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***Financial Report***

***Terrebonne Association for Retarded Citizens, Inc.***

***Houma, Louisiana***

***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 21 1998

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Terrebonne Association for Retarded Citizens, Inc.

June 30, 1998

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**FINANCIAL SECTION**



**Bourgeois Bennett**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Terrebonne Association for Retarded Citizens, Inc.,  
Houma, Louisiana.

We have audited the accompanying general-purpose financial statements of the Terrebonne Association for Retarded Citizens, Inc. (the Association), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these general-purpose 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 general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Terrebonne Association for Retarded Citizens, Inc. as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated August 12, 1998 on our consideration of the Terrebonne Association for Retarded Citizens, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Terrebonne Association for Retarded Citizens, Inc. taken as a whole. The accompanying financial information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the Terrebonne Association for Retarded Citizens, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
August 12, 1998.

**COMBINED BALANCE SHEET - GOVERNMENTAL FUND TYPE AND ACCOUNT GROUPS****Terrebonne Association for Retarded Citizens, Inc.**

June 30, 1998

	Governmental	Account Groups		Total (Memorandum Only)
	Fund Type Special Revenue	General Fixed Assets	Long- Term Obligations	
<b>ASSETS AND OTHER DEBITS</b>				
<b>Assets</b>				
Cash	\$ 404,722	\$ -	\$ -	\$ 404,722
Investments	2,264,698	-	-	2,264,698
Receivables:				
Accounts	50,567	-	-	50,567
Other	623	-	-	623
Due from other governmental units	130,046	-	-	130,046
Due from other funds	117,688	-	-	117,688
Prepaid insurance	12,057	-	-	12,057
Inventories	70,778	-	-	70,778
Deposits	6,422	-	-	6,422
Fixed assets	-	4,145,622	-	4,145,622
<b>Other Debits</b>				
Amount to be provided for retirement of general long-term obligations	-	-	127,247	127,247
<b>Total assets and other debits</b>	<u>\$ 3,057,601</u>	<u>\$ 4,145,622</u>	<u>\$ 127,247</u>	<u>\$ 7,330,470</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Liabilities</b>				
Accounts payables and accrued expenditures	\$ 208,649		\$ -	\$ 208,649
Due to other funds	117,688		-	117,688
Compensated absences payable	-		127,247	127,247
<b>Total liabilities</b>	<u>326,337</u>		<u>127,247</u>	<u>453,584</u>
<b>Equity and Other Credits</b>				
Investment in general fixed assets		\$ 4,145,622		4,145,622
Fund balances:				
Reserved:				
Inventories	70,778			70,778
Donations	50,964			50,964
Subsequent year expenditures	12,127			12,127
Building Fund	320,000			320,000
Unreserved - undesignated	2,277,395			2,277,395
<b>Total fund balances</b>	<u>2,731,264</u>			<u>2,731,264</u>
<b>Total equity and other credits</b>	<u>2,731,264</u>	<u>4,145,622</u>		<u>6,876,886</u>
<b>Total liabilities, equity and other credits</b>	<u>\$ 3,057,601</u>	<u>\$ 4,145,622</u>	<u>\$ 127,247</u>	<u>\$ 7,330,470</u>

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
GOVERNMENTAL FUND TYPE**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Special Revenue</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
<b>Revenues</b>			
Intergovernmental	\$ 2,140,422	\$ 2,112,457	\$ (27,965)
Charges for services	2,036,541	2,059,024	22,483
Miscellaneous	357,939	386,947	29,008
	<u>4,534,902</u>	<u>4,558,428</u>	<u>23,526</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	2,929,778	2,841,429	88,349
Supplies and materials	403,808	381,069	22,739
Other services and charges	649,470	610,488	38,982
Repairs and maintenance	179,963	184,533	(4,570)
Capital expenditures	276,475	220,374	56,101
	<u>4,439,494</u>	<u>4,237,893</u>	<u>201,601</u>
Excess of revenues over expenditures	<u>95,408</u>	<u>320,535</u>	<u>225,127</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	1,405,391	1,517,093	111,702
Operating transfers out	<u>(1,405,391)</u>	<u>(1,517,093)</u>	<u>(111,702)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>\$ 95,408</u>	<u>320,535</u>	<u>\$ 225,127</u>
<b>Fund Balance</b>			
Beginning of year		<u>2,410,729</u>	
End of year		<u>\$ 2,731,264</u>	

See notes to financial statements.



**NOTES TO FINANCIAL STATEMENTS****Terrebonne Association for Retarded Citizens, Inc.**

June 30, 1998

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Terrebonne Association for Retarded Citizens, Inc. (the Association) conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of significant accounting policies:

**a) Reporting Entity**

The Terrebonne Association for Retarded Children, Inc. was organized as a nonprofit corporation on March 21, 1962. On March 1, 1979, the corporation's name was changed to Terrebonne Association for Retarded Citizens, Inc. The Association administers programs to provide for the needs of the mentally retarded. Tax exempt status has been granted under Internal Revenue Code Section 501(c)3.

The Association is fiscally dependent upon the Terrebonne Parish Consolidated Government (the Parish) for a significant amount of its intergovernmental revenue, accordingly the Association is a component unit of the Parish and as such, these component unit financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ending December 31, 1998.

The Association has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

**b) Fund Accounting**

The Association uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Fund Accounting (Continued)**

**Governmental Funds**

Governmental Funds are those through which the governmental functions of the Association are financed. The acquisition, use and balances of the Association's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the Association:

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Account Groups**

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary or trust funds. The General Long-Term Obligations Account Group is used to account for general long-term obligations and certain other liabilities that are not specific liabilities of proprietary or trust funds.

**c) Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Association's intergovernmental fundings are described in Note 3. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the Association because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is accumulated unpaid vacation and sick pay which is recognized when paid.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Use of 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) Operating Budgetary Data**

The Association is a quasi-governmental entity which is not legally required to adopt budgets. Budgets for the Special Revenue Funds are adopted by the Board of Directors of the Association and submitted to the Parish for approval. The budget is adopted on an entity-wide basis. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end. Budgets are adopted on a basis materially consistent with generally accepted accounting principles.

**f) Accounts Receivable**

The financial statements of the Association contain no allowance for uncollectible accounts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

**g) Investments**

Investments are stated at fair value as established by open market, except for the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than market value to report net assets to compute share prices if certain conditions are met.

**h) Inventories**

Inventories in the Governmental Fund consist of expendable materials, supplies and products held for sale. Inventories are valued at the lower of cost (first-in, first-out) or market. The cost is recorded as an expenditure at the time the individual inventory items are used or sold utilizing the consumption method.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Fixed Assets and Long-Term Obligations**

The accounting and reporting treatment applied to the fixed assets and long-term obligations associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized. No depreciation has been provided on fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Fixed assets with an estimated historical cost amounted to approximately \$538,390 or 12.99% of the total General Fixed Assets Account Group. Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Obligations Account Group.

**j) Prepaid Insurance**

The Association has chosen to record prepaid insurance in its accounting records.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) Vacation and Sick Leave**

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid in all governmental funds.

Vacation benefits accrue each pay period of employment. The Association grants paid vacation time to regular, full-time employees who work at least 240 days per year according to their continuous length of service with the Association. The length of paid vacation time is as follows:

<u>Years of service</u>	<u>Paid vacation allowance</u>
Less than 1 year	None
1 year to 3 years	1 week
4 years to 10 years	2 weeks
11 years to 19 years	3 weeks
20 years and above	4 weeks

Employees are not allowed to carry forward more than 20 days per year.

All regular full-time employees who work 240 days or more per year are eligible for eight days of paid sick time each year. Those full-time employees who work less than 240 days per year are eligible for eight days of paid sick time each year and two personal days. Personal days will be given on the employee's anniversary date after one year of employment and will not be carried forward. Employees may accumulate a maximum of up to 30 days of paid sick time.

Upon resignation or termination, employees are paid for all accumulated vacation leave and one-half of unused sick time accrued by employees prior to November 9, 1993 provided the employee is in good standing. Payment for accrued sick time will be based on the employee's rate of pay on November 9, 1993. Employees are not paid for sick time earned after November 9, 1993.

In the governmental funds, all accumulated vacation and sick leave benefits are recorded in the General Long-Term Obligations Account Group.

**l) Donations**

Donations are reserved by the Association to set aside donated funds for future client-related expenditures as specified by the donor or the Association.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**m) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Association.

**n) Allocation of Expenditures**

The Association allocates all general and administrative costs to the various programs based upon total expenditures before the allocation in each fund at the end of its fiscal year.

**o) Memorandum Only-Total Columns**

Total columns on the general-purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position or results of operations in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

**Note 2 - DEPOSITS AND INVESTMENTS**

It is the Association's policy to invest excess funds in obligations of the United States, certificates of deposit of state banks organized under laws of Louisiana and National Banks having their principal office in Louisiana or any other federally insured investment.

**Bank Deposits:**

The Association is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. The Association, however, obtains collateralization for cash at financial institutions which is in excess of the FDIC insurance. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or with a trust company for the account of the political subdivision.

**Note 2 - DEPOSITS AND INVESTMENTS (Continued)**

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Association or its agent in the Association's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Association's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agent, but not in the Association's name and deposits which are uninsured or uncollateralized.

The year end bank balances of deposits and the carrying amounts as shown on the combined balance sheet are as follows:

	Bank Balances Risk Category			Book Balance
	1	2	3	
Cash	\$129,412	\$ -	\$ 388,538	\$ 403,248
Investments:				
Certificates of deposit	<u>500,000</u>	<u>-</u>	<u>700,000</u>	<u>1,200,000</u>
Totals	<u>\$629,412</u>	<u>\$ -</u>	<u>\$1,088,538</u>	<u>\$1,603,248</u>

At June 30, 1998, the Association's cash and certificates of deposit in excess of the FDIC insurance, were collateralized by securities held by unaffiliated banks in the name of the financial institution pledged to the Association, except for \$125,676 at two financial institutions. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Investments:**

It is the Association's policy to invest in obligations of the U.S. Treasury, agencies and instrumentalities; commercial paper rated AAA 1, 2 or 3; repurchase agreements; and the State of Louisiana Asset Management Pool.

**Note 2 - DEPOSITS AND INVESTMENTS (Continued)**

The Association's investments are categorized to give an indication of the level of risk assumed by the entity at year end.

Category 1 includes investments that are insured or registered or for which the securities are held by the Association or its agent in the Association's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent, in the Association's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent, but not in the Association's name, uninsured and unregistered.

At year end the carrying amount of investments are as follows:

	Risk Category			Carrying Amount
	1	2	3	
Investments subject to categorization:				
U.S. Treasury Bills	<u>\$300,000</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 300,000
Investments not subject to categorization:				
Louisiana Asset Management Pool (LAMP)				<u>764,698</u>
Total investments				<u>\$1,064,698</u>

Investments in the Louisiana Asset Management Pool are not categorized as to credit risk because they are not evidenced by securities that exist in physical or book entry form.



**Note 2 - DEPOSITS AND INVESTMENTS (Continued)**

A reconciliation of deposits and investments as shown on the Combined Balance Sheet is as follows:

Cash on hand		\$ 1,474
Carrying amount of deposits		1,603,248
Carrying amount of investments		<u>1,064,698</u>
 Total		 <u>\$2,669,420</u>
 Cash		 \$ 404,722
Investments		<u>2,264,698</u>
 Total		 <u>\$2,669,420</u>

**Note 3 - FUNDING POLICIES**

The Association receives federal and state funding on a per diem per client/unit basis and on a reimbursement for actual expenditure basis. Funding from the Office of Citizens with Developmental Disabilities (adult care) is received on a per diem/unit basis. Funding from the Office of Family Support is received on a reimbursement basis. In addition, the Association performs prescribed habilitation services and residential care and housing services for assigned rates by Title XIX passed through the Office of Family Security.

The Association also receives contributions from the Parish. Monies from the Parish are primarily from a 5.22 mill parish-wide ad valorem tax for the purpose of operating, maintaining and constructing facilities for the mentally retarded. Contributions from the Parish are reported as intergovernmental revenue and amounted to \$1,500,000 during the year ended June 30, 1998.

If significant budget cuts are made at the federal, state and/or local government levels the amount of funds the Association receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Association will receive in the next fiscal year.

**Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units at June 30, 1998 consisted of the following:

State of Louisiana -	
Department of Health and Hospitals:	
Office of Family Security:	
Title XIX - Per diem	\$ 68,375
Office for Citizens with	
Developmental Disabilities:	
Adult Habilitation	33,537
Independent Apartment Living	9,489
Respite	<u>3,118</u>
Total State of Louisiana	114,519
Terrebonne Parish Consolidated Government	8,400
Lafourche Parish Council	6,304
Other governmental units	<u>823</u>
Total	<u>\$130,046</u>

**Note 5 - INTERFUND RECEIVABLE AND PAYABLE BALANCES**

Interfund receivables and payables consist of the following at June 30, 1998:

<u>Individual Funds</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue Funds:		
Operating Fund	\$113,903	\$ -
School Fund	3,785	-
Adult Workshop Fund	-	50,437
Dixie Community Home Fund	-	21,020
Respite Fund	-	2,364
Independent Apartment Living Fund	-	8,915
Woodside Community Home Fund	-	17,815
Jane Community Home Fund	<u>-</u>	<u>17,137</u>
Totals	<u>\$117,688</u>	<u>\$117,688</u>

**Note 6 - CHANGES IN FIXED ASSETS**

A summary of changes in fixed assets follows:

	Balance July <u>1, 1997</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1998</u>
Land and building	\$2,602,915	\$ 53,354	\$ -	\$2,656,269
Office furniture, equip- ment and fixtures	451,593	32,338	3,775	480,156
Machinery and equip- ment	<u>965,415</u>	<u>134,682</u>	<u>90,900</u>	<u>1,009,197</u>
Totals	<u>\$4,019,923</u>	<u>\$220,374</u>	<u>\$94,675</u>	<u>\$4,145,622</u>

**Note 7 - CHANGES IN LONG-TERM OBLIGATIONS**

A long-term liability for accumulated unpaid vacation and sick leave of \$127,247, which represents the Association's commitment to fund such costs from future operations, has been recorded in the General Long-Term Obligations Account Group at June 30, 1998.

The following is a summary of the changes in long-term obligations of the Association for the year ended June 30, 1998:

Long-term obligations, July 1, 1997	\$144,434
Net decrease in accumulated unpaid vacation and sick leave	<u>(17,187)</u>
Long-term obligations, June 30, 1998	<u>\$127,247</u>

**Note 8 - RISK MANAGEMENT**

The Association is exposed to various risks of losses related to medical benefits provided to its employees. The Association currently reports all of its risk management activities in its Operating Fund. The Association provides coverage under an insurance contract for allowable medical claims up to \$1,000,000. The policy provides for a deductible up to a maximum of \$15,000 for each person per contract period. Incurred claims have not exceeded this commercial coverage in any of the past three fiscal years. Each employee pays

**Note 8 - RISK MANAGEMENT (Continued)**

a portion of an assessed "premium" depending upon the type of coverage. This "premium" is determined based upon recent trends in actual claims experience of the Association and other health care industry-related costs estimates. Claim expenditures are reported when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

At June 30, 1998, \$37,684 was included in accrued expenditures for claim expenditure liabilities. This liability is the Association's best estimate based on information available. Changes in the reported liability during the past two years are as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimate</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
1996 - 1997	\$23,540	\$272,892	\$268,297	\$28,135
1997 - 1998	\$28,135	\$385,514	\$375,965	\$37,684

**Note 9 - RETIREMENT PLAN**

The Association established a Cash or Deferred Profit-Sharing Plan for its eligible employees as of January 1, 1994. Under this plan participating employees are permitted to make elective deferrals in any amount from 1% to 20% of their compensation and the Association will match an amount equal to 50% of the amount contributed by the employee not to exceed 1.5% of the employee's compensation. As of January 1, 1997, the Association will match an amount equal to 50% of the amount contributed by the employee not to exceed 3.0% of the employee's compensation. Employees are fully vested immediately upon participating in the plan. The Association's cost of the plan for the year ended June 30, 1998 is \$27,472.

**Note 10 - RESERVES IN FUND BALANCE**

A summary of changes in fund balance reserves follows:

	Balances July 1, <u>1997</u>	<u>Additions</u>	<u>Deletions</u>	Balances June 30, <u>1998</u>
Inventory	\$69,499	\$ 70,778	\$ 69,499	\$ 70,778
Donations	14,299	213,910	177,245	50,964
Subsequent year expenditures	11,717	83,175	82,765	12,127
Building fund	<u>-</u>	<u>320,000</u>	<u>-</u>	<u>320,000</u>
Totals	<u>\$95,515</u>	<u>\$687,863</u>	<u>\$329,509</u>	<u>\$453,869</u>

The Association created the reserve for subsequent year expenditures to allow for future expenditures for the following:

Prepaid insurance	\$12,057
People first	<u>70</u>
Total	<u>\$12,127</u>

**Note 11 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The following individual funds had actual expenditures exceeding appropriations:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
<b>Special Revenue Funds:</b>			
Infants Fund	\$ -	\$ 698	\$ (698)
School Fund	220,960	228,758	(7,798)
Dixie Community Home Fund	383,475	403,122	(19,647)
Respite Fund	71,055	83,002	(11,947)

The expenditures in excess of appropriations were funded by excess revenues or Operating Fund transfers.

**Note 12 - LETTER OF CREDIT**

At June 30, 1998, a letter of credit amounting to \$4,800 relating to the local matching funds for Section 5310 - Elderly and Persons with Disabilities Transportation Capital Assistance Program to purchase equipment under State Project No. 736-99-0621 and Federal Project No. LA-16-0025 was outstanding.

**Note 13 - COMPENSATION OF BOARD MEMBERS**

No compensation was paid to Board Members for the year ended June 30, 1998

**Note 14 - DEFERRED COMPENSATION PLAN**

Due to the enactment of the Small Business Job Protection Act of 1996 (the Act), the Association is no longer required to report the assets of its Internal Revenue Code Section 457 plan. Prior to the Act, Section 457 allowed the deferral of taxes on deferred compensation plans only if the plan assets were solely the property of the government employer and subject to the employer's general creditors. The Act now requires that amounts deferred under a Section 457 plan be held in trust for the exclusive benefit of participating employees and not be accessible by the government or its creditor.

**SUPPLEMENTARY INFORMATION SECTION**

## **SPECIAL REVENUE FUNDS**

**Operating Fund** - Accounts for all financial resources used to provide for the needs of the mentally retarded except those required to be accounted for in another fund.

**Infants Fund** - Accounts for financial resources used to operate a program for the care of infants on a daily basis.

**School Fund** - Accounts for the financial resources used to provide for the educational needs of the mentally retarded through the School for Exceptional Children.

**Adult Workshop Fund** - Accounts for financial resources used to operate various day programs for the mentally retarded.

**Dixie Community Home Fund** - Accounts for financial resources used to provide for the needs of the residents of the Dixie Community Home.

**Respite Fund** - Accounts for financial resources used to operate a program for the care of clients on a temporary basis.

**Independent Apartment Living Fund** - Accounts for financial resources used to assist clients with daily living expenses.

**Woodside Community Home Fund** - Accounts for financial resources used to provide for the needs of the residents of the Woodside Community Home.

**Jane Community Home Fund** - Accounts for financial resources used to provide for the needs of the residents of the Jane Community Home.



## COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

### Terrebonne Association for Retarded Citizens, Inc.

June 30, 1998

	<u>Operating Fund</u>	<u>Infants Fund</u>	<u>School Fund</u>	<u>Adult Workshop Fund</u>
<b>Assets</b>				
Cash	\$ 403,948	\$ -	\$ -	\$ 774
Investments	2,264,698	-	-	-
Receivables:				
Accounts	10,102	-	-	40,192
Other	-	-	-	623
Due from other governmental units	15,527	-	-	33,537
Due from other funds	113,903	-	3,785	-
Prepaid insurance	6,053	-	878	3,652
Inventories	21,904	-	-	48,874
Deposits	6,112	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 2,842,247</u>	<u>\$ -</u>	<u>\$ 4,663</u>	<u>\$ 127,652</u>
<b>Liabilities</b>				
Accounts payable and accrued expenditures	\$ 159,857	\$ -	\$ 4,663	\$ 28,341
Due to other funds	-	-	-	50,437
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>159,857</u>	<u>-</u>	<u>4,663</u>	<u>78,778</u>
<b>Fund Balances</b>				
Reserved:				
Inventories	21,904			48,874
Donations	50,964			-
Subsequent year expenditures	12,127			-
Building Fund	320,000			-
Unreserved - undesignated	2,277,395			-
	<u>                    </u>			<u>                    </u>
Total fund balances	<u>2,682,390</u>			<u>48,874</u>
Total liabilities and fund balances	<u>\$ 2,842,247</u>	<u>\$ -</u>	<u>\$ 4,663</u>	<u>\$ 127,652</u>

<u>Dixie Community Home Fund</u>	<u>Respite Fund</u>	<u>Independent Apartment Living Fund</u>	<u>Woodside Community Home Fund</u>	<u>Jane Community Home Fund</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 404,722
-	-	-	-	-	2,264,698
126	5	26	40	76	50,567
-	-	-	-	-	623
25,894	3,118	9,489	21,611	20,870	130,046
-	-	-	-	-	117,688
655	211	-	317	291	12,057
-	-	-	-	-	70,778
80	-	-	115	115	6,422
<u>\$ 26,755</u>	<u>\$ 3,334</u>	<u>\$ 9,515</u>	<u>\$ 22,083</u>	<u>\$ 21,352</u>	<u>\$ 3,057,601</u>
\$ 5,735	\$ 970	\$ 600	\$ 4,268	\$ 4,215	\$ 208,649
<u>21,020</u>	<u>2,364</u>	<u>8,915</u>	<u>17,815</u>	<u>17,137</u>	<u>117,688</u>
<u>26,755</u>	<u>3,334</u>	<u>9,515</u>	<u>22,083</u>	<u>21,352</u>	<u>326,337</u>
					70,778
					50,964
					12,127
					320,000
					<u>2,277,395</u>
					<u>2,731,264</u>
<u>\$ 26,755</u>	<u>\$ 3,334</u>	<u>\$ 9,515</u>	<u>\$ 22,083</u>	<u>\$ 21,352</u>	<u>\$ 3,057,601</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Operating Fund</u>	<u>Infants Fund</u>	<u>School Fund</u>	<u>Adult Workshop Fund</u>
<b>Revenues</b>				
Intergovernmental:				
State of Louisiana:				
Department of Health and Hospitals:				
Office for Citizens with Development Disabilities	\$ -		\$ -	\$ 481,881
Department of Transportation and Development	10,467		-	-
Terrebonne Parish Consolidated Government	1,500,000		-	-
Terrebonne Parish School Board	-		95,000	-
Charges for services	343,506		7,077	721,891
Miscellaneous:				
Interest	116,325		-	-
Donations and dues	218,430		-	-
Other	42,540		8,500	-
	<u>2,231,268</u>		<u>110,577</u>	<u>1,203,772</u>
Total revenues				
<b>Expenditures</b>				
Current:				
Health and welfare:				
Personal services	1,310,605	\$ -	14,121	1,058,208
Supplies and materials	245,207	-	373	99,884
Other services and charges	256,847	698	22,107	204,505
Repairs and maintenance	138,098	-	2,525	27,742
Central administration and services	(1,396,527)	-	178,486	875,663
Capital expenditures	111,231	-	11,146	47,087
	<u>665,461</u>	<u>698</u>	<u>228,758</u>	<u>2,313,089</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures (carry forward)	<u>1,565,807</u>	<u>(698)</u>	<u>(118,181)</u>	<u>(1,109,317)</u>

<u>Dixie Community Home Fund</u>	<u>Respite Fund</u>	<u>Independent Apartment Living Fund</u>	<u>Woodside Community Home Fund</u>	<u>Jane Community Home Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 25,109	\$ -	\$ -	\$ 506,990
-	-	-	-	-	10,467
-	-	-	-	-	1,500,000
-	-	-	-	-	95,000
325,898	40,911	54,225	289,808	275,708	2,059,024
-	-	-	-	-	116,325
-	-	358	-	-	218,788
-	-	794	-	-	51,834
<u>325,898</u>	<u>40,911</u>	<u>80,486</u>	<u>289,808</u>	<u>275,708</u>	<u>4,558,428</u>
198,657	23,391	43,780	94,448	98,219	2,841,429
11,356	1,456	1,348	10,839	10,606	381,069
36,651	19,791	4,393	33,550	31,946	610,488
4,520	2,822	186	4,575	4,065	184,533
134,271	25,149	21,608	87,156	74,194	-
17,667	10,393	-	22,850	-	220,374
<u>403,122</u>	<u>83,002</u>	<u>71,315</u>	<u>253,418</u>	<u>219,030</u>	<u>4,237,893</u>
<u>(77,224)</u>	<u>(42,091)</u>	<u>9,171</u>	<u>36,390</u>	<u>56,678</u>	<u>320,535</u>

	Operating Fund	Infants Fund	School Fund	Adult Workshop Fund
Excess (deficiency) of revenues over expenditures (brought forward)	<u>1,565,807</u>	<u>(698)</u>	<u>(118,181)</u>	<u>(1,109,317)</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in:				
Operating Fund	-	698	118,181	1,019,552
Dixie Community Home Fund	-	-	-	40,034
Independent Apartment Living Fund	9,171	-	-	-
Woodside Community Home Fund	2,151	-	-	34,239
Jane Community Home Fund	30,832	-	-	25,846
Operating transfers out:				
Operating Fund	-	-	-	-
Infants Fund	(698)	-	-	-
School Fund	(118,181)	-	-	-
Adult Workshop Fund	(1,019,552)	-	-	-
Dixie Community Home Fund	(117,258)	-	-	-
Respite Fund	(42,091)	-	-	-
Total other financing sources (uses)	<u>(1,255,626)</u>	<u>698</u>	<u>118,181</u>	<u>1,119,671</u>
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>	310,181			10,354
<b>Fund Balances</b>				
Beginning of year	<u>2,372,209</u>			<u>38,520</u>
End of year	<u>\$ 2,682,390</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,874</u>

**Schedule 2  
(Continued)**

<u>Dixie Community Home Fund</u>	<u>Respite Fund</u>	<u>Independent Apartment Living Fund</u>	<u>Woodside Community Home Fund</u>	<u>Jane Community Home Fund</u>	<u>Total</u>
<u>(77,224)</u>	<u>(42,091)</u>	<u>9,171</u>	<u>36,390</u>	<u>56,678</u>	<u>320,535</u>
117,258	42,091	-	-	-	1,297,780
-	-	-	-	-	40,034
-	-	-	-	-	9,171
-	-	-	-	-	36,390
-	-	-	-	-	56,678
-	-	(9,171)	(2,151)	(30,832)	(42,154)
-	-	-	-	-	(698)
-	-	-	-	-	(118,181)
(40,034)	-	-	(34,239)	(25,846)	(1,119,671)
-	-	-	-	-	(117,258)
-	-	-	-	-	(42,091)
<u>77,224</u>	<u>42,091</u>	<u>(9,171)</u>	<u>(36,390)</u>	<u>(56,678)</u>	<u>-</u>
					320,535
					<u>2,410,729</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,731,264</u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - OPERATING FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 1,538,549	\$ 1,510,467	\$ (28,082)
Charges for services	327,665	343,506	15,841
Miscellaneous	349,439	377,295	27,856
	<u>2,215,653</u>	<u>2,231,268</u>	<u>15,615</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	1,343,685	1,310,605	33,080
Supplies and materials	248,683	245,207	3,476
Other services and charges	319,957	256,847	63,110
Repairs and maintenance	143,113	138,098	5,015
Central administration and services	(1,396,527)	(1,396,527)	-
Capital expenditures	191,140	111,231	79,909
	<u>850,051</u>	<u>665,461</u>	<u>184,590</u>
Total expenditures			
Excess of revenues over expenditures	1,365,602	1,565,807	200,205
<b>Other Financing Uses</b>			
Operating transfers out	<u>(1,277,180)</u>	<u>(1,255,626)</u>	<u>21,554</u>
<b>Excess of Revenues Over Expenditures and Other Uses</b>	<u>\$ 88,422</u>	310,181	<u>\$ 221,759</u>
<b>Fund Balance</b>			
Beginning of year		<u>2,372,209</u>	
End of year		<u>\$ 2,682,390</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - INFANTS FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	-	-	-
Other services and charges	-	698	(698)
Central administration and services	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>698</u>	<u>(698)</u>
Deficiency of revenues over expenditures	-	(698)	(698)
<b>Other Financing Sources</b>			
Operating transfers in	<u>-</u>	<u>698</u>	<u>698</u>
<b>Excess of Revenues and Other Sources Over Expenditures</b>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	



**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - SCHOOL FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 95,000	\$ 95,000	\$ -
Charges for services	5,400	7,077	1,677
Miscellaneous	8,500	8,500	-
	<u>108,900</u>	<u>110,577</u>	<u>1,677</u>
<b>Total revenues</b>			
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	11,438	14,121	(2,683)
Supplies and materials	534	373	161
Other services and charges	16,572	22,107	(5,535)
Repairs and maintenance	2,010	2,525	(515)
Central administration and services	178,486	178,486	-
Capital expenditures	11,920	11,146	774
	<u>220,960</u>	<u>228,758</u>	<u>(7,798)</u>
<b>Total expenditures</b>			
Deficiency of revenues over expenditures	(112,060)	(118,181)	(6,121)
<b>Other Financing Sources</b>			
Operating transfers in	<u>112,060</u>	<u>118,181</u>	<u>6,121</u>
<b>Excess of Revenues and Other Sources Over Expenditures</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - ADULT WORKSHOP FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 481,881	\$ 481,881	\$ -
Charges for services	699,077	721,891	22,814
Miscellaneous	-	-	-
	<u>1,180,958</u>	<u>1,203,772</u>	<u>22,814</u>
<b>Total revenues</b>			
	<u>1,180,958</u>	<u>1,203,772</u>	<u>22,814</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	1,110,462	1,058,208	52,254
Supplies and materials	109,625	99,884	9,741
Other services and charges	177,865	204,505	(26,640)
Repairs and maintenance	20,400	27,742	(7,342)
Central administration and services	875,663	875,663	-
Capital expenditures	31,297	47,087	(15,790)
	<u>2,325,312</u>	<u>2,313,089</u>	<u>12,223</u>
<b>Total expenditures</b>			
	<u>2,325,312</u>	<u>2,313,089</u>	<u>12,223</u>
Deficiency of revenues over expenditures	(1,144,354)	(1,109,317)	35,037
<b>Other Financing Sources</b>			
Operating transfers in	<u>1,154,708</u>	<u>1,119,671</u>	<u>(35,037)</u>
<b>Excess of Revenues and Other Sources Over Expenditures</b>	<u>\$ 10,354</u>	10,354	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>38,520</u>	
End of year		<u>\$ 48,874</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
DIXIE COMMUNITY HOME FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Charges for services	<u>\$ 320,822</u>	<u>\$ 325,898</u>	<u>\$ 5,076</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	173,386	198,657	(25,271)
Supplies and materials	14,500	11,356	3,144
Other services and charges	40,400	36,651	3,749
Repairs and maintenance	3,000	4,520	(1,520)
Central administration and services	134,271	134,271	-
Capital expenditures	<u>17,918</u>	<u>17,667</u>	<u>251</u>
Total expenditures	<u>383,475</u>	<u>403,122</u>	<u>(19,647)</u>
Deficiency of revenues over expenditures	(62,653)	(77,224)	(14,571)
<b>Other Financing Sources</b>			
Operating transfers in	<u>62,653</u>	<u>77,224</u>	<u>14,571</u>
<b>Excess of Revenues and Other Sources Over Expenditures</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - RESPITE FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Charges for services	<u>\$ 38,074</u>	<u>\$ 40,911</u>	<u>\$ 2,837</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	22,178	23,391	(1,213)
Supplies and materials	1,546	1,456	90
Other services and charges	18,838	19,791	(953)
Repairs and maintenance	2,640	2,822	(182)
Central administration and services	25,149	25,149	-
Capital expenditures	<u>704</u>	<u>10,393</u>	<u>(9,689)</u>
Total expenditures	<u>71,055</u>	<u>83,002</u>	<u>(11,947)</u>
Deficiency of revenues over expenditures	(32,981)	(42,091)	(9,110)
<b>Other Financing Sources</b>			
Operating transfers in	<u>32,981</u>	<u>42,091</u>	<u>9,110</u>
<b>Excess of Revenues and Other Sources Over Expenditures</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
INDEPENDENT APARTMENT LIVING FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 24,992	\$ 25,109	\$ 117
Charges for services	55,762	54,225	(1,537)
Miscellaneous	-	1,152	1,152
	<u>80,754</u>	<u>80,486</u>	<u>(268)</u>
Total revenues			
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	59,698	43,780	15,918
Supplies and materials	918	1,348	(430)
Other services and charges	4,583	4,393	190
Repairs and maintenance	240	186	54
Central administration and services	21,608	21,608	-
Capital expenditures	1,400	-	1,400
	<u>88,447</u>	<u>71,315</u>	<u>17,132</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	(7,693)	9,171	16,864
<b>Other Financing Sources (Uses)</b>			
Operating transfers in (out)	<u>7,693</u>	<u>(9,171)</u>	<u>(16,864)</u>
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
WOODSIDE COMMUNITY HOME FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Charges for services	<u>\$ 304,780</u>	<u>\$ 289,808</u>	<u>\$ (14,972)</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	102,626	94,448	8,178
Supplies and materials	13,842	10,839	3,003
Other services and charges	36,129	33,550	2,579
Repairs and maintenance	4,710	4,575	135
Central administration and services	87,156	87,156	-
Capital expenditures	<u>20,840</u>	<u>22,850</u>	<u>(2,010)</u>
Total expenditures	<u>265,303</u>	<u>253,418</u>	<u>11,885</u>
Excess of revenues over expenditures	39,477	36,390	(3,087)
<b>Other Financing Uses</b>			
Operating transfers out	<u>(39,477)</u>	<u>(36,390)</u>	<u>3,087</u>
<b>Excess of Revenues Over Expenditures and Other Uses</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
JANE COMMUNITY HOME FUND**

**Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Charges for services	<u>\$ 284,961</u>	<u>\$ 275,708</u>	<u>\$ (9,253)</u>
<b>Expenditures</b>			
Current:			
Health and welfare:			
Personal services	106,305	98,219	8,086
Supplies and materials	14,160	10,606	3,554
Other services and charges	35,126	31,946	3,180
Repairs and maintenance	3,850	4,065	(215)
Central administration and services	74,194	74,194	-
Capital expenditures	<u>1,256</u>	<u>-</u>	<u>1,256</u>
Total expenditures	<u>234,891</u>	<u>219,030</u>	<u>15,861</u>
Excess of revenues over expenditures	50,070	56,678	6,608
<b>Other Financing Uses</b>			
Operating transfers out	<u>(50,070)</u>	<u>(56,678)</u>	<u>(6,608)</u>
<b>Excess of Revenues Over Expenditures and Other Uses</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Fund Balance</b>			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**





Bourgeois Bennett

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

To the Board of Directors,  
Terrebonne Association for Retarded Citizens, Inc.,  
Houma, Louisiana.

We have audited the general-purpose financial statements of the Terrebonne Association for Retarded Citizens, Inc. (the Association), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended June 30, 1998, and have issued our report thereon dated August 12, 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 the Association's general-purpose 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 the Association's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose 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 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 State of Louisiana and the Legislative Auditor for 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.

Houma, La.,  
August 12, 1998.

## SCHEDULE OF FINDINGS

### **Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

#### **Section I Summary of Auditor's Results**

##### **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 weaknesses? \_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

##### **b) Federal Awards**

Terrebonne Association for Retarded Citizens, Inc. did not receive federal awards in excess of \$300,000 during the year ended June 30, 1998 and therefore is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

#### **Section II Financial Statement Findings**

No financial statement findings were noted during the audit 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**

### **Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

No material weaknesses were reported during the audit for the year ended June 30, 1997.  
No reportable conditions were reported during the audit for the year ended June 30, 1997.

##### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1997.

#### **Section II Internal Control and Compliance Material to Federal Awards**

Terrebonne Association for Retarded Citizens, Inc. did not receive federal awards in excess of \$300,000 during the year ended June 30, 1997 and therefore was exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 1997.

# **MANAGEMENT'S CORRECTIVE ACTION PLAN**

## **Terrebonne Association for Retarded Citizens, Inc.**

For the year ended June 30, 1998

### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

#### **Internal Control**

No material weaknesses were reported during the audit for the year ended June 30, 1998.  
No reportable conditions were reported during the audit for the year ended June 30, 1998.

#### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1998.

### **Section II Internal Control and Compliance Material to Federal Awards**

Terrebonne Association for Retarded Citizens, Inc. did not receive federal awards in excess of \$300,000 during the year ended June 30, 1998 and therefore is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 1998.