

**SOUTHWEST LOUISIANA EDUCATION  
AND REFERRAL CENTER, INC. AND SUBSIDIARY**

(A Nonprofit Organization)

**FINANCIAL REPORT  
DECEMBER 31, 2012**

**THIBODEAUX ACCOUNTING COMPANY  
A LIMITED LIABILITY COMPANY  
POST OFFICE BOX 34  
RAYNE, LOUISIANA 70578**

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

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# THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

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P. O. BOX 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Southwest Louisiana Education and  
Referral Center, Inc. and Subsidiary  
Lafayette, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of Southwest Louisiana Education and Referral Center, Inc. (SLERC) and Subsidiary (a nonprofit organization), which comprise the statement of financial position as of December 31, 2012 and 2011, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SLERC and subsidiary as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements of Southwest Louisiana Education and Referral Center, Inc. and Subsidiary taken as a whole. The accompanying supplemental information on pages 15-16, is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2013, on our consideration of SLERC and Subsidiary'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 no to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SLERC and Subsidiary's internal control over financial reporting and compliance.

  
**Thibodeaux Accounting Company, LLC**  
A Limited Liability Company

Rayne, Louisiana  
June 24, 2013

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2012 AND 2011**

	<b>ASSETS</b>	
	2012	2011
<b>Current Assets</b>		
Cash	\$ 174,923	\$ 185,692
Operating Reserve	-	74
Restricted Cash	21,780	12,426
Total Current Assets	<u>\$ 196,703</u>	<u>\$ 198,192</u>
<b>Fixed Assets</b>		
Land	\$ 30,926	30,926
Property, Plant, and Equipment	421,403	424,325
Less: Accumulated Depreciation	(107,334)	(96,115)
Net Property, Plant, and Equipment	<u>\$ 344,995</u>	<u>\$ 359,136</u>
<b>Other Assets</b>		
Grant Receivable	\$ 1,250	\$ 200
Due from DHH	10,000	-
Prepaid Expenses	19,894	21,502
Deposit	325	1,025
Total Other Assets	<u>\$ 31,469</u>	<u>\$ 22,727</u>
Total Assets	<u><u>\$ 573,167</u></u>	<u><u>\$ 580,055</u></u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>		
Accounts Payable	\$ 7,778	\$ 8,042
Payroll Liabilities	599	582
Other Current Liabilities	79,027	9,384
Total Current Liabilities	<u>\$ 87,404</u>	<u>\$ 18,008</u>
<b>Net Assets</b>		
Temporarily Restricted	\$ 63,963	\$ 39,111
Unrestricted	421,800	522,936
Total Net Assets	<u>\$ 485,763</u>	<u>\$ 562,047</u>
Total Net Assets and Liabilities	<u><u>\$ 573,167</u></u>	<u><u>\$ 580,055</u></u>

See accompanying notes and accountant's report

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<b>UNRESTRICTED NET ASSETS</b>		
Tel-Law	\$ -	\$ 3,250
Miscellaneous Donations	6,250	4
I & R Services	-	513
Donated Services	195,840	92,779
211	165,049	259,191
Grant - Jewell Lowe	-	50,000
Fundraising Revenue	100,468	3,890
Interest/Dividend Income	421	592
Total Unrestricted Support	<u>\$ 468,028</u>	<u>\$ 410,219</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>		
DDS	\$ 25,150	\$ 32,291
Helpline	4,681	1,053
Project RX	116	180
Grant Income	62,149	31,462
Miscellaneous Donations	1,273	-
Total Net Assets Released from Restrictions	<u>\$ 93,369</u>	<u>\$ 64,986</u>
Total Unrestricted Support and Reclassifications	<u>\$ 561,397</u>	<u>\$ 475,205</u>
<b>EXPENSES</b>		
<b>Program Services</b>		
Social Services	\$ 227,899	\$ 125,070
Helpline	30,047	6,606
Project RX	1,467	16,738
Total Program Services	<u>\$ 259,413</u>	<u>\$ 148,414</u>
<b>Supporting Services</b>		
Management and Information	\$ 393,441	\$ 400,610
Fundraising	9,679	-
Total Supporting Services	<u>\$ 403,120</u>	<u>\$ 400,610</u>
Total Expenses	<u>\$ 662,533</u>	<u>\$ 549,024</u>
Prior Period Reclass of Net Assets	\$ -	\$ (13,552)
Increase (Decrease) in Unrestricted Net Assets	<u>\$ (101,136)</u>	<u>\$ (87,371)</u>

See accompanying notes and accountant's report

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
DDS Contract	\$ 30,000	\$ 32,500
DDS Interest	2	3
Helpline Support	4,671	1,050
Helpline Interest	10	3
RX Support	115	175
RX Interest	1	5
Lafayette Parish Government	31,462	31,462
Grant Income	30,687	-
Misc. Restricted Donations	21,273	-
Total Temporarily Restricted Net Assets	<u>\$ 118,221</u>	<u>\$ 65,198</u>
 <b>NET ASSETS RELEASED FROM RESTRICTIONS</b>		
DDS	\$ (25,150)	\$ (32,291)
Helpline	(4,681)	(1,053)
Project RX	(116)	(180)
Grant Income	(62,149)	(31,462)
Miscellaneous Donations	(1,273)	-
Total Net Assets Released from Restrictions	<u>\$ (93,369)</u>	<u>\$ (64,986)</u>
 <b>PRIOR PERIOD RECLASS OF NET ASSETS</b>	\$ -	\$ 13,552
 <b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	\$ 24,852	\$ 13,764
 <b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<u>(101,136)</u>	<u>(87,371)</u>
 <b>INCREASE (DECREASE) IN NET ASSETS</b>	\$ (76,284)	\$ (73,607)
 <b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>562,047</u>	<u>635,654</u>
 <b>NET ASSETS AT END OF YEAR</b>	<u>\$ 485,763</u>	<u>\$ 562,047</u>

See accompanying notes and accountant's report

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2012**

	<u>Social Services</u>	<u>Helpline</u>	<u>Project RX</u>	<u>Supporting Services</u>	<u>Total</u>
Accounting & Legal	-	-	-	5,300	5,300
Bank Charges	150	169	172	716	1,207
Contract Labor	-	-	-	1,106	1,106
Depreciation	-	-	-	14,141	14,141
Dues and Subscriptions	-	-	-	2,571	2,571
Equipment Rental	-	-	-	8,886	8,886
Fundraising Expense	-	-	-	9,679	9,679
Group Insurance	-	-	-	-	-
Insurance	-	-	-	8,573	8,573
Literature	-	-	-	-	-
Meals/Entertainment	-	-	-	1,412	1,412
Meetings	-	-	-	1,822	1,822
Office Expense	-	-	-	24,442	24,442
Postage	-	-	-	1,595	1,595
Professional fees	-	-	-	25,850	25,850
Programs	-	29,878	1,295	-	31,173
Repairs and Maintenance	-	-	-	2,712	2,712
Salaries & Related Expenses	31,909	-	-	246,349	278,258
Seminars and Conferences	-	-	-	-	-
Taxes and Licenses	-	-	-	4,427	4,427
Telephone	-	-	-	27,641	27,641
Travel	-	-	-	3,924	3,924
Utilities	-	-	-	8,775	8,775
Advertising	-	-	-	1,903	1,903
Donated Professional Services	195,840	-	-	-	195,840
Other Expenses	-	-	-	1,296	1,296
<b>Total Expenses</b>	<b><u>\$ 227,899</u></b>	<b><u>\$ 30,047</u></b>	<b><u>\$ 1,467</u></b>	<b><u>\$ 403,120</u></b>	<b><u>\$ 662,533</u></b>

See accompanying notes and accountant's report



**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2011**

	<u>Social Services</u>	<u>Helpline</u>	<u>Project RX</u>	<u>Supporting Services</u>	<u>Total</u>
Accounting & Legal	-	-	-	5,050	5,050
Bank Charges	135	169	175	851	1,330
Depreciation	-	-	-	14,228	14,228
Dues and Subscriptions	-	-	-	693	693
Equipment Rental	-	-	-	7,852	7,852
Fundraising Expense	-	-	-	-	-
Group Insurance	-	-	-	28,556	28,556
Insurance	-	-	-	8,605	8,605
Literature	-	-	-	453	453
Meals/Entertainment	-	-	-	588	588
Meetings	78	-	-	1,265	1,343
Office Expense	-	-	-	25,070	25,070
Postage	-	-	-	1,911	1,911
Professional fees	-	-	-	23,866	23,866
Programs	-	6,437	6,025	-	12,462
Repairs and Maintenance	-	-	-	1,765	1,765
Salaries & Related Expenses	31,933	-	10,538	238,840	281,311
Seminars and Conferences	145	-	-	-	145
Taxes and Licenses	-	-	-	1,263	1,263
Telephone	-	-	-	27,133	27,133
Travel	-	-	-	353	353
Utilities	-	-	-	9,117	9,117
Advertising	-	-	-	1,452	1,452
Donated Professional Services	92,779	-	-	-	92,779
Other Expenses	-	-	-	1,699	1,699
<b>Total Expenses</b>	<b><u>\$ 125,070</u></b>	<b><u>\$ 6,606</u></b>	<b><u>\$ 16,738</u></b>	<b><u>\$ 400,610</u></b>	<b><u>\$ 549,024</u></b>

Southwest Louisiana Education & Referral Center, Inc. had no fundraising expenses for 2011.

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets	\$ (76,284)	\$ (73,607)
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	14,141	14,228
(Increase) Decrease in Grant Receivable	(1,050)	425
(Increase)Decrease in Due from DHH	(10,000)	-
(Increase) Decrease in Prepaid Expenses	1,608	3,797
(Increase)Decrease in Other Assets	700	-
Increase (Decrease) in Other Payables	69,643	82
Increase (Decrease) in Payroll Liabilities	17	(159)
Increase (Decrease) in Accounts Payable	(264)	2,420
Net Cash Provided (Used) by Operating Activities	\$ (1,489)	\$ (52,814)
Cash Flows from Capital and Related Financing Activities		
(Increase) Decrease Property, Plant, Equipment	\$ -	\$ -
Net Cash Provided from Capital and Related Financing Activities	\$ -	\$ -
Net Increase (Decrease) in Cash	\$ (1,489)	\$ (52,814)
Cash at beginning of year	198,192	251,006
Cash at end of year	\$ 196,703	\$ 198,192
 <b><u>Supplemental</u></b>		
Cash	\$ 174,923	\$ 185,692
Operating Reserve	-	74
Restricted Cash	21,780	12,426
Total Cash	\$ 196,703	\$ 198,192

See accompanying notes and accountant's report

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

ORGANIZATION - The Southwest Louisiana Education and Referral Center, Inc. (SLERC) is a non-profit organization as described in Sec 501(c)(3) of the Internal Revenue Code. SLERC is a community based referral organization founded in December 1965 for the purpose of assisting people in crisis. The Organization administers the following programs:

Enhanced I & R - 211	Transportation
Milk Fund	Nutrition line
Donated Dental Services	Helpline
Project RX	Vial of Life
Medical Appliances Loan Closet	

The mission of Southwest Louisiana Education and Referral Center, Inc. is to see that, in times of personal crisis, people can call the organization's hotline and be assured of assistance and/or advocacy.

The consolidated financial statements include the accounts of Southwest Louisiana Education and Referral Center, Inc. and its wholly owned subsidiary, 20 Mouton Addition, LLC. As required, all significant intercompany accounts and transactions have been eliminated.

BASIS OF ACCOUNTING - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

PUBLIC SUPPORT AND REVENUE - Public support and revenues from fund raising activities are available for use in the current year unless specifically restricted by the donor. Grants and other contributions of cash and other assets are reported as temporarily restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

ESTIMATES - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the use of management's estimates and the assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from those estimates.

CASH AND CASH EQUIVALENTS - The organization has included in cash the following at December 31, 2012:

	<u>2012</u>
General Operating Account	\$ 174,923
Program Accounts	21,780
Operating Reserve	-
Total Cash	<u>\$ 196,703</u>

SLERC's cash and cash equivalents consist of amounts in demand deposit accounts and money market savings accounts.

DEPRECIATION - Depreciable assets are valued at cost if purchased or fair market value if contributed. The furniture and equipment are being depreciated over 5 years using the straight-line method of depreciation. Leasehold improvements are being depreciated over 7 years using the straight-line method of depreciation. The building and building improvements are being depreciated over 39 years using the straight-line method of depreciation. The organization's capitalization threshold is \$500.

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2012

INCOME TAXES – Southwest Louisiana Education and Referral Center, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. There was no unrelated business income for 2012.

**NOTE 2 – FINANCIAL STATEMENT PRESENTATION**

The organization has adopted the provisions of Statement of Financial Accounting Standards No. 116, Accounting for Contributions received and Contributions Made and No. 117, Financial Statements of Not for Profit Organizations by restating net assets as of December 31, 1997. Statement No. 116 requires the organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. Statement No. 117 establishes standards for general-purpose external financial statements of not-for-profit organizations, and requires a statement of financial position, a statement of activities, and a statement of cash flows.

**NOTE 3 – CASH & CASH EQUIVALENTS**

As of December 31, 2012, the bank deposits totaled \$198,963. These deposits are secured from risk by \$250,000 of federal deposit insurance. As of December 31, 2012, all amounts were insured.

**NOTE 4 – CONCENTRATIONS OF CREDIT RISK**

Financial instruments that potentially subject the Corporation to significant concentrations of credit risk consist primarily of cash and cash equivalents.

The corporation places its cash and investments with high quality financial institutions. At December 31, 2012, there were no amounts in excess of FDIC limits.

**NOTE 5 – PROPERTY, PLANT AND EQUIPMENT**

The following is a summary of property, plant, and equipment as of December 31, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance
Furniture and Equipment	\$ 97,579	\$ -	\$ -	\$ 97,579
Software	2,922	-	2,922	-
Building	278,336	-	-	278,336
Land	30,926	-	-	30,926
Building Improvements	45,488	-	-	45,488
	<u>\$ 455,251</u>	<u>\$ -</u>	<u>\$ 2,922</u>	<u>\$ 452,329</u>
Less Accumulated Depreciation	(96,115)			(107,334)
Net Property Plant & Equipment	<u>\$ 359,136</u>			<u>\$ 344,995</u>

The depreciation expense for the year 2012 is \$14,141.

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

**NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following specific program services:

Periods after December 31, 2012:

	<u>2012</u>
Helpline	\$ -
Project RX	-
DDS	43,963
Grants	-
Misc. Donations	<u>20,000</u>
Total Temporarily Restricted Net Assets	<u><u>\$ 63,963</u></u>

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

	<u>2012</u>
Helpline	\$ 4,681
Project RX	116
DDS	25,150
Grants	62,149
Misc. Donations	<u>1,273</u>
Total Restrictions Released	<u><u>\$ 93,369</u></u>

**NOTE 7 – DONATED SERVICES**

Southwest Louisiana Education and Referral Center, Inc. receives a significant amount of donated services from unpaid volunteers who provide medical and dental services to people who are otherwise unable to receive these services. These amounts have been included in the statement of activities, as they have met the criteria for recognition as described in SFAS 116.

**NOTE 8 – GRANTS RECEIVABLE**

The grants receivable at December 31, 2012 are as follows:

	<u>2012</u>
United Way	<u>\$ 1,250</u>
Total Grants Receivable	<u><u>\$ 1,250</u></u>

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 9 – COMPENSATED ABSENCES**

Under SFAS 43, an employer generally is required to accrue a liability for employees' rights to receive compensation for future absences. The amount of the compensation is not reasonably estimable and, therefore, no such liability has been accrued. All employees must take all annual leave before December 31 of each year; therefore, management believes that any unrecorded liability amounts at December 31, 2012 would be immaterial.

**NOTE 11 – OPERATING LEASES**

Southwest Louisiana Education & Referral Center Inc. is engaged in an operating lease for the use of a copy machine. Total expenditures for this lease totaled \$5,262 for the year ended December 31, 2012. The future minimum rental payments for this lease is as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Amount</u>
2013	5,262
2014	<u>1,754</u>
Total	<u>\$ 7,016</u>

**NOTE 12 – EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through June 24, 2013, the date which the financial statements were available to be issued.

# THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

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P. O. BOX 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

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## INDEPENDENT AUDITOR'S 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*

To the Board of Directors of  
Southwest Louisiana Education and  
Referral Center, Inc. and Subsidiary  
Lafayette, Louisiana

We have audited, in accordance with the 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, the financial statements of Southwest Louisiana Education and Referral Center, Inc. and Subsidiary (a nonprofit organization), which comprise the statement of financial position as of December 31, 2012 and 2011, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 24, 2013.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's internal control.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (2012-1).

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's financial statements are free from 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*.

### **Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's Response to Findings**

Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's response to findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
**Thibodeaux Accounting Company, LLC**  
A Limited Liability Company

Rayne, Louisiana  
June 24, 2013



**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

**SUPPLEMENTAL INFORMATION**

**CONSOLIDATED SCHEDULE OF TEMPORARILY RESTRICTED ACTIVITY**

	<u>Helpline</u>	<u>Project RX</u>	<u>DDS</u>	<u>Grants</u>	<u>Misc. Donations</u>	<u>Total</u>
Beginning Balance (1/1/12)	\$ -	\$ -	\$ 39,111	\$ -	\$ -	\$ 39,111
Support & interest received	\$ 4,681	\$ 116	\$ 30,002	\$ 62,149	\$ 21,273	\$ 118,221
Released from restrictions	(4,681)	(116)	(25,150)	(62,149)	(1,273)	(93,369)
2012 Change in temporarily restricted net assets by specific program	\$ -	\$ -	\$ 4,852	\$ -	\$ 20,000	\$ 24,852
Transfers	-	-	-	-	-	-
Total Temporarily Restricted Net Assets (12/31/12)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,963</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 63,963</u>

**SCHEDULE OF DONATED PROFESSIONAL SERVICES**

	<u>Number of Clients</u>	<u>In Kind Value</u>
Donated Dental Services	154	\$ 195,840

SUPPLEMENTAL INFORMATION

CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES  
FOR THE TWELVE MONTH PERIOD ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Revenues:		
Support	\$ 289,507	\$ 378,145
Fundraising Revenue	100,468	3,890
Donated Services	195,840	92,779
Interest	434	603
Total Revenues	<u>\$ 586,249</u>	<u>\$ 475,417</u>
Expenses:		
Wages	\$ 228,735	\$ 259,845
Payroll Taxes	18,795	21,466
Bank Charges	1,207	1,330
Contract Labor	1,106	-
Depreciation	14,141	14,228
Dues & Subscriptions	2,571	693
Equipment Rental	8,886	7,852
Fundraising Expense	9,679	-
Insurance	8,573	8,605
Literature	-	453
Meals/Entertainment	1,412	588
Meetings	1,822	1,343
Office Supplies	24,442	25,070
Postage	1,595	1,911
Professional Fees	25,850	23,866
Programs	31,173	12,462
Repairs and Maintenance	2,712	1,765
Seminars and Conferences	-	145
Taxes and Licenses	4,427	1,263
Telephone	27,641	27,133
Travel	3,924	353
Utilities	8,775	9,117
Advertising	1,903	1,452
Donated Professional Services	195,840	92,779
Accounting and Legal	5,300	5,050
Group Insurance	30,728	28,556
Other Expenses	1,296	1,699
Total Expenses	<u>\$ 662,533</u>	<u>\$ 549,024</u>
Income	<u>\$ (76,284)</u>	<u>\$ (73,607)</u>

SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY

Schedule of Findings  
Year Ended December 31, 2012

PART I. SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Auditor's Report

An unqualified opinion has been issued on the Southwest Louisiana Education and Referral Center, Inc. and Subsidiary's basic financial statements as of and for the year ended December 31, 2012.

Material Weakness - Financial Reporting

The results of our tests disclosed no material weakness over financial reporting required to be disclosed.

Significant Deficiencies - Financial Reporting

The results of our tests disclosed one significant deficiency over financial reporting required to be disclosed.

Material Noncompliance - Financial Reporting

The results of our tests disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.

PART II. FINDING RELATING TO AN AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

2012-1 Finding: Lack of Internal Control

At one of the fundraising events there were no internal controls in place to account for entrance fees.

Criteria:

Internal controls should be in place to properly account for all fundraising revenues.

Cause of Condition:

The fundraiser was hosted by an unrelated party and management was unaware that internal controls would not be in place until the event began.

Effect of Condition:

Revenues could be stolen.

Recommendation:

Armbands should be numbered or counted prior to the start of the event. The beginning and ending numbers should be documented. The amount of the armbands handed out can be used to calculate if all revenues have been collected properly.

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

Corrective Action Plan  
Year Ended December 31, 2012

Response to Findings:

2012-1 – The Organization recognizes that a more defined system of accounting for entry wristbands should be employed for future events like Coup de Main. Rae Logan, Executive Director, will ensure that this is corrected by December 31, 2013.

**SOUTHWEST LOUISIANA EDUCATION AND REFERRAL CENTER, INC. AND SUBSIDIARY**

Summary Schedule of Prior Year Findings  
Year Ended December 31, 2012

There are no prior year audit findings.