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YOUNG WOMEN'S CHRISTIAN ASSOCIATION  
OF NORTHWEST LOUISIANA, INC.  
SHREVEPORT, LOUISIANA  
DECEMBER 31, 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 1 AUG 04 1999

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SHREVEPORT, LOUISIANA

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AUDITED FINANCIAL STATEMENTS

May 21, 1999

The Board of Directors  
Young Women's Christian Association of  
Northwest Louisiana, Inc.  
Shreveport, Louisiana

Independent Auditor's Report

We have audited the statement of financial position of the Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA) at December 31, 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 Young Women's Christian Association of Northwest Louisiana, Inc.'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 *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 the Young Women's Christian Association of Northwest Louisiana, Inc. at December 31, 1998, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 21, 1999 on our consideration of the Association's internal control structure and on its compliance with laws and regulations.

*Heard, McElroy & Vestal, LLP*

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 1998

A S S E T S

Current assets:

Cash on hand	293
Cash in bank	195,881
Investment cash-Merrill Lynch	<u>88,354</u>
Total cash and cash equivalents	284,528
Pledges receivable-capital campaign-current portion-Note 5	126,866
Grants receivable-Note 4	132,750
Prepaid expenses	<u>9,010</u>
Total current assets	553,154

Fixed assets:

Travis Street	1,525,652
Pierre Avenue	975,096
Furniture, fixtures and equipment	333,028
Camp Margaret	52,483
Cotton Street	252,171
Work in progress	<u>2,845</u>
Total fixed assets	3,141,275
<u>Less-accumulated depreciation</u>	<u>1,851,880</u>
Net fixed assets	1,289,395

Other assets:

Pledges receivable-capital campaign-noncurrent portion-Note 5	28,601
Other	<u>66</u>
Total assets	<u>1,871,216</u>

The accompanying notes to financial statements are an integral part of such statements.

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	20,714
Advances from grantors	10,349
Other current liabilities	61,729
Advances and overpayments on grants	7,225
Notes payable, current maturities-Note 6	<u>167,431</u>
Total current liabilities	267,448

Notes payable

Less current maturities-Note 6	<u>48,506</u>
Total liabilities	315,954

Net assets:

Unrestricted	1,250,287
Temporarily restricted	<u>304,975</u>
Total net assets	<u>1,555,262</u>

Total liabilities and net assets 1,871,216

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Support and revenue:</u>			
Contributions	139,983	29,552	169,535
Contributions to capital campaign	-	10,125	10,125
Fundraising	41,690	-	41,690
United Way	227,000	-	227,000
Governmental grants	903,294	-	903,294
Membership and associate fees	5,311	-	5,311
Program service fees	50,827	-	50,827
Sales to public	29,487	-	29,487
Investment	8,100	-	8,100
Miscellaneous	<u>8,368</u>	<u>-</u>	<u>8,368</u>
Total support and revenue	1,414,060	39,677	1,453,737
<u>Net assets released from restrictions</u>	137,278	(137,278)	-
<u>Expenses:</u>			
Community programming	72,769	-	72,769
Health and education services	275,678	-	275,678
Women's crisis services	677,717	-	677,717
Children and youth services	168,628	-	168,628
Administrative	316,826	-	316,826
Fundraising	<u>31,833</u>	<u>-</u>	<u>31,833</u>
Total expenses	<u>1,543,451</u>	<u>-</u>	<u>1,543,451</u>
<u>Change in net assets</u>	7,887	(97,601)	(89,714)
<u>Net assets, beginning of year</u>	<u>1,242,400</u>	<u>402,576</u>	<u>1,644,976</u>
<u>Net assets, end of year</u>	<u>1,250,287</u>	<u>304,975</u>	<u>1,555,262</u>

The accompanying notes to financial statements are an integral part of such statements.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>Community Programs</u>	<u>Health and Education Services</u>	<u>Women's Crisis Services</u>
Salaries	21,253	160,393	402,227
Employee benefits-Note 3	2,218	7,444	16,585
Payroll taxes and insurance	1,862	15,727	39,315
Professional services	1,595	19,509	40,698
Supplies	920	16,215	10,286
Telephone	-	5,078	13,286
Postage	1,200	(350)	1,894
Occupancy	8,094	19,344	73,191
Equipment	195	2,024	5,897
Printing and publications	6,486	1,912	3,615
Travel and employee expenses	-	4,875	10,619
Conferences	13,986	618	2,423
Specific assistance	-	-	17,687
Dues	-	-	625
Interest	-	-	-
Insurance	-	2,806	7,028
Miscellaneous	-	-	10,085
Depreciation	<u>14,960</u>	<u>20,083</u>	<u>22,256</u>
Total	<u>72,769</u>	<u>275,678</u>	<u>677,717</u>

The accompanying notes to financial statements are an integral part of such statements.



<u>Children and Youth Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
110,444	142,296	7,542	844,155
4,688	4,569	442	35,946
10,199	27,256	617	94,976
-	23,815	3,026	88,643
15,362	13,116	4,411	60,310
2,970	5,757	2	27,093
106	3,681	(212)	6,319
7,994	15,873	(265)	124,231
1,028	4,109	349	13,602
24	2,811	3,429	18,277
2,177	3,460	-	21,131
1,450	1,573	-	20,050
-	-	-	17,687
-	31,264	-	31,889
-	9,972	6,611	16,583
511	16,863	1,523	28,731
(1)	(2,831)	4,358	11,611
<u>11,676</u>	<u>13,242</u>	<u>-</u>	<u>82,217</u>
<u>168,628</u>	<u>316,826</u>	<u>31,833</u>	<u>1,543,451</u>

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 1998

<u>Cash flows from operating activities:</u>	
Change in net assets	(89,714)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	82,217
Decrease in pledges receivable-capital campaign	112,066
Decrease in other receivables	813
Decrease in grants receivable	55,844
Decrease in other assets	1,162
(Increase) in prepaid expenses	(1,171)
(Decrease) in accounts payable	(36,037)
Increase in advances	10,349
Increase in other current liabilities	585
Total adjustments	<u>225,828</u>
Net cash provided by operating activities	136,114
<u>Cash flows from investing activities:</u>	
Purchases of fixed assets	<u>(136,255)</u>
Net cash (used) by investing activities	(136,255)
<u>Cash flows from financing activities:</u>	
Change in bank overdraft	(69,542)
Borrowings on note payable	150,000
Repayments on note payable	<u>(16,567)</u>
Net cash provided by financing activities	<u>63,891</u>
<u>Net increase in cash and cash equivalents</u>	63,750
<u>Cash and cash equivalents beginning of year</u>	<u>220,778</u>
<u>Cash and cash equivalents end of year</u>	<u>284,528</u>
<u>Interest paid</u>	<u>16,583</u>

The accompanying notes to financial statements are an integral part of such statements.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

NOTES TO FINANCIAL STATEMENTS

AT DECEMBER 31, 1998

1. Nature of Operations

The YWCA is a nonprofit organization which provides various services including counseling, education, physical fitness, social opportunities, advocacy, and temporary shelter to women and children of northwest Louisiana. The Organization receives significant amounts of income from federal and state government grants, generally under third-party reimbursement plans.

2. Summary of Significant Accounting Policies

a) Financial Statement Presentation:

In 1995, the YWCA adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the YWCA is required to report information regarding its financial position and activities based on the absence or existence of donor-imposed restrictions. Accordingly, net assets of the YWCA and changes therein are classified and reported as follows, as applicable:

Unrestricted net assets-Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the Board for specific purposes.

Temporarily restricted net assets-Net assets subject to donor-imposed stipulations that may or will be met by actions of the YWCA, and/or by the passage of time.

Permanently restricted net assets-Net assets subject to donor-imposed stipulations that they be maintained permanently by the YWCA. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes. The YWCA currently has no permanently restricted net assets.

b) Contributions:

The YWCA also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made," in 1995. 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-imposed restrictions.

c) Promises to Give:

Contributions are recognized when the donor makes a promise to give to 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 YWCA uses the allowance method to determine uncollectible unconditional promises receivable, when material. The allowance is based on prior years' experience and management's analysis of specific promises made.

2. Summary of Significant Accounting Policies (Continued)

d) Estimates:

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

e) Fixed Assets:

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight line and 150% declining balance methods over the following estimated useful lives:

<u>Asset</u>	<u>Estimated Life</u>
Furniture, fixtures, and equipment	5-7 years
Buildings and improvements	10-40 years

Donated property and equipment are reported at their estimated fair market value at the date of gift.

f) Cash Equivalents:

For purposes of the statement of cash flows, the YWCA considers all highly liquid investments purchased with maturities of three months or less to be cash equivalents.

g) Advertising Costs:

Costs of advertising are expensed as incurred.

3. Retirement Plan

The YWCA participates in a multi-employer, defined benefit retirement plan through the National YWCA. The plan is available to employees who meet length of service requirements. The total amount contributed by the YWCA to the plan in 1998 was approximately \$36,000.

A summary of the National YWCA plan is presented below. Participants should refer to the Plan documents for more complete information.

Each participant is entitled to receive an actuarially determined monthly pension commencing at normal or early retirement. The following information is based upon the actuarial valuation of January 1, 1997. The plan year end is December 31. The assumed rate of return was 5.5%.

Vested benefits:	
Participants currently receiving payments	87,489,000
Other participants	<u>100,440,000</u>
	187,929,000
Nonvested benefits	<u>1,420,000</u>
Total actuarial present value of accumulated plan benefits	<u>189,349,000</u>
Net assets available for pension benefits	<u>319,818,000</u>

4. Grants Receivable

Grants receivable are summarized by source, as follows:

U.S. Department of Housing and Urban Development	13,195
State of Louisiana	107,902
City of Shreveport	<u>11,653</u>
Total	<u>132,750</u>

4. Grants Receivable (Continued)

The YWCA also received in 1995 an award through the U.S. Department of Housing and Urban Development for approximately \$310,000. This award, payable over four years, as extended, is conditioned upon the Association's establishment of a transitional supportive housing program and upon meeting certain matching requirements. The unexpended portion of this award, approximately \$77,000 at December 31, 1998, represents a conditional promise to the YWCA, and has not been recognized in the financial statements.

5. Pledges Receivable - Capital Campaign

Such pledges result from a campaign held in 1996 to raise funds for a capital improvements to the Association's property, plant, and equipment. The pledges generally are receivable over the next two years, and have been reduced to an amount that management estimates to be collectible. These pledges are subject to restrictions that they be used to pay qualifying capital expenditures.

6. Notes Payable

Notes payable consist of the following:

Note to Deposit Guaranty National Bank for \$91,000, interest at 8.95%, monthly payments of \$1,890 through May 2002, secured by land and building at Travis Street location.	65,937
Note to Deposit Guaranty National Bank for \$150,000, interest payable monthly at 8.95%, principal payable at maturity, secured by land and building at Travis Street location, due May 1999.	<u>150,000</u>
Total notes payable	215,937
<u>Less-current portion</u>	<u>167,431</u>
Notes payable, long-term portion	<u><u>48,506</u></u>

Future maturities of this debt for the next five years and in the aggregate are:

1999	167,431
2000	19,057
2001	20,834
2002	8,615
2003	-
	<u><u>215,937</u></u>

The land and building at Travis Street that secures these notes payable has an approximate book value of \$414,000 at December 31, 1998.

SUPPLEMENTARY INFORMATION



May 21, 1999

The Board of Directors  
Young Women's Christian Association of  
Northwest Louisiana, Inc.  
Shreveport, Louisiana

Independent Auditor's Report on Supplementary  
Information-Schedule of Federal Awards

We have audited the financial statements of the Young Women's Christian Association of Northwest Louisiana, Inc. as of and for the year ended December 31, 1998, and have issued our report thereon dated May 21, 1999. These financial statements are the responsibility of the Young Women's Christian Association of Northwest Louisiana, Inc.'s management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Young Women's Christian Association of Northwest Louisiana, Inc. taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that Schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Heard, McElroy & Vestal, LLP*

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SCHEDULE OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 1998

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenue</u>	<u>Expenditures</u>
<u>U. S. Department of Labor</u>			
City of Shreveport, Louisiana: Job Training Partnership Act	17.250	66,084	66,084
<u>U. S. Department of Health and Human Resources</u>			
Louisiana Department of Health and Hospitals: AIDS Cooperative Agreement	93.118	92,668	92,668
Preventive Health Services-Sexually Transmitted Diseases Research	93.978	1,426	1,426
<u>U. S. Department of Health and Human Resources</u>			
Louisiana Department of Health and Hospitals: DHH-Preventive Health Block Grant	13.991	51,723	51,723
State of Louisiana, Office of Women's Services: Family Violence Program	13.671	59,496	59,496
<u>U. S. Department of Housing and Urban Development</u>			
City of Shreveport, Louisiana: *Emergency Shelter Program	14.231	27,673	27,673
Community Development Block Grant	14.228	41,237	41,237
Shreveport SRO, Inc. *Supportive Housing Grant	14.235	166,797	166,797
<u>U. S. Department of Justice</u>			
Louisiana Commission on Law Enforcement and Administration of Criminal Justice: *Crime Victim Assistance	16.575	101,954	101,954
*Violence Against Women Act	16.588	56,524	56,524
<u>Federal Emergency Management Agency</u>			
Emergency Food and Shelter National Board Program	83.523	14,376	14,376
<u>U. S. Department of Agriculture</u>			
Louisiana Department of Education: Child and Adult Care Food Program	10.558	<u>8,992</u>	<u>8,992</u>
Total		<u>688,950</u>	<u>688,950</u>

\*Denotes major program



OTHER REPORTS

May 21, 1999

The Board of Directors  
Young Women's Christian Association  
of Northwest Louisiana, Inc.  
Shreveport, Louisiana

Report on Compliance and on Internal Control Over Financial Reporting  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards*

We have audited the financial statements of Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA), as of and for the year ended December 31, 1998, and have issued our report thereon dated May 21, 1999. 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 YWCA'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*. However, we noted an immaterial instance of noncompliance that is described in the accompanying schedule of findings and questioned costs as Item 98-2.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered YWCA'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. However, we noted a matter involving the internal control over financial reporting and its operating that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect YWCA's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as Item 98-1.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the item identified above to be a material weakness.

This report is intended solely for the information and use of the board of directors, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Heard, McElroy & Vostal, LLP*

May 21, 1999

The Board of Directors  
Young Women's Christian Association  
of Northwest Louisiana, Inc.  
Shreveport, Louisiana

Report on Compliance with Requirements Applicable to Each  
Major Program and Internal Control Over Compliance in  
Accordance with OMB Circular A-133

Compliance

We have audited the compliance of Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1998. YWCA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of YWCA's management. Our responsibility is to express an opinion on YWCA's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about YWCA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on YWCA's compliance with those requirements.

In our opinion, YWCA complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1998. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133. This instance is described in the accompanying schedule of findings and questioned costs as Item 98-2.

### Internal Control Over Compliance

The management of YWCA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered YWCA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect YWCA's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. This reportable condition is described in the accompanying schedule of findings and questioned costs as Item 98-1.

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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended solely for the information and use of the board of directors, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Heard, M<sup>c</sup>Elroy & Ventel, LLP*



YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 1998

**A. Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the financial statements of Young Women's Christian Association of Northwest Louisiana, Inc. (YWCA).
2. Reportable conditions relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of YWCA were disclosed during the audit.
4. Reportable conditions relating to the audit of a major federal award program is reported.
5. *The auditor's report on compliance for the major federal award programs for YWCA expresses an unqualified opinion.*
6. *Audit findings relative to the major federal award program for YWCA are reported in Part C of this schedule.*
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA No.</u>
Emergency Shelter Grants Program	14.231
Community Development Block Grant	14.228
Supportive Housing Grant	14.235

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. YWCA was determined to not be a low-risk auditee.

**B. Findings - Financial Statement Audit**

- 98-1 During the course of our audit, we observed that reconciliations of supporting statements or subsidiary detail to the related general ledger accounts were not performed by YWCA personnel on a regular basis for capital campaign pledges receivable and revenue. It was necessary for client personnel to summarize the year's activity and make necessary adjustments to the books well after the close of the year, but before significant audit work could begin. Activity in these accounts should be analyzed by accounting personnel on a monthly basis, reconciled to subsidiary records of individual pledges receivable, and recorded in the general ledger.

See also Item 98-2, as shown in Section C below.

### **C. Findings and Questioned Costs - Major Federal Award Programs**

98-2 Under its agreement with the City of Shreveport in administering the Community Development Block Grant as it applies to the Women in Trades Training Program, the YWCA is required to maintain detailed records of property acquired with CDBG funds, including property description, specific acquisition date, and the percentage of CDBG funds in the property costs. Most expenditures made under this grant relate to improvements to real property, which is included in the detailed property control records of the Association. However, a central air system acquired with CDBG funds is not shown in such records.

We also noted that equipment acquired with funds under the Supportive Housing Grant, while included on the depreciation schedule, does not contain all the information above required by federal regulation. We strongly recommend that the required property control information be timely prepared and maintained.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 1998

Noncompliance

- 97-1 Excessive delays in billing grant reimbursements - resolved.
- 97-2 Incorrect percentage of counselor salary billed to grant - resolved.
- 97-3 Submission of audited financial statements to Legislative Auditor within six months of end of fiscal year - resolved.
- 97-4 Reconciliation of subsidiary detail to general ledger not timely performed - partially resolved, except for capital campaign pledges - see Item 98-1.

Reportable Conditions

- 97-5 Allocation codes for certain utility costs billed under Emergency Shelter Grants Program not supportable - resolved.
- 97-6 Detailed records of property acquired with CDBG funds not fully maintained - partially resolved - see Item 98-2.





of Northwest Louisiana

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YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF NORTHWEST LOUISIANA, INC.

MANAGEMENT'S CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED DECEMBER 31, 1998

**B. Findings-Financial Statement Audit**

**98-1 Capital Campaign Pledges Receivable and Revenue**

In previous years, the accounting for capital campaign pledges receivable and revenue have not been done by the accounting department. These tasks will be moved into the accounting department in late 1999. The appropriate general ledger accounts will be analyzed by accounting personnel on a monthly basis, reconciled to subsidiary records of individual pledges receivable, and recorded in the general ledger.

**C. Findings and Questioned Costs-Major Federal Award Programs**

**98-2 Property Acquire with Federal Funds**

We were not aware that this is a requirement for all property acquired with federal funds. The central air system was a prior year acquisition; therefore, it was not included in the 1998 workpapers. We will make certain that these requirements are fully met.

