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**LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA**

FINANCIAL REPORT

For the Two Year Period July 1, 2002, through July 8, 2004

(With Accountant's Report Thereon)

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 11-10-04

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

For the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditor's Report	1 - 2
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	3 - 4
Financial Statements	
Statement of Net Assets	5
Statement of Revenues, Expenses and Changes in Net Assets	6
Statement of Cash flows	7
Notes of Financial Statements	8 - 12
Supplemental Information	
Schedule of Board Members' Per Diem	13
Schedule of Findings and Questioned Costs	14 - 15
Summary Schedule of Prior Year Findings	16
Financial information Required by the Office of State Wide Reporting And Accounting Policy	
Table of Contents	17

MICHAEL K. GLOVER

Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

Department of Health and Hospitals
For the Former Board of Commissioners
Louisiana State Board of Certification
for Substance Abuse Counselors
State of Louisiana

I have audited the accompanying financial statements of the former Board of Commissioners of the Louisiana State Board of Certification for Substance Abuse Counselors (Note 1), a component unit of the State of Louisiana, as of July 8, 2004, and for the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003, as listed in the table of contents. These financial statements are the responsibility of the Louisiana State Board of Certification for Substance Abuse Counselors management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as discussed in the fourth paragraph, 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 Audit Standards*, issued by the Controller 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.

As discussed in Note 1, the financial statements present only the Louisiana State Board of Certification for Substance Abuse Counselors, a component unit of the State of Louisiana and do not purport to, and do not, present fairly the financial position of the State of Louisiana of the Office of the Governor, as of July 8, 2004 and the changes in financial position and cash flows, for the year ended in conformity with accounting principles generally accepted in the United States of America.

I was unable to examine sufficient evidential matter of credit card charges in the amount of \$5,194 for the period July 1, 2003 through July 8, 2004, which are included in operating expenses for the year ended July 8, 2004, nor was I able to satisfy myself as to their financial activities by other auditing procedures

In my opinion, except for the effect of any adjustment that might have been determined to be necessary had I been able to examine the evidential matter, or had I been able to satisfy myself to their financial activities by other auditing procedures, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana State Board of Certification for Substance Abuse Counselors a component unit of the State of Louisiana, as of July 8, 2004, and the changes in financial position and cash flows for the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Audit Standards*, I have also issued my report dated October 11, 2004, on my consideration of Louisiana State Board of Certification for Substance Abuse Counselors internal control over financial reporting and my test of its compliance with certain provision of laws, regulations, and contracts. That 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.

Independent Auditor's Report

October 11, 2004

Page 2

The Louisiana State Board of Certification for Substance Abuse Counselors has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not a required part of the basic financial statements. The Management Discussion and Analysis is the only required supplemental information for the board.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Louisiana State Board of Certification for Substance Abuse Counselors. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, except for the effects of insufficient evidential matter for credit card charges, such information is fairly presented in all material respects in relation to the financial statements taken as a whole.

Michael K. Glown *Accountant*

Baton Rouge, LA

October 11, 2004

MICHAEL K. GLOVER

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Report on Compliance and on Internal Control over Financial Reporting Based
Upon An Audit of the Financial Statements Performed in
Accordance with Government Auditing Standards

Department of Health and Hospitals
For the Former Board of Commissioners
Louisiana State Board of Certification
for Substance Abuse Counselors
State of Louisiana

I have audited the financial statement the former Board of Commissioners of the Louisiana State Board of Certification for Substance Abuse Counselors (Note 1), a component unit of the State of Louisiana, as of July 8, 2004 and for the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003, and have issued a qualified opinion in my report thereon dated October 11, 2004. The qualification was because of a lack of evidential matter available to support credit card charges. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and 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 Louisiana State Board of Certification for Substance Abuse Counselors, a component unit of the State of Louisiana, 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 the compliance with those provisions was not an objective on my audit and, accordingly, I do not express such an opinion. The results of my test disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned cost. Item 2004-01 is considered a material noncompliance while items 2004-03 through 2004-05 are not considered material noncompliance with laws and regulations.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Louisiana State Board of Certification for Substance Abuse Counselors 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 an opinion on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect considered Louisiana State Board of Certification for Substance Abuse Counselors ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned cost as items 2004-01 through 2004-02.

Report on Compliance and on Internal Control
over Financial Reporting Based
October 11, 2004
Page 2

A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I considered items 2004-01 through 2004-02 to be a material weakness.

This report is intended solely for the information of management and interested federal and state agencies and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Michael K. Stone Space

Baton Rouge, LA
October 11, 2004

LOUISIANA STATE BOARD OF CERTIFICATION
 FOR SUBSTANCE ABUSE COUNSELORS
 DEPARTMENT OF HEALTH AND HOSPITALS
 STATE OF LOUISIANA

Statement of Net Assets
 July 8, 2004

ASSETS (Note 11)

Current assets:

Cash and cash equivalents	\$	0
Receivable		0

Equipment:

Capital assets - net of accumulated depreciation (Note 3)		0
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Total assets	\$	<u>0</u>
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LIABILITIES (Note 11)

Current liabilities:

Accounts payable	\$	0
Note payable (Note 5)		<u>0</u>
Total current liabilities		0

Noncurrent liabilities:

Note payable (Note 5)		<u>0</u>
Total noncurrent liabilities		<u>0</u>

Total liabilities		<u>0</u>
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NET ASSETS (Note 11)

Invested in capital assets, net of related debt		0
--	--	---

Unrestricted		<u>0</u>
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Total net assets	\$	<u>0</u>
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The notes are an integral part of this statement.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Statement of Revenues, Expenses and Changes in Net Assets
For the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003

	2004	2003
OPERATING REVENUES		
Licenses (Note 10)	\$ 89,025	\$ 111,770
Registration	37,964	45,272
Examination fees	9,700	7,500
Delinquent fees	1,350	8,900
Miscellaneous fees	6,152	2,332
	144,191	175,774
OPERATING EXPENSES		
Personnel services and related benefits	46,194	32,470
Operating services	31,819	43,270
Material & supplies	3,208	2,858
Travel	478	500
Professional services	42,812	33,004
Depreciation	1,005	1,019
Other	588	288
Total operating expenses	126,104	113,409
Operating income (loss)	18,087	62,365
NONOPERATING REVENUES		
Interest income	140	254
Income (loss)	18,227	62,619
Total net assets-beginning	45,500	(17,119)
Transfers out (Note 11)	(63,727)	
Total net assets-ending	\$ 0	\$ 45,500

The notes are an integral part of this statement.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Statement of Cash Flows
For the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003

	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from counselors and applicants	\$ 102,185	\$ 137,904
Payments to supplies	(79,671)	(78,820)
Payments to employees	(46,689)	(34,051)
Other		
Net cash (used) provided by operating activities	(24,175)	25,033
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(2,305)	
Interest income	140	254
Principal payment on note	(1,000)	(1,000)
	(3,165)	(746.00)
Net (decrease) in cash and cash equivalents	(27,340)	24,287
Cash and cash equivalents, beginning of year	62,604	38,317
Transferred out (Note 11)	(35,264)	
Cash and cash equivalents, end of year	\$ 0	\$ 62,604
 RECONCILIATION OF OPERATING INCOME AND NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 18,087	\$ 62,365
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Deprecation	1,005	1,019
Change in assets and liabilities		
Accounts receivable	(38,455)	7,903
Accounts payable	(4,317)	1,099
Payroll taxes payable	145	639
Accrued payroll	(640)	(2,220)
Unearned revenue		(45,772)
Net cash (used) provided by operating activities	\$ (24,175)	\$ 25,033

The notes are an integral part of this statement.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The Louisiana State Board of Certification for Substance Abuse Counselors is a component unit of the State of Louisiana Created within the Louisiana Department of Health and Hospitals, as provided by Louisiana Revised Statutes (LSA-R.S) 37:3371. Effective July 8, 2004, Act 803 repealed the Louisiana Revised Statutes that established this board. The board was composed of seven members, appointed by the governor, who serve without compensation for terms of three years. The Board was charged with licensing and regulating the practice of substance abuse prevention counseling, these duties are now the responsibility of the Department of Health and Hospitals (DHH) office of addictive disorders.. The Board's operations were funded entirely through self generated revenues. As of July 8, 2004, there are approximately 591 licensed substance abuse counselors, 137 compulsive gambling counselors and 46 substance abuse prevention counselors in the State.

Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included in the reporting entity. In conformance with GASB Codification Section 2100, this entity is a component unit of the State of Louisiana because the governor appoints the board members, the state exercises oversight responsibility, and public service is rendered within the states boundaries. *The accompanying basic financial statements present only the transactions of the Louisiana State Board of Certification for Substance Abuse Counselors is, a component unit of the State of Louisiana.*

Basis of Presentation

The financial statements of the Board are prepared in accordance with accounting principles generally accepted in the United States of America. The Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Board may also apply all FASB pronouncements or interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

Basis of Accounting

The accompanying financial statement have been prepared in conformity with general accepted accounting principles (GAAP) generally accepted in the United States of America using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

Use of Estimates

The preparation of financial statements inconformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of asses and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits that mature within 90 days after year end and other investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or under the laws of the United States.

Under state law, the districts may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents.

Capital Assets

Capital assets purchased in excess of \$1,000 are recorded at historical cost and depreciated over their estimated useful lives. Estimated useful life is management's estimate of how long the asset is estimated to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Equipment	3-5 years
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Encumbrances

Encumbrance accounting is used to record purchase orders as they are incurred to reserve that portion of the application appropriation. This method of accounting is not employed.

Revenues and Expenses

Revenues and expense are recorded on the accrual basis of accounting. Revenues consist of licenses and fees. Licenses for certification of counselors are for a two year period beginning and renewal on January 1 and July 1, of each year. Using the accrual method of accounting, the revenues for licenses are recorded in the Statement of Revenue, Expenses and Changes in Changes in Net Assets as earned. The revenues not earned in the fiscal year are recorded as unearned revenues in the Statement of Net Assets based on the assumption that revenues will continue. Effective July 8, 2004, license fees will not be assessed by DHH causing a change of accounting estimates and no longer recording unearned revenues. Expenses are recorded as they are incurred.

Statement of Cash Flows

This statement is prepared using the direct method. For purposes of this statement, this entity considers all highly liquid investments with a maturity of three months or less when purchased as a cash equivalent.

2. BUDGET PRACTICES

The budget is legally adopted and amended, as necessary, by the Board. All expenditure appropriations lapse at year end. The budgeted amounts are not included in the financial statements.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

3. CAPITAL ASSETS

A summary of changes capital assets and accumulated depreciation for the period are as follows:

	Capital Assets	Accumulated Depreciation	Net Assets
Balance, July 1, 2002	\$ 7,164	5,172	\$ 1,992
Additions		1,019	
Reductions			
Balance, June 30, 2003	<u>7,164</u>	<u>6,191</u>	<u>973</u>
Additions	2,305	1,005	
Reductions			
Transfers out (Note 11)	<u>(9,469)</u>	<u>(7,196)</u>	<u>(2,273)</u>
Balance, July 8, 2004	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>

4. COMPENSATED ABSENCES

Non-current liabilities consist of compensated absences. The following is a summary of the long-term obligation transactions during the two years ended June 30, 2002.

Balance, July 1, 2002	\$ 2,860
Additions	-
Reductions	<u>2,860</u>
Balance, June 30, 2003	0
Additions	-
Reductions	-
Balance, July 8, 2004	<u>\$ 0</u>

5. ADVANCE FROM DIVISION OF ADMINISTRATION

The Board received an advance of \$25,000 from the State of Louisiana, Division of Administration in April, 1991 for operations. The Board has approved annual payments of \$1,000 with no annual interest rate. The balance at June 30, 2002, was \$23,000, a payment was made during each of the fiscal years of \$1,000 reducing the balance to \$21,000 at July 8, 2004. DHH has assumed this liability (Note 11).

The minimum payments for the fiscal five year periods are as follows:

2004	\$ 1,000
2005	1,000
2006	1,000
2007	1,000
2008	1,000
Thereafter	<u>16,000</u>
	<u>\$ 21,000</u>

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

6. LITIGATION

There are no judgments, claims or similar contingencies pending against the Board at July 8, 2004.

7. BOARD MEMBERS' PER DIEM

The Board members are paid per diem of \$50 per day for each day in actual attendance of board meetings and for attending to official business of the Board.

8. OPERATING LEASES

This agency has an operating lease for office equipment and office space. The office lease expired in 2003 and was renewed until February 2008, while the office equipment lease expires in 2005. The total payments for operating leases during the fiscal years July 8, 2004 and 2003 were \$5,388 and \$6,260 respectively. The remaining lease has been assumed by the Department of Health and Hospitals. The remaining lease payments are as follows:

		Office Rent		Office Equipment		Total
2005	\$	6,960		872	\$	7,832
2006		6,960				6,960
2007		6,960				6,960
2008		4,524				4,524
	\$	25,404		872	\$	26,276

9. DEPOSITS WITH FINANCIAL INSTITUTIONS (Note 11)

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposits and are secured by the Federal Deposit Insurance Corporation insurance. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. This bank account was transferred to DHH at July 8, 2004 (Note 11). The bank account balances were secured as follows:

	Amount
Bank deposits in bank accounts per balance sheet	\$ <u>35,264</u>
Bank balances (category 3 only, if any)	
Identify amounts reported as category 3 by the descriptions below:	
a. Uninsured and uncollateralized	\$
b. Uninsured and collateralized with securities held by the pledging institution.	
c. Uninsured and collateralized with securities held by the pledging institutions trust department or agent, but not in the entities name.	
Total Category 3 bank balances	\$ _____
Total bank balances (All categories including category 3 reported above)	\$ <u>42,350</u>

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Notes to Financial Statements

10. CHANGE OF ACCOUNTING ESTIMATES

As indicated in Note 11, effective July 8, 2004, license fees will no longer be assessed to licensees and changes the assumption that license fees will continue to be assessed having an impact on future revenues. The estimate of unearned revenues will no longer be recorded in the Statement of Net Assets due to the change in policy not charging license fees. The unearned revenues recorded on the Statement of Net Assets for the year ended June 30, 2002, in the amount of \$45,772 have been recognized as licenses revenue in the year ended June 30, 2003, because of this police change.

11. REPEAL OF LOUISIANA REVISED STATUTE 37:3371 THROUGH 37:3384

Effective July 8, 2004, Act No. 803 repealed the Louisiana Revised Statutes that established the Board of Commissioners for the Louisiana State Board of Certification for Substance Abuse Counselors. This act transfer all assets and liabilities and the powers and duties that were once established for this Board to the Department of Health and Hospitals office of addictive disorders. A summary of assets and liabilities transferred are as follows:

	<u>Before July 8, 2004</u>	<u>Transferred Out</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 35,264	(35,264)
Receivable	47,974	(47,974)
Equipment:		
Capital assets - net of accumulated depreciation (Note 3)	2,273	(2,273)
Total assets	<u>\$ 85,511</u>	<u>(85,511)</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 784	(784)
Note payable (Note 5)	1,000	(1,000)
Total current liabilities	<u>1,784</u>	<u>(1,784)</u>
Noncurrent liabilities:		
Note payable (Note 5)	<u>20,000</u>	<u>(20,000)</u>
Total noncurrent liabilities	<u>20,000</u>	<u>(20,000)</u>
Total liabilities	<u>21,784</u>	<u>(21,784)</u>
Net Assets		
Invested in capital assets, net of related debt	2,273	(2,273)
Unrestricted	61,454	(61,454)
	<u>\$ 63,727</u>	<u>(63,727)</u>

SUPPLEMENTAL INFORMATION

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Schedule of Board Members' Per Diem
For the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003

	<u>2004</u>	<u>2003</u>
Ellen Calvert	\$ 300	\$ 200
Alphonse K. Roy	200	50
Gary D. Olbrich	200	50
John C French	300	200
Kathleen G. Hayward	300	200
Martin J. Dykes	250	100
Paul M. Schoen	300	150
	<u>\$ 1,850</u>	<u>\$ 950</u>

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Summary of Findings and Questioned Costs
For the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003

A. SUMMARY OF AUDIT RESULTS

Financial statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified? Yes No

Reporting conditions identified that are considered material weaknesses? Yes No

Noncompliance material to financial statements? Yes No

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

Finding 2004-01

Credit card documentation was examined separately and it was observed that total credit card charges for the two years ended June 30, 2002, were \$4,377 and \$13,760 for the two years ended July 8, 2004, which is equivalent to a 214% increase in charges. In addition, \$9,212 of the charges for the current audit period did not have receipts or any other form of documentation to support the purchases.

Recommendation

Documentation and approval of purchase is to be attached to every acquisition.

This is considered a material weakness in internal controls and a material noncompliance of laws and regulations.

Finding 2004-02

Payroll time sheets and time submitted by contract laborers were not signed and certified as being correct by the individual submitting their vouchers for payment. Most of the vouchers were signed by a board member. Payroll time sheets and work hours submitted by contract laborers should be certified by the individuals verifying its completeness and accuracy on each voucher.

Recommendation

Time submitted by each employee and contract laborer should be signed for accuracy and completeness by each individual submitting their voucher requesting payment for service rendered and approved by a supervisor or board member.

This is considered a material weakness in internal controls.

Finding 2004-03

The Board minutes do not indicate that either of the Budgets for the Fiscal years 2004 or 2003 were approved by the board; however, there are approvals of amending the budgets in the minutes.

Recommendation

Budgets should be approved by the Board before January 1 of each year before beginning of the new fiscal year and submitted to the appropriate agencies after they have been approved.

This is not considered a material non compliance with laws and regulations.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Summary of Findings and Questioned Costs
For the period July 1, 2003 through July 8, 2004 and the year ended June 30, 2003

Finding 2004-04

A penalty was assessed against a licensee in the amount of \$3,500 for disciplinary reasons and included in miscellaneous income for the year ended July 8, 2004.. There is no indication in the board minutes that the Board determined this assessment or approved this assessment. However, there were letters written to this licensee by the attorney informing them of the assessment and when the assessment needed to be paid.

Recommendation

The former Louisiana Revised Statute 37:3374 gave the board the authority to determine the disciplinary action that needs to be taken concerning a counselor. Any disciplinary actions taking by the Board regarding a licensee should be documented in the minutes.

This is not considered a material non compliance with laws and regulations.

Finding 2004-05

When performing the test of revenues, seven of the 50 items selected for the two fiscal years did not have documentation or files regarding the charges submitted by the licensee or applicants. However, I was able to determine which revenue category was applicable for these seven items selected by comparing review of other similar charges.

Recommendation

Revenues should be documented for each charged assessed to the licensee or applicants.

This was not considered a material noncompliance of laws or regulations.

LOUISIANA STATE BOARD OF CERTIFICATION
FOR SUBSTANCE ABUSE COUNSELORS
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

Summary of Prior year Findings and Questioned Costs
For the Years Ended June 30, 2002 and 2001

There were no findings to report.

LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS

(Agency Name)

STATE OF LOUISIANA

Annual Financial Statements

June 30, 2004__

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities (includes Instructions)	C
Statement of Cash Flows	D

Notes to the Financial Statements

A.	Summary of Significant Accounting Policies
B.	Budgetary Accounting
C.	Deposits with Financial Institutions and Investments (Instructions in back)
D.	Capital Assets
E.	Inventories
F.	Restricted Assets
G.	Leave
H.	Retirement System
I.	Post Retirement Health Care and Life Insurance Benefits
J.	Leases
K.	Long-Term Liabilities
L.	Litigation
M.	Related Party Transactions
N.	Accounting Changes
O.	In-Kind Contributions
P.	Defeased Issues
Q.	Cooperative Endeavors
R.	Government-Mandated Nonexchange Transactions (Grants)
S.	Violations of Finance-Related Legal or Contractual Provisions
T.	Short-Term Debt
U.	Disaggregation of Receivable Balances
V.	Disaggregation of Payable Balances
W.	Subsequent Events
X.	Segment Information
Y.	Due to/Due from and Transfers
Z.	Liabilities Payable from Restricted Assets
AA.	Prior-Year Restatement of Net Assets

Schedules

1	Schedule of Per Diem Paid Board Members
2	Schedule of State Funding
3	Schedules of Long-Term Debt
4	Schedules of Long-Term Debt Amortization
5	Schedule of Current Year Revenue and Expenses – Budgetary Comparison of Current Appropriation – Non GAAP Basis
15	Schedule of Comparison Figures

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
BALANCE SHEET
AS OF June 30, 2004
ASSETS**

CURRENT ASSETS:		
Cash and cash equivalents (Note C1)	\$	35,264
Investments (Note C2)		
Receivables (net of allowance for doubtful accounts)(Note U)		47,974
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes receivable		
Other current assets		
Total current assets		83,238
NONCURRENT ASSETS:		
Restricted assets (Note F):		
Cash		
Investments		
Receivables		
Notes receivable		
Capital assets (net of depreciation)(Note D)		
Land		
Buildings and improvements		
Machinery and equipment		2,273
Infrastructure		
Construction in progress		
Other noncurrent assets		
Total noncurrent assets		2,273
Total assets	\$	85,511
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable and accruals (Note V)	\$	784
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		
Current portion of long-term liabilities:		
Contracts payable		
Reimbursement contracts payable		
Compensated absences payable (Note K)		
Capital lease obligations - (Note J)		
Notes payable		1,000
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total current liabilities		1,784
NON-CURRENT LIABILITIES:		
Contracts payable		
Reimbursement contracts payable		
Compensated absences payable (Note K)		
Capital lease obligations (Note J)		
Notes payable		20,000
Liabilities payable from restricted assets (Note Z)		
Bonds payable		
Other long-term liabilities		
Total long-term liabilities		20,000
Total liabilities		21,784
NET ASSETS		
Invested in capital assets, net of related debt		2,273
Restricted for:		
Capital projects		
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		61,454
Total net assets		63,727
Total liabilities and net assets	\$	85,511

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

Section Break (Next Page)

**STATE OF LOUISIANA
 LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED June 30, 2004**

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	138,039
Other	6,152
Total operating revenues	144,191
OPERATING EXPENSES	
Cost of sales and services	125,099
Administrative	_____
Depreciation	1,005
Amortization	_____
Total operating expenses	126,104
Operating income(loss)	18,087
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues (expenses)	_____
Taxes	_____
Use of money and property	140
Gain (loss) on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____
Other	_____
Total non-operating revenues(expenses)	140
Income(loss) before contributions and transfers	18,227
Capital contributions	_____
Transfers in	_____
Transfers out	_____
Change in net assets	18,227
Total net assets – beginning as restated	45,500
Total net assets – ending	\$ 63,727

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

Statement B

**STATE OF LOUISIANA
 LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED June 30, 2004**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
BTA	\$ 126,104	\$ 138,039		\$ 11,935
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				140
Miscellaneous				6,152
Special items				
Transfers				
Total general revenues, special items, and transfers				6,292
Change in net assets				18,227
Net assets - beginning				45,500
Net assets - ending				\$ 63,727

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
STATEMENT OF CASH FLOWS**

Cash flows from operating activities		
Cash received from customers	\$	102,185
Cash payments to suppliers for goods and services		(79,671)
Cash payments to employees for services		(46,689)
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		<u>(24,175)</u>
Cash flows from non-capital financing activities		
State appropriations		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Other		
Transfers In		
Transfers Out		
Net cash provided(used) by non-capital financing activities		<u>-</u>
Cash flows from capital and related financing		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		(1,000)
Interest paid on notes payable		
Acquisition/construction of capital assets		(2,305)
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		<u>(3,305)</u>
Cash flows from investing activities		
Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities		140
Net cash provided(used) by investing activities		<u>140</u>
Net increase(decrease) in cash and cash equivalents		<u>(27,340)</u>
Cash and cash equivalents at beginning of year		<u>62,604</u>
Cash and cash equivalents at end of year	\$	<u><u>35,264</u></u>

FOR THE YEAR ENDED June 30, 2004

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA
 LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED June 30, 2004**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)	\$	<u>18,087</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	<u>1,005</u>	
Provision for uncollectible accounts	<u> </u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u>(38,455)</u>	
(Increase)decrease in due from other funds	<u> </u>	
(Increase)decrease in prepayments	<u> </u>	
(Increase)decrease in inventories	<u> </u>	
(Increase)decrease in other assets	<u> </u>	
Increase(decrease) in accounts payable and accruals	<u>(4,317)</u>	
Increase(decrease) in accrued payroll and related benefits	<u>(495)</u>	
Increase(decrease) in compensated absences payable	<u> </u>	
Increase(decrease) in due to other funds	<u> </u>	
Increase(decrease) in deferred revenues	<u> </u>	
Increase(decrease) in other liabilities	<u> </u>	
 Net cash provided(used) by operating activities	 \$	 <u><u>(24,175)</u></u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	<u> </u>
Contributions of fixed assets	<u> </u>
Purchases of equipment on account	<u> </u>
Asset trade-ins	<u> </u>
Other (specify)	<u> </u>
 <u> </u>	 <u> </u>
 <u> </u>	 <u> </u>
 Total noncash investing, capital, and financing activities:	 <u><u>-</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004____

INTRODUCTION

The Louisiana State Board of Certification for Substance Abuse Counselors was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 36:4.1. The following is a brief description of the operations of Louisiana State Board of Certification for Substance Abuse Counselors which includes the parish/parishes in which the Louisiana State Board of Certification for Substance Abuse Counselors is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Louisiana State Board of Certification for Substance Abuse Counselors present information only as to the transactions of the programs of the Louisiana State Board of Certification for Substance Abuse Counselors as authorized by Louisiana statutes and administrative regulations.

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

The accounts of the Louisiana State Board of Certification for Substance Abuse Counselors are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana State Board of Certification for Substance Abuse Counselors are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 _____

	<u>APPROPRIATIONS</u>
Original approved budget	\$ <u>165,500</u>
Amendments:	_____

Final approved budget	\$ <u><u>165,500</u></u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana State Board of Certification for Substance Abuse Counselors may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, *savings accounts or shares of savings and loan associations and savings banks, and share accounts and share certificate accounts* of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. *These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.*

Following the issuance of GASB Statement 3, deposits were classified into three categories of custodial credit risk depending on whether they were insured or collateralized, and who held the collateral and how it was held.

Category 1 – Deposits that are covered by insurance (FDIC) or collateralized with securities that are held by the entity in the entity's name or registered in the entity's name. **(separate disclosure no longer required)**

Category 2 – Deposits that are not insured but are collateralized with securities that are held by the financial institution's trust department or agent and are in the entity's name. **(separate disclosure no longer required)**

Category 3 – Deposits that are not covered by insurance and also are not collateralized. Not collateralized includes when the securities (collateral) are held by the financial institution's trust department or agent and they are not in the entity's name. **(separate disclosure still required)**

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement**

As of and for the year ended June 30, 2004 _____

GASB Statement 40 only requires category 3 deposits to be disclosed in the custodial credit risk section of Note C. If an entity has deposits exposed to custodial credit risk category 3, it should disclose the amount of those balances, the fact that they are uninsured, and whether the balances are either uncollateralized, collateralized with securities held by the pledging financial institution,

or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2004 consisted of the following:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Deposits in bank accounts per balance sheet	\$ <u>35,264</u>	\$ _____	\$ _____	\$ <u>35,264</u>
Bank balances (category 3 only, if any) Identify amounts reported as category 3 by the descriptions below:				
a. Uninsured and uncollateralized	_____	_____	_____	-
b. Uninsured and collateralized with securities held by the pledging institution	_____	_____	_____	-
c. Uninsured and collateralized with securities held held by the pledging institution's trust department or agent, <u>but not in the entities name</u>	_____	_____	_____	-
Total Category 3 bank balances	\$ _____	\$ _____	\$ _____	\$ _____
Total bank balances (All categories including category 3 reported above)	\$ <u>42,350</u>	\$ _____	\$ _____	\$ <u>42,350</u>

NOTE: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

	<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1. Bank One	_____	_____	\$ <u>35,264</u>
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
Total			\$ <u>35,264</u>

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the Balance Sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the Balance Sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement**

As of and for the year ended June 30, 2004 _____

The institution does/does not (circle one) invest in **derivatives** as part of its investment policy. Accordingly, the exposure to risks from these investments is as follows:

credit risk _____
market risk _____
legal risk _____

3. Other Disclosures Required for Investments

- a. Investments in pools managed by other governments or mutual funds _____

- b. Securities underlying reverse repurchase agreements _____

- c. Unrealized investment losses _____

- d. Commitments as of _____ (fiscal close), to **resell** securities under yield maintenance repurchase agreements:
 - 1. Carrying amount and market value at June 30 of securities to be resold _____

 - 2. Description of the terms of the agreement _____

- e. Losses during the year due to default by counterparties to deposit or investment transactions _____

- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

- g. Source of legal or contractual authorization for use of reverse repurchase agreements _____

- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements at Year-End

- i. Credit risk related to the reverse repurchase agreements outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____

- j. Commitments on _____ (fiscal close), to repurchase securities under yield maintenance agreements _____

- k. Market value on _____ (fiscal close), of the securities to be repurchased _____

- l. Description of the terms of the agreements to repurchase _____

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 _____

- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____

- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____

- p. Basis for determining which investments, if any, are reported at amortized cost _____

- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____

- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____

- s. Any involuntary participation in an external investment pool _____

- t. Whether you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate _____

- u. Any income from investments associated with one fund that is assigned to another fund _____

Credit Risk, Concentration of Credit Risk, Interest Rate Risk, and Foreign Currency Risk Disclosures

- v. **Briefly describe the deposit and/or investment policies related to the custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.** _____

- w. **List, by amount and issuer (not including U.S. government securities, mutual funds, and investment pools), investments in any one issuer that represents 5% or more of total investments** _____

- x. **List the fair value and terms of any debt investments that re highly sensitive to changes in interest rates due to the terms of the investment (eg. coupon multipliers, reset dates, etc.)** _____

- y. **Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end. All debt investments regardless of type can be aggregated by credit quality rating (if any are unrated, disclose that amount).** _____

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004

z. Disclose the interest rate risk of debt investments by listing the investment type and the method that is used to identify and manage the interest rate risk of those investments (by one of the following 5 methods: a) segmented time distribution, b) specific identification, c) weighted average maturity, d) duration, or e) simulation model.)

aa. Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies). List by currency denomination and investment type, if applicable.

D. CAPITAL ASSETS-INCLUDING CAPITAL LEASE ASSETS N/A

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible

	Year ended June 30, 2004						Balance 6/30/2004
	Balance 6/30/2003	Prior Period Adjustment	Adjusted Balance 6/30/2003	Additions	Transfers*	Retirements	
Capital assets not being depreciated							
Land		--	--	--	--	--	--
Non-depreciable land improvements	--	--	--	--	--	--	--
Capitalized collections	--	--	--	--	--	--	--
Construction in progress	--	--	--	--	--	--	--
Total capital assets not being depreciated	--	--	--	--	--	--	--
Other capital assets							
Furniture, fixtures, and equipment	7,164	--	7,164	2,305	--	--	9,469
Less accumulated depreciation	(6,191)	--	(6,191)	(1,005)	--	--	(7,196)
Total furniture, fixtures, and equipment	973	--	973	1,300	--	--	2,273
Buildings and improvements	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total buildings and improvements	--	--	--	--	--	--	--
Depreciable land improvements	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total depreciable land improvements	--	--	--	--	--	--	--
Infrastructure	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total infrastructure	--	--	--	--	--	--	--
Total other capital assets	973	--	973	1,300	--	--	2,273
Capital Asset Summary:							
Capital assets not being depreciated	--	--	--	--	--	--	--
Other capital assets, at cost	7,164	--	7,164	2,305	--	--	9,469
Total cost of capital assets	7,164	--	7,164	2,305	--	--	9,469
Less accumulated depreciation	(6,191)	--	(6,191)	(1,005)	--	--	(7,196)
Capital assets, net	973	--	973	1,300	--	--	2,273

* Should be used only for those completed projects coming out of construction in progress to fixed assets; not associated

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement**

As of and for the year ended June 30, 2004 _____

fixed assets used by the entity are charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

E. INVENTORIES N/A

The unit's inventories are valued at _____ (method of valuation). These are perpetual inventories and are expensed when used. **NOTE: Do not include postage. This must be shown as a prepayment.**

F. RESTRICTED ASSETS N/A

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type investments held.) State the purpose of the restriction: _____

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana State Board of Certification for Substance Abuse Counselors has the following policy on annual and sick leave: (Describe leave policy.)

An example disclosure follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE N/A

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at _____ (fiscal close) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ _____. The leave payable (is) (is not) recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM N/A

Substantially all of the employees of the (BTA) are members of the _____ (System), a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004** _____

All full-time (BTA) employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the Louisiana State Board of Certification for Substance Abuse Counselors is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2004, was 13% of annual covered payroll. The Louisiana State Board of Certification for Substance Abuse Counselors contributions to the System for the years ending June 30, 2004, was \$2,919 equal to the required contributions for each year. This was the first year the Board has contributed to the System.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS N/A

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.**
4. *The effect of significant matters affecting the comparability of the costs recognized for all periods presented.*

**If the cost of any post retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.

Substantially all (BTA) employees become eligible for post employment health care, dental and life insurance benefits if they reach normal retirement age while working for the (BTA). These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the (BTA). For 2004, the cost of providing those benefits for the _____ retirees totaled \$_____.

The _____ (BTA) provides certain continuing health care and life insurance benefits for its retired employees. Substantially all (BTA) employees become eligible for those benefits if they reach normal retirement age while working for the (BTA). Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the (BTA). The (BTA) recognizes the cost of providing these benefits ((BTA)'s portion of premiums) as an expenditure when paid during the year, which was \$_____ for the year ended _____, 20____. The cost of providing those benefits for _____ retirees is not separable from the cost of providing benefits for the _____ active employees. (or, The (BTA)'s cost of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended _____, 20____ the costs of _____ retiree benefits totaled \$_____).

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 ___

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year_2004 amounted to \$5,388.
A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010-2014</u>	<u>FY2015-2019</u>
Office rental	\$ 6,960	\$ 6,960	\$ 6,960	\$ 4,524	\$ -	\$ -	\$ -
Office equipment	872						
Total	\$ 7,832	\$ 6,960	\$ 6,960	\$ 4,524	\$ -	\$ -	\$ -

2. CAPITAL LEASES N/A

Capital leases are (are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 _____

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

<u>Year ending June 30:</u>	<u>Total</u>
2005	\$ _____
2006	_____
2007	_____
2008	_____
2009	_____
2010-2014	_____
2015-2019	_____
2020-2024	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 ____

Year ending June 30:	<u>Total</u>
2005	\$ _____
2006	_____
2007	_____
2008	_____
2009	_____
2010-2014	_____
2015-2019	_____
2020-2024	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

Year ending June 30:	<u>Total</u>
2005	\$ _____
2006	_____
2007	_____
2008	_____
2009	_____
2010-2014	_____
2015-2019	_____
2020-2024	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 _____

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement, and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining Interest to end of lease</u>	<u>Remaining Principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		-		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		-		
Less: Estimated Residual Value of Leased Property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____		

Minimum lease payments do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if for example the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2004 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year):

Year ending _____:	
2005	\$ _____
2006	_____
2007	_____
2008	_____
2009	_____
2010-2014	_____
2015-2019	_____
2020-2024	_____
Total	\$ _____

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004_____

4. LESSOR – OPERATING LEASE N/A

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of minimum future rentals on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year):

Year Ended June 30,	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2005	\$ _____	\$ _____	\$ _____	\$ _____	-
2006					-
2007					-
2008					-
2009					-
2010-2014					-
2015-2019					-
2020-2024	_____	_____	_____	_____	-
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	-

Current year lease revenues received in fiscal year _____ totaled \$ _____.

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2004:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004

	Balance June 30, 2003	Year ended June 30, 2004		Balance June 30, 2004	Amounts due within one year
		Additions	Reductions		
Bonds and notes payable:					
Notes payable	\$ 22,000	\$	\$ 1,000	\$ 21,000	\$ 1,000
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	22,000	--	1,000	21,000	1,000
Other liabilities:					
Contracts payable				--	
Compensated absences payable				--	
Capital lease obligations				--	
Liabilities payable from restricted assets				--	
Claims and litigation				--	
Other long-term liabilities				--	
Total other liabilities	--	--	--	--	--
Total long-term liabilities	22,000	--	1,000	21,000	1,000

A detailed summary, by issues, of all debt outstanding at June 30, 20__, including outstanding interest of \$ _____ is shown on schedule 4. Schedule 5 is an amortization schedule of the outstanding debt. (Send OSRAP a copy of the amortization schedule for any new debt issued.)

L. LITIGATION N/A

1. The _____ (BTA) is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation and Probable outcome (remote, reasonably possible or probable)	Primary Attorney	Damages Claimed	Insurance Coverage
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals			\$ _____	\$ _____

The _____ (BTA)'s legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement):

2. Claims and litigation costs of \$ _____ were incurred in the current year and are reflected in the accompanying financial statement.

M. RELATED PARTY TRANSACTIONS N/A

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement**

As of and for the year ended June 30, 2004 _____

(FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions). _____

N. ACCOUNTING CHANGES N/A

Accounting changes made during the year involved a change in accounting _____ (principle, estimate, error or entity). The effect of the change is being shown in _____.

O. IN-KIND CONTRIBUTIONS N/A

(List all in-kind contributions that are not included in the accompanying financial statements.)

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

P. DEFEASED ISSUES N/A

In _____, 20____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS**

Notes to the Financial Statement

As of and for the year ended June 30, 2004_____

almost \$ _____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt of \$ _____.

Q. COOPERATIVE ENDEAVORS N/A

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the state.

Some cooperative endeavor contracts are not coded with a document type of "COP" on the Contract Financial Management Subsystem (CFMS), but are considered cooperative endeavors. Include these below with your cooperative endeavor contracts coded with a document type of "COP". Examples of contracts that are considered cooperative endeavors, but are not coded with a document type of "COP" include contracts that fall under delegated authority, Facility Planning and Control "CEA" contracts, certain federal government contracts, contracts that legislative auditors may have designated as such within your agency, work incumbent programs, etc. In prior years, this information was requested as supplemental documentation after the AFRs were submitted, usually in October or November.

The liability outstanding as of June 30, 2004, by funding source, is as follows:

<u>Funding Source</u>	<u>Balance June 30, 2004</u>
State General Fund	\$ _____
Self-generated revenue	_____
Statutorily dedicated revenue	_____
General obligation bonds	_____
Federal funds	_____
Interagency transfers	_____
Other funds/combination	_____

NOTE: Amounts in excess of contract limits **cannot** be used to reduce the outstanding contract balance at June 30, 2004. For example, if a contract specifies a percentage of usage for each month (25%) and usage exceeds that percentage (75%), you cannot claim actual usage that exceeds contract requirements (50%).

NOTE: In order to compute your ending balances by funding source, you should begin with your balances at June 30, 2003. These amounts will be increased by amounts for new contracts and amendments and decreased for payments as well as for liquidations.

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) N/A

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004_____

Activity	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Gross receivables	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Less allowance for uncollectible accounts	_____ -	_____ -	_____ -	_____ -	_____ -
Receivables, net	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

V. DISAGGREGATION OF PAYABLE BALANCES N/A

Payables at June 30, 20____, were as follows:

Activity	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total payables	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

W. SUBSEQUENT EVENTS N/A

[Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.]

X. SEGMENT INFORMATION N/A

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For the purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or an other stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment _____.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 _____

A. Condensed Balance Sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted; unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Balance Sheet:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ _____	\$ _____
<i>Due from other funds</i>	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
<i>Due to other funds</i>	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004 _____

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ -	_____ -
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ -	_____ -
Beginning net assets	_____	_____
Ending net assets	_____ -	_____ -

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ -	_____ -

Y. DUE TO/DUE FROM AND TRANSFERS N/A

- 1. List by fund type the amounts **due from other funds** detailed by individual fund at your fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004

Total due from other funds \$ _____

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due to other funds		\$ _____

3. List by fund type **all transfers from other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers from other funds		\$ _____

4. List by fund type **all transfers to other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers to other funds		\$ _____

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS N/A

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS N/A

The following adjustments were made to restate beginning net assets for June 30, 2004.

<u>Fund balance</u> <u>July 1, 2003,</u> <u>previously reported</u>	<u>Adjustments</u> <u>+ or (-)</u>	<u>Beginning net</u> <u>assets, July 1, 2003,</u> <u>As restated</u>
6,633	\$ 38,867	\$ 45,500
_____	_____	---
_____	_____	---
_____	_____	---
_____	_____	---
_____	_____	---

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS
Notes to the Financial Statement
As of and for the year ended June 30, 2004____

Each adjustment must be explained in detail on a separate sheet.

(NOTE: Net Assets at July 1, 20__, previously reported, must correspond to Net Assets at June 30, 20__, per the information received from OSRAP.)

Adjustment to prior year net assets:

Unearned revenues are no longer being recorded because the calculation of
The unearned was dependent that licensee fee would continue. After
July 8, 2004, license fees will not be assessed and therefore the calculation
for unearned license fees no longer applies.

\$29,073

Difference between depreciation

275

To record accounts receivable for collection of licensee fees made in June 2003
and not deposited until July 2003

9,519
\$38,867
=====

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS

SCHEDULE OF STATE FUNDING
For the Year Ended _____
(Fiscal Close)

N/A

<u>Description of Funding</u>	<u>Amount</u>
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ _____

SCHEDULE 3-C

STATE OF LOUISIANA

(BTA)

SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION

For The Year Ended _____

(Fiscal Close)

N/A

Fiscal Year

Ending:

Principal

Interest

2005	\$ _____	\$ _____
2006	_____	_____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
Total	\$ _____ --	\$ _____ --

SCHEDULE 4-C

STATE OF LOUISIANA

(BTA)

SCHEDULE OF BONDS PAYABLE AMORTIZATION

For The Year Ended June 30, 20__

N/A

Fiscal Year

Ending:

Principal

Interest

2005	\$ _____	\$ _____
2006	_____	_____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
Total	\$ <u> --</u>	\$ <u> --</u>

STATE OF LOUISIANA
Louisiana State Board of Certification for Substance Abuse Counselors
 SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
 BUDGETARY COMPARISON OF CURRENT APPROPRIATION
 NON-GAAP BASIS
 JUNE 30, 2004

	Financial Statement	Adjustments	ISIS Appropriation Report-08/14/04	Revised Budget	Variance Positive/(Negative)
Operating Revenues:					
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Sales of Commodities and Services					
Other	144,191.00		144,191.00	164,900.00	(20,709.00)
Total Operating revenues	144,191.00	-	144,191.00	164,900.00	(20,709.00)
Operating Expenses:					
Personal services	46,194.00	\$ -	46,194.00	38,989.00	(7,205.00)
Travel	478.00		478.00	2,775.00	2,297.00
Operating Services	31,819.00		31,819.00	34,756.00	2,937.00
Supplies	3,208.00		3,208.00	4,000.00	792.00
Professional services	42,812.00		42,812.00	33,800.00	(9,012.00)
Capital outlay	2,305.00		2,305.00	2,300.00	(5.00)
Interagency transfers					
Other charges	588.00		588.00		(588.00)
Total Operating Expenses	127,404.00	-	127,404.00	116,620.00	(10,784.00)
Nonoperating Expenses:					
Use of Money and Property	140.00		140.00	600.00	(460.00)
Gain (Loss) on Disposal of Fixed Assets					
Federal Grants					
Interest Expense					
Other					
Total Nonoperating Expenses	140.00	-	140.00		(460.00)
Capital Contributions					
Operating Transfers In					
Operating Transfers Out					
Change in Net Assets	\$ 16,927.00	\$ -	\$ 16,927.00	\$ 48,280.00	\$ (31,953.00)

STATE OF LOUISIANA
Louisiana State Board of Certification for Substance Abuse Counselors
SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS
JUNE 30, 2004

Budgeted Income (Loss)		\$ <u>16,927.00</u>
Reconciling items:		
Cash carryover		<u> </u>
Depreciation		<u>(1,005.00)</u>
Payroll accrual		<u> </u>
Compensated absences adjustment		<u> </u>
Capital outlay		<u>2,305.00</u>
Change in inventory		<u> </u>
Bad debts expense		<u> </u>
Prepaid expenses		<u> </u>
Principal payment		<u> </u>
Loan Principal Repayments included in Revenue		<u> </u>
Loan Disbursements included in Expenses		<u> </u>
Accounts receivable adjustment		<u> </u>
Accounts payable/estimated liabilities adjustment		<u> </u>
Other		<u> </u>
 Change in Net Assets		 \$ <u><u>18,227.00</u></u>

Concluded

STATE OF LOUISIANA

LOUISIANA STATE BOARD OF CERTIFICATION FOR SUBSTANCE ABUSE COUNSELORS

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the state and reason for the changes in the budget, please complete the schedule below. If the change is greater than 10%, explain the reason for the change.

	<u>2004</u>	<u>2003</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues \$	<u>140,641</u>	<u>\$ 175,774</u>	<u>\$ 35,133</u>	<u>\$ 25%</u>
Expenses	<u>121,628</u>	<u>113,409</u>	<u>8,219</u>	<u>7%</u>
Capital assets			<u>-</u>	
Long-term debt	<u>21,000</u>	<u>22,000</u>	<u>1,000</u>	<u>5%</u>
Net Assets	<u>64,653</u>	<u>45,550</u>	<u>19,153</u>	<u>30%</u>
Explanation for change:	_____			

3)	<u>2004 Original Budget</u>	<u>2004 Final Budget</u>	<u>Difference</u>	<u>Percentage Change</u>
Revenues \$	<u>165,500</u>	<u>\$ 165,500</u>	<u>\$ -0-</u>	<u>\$ %</u>
Expenditures	<u>116,620</u>	<u>116,620</u>	<u>-0-</u>	<u>%</u>
Explanation of change:	_____			

	<u>2004 Final Budget</u>	<u>2004 Actual</u>	<u>Difference</u>	<u>Percentage Change</u>
Revenues	<u>165,500</u>	<u>140,641</u>	<u>24,859</u>	<u>15%</u>
Expenditures	<u>116,620</u>	<u>113,409</u>	<u>3,211</u>	<u>3%</u>
Explanation of change:	_____			
