

**THE WELLSPRING ALLIANCE FOR FAMILIES, INC.**  
**MONROE, LOUISIANA**

*Financial Statements*  
*For the Year Ended December 31, 2011*



THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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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, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement 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, 2011, 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 22, 2012, on our consideration of The Wellspring Alliance for Families, 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 audit.

Our audit was performed for the purpose of forming an opinion on the basic 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Board of Directors  
The Wellspring Alliance for Families, Inc.  
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The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

*Cameron, Hines & Hunt (APAC)*

West Monroe, Louisiana  
June 22, 2012

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2011

ASSETS

Current Assets	
Cash	\$ 685,139
Investments	229,510
Grants and Other Receivables	503,082
Promises to give, one year or less	309,027
Prepaid Expenses and Other Assets	13,914
Total Current Assets	<u>1,740,672</u>
Promises to give, greater than one year	112,104
Land, Building, and Other Assets	2,264,033
Less: Accumulated Depreciation	<u>(1,079,808)</u>
	<u>1,184,225</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,037,001</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	\$ 74,983
Line of Credit	87,167
Accrued Expenses	102,611
Current Portion of Long-term Debt	9,639
Accrued Compensated Absences	80,141
Total Current Liabilities	<u>354,541</u>
Long-term Debt	<u>-</u>
Total Liabilities	354,541

NET ASSETS

Unrestricted	
Operations	897,611
Board Designated (Note 13)	100,000
Fixed Assets	1,184,225
Temporarily Restricted	<u>500,624</u>
Total Net Assets	<u>2,682,460</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 3,037,001</u>

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

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

CHANGES IN UNRESTRICTED NET ASSETS:

Revenues, Gains, and Other Support	
Contributions	\$ 95,632
In-kind Contributions	221,653
Counseling Fees	187,328
Grants	3,702,256
Interest and Dividend Income	8,611
Unrealized Gains	24,498
Other Income	31,126
Net Unrestricted Revenues, Gains, and Other Support	<u>4,271,104</u>
Net Assets Released from Restrictions	259,831
Total Revenue, Gains, and Other Support	<u>4,530,935</u>
Expenses	
Program Services	
Counseling and Family Development	937,206
Domestic Violence	568,464
Family Justice Center	334,903
Housing & Supportive Services	1,680,038
Big Brothers, Big Sisters	450,908
Crisis Lines	152,292
Total Program Services	<u>4,123,811</u>
Mangement and General	406,847
Total Expenses	<u>4,530,658</u>
Increase in Unrestricted Net Assets	277

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:

Contributions Restricted by Donor	333,024
Net Assets Released from Donor Restrictions	<u>(259,831)</u>
Increase in Temporarily Restricted Net Assets	<u>73,193</u>
<u>TOTAL INCREASE IN NET ASSETS</u>	73,470
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>2,608,990</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>\$ 2,682,460</u>

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

THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2011

	PROGRAM SERVICES			
	Counseling- Family Development	Domestic Violence	Family Justice Center	Housing & Supportive Services
Salaries	\$ 556,509	\$ 287,617	\$ 96,146	\$ 705,843
Retirement Expense	23,727	15,109	5,371	30,075
Payroll Taxes	47,776	23,041	7,963	56,545
Employee Benefits	24,848	17,649	8,789	33,762
Total Salaries and Related	<u>652,860</u>	<u>343,416</u>	<u>118,269</u>	<u>826,225</u>
Computer Maintenance & Network	6,518	4,804	4,219	31,439
Direct Aid to Individuals	-	19,478	-	445,142
Dues and Memberships	1,251	1,226	39	677
Fund Raising	-	-	-	-
Groceries and Supplies	7,370	41,599	2,391	25,788
Indirect Costs Allocated	44,694	61,989	-	23,721
Insurance	8,357	9,394	3,854	27,302
Interest	-	-	-	-
In-Kind Contributions	-	1,968	134,267	7,150
Printing, Marketing and Public Relations	6,675	4,696	3,910	45,416
Miscellaneous	613	65	394	11,308
Office Supplies	8,185	2,838	1,893	10,148
Postage and Shipping	2,537	566	426	844
Professional Fees	59,960	1,062	685	20,665
Rental Expense	51,213	810	2,353	56,406
Repairs and Maintenance	6,567	23,011	9,013	21,778
Seminars and Training	1,270	1,647	1,300	6,556
Telephone	9,745	8,510	12,862	13,857
Travel	51,376	8,353	11,919	29,362
Utilities	5,795	14,474	22,958	25,452
Depreciation and Amortization	12,220	18,558	4,151	50,802
<b><u>TOTAL EXPENSES</u></b>	<b><u>\$ 937,206</u></b>	<b><u>\$ 568,464</u></b>	<b><u>\$ 334,903</u></b>	<b><u>\$ 1,680,038</u></b>

Big Brothers, Big Sisters	Crisis Lines	Total Program Services	Management & General	Total
\$ 226,063	\$ 108,819	\$ 1,980,997	\$ 338,929	\$ 2,319,926
12,266	3,004	89,552	19,418	108,970
19,582	8,061	162,968	24,685	187,653
3,091	7,287	95,426	16,317	111,743
<u>261,002</u>	<u>127,171</u>	<u>2,328,943</u>	<u>399,349</u>	<u>2,728,292</u>
1,049	3,556	51,585	12,604	64,189
-	-	464,620	-	464,620
9,465	-	12,658	9,845	22,503
6,221	-	6,221	5,084	11,305
2,193	-	79,341	16,639	95,980
-	-	130,404	(130,404)	-
1,822	2,472	53,201	10,559	63,760
-	-	-	3,133	3,133
78,268	-	221,653	-	221,653
23,351	-	84,048	8,984	93,032
1,759	-	14,139	5,038	19,177
2,225	180	25,469	9,589	35,058
80	-	4,453	3,871	8,324
8,517	286	91,175	8,761	99,936
24,748	11,517	147,047	5,145	152,192
1,891	1,512	63,772	9,443	73,215
(640)	-	10,133	99	10,232
9,381	2,518	56,873	3,610	60,483
12,163	-	113,173	3,856	117,029
3,085	1,379	73,143	9,780	82,923
4,328	1,701	91,760	11,862	103,622
<u>\$ 450,908</u>	<u>\$ 152,292</u>	<u>\$ 4,123,811</u>	<u>\$ 406,847</u>	<u>\$ 4,530,658</u>

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



THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in Net Assets	\$ 73,470
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and Amortization	103,622
(Increase) Decrease in Operating Assets:	
Grants Receivable and Promises to give	119,668
Prepaid Expenses and Other Assets	(2,773)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	2,681
Accrued Expenses and Compensated Absences	(11,706)
Net Cash Provided by Operating Activities	<u>284,962</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Certificate of Deposit	44,549
Increase in Investments	(30,708)
Payments for Property and Equipment	(104,248)
Net Cash Used by Investing Activities	<u>(90,407)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Line of Credit Payments	-
Notes Payable Payments	(10,726)
Net Cash Used by Financing Activities	<u>(10,726)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS 183,829

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 501,310

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 685,139

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, 2011

Note 1 - Summary of Significant Accounting Policies

Organization

The Wellspring Alliance for Families, Inc., formerly known as YWCA of Northeast Louisiana (the Organization), 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 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 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 Organization 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 Organization 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, 2011

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 Organization. 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 Organization 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 Organization 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 2011. The earliest income tax year that is subject to examination is 2008.

Financial Statement Presentation

FASB Accounting Standards Codification (ASC) section 958-205 *Not-for-Profit Entities, Presentation of Financial Statements* establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions as follows: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by this statement, the Organization does not use fund accounting.

Budget Policy

Budgets for various programs are prepared by the Organization and approved by the grantor of the funds for each respective program as well as the Board of Directors.

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.

Investments

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

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 2 - Temporarily Restricted Net Assets

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

Periods after December 31, 2011	
United Way of Northeast Louisiana	\$ 341,136
Specific Grant Programs	
Louisiana Bar Foundation Grant	79,994
Avon	1,854
Mary Kay	15,615
Dubois	32,952
ACES	4,073
Baton Rouge Area Foundation	<u>25,000</u>
Total Temporarily Restricted Assets	<u>\$ 500,624</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	\$ 207,683
Purpose Restrictions Fulfilled:	
Louisiana Bar Foundation Grant	29,045
ACES	1,773
Avon	1,873
Dubois	18,775
Mary Kay	<u>682</u>
Total Restriction Released	<u>\$ 259,831</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	\$ 79,995
United Way	<u>341,136</u>
Total Promises to Give	<u>\$ 421,131</u>
Amounts Due In:	
Less Than One Year	\$ 309,027
One to Five Years	<u>112,104</u>
Total	<u>\$ 421,131</u>

THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 4 - Investments

Investment are presented in the financial statements at fair market value based on quoted prices in active markets of the securities on a recurring basis at December 31, 2011.

Investments at December 31, 2011 are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Morgan Keegan Investments	\$ 187,002	\$ 229,510	\$ 229,510

The following schedule summarizes the investment return as it appears in unrestricted net assets for 2011:

Interest and Dividends	\$ 6,210
Unrealized Gain	24,498
Total Investment Return	<u>\$ 30,708</u>

Note 5 - Land, Buildings and Equipment

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

The Wellspring Building and Parking Lot	\$ 562,510
The Wellspring Land	2,500
Holly Street Property	535,097
Holly Street/Railroad Street Land	175,005
Holly Street Furniture and Equipment	125,586
The Wellspring Furniture and Equipment	76,501
Shelter House and Improvements	249,577
Shelter House Land	5,000
Transitional Housing Improvements	8,089
Rape Crisis Equipment – VOCA	6,718
Family Violence Furniture and Equipment	44,356
Family Justice Center	37,461
Rape Crisis Equipment	12,198
Child Abuse – VOCA	6,991
Crisis Lines	4,612
Shelter Annex Building and Improvements	171,502
Shelter Annex Land	12,000
Big Brothers, Big Sisters Equipment	13,616
Rural Housing Furniture and Fixtures	165,206
Counseling Furniture and Equipment	<u>49,508</u>
Total	2,264,033
Less: Accumulated Depreciation	<u>(1,079,808)</u>
Net Land, Buildings, and Equipment	<u>\$ 1,184,225</u>

Depreciation expense for the year ended December 31, 2011 totaled \$103,622.

THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 6 - Compensated Absences

The Organization'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 \$80,141 are recorded for vested vacation time.

Note 7 - Long-Term Debt

Long-term debt consists of the following:

<u>Lender</u>	<u>Collateral</u>	<u>Balance</u>
Capital One Note Payable, 7%	none	\$ 9,639
Less: Current Maturities		( 9,639)
Total Long-Term Debt		<u>\$ -</u>

Interest paid during 2011 was \$3,133, which includes interest paid on the line of credit.

Debt maturities for each of the next five years:

<u>December 31,</u>	<u>Debt Maturities</u>
2012	\$ 9,639
2013	-
2014	-
2015	-
2016	-
Total	<u>\$ 9,639</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	\$ 122,267
Television, Radio, Billboards and Newspaper Ads	<u>99,386</u>
Total Recorded In-Kind Contributions	<u>\$ 221,653</u>

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 9 - Commitments and Contingencies

Economic Dependence

The Organization 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 Organization's programs and activities.

Line of Credit

The Organization has entered into two line of credit agreements with local banks. The two lines of credit have a combined balance available of \$390,000 and can be used for operating expense shortfalls. In 2011, no activity occurred on the line of credit other than payment of interest. At December 31, 2011, \$87,167 was outstanding on these lines of credit.

Note 10 - Defined Contribution Plan

During 2007, the Organization 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 Organization 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 2011. The Organization anticipates a 6% profit sharing contribution during 2012 as was paid in 2011. 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 \$108,970 for 2011.

Note 11 - Concentrations of Credit Risk

Cash

The Organization maintains its cash balances in two financial institutions. At December 31, 2011, the Organization had bank statement balances totaling \$714,039 of which \$311,103 was insured by the Federal Deposit Insurance Corporation.

Receivables

The Organization receives a substantial amount of its support from governmental entities and United Way. At December 31, 2011, account receivables consisted of:

State and Federal Government Funds	<u>\$ 503,082</u>
Promises to Give:	
Louisiana Bar Foundation	\$ 79,995
United Way of Northeast Louisiana	341,136
Total Promises to Give	<u>\$ 421,131</u>

THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

Note 12 - Advertising

Advertising costs are expensed as incurred. During 2011, the Organization expensed \$93,032 as marketing and printing expenses and \$99,386 as in-kind advertising donations.

Note 13 - Board Designations

During 1999, the Organization 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. In 2009, the Organization began to fund the endowment by converting a CD with a starting balance of \$42,300 for that purpose. All interest earnings are deposited into the CD. In 2009, the Wellspring also opened a savings account to collect memorial and other miscellaneous contributions which are going toward the endowment. During 2011, the CD was not renewed but instead moved into the savings account. Current balance as of December 31, 2011 is \$61,103.

Note 14 - Leases

The Organization 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 Organization has the option to cancel the lease at the end of year three if a reduction in income necessitates. In addition, the Organization signed a lease for The Family Justice Center in June 2005. The term of this operating lease was completed in October 2006. In 2011, the Organization signed two new 18 months leases for office space in Monroe, LA and Winnsboro, LA. The Organization also leases several satellite offices on a month to month basis, and rents various office equipment items under operating leases. Rentals aggregating \$152,192 were charged to expense during 2011.

Minimum future rental payments under non-cancelable operating leases as of December 31, 2011 for each of the next five years and in aggregate are as follows:

<u>December 31,</u>	<u>Amount</u>
2012	\$ 86,691
2013	\$ -
2014	\$ -
2015	\$ -
2016	\$ -

Note 15 - Subsequent Events

Subsequent events have been evaluated through June 22, 2012, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.



THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
SCHEDULE EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<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>				
Supportive Housing Program				
Raise the Roof	14.235	2011	160,032	\$ 160,032
Homeless Management Information System	14.235	2010-2011	72,859	34,983
Homeless Management Information System	14.235	2011-2012	72,859	40,439
Reach Out: The Rural Initiative	14.235	2010-2011	260,685	94,473
Reach Out: The Rural Initiative	14.235	2011-2012	260,685	165,697
Wellspring Permanent Housing Project	14.235	2011-2013	89,532	4,403
Help and Home	14.235	2011-2012	80,209	7,683
				<u>507,710</u> *
Homeless Prevention and Rapid Re-housing (ARRA)	14.257	2009-2011	606,569	224,152
Through City of Monroe, LA				
HUD Emergency Shelter Grants Program	14.231	2010-2011	45,226	31,340
HUD Emergency Shelter Grants Program	14.231	2011-2012	43,915	13,894
				<u>45,234</u>
<u>Department of Justice</u>				
Through Louisiana Commission on Law Enforcement				
Crime Victim Assistance:				
Crime	16.575	2010-2011	217,650	30,070
Crime	16.575	2011-2012	238,896	206,816
				<u>236,886</u>
Violence Against Women Act				
Sexual Assault Services Formula Grant	16.017	2010-2011	25,896	15,094
Domestic Violence Services	16.736	2010-2011	14,525	8,086
Domestic Violence Services	16.736	2011-2012	15,117	9,642
Domestic Violence Services (ARRA)	16.736	2009-2011	15,500	1,500
Sexual Assault Services	16.736	2010-2011	18,426	10,498
Sexual Assault Services	16.736	2011-2012	18,426	18,426
Sexual Assault Services (ARRA)	16.736	2009-2011	20,735	2,293
Transitional Housing	16.736	2005-2011	350,000	30,988
Transitional Housing	16.736	2011-2014	25,000	16,126
Transitional Housing (ARRA)	16.805	2009-2012	499,999	190,970
Rural Development , Dating & SA & Stalking	16.589	2008-2012	1,400,000	313,915
				<u>617,538</u>
Arrest Grant (OPPJ fiscal agent)	16.590	2006-2012	1,199,767	172,621
OJJDP Recovery Act (ARRA)	16.808	2009-2012	500,000	138,284
Supervised Visitation (OPPJ Fiscal Agent)	16.527	2009-2012	400,000	85,145

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
SCHEDULE EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011 (CONTINUED)

	<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>				
Office of Juvenile Justice and Delinquency Prevention (thru BBBS of America)	16.726	2011-2013	131,250	1,486
<u>Federal Emergency Management Agency</u>				
Emergency Food and Shelter Program	97.024	2011	5,437	5,437
<u>Department of Agriculture</u>				
Child and Adult Care Food Program	10.558	2010-2011	18,000	7,343
Child and Adult Care Food Program	10.558	2011-2012	23,384	966
				<u>8,309</u>
<u>Department of Health &amp; Hospitals</u>				
Louisiana Foundation Against Sexual Assault:				
Rape Crisis Program	93.991	2010-2011	32,403	17,361
Rape Crisis Program	93.991	2011-2012	16,846	9,316
				<u>26,677</u>
Louisiana Office on Women's Policy - Federal Portion:				
Family Violence Prevention & Services	93.671	2010-2011	107,352	53,676
Family Violence Prevention & Services	93.671	2011-2012	144,042	72,021
				<u>125,697</u>
<u>Department of Social Services</u>				
Temporary Assistance to Needy Families	93.558	2010-2011	425,000	112,112
Temporary Assistance to Needy Families	93.558	2011-2012	403,644	160,584
				<u>272,696</u>
<u>Administration for Children and Families</u>				
Mentoring Children of Prisoners	93.616	2010-2012	249,930	179,334
Tulane University - Quality Rating System	93.575	2011	504,809	419,022
Tulane University - Quality Rating System Diverse Delivery Coordinator	93.575	2011	39,582	37,292
				<u>456,314 *</u>
<u>U.S. Department of Veterans Affairs</u>				
Supportive Services for Veteran Families	64.033	2011-2012	444,236	69,702
Total Federal Expenditures				<u>\$ 3,173,222</u>

\* Denotes major programs.

See accompanying notes to schedule of expenditures of federal awards.

THE WELLSRING ALLIANCE FOR FAMILIES, INC.  
NOTES TO SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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. (a nonprofit organization) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 22, 2012. 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**

Management of The Wellspring Alliance for Families, Inc. is responsible for establishing and maintaining effective 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 deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 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 22, 2012

# CAMERON, HINES & HARTT

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON 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 Wellspring Alliance for Families, Inc. compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Wellspring Alliance for Families, Inc.'s major federal programs for the year ended December 31, 2011. 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

## **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.  
Monroe, Louisiana  
Page 2

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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 & North (APAC)*

West Monroe, Louisiana  
June 22, 2012

THE WELLSPRING ALLIANCE FOR FAMILIES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**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 That Could Have A Direct and Material Effect on Each Major Program And On 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, Department of Justice under CFDA No. 16.589., and Department of Health and Human Services under CDFA 93.575.
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, 2011

(Continued)

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**U.S. Department of Housing and Urban Development**

CFDA No. 14.235; Program Period - 5/1/10-12/31/13.

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

**U.S. Department of Health and Human Services**

CFDA No. 93.575; Program Period - 1/1/11-12/31/11.

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

**U.S. Department of Justice**

CFDA No. 16.589; Program Period - 10/1/08-9/30/12.

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, 2011

There were no findings in the prior year audit report dated June 21, 2011.