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***Financial Report***  
***Planned Parenthood of Louisiana***  
***and the Mississippi Delta, Inc.***

***June 30, 2004***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-2-05

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June 30, 2004

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**FINANCIAL SECTION**



Bourgeois Bennett

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Planned Parenthood of Louisiana and the Mississippi Delta, Inc.,  
New Orleans, Louisiana.

We have audited the accompanying statement of financial position of Planned Parenthood of Louisiana and the Mississippi Delta, Inc. (a nonprofit organization), as of June 30, 2004, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization'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. 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 presented. 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 Planned Parenthood of Louisiana and the Mississippi Delta, Inc. as of June 30, 2004, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 1, 2004 on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
November 1, 2004.

**STATEMENT OF FINANCIAL POSITION****Planned Parenthood of Louisiana  
and the Mississippi Delta, Inc.**

June 30, 2004

**ASSETS****Assets**

Cash and cash equivalents	\$ 247,150
Grants and contracts receivable	30,057
Unconditional promises to give:	
Capital Campaign	501,260
Other	15,932
Receivable from Medicaid	5,398
Inventory	13,826
Other receivables	37,437
Prepaid expenses	3,517
Property, equipment and improvements, net of accumulated depreciation	<u>156,117</u>
Total assets	<u><u>\$ 1,010,694</u></u>

**LIABILITIES AND NET ASSETS****Liabilities**

Accounts payable	\$ 42,263
Accrued salaries and vacation pay	63,435
Loans payable	<u>37,213</u>
Total liabilities	<u>142,911</u>

**Net Assets**

Unrestricted	288,503
Temporarily restricted	<u>579,280</u>
Total net assets	<u>867,783</u>
Total liabilities and net assets	<u><u>\$ 1,010,694</u></u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES****Planned Parenthood of Louisiana  
and the Mississippi Delta, Inc.**

For the year ended June 30, 2004

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues and Support</b>			
Contributions			
Capital campaign	\$	\$ 564,827	\$ 564,827
Other	205,134	50,714	255,848
Clinical service fees and reimbursements, net	676,404		676,404
Contract fees for services -			
Family Planning Program	169,982		169,982
Government grants:			
STD Program	49,990		49,990
HIV/Aids Program	63,726		63,726
Interest income	780		780
Miscellaneous income	8,045		8,045
	<u>1,174,061</u>	<u>615,541</u>	<u>1,789,602</u>
<b>Net Assets Released From Restrictions</b>			
Program restrictions satisfied by payments	<u>383,810</u>	<u>(383,810)</u>	<u>-</u>
	<u>1,557,871</u>	<u>231,731</u>	<u>1,789,602</u>
<b>Expenses</b>			
Program services:			
Clinical services	809,766		809,766
Education and public affairs	81,283		81,283
Management and general	321,746		321,746
Fundraising			
Capital campaign	114,860		114,860
Other	64,040		64,040
	<u>1,391,695</u>		<u>1,391,695</u>
<b>Increase In Net Assets</b>	166,176	231,731	397,907
<b>Net Assets</b>			
Beginning of year	<u>122,327</u>	<u>347,549</u>	<u>469,876</u>
End of year	<u>\$ 288,503</u>	<u>\$ 579,280</u>	<u>\$ 867,783</u>

See notes to financial statements.

## STATEMENT OF FUNCTIONAL EXPENSES

### Planned Parenthood of Louisiana and the Mississippi Delta, Inc.

For the year ended June 30, 2004

	<u>Program Services</u>		<u>Totals</u>
	<u>Clinical Services</u>	<u>Education and Public Affairs</u>	
Salaries and wages	\$ 432,312	\$ 36,817	\$ 469,129
Employee benefits	51,474	5,857	57,331
Accounting / auditing			-
Advertising	10,204		10,204
Automobile expenses	7,950	140	8,090
Bank charges	8,025		8,025
Board expenses			-
Consultants	60,373	13,368	73,741
Depreciation	5,930	619	6,549
Insurance	21,312	858	22,170
Janitorial services	5,421	440	5,861
Justice fund expenses			-
Laboratory fees	23,919		23,919
Medical supplies	39,362		39,362
Miscellaneous	5,358	1,565	6,923
National Program Support - Planned Parenthood Federation of America			-
Office expenses	29,249	1,440	30,689
Pension plan expense	3,243	576	3,819
Physician fees	6,251		6,251
Postage and shipping	7,744	337	8,081
Printing and publications	13,012		13,012
Rent	48,799	1,764	50,563
Repairs and maintenance	5,016	330	5,346
Special event expenses			-
Telecommunications	9,261	647	9,908
Travel, meetings and conferences	8,587	16,525	25,112
Utilities	6,964		6,964
Total expenses	<u>\$ 809,766</u>	<u>\$ 81,283</u>	<u>\$ 891,049</u>

See notes to financial statements.

<u>Management and General</u>	<u>Fundraising</u>		<u>Total Expenses</u>
	<u>Capital Campaign</u>	<u>Other</u>	
\$ 161,013	\$ 19,567	\$ 26,755	\$ 676,464
25,298	2,859	4,546	90,034
11,589			11,589
2,793		46	13,043
429		158	8,677
765			8,790
88			88
14,576	89,754	3,054	181,125
1,682		620	8,851
3,969		1,037	27,176
2,377			8,238
		1,625	1,625
			23,919
			39,362
14,275	100	1,511	22,809
15,493			15,493
13,630	169	2,036	46,524
4,884	12	236	8,951
			6,251
2,506	28	1,796	12,411
5,945	115	3,801	22,873
19,521		3,528	73,612
4,204		598	10,148
		8,742	8,742
8,698	499	536	19,641
8,011	1,757	3,415	38,295
			6,964
<u>\$ 321,746</u>	<u>\$ 114,860</u>	<u>\$ 64,040</u>	<u>\$ 1,391,695</u>

**STATEMENT OF CASH FLOWS****Planned Parenthood of Louisiana  
and the Mississippi Delta, Inc.**

For the year ended June 30, 2004

<b>Cash Flows From Operating Activities</b>	
Increase in net assets	\$ 397,907
Adjustments to reconcile increase in net assets to net cash used in operating activities:	
Depreciation	8,851
Changes in assets and liabilities:	
Decrease (increase) in operating assets:	
Grants and contracts receivable	(344)
Unconditional promises to give - other	1,584
Receivable from Medicaid	11,615
Other receivables	(26,179)
Prepaid expenses	7,280
Increase (decrease) in operating liabilities:	
Accounts payable	13,475
Accrued salaries and vacation pay	(1,875)
Capital Campaign Revenue restricted for acquisition of property and equipment, net of expenses	<u>(471,260)</u>
Net cash used in operating activities	(58,946)
<b>Cash Flows From Investing Activities</b>	
Purchase of property and equipment	<u>(123,122)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(182,068)
<b>Cash and Cash Equivalents</b>	
Beginning of year	<u>429,218</u>
End of year	<u>\$ 247,150</u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Planned Parenthood of Louisiana  
and the Mississippi Delta, Inc.**

June 30, 2004

**Note 1 - NATURE OF ACTIVITIES**

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. (the Organization) provides health care services, counseling and educational assistance to men and women in the New Orleans, Baton Rouge, and Mississippi Delta areas. The Organization reports to the national organization, Planned Parenthood Federation of America, which approves the geographic areas in which the Organization provides services.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a. Organization and Income Taxes**

The Organization is a nonprofit corporation organized under the laws of the State of Louisiana in 1983. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax under the authority of R.S.47:121(5).

In 1991, The Organization established the Planned Parenthood of Louisiana Action Network, Inc. (PPLAN), a separate organization created under Internal Revenue Code Section 501(c)(4). This organization is allowed to incur expenditures to influence votes and support political candidates. PPLAN has neither received its tax exempt status under the Internal Revenue Code nor been activated; therefore, there was no activity in this organization for the year ended June 30, 2004.

**b. Basis of Accounting**

The financial statements of Planned Parenthood of Louisiana and the Mississippi Delta, Inc. are prepared on the accrual basis of accounting.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c. Financial Statement Presentation**

Financial statement presentation follows the recommendations of the Statement of Financial Accounting Standards, (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations." Under SFAS No. 117, the Organization classified its net assets, revenues, and expenses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

**Unrestricted Net Assets** - Net patient service revenues, grants and other revenues and expenditures of funds for the general operation of its clinics.

**Temporarily Restricted Net Assets** - Grants and other revenues specifically authorized by the grantor or donor to be used for a certain purpose or to benefit a specific accounting period.

**Permanently Restricted Net Assets** - The Organization does not have any permanently restricted net assets.

**d. 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 certain reported amounts and disclosures. Actual results could differ from those estimates.

**e. Concentrations**

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. operates two clinics. Health care services, counseling and educational assistance are provided to patients who reside primarily in the New Orleans, Baton Rouge, and Mississippi Delta areas.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f. Promises to Give**

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. For the year ended June 30, 2004 all unconditional promises to give were recognized as assets and revenues. All promises are deemed by management to be collectible. At June 30, 2004, conditional promises to give totaled \$1,245,000. These promises to give have conditions which require the Organization to raise matching funds by certain specified dates or to award a construction contract and obtain a signed agreement.

**g. Contributions and Revenue Recognition**

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by a donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a 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. Donor restricted contributions whose restrictions are met in the same reporting period is reported as unrestricted support. The Organization has no permanently restricted net assets.

Clinical service fees represent the estimated net realizable amounts from patients, third party payors, and others for services rendered.

**h. Allowance for Uncollectible Accounts**

Patients are expected to pay for services rendered at the time of the clinic visits. If a patient is unable to pay, a receivable is recorded. Patients are required to pay any outstanding balances at the time of the next visit. Receivables which are deemed uncollectible are written off at the end of the fiscal year.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Third Party Contractual Adjustments**

The Organization records net realizable revenue from third party payors (Medicaid) at the time that clinical services are provided. No contractual adjustments are made unless the claim is denied.

**j. Inventory**

Inventory of medical supplies is recorded at cost using the first-in, first-out method.

**k. Property, Equipment, and Improvements**

Property, equipment, and leasehold improvements are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed on the straight-line method. Donated property is recorded at its fair market value at the date of donation.

**l. In-Kind Support**

The Organization accounts for the value of donated legal services as support and professional services expense. The value of these services for the year ended June 30, 2004 was not significant and was not recorded.

**m. Unemployment Benefits**

In lieu of tax contributions, the Organization has elected under the Louisiana Employment Security Law to reimburse the State of Louisiana for benefits paid by the State and charged against the account of the Organization. The Organization recognizes this expense in the period for which the benefits are billed by the State.

**n. Allocated Expenses**

The costs of providing the various programs and other activities are summarized in the statement of functional expenses. Certain expenses have been allocated among the programs and supporting services based on management's estimate of the costs involved.

**Note 3 - RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are restricted by donors for specific purposes or designated for subsequent periods. Certain restrictions on cash and unconditional promises to give are for the acquisition of property and equipment and such restrictions are considered to expire when payment for the designated purpose is made.

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

Property and equipment acquisitions:	
Capital campaign	\$527,597
Other	50,042
Operations of subsequent periods	<u>1,641</u>
Total temporarily restricted net assets	<u>\$579,280</u>

**Note 4 - UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give consists of the following:

Unrestricted promises	\$ 14,291
Capital Campaign	546,983
Restricted for operations of subsequent periods	<u>1,641</u>
Gross unconditional promises to give	562,915
Less unamortized discount	<u>(45,723)</u>
Net unconditional promises to give	<u>\$517,192</u>
Amount due in:	
Less than one year	\$135,231
One to five years	<u>427,684</u>
Totals	<u>\$562,915</u>

**Note 5 - PROPERTY, EQUIPMENT, AND IMPROVEMENTS**

At June 30, 2004, the cost of property, equipment, and improvements was as follows:

Furniture and equipment	\$205,529
Leasehold improvements	<u>163,728</u>
	369,257
Less accumulated depreciation	<u>213,140</u>
Net property, equipment, and improvements	<u>\$156,117</u>

Depreciation expense for the year ended June 30, 2004 was \$8,851.

**Note 6 - LOANS PAYABLE**

The Organization's obligations under loans payable consist of the following at June 30, 2004:

George Jenne	\$24,292
Electrical Sales Corporation	<u>12,921</u>
Total	<u>\$37,213</u>

The Loan payable to George Jenne is for leasehold improvements which will be paid in twelve equal payments, with no interest.

The loan payable to Electrical Sales Corporation is evidenced by a promissory note to be repaid in sixty monthly installments, with no interest secured by the electronic equipment transferred to the Organization. Management deems the interest component to be insignificant.

**Note 7 - LEASE COMMITMENTS**

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. leases its Magazine Street, Tulane Avenue, and Baton Rouge locations under operating leases. Rent expense related to these leases was \$73,612 for the year ended June 30, 2004.

**Note 7 - LEASE COMMITMENTS (Continued)**

The future minimum lease payments under the above described leases are as follows:

<u>For the year ending June 30,</u>	<u>Amount</u>
2005	\$ 81,336
2006	51,572
2007	<u>18,370</u>
Total	<u>\$151,278</u>

**Note 8 - RELATED PARTY TRANSACTIONS**

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. is a member of and pays dues to the national organization, Planned Parenthood Federation of America. Dues for the year ended June 30, 2004 were \$ 15,493.

**Note 9 - CAPITAL CAMPAIGN**

In 2002, the Organization began a Capital Campaign to raise funds to construct a building in the uptown New Orleans area. The Organization has incurred expenses related to the setup and operation of the Capital Campaign. As of June 30, 2004, the Organization has raised \$829,190 including cash received through that date and promises to give in subsequent periods.

Promises receivable are as follows:

Pledges receivable at beginning of the year	\$ 30,000
New promises made during the year	610,550
Less cash received during the year	<u>(93,567)</u>
Promises receivable at year end	546,983
Less unamortized discount	<u>(45,723)</u>
Total	<u>\$501,260</u>

**Note 9 - CAPITAL CAMPAIGN AND CAPITAL CAMPAIGN PLEDGE RECEIVABLES**  
**(Continued)**

Management deems these pledge receivables to be substantially all collectible and therefore no allowances for doubtful pledges has been recorded.

The activities of the Capital Campaign through June 30, 2004 are as follows:

Total Capital Campaign promises	\$ 829,190
Discount to net present value at June 30, 2004	(45,723)
Net assets released from restriction through payment of acquisitions of property of payment of Capital Campaign expenses:	
<u>June 30,</u>	
2002	(54,241)
2003	(83,570)
2004	<u>(118,059)</u>
Temporarily restricted net assets – Capital Campaign	<u>\$ 527,597</u>

**Note 10 - BANK LINE OF CREDIT**

The Organization obtained a \$35,000 line of credit from its bank. This line has no stated maturity date. The interest rate for the line is 0.5% over the Prime Rate. There was no outstanding balance on the line at June 30, 2004.

**Note 11 - CONCENTRATION OF CREDIT RISK**

The Organization maintains its cash accounts in various financial institutions where the accounts are insured by Federal Deposit Insurance Corporation up to \$100,000 per bank or up to \$500,000 at investment brokerage firms (with a limit of \$100,000 for cash) by the Securities Investor Protection Corporation. At June 30, 2004, the Organization had approximately \$95,000 in excess of the insured limits.

**Note 12 - RISK MANAGEMENT**

The Organization is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the year ended June 30, 2004.

**Note 13 - CASH FLOWS INFORMATION**

Property and equipment of \$37,213 was acquired through loans payable during the year ended June 30, 2004.

**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

**REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,  
Planned Parenthood of Louisiana and the Mississippi Delta, Inc.,  
New Orleans, Louisiana.

We have audited the financial statements of Planned Parenthood of Louisiana and the Mississippi Delta, Inc. (a nonprofit organization) as of and for the year ended June 30, 2004, and have issued our report thereon dated November 1, 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.

**Compliance**

As part of obtaining reasonable assurance about whether Planned Parenthood of Louisiana and the Mississippi Delta, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provision 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 that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Planned Parenthood of Louisiana and the Mississippi Delta, Inc.'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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management, 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

New Orleans, Louisiana,  
November 1, 2004.

## SCHEDULE OF FINDINGS

### **Planned Parenthood of Louisiana and the Mississippi Delta, Inc.**

For the year ended June 30, 2004

#### **Section I - Summary of Auditor's Report**

##### a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

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

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

##### b) Federal Awards

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. did not receive federal awards in excess of \$500,000 during the year ended June 30, 2004 and, therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

#### **Section II - Financial Statement Findings**

No financial statement findings were noted during the audit of the financial statements for the year ended June 30, 2004.

#### **Section III - Federal Award Findings and Questioned Costs**

Not applicable.

**REPORTS BY MANAGEMENT**

## **SCHEDULE OF PRIOR YEAR FINDINGS**

### **Planned Parenthood of Louisiana and the Mississippi Delta, Inc.**

For the year ended June 30, 2004

#### **Section I - Internal Control and Compliance Material to the Financial Statements**

##### **Internal Control**

No material weaknesses were noted during the audit of the financial statements for the year ended June 30, 2003.

No reportable conditions were reported during the audit of the financial statements for the year ended June 30, 2003.

##### **Compliance**

No compliance findings material to the financial statements were noted during the audit of the financial statements for the year ended June 30, 2003.

#### **Section II - Internal Control and Compliance Material To Federal Awards**

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. did not receive federal awards in excess of \$300,000 during the year ended June 30, 2003 and, therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

#### **Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2003.

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

### **Planned Parenthood of Louisiana and the Mississippi Delta, Inc.**

For the year ended June 30, 2004

#### **Section I - Internal Control and Compliance Material to the Financial Statements**

##### **Internal Control**

No material weaknesses were noted during the audit of the financial statements for the year ended June 30, 2004.

No reportable conditions were reported during the audit of the financial statements for the year ended June 30, 2004.

##### **Compliance**

No compliance findings material to the financial statements were noted during the audit of the financial statements for the year ended June 30, 2004.

#### **Section II - Internal Control and Compliance Material To Federal Awards**

Planned Parenthood of Louisiana and the Mississippi Delta, Inc. did not receive federal awards in excess of \$500,000 during the year ended June 30, 2004 and, therefore, is exempt from the audit requirements under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

#### **Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 2004.