

9312

SAMUEL W. STEVENS, III
Certified Public Accountant

**TWELFTH WARD SAVE OUR COMMUNITY
ORGANIZATION, INC.
NEW ORLEANS, LOUISIANA**

**Reviewed Financial Statements
June 30, 2009**

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 3/24/10

**TWELFTH WARD SAVE OUR COMMUNITY ORGINAZATION, INC.
NEW ORLEANS, LOUISIANA**

Financial Statements and Independent Accountant's Report

For the Year ended June 30, 2009

TABLE OF CONTENTS

	Page(s)
Independent Accountant's Review Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Independent Accountant's Report on Applying Agreed-Upon Procedures	9
Schedule Of Findings	12
Schedule Of Prior Year's Findings	14
Louisiana Questionnaire	

SAMUEL W. STEVENS, III CPA

P.O. Box 52631 · Shreveport, LA 71135 · (318) 458-0930 · Fax (318) 219-7841

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Twelfth Ward Save Our Community Organization, Inc
New Orleans, Louisiana

I have reviewed the accompanying statement of financial position of Twelfth Ward Save Our Community Organization, Inc as of June 30, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the management of Twelfth Ward Save Our Community Organization, Inc

My review was conducted in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards issued by the Comptroller General of the United States of America. A review consists principally of inquires of entity personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, with the exception of the matter described in the following paragraph, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In the prior year, the organization recorded adjustments to exclude the beginning balances of its real property, related cash, debt, and net assets from its statement of financial position as of June 30 2008. Had adjustments been recorded to disclose these balances and the related transactions as of and for the year ended June 30, 2008, the reader might reach a different conclusion about 12th Ward's financial statements.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated March 12, 2010, on the results of my agreed-upon procedures.



Samuel W. Stevens, III
Certified Public Accountant

March 12, 2010

TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC.

Statement of Financial Position
June 30, 2009

<i>Assets</i>	
<i>Current Assets:</i>	
Cash	\$ 2,530
Grants Receivable	20,832
Total Current Assets	23,362
 <i>Property and Equipment:</i>	
Office Equipment	5,546
Computer Equipment	28,685
Less: Accumulated Depreciation	(14,082)
Total Property and Equipment	20,149
Total Assets	\$ <u>43,511</u>
 <i>Net Assets</i>	
<i>Net Assets:</i>	
Unrestricted Net Assets	\$ 43,511
Total Net Assets	43,511
Total Liabilities and Net Assets	\$ <u>43,511</u>

The accompanying notes are an integral part of the financial statements

TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC.

Statement of Activities
For the Year Ended June 30, 2009

		<u>Unrestricted</u>
<i>Revenue and Support</i>		
Grants:		
State of Louisiana	\$	125,000
Council on Aging		<u>101,916</u>
Total Revenue and Support		226,916
 <i>Expenses</i>		
Program Services		
Milan Area Senior Center		<u>305,640</u>
Total Program Services		305,640
Supporting Services:		
Management and general		<u>17,637</u>
Total Expenses		<u>323,278</u>
 <i>Change in Net Assets</i>		 (96,362)
 <i>Net Assets</i>		
Beginning of Year		<u>139,873</u>
End of Year	\$	<u><u>43,511</u></u>

The accompanying notes are an integral part of the financial statements

TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2009

	<i>Milan Area</i>	<i>Management</i>	<i>Total Expenses</i>
	<i>Senior Center</i>	<i>And General</i>	
	<u> </u>	<u> </u>	<u> </u>
Contract Labor	\$ 214,113	\$ -	\$ 214,113
Travel	16,906	1,120	18,026
Operating Services	3,344	16,517	19,861
Supplies	887	-	887
Professional Fees	62,195	-	62,195
Other Program Expenses	<u>1,349</u>	<u>-</u>	<u>1,349</u>
Total Expenses Before Depreciation	298,794	17,637	316,432
 Depreciation	<u>6,846</u>	<u>-</u>	<u>6,846</u>
 Total Expenses	\$ <u>305,640</u>	\$ <u>17,637</u>	\$ <u>323,278</u>

The accompanying notes are an integral part of the financial statements

TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC.

Statement of Cash Flows

June 30, 2009

<i>Cash Flows from Operating Activities:</i>	
Change in Net Assets	\$ (96,362)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided from Operations:	
Depreciation	6,846
(Increase)/Decrease in Receivables	43,090
Increase/(Decrease) in Payables	<u>(2,661)</u>
Total Adjustments	<u>47,275</u>
<i>Net Cash Provided/(Used) by Operating Activities</i>	(49,087)
<i>Cash and Cash Equivalents, Beginning of Year</i>	<u>51,617</u>
<i>Cash and Cash Equivalents, End of Year</i>	\$ <u><u>2,530</u></u>

The accompanying notes are an integral part of the financial statements

THE TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - Organization and Purpose

Background

The Twelfth Ward Save Our Community Organization, Inc. (the "Organization") is a not-for-profit corporation organized under the laws of the State of Louisiana. The purpose for which the Organization is organized are exclusively religious, charitable, scientific, literary, and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.

General

As of June 30, 2009, the Organization administered the following programs:

- Milan-Broadmoor Senior Center Program;

A brief description the program follows:

The Milan-Broadmoor Senior Center (Milan Area Senior) Program was established in 1966. The program was created to facilitate and actively administer to its many elderly, their need of supportive services and activities which will enhance their independence and encourage community involvement. The program provides transportation for seniors to and from the center to receive a well balance mid-day meal. Other activities are planned for socialization, health related, recreational and educational activities.

NOTE 2 -Summary of Significant Accounting Policies:

Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

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 day of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the financial statements.

NOTE 2 - Summary of Significant Accounting Policies: Continued:

Contributions

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 unrestricted net assets if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions 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 uses the allowance method to determine the uncollectibility of unconditional promises receivable. The allowance is based on prior year's experience and management's analysis of specific promises made. As of June 30, 2009 there were no unconditional promises receivable.

Contributed Equipment

Contributed equipment is recorded at fair value at the date of donation. If a donor stipulates how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of equipment are recorded as unrestricted support.

Allocation of Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities.

Accordingly, program and support service expenses are specifically identified with or allocated the Organization's various functions. Expenses requiring allocation include services provided by the Organization's management and administrative staff to specific program-related activities. Expense allocations are prorated based on a percentage of time or actual usage.

Financial Statement Presentation

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 116 "Accounting for Contributions Received and Contributions Made", and SFAS No. 117, "Financial Statements of Not-for-Profit Organizations." SFAS No. 116 requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by this statement, the Organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the required classes of net assets. At June 30, 2009, the Organization has no temporarily restricted or permanently restricted net assets.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

NOTE 2 - Summary of Significant Accounting Policies Continued:

Revenues and Support Recognition

Revenues received under government grant programs are recognized when earned. Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

NOTE 3 - Commitments:

The Organization has entered into contractual arrangements with certain individuals to provide operational assistance, tutorial, self-development, and recreational assistance. Such contracts are generally for six (6) to twelve (12) month periods.

NOTE 4 - Contingencies:

The Organization is a recipient of grants from State funds. These grants are governed by various State guidelines, regulations, and contractual agreements.

The administration of the programs and activities funded by these grants is under the control of the Organization and is subject to audit and/or review by the applicable funding sources. Any grant or award funds found not to be properly spent in accordance with the terms, conditions, and regulations of the funding sources may be subject to recapture.

At June 30, 2009, approximately one hundred (100) percent of the Organization's operation support is derived from grants.

NOTE 5 - Risk Management:

The Organization is exposed to various risk of loss related to torts; theft of; damage to and destruction of assets for which the Organizations carries commercial insurance. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated.

NOTE 6 - Concentration of Credit Risk:

The Organization maintains cash balances at one bank. Accounts at the bank are insured by the Federal Deposit Insurance Corporation up to \$250,000.

NOTE 7 - Directors' Compensation:

During the year 2009, none of the directors was compensated for services as a member of the Organization's board of directors.

SAMUEL W. STEVENS, III CPA*P.O. Box 52631 · Shreveport, LA 71135 · (318) 458-0930 · Fax (318) 219-7841***INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Twelfth Ward Save Our Community Organization, Inc
New Orleans, Louisiana

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Twelfth Ward Save Our Community Organization, Inc. (Twelfth Ward) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Twelfth Ward's compliance with certain laws and regulations during the year ended June 30, 2009 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Twelfth Ward's federal, state, and local award expenditures for all programs for the fiscal year follow:

Louisiana Department of Treasury	2009	\$ <u>125,000</u>
Total Expenditures		\$ <u>125,000</u>

2. For each award, I randomly selected six disbursements administered during the period under examination.
3. For the items selected in Procedure 2, I traced the six disbursements to supporting documentation as to proper amount and payee.

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in Procedure 2, I determined if the six disbursements were properly coded to the correct fund and general ledger account

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

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

All items were properly approved by the executive director

6. For the items selected in procedure 2: For federal awards, I determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the Compliance Supplement (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

I reviewed the previously listed disbursements for types of services allowed or not allowed. No exceptions were noted.

Eligibility

I reviewed the previously listed disbursements for eligibility requirements. No exceptions were noted.

Reporting

I reviewed the previously listed disbursements for reporting requirements. No exceptions were noted.

7. For the programs selected for testing in Procedure 2 that had been closed out during the period under review, I compared the close-out report, when required, with the entity's financial records to determine whether the amounts agreed.

The disbursements selected did not include any close out reports.

Meetings

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

During the year ended June 30, 2009 there was no evidence indicating that agendas for meetings recorded in the minute book were posted as required by LSA-RS 42:1 through 42:12.

Comprehensive Budget

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

Twelfth Ward provided a comprehensive budget to the applicable state grantor/contract agency noted above. The budget specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.


Prior Year Comments and Recommendations

10. I reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

Prior year findings, recommendations and corrective actions taken are disclosed on page 14, The Schedule of Prior Year's Findings.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Twelfth Ward, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Samuel W. Stevens, III". The signature is written in a cursive style with a horizontal line extending from the end.

Samuel W. Stevens, III
Certified Public Accountant

March 12, 2010

TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC
Schedule Of Findings
June 30, 2009

Finding 2009-1 Review financial statements and a report on the results of agreed upon procedures as of June 30, 2009 were not timely submitted to the Legislative Auditor. This finding is repeating from the year ended June 30, 2008.

Condition: The financial records were not in condition to perform a review

Criteria: Reviewed financial statements are due six months after year end. Therefore the reviewed financial statements were due by December 31, 2009.

Effect: Financial reporting is not available to management, and funding organizations timely.

Cause: The records require periodic accounting procedures to produce complete and reliable financial statements.

Recommendations: Management should require monthly preparation of financial statements.

Management's response: Management will implement procedures to prepare financial statements on a monthly basis to ensure year end financial reporting is processed in a timely manner to comply with state and federal reporting requirements.

Finding 2009-2

Twelfth Ward Save Our Community Organization, Inc. did not provide evidence that it posted a copy of a notice at its principal office or other meeting office advising the public of its board meetings.

Condition: Although the organization post written notice of its board meetings, copies of the notice could not be found.

Criteria: The Louisiana Revised Statutes require posting a copy a written notice of its board meetings at the principal office of the public body holding the meeting, or if no such office exists, at the building in which the meeting is to be held; or by publication of the notice in an official journal of the public body no less than twenty-four hours before the meeting

Effect: Twelfth Ward Save Our Community Organization, Inc. is noncompliant with state law, which requires a non-profit organization to post a written notice of its board meetings at its principal office, or if no such office exists, at the building in which the meeting is to be held; or by publication of the notice in an official journal of the public body no less than twenty-four hours before the meeting.

Cause: Management has not implemented the applicable practice to comply with state law.

Recommendations: I recommend review of LSA-RS 42:7 and that written notice of all board meetings be retained as evidence of compliance.

Recommendations: Management will comply with LSA-RS 42:7 and retain copies of its written notice of all board meetings.

Finding 2009-3 The financial statements were not prepared in accordance with accounting principles generally accepted in the United States. The organization recorded adjustments to exclude beginning

balances for the year ended June 30, 2008 of its' real property, related cash, debt, and net assets from its' statement of financial position.

Condition: The organization recorded adjustments to exclude beginning balances of its' real property, related cash, debt, and net assets from its' statement of financial position.

Criteria: The organization is required to produce financial statements prepared in accordance with generally accepted accounting principles

Effect: Statement Of Financial Position does not reflect total resources available to the organization.

Cause: Management decided to exclude the above mentioned beginning balances to provide only program specific activities of the organization.

Recommendations: As required, financial statements must be prepared in accordance with accounting principles generally accepted in the United States.

Management's response: Management maintains it's position to provide program specific financial statements only.

TWELFTH WARD SAVE OUR COMMUNITY ORGANIZATION, INC
Schedule Of Prior Year Findings
June 30, 2009

Finding 2008-1 Audited financial statements as of June 30, 2008 were not timely submitted to the Legislative Auditor.

Corrective action: None as this is a repeat finding for the year ended June 30, 2009. See Finding 2009-1

Finding 2008-2 The financial statements were not prepared in accordance with accounting principles generally accepted in the United States. The organization recorded adjustments to exclude beginning balances of its' real property, related cash, debt, and net assets from its' statement of financial position.

Corrective action: None. As of June 30, 2009, the balances remain unadjusted, excluding certain beginning balances for the year ended June 30, 2009. Management contends the financial statements provide the financial condition and activities of it's programs exclusively. See finding 2009-3

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)**

March 9, 2010

SAMUEL W. STEVENS, III
P.O. BOX 5261
SHREVEPORT LA 71135

In connection with your review of our financial statements as of June 30, 2009 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of March 9, 2010.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No []


Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

 Accountant 3-15-2010 Date
Sharon A. DeLong Exec. Dir. 3-15-2010 Date