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BATON ROUGE SICKLE CELL ANEMIA FOUNDATION, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 1995 AND 1994

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 AUG 28 1996

HALL & THOMAS, INC.
CERTIFIED PUBLIC ACCOUNTANTS

BATON ROUGE SICKLE CELL ANEMIA FOUNDATION, INC.

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AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS

HALL & THOMAS, INC.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT
ON FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

To the Board of Directors
Baton Rouge Sickle Cell Anemia
Foundation, Inc.
Baton Rouge, LA 70806

We have audited the accompanying statement of assets, liabilities and fund balance - cash basis, of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), as of December 31, 1995 and 1994, and the related statements of revenue, expenses, and changes in fund balance - cash basis for the periods then ended. These financial statements are the responsibility of Baton Rouge Sickle Cell Anemia Foundation, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations." Those standards and OMB Circular A-133 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 audits provide a reasonable basis for our opinion.

As described in note 1, Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), prepares its financial statements on the basis of cash receipts and disbursements. This basis is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balance of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), as of December 31, 1995 and 1994, and its revenues, expenses and changes in fund balance for the periods then ended in conformity with the basis of accounting described in note 1.

Our audits were made for the purpose of forming an opinion on the basic financial statements of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), taken as a whole. The accompanying schedule of financial assistance is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in these schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Hall & Thomas, Inc.
Certified Public Accountants

Baton Rouge, Louisiana
June 30, 1996

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COMBINED INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Baton Rouge Sickle Cell Anemia
Foundation, Inc.
Baton Rouge, LA 70806

We have audited the financial statements of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), for the periods ended December 31, 1995 and 1994.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audits of the financial statements of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), for the periods ended December 31, 1995 and 1994, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

The management of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure,

errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

INTERNAL ACCOUNTING CONTROLS

- o Cash
- o Cash receipts
- o Payroll and related liabilities
- o Property and equipment
- o Expenditures for goods and services
- o Fund balance

ADMINISTRATIVE CONTROLS

- o Governmental financial assistance programs
 - o General requirements
 - o Civil rights
 - o Cash management
 - o Federal financial reports
 - o Allowable costs/cost principles
 - o Drug-free workplace
 - o Political activity
 - o Administrative requirements
 - o Specific requirements
 - o Types of services allowed and not allowed
 - o Eligibility
 - o Special reporting requirements
 - o Federal financial reports and claims for advances and reimbursements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the period ended December 31, 1994, Baton Rouge Sickle Cell Anemia Foundation, Inc., Office of Public Health Grant, (a non-profit corporation), expended 48% of its total financial awards under its major programs.

We performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal

control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements and general requirements that are applicable to the Agency's major financial assistance program, which is identified in the accompanying Schedule of Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements or to administer financial assistance programs in accordance with applicable laws and regulations. Reportable conditions noted are as follows:

- o This is a small organization; therefore, it is difficult, as well as, impractical for Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), to attain a complete separation of duties as well as independent check and review over every transaction.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited or that noncompliance with laws and regulations that would be material to a financial assistance program 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 structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

The reportable conditions presented above as well as other matters involving the internal control structure and its operation have been discussed more fully in the Findings and Recommendations section of this report.

This report is intended for the information of the board of directors, management of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), the Louisiana Department of Health and Hospitals, Office of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Hall & Thomas, Inc.
Certified Public Accountants

Baton Rouge, Louisiana
June 30, 1996

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Baton Rouge Sickle Cell Anemia
Foundation, Inc.
Baton Rouge, LA 70806

We have audited the financial statements of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), as of and for the years ended December 31, 1995 and 1994, and have issued our report thereon dated June 30, 1996.

We conducted our audits in accordance with generally accepted auditing standards, and Government Auditing Standards, the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), is the responsibility of the Baton Rouge Sickle Cell Anemia Foundation, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Baton Rouge Sickle Cell Anemia Foundation, Inc.'s, (a non-profit corporation), compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), had not complied, in all material respects, with those provisions.

This report is intended for the information of the board of directors, management of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), the Louisiana Department of Health and Hospitals, Office of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Hall & Thomas, Inc.
Certified Public Accountants

Baton Rouge, Louisiana
June 30, 1996

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INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH GENERAL REQUIREMENTS APPLICABLE
TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Directors
Baton Rouge Sickle Cell Anemia
Foundation, Inc.
Baton Rouge, LA 70806

We have audited the financial statements of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), as of and for the years ended December 31, 1995 and 1994, and have issued our report thereon dated June 30, 1996.

We have applied procedures to test Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), compliance with the following requirements applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the years ended December 31, 1995 and 1994:

- o Civil rights
- o Cash management
- o Federal financial reports
- o Allowable costs/cost principles
- o Drug-free workplace
- o Political activity
- o Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of Educational Institutions and Other Nonprofit Organizations." Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that

Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), had not complied, in all material respects, with those requirements.

This report is intended for the information of the board of directors, management of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), the Louisiana Department of Health and Hospitals, Office of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Hall & Thomas, Inc.
Certified Public Accountants

Baton Rouge, Louisiana
June 30, 1996

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INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE
TO MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Directors
Baton Rouge Sickle Cell Anemia
Foundation, Inc.
Baton Rouge, LA 70806

We have audited the financial statements of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), as of and for the years ended December 31, 1995 and 1994, and have issued our report thereon dated June 30, 1996.

We have also audited Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), compliance with the requirements governing types of services allowed or unallowed; eligibility; reporting; financial reports and claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the years ended December 31, 1995 and 1994. The management of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), is responsible for the Organization's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Institutions of Higher Education and Other Nonprofit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material on compliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the organization's compliance with those requirements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), complied on all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; financial reports and claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the years ended December 31, 1995 and 1994.

This report is intended for the information of the board of directors, management of Baton Rouge Sickle Cell Anemia Foundation, Inc., (a non-profit corporation), the Louisiana Department of Health and Hospitals, Office of Public Health. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Hall & Thomas, Inc.
Certified Public Accountants

Baton Rouge, Louisiana
June 30, 1996

BATON ROUGE SICKLE CELL ANEMIA FOUNDATION, INC.
STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCE
CASH BASIS
AS OF DECEMBER 31, 1995 AND 1994

	1995	1994
<u>ASSETS</u>		
Cash	\$107,973	\$91,920
Property, Plant & Equipment	95,781	102,675
Less Accumulated Depreciation	<u>(68,302)</u>	<u>(72,793)</u>
Net Property, Plant & Equipment	27,479	29,882
Deposits	<u>315</u>	<u>315</u>
Total Assets	<u>135,767</u>	<u>122,117</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Notes Payable	35,000	---
Fund balance	<u>100,767</u>	<u>122,117</u>
Total Liabilities and Fund Balance	<u>\$135,767</u>	<u>\$122,117</u>

The accompanying notes are an integral part of these financial statements

BATON ROUGE SICKLE CELL ANEMIA FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1995 AND 1994

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Baton Rouge Sickle Cell Anemia Foundation, Inc. is a non-profit corporation established to provide awareness of the negative impact of Sickle Cell Anemia and to establish programs of academic training, education, health and economic assistance.

The Louisiana Department of Health and Hospitals, Office of Public Health is providing funds for counseling and patient medical assistance.

Basis of Presentation

The financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Revenues are recognized when received rather than when earned, and expenses and other costs are recognized when disbursed rather than when incurred. This basis of accounting is adequate to meet the reporting needs of the organization at present.

Fixed Assets and Depreciation

Fixed assets are normally recorded at cost and depreciated over the estimated useful lives of the respective assets.

NOTE 3 - INCOME TAXES

No provision for income taxes have been included in the financial statements since the organization is a non-profit corporation.

SUPPLEMENTAL INFORMATION

HALL & THOMAS, INC.
CERTIFIED PUBLIC ACCOUNTANTS

**BATON ROUGE SICKLE CELL ANEMIA FOUNDATION, INC.
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 1995 AND 1994**

<u>GRANTOR</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT AWARD</u>	<u>EXPENDITURES</u>
DECEMBER 31, 1995			
Louisiana Department Of Health And Hospitals		Office of Public Health	\$92,806
DECEMBER 31, 1994			
Louisiana Department Of Health And Hospitals		Office of Public Health	\$7,806

The accompanying notes are an integral part of the financial statements

BATON ROUGE SICKLE CELL ANEMIA FOUNDATION, INC.
FINDINGS AND RECOMMENDATIONS
DECEMBER 31, 1995 AND 1994

FINDING

In an organization of this size, segregation of duties and independent check and review over accounting and administrative procedures is an inherent problem as well as impractical.

Recommendation

Duties and responsibilities should be evaluated continuously as the organization expands, to reallocate job functions, where necessary, in order to attain the most appropriate internal control and check for the organization.

Management's Response

We concur with the auditor's finding and recommendation. We will monitor and enhance the separation of duties as the organization grows.

FINDING

The organization's audit for the year ended December 31, 1995 was not performed on a timely basis.

Recommendation

The organization should institute procedures to insure that annual audits under the grant program are complied with.

Management's Response

The current change in management has enhanced our ability to adhere to all reporting requirements.