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INDEPENDENT ACCOUNTANT'S REPORT

FOR THE YEAR ENDING

DECEMBER 31, 1999

WHOLE HEALTH OUTREACH, INC.
100 ROWLEY BOULEVARD
ARABI, LA 70032

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 JUL 7 2000

JIM MARTIN

CERTIFIED PUBLIC ACCOUNTANT
5421 LAPALCO BLVD., SUITE A
MARRERO, LA 70072-4152

(504) 347-0067

**WHOLE HEALTH OUTREACH, INC.
ARABI, LA 70032**

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CERTIFIED PUBLIC ACCOUNTANT

5421 Lapalco Blvd., Suite A
Marrero, LA 70072-4152

(504) 347-0067

Member of.

AMERICAN INSTITUTE OF CPAS
LOUISIANA SOCIETY OF CPAS

To the Shareholders
Whole Health Outreach, Inc.
100 Rowley Blvd.
Arabi, Louisiana 70032

I have compiled the accompanying general purpose financial statements of Whole Health Outreach, Inc. as of and for the year ended December 31, 1999 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 of Whole Health Outreach, Inc. I have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated June 28, 2000, on the results of our agreed-upon procedures.

JIM MARTIN, CPA, MS(Tax)
Marrero, LA 70072

June 28, 2000



WHOLE HEALTH OUTREACH, INC.

Balance Sheet

December 31, 1999

ASSETS

	Restricted Funds		Unrestricted Funds		Totals	
	Total		Fund		1999	1998
	AEP	Programs	Raising	Total		
Cash	\$ 9,917	\$ 9,917	\$ 4,395	\$ 4,395	\$ 14,312	\$ 15,218
Grants Receivable	12,669	12,669	0	0	12,669	5,177
Total Assets	\$ 22,586	\$ 22,586	\$ 4,395	\$ 4,395	\$ 26,981	\$ 20,395

LIABILITIES AND FUND BALANCE

Accounts Payable	\$ 12,048	\$ 12,048	\$ 0	\$ 0	\$ 12,048	\$ 6,481
Total Liabilities	\$ 12,048	\$ 12,048	\$ 0	\$ 0	\$ 12,048	\$ 6,481
Fund Balance	10,538	10,538	4,395	4,395	14,933	13,914
Total Liabilities and Fund Balance	\$ 22,586	\$ 22,586	\$ 4,395	\$ 4,395	\$ 26,981	\$ 20,395

WHOLE HEALTH OUTREACH, INC.

Statement of Revenues, Expenditures and Changes in Fund Balance

For the period
January 1, 1999 to December 31, 1999

	Restricted Funds		Unrestricted Funds		Total Agency Revenues
	AIDS Education Project	Total Programs	Other Revenue	Total	
REVENUES					
State Grant	\$ 92,399	\$ 92,399	\$ 0	\$ 0	\$ 92,399
Donations	0	0	600	600	600
Total Revenues	92,399	92,399	600	600	92,999
EXPENDITURES					
Seminar & Workshops	1,021	1,021	0	0	1,021
Personnel (Contract Svcs)	65,330	65,330	0	0	65,330
Fringe Benefits	11,321	11,321	0	0	11,321
Insurance	669	669	0	0	669
Travel	6,757	6,757	0	0	6,757
Rent (Facilities)	2,100	2,100	0	0	2,100
Office Supplies	1,771	1,771	55	55	1,826
Telephone	1,408	1,408	0	0	1,408
Postage	270	270	0	0	270
Audit Fees	1,813	1,813	0	0	1,813
Accounting	0	0	275	275	275
Total Expenditures	\$ 92,460	\$ 92,460	\$ 330	\$ 330	\$ 92,790
Excess of Revenues over/(under) Expenditures	(61)	(61)	270	270	209
Fund Balance - 12/31/98	10,599	10,599	4,125	4,125	14,724
Fund Balance - 12/31/99	10,538	10,538	4,395	4,395	14,933

WHOLE HEALTH OUTREACH, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Presentation

In April, 1984, the Financial Accounting Foundation established the Governmental Accounting Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

Whole Health Outreach, Inc. maintains its location at 100 Rowley Boulevard in Arabi, La. Accounting records are maintained at that address.

B. Basis of Accounting

Whole Health Outreach, Inc. maintains its records on an accrual basis of accounting. Revenues are recognized when earned and expenditures are recognized when incurred. Whole Health Outreach, Inc. further uses a spending focus, meaning that they primarily account for the receipt and disbursement of resources. Based on the spending focus and the basis of accounting, GASB Statement No. 9 was not used and, therefore, alleviates the need for a cash flow statement being presented.

C. Budgets and Budgetary Accounting

The local Government Budget Act (LSA-RS 39:1301-1316) is primary guidance (and legal requirement) for local governmental units.

D. The board uses a fund (General Fund) and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Notes to the Financial Statements (continued)

The General Fund of the board is classified as a governmental fund. The General Fund accounts for the board's general activities, including the collections and disbursement of the board's general activities, including the collections and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The General Fund is the general operating fund of the board and accounts for all financial resources, except those required to be accounted for in other funds.

NOTE 2 - CASH

The agency maintained two bank accounts:

- (1) "AEP" - AIDS Education Project Account - funds received from the State for AIDS education and prevention project were deposited into this account and separate books were maintained. These funds are presented as "Restricted" funds.
- (2) "WHO" - Whole Health Outreach Account - All other funds generated by the agency were deposited into this account. These funds were monies received from donations and administrative fees and are presented as "Unrestricted" funds.

The AIDS Education Project is funded as a cost reimbursement program. The program contract period overlaps the agency's calendar year.

NOTE 3 - INCOME TAXES

Whole Health Outreach, Inc. is a not-for-profit organization that is funded by the Louisiana Department of Health and Hospitals. The organization is recognized by the Internal Revenue Service as a Section 501(c)(3) organization.

NOTE 3 - FIXED ASSETS

The agency's operations are accounted for on a spending or financial flow measurement focus and only current assets and current liabilities are included on its balance sheet.

Fixed assets are recorded as expenditures (capital outlay) when purchased with restricted funds. Because of the limited impact on the result of operation or financial position, depreciation was not charged as an operating cost.

Notes to the Financial Statements (continued)

Below is a summary of the fixed assets acquired. All fixed assets are stated at the historical cost. Donated fixed assets are stated at their estimated fair market value on the date donated.

<u>Description</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Cost</u>	<u>Condition</u>
1. Stand for Copier	1	Jan 1991	99.00	Poor
2. Overhead	1	1992	492.00	Good
3. Computer	1	Jan 1996	725.00	Good
4. Copier	1	Feb 1998	1,200.00	Good
5. Computer	1	Jun 1999	1,236.00	Good
	TOTAL		<u>\$ 3,752.00</u>	

NOTE 4 - BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore no compensation has been paid to any member in his/her capacity as a director.

NOTE 5 - AUDITS

Audits of quasi-public entities are under the provisions of LSA-RS 24:513 which states that any local auditee that receives between \$50,000 and \$350,000 in revenues and other sources in any one fiscal year, shall complete an annual compilation of financial statements with an accompanied attestation report on compliance with laws and regulations. Whole Health Outreach, Inc. is in compliance with this audit requirement for the 1999 calendar year.



JIM MARTIN
CERTIFIED PUBLIC ACCOUNTANT
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Directors:
Whole Health Outreach, Inc.

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Whole Health Outreach, Inc. the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Whole Health Outreach, Inc.'s compliance with certain laws and regulations during the one year period ended December 31, 1999, 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. 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. Determined the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Whole Health Outreach, Inc. did not have any federal awards expenditures for the 1999 calendar year.

2. For each federal, state, and local award, I 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, I traced the six disbursements to supporting documentation as to proper amount and payee.

I 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, I determined if the six disbursements were properly coded to the correct fund and general ledger account.

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the executive director and the grantor agency.

6. For the items selected in procedure 2: 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. All checks complied with the allowability requirements.

Eligibility

I reviewed the previously listed disbursements for eligibility requirements. All checks complied with the eligibility requirements.

Reporting

I reviewed the previously listed disbursements for reporting requirements. All checks complied with the reporting requirements.

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

Meetings

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

Whole Health Outreach, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of Whole Health Outreach, Inc.'s office. Although management has asserted that such documents were properly posted, I could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Comprehensive Budget

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

Whole Health Outreach, Inc. 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 and Recommendations

10. I did not review any prior-year suggestions, recommendations, and/or comments, as there were none issued with the prior-year's audit.

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 Whole Health Outreach, 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.



JIM MARTIN, CPA, MS(TAX)

Marrero, Louisiana
June 28, 2000

