

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

RECEIVED
LEGISLATIVE AUDITOR
1999 DEC 30 AM 11:34

**NEW ORLEANS DRUG EDUCATION
INTERVENTION CENTER, INC.**

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

YEAR ENDED JUNE 30, 1999

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

JAN 3 2 2000

Release Date _____

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes To Financial Statements	5
COMPLIANCE AND INTERNAL CONTROL	
Independent Auditor's Report On Compliance and Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	7
Schedule Of Prior Audit Findings	9

TYRONNE JAMES
CERTIFIED PUBLIC ACCOUNTANT
805 FOURTH STREET
NEW ORLEANS, LA 70130

(504) 891-1384

(504) 391-3692
Fax: (504) 269-3263

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
New Orleans Drug Education Intervention
Center, Inc.

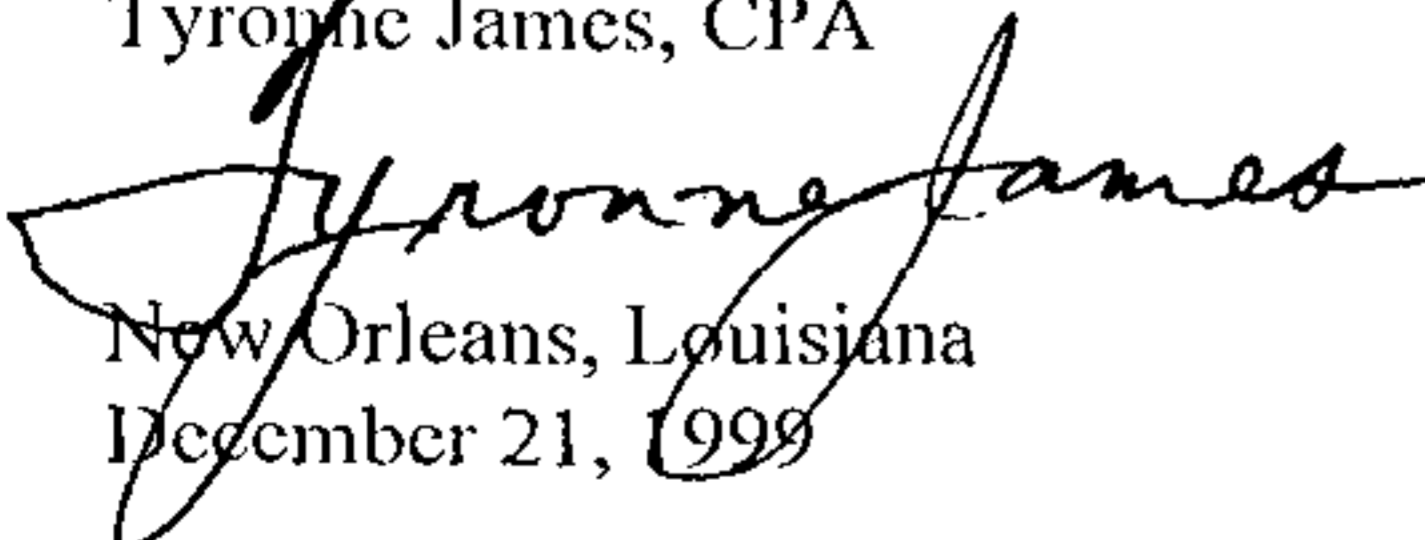
I have audited the accompanying statement of financial position of New Orleans Drug Education Intervention Center, Inc.(N.O.E.I.C.), (a nonprofit organization) as of June 30, 1999, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of N.O.E.I.C.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of N.O.E.I.C. as of June 30, 1999, and the changes in its net assets and its cash flows for the year ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 21, 1999 on my consideration of N.O.E.I.C.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Tyronne James, CPA



New Orleans, Louisiana
December 21, 1999

NEW ORLEANS DRUG EDUCATION INTERVENTION CENTER, INC.

**STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 1999**

ASSETS

Current Assets

Cash \$ 481

Total Current Assets 481

Fixed Assets

Equipment \$ 34,653
Accumulated Depreciation (8,762) 25,891

Vehicles 22,627
Accumulated Depreciation (9,051) 13,576

Total Fixed Assets 38,832

TOTAL ASSETS \$ 39,313

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable \$ 19,648
Taxes Payable 2,325

Total Current Liabilities 21,973

Net Assets 17,340

TOTAL LIABILITIES AND NET ASSETS \$ 39,313

See the Accompanying Notes to the Financial Statements.

NEW ORLEANS DRUG EDUCATION INTERVENTION CENTER, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 1999**

REVENUES

Grant Revenue	\$ 185,000
Interest Income	<u>325</u>

TOTAL REVENUES 185,325

EXPENSES

Program Services

Salaries & Wages	\$ 83,240
Contractual Services	37,777
Payroll Taxes	8,725
Supplies Expense	24,492
Rent	9,600
Depreciation	11,310
Activities	3,702
Auto Expenses	5,932

Support Services

Contractual Services	9,475
Accounting and Legal	6,458
Audit Fees	3,500
Telephone	874
Insurance	8,559
Bank Charges	354
Miscellaneous	<u>535</u>

TOTAL EXPENSES 214,535

CHANGE IN NET ASSETS \$ (29,210)

See the Accompanying Notes to the Financial Statements.

NEW ORLEANS DRUG EDUCATION INTERVENTION CENTER, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1999**

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease In Net Assets	\$ (29,210)
Adjustments to reconcile decrease in net assets to net provided(used) by operating activities:	
Depreciation Expense	11,310
Increase (decrease) in operating liabilities:	
Accounts Payable	4,425
Taxes Payable	<u>1,900</u>
Net Cash Used in Operating Activities	(11,575)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Equipment	(8,741)
-----------------------	---------

CASH FLOWS FROM FINANCING ACTIVITIES

	<u>0</u>
--	----------

NET DECREASE IN CASH AND CASH EQUIVALENTS	(20,316)
--	-----------------

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>20,757</u>
---	---------------

CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 441</u></u>
---	----------------------

See the Accompanying Notes to the Financial Statements.

NEW ORLEANS DRUG EDUCATION INTERVENTION CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1999

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

New Orleans Drug Education Intervention Center, Inc.(NOEIC) is a nonprofit agency located at 2103 Louisiana Avenue in the city of New Orleans. NOEIC provides preventive drug information, education, alternative activities and intervention in the schools, in the community, and in occupational and family settings.

Basis of Accounting

New Orleans Drug Education Intervention Center, Inc. uses the accrual basis of accounting and follows the standards of accounting and financial reporting outlined by the American Institute of Certified Public Accountants in its Audit and Accounting Guide, *Audits of Not-for-Profit Organizations*.

Cash and Cash Equivalents

For purposes of the statements of cash flows, New Orleans Drug Education Intervention Center, Inc. considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Property, Plant and Equipment

Property and equipment are carried at cost. Depreciation is computed using the straight-line method over an estimated useful life of five years.

Income Taxes

New Orleans Drug Education Intervention Center, Inc. operates as a nonprofit entity and has been granted tax-exempt status by the Internal Revenue Service (IRS) under Section 501(c)(3) of the Internal Revenue Code. The Agency exempt status is recognized by the State of Louisiana. Accordingly, no provision has been made in these statements for federal or state income taxes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NEW ORLEANS DRUG EDUCATION INTERVENTION CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1999

2. GRANTS

New Orleans Drug Education Intervention Center, Inc. is the recipient of a grant from the Louisiana Department of Education. A total of \$185,000 was received under this grant for the year ending June 30, 1999.

3. ECONOMIC DEPENDENCY

New Orleans Drug Education Intervention Center, Inc. receives all of its revenue from grants. If budget cuts from funding sources are made at the state and local levels, the amount of funds New Orleans Drug Education Intervention Center, Inc. receives could be significantly reduced, with resultant adverse impact on revenues and operations.

Management is not aware of any plans on the part of its current funding sources to significantly reduce payments to NOEIC.

TYRONNE JAMES
CERTIFIED PUBLIC ACCOUNTANT
805 FOURTH STREET
NEW ORLEANS, LA 70130

(504) 891-1384

(504) 391-3692
Fax: (504) 269-3263

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

To the Board of Directors of
New Orleans Drug Education Intervention
Center, Inc.

I have audited the accompanying statement of financial position of New Orleans Drug Education Intervention Center, Inc.(N.O.E.I.C.), (a nonprofit organization) as of June 30, 1999, and have issued my report thereon dated December 21, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

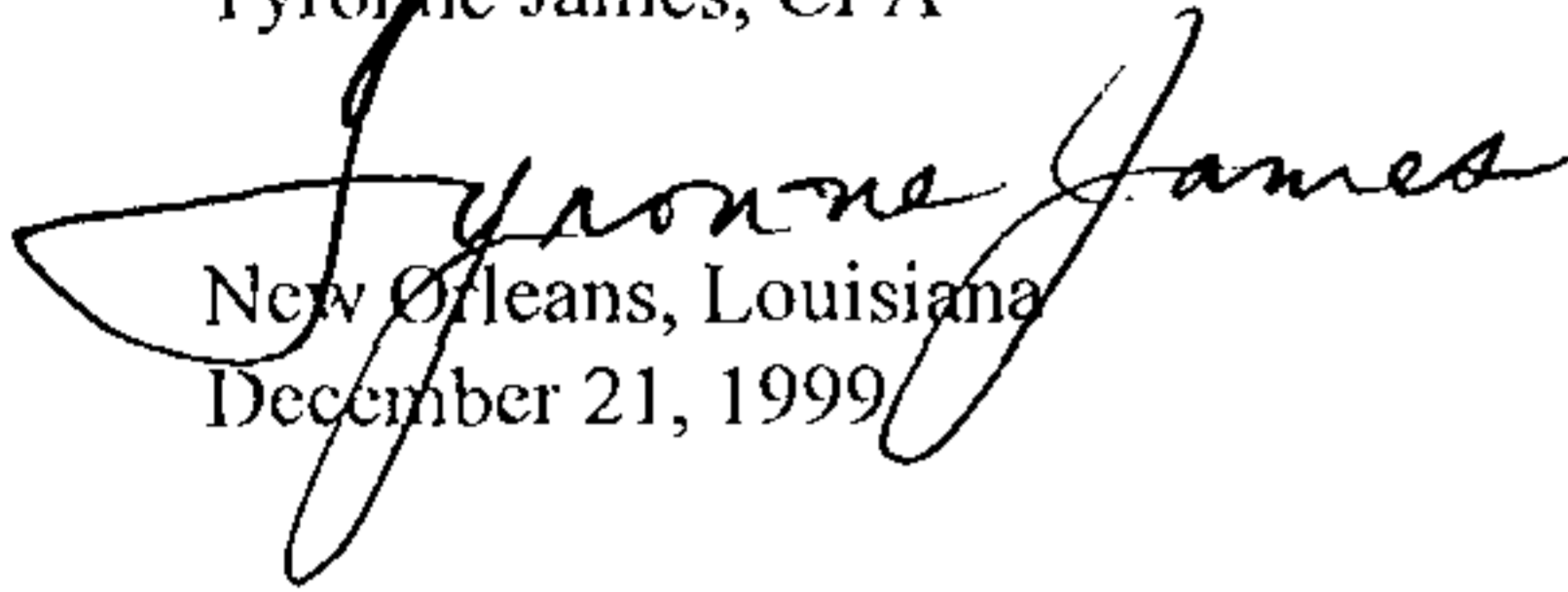
As part of obtaining reasonable assurance about whether N.O.E.I.C.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered N.O.E.I.C.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of N.O.F.I.C.'s Board of Directors, management, and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited..

Tyrone James, CPA

A handwritten signature in cursive script that reads "Tyrone James". The signature is written in black ink and is positioned over the typed name and date.

New Orleans, Louisiana
December 21, 1999

NEW ORLEANS DRUG EDUCATION INTERVENTION CENTER, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 1999

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of New Orleans Drug Education Intervention Center, Inc.
2. No reportable conditions are reported in the "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. No instances of noncompliance material to the general purpose financial statements of New Orleans Drug Education Intervention Center, Inc. were disclosed during the audit.

B. PRIOR YEAR AUDIT FINDING

The prior year audit finding titled "Current Year Audit Not Completed Timely" was resolved as of December 31, 1999.