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RAPIDES ASSOCIATION FOR
RETARDED CITIZENS
ALEXANDRIA, LOUISIANA

AUDIT REPORT
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

Release Date 1-19-00

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Rapides Association for Retarded Citizens
Alexandria, Louisiana

I have audited the accompanying statements of financial position of the Rapides Association for Retarded Citizens (a non-profit 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 the Association's management. My responsibility is to express an opinion on these financial statements based on my audit.

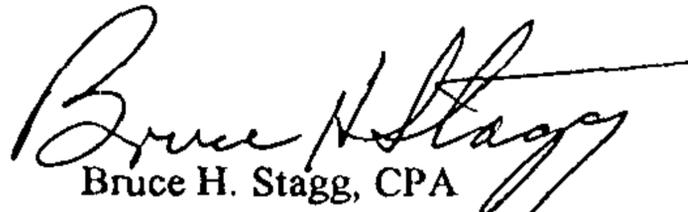
Except as disclosed in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the year 2000 issue. The Rapides Association for Retarded Citizens has included such disclosures in Note 3. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Rapides Association for Retarded Citizens' disclosures with respect to the year 2000 issue made in Note 3.

Further, I do not provide assurance that the Rapides Association for Retarded Citizens is or will be year 2000 ready, that the Rapides Association for Retarded Citizens' year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Rapides Association for Retarded Citizens does business will be year 2000 ready.

In my opinion, except for the effect of such adjustments, if any, as might have been determined to be necessary had I been able to examine evidence regarding year 2000 disclosures, the statements of financial positions referred to in the first paragraph present fairly, in all material respects, the financial position of the Rapides Association for Retarded Citizens as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the statements of financial position, activities and cash flows taken as a whole. The financial information listed as "Supplemental Data" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Rapides Association For Retarded Citizens. This information has been subjected to the auditing procedures applied in the audit of the financial statements, and in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.


Bruce H. Stagg, CPA
December 22, 1999

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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 Commissioners
Rapides Association for Retarded Citizens
Alexandria, Louisiana

I have audited the accompanying statements of position, activities and cash flows of the Rapides Association for Retarded Citizens, as of and for the year ended June 30, 1999, and have issued my report thereon dated December 22, 1999, which was qualified because insufficient audit evidence exists to support the Rapides Association for Retarded Citizens disclosures with respect to the year 2000 issue. Except as discussed in the preceding sentence, 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 the Rapides Association for Retarded Citizens general purpose financial statements are free of material misstatements, 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 statements 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 Reporting

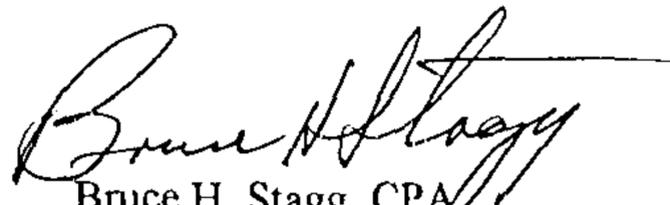
In planning and performing my audit, I considered the Rapides Association for Retarded Citizens, internal control over general purpose financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

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 the Rapides Association for Retarded Citizens ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 99-1.

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. 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, I believe item 99-1 of the reportable conditions described above is a material weakness.

This report is intended for the information of management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


Bruce H. Stagg, CPA
December 22, 1999

FINANCIAL SECTION

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

COMBINED STATEMENT OF FINANCIAL POSITION
June 30, 1999

ASSETS

CURRENT ASSETS

Cash and equivalents	\$396,373	
Accounts Receivable	150,586	
Interdepartmental Receivable	8,589	
Prepaid expenses	5,548	
Accrued interest	<u>2,248</u>	

Total current assets \$563,344

PROPERTY, PLANT AND EQUIPMENT

Buildings	50,335	
Major movable equipment	57,187	
Motor vehicles	192,739	
Less accumulated depreciation	<u>(193,103)</u>	

Total property, plant and equipment 107,158

OTHER ASSETS

Deposits W/C Insurance	1,455	
Deposit on Vans	<u>7,000</u>	

Total other assets 8,455

TOTAL ASSETS \$678,957

LIABILITIES AND NET ASSETS

LIABILITIES

Employee withholdings	\$ 14,257	
Interdepartmental (Receivable) Payable	8,589	
Accounts Payable	<u>2,154</u>	

Total liabilities 25,000

NET ASSETS-UNRESTRICTED 653,957

TOTAL LIABILITIES AND NET ASSETS \$678,957

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
 Alexandria, Louisiana

COMBINED STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 1999

PUBLIC SUPPORT AND REVENUES		
Contributions	\$ 1,865	
Fees and contracts		
OCDD contract	246,371	
LRS contract	84,662	
Medicaid waivers	230,061	
SIL	113,088	
Weslyn contract	12,983	
DOTD contract	47,116	
Membership dues	1,053	
Interest income	15,219	
Project revenue	6,312	
Coke sales (Net)	797	
Bingo (Net)	(127)	
Client/employee meals/miscellaneous	<u>23,470</u>	
TOTAL PUBLIC SUPPORT AND REVENUE		<u>\$782,870</u>
EXPENSES		
Administrative and General	162,435	
Plant Operations and Maintenance	34,428	
Capital Asset Cost	21,038	
Dietary	20,451	
Therapeutic and Training	<u>408,333</u>	
TOTAL EXPENSES		<u>646,685</u>
NET FROM OPERATIONS		136,185
PRIOR YEAR CORRECTION		<u>25,300</u>
CHANGE IN NET ASSETS		161,485
NET ASSETS, Beginning of year		<u>\$492,472</u>
NET ASSETS, End of year		<u>\$653,957</u>

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

COMBINED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 1999

OPERATING ACTIVITIES

Change in net assets	\$161,485	
Adjustment to reconcile changes in net assets to net cash provided by operating activities		
Depreciation	23,119	
(Increase) decrease in		
Accounts receivable	(120,537)	
Prepaid Expenses	(1,211)	
Accrued interest	3,815	
Deposit on van	8,284	
(Increase) decrease in		
Accounts payable	4,154	
Employee withholdings	<u>(6,345)</u>	
 Net cash provided by operating activities		 \$ 72,764

INVESTING ACTIVITIES

Purchase of equipment	(69,527)
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NET INCREASE IN CASH AND
CASH EQUIVALENTS

3,237

CASH AND CASH EQUIVALENTS,
BEGINNING OF YEAR

393,136

CASH AND CASH EQUIVALENTS,
END OF YEAR

\$396,373

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES

The Rapides Association for Retarded Children, Inc. was incorporated in the State of Louisiana on February 10, 1955, as a non profit organization. According to its charter the primary purpose of the Association is to promote the general welfare of mentally retarded children in Rapides Parish and to aid parents and families in the solution of personal and social problems arising from mental retardation. It shall provide facilities for the evaluation, care, treatment and education of mentally retarded children in the Parish. The organization is supported primarily through contracts for services with various governmental agencies, which accounts for over 90% of their total revenue. The organization is established as a dues paying organization and open to anyone in Rapides Parish, upon payment of their dues. The collection of dues amounted to \$928 for the year ended June 30, 1999.

CONTRIBUTING SERVICES

During the year ended June 30, 1999, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition many individuals volunteer their time at the facility.

ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

PROPERTY AND EQUIPMENT

Donations of property and equipment (if any) are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. The organization has not received any restricted assets, or cash required to acquire restricted assets, in many years, but, if some are received they will be properly recorded. Property and equipment are depreciated using the straight line method.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS
(Continued)

NOTE 2.- FINANCIAL STATEMENT PRESENTATION

In 1996, the organization adopted statements 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. In addition, the organization is required to present a statement of cash flows. As permitted by this new statement, the organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets as required. This reclassification had no effect on the change in net assets for 1999. The organization presently has no restricted assets, therefore, only unrestricted assets are reported in these financial statements.

CONTRIBUTIONS

The organization also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made," in 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. The organization presently receives no restricted contributions, nor have they received any during the past few years, therefore, the adoption of this statement has had no effect on the financial statements.

INCOME TAXES

The organization is a Not-for-Profit organization that is exempt from income taxes under Section 501 (C) (3) of the Internal Revenue Code.

CASH AND CASH EQUIVALENT

For purposes of the statements of cash flows, the organization considers all checking accounts and bank certificates of deposits to be cash equivalent.

DESCRIPTION OF LEASING ARRANGEMENTS

The real estate upon which the building and facilities are located belongs to the City of Alexandria and is provided to the organization at no cost.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

DEPOSITS

The organization, maintains cash in various checking, savings and certificates of deposit in various banks in the area. At year end, the carrying amount of the organization's deposits were \$396,373 and the bank balance was \$421,516. Of the bank balances \$276,963 was covered by federal depository insurance. The remaining balance of \$144,553 was not insured or collateralized.

FIXED ASSETS

A summary of fixed assets follows:

	<u>BALANCE</u> <u>JUNE 30, 1998</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 1999</u>
Buildings	\$ 50,335	\$ -	\$ -	\$ 50,335
Major movable equipment	50,151	7,036	-	57,187
Motor vechiles	<u>130,248</u>	<u>62,491</u>	<u>-</u>	<u>192,739</u>
 Total fixed assets	 230,734	 69,527	 -	 300,261
Accumulated depreciation	<u>169,984</u>	<u>23,119</u>	<u>-</u>	<u>193,103</u>
 NET FIXED ASSETS	 <u>\$ 60,750</u>	 <u>\$46,408</u>	 <u>\$-</u>	 <u>\$107,158</u>

The following useful lives are used to compute depreciation:

Buildings	25-30 years
Major movable equipment	5 years
Motor vechiles	4 years

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 3. YEAR 2000 ISSUE (UNAUDITED)

The Year 2000 issue is a result of short comings in many electronic data processing systems and other electronic equipment that may adversely affect the organization's operations as early as Fiscal year 1999.

Rapides Association for Retarded Citizens has not completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue, and that are necessary to conducting Rapides Association for Retarded Citizens operations. It is unknown as of June 30, 1999 what effects, if any, failing to remediate any such system will have upon Rapides Association for Retarded Citizens operations and financial reporting.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the Rapides Association for Retarded Citizens is or will be Year 2000 ready, that Rapides Association for Retarded Citizens remediation efforts will be successful in whole or part, or that parties with whom the Rapides Association for Retarded Citizens does business will be Year 2000 ready.

SUPPLEMENTAL DATA

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

COMBINING STATEMENT OF FINANCIAL POSITION
June 30, 1999

	<u>RARC</u>	<u>JETC</u>	<u>COMBINED</u>
ASSETS			
CURRENT ASSETS			
Cash and equivalents	\$310,661	\$85,712	\$396,373
Accounts Receivable	150,586		150,586
Prepaid expenses	5,548	-	5,548
Interdepartmental Receivable	8,589	-	8,589
Accrued interest	<u>2,061</u>	<u>187</u>	<u>2,248</u>
Total current assets	<u>477,445</u>	<u>85,899</u>	<u>563,344</u>
PROPERTY, PLANT AND EQUIPMENT			
Buildings	50,335	-	50,335
Major movable equipment	36,379	20,808	57,187
Motor vehicles	192,739	-	192,739
Less accumulated depreciation	<u>(186,065)</u>	<u>(7,038)</u>	<u>(193,103)</u>
Total property, plant and equipment	<u>93,388</u>	<u>13,770</u>	<u>107,158</u>
OTHER ASSETS			
Deposits W/C Insurance	1,455	-	1,455
Deposit on Vans	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total other assets	<u>8,455</u>	<u>-</u>	<u>8,455</u>
TOTAL ASSETS	<u>\$579,288</u>	<u>\$99,669</u>	<u>\$678,957</u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Employee withholdings	\$ 14,257	\$ -	\$ 14,257
Accounts Payable	2,154	-	2,154
Interdepartmental (Receivable) Payable	<u>-</u>	<u>8,589</u>	<u>8,589</u>
Total liabilities	<u>16,411</u>	<u>8,589</u>	<u>25,000</u>
NET ASSETS UNRESTRICTED	<u>562,877</u>	<u>91,080</u>	<u>653,957</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$579,288</u>	<u>\$99,669</u>	<u>\$678,957</u>

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

COMBINING STATEMENT OF ACTIVITIES
For the Year Ended June 30, 1999

	<u>RARC</u>	<u>JETC</u>	<u>COMBINED</u>
PUBLIC SUPPORT AND REVENUES			
Contributions	\$ -	\$ 1,865	\$ 1,865
Fees and contracts			
OCDD contract	246,371	-	246,371
IRS contract	84,662	-	84,662
Medicaid waivers	230,061	-	230,061
SIL	12,983	-	12,983
Weslyn contract	113,088	-	113,088
DOTD grant	47,116	-	47,116
Membership dues	1,053	-	1,053
Interest income	12,747	2,472	15,219
Project revenue	-	6,312	6,312
Coke sales (Net)	-	797	797
Bingo (Net) -	-	(127)	(127)
Client/employee meals/ miscellaneous	<u>21,907</u>	<u>1,563</u>	<u>23,470</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>769,988</u>	<u>12,882</u>	<u>782,870</u>
EXPENSES			
Administrative and General	160,261	2,174	162,435
Plant Operations and Maintenance	34,428	-	34,428
Capital Asset Cost	21,038	-	21,038
Dietary	20,451	-	20,451
Therapeutic and Training	<u>408,333</u>	<u>-</u>	<u>408,333</u>
TOTAL EXPENSES	<u>644,511</u>	<u>2,174</u>	<u>646,685</u>
NET FROM OPERATIONS	125,477	10,708	136,185
PRIOR YEAR CORRECTION	<u>25,300</u>	<u>-</u>	<u>25,300</u>
CHANGE IN NET ASSETS	150,777	10,708	161,485
NET ASSETS, Beginning of year	<u>412,100</u>	<u>80,372</u>	<u>492,472</u>
NET ASSETS, End of year	<u>\$562,877</u>	<u>\$91,080</u>	<u>\$653,957</u>

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

COMBINING STATEMENT OF CASH FLOWS
For the Year Ended June 30, 1999

	<u>RARC</u>	<u>JETC</u>	<u>TOTALS</u>
OPERATING ACTIVITIES			
Change in net assets	\$150,777	\$10,708	\$161,485
Adjustment to reconcile changes in net assets to net cash provided by operating activities			
Depreciation	21,038	2,081	23,119
(Increase) decrease in			
Accounts receivable	(120,537)	-	(120,537)
Prepaid Expenses	(1,211)	-	(1,211)
Accrued interest	2,492	1,323	3,815
Deposit on van	8,284	-	8,284
(Increase) decrease in			
Accounts payable	4,154	-	4,154
Employee withholdings	<u>(6,345)</u>	<u>-</u>	<u>(6,345)</u>
Net cash provided by operating activities	58,652	14,112	72,764
INVESTING ACTIVITIES			
Purchase of equipment	(69,527)	-	(69,527)
FINANCING ACTIVITIES			
Loans and advances from other departments	<u>(1,742)</u>	<u>1,742</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(12,617)	15,854	3,237
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>323,278</u>	<u>69,858</u>	<u>393,136</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$310,661</u>	<u>\$85,712</u>	<u>\$396,373</u>

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

STATEMENT OF FINANCIAL POSITION
June 30, 1999

ASSETS

CURRENT ASSETS

Cash and equivalents	\$310,661
Accounts Receivable	150,586
Accrued interest	2,061
Interdepartmental Receivable	8,589
Prepaid expenses	<u>5,548</u>

Total current assets \$477,445

PROPERTY, PLANT AND EQUIPMENT

Buildings	50,335
Major movable equipment	36,379
Motor vehicles	192,739
Less accumulated depreciation	<u>(186,065)</u>

Total property, plant and equipment 93,388

OTHER ASSETS

Deposits W/C Insurance	1,455
Deposit on Vans	<u>7,000</u>

Total Other Assets 8,455

TOTAL ASSETS \$579,288

LIABILITIES AND NET ASSETS

LIABILITIES

Employee withholdings	\$ 14,257
Accounts Payable	<u>2,154</u>

Total liabilities 16,411

NET ASSETS 562,877

TOTAL LIABILITIES AND FUND BALANCE \$579,288

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 1999

PUBLIC SUPPORT

Fees and contracts	
OCDD contract	\$246,371
LRS contract	84,662
Medicaid waivers	230,061
SIL	113,088
Weslyn contract	12,983
DOTD grant	47,116
Membership dues	1,053
Interest income	12,747
Client/employee meals/miscellaneous	<u>21,907</u>

TOTAL PUBLIC SUPPORT AND REVENUE \$769,988

EXPENSES

Administrative and General	160,261
Plant Operations and Maintenance	34,428
Capital Asset Cost	21,038
Dietary	20,451
Therapeutic and Training	<u>408,333</u>

TOTAL EXPENSES 644,511

NET FROM OPERATIONS 125,477

PRIOR YEAR CORRCTIONS 25,300

CHANGE IN NET ASSETS 150,777

NET ASSETS, Beginning of year 412,100

NET ASSETS, End of year \$562,877

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

SCHEDULE OF EXPENSES
For the Year Ended June 30, 1999

ADMINISTRATIVE AND GENERAL

Salaries - Administrator	\$ 37,437
Salaries - Assistant Administrator	23,508
Salaries - Clerical	19,213
Payroll Taxes	8,119
Employee Benefit	1,434
Insurance	12,988
Licenses	197
Office Supplies	8,958
Advertising	259
Membership dues	4,004
Motor Vehicle Expenses	26,072
Postage	1,163
Audit	4,500
Telephone	5,333
Training, In-Service	2,679
Travel & Seminars	<u>4,397</u>

Total Administrative and General 160,261

PLANT OPERATION AND MAINTENANCE

Salaries & Wages	3,442
Payroll Taxes	467
Repairs & Maintenance, Buildings & Grounds	10,771
Insurance	2,000
Utilities	11,134
Supplies	<u>6,614</u>

Total Plant Operation and Maintenance 34,428

CAPITAL ASSET COST

Depreciation - Buildings	1,347
Depreciation - Furniture & Equipment	3,679
Depreciation - Vans	<u>16,012</u>

Total Capital Asset Cost 21,038

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

SCHEDULE OF EXPENSES
For the Year Ended June 30, 1999
(Continued)

DIETARY

Salaries	7,979
Payroll Taxes	1,119
Insurance-Workman's Compensation	469
Food	10,796
Supplies	<u>88</u>

Total Dietary 20,451

THERAPEUTIC AND TRAINING

Salaries	352,648
Payroll Taxes	39,562
Emplouee Benefit	4,432
Medical & Nursing	1,817
Insurance-Workman's Compensation	<u>9,874</u>

Total Therapeutic & Training 408,333

TOTAL EXPENSES \$644,511

See Notes to Financial Statements

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 1999

	<u>RARC</u>
OPERATING ACTIVITIES	
Change in net assets	\$150,777
Adjustment to reconcile changes in net assets to net cash provided by operating activities	
Depreciation	21,038
(Increase) decrease in	
Accounts receivable	(120,537)
Prepaid Expenses	(1,211)
Accrued interest	2,492
Deposit on van	8,284
(Increase) decrease in	
Accounts payable	4,154
Employee withholdings	<u>(6,345)</u>
 Net cash provided by operating activities	 58,652
INVESTING ACTIVITIES	
Purchase of equipment	(69,527)
FINANCING ACTIVITIES	
Loans and advances from other departments	<u>(1,742)</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 (12,617)
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>323,278</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$310,661</u>

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
John Eskew Training Center
Alexandria Louisiana

STATEMENT OF FINANCIAL POSITION
June 30, 1999

ASSETS	
CURRENT ASSETS	
Cash and Equivalent	\$ 187
Accrued interest	<u>85,712</u>
TOTAL CURRENT ASSETS	\$85,899
FIXED ASSETS	
Equipment	20,808
Accumulated Depreciation	<u>7,038</u>
NET FIXED ASSETS	<u>13,770</u>
TOTAL ASSETS	<u>\$99,669</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Interdepartmental Payable	<u>\$ 8,589</u>
TOTAL LIABILITIES	\$ 8,589
NET ASSETS UNRESTRICTED	<u>91,080</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$99,669</u>

See Notes to Financial Statements

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
John Eskew Training Center
Alexandria Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 1999

REVENUES		
Project Revenue-Net(Schedule)	\$6,312	
Contributions	1,865	
Interest Earned	2,472	
Client Loans (Net)	764	
Coke Sales	7,514	
Miscellaneous	<u>799</u>	
TOTAL REVENUES		\$19,726
EXPENSES		
Coke Purchases	6,717	
Employee Bonus	1,150	
Flower Fund (Net)	753	
Checks & Deposit Tickets	30	
Bingo (net)	127	
Coffee (net)	72	
Miscellaneous	<u>169</u>	
TOTAL EXPENSES		<u>9,018</u>
CHANGE IN NET ASSETS		10,708
NET ASSETS, BEGINNING OF YEAR		<u>80,372</u>
NET ASSETS, END OF YEAR		<u>\$91,080</u>

See Notes to Financial Statements

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
John Eskew Training Center
Alexandria, Louisiana

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 1999

	<u>JETC</u>
OPERATING ACTIVITIES	
Change in net assets	\$10,708
Adjustment to reconcile changes in net assets to net cash provided by operating activities	
Depreciation	2,081
(Increase) decrease in Accrued interest	<u>1,323</u>
Net cash provided by operating activities	14,112
 FINANCING ACTIVITIES	
Loans and advances from other departments	<u>1,742</u>
 NET INCREASE IN CASH AND CASH EQUIVALENTS	 15,854
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>69,858</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$85,712</u>

See Notes to Financial Statements.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
John Eskew Training Center
Alexandria Louisiana

PROJECT SCHEDULE
For the Year Ended June 30, 1999

PROJECT	REVENUE	SALARIES	WORKER'S COMPENSATION	PAYROLL TAXES	OPERATING EXPENSES	DEPRECIATION	NET INCOME
Domestic Services	\$38,183	\$25,640	\$1,507	\$1,961	\$ 7,068	\$ -	\$ 2,007
Yard Maintenance	5,108	1,566	92	120	1,234	-	2,096
R.A.R.C.-Maintenance	576	-	-	-	1,528	-	(952)
R.A.R.C.-Kitchen	258	-	-	-	1,915	-	(1,657)
Paper Shredding	9,612	6,151	362	471	2,254	2,081	(1,707)
Spacers	4,896	3,667	216	280	260	-	473
Shoe	4,399	2,391	141	183	628	-	1,056
Spackling	8,617	3,152	185	241	672	-	4,367
Dividers	<u>3,428</u>	<u>2,110</u>	<u>124</u>	<u>161</u>	<u>400</u>	<u>-</u>	<u>633</u>
TOTALS	<u>\$75,077</u>	<u>\$44,677</u>	<u>\$2,627</u>	<u>\$3,417</u>	<u>\$15,959</u>	<u>\$2,081</u>	<u>\$ 6,316</u>

See Notes to Financial Statements.

Rapides Association for Retarded Citizens
Alexandria, Louisiana

SCHEDULE OF FINDINGS, QUESTIONED COSTS
AND CORRECTIVE ACTION

Year Ended June 30, 1999

<u>FUND INVOLVED</u>	<u>FINDINGS</u>	<u>COST</u>
General Fund	99-1 <u>Inadequate Segregation of Duties</u>	N/A

Finding:

Due to the small number of accounting employees, the Association did not have adequate segregation of functions within the accounting system.

Recommendation:

Based upon the size of the accounting operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response and/or Corrective Action:

No response and/or corrective action necessary.

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

SCHEDULE OF ALLOWABLE COSTS ATTRIBUTED TO OMR CONTRACT
June 30, 1999

	<u>COST REPORT</u>	<u>AUDIT ADJUSTMENTS</u>	<u>AS ADJUSTED</u>
ADMINISTRATIVE AND GENERAL			
Salaries - Administrator	\$37,437	\$ -	\$ 37,437
Salaries - Assistant Administrator	23,508	-	23,508
Salaries - Clerical	19,213	-	19,213
Payroll Taxes	6,132	-	6,132
Unemployment	15,056	1) (13,069)	1,987
Employee Benefits	1,434	-	1,434
Advertising	259	-	259
Insurance-Workman's Compensation	10,978	2) (7,783)	3,195
Insurance-Liability	3,824	-	3,824
Insurance-Motor Vehicle	6,973	3) (1,004)	5,969
Licenses	197	-	197
Office Supplies	8,958	-	8,958
Motor Vehicle Expense	26,072	-	26,072
Postage	1,163	-	1,163
Audit & Legal	4,500	-	4,500
Telephone	5,333	-	5,333
Training, In-service	2,679	-	2,679
Travel & Seminars	<u>4,397</u>	<u>-</u>	<u>4,397</u>
 Total Administrative & General	 <u>178,113</u>	 <u>(21,856)</u>	 <u>156,257</u>
PLANT OPERATION AND MAINTENANCE			
Salaries & Wages	3,443	4) (1)	3,442
Payroll Taxes	467	-	467
Insurance-Workman's Compensation	-	2) 2,000	2,000
Repairs, Buildings & Grounds	4,788	-	4,788
Repairs & Maintenance, Furniture- and Equipment	5,983	-	5,983
Supplies	6,614	-	6,614
Utilities	<u>11,134</u>	<u>-</u>	<u>11,134</u>
 Total Plant Operations & Maintenance	 <u>32,429</u>	 <u>1,999</u>	 <u>34,428</u>
CAPITAL ASSET COST			
Depreciation - Buildings	1,348	4) (1)	1,347
Depreciation - Furniture & Equipment	624	5) 3,055	3,679
Depreciation - Motor Vehicles	<u>5,245</u>	5) <u>10,767</u>	<u>16,012</u>
 Total Capital Asset Cost	 <u>7,217</u>	 <u>13,821</u>	 <u>21,038</u>

RAPIDES ASSOCIATION FOR RETARDED CITIZENS
Alexandria, Louisiana

SCHEDULE OF ALLOWABLE COSTS ATTRIBUTED TO OMR CONTRACT
June 30, 1999
(Continued)

	<u>COST REPORT</u>	<u>AUDIT ADJUSTMENTS</u>	<u>AS ADJUSTED</u>
DIETARY			
Food	1,151	-	7,151
Supplies	<u>88</u>	<u>-</u>	<u>88</u>
Total Dietary	<u>1,239</u>	<u>-</u>	<u>1,239</u>
THERAPEUTIC AND TRAINING			
Salaries	352,648	-	352,648
Employee Benefits	4,432	-	4,432
Insurance-Workman's Compensation	-	9,874	9,874
Medical-Nursing	1,817	-	1,817
Payroll Taxes	<u>26,978</u>	<u>12,584</u>	<u>39,562</u>
Total Therapeutic & Training	<u>385,875</u>	<u>22,458</u>	<u>408,333</u>
TOTALS	<u>\$604,873</u>	<u>\$16,422</u>	<u>\$621,295</u>

- 1) To reallocate payroll taxes and reduce for taxes on unallowed wages.
- 2) To reallocate Workman's Compensation insurance and reduce for insurance on unallowed wages.
- 3) To adjust for prepaid insurance at beginning and end of the year for motor vehicles.
- 4) To adjust for rounding.
- 5) Depreciation on capital lease equipment

See Notes to Financial Statements