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CHILD ADVOCACY SERVICES, INC.

**FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANT**

DECEMBER 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 5.12.04

CHILD ADVOCACY SERVICES, INC.

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Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Child Advocacy Services, Inc.

I have audited the accompanying statement of financial position of Child Advocacy Services, Inc. (a non-profit corporation), as of December 31, 2003, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Child Advocacy Services, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from the Corporation's 2002 financial statements and, in my report dated January 29, 2003, I expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Child Advocacy Services, Inc. as of December 31, 2003, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated February 3, 2004, on my consideration of Child Advocacy Services, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was made for the purpose of forming an opinion on the basic financial statements of Child Advocacy Services, Inc. taken as a whole. The supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and is not a required part of the basic financial statements of Child Advocacy Services, Inc. The schedule of expenditures of federal awards is required by the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

New Orleans, Louisiana
February 3, 2004

Justin J. Scanlan, CPA

CHILD ADVOCACY SERVICES, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2003

TOTAL
MEMORANDUM ONLY
DECEMBER 31, 2002

	ASSETS	
Cash	\$ 95,176	\$ 34,483
Receivables (Notes A4 and B)		
Grants	72,189	64,618
Other	-	2,945
Property, building and equipment - at cost (Notes A5 and C)	<u>51,529</u>	<u>55,564</u>
Total assets	<u>\$ 218,894</u>	<u>\$ 157,610</u>

LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	<u>\$ 2,290</u>	<u>\$ 15,636</u>
Total liabilities	2,290	15,636
Commitment (Note D)	-	-
Net assets – Unrestricted	<u>216,604</u>	<u>141,974</u>
Total net assets	<u>216,604</u>	<u>141,974</u>
Total liabilities and net assets	<u>\$ 218,894</u>	<u>\$ 157,610</u>

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2003

	UNRESTRICTED	TEMPORARILY RESTRICTED	December 31, 2003	December 31, 2002
REVENUE				
United Way	\$ -	\$ 54,900	\$ 54,900	\$ 67,500
Grant appropriations (Note E)	-	894,372	894,372	551,530
Fund raising, net of direct cost of \$11,738	49,885	-	49,885	40,616
Other	3,315	-	3,315	6,585
Contributions	38,013	-	38,013	19,875
Net assets released from restrictions	<u>949,272</u>	<u><949,272></u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,040,485</u>	<u>-</u>	<u>1,040,485</u>	<u>686,106</u>
EXPENSES				
Program services				
Court appointed special advocate	729,082	-	729,082	436,366
Children's advocacy center	157,385	-	157,385	144,466
Supportive services				
Management and general	71,222	-	71,222	69,861
Fund raising	<u>8,166</u>	<u>-</u>	<u>8,166</u>	<u>4,440</u>
Total expenses	<u>965,855</u>	<u>-</u>	<u>965,855</u>	<u>965,855</u>
Increase in net assets	74,630	-	74,630	30,973
Net assets, beginning of year	<u>141,974</u>	<u>-</u>	<u>141,974</u>	<u>111,001</u>
Net assets, end of year	<u>\$ 216,604</u>	<u>\$ -</u>	<u>\$ 216,604</u>	<u>\$ 141,974</u>

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2003

	<u>PROGRAM SERVICE</u>		MANAGEMENT AND <u>GENERAL</u>	FUND <u>RAISING</u>	<u>MEMORANDUM ONLY</u>	
	<u>COURT APPOINTED SPECIAL ADVOCATE</u>	<u>CHILDREN'S ADVOCACY CENTER</u>			<u>FOR THE YEAR ENDED DECEMBER 31, 2003</u>	<u>FOR THE YEAR ENDED DECEMBER 31, 2002</u>
Compensation expense	\$ 519,222	\$ 123,659	\$ 56,573	\$ 6,562	\$ 706,016	\$ 414,802
Occupancy	59,925	9,603	7,812	781	78,121	53,241
Travel	56,158	10,857	-	-	67,015	32,566
Board generated self-support	-	-	-	823	823	1,794
Other program expenses	<u>93,777</u>	<u>13,266</u>	<u>6,837</u>	<u>-</u>	<u>113,880</u>	<u>152,730</u>
Total expenses	<u>\$ 729,082</u>	<u>\$ 157,385</u>	<u>\$ 71,222</u>	<u>\$ 8,166</u>	<u>\$ 965,855</u>	<u>\$ 655,133</u>

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2003

Increase <decrease> in cash and cash equivalents

Cash flows from operating activities:

Increase in net assets \$ 74,630

Adjustments to reconcile increase in net assets to net
cash provided by operating activities:

Depreciation \$ 4,035

Changes in assets and liabilities:

Increase in grants receivable < 7,571 >

Decrease in other receivables 2,945

Decrease in accounts payable and accrued
liabilities < 13,346 >

<13,937 >

Net cash provided by operating activities 60,693

Net increase in cash and cash equivalents 60,693

Cash and cash equivalents, beginning of year 34,483

Cash and cash equivalents, end of year \$ 95,176

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Nature of Activities

Child Advocacy Services, Inc. was organized for the support, development, growth and continuance of court appointed special advocates for children in Louisiana generally and specifically in the Florida parishes region of Louisiana.

The corporation is supported primarily through government grants. Approximately 85% of the corporation's support for the year ended December 31, 2003 came from these grants.

2. Financial Statement Presentation

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) as set forth in the Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-For-Profit Organizations". Accordingly, the net assets of the corporation are classified to present the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets. There were no permanently restricted net assets.

Net assets of the restricted class are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

3. Revenue Recognition

Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grant revenue is recognized as it is earned in accordance with approved contracts.

4. Receivables

The corporation considers accounts receivable to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. Property, Building and Equipment

Child Advocacy Services, Inc. records property acquisitions at cost. Donated assets are recorded at estimated value at date of donation.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. Depreciation expense for the year ended December 31, 2003 totaled \$4,035.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

6. Cash equivalents

For purposes of the statement of cash flows, the corporation considers all investments with original maturities of three months or less to be cash equivalents.

7. 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 these estimates.

8. Fair Values of Financial Instruments

Cash and cash equivalents carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those investments.

9. Functional Allocation of Expense

The expenses of providing the program and other activities have been summarized on a functional basis in the statement of functional expenses. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

10. Total Columns of Combined Statements

Total columns are captioned "Memorandum Only" to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2003

NOTE B - GRANTS RECEIVABLE

The grants receivable consist of the following as of December 31, 2003:

Louisiana Commission on Law Enforcement and Administration of Criminal Justice	\$ 9,718
State of Louisiana – Department of Social Services	5,380
Supreme Court - State of Louisiana	<u>57,091</u>
	<u>\$ 72,189</u>

NOTE C – PROPERTY, BUILDING AND EQUIPMENT

Property, building and equipment at December 31, 2003 consists of the following:

Building	\$ 20,630
Equipment	<u>7,979</u>
	28,609
Less accumulated depreciation	<u><7,080></u>
	21,529
Land	<u>30,000</u>
	<u>\$ 51,529</u>

NOTE D - COMMITMENT

The corporation leases office space for its administrative office in Hammond and four branch locations in Denham Springs, Jackson, Luling and Gonzales under noncancellable agreements accounted for as operating leases. The Hammond and Gonzales leases expire October 31, 2003 and November 30, 2004, respectively. The Jackson, Denham Springs and Luling offices are leased month-to-month.

Future minimum lease payments are as follows:

2004	\$ 22,840
2005	18,000
2006	18,000
2007	18,000
2008	<u>15,000</u>
	<u>\$ 91,840</u>

The rental expense for the year ended December 31, 2003 totaled \$34,608.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2003

NOTE E - SUMMARY OF FUNDING

Child Advocacy Services, Inc.'s funding for grants consist of the following:

<u>Grants</u>	<u>Periods</u>	<u>Grant Award</u>	<u>Revenue Recognized</u>
<u>Foundations</u>			
Louisiana Bar Association	1/1/03-12/31/03	\$ 6,266	\$ 6,266
	1/1/03-12/31/03	639	639
<u>Governmental</u>			
State of Louisiana – Office of Community Services			
Children's Trust Fund	7/1/03-6/30/04	6,000	2,656
Children's Trust Fund	7/1/03-6/30/04	5,000	2,724
Children's Justice Act	1/1/03-12/31/03	5,000	5,000
Louisiana Commission on Law Enforcement and Administration of Criminal Justice			
	10/1/02-9/30/03	79,640	59,736
	10/1/03-9/30/04	38,176	9,544
	1/1/03-12/31/03	79,864	79,864
State of Louisiana – Supreme Court			
	10/1/03-9/30/04	669,739	163,592
	10/1/02-9/30/03	610,875	554,351
National Children's Alliance			
	1/1/03-12/31/03	10,000	<u>10,000</u>
			<u>\$ 894,372</u>

NOTE F – RETIREMENT PLAN

The Child Advocacy Services, Inc. sponsors a deferred compensation plan covering all employees earning over \$5,000 and elect to defer a portion of their salary. The corporation will match 3% of the deferred compensation. The retirement expense for the year ended December 31, 2003 totaled \$17,048.

NOTE G - INCOME TAXES

The Corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2003

NOTE H - CONCENTRATIONS OF CREDIT RISKS

The corporation maintains its cash balances in financial institutions located in the State of Louisiana. These balances are insured by the Federal Deposit Insurance Corporation up to \$100,000.

NOTE I - BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE J - CORPORATE REORGANIZATION

During 2003, the corporation's name was changed from CASA Services, Inc. to Child Advocacy Services, Inc.

SUPPLEMENTAL INFORMATION

CHILD ADVOCACY SERVICES, INC.
STATEMENT OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2003

	<u>COURT APPOINTED SPECIAL ADVOCATE</u>	<u>CHILDREN'S ADVOCACY CENTER</u>	<u>TOTAL</u>
REVENUE			
Direct program revenue:			
Grants:			
Governmental	\$ 794,122	\$ 100,250	\$ 894,372
Total direct program revenues	794,122	100,250	894,372
Unrestricted revenue	<u>53,322</u>	<u>37,891</u>	<u>91,213</u>
Total self-generated revenue	847,444	138,141	985,585
United Way	<u>3,585</u>	<u>51,315</u>	<u>54,900</u>
Total revenue	851,029	189,456	1,040,485
EXPENSES			
Compensation expense	519,222	123,659	642,881
Occupancy	59,925	9,603	69,528
Travel	56,158	10,857	67,015
Other program expenses	<u>93,777</u>	<u>13,266</u>	<u>107,043</u>
Total direct program expenses	729,082	157,385	886,467
Support service expenses	<u>65,098</u>	<u>14,290</u>	<u>79,388</u>
Total expenses	794,180	171,675	965,855
INCREASE IN NET ASSETS	<u>\$ 56,849</u>	<u>\$ 17,781</u>	<u>\$ 74,630</u>

CHILD ADVOCACY SERVICES, INC.
STATEMENT OF ACTIVITIES - IOLTA GRANT
For the year ended December 31, 2003

REVENUE	
Louisiana Bar Foundation	\$ 6,905
EXPENSES	
Salaries	5,271
Fringes	<u>1,634</u>
	<u>6,905</u>
Increase in net assets	<u>\$ -</u>

CHILD ADVOCACY SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2003

	<u>FEDERAL CFDA NUMBER</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Funds passed through State of Louisiana –		
Department of Social Services:		
Children’s Trust Fund	93.590	\$ 5,380
Children’t Justice Act	93.643	5,000
Funds passed through State of Louisiana –		
Supreme Court		
TANF Program	93.558	<u>717,943</u>
Total U. S. Department of Health and Human Services		<u>728,323</u>
U. S. DEPARTMENT OF JUSTICE		
Funds passed through Louisiana Commission on Law Enforcement		
and Administration of Criminal Justice:		
VOCA Program	16.575	149,144
Funds passed through the National Children’s Alliance:		
Child Abuse Program	16.540	<u>10,000</u>
Total U. S. Department of Justice		<u>159,144</u>
TOTAL FEDERAL AWARDS		<u>\$ 887,467</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. Presentation of Financial Statements

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded, for financial reporting purposes, when Child Advocacy Services, Inc. has met the cost of reimbursement or funding qualifications for the respective grants.

B. Non-federal Contributions

The VOCA program non-federal contributions for the year ended December 31, 2003 totaled \$37,286.

Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Child Advocacy Services, Inc.

I have audited the financial statements of Child Advocacy Services, Inc. (a non-profit corporation), as of and for the year ended December 31, 2003, and have issued my report thereon dated February 3, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America 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 Child Advocacy Services, Inc.'s financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my audit, I considered Child Advocacy Services, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, Louisiana Legislative Auditor, others within the organization 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Justin J. Scanlon, CPA

New Orleans, Louisiana
February 3, 2004

Justin J. Scanlan, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
4769 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Child Advocacy Services, Inc.

Compliance

I have audited the compliance of the Child Advocacy Services, Inc. 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, 2003. Child Advocacy Services, Inc.'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 the Child Advocacy Services, Inc.'s management. My responsibility is to express an opinion on Child Advocacy Services, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 the States, Local Governments, Non-Profit Organizations." Those standards and OMB Circular A-133 require that I 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 Child Advocacy Services, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Child Advocacy Services, Inc.'s compliance with those requirements.

In my opinion, Child Advocacy Services, Inc. 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, 2003.

Internal Control Over Financial Reporting

The management of the Child Advocacy Services, Inc. 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 my audit, I considered the Child Advocacy Services, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, Louisiana Legislative Auditor, others within the organization 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a *public document*.

Justin J. Scanlon, CPA

New Orleans, Louisiana
February 3, 2004

CHILD ADVOCACY SERVICES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2003

A. SUMMARY OF THE AUDITOR'S REPORT

1. An unqualified opinion was issued on the financial statements of the auditee.
2. The statement that reportable conditions in internal control were disclosed by the audit of the financial statements and whether any such conditions were material weaknesses is not applicable.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of the auditee.
4. The statement that reportable conditions in internal control over major programs were disclosed by the audit and whether any such conditions were material weaknesses is not applicable.
5. An unqualified opinion was issued on compliance for major programs.
6. The audit disclosed no findings which are required to be reported under Section 510(a) of Circular A-133.
7. Major programs for the fiscal year ended December 31, 2003 were:

U. S. Department of Health and Human Services:
Passed through State of Louisiana Supreme Court:
TANF Program (CFDA#93.558)
8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. The auditee did not qualify as a low-risk auditee.

B. SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended December 31, 2003.

C. SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

There were no items identified in the course of my testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.