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**CATHOLIC COMMUNITY SERVICES OF**  
**BATON ROUGE, INC.**

**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2004**

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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 12-29-04



CATHOLIC COMMUNITY SERVICES OF  
BATON ROUGE, INC.

FOR THE FISCAL YEAR ENDED  
JUNE 30, 2004

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Catholic Community Services of Baton Rouge, Inc.  
Baton Rouge, Louisiana

We have audited the statement of financial position of Catholic Community Services of Baton Rouge, Inc. (CCS) (a non-profit organization) as of June 30, 2004, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of CCS's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 and the provisions of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 CCS as of June 30, 2004, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards on pages 22 and 23 is presented for purposes of additional analysis as required by 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 basic financial statements. Additionally, the supplemental schedules on pages 11 through 17 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued reports dated October 29, 2004 on our consideration of CCS's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are 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 our audit.

Baton Rouge, Louisiana  
October 29, 2004

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2004**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents - unrestricted	385,502
Cash and cash equivalents - restricted	427,016
Contracts receivable	233,235
Unconditional promises to give - United Way	
Services funding for the next fiscal year	123,000
Total current assets	<u>1,168,753</u>

**OTHER ASSETS**

Investments - Catholic Diocese of Baton Rouge	39,338
Plant, furniture and equipment - net	<u>282,712</u>
 Total assets	 <u>\$ 1,490,803</u>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	38,079
Accrued expenses	88,165
Deferred revenue	15,000
Due to United States Conference of Catholic Bishops	7,250
Total current liabilities	<u>148,494</u>

**OTHER LIABILITIES**

Due to Catholic Diocese of Baton Rouge	<u>58,936</u>
 Total liabilities	 <u>207,430</u>

**NET ASSETS**

Unrestricted	559,441
Temporarily restricted	723,932
Total net assets	<u>1,283,373</u>
 Total liabilities and net assets	 <u>\$ 1,490,803</u>

The accompanying notes are an integral part of this statement.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b><u>REVENUES</u></b>			
United Way	\$ -	\$ 283,912	\$ 283,912
Contributions and foundations	24,782	271,382	296,164
Federal and state contracts	-	2,326,653	2,326,653
Catholic Diocese of Baton Rouge	165,728	461,628	627,356
Fee income	151,213	-	151,213
Miscellaneous	5,310	89,546	94,856
Fundraising	62,734	-	62,734
Net assets released from donor restrictions:			
Satisfaction of program restrictions	3,296,914	(3,296,914)	-
Total revenues	<u>3,706,681</u>	<u>136,207</u>	<u>3,842,888</u>
<b><u>EXPENSES</u></b>			
Program services	3,310,645	-	3,310,645
Management and general	359,405	-	359,405
Fundraising	30,245	-	30,245
Total expenses	<u>3,700,295</u>	<u>-</u>	<u>3,700,295</u>
<b><u>CHANGE IN NET ASSETS</u></b>	6,386	136,207	142,593
<b><u>BALANCE AT JUNE 30, 2003</u></b>	<u>553,055</u>	<u>587,725</u>	<u>1,140,780</u>
<b><u>BALANCE AT JUNE 30, 2004</u></b>	<u>\$ 559,441</u>	<u>\$ 723,932</u>	<u>\$ 1,283,373</u>

The accompanying notes are an integral part of this statement.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Specific assistance to individuals	\$ 1,571,930	\$ -	\$ -	\$ 1,571,930
Other salaries and wages	1,112,487	131,766	-	1,244,253
Pension plan contributions	56,439	3,503	-	59,942
Other employee benefits	91,852	5,272	-	97,124
Payroll taxes	83,931	4,792	-	88,723
Fundraising expenses	-	-	30,245	30,245
Accounting and other professional fees	-	36,210	-	36,210
Legal fees	5,945	-	-	5,945
Supplies	24,417	1,626	-	26,043
Telephone	27,624	13	-	27,637
Postage and shipping	9,989	833	-	10,822
Occupancy	144,711	113,592	-	258,303
Equipment rental and maintenance	20,517	882	-	21,399
Printing and publications	26,727	868	-	27,595
Travel	31,529	406	-	31,935
Conferences, conventions, and meetings	17,076	4,611	-	21,687
Depreciation	44,310	4,027	-	48,337
Interest	2,656	-	-	2,656
Other	38,505	51,004	-	89,509
	<u>\$ 3,310,645</u>	<u>\$ 359,405</u>	<u>\$ 30,245</u>	<u>\$ 3,700,295</u>

The accompanying notes are an integral part of this statement.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 142,593
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	48,337
Income recognized for donated buildings	(176,300)
Changes in:	
Contract receivables	126,384
Other current assets	2,267
Accounts payable	(24,455)
Accrued expenses	1,377
Deferred revenue	15,000
	<hr/>
Net cash provided by operating activities	135,203

**CASH FLOW FROM INVESTING ACTIVITIES**

Decrease in restricted cash and cash equivalents	(19,876)
Purchase of furniture and equipment	(17,566)
	<hr/>
Net cash used in investing activities	(37,442)

Net change in cash	97,761
Cash and cash equivalents, beginning of year	287,741
	<hr/>
Cash and cash equivalents, end of year (See Note 1h)	\$ 385,502

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash paid during year:	
Interest	\$ 2,656
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The accompanying notes are an integral part of this statement.



**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

a. Nature of Activities

Catholic Community Services of Baton Rouge, Inc. (CCS or the Organization) is a non-profit corporation organized under the laws of the State of Louisiana on April 2, 1975, to promote organized charitable welfare and social service work for the moral betterment of all persons. CCS receives grants and support which comprise more than 10% of its revenues from the Governor's Office of Elderly Affairs, the Diocese of Baton Rouge, and federal grants for Migration and Refugee Services.

b. Basis of Accounting

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

c. Promises to Give and Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization does not have any permanently restricted net assets.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Management feels that all receivables are collectible, and as such, no allowance for doubtful accounts has been established.

d. Contracts Receivable

Contracts receivable represents amounts owed to the Organization for costs incurred under grant contracts which are reimbursable to the Organization. Contracts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on contract receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of contractors to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible contracts receivable when management determines the receivable will not be collected. Management feels that all receivables are collectible, and as such, no allowance for doubtful accounts has been established.

e. Unrestricted Net Assets

It is the recommendation of the Board of Directors and management of the Organization that two to three months operating expenses should be accumulated and maintained as unrestricted net assets in order to cover unreimbursed overhead expenses associated with grant awards and other contingencies, and due to the uncertainty and irregularity in the timing of grant receipts from its federal and state programs.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies (continued)

f. Property and Equipment

Property and equipment are stated at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range as follows:

Furniture & Equipment	3 - 10 Years
Shelters	20 - 25 Years

g. Donated Services

A significant portion of CCS's functions are conducted by unpaid volunteers. The value of the contributed time is not reflected in the accompanying financial statements since the services do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

h. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include highly liquid investments with original maturities of three months or less. Restricted cash balances are not included in cash and cash equivalents for purposes of the statement of cash flows since these balances are not available for operations but are donor restricted for specific purposes.

i. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

j. Income Taxes

The Organization is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

2. Contracts Receivable

The detail of contracts receivable as of June 30, 2004, is as follows:

HUD - SHP	\$ 91,301
Migration and Refugee Services	35,867
Match Grant	34,111
Preferred Community	19,633
United States Conference of Catholic Bishops	14,959
Workforce Investment Act	19,102
Foster Grandparents Program Title II, Part B	13,484
Public Private Partnership	1,841
Tangipahoa Cares	1,800
Other Program Services	1,137
	<u>\$ 233,235</u>

3. Investments - Diocese of Baton Rouge

The Organization has \$39,338 on deposit with the Catholic Diocese of Baton Rouge. The deposits are payable on demand and the Organization earned approximately \$1,200 in interest during the year ended June 30, 2004 at 2.5%. Although these balances are due on demand, they are classified as long-term assets since it is not the intention of CCS to withdraw or use the money in the near term.

4. Plant, Furniture and Equipment

Property and equipment acquired by the Organization is considered to be owned by the Organization. However, the State of Louisiana maintains the title to the property and equipment purchased in whole or in part under contract/grant funded by the State of Louisiana. The State has the right to require the transfer of the property and equipment (including title) to the State or to an eligible non-state party named by the State. Such transfer may occur at any time.

The composition of plant, furniture and equipment at June 30, 2004 was as follows:

Land and shelters	\$ 254,914
Furniture and equipment	<u>219,487</u>
	474,401
Accumulated depreciation	( 191,689)
	<u>\$ 282,712</u>

During the year, two real estate properties were donated to the organization with an estimated fair value of \$176,300. The Organization has included these properties in total land and shelters and has recognized contributions in the same amount.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

5. Due to United States Conference of Catholic Bishops

Prior to January 1, 1980, the Migration and Refugee Services Program established a revolving account with the United States Conference of Catholic Bishops (USCCB) for the purpose of resettling refugees. In accordance with the revolving account agreement, these funds are to be returned to the USCCB upon the termination of the program. As of June 30, 2004, the balance due USCCB amounted to \$7,250.

6. In-Kind Contributions

The Foster Grandparents and the Senior Employment Programs received in-kind contributions during the year from various donors for meals, space and recognition to program participants without charge. For the year ended June 30, 2004, these contributions have been recorded as revenue with the offset being recorded as expenditures in the amount of \$37,702.

7. Pension Plan

Employees of the Organization participate in a defined benefit pension plan with the Catholic Diocese of Baton Rouge and the participants are required to contribute 3% of their salaries with the Organization contributing 6%. The Diocese of Baton Rouge administers the plan. For the year ended June 30, 2004, contributions of \$60,313 were made to the plan.

8. Due to Catholic Diocese of Baton Rouge

As of June 30, 2004, the Senior Community Service Employment Program and the Migration and Refugee Services Program owed the Catholic Diocese of Baton Rouge \$30,000 and \$28,936, respectively. These loans bear interest at a variable rate (4.5% throughout 2004), and have no specific repayment terms. As management does not anticipate the repayment of these loans within one year, these loans have been classified as long term. Interest expense of \$2,656 was incurred on these loans in 2004.

9. Related Party

CCS has a relationship with the Catholic Diocese of Baton Rouge (DOBR) that includes participation in Diocesan benefit programs, and considerable savings on rent, insurance, telephone, and other equipment usage. For the year ended June 30, 2004, these in-kind contributions have been recorded as revenue with the offset being recorded as expenditures in the amount of \$238,644. Due to the nature of CCS's organization, this relationship is expected to continue for the duration of program operations of Catholic Community Services.

In addition, one of CCS's programs, Counseling, Maternity and Adoption, is subsidized by the DOBR. Included in revenues is \$252,016 of funding from the DOBR to subsidize this program. Due to the nature of CCS's organization, this funding is expected to continue for the duration of program operations of CCS. CCS also received cash contributions from the DOBR resulting from the Bishop's Annual Appeal in the amount of \$100,150 and other miscellaneous financial support in the amount of \$36,546.

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

10. Grant Advances

Grant advances at June 30, 2004 consists of grant funding for fiscal year 2005 received in fiscal year 2004.

11. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes for periods after June 30, 2004:

Provide social services in state and federal programs	\$ 295,916
Provide social services in other programs	<u>428,016</u>
	<u>\$ 723,932</u>

12. Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by the donors to the following programs:

S.C.S.E.P. Title V	\$ 976,273
Workforce Investment Act	209,198
Foster Grandparent Program Title II, Part B	343,935
Migration and Refugee Services	253,340
United States Conference of Catholic Bishops	80,295
Match Grant	101,484
Public Private Partnership	80,488
Preferred Community	64,970
Counseling, Maternity and Adoption	396,336
Satellite Counseling Offices	22,272
Citizens Advocacy	77,123
HUD - SHP	207,890
Human Services Consortium	56,678
Tangipahoa Cares Program (ESBG & FEMA)	107,720
Coeur du Bayou	17,735
Joseph Homes (ESBG)	79,010
Emergency Assistance	146,785
Other Program Services	<u>75,382</u>
	<u>\$ 3,296,914</u>

**SUPPLEMENTAL SCHEDULES**

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF REVENUES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	United Way	Contributions	Federal and State Contracts	Catholic Diocese of Baton Rouge	Fee Income	Miscellaneous	Fundraising	Total
S.C.S.E.P. Title V (Governor's Office of Elderly Affairs)	\$ -	\$ 550	\$ 944,395	\$ 6,927	\$ -	\$ 20,639	\$ -	\$ 972,511
Workforce Investment Act	-	-	167,005	21,482	-	-	-	188,487
Public Private Partnership	-	-	70,269	10,121	-	-	-	80,390
Foster Grandparent Program Title II, Part B	-	-	307,465	-	-	17,063	-	324,528
Foster Grandparent Program Title II, Part B (GOEA)	-	-	18,761	-	-	-	-	18,761
Migration and Refugee Services	-	5,128	186,728	31,200	11,998	-	-	235,054
United States Conference of Catholic Bishops Match Grant	-	842	59,411	10,601	-	-	-	70,854
Preferred Community	-	-	88,504	10,001	8,400	-	-	106,905
Counseling, Maternity and Adoption	106,652	2,530	57,803	10,985	-	-	-	68,788
Satellite Counseling Offices	-	22,272	25,000	262,154	78,522	-	-	474,858
Joseph Homes (ESBG)	-	176,513	-	-	28,105	-	-	50,377
Citizens Advocacy	67,967	-	57,569	-	6,961	-	-	241,043
Coeur du Bayou	-	7,271	1,898	5,050	-	1,500	3,652	67,967
Emergency Assistance	21,200	27,398	25,542	50,000	-	-	-	19,371
Tangipahoa Cares Program (ESBG & FEMA)	37,477	24,533	36,658	5,500	-	-	-	119,140
HUD - SHP	-	-	168,312	-	-	35,091	-	104,168
Human Services Consortium	36,032	50	19,530	-	800	-	-	203,403
Other Program Services	14,584	9,295	91,803	37,607	10,366	15,253	-	56,412
Agency	-	24,782	-	165,728	6,061	5,310	59,082	178,908
	\$ 283,912	\$ 296,164	\$ 2,326,653	\$ 627,356	\$ 151,213	\$ 94,856	\$ 62,734	\$ 3,842,888

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF EXPENSES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	S.C.S.E.P Title V	Workforce Investment Act	Foster Grandparent Title II, Part B	Migration and Refugee Services
<b>Program services:</b>				
Specific assistance to individuals	\$ 777,225	\$ -	\$ 249,728	\$ 71,904
Other salaries and wages	117,921	109,288	61,382	121,139
Pension plan contributions	5,410	6,085	3,683	5,941
Other employee benefits	5,771	7,292	3,873	10,435
Payroll taxes	9,366	8,810	5,008	9,554
Occupancy	9,756	30,893	2,160	11,524
Equipment rental and maintenance	4,160	4,970	-	2,364
Depreciation	3,565	18,078	714	2,572
Other	619	3,083	1,682	3,729
Travel	1,217	5,652	861	3,027
Supplies	2,152	2,657	3,347	1,235
Telephone	3,694	3,777	1,693	2,698
Postage and shipping	2,994	37	1,753	400
Printing and publications	-	831	-	151
Conferences, conventions and meetings	425	200	20	-
Legal fees	-	-	-	-
Interest	-	-	-	-
<b>Management and general:</b>				
Other salaries and wages	6,783	3,671	7,149	10,601
Pension plan contributions	134	134	-	49
Other employee benefits	187	187	-	92
Payroll taxes	170	170	-	63
Accounting and other professional fees	14,059	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Postage and shipping	-	-	-	-
Occupancy	-	-	-	-
Equipment rental and maintenance	-	-	882	-
Printing and publications	-	-	-	-
Travel	-	-	-	-
Other	10,665	3,383	-	7,860
Depreciation	-	-	-	-
Conferences, conventions and meetings	-	-	-	-
<b>Fundraising:</b>				
Miscellaneous	-	-	-	-
	<u>\$ 976,273</u>	<u>\$ 209,198</u>	<u>\$ 343,935</u>	<u>\$ 265,338</u>

(Continued)



**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF EXPENSES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	United States Conference of Catholic Bishops	Match Grant	Public Private Partnership	Preferred Community
<b>Program services:</b>				
Specific assistance to individuals	\$ 34,129	\$ 26,169	\$ 18,600	\$ 287
Other salaries and wages	18,048	45,801	30,159	32,030
Pension plan contributions	1,024	2,873	-	1,806
Other employee benefits	2,273	6,410	5,602	2,852
Payroll taxes	1,452	3,948	2,513	2,654
Occupancy	11,562	11,487	12,385	13,551
Equipment rental and maintenance	552	852	520	1,600
Depreciation	2,288	1,028	-	-
Other	433	577	-	541
Travel	821	735	514	462
Supplies	208	321	423	550
Telephone	853	1,050	1,385	1,888
Postage and shipping	121	139	183	270
Printing and publications	-	-	-	-
Conferences, conventions and meetings	-	-	-	110
Legal fees	-	-	-	-
Interest	-	-	-	-
<b>Management and general:</b>				
Other salaries and wages	4,828	5,971	4,380	3,987
Pension plan contributions	49	49	49	49
Other employee benefits	92	92	92	92
Payroll taxes	63	63	63	63
Accounting and other professional fees	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Postage and shipping	-	-	-	-
Occupancy	-	-	-	-
Equipment rental and maintenance	-	-	-	-
Printing and publications	-	-	-	-
Travel	-	-	-	-
Other	1,499	2,319	3,620	2,178
Depreciation	-	-	-	-
Conferences, conventions and meetings	-	-	-	-
<b>Fundraising:</b>				
Miscellaneous	-	-	-	-
	<u>\$ 80,295</u>	<u>\$ 109,884</u>	<u>\$ 80,488</u>	<u>\$ 64,970</u>

(Continued)

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF EXPENSES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<b>Counseling, Maternity and Adoption</b>	<b>Satellite Counseling Offices</b>	<b>Citizens Advocacy</b>	<b>HUD-SHP</b>
<b>Program services:</b>				
Specific assistance to individuals	\$ 33,504	\$ -	\$ 710	\$ 97,369
Other salaries and wages	267,953	39,157	57,251	72,999
Pension plan contributions	16,077	-	3,914	4,260
Other employee benefits	26,682	-	7,269	5,128
Payroll taxes	21,380	-	4,271	5,945
Occupancy	32,543	1,550	1,100	-
Equipment rental and maintenance	507	509	-	654
Depreciation	-	-	358	1,537
Other	17,929	66	-	3,154
Travel	4,857	4,295	-	1,647
Supplies	5,650	431	3	2,565
Telephone	2,100	614	-	1,179
Postage and shipping	3,508	149	37	-
Printing and publications	21,225	2,406	587	146
Conferences, conventions and meetings	7,931	1,200	95	-
Legal fees	4,417	-	1,528	-
Interest	-	-	-	-
<b>Management and general:</b>				
Other salaries and wages	5,162	-	-	6,956
Pension plan contributions	310	-	-	-
Other employee benefits	377	-	-	-
Payroll taxes	395	-	-	-
Accounting and other professional fees	2,351	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Postage and shipping	-	-	-	-
Occupancy	-	-	-	-
Equipment rental and maintenance	-	-	-	-
Printing and publications	-	-	-	-
Travel	-	-	-	-
Other	-	-	-	4,351
Depreciation	-	-	-	-
Conferences, conventions and meetings	-	-	-	-
<b>Fundraising:</b>				
Miscellaneous	-	-	-	-
	<b>\$ 474,858</b>	<b>\$ 50,377</b>	<b>\$ 77,123</b>	<b>\$ 207,890</b>

(Continued)

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF EXPENSES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Human Services Consortium	Tangipahoa Cares Program (ESBG & FEMA)	Coeur du Bayou	Joseph Homes (ESBG)
<b>Program services:</b>				
Specific assistance to individuals	\$ 34	\$ 53,519	\$ 12,222	\$ 40,294
Other salaries and wages	36,319	38,304	-	23,002
Pension plan contributions	2,198	2,208	-	960
Other employee benefits	3,991	261	-	2,649
Payroll taxes	2,907	3,032	-	1,591
Occupancy	200	-	-	-
Equipment rental and maintenance	984	1,392	-	73
Depreciation	1,177	715	607	5,976
Other	568	274	305	4,220
Travel	1,588	536	917	1,124
Supplies	51	1,019	336	678
Telephone	575	3,570	659	582
Postage and shipping	26	200	78	94
Printing and publications	103	118	-	182
Conferences, conventions and meetings	5,020	36	-	65
Legal fees	-	-	-	-
Interest	-	-	-	-
<b>Management and general:</b>				
Other salaries and wages	1,737	2,247	27	4,481
Pension plan contributions	-	-	-	-
Other employee benefits	-	-	-	-
Payroll taxes	-	-	-	-
Accounting and other professional fees	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Postage and shipping	-	-	-	-
Occupancy	-	-	-	-
Equipment rental and maintenance	-	-	-	-
Printing and publications	-	-	-	-
Travel	-	-	-	-
Other	-	-	-	-
Depreciation	-	-	-	-
Conferences, conventions and meetings	-	-	-	-
<b>Fundraising:</b>				
Miscellaneous	-	289	2,585	-
	<u>\$ 57,478</u>	<u>\$ 107,720</u>	<u>\$ 17,736</u>	<u>\$ 85,971</u>

(Continued)

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF EXPENSES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	Emergency Assistance	Other Program Services	Agency	Total
<b>Program services:</b>				
Specific assistance to individuals	\$ 145,622	\$ 8,705	\$ 1,909	\$ 1,571,930
Other salaries and wages	-	41,734	-	1,112,487
Pension plan contributions	-	-	-	56,439
Other employee benefits	-	1,364	-	91,852
Payroll taxes	-	1,500	-	83,931
Occupancy	-	6,000	-	144,711
Equipment rental and maintenance	-	1,380	-	20,517
Depreciation	-	5,695	-	44,310
Other	-	1,325	-	38,505
Travel	-	3,276	-	31,529
Supplies	-	2,791	-	24,417
Telephone	258	1,049	-	27,624
Postage and shipping	-	-	-	9,989
Printing and publications	-	978	-	26,727
Conferences, conventions and meetings	-	1,974	-	17,076
Legal fees	-	-	-	5,945
Interest	-	2,656	-	2,656
<b>Management and general:</b>				
Other salaries and wages	905	1,202	61,679	131,766
Pension plan contributions	-	-	2,680	3,503
Other employee benefits	-	-	4,061	5,272
Payroll taxes	-	-	3,742	4,792
Accounting and other professional fees	-	-	19,800	36,210
Supplies	-	-	1,626	1,626
Telephone	-	-	13	13
Postage and shipping	-	-	833	833
Occupancy	-	-	113,592	113,592
Equipment rental and maintenance	-	-	-	882
Printing and publications	-	-	868	868
Travel	-	-	406	406
Other	-	1,496	13,633	51,004
Depreciation	-	2,623	1,404	4,027
Conferences, conventions and meetings	-	-	4,611	4,611
<b>Fundraising:</b>				
Miscellaneous	-	-	27,371	30,245
	<u>\$ 146,785</u>	<u>\$ 85,748</u>	<u>\$ 258,228</u>	<u>\$ 3,700,295</u>

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**

**SCHEDULE OF EXPENDITURES BY PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2004**

	<u>Expenses</u>	<u>Non-cash Adjustments, Including Depreciation</u>	<u>Equipment Purchases</u>	<u>Expenditures</u>
S.C.S.E.P. Title V	\$ 976,273	\$ (3,565)	\$ -	\$ 972,708
Workforce Investment Act	209,198	(18,078)	-	191,120
Foster Grandparent Program Title II, Part B	343,935	(714)	-	343,221
Migration and Refugee Services	265,338	(2,572)	-	262,766
United States Conference of Catholic Bishops	80,295	(2,288)	-	78,007
Match Grant	109,884	(1,028)	-	108,856
Public Private Partnership	80,488	-	-	80,488
Preferred Community	64,970	-	-	64,970
Counseling, Maternity & Adoption	474,858	-	-	474,858
Satellite Counseling Offices	50,377	-	-	50,377
Citizens Advocacy	77,123	(358)	-	76,765
HUD - SHP	207,890	(1,537)	6,514	212,867
Human Services Consortium	57,478	(1,177)	-	56,301
Tangipahoa Cares Program (ESBG & FEMA)	107,720	(715)	-	107,005
Coenr du Bayou	17,736	(607)	-	17,129
Joseph Homes (ESBG)	85,971	(5,976)	-	79,995
Emergency Assistance	146,785	-	-	146,785
Other Program Services	85,748	(8,318)	11,052	88,482
Agency	258,228	(1,404)	-	256,824
	<u>\$ 3,700,295</u>	<u>\$ (48,337)</u>	<u>\$ 17,566</u>	<u>\$ 3,669,524</u>



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**INDEPENDENT AUDITORS' REPORT 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  
Catholic Community Services  
of Baton Rouge, Inc.  
Baton Rouge, Louisiana

We have audited the financial statements of Catholic Community Services of Baton Rouge, Inc. (CCS) (a non-profit organization) as of and for the year ended June 30, 2004, and have issued our report thereon dated October 29, 2004. We conducted our 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered CCS's 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 control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CCS'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 those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information of the board of directors, management, federal awarding agencies, and the Legislative Auditor of the State of Louisiana, and is not intended to be, and should not be, used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
October 29, 2004



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**INDEPENDENT AUDITORS' 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  
Catholic Community Services  
of Baton Rouge, Inc.  
Baton Rouge, Louisiana

**Compliance**

We have audited the compliance of Catholic Community Services of Baton Rouge, Inc. (CCS) (a non-profit organization) 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, 2004. CCS'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 CCS's management. Our responsibility is to express an opinion on CCS's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CCS's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on CCS's compliance with those requirements.

In our opinion, CCS 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, 2004.

**Internal Control Over Compliance**

The management of CCS 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 our audit, we considered CCS's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the 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 caused by error or fraud 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. We noted no matters involving the internal control over compliance that we consider to be material weaknesses.

This report is intended for the information of the board of directors, management, federal awarding agencies, and the Legislative Auditor of the State of Louisiana, and is not intended to be, and should not be, used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Postlethwaite, Netterville*

Baton Rouge, Louisiana  
October 29, 2004





SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

<u>FEDERAL GRANT AGENCY/RECIPIENT STATE</u> <u>AGENCY/GRANT PROGRAM/NUMBER</u>	<u>FEDERAL</u> <u>CATALOGUE</u> <u>NUMBER</u>	<u>DISBURSEMENTS/</u> <u>EXPENDITURES</u>
U. S. Department of Labor:		
Pass through from State of Louisiana - Governor's Office of Elderly Affairs:		
S.C.S.E.P. - Title V	17.235	\$ <u>944,395</u>
Pass through from State of Louisiana - Department of Labor:		
Workforce Investment Act	17.255	<u>167,005</u>
Department of Health and Human Services:		
Pass through from State of Louisiana - Office of Community Services:		
Migration and Refugee Services Program	93.566	95,064
Public Private Partnership	93.566	70,270
Temporary Assistance for Needy Families (TANF)	93.558	94,501
Counseling, Maternity and Adoption	93.556	27,500
Pass through from Administration for Children and Families - Office of Refugee Resettlement:		
Preferred Community	93.576	58,919
United States Conference of Catholic Bishops - Match Grant	-	<u>88,504</u>
Total Department of Health and Human Services		<u>434,758</u>

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

<u>FEDERAL GRANT AGENCY/RECIPIENT STATE</u> <u>AGENCY/GRANT PROGRAM/NUMBER</u>	<u>FEDERAL</u> <u>CATALOGUE</u> <u>NUMBER</u>	<u>DISBURSEMENTS/</u> <u>EXPENDITURES</u>
Department of Housing and Urban Development:		
ESBG Grant	14.231	44,553
Supportive Housing	14.235	<u>168,312</u>
		<u>212,865</u>
Department of State:		
United States Conference of Catholic Bishops	-	<u>60,847</u>
Corporation for National and Community Service (formerly ACTION):		
Foster Grandparent Program, Title II, Part B	94.001	<u>307,465</u>
Federal Emergency Management Agency:		
Emergency Assistance Program	85.516	<u>91,843</u>
 Total All Grants		 <u>\$ 2,219,178</u>

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of federal financial awards includes the federal grant activity of Catholic Community Services of Baton Rouge, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**NOTE B - RECONCILIATION OF EXPENSES TO FEDERAL EXPENDITURES**

	<b>Expenses</b>	<b>Non- Federal Award Expenditures</b>	<b>Non-cash Adjustments, Including Depreciation</b>	<b>Equipment Purchases</b>	<b>Expenditures</b>
S.C.S.E.P. Title V	\$ 976,273	\$ (28,313)	\$ (3,565)	\$ -	\$ 944,395
Workforce Investment Act	209,198	(24,115)	(18,078)	-	167,005
Foster Grandparent Program Title II, Part B	343,935	(35,756)	(714)	-	307,465
Migration and Refugee Services	265,338	(98,836)	(2,572)	-	163,930
United State Conference of Catholic Bishops	80,295	(17,160)	(2,288)	-	60,847
Match Grant	109,884	(20,352)	(1,028)	-	88,504
Public Private Partnership	80,488	(10,218)	-	-	70,270
Preferred Community	64,970	(6,051)	-	-	58,919
Counseling, Maternity & Adoption	474,858	(449,858)	-	-	25,000
Satellite Counseling Offices	50,377	(50,377)	-	-	-
Citizens Advocacy	77,123	(76,765)	(358)	-	-
HUD – SHP	207,890	(44,555)	(1,537)	6,514	168,312
Human Services Consortium	57,478	(56,301)	(1,177)	-	-
Tangipahoa Cares Program (ESBG & FEMA)	107,720	(66,495)	(715)	-	40,510
Coeur du Bayou	17,736	(17,129)	(607)	-	-
Joseph Homes (ESBG)	85,971	(22,426)	(5,976)	-	57,569
Emergency Assistance	146,785	(92,782)	-	-	54,003
Other Program Services	85,748	(76,033)	(8,318)	11,052	12,449
Agency	258,228	(256,824)	(1,404)	-	-
	<b><u>\$ 3,700,295</u></b>	<b><u>\$ (1,450,346)</u></b>	<b><u>\$ (48,337)</u></b>	<b><u>\$ 17,566</u></b>	<b><u>\$ 2,219,178</u></b>

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004

**A. Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: Unqualified

- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      x   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes      x   no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
- Reportable condition(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ yes      x   none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_\_\_ yes      x   no

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

17.235

S.C.S.E.P. – Title V

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$300,000.
- Catholic Community Services of Baton Rouge, Inc. was determined to be a low-risk auditee.

**B. Findings – Financial Statement Audit**

None

**C. Findings and Questioned Costs – Major Federal Award Programs**

None

**CATHOLIC COMMUNITY SERVICES OF BATON ROUGE, INC.**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

None