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LOUISIANA CENTER FOR THE BLIND
Ruston, Louisiana

*General Purpose Financial Statements
And Independent Auditor's Report
June 30, 2002
With Supplemental Information Schedules*

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 2/19/03

DARLA S. TURNER, CPA
A Professional Accounting Corporation
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LOUISIANA CENTER FOR THE BLIND

Ruston, Louisiana

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June 30, 2002

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Center for the Blind
Ruston, Louisiana

I have audited the accompanying statement of financial position of Louisiana Center for the Blind, (a nonprofit organization) as of June 30, 2002, and the related statements of activities, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the management of Louisiana Center for the Blind. My responsibility is to express an opinion on these financial statements based on my audit.

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 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 evaluation of 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 Louisiana Center for the Blind, as of June 30, 2002, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the basis financial statements of Louisiana Center for the Blind taken as a whole. The accompanying schedule of federal awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and is not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 16, 2002, on my consideration of Louisiana Center for the Blind's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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.

DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT



December 16, 2002

STATEMENT OF FINANCIAL POSITION
June 30, 2002

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 1,637,986
Accounts receivable	134,081
Investments	1,977,790
Cash value of life insurance	64,641
Total Current Assets	<u>3,814,498</u>
Fixed Assets	
Land	57,073
Building and improvements	2,103,074
Furniture and equipment	734,714
Vehicles	70,605
	<u>2,965,466</u>
Less: accumulated depreciation	<u>(1,669,140)</u>
Total Fixed Assets	<u>1,296,326</u>
TOTAL ASSETS	<u>\$ 5,110,824</u>
LIABILITIES AND NET ASSETS	
Liabilities	
Payroll Related Payables	\$ 1,019
TOTAL LIABILITIES	<u>1,019</u>
Net Assets:	
Unrestricted	4,998,472
Temporarily restricted	111,333
Permanently restricted	-
TOTAL NET ASSETS	<u>5,109,805</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,110,824</u>

LOUISIANA CENTER FOR THE BLIND
Exhibit B
Ruston, Louisiana
**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2002**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:				
Support:				
Grants	\$ 626,731	\$ -	\$ -	\$ 626,731
State grants	300,000			300,000
Contributions	422,953	-	-	422,953
Total support	1,349,684	-	-	1,349,684
Revenue:				
Fee income	1,230,084	-	-	1,230,084
Interest and dividends	31,920	-	-	31,920
Other	27,225	-	-	27,225
Total revenue	1,289,229	-	-	1,289,229
TOTAL SUPPORT AND REVENUE	2,638,913	-	-	2,638,913
EXPENSES				
Program services:				
Training program	1,752,312	-	-	1,752,312
Buddy program	24,067	-	-	24,067
Step program	15,959	-	-	15,959
Contributions	6,064	-	-	6,064
Total program services	1,798,402	-	-	1,798,402
Support services:				
General and administrative	264,189	-	-	264,189
Total support services	264,189	-	-	264,189
Other expense				
Depreciation	173,298	-	-	173,298
Unrealized loss	65,264	-	-	65,264
Total other expenses	238,562	-	-	238,562
TOTAL EXPENSES	2,301,153	-	-	2,301,153
CHANGE IN NET ASSETS	337,760	-	-	337,760
PRIOR PERIOD ADJUSTMENT	9,000	-	-	9,000
NET ASSETS, BEGINNING OF YEAR	4,651,712	111,333	-	4,763,045
NET ASSETS, END OF YEAR	\$ 4,998,472	\$ 111,333	\$ -	\$ 5,109,805

The accompanying notes are an integral part of this statement.

Ruston, Louisiana

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2002

Cash Flows From Operating Activities:

Change in net assets	\$	337,760
Adjustments to reconcile change in net assets to		
Net cash used for operating purposes:		
Depreciation		173,298
Prior period adjustment - investments		9,000
Increase in accounts receivable		(2,232)
Increase in Prepaid Expenses		-
Increase in other assets		-
Decrease in payroll and related liabilities		(281)
		<hr/>
Net cash provided by operating activities		517,545

Cash Flows From Investing Activities:

Acquisition of equipment and improvements	(86,308)
Proceeds from redemption of investments	52,783
Purchase of investment securities	-
Increase in cash value of life insurance	13,380
	<hr/>
Net cash used by investing activities	(20,145)

Cash Flows From Financing Activities:

Net cash provided by financing activities	<hr/>	-
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	497,400
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CASH AND CASH EQUIVALENTS - JULY 1, 2001	<hr/>	1,140,586
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CASH AND CASH EQUIVALENTS - JUNE 30, 2002	<hr/>	\$ 1,637,986
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LOUISIANA CENTER FOR THE BLIND
Ruston, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2002

	Program Services		
	Training Program	Buddy Program	Step Program
Compensation and related expense			
Compensation	\$ 318,935	\$ -	\$ -
Payroll taxes and fringe benefits	119,299	-	-
Total Compensation and Related Expense	438,234	-	-
Other Expense			
Rent and utilities	63,533	1,728	118
Work experience allowance	-	11,300	10,100
Contract labor	11,843	823	40
Supplies	45,870	3,626	856
Professional fees	4,059	-	-
Dues	-	-	-
Vehicle Expense	20,093	-	-
Travel/transportation/conferences	21,443	655	4,339
Meals and lodging	3,214	-	-
Program activites	20,003	5,566	506
Recruitment/public relations	-	-	-
Repairs and maintenance	35,136	-	-
Printing/production/postage	7,472	369	-
Training and education	11,056	-	-
Insurance	25,703	-	-
Equipment	-	-	-
Maintenance - students	74,989	-	-
Grant expense	966,079	-	-
Interest expense	-	-	-
Other miscellaneous expense	3,585	-	-
Total Other Expense	1,314,078	24,067	15,959
Total Expenses Before Depreciation	1,752,312	24,067	15,959
Depreciation of property	145,962	2,026	1,343
Total Expenses	\$ 1,898,274	\$ 26,093	\$ 17,302

The accompanying notes are an integral part of this statement.

<u>Program Services</u>	<u>Supporting Services</u>	
<u>Contribution Program</u>	<u>Management & General</u>	<u>Total</u>
\$ -	\$ 67,801	\$ 386,736
-	32,196	151,495
-	99,997	538,231
-	5,181	70,560
-	2,753	24,153
-	62,824	75,530
3,749	13,629	67,730
-	13,725	17,784
-	3,680	3,680
-	-	20,093
-	10,083	36,520
-	9,139	12,353
-	-	26,075
-	418	418
-	13,259	48,395
-	1,349	9,190
-	1,223	12,279
-	6,536	32,239
-	-	-
-	-	74,989
-	-	966,079
-	-	-
2,315	20,393	26,293
6,064	164,192	1,524,360
6,064	264,189	2,062,591
195	23,772	173,298
<u>\$ 6,259</u>	<u>\$ 287,961</u>	<u>\$ 2,235,889</u>

**LOUISIANA CENTER FOR THE BLIND
RUSTON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Louisiana Center For The Blind (Center) in Ruston, Louisiana operates a training facility for blind adults. The Center works towards integrating the blind into the social and economic life of their community through training in the skills of blindness and by encouraging the development of positive attitudes about blindness. The Center receives a fixed monthly fee for each student in the program from the students home state.

Basis of Accounting:

The financial statements of the Louisiana Center For The Blind have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation:

Under Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, the Center 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.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Support and Revenues

Certain revenues received under government grant programs are subject to audit by the providing agency. Contributions are considered to be available for unrestricted use unless specifically restricted by the grantor or the Board of Directors.

Accounts Receivable

Management believes that accounts receivable are fully collectible and that no allowance for uncollectible accounts is needed.

**LOUISIANA CENTER FOR THE BLIND
RUSTON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2002**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All expenditures for land, buildings and equipment in excess of \$500 are capitalized. Depreciation is computed by the straight-line method, beginning in the month of acquisition, based on the following estimated useful lives:

Instructional buildings & Apt. complex	20 years
Student activity center	15 years
Leasehold improvements	10 years
Office equipment	5 years
Transportation equipment	5 years

Depreciation expense for the year ended June 30, 2002 was \$173,298. Depreciation expense is reported as program and supporting services and unrestricted net assets in the statement of activities.

Income Taxes

The Center is a not-for-profit organization from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Investments

Under SFAS No. 124 *Accounting for Certain Investments Held by Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair market values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Compensated Absences

Employees of the Center are entitled to paid vacations and sick days depending on length of service to the Center. It is impracticable to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Center's policy is to recognize the costs of compensated absences when paid to employees.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Center considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

EXHIBIT E

LOUISIANA CENTER FOR THE BLIND RUSTON, LOUISIANA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2002

NOTE 2 – RESTRICTION ON NET ASSETS

The current unrestricted net assets represent revenues and expenses related to the operation and management of the Center's primary programs and supporting services.

The current restricted net assets represent resources available for use, but expendable only for the purposes specifically stated by the donor or grantor.

Temporarily restricted net assets are available for the following purposes:

Renovation of facility	\$111,333
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NOTE 3 – CASH AND CASH EQUIVALENTS

At year end, the carrying amount of the Center's deposits was \$915,200, and the bank balance was \$951,088. The bank balance is categorized as follows:

Amount insured by FDIC and FSLIC	\$ 100,000
Securities pledged in the entity's name	<u>1,000,000</u>
Total collateralized	1,100,000
Bank balance	<u>951,088</u>
Over (under) collateralized	<u>\$ 148,912</u>

Under state law, these deposits must be secured by federal deposit insurance (FDIC) or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank.

NOTE 4 - INVESTMENTS

Long-term investments as of June 30, 2002, are summarized as follows:

		Fair Market Value	Unrealized Appreciation (Depreciation)
Equity and bond mutual funds	741,106	702,506	(38,600)
Bank One Income Fund	<u>1,150,000</u>	<u>1,275,284</u>	<u>125,284</u>
	<u>\$1,891,106</u>	<u>\$1,977,790</u>	<u>\$ 86,684</u>

EXHIBIT E

**LOUISIANA CENTER FOR THE BLIND
RUSTON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2002**

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>June 30, 2002</u>
Land	\$ 57,073
Vehicles	734,714
Buildings and Improvements	2,103,074
Furniture and equipment	70,605
Accumulated Depreciation	<u>(1,669,140)</u>
Total	<u>\$ 1,296,326</u>

NOTE 6 - GRANT INCOME

The following was included in Grant Income for the year ended June 30, 2002:

Grantor/Purpose

Federal Grants:

Department of Education,
Office of Special Educational Services \$ 10,988

Purpose: Training teacher aides to serve as paraprofessionals
in the delivery of educational services to blind/visually
impaired children under the supervision of a contracted
VI teacher/consultant

Department of Education,
Office of Special Educational Services \$ 50,733

Purpose: Early intervention services for blind/visually impaired
toddlers/infants

Department of Education,
Office of Special Educational Services \$ 10,669

Purpose: Training young adults in Braille, cane travel, independent
living skills, computer literacy, socialization skills and
increasing working and leadership skills

**LOUISIANA CENTER FOR THE BLIND
RUSTON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2002**

NOTE 6 – GRANT INCOME (Cont'd.)

Department of Education, Office of Special Educational Services	\$ 172,612
Purpose: Specialized personnel for rehabilitation long-term training of individuals who are blind or have vision impairment	
Department of Education, Office of Special Educational Services	\$ 151,576
Purpose: Special projects and demonstrations for providing Vocational Rehabilitation Services to individuals with severe disabilities	
State of Louisiana, Department of Social Services, Louisiana Rehabilitation Services	\$ 62,658
Purpose: Providing an informational brochure and a dial-in Newline and Information Service for the blind in Louisiana	
State of Louisiana, Department of Social Services, Louisiana Rehabilitation Services	\$ 7,445
Purpose: For the implementation of a training program to prepare specialists of orientation and mobility to teach blind and visually impaired individuals to travel safely and independently using the long white cane (O & M long-term grant)	
State of Louisiana, Department of Social Services, Louisiana Rehabilitation Services	<u>\$ 160,050</u>
Purpose: To provide independent living services, training, and support to older blind individuals.	
Total Federal Grants	<u>\$ 626,731</u>

**LOUISIANA CENTER FOR THE BLIND
RUSTON, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2002**

NOTE 7 – DONATED RENT

The Center receives use of its operations center rent free from the National Federation of the Blind of Louisiana, Inc. The National Federation of the Blind purchased the building under a grant which restricts its use to services provided for the benefit of the blind. As the building can only be used for specific purposes, the Center is not charged rent for the use of the operations center. The value of this agreement has not been measured, and, therefore, is excluded from the financial statements.

NOTE 8 – CONCENTRATION OF CREDIT RISK

Financial instruments, which potentially subject the Center to concentrations of credit risk, consist of money market accounts. The Center places its temporary cash and money market accounts with creditworthy, high-quality financial institutions and brokerage firms. The Center's cash management policies limit its exposure to concentrations of credit risk by maintaining primary cash accounts at financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE 9 –EMPLOYEE BENEFIT PLAN

The Center maintains a defined contribution salary deferral plan, qualified under Internal Revenue Code 403(b), for the benefits of its eligible employees. Under the plan, the Center contributes one and one-half percent of each eligible employee's salary and also matches dollar for dollar up to another one and one-half of each eligible employee's salary. Plan expenses incurred by the Center during the period ended June 30, 2002 were \$14,445.

NOTE 10 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2002, are as follows:

Receivable in less than one year	
Student tuition from states	\$ 84,161
Federal grants	49,655
Other	<u>265</u>
 Total	 <u>\$ 134,081</u>

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The Center is currently involved in three lawsuits. The attorneys are of the opinion that in the case of a loss, the Center is adequately insured.

Supplementary Information Schedules

F I E N I

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**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
Louisiana Center For The Blind
Ruston, Louisiana

I have audited the financial statements of Louisiana Center For The Blind as of and for the year ended June 30, 2002, and have issued my report thereon dated December 16, 2002. 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

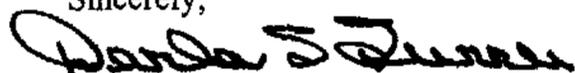
As part of obtaining reasonable assurance about whether Louisiana Center For The Blind's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material 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 Louisiana Center For The Blind'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 the Board Of Directors of Louisiana Center For The Blind, Inc. and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,



DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT

December 16, 2002

DARLA S. TURNER, CPA

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

To The Board Of Directors
Louisiana Center For The Blind
Ruston, Louisiana

Compliance

I have audited the compliance of Louisiana Center For The Blind with the types of compliance requirements described in the U. S. Office Of Management And Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2002. Louisiana Center For The Blind's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Louisiana Center For The Blind's management. My responsibility is to express an opinion on Louisiana Center For The Blind's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Louisiana Center For The Blind's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Louisiana Center For The Blind's compliance with those requirements.

In my opinion, Louisiana Center For The Blind complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control Over Compliance

The management of Louisiana Center for the Blind is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Louisiana Center For The Blind's internal control over compliance with requirements that could have a direct and material effect of a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would

be material in relation to a major federal program 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 internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information of the Board Of Directors Of Louisiana Center For The Blind, Inc. and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT

December 16, 2002

LOUISIANA CENTER FOR THE BLIND**Schedule 3****Ruston, Louisiana****SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS****For the Year Ended June 30, 2002**

Federal/Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass Through Number	Periods Covered	Program or Award Amount	Federal Expenditures
UNITED STATES DEPARTMENT OF EDUCATION					
Rehabilitation Long-Term Training (5 year)	84.129P	H129P990002	9/1/01-8/31/02	\$ 96,246	\$ 121,290
Special Projects & Demo-Svcs to ind. W/disab.	84.235J	H235J000004	6/00-6/1/04	925,000	146,779
UNITED STATES DEPARTMENT OF EDUCATION					
PASS THROUGH					
LOUISIANA REHABILITATION SERVICES:					
Social Services Newslne	84.177A	552405	10/99-9/00	74,651	
Social Services Newslne	84.177A	552405	10/00-9/01	74,651	
Social Services Newslne	84.177A	552405	10/01-9/02	74,651	39,387
Social Services/Orientation & Mobility(L/Term)	84.263A	532056		7,445	4,166
Indepent Living Services - Older Blind Indiv.	84.263A	563176	10/01-9/02	149,426	139,127
Total Louisiana Rehabilitation Services				1,402,070	450,749
PASS THROUGH					
LOUISIANA DEPARTMENT OF EDUCATION:					
Special Education Services Grant (Buddy)	84.027A	00-B3-XD	7/1/01-6/30/02	28,310	24,663
VI Teacher/Consultant	84.027A	02-B-2-XD	7/1/01-6/30/02	55,319	43,867
Part C Infant/Toddler (Step)	84.181A	01-H3 XD-C	7/1/01-6/30/02	2,204	
Part C Infant/Toddler (Step)	84.181A	01-H3 XD	7/1/01-6/30/02	55,623	54,284
Total Louisiana Department of Education				141,456	122,814
TOTAL FEDERAL AWARDS				\$ 1,543,526	\$ 573,563

See accompanying notes and accountant's report.

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**LOUISIANA CENTER FOR THE BLIND, INC.
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2002**

I have audited the financial statements of Louisiana Center For The Blind as of and for the year ended June 30, 2002, and have issued my report thereon dated December 16, 2002. 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, and the provisions of OMB Circular A-133. My audit of the financial statements as of June 30, 2002 resulted in an unqualified opinion.

SECTION I SUMMARY OF AUDITOR'S REPORTS

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No
Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards

Internal Control

Material Weaknesses None Reportable Conditions None

Type of Opinion On Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?

Yes No

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Is the auditee a 'low risk' auditee as defined by OMB Circular A-133? Yes No

SECTION II

Findings relating to the financial statements required to be reported under Generally Accepted Governmental Auditing Standards.

There were no findings for this section for the year ended June 30, 2002.

SECTION III

Findings and questioned costs for Federal Awards, including audit findings as required in Section.510(a):

There were no findings for this section for the year ended June 30, 2002.