

SAMUEL W. STEVENS, III
Certified Public Accountant

URBAN SUPPORT AGENCY, INC.
SHREVEPORT, LOUISIANA
Reviewed Financial Statements
June 30, 2008

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 7/15/09

**URBAN SUPPORT AGENCY, INC.
SHREVEPORT, LOUISIANA**

Financial Statements and Independent Accountant's Report

For the Year ended June 30, 2008

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Urban Support Agency, Inc
Shreveport, Louisiana

I have reviewed the accompanying statement of financial position of Urban Support Agency, Inc as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the management of Socialization Services, Inc

My review was conducted in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards issued by the Comptroller General of the United States of America. A review consists principally of inquires of entity personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated March 31, 2009, on the results of my agreed-upon procedures.



Samuel W. Stevens, III
Certified Public Accountant

March 31, 2009

URBAN SUPPORT AGENCY, INC.

Statement of Financial Position June 30, 2008

Assets

Current Assets:

Cash	\$	27,681
Grants Receivable		38,051
Total Current Assets		<u>65,732</u>

Property and Equipment:

Furniture		366
Office equipment		8,040
Less: Accumulated Depreciation		(2,850)
Total Property and Equipment		<u>5,556</u>

Total Assets	\$	<u><u>71,287</u></u>
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Liabilities and Net Assets

Current Liabilities:

Accounts Payable	\$	1,346
Accrued Expenses		18,087
Line of Credit		12,931
Total Current Liabilities		32,364

Net Assets:

Unrestricted Net Assets		<u>38,924</u>
Total Net Assets		<u>38,924</u>

Total Liabilities and Net Assets	\$	<u><u>71,287</u></u>
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The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.

Statement of Activities
For the Year Ended June 30, 2008

	<u>Unrestricted</u>
<i>Revenue and Support</i>	
Grant Income	\$ 403,224
Interest Income	<u>4</u>
Total Revenue and Support	403,228
<i>Expenses</i>	
<i>Program Services</i>	
After School Tutorial	101,937
School and Community Support	87,482
Senior Citizens Home Repair	<u>149,423</u>
<i>Total Program Services</i>	<u>338,841</u>
<i>Supporting Services:</i>	
Management and general	<u>45,688</u>
Total Expenses	384,529
<i>Change in Net Assets</i>	18,699
<i>Net Assets</i>	
Beginning of Year	<u>20,225</u>
End of Year	<u>\$ 38,924</u>

The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2008

	Program Services					Total Expenses
	After School Tutorial	School and Community Support	Senior Citizens Home Repair	Total Program Services	Management And General	
Personnel	\$ 72,650	\$ 60,025	\$ 28,850	\$ 161,525	\$ 34,479	\$ 196,004
Fringes	6,878	6,808	3,350	17,036	3,656	20,692
Travel	160	445	-	605	-	605
Operating Expenses	12,154	13,632	1,339	27,125	5,282	32,406
Supplies	427	5,452	-	5,878	-	5,878
Other Expenses	9,194	1,000	115,884	126,078	2,046	128,124
Equipment	-	-	-	-	-	-
Total Expenses Before Depreciation	101,462	87,362	149,423	338,246	45,463	383,709
Depreciation	475	120	-	595	225	820
Total Expenses	\$ 101,937	\$ 87,482	\$ 149,423	\$ 338,841	\$ 45,688	\$ 384,529

The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.

Statement of Cash Flows June 30, 2008

<i>Cash Flows from Operating Activities:</i>		
Change in Net Assets	\$	18,699
Adjustments to Reconcile Change in Net Assets to Net Cash Provided from Operations:		
Depreciation		820
(Increase)/Decrease in Receivables		(20,812)
Increase/(Decrease) in Payables		(2,404)
Total Adjustments		<u>(22,396)</u>
<i>Net Cash Provided/(Used) by Operating Activities</i>		(3,698)
<i>Cash Flows from Investing Activities:</i>		
Purchase of Equipment		<u>(1,199)</u>
<i>Net Cash Provided/(Used) by Investing Activities</i>		(1,199)
<i>Cash Flows from Financing Activities</i>		
Increase/(Decrease) in Line of Credit		<u>12,931</u>
<i>Net Cash Flows Provided/Used) by Financing Activities</i>		<u>12,931</u>
<i>Net Increase/(Decrease) in Cash and Cash Equivalents</i>		8,034
<i>Cash, Beginning of Year</i>		<u>19,646</u>
<i>Cash, End of Year</i>	\$	<u><u>27,680</u></u>

The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - Organization and Purpose

Nature of Activities

Urban Support Agency, Inc. (Agency), is a nonprofit corporation under the laws of the State of Louisiana. The Agency was established to provide tutorial and housing related services to targeted persons or families in need. Funding from, donations, and grants are utilized for this purpose.

NOTE 2 - Summary of Significant Accounting Policies:

Basis of Accounting

The financial statements of the Agency are prepared on the accrual basis. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

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. 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.

Uses of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Income Tax Status

The Agency is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Agency qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Concentration of Contributions or Grants

Approximately 100% of the Agency 's funding is provided from grants with the State of Louisiana.

Property and Equipment

All acquisitions of property and equipment in excess of \$250 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the assets as follows:

Furniture	5 years
Office equipment	10 years

Allocation of Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, program and support service expenses are specifically identified with or allocated the Agency's various functions. Expenses requiring allocation include services provided by the Agency's management and administrative staff to specific program-related activities. Expense allocations are prorated based on a percentage of time or actual usage.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Property and equipment consist of the following:

Furniture	\$	366
Office equipment		8,040
Accumulated depreciation		<u>2,850</u>
	\$	5,556

Revolving Line of Credit

The Agency has available an unsecured revolving line of credit with a bank with a maximum of \$35,000. The line of credit expires in July 2008, unless extended. Borrowings under the line of credit bear interest at 11.0%. The outstanding balance on the line of credit was \$12,931 at June 30, 2008.

Revenues and Support

Contributions received may be recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

SAMUEL W. STEVENS, III CPA

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To The Board of Directors
Urban Support Agency, Inc
Shreveport, Louisiana

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Urban Support Agency, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Urban Support Agency, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2008 included in the accompanying Louisiana Attestation Questionnaire. 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, I 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.

Urban Support's federal, state, and local award expenditures for all programs for the fiscal year follow:

	<u>Grant Year</u>	<u>Amount</u>
Louisiana Department Of Education Temporary Assistance for Needy Families	09/01/07 - 08/31/08	\$ 113,223
Louisiana Department Of Social Services	10/01/08 - 08/31/08	190,000
LA House Bill Appropriations School and Community Support	10/01/07 - 08/31/08	100,000
		<hr/>
Total Expenditures		<u>403,223</u>

2. For each Federal, state, and local award, I randomly selected 6 disbursements from each award administered during the period under examination.
3. For the items selected in Procedure 2. I traced the disbursements to supporting documentation as to proper amount and payee.

I examined supporting documentation for each of the eighteen 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, I determined if the eighteen disbursements were properly coded to the correct fund and general ledger account.

All eighteen of the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in Procedure 2, I determined whether the eighteen disbursements received approval from proper authorities.

All items were properly approved by the executive director

6. For the items selected in procedure 2: For federal awards, I 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, I determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

I reviewed the previously listed disbursements for types of services allowed or not allowed. No exceptions were noted.

Eligibility

I reviewed the previously listed disbursements for eligibility requirements. No exceptions were noted.

Reporting

I reviewed the previously listed disbursements for reporting requirements. No exceptions were noted..

7. For the programs selected for testing in Procedure 2 that had been closed out during the period under review, I compared the close-out report, when required, with the entity's financial records to determine whether the amounts agreed.

The disbursements selected did not include any close out reports.

Meetings

8. I examined evidence indicating that agendas for meetings recorded in the minute book were posted as required by LSA-RS 42:1 through 42:12.

Urban Support Agency, Inc provided a copy the notice physically posted at its office, The Organization also asserts that it notifies each board member by email, posted mail, and telephone of its scheduled meetings.

Comprehensive Budget

9. For all grants/contracts exceeding five thousand dollars, I 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.

Urban Support Agency, Inc. provided comprehensive budgets to the applicable state grantor/contract agency 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 Year Comments and Recommendations

10. I reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

There were no suggestions, recommendations, and/or comments.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Urban Support Agency, Inc., 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. However, this report is a matter of public record and its distribution is not limited.



Samuel W. Stevens, III
Certified Public Accountant

March 31, 2009

URBAN SUPPORT AGENCY , INC,

Schedule Of Findings
June 30, 2008

Item: 2008-1

Criteria or Specific Requirement: The agency is required to submit a review and attestation of its annual financial statements to the Louisiana Legislative Auditor within six months of its year-end or June 30, 2008.

Type of Finding: Noncompliance.

Condition: The reviewed financial statements were not completed by June 30, 2008.

Effect: Noncompliance with state law regarding financial reporting.

Cause: The CPA was not engaged in a timely manner to perform the review and attestation of the financial statements within the time period required.

Recommendation: I recommend the Agency take the appropriate steps to engage the CPA to sure all financial information is prepared timely to allow the Agency to meet the legal deadline for financial reporting.

Views of Responsible Officials and Planned Corrective Actions:

A) Name of Contact Responsible - Director

B) Corrective Action Planned – Engage CPA no later than 60 days after year end, well in advance of the legal deadline for financial reporting,

URBAN SUPPORT AGENCY, INC.

9051 Mansfield Road – Suite E12
 Shreveport, LA 71118
 Office (318) 603-0701 * Fax (318) 603-0702
 Email: urbansupportagen@bellsouth.net

March 26, 2009 (Date Transmitted)

Samuel W. Stevens, III, CPA

p. O. Box 52631

Shreveport, LA 71135

Phone (318) 458-0930 Fax (318) 218-7841 (Auditors)

In connection with your review of our financial statements as of June 30, 2008 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).

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.

<u>Patsy S. Washington</u>	Secretary	<u>3/26/09</u>	Date
<u>Patsy S. Washington</u>	Treasurer	<u>3/26/09</u>	Date
<u>Sydney E. Green</u>	President	<u>3-26-09</u>	Date