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PLAQUEMINES ASSOCIATION FOR
RETARDED CITIZENS, INC.

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

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 FEB 17 1999

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UZEE, BUTLER, ARCENEUX & BOWES

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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Plaquemines Association for Retarded Citizens, Inc.

We have compiled the accompanying Statement of Financial Position of Plaquemines Association for Retarded Citizens, Inc. (a Louisiana Nonprofit Corporation) as of June 30, 1998 and the related statements of activities and cash flows for the year then ended, and the accompanying supplementary information, which is presented only for supplementary analysis purposes, 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 and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Uzee, Butler, Arceneux & Bowes

Uzee, Butler, Arceneaux & Bowes
Certified Public Accountants
December 23, 1998

PLAQUEMINES ASSOCIATION FOR RETARDED CITIZENS, INC.
 STATEMENT OF FINANCIAL POSITION
 June 30, 1998

ASSETS

Cash		\$ 1,300
Grant receivable		9,051
Prepaid expenses and other assets		5,211
Property and equipment		
Building and improvements on leased land	\$ 68,263	
Equipment	<u>46,287</u>	
	114,550	
Less accumulated depreciation	<u>110,401</u>	<u>4,149</u>
Total assets		\$ <u>19,711</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable		\$ 1,036
Accrued and withheld payroll taxes		1,410
Notes payable - current		<u>4,096</u>
Total liabilities		6,542
Net Assets:		
Invested in property and equipment	\$ 4,149	
Unrestricted	<u>9,020</u>	<u>13,169</u>
Total liabilities and net assets		\$ <u>19,711</u>

See accompanying notes and accountant's report.

PLAQUEMINES ASSOCIATION FOR RETARDED CITIZENS, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 1998

CHANGES IN NET ASSETS:

REVENUES

State grants	\$ 26,129
Title XIX	1,384
Appropriation from Plaquemines Parish	50,000
Medicaid waiver services	931
Contributions	4,852
Use of contributed facilities	6,000
Interest income and other	<u>2,542</u>

Total revenues \$ 91,838

EXPENSES:

Program services	81,481
Management and general	<u>36,668</u>

Total expenses 118,149

Decrease in net assets (26,311)

Net assets at beginning of year 39,480

Net assets at end of year \$ 13,169

See accompanying notes and accountant's report.

PLAQUEMINES ASSOCIATION FOR RETARDED CITIZENS, INC.
STATEMENT OF CASH FLOWS
Year Ended June 30, 1998

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$ (26,311)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	4,280
Decrease in grant receivable	6,793
Decrease in accounts payable and accrued expenses	(825)
Decrease in prepaid expenses and other assets	420
Increase in notes payable	<u>4,096</u>
Net cash used by operating activities	(11,547)
CASH FLOWS USED BY INVESTING ACTIVITIES	
Purchase of equipment	<u>(1,949)</u>
Net decrease in cash	(13,496)
CASH AT BEGINNING OF YEAR	<u>14,796</u>
CASH AT END OF YEAR	\$ <u>1,300</u>

See accompanying notes and accountant's report.

PLAQUEMINES ASSOCIATION FOR RETARDED CITIZENS, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 1998

DESCRIPTION OF ORGANIZATION

Plaquemines Association for Retarded Citizens, Inc. (PARC) is a nonprofit organization which provides day care and training for mentally retarded and developmentally disabled persons in Plaquemines Parish, Louisiana. PARC was incorporated under the laws of the State of Louisiana and is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements are presented on the accrual basis of accounting. Revenue from state grants is recognized to the extent of grant expenses. The amount reported as a grant receivable is for grant expenses incurred but not yet reimbursed. The appropriation from Plaquemines Parish is made on a calendar year basis and is received by PARC in four installments. The amount recognized as revenue for the year ended June 30, 1998 is comprised of one-half of the appropriation for 1997 and one-half of the appropriation for 1998. Contributions are recorded as revenue of the period in which received. Expenditures are recognized when the related liability is incurred.

Leased Facilities - The land and building used by PARC are leased from Plaquemines Parish at an annual rental of \$1.00. The lease is for a period of 100 years which expires May 31, 2090. The estimated fair rental value of these facilities (\$500 a month) is reported as a revenue and an expense of the period in which the facilities are used.

Property and Equipment - Property and equipment are stated at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, 5 years for equipment and 15 years for buildings and improvements. The buildings consist principally of greenhouses and are being depreciated over their estimated useful lives instead of over the term of the lease on the land on which they are situated because they are considered portable and can be removed at the expiration of the lease.

Income taxes - No provisions is made for income taxes in the financial statements because PARC is a tax-exempt entity and had no taxable income for the fiscal year ended June 30, 1998. PARC maintains its books and files its federal return (Form 990) on the cash basis of accounting.

SUPPLEMENTARY INFORMATION

PLAQUEMINES ASSOCIATION FOR RETARDED CITIZENS, INC.
 SCHEDULE OF FUNCTIONAL EXPENSES
 Year Ended June 30, 1998

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Salaries and wages	\$ 50,313	\$ 20,481	\$ 70,794
Payroll taxes	3,886	1,587	5,473
Insurance	5,911	1,043	6,954
Automobile	3,135	784	3,919
Depreciation	4,136	460	4,596
Professional fees		3,905	3,905
Rent and utilities	11,018	1,224	12,242
Supplies	500	974	1,474
Telephone	435	435	870
Travel	16	15	31
Other	<u>2,131</u>	<u>5,760</u>	<u>7,891</u>
Total	\$ <u>81,481</u>	\$ <u>36,668</u>	\$ <u>118,149</u>

See accountant's report.

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December 23, 1998

Board of Directors
Plaquemines Association for Retarded Citizens, Inc.

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Plaquemines Association for Retarded Citizens, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Plaquemines Association for Retarded Citizens, 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, 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.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$5,000 or public works exceeding \$50,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and the budget amendment.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on September 22, 1997 which indicated that the budget had been adopted by the Directors of Plaquemines Association for Retarded Citizens, Inc. Minutes of a meeting held June 29, 1998 indicated the approval of an amended budget and the adoption of the budget for the fye June 30, 1999.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures for the year did not exceed budgeted amounts by more than 5%. Actual revenues were within 5% of budgeted revenues.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
a) trace payments to supporting documentation as to proper amount and payee;

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

- b) determine if payments were properly coded to the correct fund and general ledger account; and

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

- c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from two of the Board of Directors.

9. Submission of compilation and attestation report.

Plaquemines Association for Retarded Citizens, Inc. did submit the compilation and attestation report within the six month statutory issue date.

10. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Plaquemines Association for Retarded Citizens, Inc. did post or advertise agendas or minutes of board meetings as required by the statutes.

Debt

11. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

We examined the payroll records and minutes for the year and noted that no payments were made to employees which would constitute bonuses, advances or gifts.

Uzee, Butler, Arceneux & Bowes

Uzee, Butler, Arceneux & Bowes
Certified Public Accountants

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

12-23-98 (Date Transmitted)

Uzee Butler, Anceaux & Bowen
2067 PASTOR ST
Harvey, LA 70058

(Auditors)

In connection with your compilation of our financial statements as of 6-30-98 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 12-23-98 (date of completion/representation).

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 [] No []

Prior Year Comments

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

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.

_____	Secretary	<u>12-23-98</u>	Date
<u>Justin Bartholomew</u>	Treasurer	<u>12-23-98</u>	Date
<u>Nellie Domingue</u>	President	<u>12-23-98</u>	Date