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ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

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 4/9/08

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Statements of Financial Position	2
Statements of Activities - Unrestricted	3
Statements of Activities - Temporarily Restricted	4-5
Statements of Cash Flows	6-7
Notes to Financial Statements	8-11
 <u>RELATED REPORT</u>	
Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	12-13
 <u>SUPPLEMENTARY INFORMATION</u>	
Schedule of Findings and Questioned Costs	14-15
Schedule of Prior Year Findings	16

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A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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John Newton Stout, CPA
1936-2005

Retired
Harold Dupre, CPA
1996
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2003
Russell J. Stelly, CPA
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
St. Landry Community Services, Inc.
Opelousas, Louisiana

We have audited the accompanying statements of financial position of St. Landry Community Services, Inc., a nonprofit corporation, as of June 30, 2007 and 2006, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of St. Landry Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 presentation. We believe that our audits provide 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 St. Landry Community Services, Inc., as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years 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 March 3, 2008 on our consideration of the St. Landry Community Services, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the St. Landry Community Services, Inc. basic financial statements. The schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

John S. Dowling & Company
Opelousas, Louisiana
March 3, 2008

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2007 AND 2006

	TEMPORARILY RESTRICTED										TOTAL	
	UNRESTRICTED		PROJECT BART		SAVE II		SAVE OUR		AIMM/ CREDIT UNION		(MEMORANDUM ONLY)	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
ASSETS												
Cash and cash equivalents		\$2,265	\$38,603		\$16,190		\$70,628	\$6,342	\$30,442	\$200,910	\$155,863	\$209,517
Accounts receivable			1,467		86				2,000		3,553	
TANF funds receivable			15,620		70,637		47,942	64,100			118,579	64,100
Due from other funds					3,488		13,228	22,279	87,695		120,031	22,279
Total current assets		-0-	55,690	-0-	90,401	-0-	131,798	92,721	120,137	200,910	398,026	295,896
Office furniture and equipment, net	\$12,360	18,682	1,683				21,216	34,423			35,259	53,105
Total noncurrent assets	12,360	18,682	1,683	-0-	-0-	-0-	21,216	34,423	-0-	-0-	35,259	53,105
Total assets	12,360	20,947	57,373	-0-	90,401	-0-	153,014	127,144	120,137	200,910	433,285	349,001
LIABILITIES AND NET ASSETS												
Accounts payable	\$1,400		\$5,486		\$4,838		\$5,495	\$23,511	\$237		\$16,056	\$24,911
Due to Edu Com							31,549				31,549	
Payroll withholdings payable			336		495		1,164	702	154		2,149	702
Unemployment payable								858				858
Due to other funds	\$21,461	22,279	24,618		42,772		15,620		15,560		120,031	22,279
Total current liabilities	21,461	23,679	30,440	-0-	48,105	-0-	53,828	25,071	15,951	-0-	169,785	48,750
Unrestricted, undesignated	(9,101)	(2,732)									(9,101)	(2,732)
Temporarily restricted			26,933		42,296		99,186	102,073	104,186	\$200,910	278,601	302,983
Total net assets	(9,101)	(2,732)	26,933	-0-	42,296	-0-	99,186	102,073	104,186	200,910	263,500	300,251
Total liabilities and net assets	12,360	20,947	57,373	-0-	90,401	-0-	153,014	127,144	120,137	200,910	433,285	349,001

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

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES - UNRESTRICTED
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>REVENUES AND OTHER SUPPORT</u>		
State grants		
Governor's Office of Urban Affairs and Development		\$18,891
Interest income		276
Donations	\$5,057	19,722
State appropriation revenue		7,787
Miscellaneous	700	259
<u>Total revenues and other support</u>	<u>5,757</u>	<u>46,935</u>
<u>EXPENSES</u>		
<u>Administrative</u>		
Personnel - salaries		29,640
Personnel - fringe benefits		2,816
Telephone and postage		1,518
Rent, utilities, and janitorial service		6,126
Internet		671
Donation expenses	3,892	19,722
State appropriation expense		7,787
Office supplies		208
Depreciation	6,322	6,613
Bank charges	24	67
Miscellaneous		195
<u>Total administrative</u>	<u>10,238</u>	<u>75,363</u>
<u>Direct Services</u>		
PAX TV expense	600	
Back to School Expense		5,602
CCAH African Americans		3,092
<u>Total direct services</u>	<u>600</u>	<u>8,694</u>
<u>Nonprogram Costs</u>		
		5
<u>Total expenses</u>	<u>10,838</u>	<u>84,062</u>
<u>DEFICIENCY OF REVENUES UNDER EXPENSES</u>	<u>(5,081)</u>	<u>(37,127)</u>
<u>OTHER INCREASES (DECREASES)</u>		
Transfer from/to Credit Union		1,318
Transfer to Save II	(1,288)	
<u>Total other increases (decreases)</u>	<u>(1,288)</u>	<u>1,318</u>
<u>Change in Net Assets</u>	<u>(6,369)</u>	<u>(35,809)</u>
<u>NET ASSETS (DEFICIT), beginning of year</u>	<u>(2,732)</u>	<u>33,077</u>
<u>NET ASSETS (DEFICIT), end of year</u>	<u>(9,101)</u>	<u>(2,732)</u>

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

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA

STATEMENTS OF ACTIVITIES - TEMPORARILY RESTRICTED
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	PROJECT BART		SAVE II		SAVE OUR SONS AND DAUGHTERS		AIMM/ CREDIT UNION	
	2007	2006	2007	2006	2007	2006	2007	2006
<u>REVENUES AND OTHER SUPPORT</u>								
Grants	\$175,000		\$214,855		\$239,609	\$228,741		
Donation revenue	1,545				159			
Edu Com grant					175,000		\$469	\$2,228
Miscellaneous					30		656	2,228
Interest							1,125	
<u>Total revenues and other support</u>	<u>176,545</u>	<u>-0-</u>	<u>214,855</u>	<u>-0-</u>	<u>414,798</u>	<u>228,741</u>		
<u>EXPENSES</u>								
<u>Administrative</u>								
Personnel - salaries					16,310	13,131	3,750	3,535
Personnel - fringe benefits					2,736	1,544		270
Telephone	1,572				241	616	211	513
Rent	4,800		700		2,100	1,450	1,490	
Utilities	1,752				1,190	1,325	552	918
Accounting/audit	1,800				700		8,800	
Supplies	268		337		407	181	264	
Travel	540				1,352	968	1,446	
<u>Total administrative</u>	<u>10,732</u>	<u>-0-</u>	<u>1,037</u>	<u>-0-</u>	<u>25,036</u>	<u>19,215</u>	<u>16,513</u>	<u>5,236</u>
<u>Direct Services</u>								
Salaries	79,428		124,167		145,349	102,690	17,133	
Fringe benefits	9,372		12,420		12,628	9,764	1,420	
Contract labor	32,150		2,500			1,687	42,708	
Staff development	888							
Classroom supplies	2,061		1,963		11,922	11,058	1,144	
Bus driver mileage	4,686		13,273		16,040	18,458	4,964	
Incentive/hospitality	3,314				664		1,025	
PAX TV expense	1,400				3,600			
Printing, postage	284				233	12,536	7,750	
Consultant	5,196							
Depreciation					13,207		525	
Janitorial			1,500		400			
Donation expense								2,875
CCAH African Americans								

Continued on next page.

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

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES - TEMPORARILY RESTRICTED - CONTINUED
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	<u>PROJECT BART</u>		<u>SAVE II</u>		<u>SAVE OUR SONS AND DAUGHTERS</u>		<u>AIMM/ CREDIT UNION</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<u>EXPENSES - Continued</u>								
<u>Direct Services - Continued</u>								
<u>Repair and maintenance</u>					\$350	\$2,125	\$500	
<u>Field trip expense</u>	\$101		\$16,587		17,324	18,234		
<u>Equipment rental</u>					196	2,318		
<u>Pass through of funds to Edu Com</u>					175,000			
<u>Advertisement</u>							600	
<u>Insurance</u>							500	
<u>Total direct services</u>	<u>138,880</u>	<u>-0-</u>	<u>172,810</u>	<u>-0-</u>	<u>392,649</u>	<u>183,134</u>	<u>81,336</u>	<u>-0-</u>
<u>Total expenses</u>	<u>149,612</u>	<u>-0-</u>	<u>173,847</u>	<u>-0-</u>	<u>417,685</u>	<u>202,349</u>	<u>97,849</u>	<u>\$5,236</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER</u>	<u>26,933</u>	<u>-0-</u>	<u>41,008</u>	<u>-0-</u>	<u>(2,887)</u>	<u>26,392</u>	<u>(96,724)</u>	<u>(3,008)</u>
<u>(UNDER) EXPENSES</u>								
<u>OTHER INCREASES (DECREASES)</u>								
<u>Transfer from Urban Affairs</u>			<u>1,288</u>					<u>(1,318)</u>
<u>Total other increases</u>			<u>1,288</u>		<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,318)</u>
<u>(decreases)</u>	<u>-0-</u>	<u>-0-</u>	<u>1,288</u>	<u>-0-</u>				
<u>Change in Net Assets</u>	<u>26,933</u>		<u>42,296</u>		<u>(2,887)</u>	<u>26,392</u>	<u>(96,724)</u>	<u>(4,326)</u>
<u>TEMPORARILY RESTRICTED NET ASSETS,</u>								
<u>beginning of year</u>					<u>102,073</u>	<u>75,681</u>	<u>200,910</u>	<u>205,236</u>
<u>TEMPORARILY RESTRICTED NET ASSETS,</u>								
<u>end of year</u>	<u>26,933</u>	<u>-0-</u>	<u>42,296</u>	<u>-0-</u>	<u>99,186</u>	<u>102,073</u>	<u>104,186</u>	<u>200,910</u>

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

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	TEMPORARILY RESTRICTED									
	UNRESTRICTED		PROJECT BART		SAVE II		SAVE OUR SONS AND DAUGHTERS		AISM/ CREDIT UNION	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>										
Cash received from grants		\$18,891	\$175,000	\$144,132			\$430,767	\$218,646		
Cash received from donations	\$5,057		1,545							
Cash paid for salaries and fringes		(32,456)	(127,277)	(138,592)			(177,419)	(126,736)		\$(3,805)
Cash paid for subcontracts		(8,694)								
Cash paid to suppliers	(5,916)	(38,262)	(17,980)	(29,922)			(70,471)	(50,893)		(1,431)
Interest earned		276					(143,451)			656
Cash paid to Edu Com	700	27,768					189			(1,531)
Other receipts	(1,288)	23,983		1,288				(22,279)		
Transfers in/out										(1,318)
Net cash provided (used) by operating activities	(1,447)	(8,494)	31,288	(23,094)	-0-	-0-	39,615	18,738	(98,333)	(4,326)
<u>CASH FLOWS USED BY INVESTING ACTIVITIES</u>										
Purchase of fixed assets			(1,683)					(14,012)		
Net cash used by investing activities	-0-	-0-	(1,683)	-0-	-0-	-0-	-0-	(14,012)	-0-	-0-
<u>CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</u>										
Operating loan	(818)	-0-	8,998	39,284	-0-	-0-	24,671	(386)	(72,135)	-0-
NET INCREASE (DECREASE) IN CASH	(2,265)	(8,494)	38,603	16,190	-0-	-0-	64,286	4,340	(170,468)	(4,326)
CASH, beginning of year	2,265	10,759					6,342	2	200,910	205,236
CASH, end of year	-0-	2,265	38,603	16,190	-0-	-0-	70,628	4,342	30,442	200,910

Continued on next page.

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

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF CASH FLOWS - CONTINUED
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	TEMPORARILY RESTRICTED					
	UNRESTRICTED	PROJECT BART	SAVE II	SAVE OUR SONS AND DAUGHTERS	AIMM/ CREDIT UNION	
	2007	2006	2007	2006	2007	2006
<u>RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>						
Increase (decrease) in net assets	\$(6,365)	\$(35,809)	\$26,933	\$42,296	\$(2,887)	\$26,392
Adjustments to reconcile:						
Depreciation	6,322	6,613			13,207	12,536
Transfer of fixed assets						
(Increase) decrease in receivables		386	(1,467)	(70,723)		(10,095)
(Increase) decrease in due from accounts						(22,279)
Increase (decrease) in accounts payable	(1,400)	(1,927)	5,822	4,838	(18,016)	11,790
Increase (decrease) in payroll liabilities				495	462	307
Increase (decrease) in due to accounts		22,279			31,549	87
Increase (decrease) in unemployment payable					(858)	
Increase (decrease) in accrued travel		(36)				
Net cash provided (used) by						
<u>operating activities</u>	<u>(1,447)</u>	<u>(8,494)</u>	<u>31,288</u>	<u>(23,094)</u>	<u>39,615</u>	<u>18,738</u>
		<u>-0-</u>		<u>-0-</u>	<u>(98,333)</u>	<u>(4,326)</u>

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

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ACTIVITIES

St. Landry Community Services, Inc. is a nonprofit corporation whose primary purpose is to encourage the formation and maintenance of two-parent families through the provision of supervised, structured out-of-school activities for students. The program provides homework assistance to approximately one hundred fifty students ages nine through fourteen. St. Landry Community Services, Inc. also sponsors after school church-based tutorial programs and supports worthwhile eligible community programs. Support for St. Landry Community Services, Inc. comes primarily from the Governor's Office of Urban Affairs and Development of the State of Louisiana and the Save Our Sons and Daughters Program through the Louisiana Department of Education.

B. BASIS OF ACCOUNTING

The financial statements of St. Landry Community Services, Inc., have been prepared on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Purchases of operating supplies are regarded as expenditures at the time purchased and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year, unless material.

C. PROPERTY AND EQUIPMENT

Fixed assets are recorded at cost. Donated assets are recorded at fair market value. Such donated assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is computed using the straight-line method based on the estimated useful life of each asset. Average lives for video libraries, and office furniture and equipment are estimated to be 5-7 years. Maintenance and repairs are charged to operations when incurred.

D. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. INCOME TAXES

St. Landry Community Services, Inc. is a nonprofit corporation exempt from income taxes under the Internal Revenue Code Section 501(c)(4) and similar provisions of the State Code. Therefore, no provision for income taxes has been made. At December 4, 2007, the Internal Revenue Service determined that St. Landry Community Services, Inc. is exempt under section 501(c)(3) with public charity status under section 170(b)(1)(A)(vi). As such, contributions to St. Landry Community Services, Inc. are deductible under section 170 of the code.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. BUDGET ACCOUNTING

St. Landry Community Services, Inc., prepares a budget on the cash basis which is approved by the funding agency.

G. STATEMENTS OF CASH FLOWS

For purposes of reporting the statements of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

H. COMPENSATED ABSENCES

Annual leave of fifteen (15) working days with pay is granted to the Coordinator and ten (10) working days with pay to the Secretary/Receptionist. Annual leave for all employees is required to be used by December of each year. There is no carry-over of annual leave.

All employees are entitled to a maximum of ten (10) days absences per year for sick leave. Any unused days shall be accumulated up to twenty (20) days a year. Employees are not paid for accumulated sick leave.

I. CONTRIBUTIONS

In accordance with SFAS NO. 117, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

J. MEMORANDUM ONLY - TOTAL COLUMNS

Total columns on the accompanying statement of financial position are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE (2) - CASH

The book value of cash and cash equivalents for June 30, 2007 and 2006 consist of the following:

	<u>2007</u>	<u>2006</u>
Cash in noninterest-bearing account	\$70,628	\$8,607
Cash in interest-bearing accounts	<u>85,235</u>	<u>200,910</u>
	<u>155,863</u>	<u>209,517</u>

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006

NOTE (3) - RETIREMENT PLAN

Employees of St. Landry Community Services, Inc. are on the Social Security Retirement System.

NOTE (4) - OFFICE FURNITURE AND EQUIPMENT

The following is a summary of office furniture and equipment at June 30, 2007 and 2006:

	<u>UNRESTRICTED</u>		<u>TEMPORARILY RESTRICTED</u>		
			<u>SAVE OUR SONS</u>		<u>BART</u>
	<u>2007</u>	<u>2006</u>	<u>AND DAUGHTERS</u>	<u>2006</u>	<u>2007</u>
Books			\$9,234	\$9,234	
Video library	\$6,007	\$6,007	22,484	22,484	
Office furniture and equipment - at cost or fair market value	41,857	41,857	34,659	34,659	\$1,683
Accumulated depreciation	(35,504)	(29,182)	(45,161)	(31,954)	_____
<u>Net</u>	<u>12,360</u>	<u>18,682</u>	<u>21,216</u>	<u>34,423</u>	<u>1,683</u>
Depreciation expense	<u>\$6,322</u>	<u>\$6,613</u>	<u>\$13,207</u>	<u>\$12,536</u>	<u>-0-</u>

The cost of office furniture and equipment at June 30, 2007 and 2006 includes a copier donated to St. Landry Community Services, Inc. in a prior year with a fair market value of \$2,400.

NOTE (5) - NONPROGRAM COSTS

The nonprogram costs at June 30, 2007 and 2006 consist of the following:

	<u>2007</u>	<u>2006</u>
Filing fees	_____	\$5
	<u>-0-</u>	<u>5</u>

NOTE (6) - TEMPORARILY RESTRICTED NET ASSETS

During the current fiscal year, St. Landry Community Services, Inc. received a grant through the Federal program called "Temporary Assistance for Needy Families" (TANF), CFDA #93.558. The objective of the Community Services program is to provide homework assistance and after school tutoring to students of ages nine through fourteen. The grant is reimbursed to St. Landry Community Services, Inc. based on the number of students and contact hours submitted. TANF funds are received in the funds called Save II and Save Our Sons and Daughters.

Bart funds are received from the State of Louisiana Office of Community Services. The purpose of this grant is to equip teenagers with good habits to improve self-esteem and to help them become knowledgeable, responsibly caring and self-disciplined; to provide the youngsters with appropriate social skills, to help prepare them for the challenges of life in school and in our complex and fast paced world; to continue the academic process with the least amount of interruption by reducing school suspension, expulsion and dropout rates.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007 AND 2006

NOTE (6) - TEMPORARILY RESTRICTED NET ASSETS - Continued

Money previously accumulated for the First Federal Cooperative Credit Union was approved for reallocation in September, 2006. The new program is Assistance in Money Management (AIMM). The purpose of AIMM is to address income, debt, poverty and other financial matters in a complete program that is supportive of life goals and priorities and one that combines knowledge, education, possibilities, ideas, tactics, and strategies.

St. Landry Community Services, Inc. was granted permission from the State of Louisiana, Office of the Commissioner, Division of Administration to reallocate the Credit Union funds. Approval was granted since the proposal met the intent of the original agreement "to provide education and financial literacy network to disseminate and exchange financial information and ideas which will strengthen and help members help themselves."

NOTE (7) - CONCENTRATIONS OF CREDIT RISK

Credit risk for revenue is concentrated as well because of the volume of business transacted with a particular grantor.

Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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

John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Landos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

To the Board of Directors
 St. Landry Community Services, Inc.
 Opelousas, Louisiana

We have audited the financial statements of St. Landry Community Services, Inc., a nonprofit organization, as of and for the year ended June 30, 2007, and have issued our report thereon dated March 3, 2008. 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 St. Landry Community Services, 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, but not for the purpose of expressing an opinion on the effectiveness of the St. Landry Community Services, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the St. Landry Community Services, Inc.'s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the St. Landry Community Services, Inc.'s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the St. Landry Community Services, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by the St. Landry Community Services, Inc.'s internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2007-1, 2007-2, and 2007-3 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the St. Landry Community Services, Inc.'s internal control.

To the Board of Directors
St. Landry Community Services, Inc.
Page 2

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that 2007-1, 2007-2, and 2007-3 of the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether St. Landry Community Services, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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. We noted a certain matter that we reported to management in a separate letter dated March 3, 2008.

This report is intended solely for the information and use of the Board of Directors, management and the Governor's Office of Urban Affairs and Development 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.

John S. Dowling & Company
Opelousas, Louisiana
March 3, 2008

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

Section I - SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion of the financial statements of St. Landry Community Services, Inc.
2. Three material weaknesses relating to the audit of the financial statements is reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. There was no single audit required under OMB Circular A-133.

Section II - 2007 FINDINGS - FINANCIAL STATEMENTS AUDIT

Internal Control

2007-1 Interfund Accounts

Condition: St. Landry Community Services' interfund accounts are not reconciled.

Criteria: When operating transfers are being made between funds, the due to and due from accounts must be reconciled monthly to make sure that the records are accurate.

Cause: Transfers were being tracked but the books did not correctly reflect the transfers.

Effect: The books did not accurately reflect the transfers and due to/ due from accounts at year-end.

Recommendation: The bookkeeper should make and retain a schedule at the end of each month which will show exactly what each fund owes to each other fund.

2007-2 Due To and Due From Amounts

Condition: The books reflect numerous due to and due from amounts at year-end. These interfund accounts should be settled as soon as possible.

Criteria: Interfund loans should be used only as a temporary loan until the next funding check is received.

Cause: St. Landry Community Services, Inc. had several additional programs during the current year with revenue coming in at various times. Loans were made until funding was received. However, the loans were not paid back.

Effect: There are numerous due to and due from balances on the books at year-end.

Recommendation: Management should research each due to and due from account and settle each account as soon as possible.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2007

2007-3 Accounting Records

Condition: The underlying accounting records of St. Landry Community Services, Inc. were in disarray. A fund was closed out and new funds were set up to account for monies transferred without an adequate trail of the flow of transactions.

Criteria: The books should clearly reflect all activity of each fund.

Cause: There were numerous interfund activities during the year.

Effect: St. Landry Community Services, Inc's books did not adequately record the flow of transactions during the year.

Recommendation: The books should accurately record the flow of transactions during the year.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007

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

N/A

Section II - Internal Control and Compliance Material to Federal Awards

N/A

Section III - Management Letter

N/A

Chizal S. Fontenot, CPA
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Michael A. Roy, CPA
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2005

To the Board of Directors
St. Landry Community Services, Inc.
Opelousas, Louisiana

We have audited the financial statements of the St. Landry Community Services, Inc., Louisiana, as of and for the year ended June 30, 2007, and have issued our report thereon dated March 3, 2008. 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.

As part of our examination, we have issued our report on the financial statements, dated March 3, 2008, and our report on internal control and compliance with laws, regulations, contracts, and grants dated March 3, 2008. This letter does not affect our report dated March 3, 2008 on the financial statements of the St. Landry Community Services, Inc..

During our audit, we became aware of the following matter which is an immaterial deviation of noncompliance.

Immaterial Deviation of Noncompliance

2007-4 Timely Submittal of Audit Report

St. Landry Community Services, Inc.'s audit report was not submitted to the Louisiana Legislative Auditor within six months of the close of the fiscal year.

John S. Dowling & Company

Opelousas, Louisiana
March 3, 2008

ST. LANDRY COMMUNITY SERVICES, INC.

217 N. Main St.
Opelousas, Louisiana 70570
Phone: (337) 942-1040
Fax: (337) 942-1250

CORRECTIVE ACTION PLAN

Louisiana Legislative Auditor

The St. Landry Community Services, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2007.

Name and address of independent public accounting firm: John S. Dowling & Company, P.O. Box 1549, Opelousas, LA 70571-1549.

Audit period: Year ended June 30, 2007

The findings from the 2007 audit report are discussed below. The findings are numbered consistently with the numbers assigned in the report.

FINDINGS- FINANCIAL STATEMENT AUDIT

2007-1 Interfund Accounts

Corrective Action Planned: Bookkeeper has already made a schedule to show exactly what each fund owes and will reconcile them at the end of each month.

Personal Response: This was the first year that St. Landry Community Services, Inc. has ever had audit findings. I agree that this was not my best work. Each year I do a pre audit before the auditor comes in. Due to the lateness of me getting my work to the auditor I didn't have time to do the pre audit.

Contact Person Responsible for Corrective Action: Margaret RN Jackson

Anticipated Completion Date: Already corrected.

2007-2 Due To and Due From Amounts

Corrective Action Planned: St. Landry Community Services, Inc. did have several due to and from because all of our funds comes on one bank account. Upon receipt of funds bookkeeper will immediately write a check from that account and deposit it into the appropriate accounts. Bookkeeper have already begun to make preparation to clear up all due to and from. This should be completed by the end of the month.

Contact Person Responsible for Corrective Action: Margaret RN Jackson

Anticipated Completion Date: 03/31/08

2007-3 Accounting Records

Corrective Action Planned: This was a unique year in that we opened up new funds in order to try to keep all grants separated. We did keep the grants and all expenses separated. However, in the process, we did not leave a clear audit trail of how the monies were transferred from one fund to the new fund. This will not happen in the future as our income sources will be more stable.

Also, at the end of each month the bookkeeper will double check to make sure that all activities of each funds are properly documented and that a clear audit trail is available.

Contact Person Responsible for Corrective Action: Margaret RN Jackson

Anticipated Completion Date: Ongoing

2007-4 Timely submitting of Audit Report

This was the first time our audit report was ever late. This was just one of those rare situation. This will not happen again.

Contact Person Responsible for Corrective Action: Margaret RN Jackson

Sincerely yours,
