

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
MONROE, LOUISIANA

Financial Statements
For the Year Ended December 31, 2008

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 7/29/09

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

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CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Wellspring Alliance for Families, Inc.
Monroe, Louisiana

We have audited the accompanying statement of financial position of The Wellspring Alliance for Families, Inc. (a non-profit organization) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Association'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 from 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 The Wellspring Alliance for Families, Inc. as of December 31, 2008, 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 June 17, 2009, on our consideration of The Wellspring Alliance for Families, Inc.'s internal control over financial reporting and 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 audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of The Wellspring Alliance for Families, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
June 17, 2009

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2008

ASSETS

Current Assets	
Cash	\$ 113,626
Certificate of Deposit	42,817
Investments	13
Grants and Other Receivables	732,816
Promises to give, one year or less	257,586
Prepaid Expenses and Other Assets	45,391
Total Current Assets	<u>1,192,249</u>
Promises to give, greater than one year	97,355
Land, Building, and Other Assets	1,689,345
Less: Accumulated Depreciation	<u>(954,845)</u>
	<u>734,500</u>
<u>TOTAL ASSETS</u>	<u>\$ 2,024,104</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	\$ 69,514
Accrued Expenses	152,209
Current Portion of Long-term Debt	48,844
Accrued Compensated Absences	66,883
Total Current Liabilities	<u>337,450</u>
Long-term Debt	<u>38,624</u>
Total Liabilities	376,074

NET ASSETS

Unrestricted	
Operations	442,228
Board Designated (Note 12)	100,000
Fixed Assets	734,500
Temporarily Restricted	<u>371,302</u>
Total Net Assets	<u>1,648,030</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 2,024,104</u>

The accompanying notes are an integral part of this financial statement.

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

CHANGES IN UNRESTRICTED NET ASSETS:

Revenues, Gains, and Other Support	
Contributions	\$ 97,337
In-kind Contributions	224,128
Counseling Fees	105,483
Grants	3,605,019
Interest and Dividend Income	2,063
Unrealized Gains	-
Other Income	65,070
Net Unrestricted Revenues, Gains, and Other Support	<u>4,099,100</u>
Net Assets Released from Restrictions	<u>263,294</u>
Total Revenue, Gains, and Other Support	4,362,394
 Expenses	
Program Services	
Counseling and Family Development	946,429
Domestic Violence	554,776
Family Justice Center	576,841
Housing & Supportive Services	1,099,819
Big Brothers, Big Sisters	448,439
Crisis Lines	149,835
Total Program Services	<u>3,776,139</u>
Mangement and General	<u>557,117</u>
Total Expenses	<u>4,333,256</u>
 Increase in Unrestricted Net Assets	 29,138

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:

Contributions Restricted by Donor	247,584
Net Assets Released from Donor Restrictions	<u>(263,294)</u>
 Decrease in Temporarily Restricted Net Assets	 <u>(15,710)</u>
 <u>TOTAL INCREASE IN NET ASSETS</u>	 13,428
 <u>NET ASSETS AT BEGINNING OF YEAR</u>	 <u>1,634,602</u>
 <u>NET ASSETS AT END OF YEAR</u>	 <u>\$ 1,648,030</u>

The accompanying notes are an integral part of this financial statement.

THE WELLSPRING
MONROE, LOUISIANA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008

	PROGRAM SERVICES			
	Counseling- Family Development	Domestic Violence	Family Justice Center	Housing & Supportive Services
Salaries	\$ 630,799	\$ 293,773	\$ 261,096	\$ 444,849
Retirement Expense	22,425	19,090	9,705	21,654
Payroll Taxes	54,493	17,586	23,654	41,657
Employee Benefits	22,939	9,514	13,100	20,408
Total Salaries and Related	<u>730,656</u>	<u>339,963</u>	<u>307,555</u>	<u>528,568</u>
Computer Maintenance & Network	8,867	5,779	7,451	18,938
Direct Aid to Individuals	-	12,991	-	287,620
Dues and Memberships	2,037	1,350	68	650
Fund Raising	-	-	-	-
Groceries and Supplies	4,055	36,902	4,150	7,233
Indirect Costs Allocated	-	-	23,059	2,765
Insurance	13,456	19,970	11,628	45,971
Interest	83	1,851	130	1,068
In-Kind Contributions	-	27,981	118,911	3,600
Printing, Marketing and Public Relations	7,982	5,531	4,022	6,893
Miscellaneous	834	237	464	169
Office Supplies	12,399	7,819	5,032	9,845
Postage and Shipping	1,822	326	832	649
Professional Fees	32,643	-	1,890	14,784
Rental Expense	39,347	2,171	5,192	54,495
Repairs and Maintenance	2,951	48,072	9,970	30,617
Seminars and Training	550	-	4,569	-
Telephone	11,661	7,256	18,622	13,293
Travel	45,555	9,888	12,166	11,498
Utilities	4,417	16,043	34,253	26,734
Depreciation and Amortization	27,114	10,646	6,877	34,429
<u>TOTAL EXPENSES</u>	<u>\$ 946,429</u>	<u>\$ 554,776</u>	<u>\$ 576,841</u>	<u>\$ 1,099,819</u>

The accompanying notes are an integral part of this financial statement.

Big Brothers, Big Sisters	Crisis Lines	Total Program Services	Management & General	Total
\$ 280,341	\$ 103,262	\$ 2,014,120	\$ 298,545	\$ 2,312,665
18,589	3,019	94,482	23,899	118,381
22,522	8,868	168,780	13,349	182,129
6,113	2,634	74,708	10,402	85,110
<u>327,565</u>	<u>117,783</u>	<u>2,352,090</u>	<u>346,195</u>	<u>2,698,285</u>
5,165	801	47,001	18,486	65,487
-	-	300,611	294	300,905
8,512	-	12,617	8,213	20,830
5,643	-	5,643	12,103	17,746
4,335	37	56,712	10,076	66,788
-	-	25,824	(25,824)	-
5,835	2,672	99,532	11,917	111,449
76	83	3,291	4,750	8,041
19,026	13,098	182,616	41,512	224,128
10,344	280	35,052	25,522	60,574
1,975	29	3,708	2,693	6,401
2,787	58	37,940	10,678	48,618
153	-	3,782	4,917	8,699
3,500	-	52,817	16,847	69,664
23,460	10,978	135,643	7,781	143,424
5,944	934	98,488	19,457	117,945
-	-	5,119	4,859	9,978
6,438	632	57,902	6,381	64,283
7,271	-	86,378	6,598	92,976
4,822	1,455	87,724	11,924	99,648
5,588	995	85,649	11,738	97,387
<u>\$ 448,439</u>	<u>\$ 149,835</u>	<u>\$ 3,776,139</u>	<u>\$ 557,117</u>	<u>\$ 4,333,256</u>

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in Net Assets	\$ 13,428
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and Amortization	97,387
Increase in Operating Assets:	
Grants Receivable and Promises to give	(276,956)
Prepaid Expenses and Other Assets	(21,874)
Increase in Operating Liabilities:	
Accounts Payable	19,213
Accrued Expenses and Compensated Absences	29,627
Net Cash Used by Operating Activities	<u>(139,175)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Increase in Certificate of Deposit	(11,189)
Payments for Property and Equipment	(77,403)
Net Cash Used by Investing Activities	<u>(88,592)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Capital Lease Payments	(3,949)
Proceeds from Issuance of Note Payable	190,000
Notes Payable Payments	(163,654)
Net Cash Provided by Financing Activities	<u>22,397</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS (205,370)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 318,996

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 113,626

The accompanying notes are an integral part of this financial statement.

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 1 - Summary of Significant Accounting Policies

Organization

The Wellspring Alliance for Families, Inc., formerly known as YWCA of Northeast Louisiana (the Association), founded in 1931, serves citizens from the 12 parishes in Northeast Louisiana with direct services, education and advocacy. The agency mission, to strengthen and value the family, provides the direction for services and programs which include counseling, telephone crisis intervention, emergency shelter and housing, and mentoring (Big Brother Big Sisters).

In 2005, after lengthy and careful deliberation, the organization disaffiliated from the YWCA/USA and strengthened its affiliation with the Alliance for Children and Families, a nonprofit membership association representing more than 360 child and family-serving organizations in the United States and Canada. This action came about as the result of the organization's regular, careful examination of local expectations of a national affiliation. Management believes the change will not impact current funding, programs and services or the local volunteer and staff leadership.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Association 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 fiscal 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

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 periods. Actual results could differ from those estimates.

Receivables

The Association uses the direct write-off method for bad debts. The results of this method do not materially differ from the allowance method.

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 1 - Summary of Significant Accounting Policies (continued)

Fixed Assets

Fixed assets acquired by The Wellspring Alliance for Families, Inc. are considered to be owned by the Association. However, federal and state funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets.

Purchases of fixed assets and major improvements in excess of \$1,000 are capitalized at cost. The cost of furniture and equipment acquired prior to 1965 is not determinable and, therefore, is not shown. Value for fixed assets donated prior to 1986 is not determinable and, therefore, not shown. As of January 1, 1986, donated assets have been recorded at their fair market value. Depreciation is computed on the straight-line method over the asset's estimated useful life. The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

Income Taxes

The Association is recognized as a nonprofit corporation under the laws of the State of Louisiana and under Internal Revenue Code Section 501 (c)(3). It is, therefore, exempt from federal and state corporation income taxes and no provisions are made for those taxes in the financial statements. In addition, the Association has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509 (a) of the Internal Revenue Code. There was no unrelated business income for 2008.

Financial Statement Presentation

The Association has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statement of Not-for-Profit Organizations". Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Association is required to present a statement of cash flows. As permitted by this statement, the Association does not use fund accounting.

Budget Policy

Budgets for various programs are prepared by the Association and approved by the grantor of the funds for each respective program.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 1 - Summary of Significant Accounting Policies (continued)

Investments

Investments are composed of equity securities and are carried at fair value.

Note 2 - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

Periods after December 31, 2008	
United Way of Northeast Louisiana	\$ 312,336
Specific Grant Programs	
IOLTA Grant	42,605
Avon	6,373
Purchase and Operation of Hays House	9,881
Sunshine Lady	<u>107</u>
Total Temporarily Restricted Assets	<u>\$ 371,302</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Time Restrictions Expired:	
United Way of Northeast Louisiana	\$ 216,209
Purpose Restrictions Fulfilled:	
IOLTA 2006 Grant	39,000
Holly & Hays House	5,400
Avon	1,005
Sunshine Lady	<u>1,680</u>
Total Restriction Released	<u>\$ 263,294</u>

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Note 3 - Promises to Give

Promises to give consist of the following:

Louisiana Bar Foundation	\$ 42,605
United Way	<u>312,336</u>
Total Promises to Give	<u>\$ 354,941</u>
Amounts Due In:	
Less Than One Year	\$ 257,586
One to Five Years	<u>97,355</u>
Total	<u>\$ 354,941</u>

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 4 - Investments

Investments at December 31, 2008 are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
CenturyTel Stock	\$ 0	\$ 13	\$ 13

Note 5 - Land, Buildings and Equipment

Major fund classes of land, building, and equipment consist of the following:

The Wellspring Land, Building and Parking Lot	\$ 565,010
Holly Street Property	220,548
Holly Street Furniture and Equipment	1,126
The Wellspring Furniture and Equipment	90,095
Shelter House and Improvements	233,010
Transitional Housing Improvements	9,194
Rape Crisis Equipment – VOCA	9,440
Family Violence Furniture and Equipment	49,950
Family Justice Center	34,567
Rape Crisis Equipment	12,659
Child Abuse – VOCA	12,776
Crisis Lines	2,730
Shelter Annex Land, Building and Improvements	192,640
Big Brothers, Big Sisters Equipment	18,499
Rural Housing Furniture and Fixtures	178,204
Counseling Furniture and Equipment	<u>58,897</u>
 Total	 1,689,345
Less: Accumulated Depreciation	<u>(954,845)</u>
Net Land, Buildings, and Equipment	<u>\$ 734,500</u>

Depreciation expense for the year ended December 31, 2008 totaled \$97,387.

Note 6 - Compensated Absences

The Association's personnel policies permit carry forward of sick time. However, employees are not paid for any unused sick time upon termination. Since the payment for accumulated sick time is contingent upon future employee illness, a liability is not recorded. Accrued compensated absences in the amount of \$66,883 are recorded for vested vacation time.

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 7 - Long-Term Debt

Long-term debt consists of the following:

<u>Lender</u>	<u>Collateral</u>	<u>Balance</u>
Capital One – Line of Credit, 4%	none	\$ 35,000
Capital One Note Payable, 7%	none	39,685
GMAC Capital Lease Obligation, 8.605%	GMAC Van	12,783
Less: Current Maturities		<u>(48,844)</u>
Total Long-Term Debt		<u>\$ 38,624</u>

Interest paid during 2008 was \$8,041.

Debt maturities for each of the next five years:

<u>December 31,</u>	<u>Debt Maturities</u>
2009	\$ 48,844
2010	14,932
2011	14,262
2012	9,430
2013	-
Total	<u>\$ 87,468</u>

Note 8 - In-Kind Contributions

In-kind contributions for funds receiving government grants consist of time donated by volunteer workers at a rate of ten to twenty-five dollars per hour established by state and federal regulatory agencies providing the grant funds and donated food, clothing, medical facilities, office space, advertising and other items valued at estimated fair market value. The volunteer hours and donated food and clothing are not recorded in the financial statements.

The following in-kind contributions are recorded in the financial statements:

Office Space	\$ 106,911
Television, Radio, Billboards and Newspaper Ads	<u>117,217</u>
Total Recorded In-Kind Contributions	<u>\$ 224,128</u>

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 9 - Commitments and Contingencies

Economic Dependence

The Association receives a substantial amount of its support from federal and state government grants and from the United Way. A significant reduction in the level of this support, if this were to occur, may have an effect on the Association's programs and activities.

Line of Credit

The Association has entered into two line of credit agreements with local banks. One line of credit is authorized by the Board of Directors for \$100,000 to be used for operating expense shortfalls. This line of credit has an interest rate of prime plus 1% and a year end balance of \$35,000. The second line of credit is authorized by the Board of Directors for \$65,000 to be used for maintenance and repairs on the Jackson Street building. This line of credit was accessed for the full amount during 2006, and subsequently converted to a seven year note payable before the end of 2006. This line of credit has an interest rate of 8.25% and a year end balance of \$0. During 2008, this line of credit was increased to \$140,000 and it can also be used for operating expenses.

Note 10 - Defined Contribution Plan

During 2007, the Association received notice from the Young Women's Christian Association Fund that, as of January 1, 2008, non-YWCA organizations would no longer be eligible to participate in the Fund. As a result, the Association established a 401(k) and contributory plan to be effective January 1, 2008. Employees with more than 90 days of service may contribute to the plan on a pre-tax basis. Employer matching contributions are allowed by the plan; however, none are planned for 2009. The Association anticipates a 6% profit sharing contribution during 2009 compared to 10% paid in 2008. Employees with at least 24 months of service in which they earned 2,000 hours are eligible for the profit sharing contribution. Retirement expense was \$118,382 for 2008.

Note 11 - Concentrations of Credit Risk

Cash

The Association maintains its cash balances in two financial institutions. At December 31, 2008, the Association had bank statement balances totaling \$163,445 of which \$163,445 was insured by the Federal Deposit Insurance Corporation.

Receivables

The Association receives a substantial amount of its support from governmental entities and United Way. At December 31, 2008, account receivables were made up of state and federal government funds totaling \$732,816.

Promises to Give:	
Louisiana Bar Foundation	\$ 42,605
United Way of Northeast Louisiana	<u>312,336</u>
Total Promises to Give	<u>\$ 354,941</u>

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

Note 12 - Board Designations

During 1999, the Association received a substantial unrestricted contribution from a donor. The Board voted to set aside \$100,000 to start an endowment fund. Since designations are voluntary and may be reversed by the governing board, these designated assets are not considered restricted and are included in the accompanying statement of financial position as unrestricted net assets.

Note 13 - Leases

The Association signed a lease in November of 2005 for counseling space in Monroe, LA under an operating lease on a monthly basis. This operating lease has a term of seven years terminating in November 2012. The Association has the option to cancel the lease at the end of year three if a reduction in income necessitates. In addition, the Association signed a lease for The Family Justice Center in June 2005. The term of this operating lease was completed in October 2006. The Association also leases several satellite offices on a month to month basis, and rents various office equipment items under operating leases. Rentals aggregating \$143,426 were charged to expense during 2008.

Minimum future rental payments under non-cancelable operating leases as of December 31, 2008 for each of the next five years and in aggregate are as follows:

<u>December 31,</u>	<u>Amount</u>
2009	\$ 67,676
2010	\$ 69,676
2011	\$ 71,726
2012	\$ 61,230
2013	\$ -

Note 14 - Advertising

Advertising costs are expensed as incurred. During 2008, the association expensed \$60,574 as marketing and printing expenses and \$117,217 as in-kind advertising donations.

THE WELLSRING ALLIANCE FOR FAMILIES
SCHEDULE EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Federal CFDA Number</u>	<u>Fiscal Period</u>	<u>Program or Award Amount</u>	<u>Federal Expenditures</u>
<u>Department of Housing and Urban Development</u>				
<u>Supportive Housing Program</u>				
Transitional Housing - Raise the Roof	14.235	2008	157,317	156,805
Homeless Management Information System	14.235	2007-2008	72,859	36,956
Homeless Management Information System	14.235	2008-2009	72,859	24,706
Reach Out: The Rural Initiative	14.235	2007-2008	257,658	124,256
Reach Out: The Rural Initiative	14.235	2008-2009	257,658	133,840
				<u>476,563</u> *
<u>Through City of Monroe, LA</u>				
HUD Emergency Shelter Grants Program	14.231	2007-2009	45,000	30,346
HUD Emergency Shelter Grants Program	14.231	2008-2010	26,000	-
				<u>30,346</u>
HOME Investment Partnership Program	14.239	2003-2009	115,000	16,116
<u>Louisiana Department of Social Services</u>				
Office of Community Services	93.643	2008	5,000	4,842
<u>Department of Education</u>				
DOE Grant (OPSB fiscal agent)	84.184	2007-2010	253,965	178,017
<u>Department of Justice</u>				
<u>Through Louisiana Commission on Law Enforcement</u>				
<u>Crime Victim Assistance:</u>				
Crime	16.575	2008	218,148	206,029
<u>Violence Against Women Act</u>				
Domestic Violence Services	16.736	2007-2008	15,904	11,222
Domestic Violence Services	16.736	2008-2009	12,246	3,866
Sexual Assault Services	16.736	2007-2008	21,718	15,126
Sexual Assault Services	16.736	2008-2009	15,501	3,097
Transitional Housing	16.736	2005-2011	350,000	64,664
Rural Development , Dating & SA & Stalking	16.589	2008-2010	700,000	32,230
Rural Development & Child Victim Enf. Grant	16.589	2007-2008	8,000	6,262
				<u>136,467</u>

THE WELLSRING ALLIANCE FOR FAMILIES
SCHEDULE EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Federal CFDA Number</u>	<u>Fiscal Period</u>	<u>Program or Award Amount</u>	<u>Federal Expenditures</u>
<u>Department of Justice (continued)</u>				
Juvenile Justice	16.540	2007-2008	10,998	9,635
Juvenile Justice	16.540	2008-2009	3,000	500
Arrest Grant (OPPJ fiscal agent)	16.590	2006-2010	791,060	233,283
Legal Assistance Program	16.524	2006-2010	350,000	195,181
<u>Federal Emergency Management Agency</u>				
Emergency Food and Shelter Program	97.024	2007-2008	7,618	7,618
<u>Department of Health & Hospitals</u>				
Louisiana Foundation Against Sexual Assault:				
Rape Crisis Program	93.991	2007-2008	38,275	17,220
Rape Crisis Program	93.991	2008-2009	32,369	18,068
				<u>35,288</u>
Louisiana Office on Women's Policy - Federal Portion:				
Family Violence Prevention & Services	93.671	2007-2008	96,483	48,241
Family Violence Prevention & Services	93.671	2008-2009	111,392	55,696
Temporary Assistance to Needy Families	93.558	2007-2008	98,000	50,025
Temporary Assistance to Needy Families	93.558	2008-2009	70,000	17,405
				<u>171,367</u>
<u>Department of Social Services</u>				
Temporary Assistance to Needy Families	93.558	2007-2008	570,261	364,065
Temporary Assistance to Needy Families	93.558	2008-2009	437,433	149,590
				<u>513,655</u> *
<u>Administration for Children and Families</u>				
Mentoring Children of Prisoners	93.616	2007-2008	69,813	44,689
Mentoring Children of Prisoners	93.616	2008-2009	69,813	20,968
				<u>65,657</u>
Total Federal Expenditures				<u>\$ 2,280,564</u>

* Denotes major programs.

See accompanying notes.

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of The Wellspring Alliance for Families, Inc. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

CAMERON, HINES & HARTT

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Certified Public Accountants

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**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**

Board of Directors
The Wellspring Alliance for Families, Inc.
Monroe, Louisiana

We have audited the financial statements of The Wellspring Alliance for Families, Inc. as of and for the year ended December 31, 2008, and have issued our report thereon dated June 17, 2009. 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 The Wellspring Alliance for Families, Inc.'s internal control over financial reporting as a basis for designing 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 Wellspring Alliance for Families, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of The Wellspring Alliance for Families, Inc.'s internal control over financial reporting.

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 a combination of control deficiencies, that adversely affects the entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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 entity's internal control.

Our consideration of 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 internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Directors
The Wellspring Alliance for Families, Inc.
Monroe, Louisiana
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Wellspring Alliance for Families, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Legislative Auditor, The Wellspring Alliance for Families, Inc. and federal awarding agencies 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.

Cameron, Hines & Hartt (CPA)

West Monroe, Louisiana
June 17, 2009

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
The Wellspring Alliance for Families, Inc.
Monroe, Louisiana

Compliance

We have audited the compliance of The Wellspring Alliance for Families, Inc. 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 December 31, 2008. The Wellspring Alliance for Families, Inc.'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 The Wellspring Alliance for Families, Inc.'s management. Our responsibility is to express an opinion on The Wellspring Alliance for Families, Inc.'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 The Wellspring Alliance for Families, Inc.'s compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination in The Wellspring Alliance for Families, Inc.'s compliance with those requirements.

In our opinion, The Wellspring Alliance for Families, Inc. *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 December 31, 2008.*

Internal Control Over Compliance

The management of The Wellspring Alliance for Families, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered The Wellspring Alliance for Families, Inc.'s internal control over compliance with the requirements that could have a material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not *express an opinion on the effectiveness of The Wellspring Alliance for Families, Inc.'s internal control over compliance.*

The Wellspring Alliance for Families, Inc.
Monroe, Louisiana
Page 2

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, The Wellspring Alliance for Families, Inc., the Louisiana Legislative Auditor, federal awarding agencies and pass-through entities 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.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
June 17, 2009

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2008

SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unqualified opinion on the financial statements of The Wellspring Alliance for Families, Inc (Wellspring).
2. No significant deficiencies were disclosed during the audit of the financial statements to be reported in the Report on Internal Control Over Financial Reporting and on Compliance Based on an Audit of Financial Statements Performed In Accordance With *Government Auditing Standards* and Report On Compliance With Requirements Applicable To Each Major Program And Internal Control Over Compliance In Accordance With OMB Circular A-133.
3. No instances of noncompliance material to the financial statements of The Wellspring Alliance for Families, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs in the Report On Compliance With Requirements Applicable To Each Major Program And Internal Control Over Compliance In Accordance With OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for The Wellspring Alliance for Families, Inc., expressed an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for Wellspring.
7. The programs tested as a major program included the Department of Housing and Urban Development under CFDA No. 14.235 and Department of Social Services under CFDA No. 93.558.
8. The threshold for distinguishing between Types A and B programs was \$300,000.
9. Wellspring does qualify to be a low-risk auditee.

THE WELLSRING ALLIANCE FOR FAMILIES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2008

(Continued)

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

U.S. Department of Housing and Urban Development

CFDA No. 14.235; Program Period - 2/1/07-12/31/09.

There were no findings that relate to the major federal program.

U.S. Department of Social Services

CFDA No. 93.558; Program Period - 9/1/07-8/31/09.

There were no findings that relate to the major federal program.

FINDINGS - FINANCIAL STATEMENT AUDIT

None

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2008

There were no findings in the prior year audit report dated June 24, 2008.