowed to participate again.

Directory Sales

During our audit we discovered that the MS Access System's report of directory sales did not agree to the sale invoices. For those sales which we questioned, we looked at the original invoice. The factors we reviewed were the customer name, amount of directories sold, dollar value, and date of sale. In all circumstances and for all factors, the invoice differed from the report. We randomly selected other sales to test and for all items tested we had the same results. We suggest that management evaluate the MS Access System and decipher the problem with it. If the information it outputs cannot be deemed reliable, VIA should look into other software that can track the sale of directories. Procedures also need to be put into place to follow up on organizations that have received directories, but have still not remitted payment. At June 30, 1998 there were several accounts that were greater than 90 days past due.

Inventory of Directories

In reviewing inventory activity we noted that the record keeping was lacking adequate control. When we calculated ending inventory, it differed from actual by 104 directories. It appears this results from the fact that the directory is being updated and this old version is not considered "valuable" (as evidenced by almost 500 directories being recycled this year). This is probably the reason complimentary directories are given away and no records are kept on them. Although the remaining 1996/1997 directories will probably be destroyed when the new directory is completed, now is the time to develop a system to keep track of them, whether sold, given away, or destroyed. We suggest VIA select a specific person to be in charge of the inventory. The inventory should be secured and this person should be the only one with access. When a directory is sold or given away, the person requesting the directory would have to go to the inventory person and sign out for the directories. This would identify all inflows and outflows of inventory and would show actual inventory on hand at all times.

If more information is needed, please advise.

Very truly yours,

Charles Lacinak Jr.

For the Firm.

CL/aam

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Bourgeois Bennett

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August 12, 1998

To the Finance Committee,
Volunteer and Information Agency, Inc.

We have audited the financial statements of Volunteer and Information Agency, Inc. for the year ended June 30, 1998, and have issued our report thereon dated August 7, 1998. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As stated in our engagement letter dated June 4, 1998, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or illegal acts may exist and not be detected by us.

As part of our audit, we considered the internal control of Volunteer and Information Agency, Inc. (The Agency). Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Agency are described in Note 1 to the financial statements.

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No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 1998. We noted no transactions entered into by the Agency during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements is depreciation. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures.

We proposed, and the Agency recorded, various audit adjustments. The details are as follows:

		Increase (decrease) in the Change in Net Assets for the year ended June 30, 1998
Decrease in net assets, unadjusted		$25,287
Adjustments:		
1. Record depreciation	$15,539	
2. Accrue accounts receivable	(21,832)	
3. Accrue accounts payable	12,422	
4. Record cost of directories sold and/or recycled	8,276	
5. Write off old outstanding checks	(3,639)	
6. Miscellaneous small adjustments	(276)	10,490
Decrease in net assets, adjusted		$35,777

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

This information is intended solely for the use of the Finance Committee, Board of Directors and management of Volunteer and Information Agency, Inc. and should not be used for any other purpose.

Very truly yours,

Charles Lerouil, Jr.

For the Firm.

CL/aam

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