

**CHARMAINE PHILIPS-PLATENBURG**  
*Certified Public Accountant*

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*Financial Statements*

*of*

*Shalom Zone – Tutorial & Development Programs*

*For the Three Months Ended 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 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 16 2000

*See Accompanying Accountant's Compilation Report.*

**CHARMAINE PHILIPS-PLATENBURG**  
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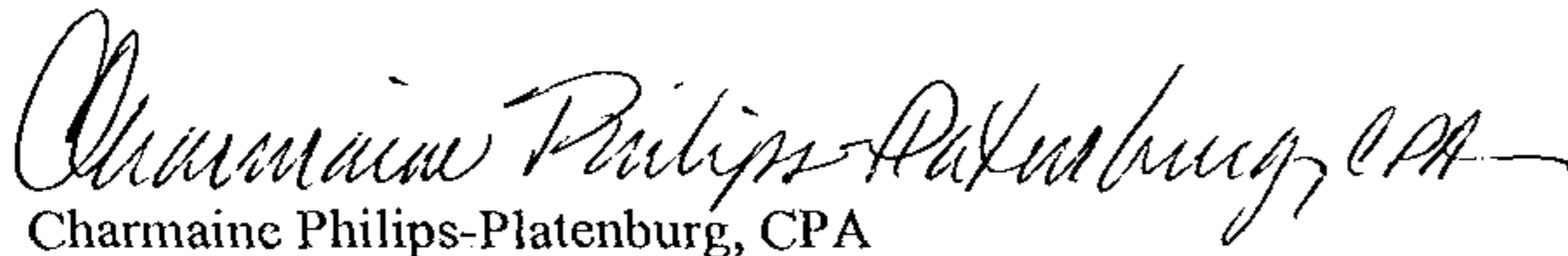
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*"Accountant's Compilation Report"*

**To the Board of Directors of  
Shalom Zone – Tutorial & Development Programs  
New Orleans, Louisiana**

We have compiled the accompanying statement of financial position of Shalom Zone - Tutorial & Development Programs as of June 30, 1999, and the related statements of activities and cash flows for the three months then ended, in accordance with the 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.



Charmaine Philips-Platenburg, CPA  
August 11, 1999

**Shalom Zone, Inc.**  
**Statement of Financial Position**  
As of June 30, 1999

	<u>Jun 30, '99</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Liberty Bank	4,201.80
<b>Total Checking/Savings</b>	<u>4,201.80</u>
Accounts Receivable	
Accounts Receivable	15,150.00
<b>Total Accounts Receivable</b>	<u>15,150.00</u>
<b>Total Current Assets</b>	19,351.80
<b>Fixed Assets</b>	
Automobile	1,500.00
Building	20,000.00
Equipment - Office	9,500.00
Less Accumulated Depreciation	<u>(3,375.98)</u>
<b>Total Fixed Assets</b>	<u>27,624.02</u>
<b>TOTAL ASSETS</b>	<u><u>46,975.82</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	6,772.06
<b>Total Accounts Payable</b>	<u>6,772.06</u>
<b>Total Current Liabilities</b>	<u>6,772.06</u>
<b>Total Liabilities</b>	6,772.06
<b>Equity</b>	
Net Assets - Restricted	21,500.00
Net Assets - Unrestricted	8,252.69
Net Income	<u>10,451.07</u>
<b>Total Equity</b>	<u>40,203.76</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>46,975.82</u></u>

**Shalom Zone, Inc. - All Programs**  
**Statement of Activities**  
 April through June 1999

	Apr - Jun '99	% of Income
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>Grants</b>		
Global Ministries	6,750.00	24.2%
Tutorial Program	21,000.00	75.3%
<b>Total Grants</b>	27,750.00	99.5%
<b>Membership Dues</b>	150.00	0.5%
<b>Total Income</b>	27,900.00	100.0%
<b>Expense</b>		
<b>Depreciation Expense</b>	1,475.98	5.3%
<b>Equipment</b>	3,000.00	10.8%
<b>Maintenance</b>	679.00	2.4%
<b>Operating Services</b>		
Bank Service Charges	7.98	0.0%
Licenses and Permits	125.00	0.4%
Office Expense	42.40	0.2%
Postage and Delivery	77.00	0.3%
Printing and Reproduction	422.11	1.5%
Telephone	227.89	0.8%
Operating Services - Other	2,697.62	9.7%
<b>Total Operating Services</b>	3,600.00	12.9%
<b>Other Expenses</b>	1,997.00	7.2%
<b>Personnel Salaries</b>		
Janitor	200.03	0.7%
Secretary	908.53	3.3%
Tutors	4,145.39	14.9%
Personnel Salaries - Other	3,899.05	14.0%
<b>Total Personnel Salaries</b>	9,153.00	32.8%
<b>Personnel Travel</b>		
Conferences/Seminars	573.51	2.1%
Field Trips	60.00	0.2%
Personnel Travel - Other	616.49	2.2%
<b>Total Personnel Travel</b>	1,250.00	4.5%
<b>Supplies</b>		
Office	194.69	0.7%
Summer Camp	521.30	1.9%
Supplies - Other	1,284.01	4.6%
<b>Total Supplies</b>	2,000.00	7.2%
<b>Total Expense</b>	23,154.98	83.0%
<b>Net Ordinary Income</b>	4,745.02	17.0%
<b>Net Income</b>	4,745.02	17.0%

**Shalom Zone, Inc. - Tutorial Program**  
**Statement of Activities**  
 April through June 1999

	Apr - Jun '99	% of Income
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>Grants</b>		
Tutorial Program	21,000.00	99.3%
<b>Total Grants</b>	21,000.00	99.3%
<b>Membership Dues</b>	150.00	0.7%
<b>Total Income</b>	21,150.00	100.0%
<b>Expense</b>		
<b>Equipment</b>	3,000.00	14.2%
<b>Operating Services</b>		
Bank Service Charges	7.98	0.0%
Licenses and Permits	125.00	0.6%
Office Expense	42.40	0.2%
Postage and Delivery	77.00	0.4%
Printing and Reproduction	422.11	2.0%
Telephone	227.89	1.1%
<i>Operating Services - Other</i>	2,697.62	12.8%
<b>Total Operating Services</b>	3,600.00	17.0%
<b>Other Expenses</b>	1,997.00	9.4%
<b>Personnel Salaries</b>		
Janitor	200.03	0.9%
Secretary	908.53	4.3%
Tutors	4,145.39	19.6%
Personnel Salaries - Other	3,899.05	18.4%
<b>Total Personnel Salaries</b>	9,153.00	43.3%
<b>Personnel Travel</b>		
Conferences/Seminars	573.51	2.7%
Field Trips	60.00	0.3%
Personnel Travel - Other	616.49	2.9%
<b>Total Personnel Travel</b>	1,250.00	5.9%
<b>Supplies</b>		
Office	194.69	0.9%
Summer Camp	521.30	2.5%
Supplies - Other	1,284.01	6.1%
<b>Total Supplies</b>	2,000.00	9.5%
<b>Total Expense</b>	21,000.00	99.3%
<b>Net Ordinary Income</b>	150.00	0.7%
<b>Net Income</b>	<u>150.00</u>	<u>0.7%</u>

**Shalom Zone, Inc.**  
**Statement of Cash Flows**  
**For the Three Months Ended June 30, 1999**

<b>Cash Flows from Operating Activities:</b>	
<b>Increase in Net Assets</b>	\$ 4,745
<b>Adjustments to reconcile increase net assets to net cash provided by operating activities:</b>	
<b>Depreciation Expense</b>	1,476
<b>Increase in Accounts Receivable</b>	(11,750)
<b>Increase in Accounts Payable</b>	<u>9,847</u>
<b>Net Cash Provided by Operations</b>	4,318
<b>Net Decrease In Cash and Cash Equivalents</b>	4,318
<b>Cash and Cash Equivalents at Beginning of the Period</b>	<u>(116)</u>
<b>Cash and Cash Equivalents at June 30, 1999</b>	<u><u>\$ 4,202</u></u>

***NOTES TO THE FINANCIAL STATEMENTS***  
***SHALOM ZONE – TUTORIAL & DEVELOPMENT PROGRAM***

**NOTE A – Nature of Activities and Summary of Significant Accounting Policies**

Nature of Activities

Shalom Zone – Tutorial & Development Programs (the Organization) is a non-profit organization whose purpose is to educate and expose New Orleans youths to different cultures and historical connections to other parts of the world. The Organization also offers the youths the opportunity to develop and strengthen their basic academic skills in reading, writing and critical thinking. The Organization's overall goal is to build a greater sense of self-worth within the students, introduce various career options to them and help develop their leadership capabilities. The Organization is funded mainly through grants, sponsorships and fund raisers.

Estimates

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

Equipment

Equipment includes office equipment that was donated to the Organization. These assets are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Assets, which cost less than \$1,000 individually, are expensed in the year of purchase.

Financial Statement Presentation

In 1997, the Organization adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statement 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. In addition, the Organization is required to present a statement of cash flows. As permitted by this new statement, the Organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the changes in net assets for 1997.



**NOTES TO THE FINANCIAL STATEMENTS**  
**SHALOM ZONE – TUTORIAL & DEVELOPMENT PROGRAM**

**NOTE A - Nature of Activities and Summary of Significant Accounting Policies**  
**(Continued):**

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenditures are recognized when incurred.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**NOTE B – Fixed Assets**

Equipment is summarized by major classifications as follows:

Building	\$ 20,000
Office Equipment	9,500
Automobile	1,500
Accumulated Depreciation	<u>(3,376)</u>
	<u>\$ 27,624</u>

Depreciation for the six months ended June 30, 1999 was \$1,476.

**NOTE C – Accounts Receivable**

Accounts receivable consist of grant monies due from two funding sources. The Organization considers the receivables to fully collectable.



**CHARMAINE PHILIPS-PLATENBURG**

*Certified Public Accountant*

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***SHALOM ZONE***

***Independent Accountant's Report  
On  
Agreed-Upon Attestation Procedures  
for the three months ended  
June 30, 1999***

*Shalom Zone*  
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**CHARMAINE PHILIPS-PLATENBURG**  
*Certified Public Accountant*

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**INDEPENDENT ACCOUNTANTS' REPORT  
ON  
AGREED-UPON ATTESTATION PROCEDURES**

To the Board of Directors of  
Shalom Zone

At your request, Charmaine Philips-Platenburg, CPA firm has performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Shalom Zone (the Program) and the Legislative Auditor, State of Louisiana, and applicable state grantor agency solely to assist the users in evaluating management's assertion about the Program's compliance with certain laws and regulations during the three months ended June 30, 1999, 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 three months ended June 30, 1999, by grant and grant year.

The Program's federal and state award expenditures for the program for the three-month period are as follows:

<u>State Agency</u>	<u>Grant Year</u>	<u>CFDA/ Budget No.</u>	<u>Amount</u>
Office of Urban Affairs and Development	1998/99	N/A	\$ 21,000
Total Expenditures			\$ 21,000

2. For each federal, state, and local award, I randomly selected six (6) disbursements from each award administered during the period under examination, provided that no more than thirty (30) disbursements would be selected.
3. For the items selected in procedure 2, I traced the six (6) disbursements to supporting documentation noting proper amount and payee.
4. For the items selected in procedure 2, I determined if the six (6) disbursements were properly coded to the correct fund and general ledger account.
5. For the items selected in procedure 2, I determined whether the six (6) disbursements received approval from proper authorities.
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 allowable or unallowable**

I reviewed the previously listed disbursements for types of services allowable or not allowable. The disbursements complied with the allowability requirements.

#### **Eligibility**

I reviewed the previously listed disbursements for eligibility requirements. All the disbursements met the eligibility requirements.

#### **Reporting**

I reviewed the previously listed disbursements for reporting requirements. All the disbursements were properly reported.

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

#### **Meetings**

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

## **Comprehensive Budget**

9. For all grants exceeding five (5) thousand dollars, I determined that each applicable federal, state, or local grantor agency 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.

## **Findings, Comments and Recommendations**

### **Prior Year**

10. There were no prior year findings.

### **Current Year**

11. There were no current year findings.

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 my attention that would have been reported to you.

This report is intended solely for the use of management of Shalom Zone and the Legislative Auditor, State of Louisiana, and the applicable state grantor agency 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.

Charmaine Philips-Platenburg, CPA  
August 26, 1999

**CHARMAINE PHILIPS-PLATENBURG**

*Certified Public Accountant*

1340 Poydras Street • Suite 2130  
New Orleans, LA 70112



# Shalom Zone

First Street United Methodist Church

PO Box 58324  
New Orleans LA 70158

2309 Dryades Street  
New Orleans, Louisiana 70113  
(504) 895-2216

August 27, 1999

## LOUISIANA ATTESTATION QUESTIONNAIRE

Charmaine Philips-Platenburg, CPA  
1340 Poydras Street, Suite 2130  
New Orleans, LA 70112

In connection with your compilation of our financial statements as of June 30, 1999 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 regulations 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, 1999.

### **Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

(Yes)

### **Code of Ethics for Public Officials and Public employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

(Yes)

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the





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governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

(Yes)

## **Budgeting**

We have compiled with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

(Yes)

## **Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

(Yes)

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

(Yes)

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

(Yes)

## **Meetings**

We have compiled with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

(Yes)





# Shalom Zone

First Street United Methodist Church

PO Box 58324  
New Orleans LA 70158

2309 Dryades Street  
New Orleans, Louisiana 70113  
(504) 895-2216

## Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

(Yes)

## Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

(Yes)

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 foregoing 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 acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

J. Ann Cook

President

Aug 26, 1999 Date