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State Secretary
Lester B. Smith, III
Room 1015
BOSCH Bldg

Future Foundation, Inc.
Shreveport, Louisiana

Financial Statements

As of and for the Year Ended June 30, 1987

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 4/8-0-3-1988-

Forrest Foundation, Inc.
Shreveport, Louisiana

Table of Contents

	Page No.
Independent Auditors' Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7- 10
Supplemental Schedules Prepared for Grants and Contract Analysis:	
Staten Referral Center Grant No. 512403	
Schedule of Revenue, Expenses, and Changes in Fund Balance For the Contract Period: July 1, 1998 - June 30, 1999	12
New Elizabeth Baptist Church Tutorial Grant No. 519911	
Schedule of Revenue, Expenses, and Changes in Fund Balance For the Contract Period: August 15, 1998 - June 3, 1999	13
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	14 - 15

COXON & MOFFETT LLP**Chartered Public Accountants**

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Independent Auditors' Report

To the Board of Directors
 Fatigue Foundation, Inc.
 Slidell, Louisiana

We have audited the accompanying statement of financial position of Fatigue Foundation, Inc., as of June 30, 1997, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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. Those standards require that we 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fatigue Foundation, Inc., as of June 30, 1997, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated October 29, 1997 on our consideration of Fatigue Foundation, Inc.'s internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the financial statements of Futures Foundation, Inc. taken as a whole. The accompanying supplemental information schedules listed in the table of contents, and shown on page 12 - 13, are presented for the purpose of additional analysis and are not a required part of the financial statements. The information in those schedules have been subjected to the procedures applied in the audit of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.



Cook & Marsden
Certified Public Accountants
October 30, 1990

Futures Foundation, Inc.
 Newport, Louisiana
 Statement of Financial Position
 June 30, 1987

Assets:

Current assets:

Cash	\$	24,870
Grant receivable		3,130
		38,000

Total current assets

Property and equipment:

Property and equipment		47,521
Accumulated depreciation	(39,521)

Net property and equipment

39,000

Total Assets

\$ 77,000

Liabilities and Net Assets

Current liabilities:

Accounts payable	\$	29,877
Accrued expenses		1,981
Refundable Advances		4,777

Total current liabilities

36,635

Net assets

Unassociated:

Operating	(4,584)
Fixed assets		39,000

Total net assets

34,416

Total Liabilities and Net Assets

\$ 77,000

The accompanying notes are an integral part of the financial statements.

Furman Foundation, Inc.
Shreveport, Louisiana
Statement of Activities
For the Year Ended June 30, 1997

Unrestricted

Revenues and Other Support

Grants revenue	\$ 256,979
Miscellaneous	1,000
Interest income	3,560
Total revenues and other support	<u>261,539</u>

Expenses:

General and administrative	2,198
Student referral center	<u>248,180</u>
Total expenses	<u>250,378</u>

Change in net assets 11,161

Net assets as of beginning of year 11,462

Net assets as of end of year \$ 22,624

The accompanying notes are an integral part of the financial statements.

Futures Foundation, Inc.
Shreveport, Louisiana
Statement of Functional Expenses
For the Year Ended June 30, 1987

	Student Referral Center	General and Administration	Total
Personnel	\$ 183,518	\$ 784	\$ 184,302
Fringe benefits	10,133	--	10,133
Repairs and maintenance	4,108	--	4,108
Training/Conferences	7,278	--	7,278
Materials/Supplies	15,482	--	15,482
Telephone and Postage	1,341	107	1,448
Contracted	14,808	2,000	16,808
Travel	2,832	--	2,832
Rent	12,808	--	12,808
Publications and Printing	1,288	90	1,378
Insurance	3,418	--	3,418
Food/Catering	1,304	--	1,304
Other	3,133	4,528	7,661
Depreciation	8,884	328	9,212
Total expenses	\$ 348,292	\$ 7,768	\$ 356,060

The accompanying notes are an integral part of the financial statements.

Futures Foundation, Inc.
Shreveport, Louisiana
Statement of Cash Flows
For the Year Ended June 30, 1987

Operating Activities:

Change in net assets	\$	4,873
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		6,260
Increase/decrease in operating assets:		
Grant receivable	1	1,747
Increase/(decrease) in operating liabilities:		
Accounts payable		22,219
Accrued expenses	1	2,662
Refrundable advances		4,737
<u>Net cash provided by operating activities</u>		<u>32,198</u>
Investing Activities:		
Payments for property and equipment	\$	(15,212)
<u>Net cash used in investing activities</u>	\$	<u>(15,212)</u>
Net increase in cash		17,886
Cash as of beginning of year		6,888
Cash as of end of year		<u>24,774</u>

The accompanying notes are an integral part of the financial statements.

Futures Foundation, Inc.
Shreveport, Louisiana
Notes to Financial Statements
June 30, 1987

(f) Summary of Significant Accounting Policies

A. Nature of Activities

Futures Foundation, Inc. (Futures Foundation), is a private nonprofit organization incorporated under the laws of the State of Louisiana. Futures Foundation is governed by a Board of Directors composed of six members.

Futures Foundation provides a supervised environment for students who have been suspended and/or expelled from local schools. The agency's support comes primarily from contractual arrangements with governmental agencies. The following contract was operated by Futures Foundation during the year:

Student Referral Center - Provides educational instruction to youth that have been expelled or suspended from the Cade Parish School System; provides after school tutorial programs; and provides summer enrichment programs. Funding is provided by state funds through two separate contracts with the State of Louisiana, Department of Education.

B. Basis of Accounting

The financial statements of Futures Foundation, have been prepared on the accrual basis of accounting.

C. 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 Futures Foundation 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.

D. Income Tax Status

Futures Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization other than a private foundation. However, income from activities not directly related to Futures Foundation's tax-exempt purpose is subject to taxation as unrelated business income. Futures Foundation had no such income for this audit period.

(Continued)

Futures Foundation, Inc.
Shreveport, Louisiana
Notes to Financial Statements
June 30, 1987
(Continued)

E. Use of Estimates

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

F. Cash and Cash Equivalents

Futures Foundation's cash, as stated for cash flow purposes, consists of interest-bearing and non-interest-bearing bank accounts. Futures Foundation has no other assets that are considered cash equivalents.

G. Property and Equipment

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 life of the asset. The state government has a reversionary interest in property purchased with state funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to state regulations.

H. Revenue and Support

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

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

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

(Continued)

Future Foundation, Inc.
 Cleveland, Louisiana
 Notes to Financial Statements
 June 30, 1987
 (Continued)

(2) Concentrations of Credit Risk

Financial instruments that primarily subject Future Foundation to concentrations of credit risk consist principally of temporary cash investments and grants receivable. Concentrations of credit risk with respect to grants receivable is limited due to the amounts being due from governmental agencies under contractual terms. As of June 30, 1987, Future Foundation had no significant concentrations of credit risk in relation to grants receivable.

Future Foundation maintains its cash balances at a local financial institution located in their service delivery area. Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At June 30, 1987 there were no uninsured balances at these institutions.

(3) Grant Receivable

Various funding sources provide reimbursement of allowable cost under cost account agreements. These balances represent amounts due from funding sources at June 30, 1987, but received after that date.

(4) Property and Equipment

Property and equipment consisted of the following at June 30, 1987:

	Estimated Depreciable Life	
Furniture and equipment	5-10 years	\$ 43,571
Less: Accumulated Depreciation		<u>177,521</u>
Net Book Value		<u>\$ 28,050</u>

Depreciation expense for the year ended June 30, 1987 was \$9,396.

(Continued)

Futures Foundation, Inc.
Shreveport, Louisiana
Notes to Financial Statements
June 30, 1987
(Continued)

(5) **Refundable Advances**

Futures Foundation records state funds received in excess of expenditures as a refundable advance until they are expended for the purpose of the contract or until the funds are returned to the appropriate funding source.

(6) **Grants Revenue**

During the year ended June 30, 1987, Futures Foundation received contractual revenue from two state grants in the amount of \$250,818. The continued existence of these funds are based on annual contract renewals with various funding sources.

(7) **Leases**

Futures Foundation leases certain property and equipment under operating leases. Rental costs on these items for the year ended June 30, 1987 was \$14,486. There were no leases at June 30, 1987, with remaining, non-cancelable lease terms in excess of one year.

**Supplemental Schedules Prepared for
Grants and Contracts Analysis**

Future Foundation, Inc.
 Sliverport, Louisiana
 Student National Center
 Grant No. S12421

Schedule of Revenues, Expenses and Changes in Fund Balances
 For the Contract Period, July 1, 1990 to June 30, 1991

Revenues:	<u>Budget</u>	<u>Actual</u>	<u>Actual (Over) Under Budget</u>
Contract revenue		\$ 225,000	
Total revenues		<u>225,000</u>	
Expenses:			
Salaries	124,800	120,840	3,960
Fringe benefits	10,718	6,293	4,425
Travel	—	3,822	(3,822)
Equipment purchases	1,354	15,213	(13,859)
Equipment rental and repairs	1,900	4,798	(2,898)
Consumable supplies	5,000	16,880	(11,880)
Telephone	780	654	126
Rent	12,000	12,000	—
Publications and printing	3,800	1,385	2,415
Insurance	3,800	3,410	490
Audit	4,800	3,600	1,200
Postage	428	580	(152)
Accounting	12,000	12,000	—
Food	7,000	1,354	5,646
Consultants	2,888	7,250	(4,362)
Miscellaneous	—	3,326	(3,326)
Total expenses	<u>225,000</u>	<u>226,333</u>	<u>1,333</u>
Excess revenues (expended)		4,777	
Fund balance, beginning, July 1, 1990		<u>1,811</u>	
Fund balance, ending, June 30, 1991		<u>6,588</u>	

Futures Foundation, Inc.
Shreveport, Louisiana
New Elizabeth Baptist Church
Tutorial Grant No. 510011

Schedule of Revenues, Expenses and Changes in Fund Balance
For the Contract Period: August 15, 1989 to June 30, 1991

Revenues	
Contract revenues	\$ 36,680
Total revenues	<u>36,680</u>
Expenses	
Salaries	31,871
Fringe benefits	3,825
Total expenses	<u>35,696</u>
Excess revenues (expenses)	<u>\$ 1,084</u>

CENTER & SURVEILLANT

Chartered Public Accountants

1000 AVENUE OF THE STARS • SUITE 1000 • FORT MYERS, FLORIDA 33902 • TELEPHONE (813) 938-1000 • FAX (813) 938-1001

MEMBER COMPANY # 124

TELEPHONE (813) 938-1000

FAX (813) 938-1001

MEMBER # 124 (12/1)

MEMBER # 124 (12/1)
FEDERAL TAX ID # 13-0000000
U.S. DEPARTMENT OF JUSTICE
OFFICE OF INSPECTOR GENERAL

MEMBER
MEMBER # 124 (12/1)
FEDERAL TAX ID # 13-0000000
U.S. DEPARTMENT OF JUSTICE
OFFICE OF INSPECTOR GENERAL

Report on Compliance and an Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors
Future Foundation, Inc.
Sheepport, Louisiana

We have audited the financial statements of Future Foundation, Inc. as of and for the year ended June 30, 1993, and have issued our report thereon dated October 30, 1993. We conducted our 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.

Emphasis:

As part of obtaining reasonable assurance about whether Future Foundation, Inc.'s financial statements are free of material misstatement, we 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 these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclose no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Future Foundation, Inc. internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal system over financial reporting that might be a material weakness. 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weakness.

However, we noted other matters involving the internal control structure and its operation that we have communicated in the management of Fairfax Foundation, Inc., a separate management letter dated October 20, 1997.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.



Cook & Monahan
Certified Public Accountants
October 28, 1997

COOK & MONAHAN

Certified Public Accountants

100 SOUTH WYOMING • WHEAT RIDGE, ILLINOIS 60091 • 847.466.7000 • 1000 NORTH WYOMING • WHEAT RIDGE, ILLINOIS 60091 • 847.466.7000

WHEAT RIDGE, ILLINOIS 60091

TELEPHONE 847.466.7000

FAX 847.466.7000

WHEAT RIDGE, ILLINOIS 60091

WHEAT RIDGE, ILLINOIS 60091
WHEAT RIDGE, ILLINOIS 60091
WHEAT RIDGE, ILLINOIS 60091
WHEAT RIDGE, ILLINOIS 60091

MEMBER
OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF THE ILLINOIS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF THE ILLINOIS SOCIETY OF CPAs

Management Letter

October 30, 1997

The Board of Directors of
Futures Foundation, Inc.
Shrewport, Louisiana

Attention: Barbara Bonnie, Executive Director

We have audited the financial statements of Futures Foundation, Inc., for the year ended June 30, 1997, and have issued our report therein dated October 28, 1997. In planning and performing our audit of the financial statements of Futures Foundation, Inc., we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

During our audit the following items were noted involving the internal control over financial reporting and other operational matters which appear to merit your attention for consideration to improve the internal control over financial reporting or operations of Futures Foundation, Inc. These comments have been discussed with the appropriate members of management.

Comment #1: Monthly financial reports prepared by the agency and submitted to their funding source did not agree with amounts recorded in the general ledger.

We recommended that the monthly financial reports submitted to the funding source be reconciled to the agency's general ledger, and that a supervisor review the report for accuracy prior to submission.

We express sincere thanks to the Futures Foundation, Inc.'s personnel for the cooperation and assistance provided us during our audit. We are available to provide you assistance and consultation in the implementation of the above mentioned items. This letter is furnished solely for the use of management and the Board of Directors and is not to be used for any other purpose.

Cook & Monahan
Certified Public Accountants