
CAREER BUILDERS
FINANCIAL STATEMENTS
JUNE 30, 2004

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 1-12-05

CAREER BUILDERS
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JUNE 30, 2004

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ACCOUNTANTS' COMPILATION REPORT

The Board of Directors
Career Builders
Baton Rouge, Louisiana

We have compiled the accompanying statement of assets and liabilities arising from cash transactions of Career Builders as of June 30, 2004, and the related statement of receipts and disbursements - cash basis and the statement of net assets - cash basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Pastlethwaite ; Netterville

Baton Rouge, Louisiana
December 10, 2004

CAREER BUILDERS
BATON ROUGE, LOUISIANA

STATEMENT OF ASSET AND LIABILITIES
ARISING FROM CASH TRANSACTIONS
JUNE 30, 2004

ASSETS

ASSETS

Cash	\$ 122,194
Total current assets	<u>122,194</u>
 Total Assets	 <u><u>\$ 122,194</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	\$ -
Due to LRCE	<u>13,444</u>
Total Liabilities	<u>13,444</u>

NET ASSETS

Unrestricted	106,557
Temporarily restricted	<u>2,193</u>
Total Net Assets	<u>108,750</u>
 Total Liabilities and Net Assets	 <u><u>\$ 122,194</u></u>

See accompanying notes and accountants' report.

CAREER BUILDERS
BATON ROUGE, LOUISIANA

STATEMENT OF RECEIPTS AND DISBURSEMENTS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2004

	2004		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>REVENUE AND SUPPORT</u>			
Grant support and contributions	\$ 156,375	\$ -	\$ 156,375
Department of Economic Development	267,666	-	267,666
Process Technology Grant	43,213	-	43,213
Lafeste Grant	6,299	-	6,299
School to Work	10,000	-	10,000
Industrial Manager Group	4,740	-	4,740
Other	6,000	-	6,000
Total revenue	<u>494,293</u>	<u>-</u>	<u>494,293</u>
<u>NET ASSETS RELEASED FROM RESTRICTIONS</u>			
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE AND SUPPORT	<u>494,293</u>	<u>-</u>	<u>494,293</u>
<u>EXPENSES</u>			
<u>PROGRAM SERVICES</u>			
Salaries and benefits	197,490	-	197,490
Direct program charge	31,602	-	31,602
Advertising	6,409	-	6,409
Dues and subscriptions	575	-	575
Equipment	3,381	-	3,381
Professional services	75,983	-	75,983
Postage and printing	7,383	-	7,383
Telephone and utilities	2,841	-	2,841
Supplies	19,320	-	19,320
Rent	9,890	-	9,890
Uniforms	4,114	-	4,114
Travel and Meals	14,478	-	14,478
Training	2,730	-	2,730
Miscellaneous	329	-	329
Total Program Services	<u>376,525</u>	<u>-</u>	<u>376,525</u>

See accompanying notes and accountants' report.

CAREER BUILDERS
BATON ROUGE, LOUISIANA

STATEMENT OF RECEIPTS AND DISBURSEMENTS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2004

	2004		Total
	Unrestricted	Temporarily Restricted	
<u>EXPENSES (continued)</u>			
<u>SUPPORT SERVICES</u>			
Advertising	13	-	13
Contract labor	1,695	-	1,695
Professional fees	6,700	-	6,700
Travel and entertainment	5,750	-	5,750
Telephone	1,699	-	1,699
Bank charges	285	-	285
Supplies	5,356	-	5,356
Uniforms	817	-	817
Dues and fees	1,022	-	1,022
Miscellaneous	1,469	-	1,469
Total Support Services	24,806	-	24,806
TOTAL EXPENSES	401,331	-	401,331
<u>CHANGE IN NET ASSETS</u>	\$ 92,962	\$ -	\$ 92,962

See accompanying notes and accountants' report.

CAREER BUILDERS
BATON ROUGE, LOUISIANA

STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30 ,2004

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net assets, June 30, 2003	\$ 13,595	\$ 2,193	\$ 15,788
Increase in net assets	<u>92,962</u>	<u>-</u>	<u>92,962</u>
Net assets, June 30, 2004	<u>\$ 106,557</u>	<u>\$ 2,193</u>	<u>\$ 108,750</u>

See accompanying notes and accountants' report.

CAREER BUILDERS
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. Nature of Activities and Summary of Significant Accounting Policies

The financial statements of Career Builders (the Organization) have been prepared on the cash basis of accounting. As a result, income and expenses reported on the Statement of Receipts and Disbursements – cash basis – may relate to a prior or future period. The significant policies followed are described to enhance the usefulness of the financial statements to the reader.

Nature of Activities

Career Builders is an industry-lead school-to-work partnership designed to link business and education to create a better workforce in Baton Rouge, Louisiana. The Organization fulfills this by operating six programs: Career Connections, Journey to Global Opportunities, Workshop on Wheels, Career Book Buddy, Raising the Bar, and Summer HEAT. Career Builders also conducts workforce development activities for the State's identified clusters for economic development (Petrochemical, Oil and Gas and Energy, and Technology). These programs are funded by a grant received from the Department of Economic Development and through private funding sources.

The accounting and reporting policies of the Organization conform to generally accepted accounting principles. The significant accounting policies used by the Organization in preparing and presenting its financial statements are summarized as follows:

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*, even though the financial statements are cash basis. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization does not have any permanently restricted net assets.

Income Taxes

The Organization is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements this year.

CAREER BUILDERS
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

1. **Nature of Activities and Summary of Significant Accounting Policies (continued)**

Grants

Grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor whose restrictions are met within the same year as received are reported as unrestricted support in the accompanying financial statements. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Receipts and Disbursements as net assets released from restrictions.

Property and Equipment

The cost for property and equipment under the cash basis is recorded as an expense at the time of purchase. The Organization had approximately \$6,000 in office furniture and computer equipment as of June 30, 2004.

2. **Concentration of Support**

The Organization received approximately 54% of its revenue from the Louisiana Department of Economic Development.

3. **Concentration of Credit Risk**

The Organization maintains its cash at a local bank. The balance at times may exceed federally insured limits. The Organization exceeded the insured limit by approximately \$22,000 at June 30, 2004.

4. **Subsequent Event**

The grant received from the Louisiana Department of Economic Development will be reduced from \$240,096 for the fiscal year ended June 30, 2004, to \$157,096 for the fiscal year ended June 30, 2005.

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To the Board of Directors, Career Builders

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Career Builders, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Career Builders' compliance with certain laws and regulations during the period ended June 30, 2004 included in the accompanying *Louisiana Attestation Questionnaire*. Career Builders' management is responsible for the accounting records. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Career Builders state award expenditures for all state programs for the fiscal year follow:

Federal Grant Name	Grant Year	CFDA No.	Amount
<u>Social Services Agreement State of Louisiana Department of Economic Development</u>	July 1, 2003-June 30, 2004	Contract # 589746	\$240,096
<u>Governor's Office of the Workforce Commission</u>	October 1, 2003-September 30, 2004	Contract # 604355	\$46,000
Total Expenditures			\$286,096

2. For each Federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

For each of the six items selected, we found that the item was properly coded to the correct fund and the general ledger.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated appropriate approvals.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed and for eligibility requirements. All disbursements appear to be allowed and were eligible under the grant.

Reporting

We reviewed the grant for compliance requirements noting that the grantee is required to *submit quarterly reports 15 days after the close of each quarter. We noted that the first quarter report was not filed.*

7. For the programs selected for testing in item (2) none had been closed out during the period under review.

Comprehensive Budget

8. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Career Builders provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Prior Comments

None

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Career Builders, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwaite ; Netterville

Baton Rouge, Louisiana
December 10, 2004



225.924.0077 phone
225.924.7074 fax
7305 Florida Boulevard, Suite D
Baton Rouge, LA 70806-4637

December 27, 2004

Steve J. Theriot, CPA, Legislative Auditor
State of Louisiana
P.O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

This letter is written in conjunction with the agreed upon procedures of the financial statements of Career Builders by Postlethwaite & Netterville for the fiscal year ended June 30, 2004. We offer the following response to the letter dated December 10, 2004 from our auditors.

Stacey B. Chiosson
Executive Director

Dwain Cope, President
Energy, Customer Service Manager

Tio Edwards, Vice President
Louisiana Chemical Association, Director of Public Affairs

Patricia M. Pujol, Secretary
Academon Parish, Director of School Improvement

Bobbie Babin, Treasurer
The Dow Chemical Company, Community Relations Manager

Brian D. Adams
LA Generating, LLC, Vice President of Business Development

David Corona
East Baton Rouge Parish, Assistant Superintendent for Instructional Services

Dr. Joseph Carrievous
Pointe Caouen Parish, Supervisor of Secondary and Vocational Education

Carla S. Courtney
Pujol and Pryor Attorneys at Law, Associate Attorney

Tobie Craig
Turner Industries, Business Development Coordinator

Susan Hrenl
Vantage Point, Partner

Dore LaJeunesse
St. Elizabeth Hospital, Chief Clinical Officer

Michael Taylor, P.E.
Louisiana Economic Development, Cluster Director

Suzanne W. Tubby, P.E.
Hulcan Chemical, Human Resources Manager

William Wainwright, M.Ed., G.C.D.F.
Louisiana Technical College Hammond Area Campus,
District Dean of Work Force Development

Michael Wang
Office of the Governor, Education Policy Analyst

Quarterly Reports:

Per our grant agreement, we are required to submit quarterly progress reports to the state that are due 15 days after the close of each quarter. We did not submit the first quarter report for the fiscal year ended June 30, 2004. Management is aware of the oversight and will take corrective actions to make sure the quarterly reports are filed on a timely basis in the future.

Sincerely,

Martha Bonney,
Office Manager

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

_____ (Date Transmitted)

_____ (Auditors)

In connection with your review of our financial statements as of JUNE 30, 2004 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Not Applicable
Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No []

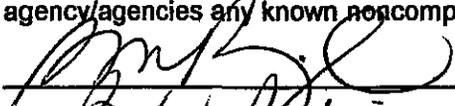
Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

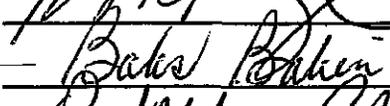
Yes No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

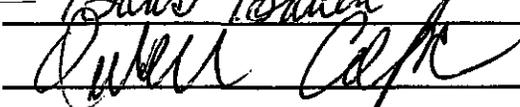
We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.



Secretary 12-15-04 Date



Treasurer 12-15-04 Date



President 12-15-04 Date