

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION

OAK GROVE, LOUISIANA

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION

FOR THE YEAR ENDED

JUNE 30, 2014

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
JUNE 30, 2014

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JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
West Carroll Safe and Drug Free Volunteers, Inc.
d/b/a West Carroll Partners in Prevention
Oak Grove, Louisiana

We have audited the accompanying financial statements of West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related 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.

Auditors' 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention as of June 30, 2014, 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 Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 14 is presented for purposes of additional analysis and is not a required part of the 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. 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2014, on our consideration of West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention'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 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 West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention's internal control over financial reporting and compliance.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Monroe, Louisiana

November 7, 2014

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014

ASSETS

CURRENT ASSETS

Cash	26,440	
Receivables	-	<u> </u>

<u>TOTAL CURRENT ASSETS</u>		<u>26,440</u>
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FIXED ASSETS

Equipment	3,715	
Less: Accumulated Depreciation	(2,893)	<u> </u>

<u>NET FIXED ASSETS</u>		<u>822</u>
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<u>TOTAL ASSETS</u>		<u>27,262</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	2,195	
Notes Payable - Bank	8,219	<u> </u>

<u>TOTAL CURRENT LIABILITIES</u>		10,414
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<u>LONG-TERM DEBT</u>		<u>-0-</u>
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<u>TOTAL LIABILITIES</u>		10,414
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NET ASSETS

Unrestricted	16,848	
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<u>TOTAL NET ASSETS</u>		<u>16,848</u>
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<u>TOTAL LIABILITIES AND NET ASSETS</u>		<u>27,262</u>
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The accompanying notes are an integral part of these financial statements.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

UNRESTRICTED NET ASSETS

Support

Grants and Contracts	157,538	
Donations - In-Kind	28,600	
Other	1,583	

TOTAL SUPPORT

187,721

EXPENSES

Program Services	146,878	
Supporting Services	31,356	
Fund-Raising	-	

TOTAL EXPENSES

178,234

INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS

9,487

NET ASSETS AT BEGINNING OF YEAR

7,361

NET ASSETS AT END OF YEAR

16,848

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

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Substance Abuse Prevention</u>	<u>General and Administrative</u>	<u>TOTAL</u>
Personal Services	84,208	14,052	98,260
Related Benefits	6,660	1,111	7,771
Travel and Training	1,532	382	1,914
Operating Services/Expenses	8,598	2,149	10,747
Supplies	11,181	3,865	15,046
Professional Services	11,489	3,995	15,484
Operating Services - Occupancy	<u>22,880</u>	<u>5,720</u>	<u>28,600</u>
 Total Expenditures Before Depreciation	 146,548	 31,274	 177,822
Depreciation	<u>330</u>	<u>82</u>	<u>412</u>
 <u>TOTAL EXPENSES</u>	 <u>146,878</u>	 <u>31,356</u>	 <u>178,234</u>

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

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (Decrease) in Net Assets	9,487
Adjustments to Reconcile Increase in Net Assets	
To Net Cash Provided (Used) by Operating Activities	
Depreciation	412
(Increase) Decrease in:	
Operating Assets - Receivables	-
Increase (Decrease) in:	
Operating Liabilities - Payables	<u>(1,393)</u>

<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>8,506</u>
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CASH FLOWS FROM INVESTING ACTIVITIES:

None	<u>-</u>
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<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>-0-</u>
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CASH FLOWS FROM FINANCING ACTIVITIES

Loan Repayments	(2,695)
Loan Proceeds	<u>2,280</u>

<u>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</u>	<u>(415)</u>
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<u>NET INCREASE (DECREASE) IN CASH</u>	8,091
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<u>BEGINNING CASH AND CASH EQUIVALENTS</u>	<u>18,349</u>
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<u>ENDING CASH AND CASH EQUIVALENTS</u>	<u>26,440</u>
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SUPPLEMENTAL CASH BASIS DATA

Interest Paid	750
Income Taxes Paid	-0-

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

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Statement of Presentation

The accompanying financial statements conform to generally accepted accounting principles for not-for-profit organizations.

B. Organization

The Organization provides youth prevention and referral services to families and individuals who need assistance with alcohol and drug problems in West Carroll, Richland, and Morehouse parishes in Louisiana. Services are provided mainly in partnership with parish school boards.

C. Estimates

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

D. Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

E. Budget Policy

Budgets for various programs are prepared by the Organization and approved by grantor of the funds for each respective program. No budgets are prepared for the general fund.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

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

F. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restrictions on contributions, in which the restrictions are met in the current accounting period, are shown as unrestricted.

G. Cash in Bank

All funds are in institutions insured by an agency of the Federal Government, the Federal Deposit Insurance Corporation.

H. Fixed Assets

Fixed assets are depreciated over their estimated useful lives using the straight-line method. Fixed assets are capitalized for individual cost over \$500. Donated assets are valued at market value at date of contributions. Equipment lives are estimated at a five to seven year life.

NOTE 2 - FUNDING POLICIES AND SOURCES OF FUNDS:

The Organization receives its monies through various methods of funding. Most of the funds are received from the Louisiana Department of Health and Hospitals on a reimbursement of actual expenditures basis. The Organization also receives funds by contributions from both public and private sources. If the Organization loses these funds from the State of Louisiana, it will have an adverse effect on the corporation.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

NOTE 3 - ACCOUNTS RECEIVABLE - GRANTS:

Accounts Receivable generally consists of reimbursements from the Department of Health and Hospitals for expenditures incurred under the various program(s). At June 30, 2014, no amounts were due.

The reserve for bad debts is zero. Amounts are usually collected within 30 days of billing and management reviews accounts receivable monthly for bad debts.

NOTE 4 - BOARD OF DIRECTORS' COMPENSATION:

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE 5 - NON-CASH CONTRIBUTIONS:

The Organization received various non-cash contributions during the year from private and public sources. Contributions for Occupancy costs totaled \$28,600, and have been reported as revenues, as these costs meet the criteria for recognition as contributions, and the offsetting expenses have been reported in the financial statements. The Agency also received donated services from volunteers which have not been recognized as revenue in the basic financial statements as these costs do not meet the criteria for recognition as contributions.

Donated services are recognized as contributions in accordance with professional standards (FASB ASC 958-605-25-16), if the services create or enhance a non-financial asset or require specialized skills, are provided by entities or persons possessing those skills and would need to be purchased if they were not donated. No such services were recognized in the current fiscal year.

Donated facilities are recognized as contributions in accordance with professional standards (FASB ASC 958-605-52-24) as the organization receives free use of some facilities.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

NOTE 6 - INCOME TAX STATUS:

The Organization applied as a nonprofit corporation and is exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code.

NOTE 7 - CHANGES IN FIXED ASSETS:

A summary of changes in fixed assets (recorded at cost) and accumulated depreciation follows:

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2014</u>
Furniture & Equipment	11,201	-0-	7,486	3,715
Accumulated Depreciation	9,967	412	7,486	2,893

The State of Louisiana maintains a reversionary right against fixed assets in the event the Organization wishes to dispose of assets or ceases operations.

NOTE 8 - CONTINGENT LIABILITIES:

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

NOTE 9 - FAIR VALUES OF FINANCIAL INSTRUMENTS:

The Organization's financial instruments, none of which are held for trading purposes, include cash and a note payable. The Organization estimates that the fair value of all financial instruments at June 30, 2014 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

NOTE 10 - 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 Organization has determined that fund-raising costs are not material.

NOTE 11 - RETIREMENT PLAN:

All employees are covered under the social security program. No other retirement plan is maintained.

NOTE 12 - COMPENSATED ABSENCES:

The Organization's policy is to expense compensated absences in the period such leave is used. Amounts of accrued compensation at June 30, 2014 are not material.

NOTE 13 - ADVERTISING:

The Organization expenses advertising expense as incurred. Advertising costs during this year are not material.

NOTE 14 - SOURCES OF REVENUES:

The Organization received the majority of its revenue from the State of Louisiana Department of Health and Hospitals and from the West Carroll Parish Police Jury and School Board. The loss of these revenues would have an adverse impact on the Organization.

NOTE 15 - NOTES PAYABLE:

The Organization borrows short-term funds from a local bank to support their program until amounts are received from funding sources. At June 30, 2014, the balance due was \$8,219 and the current interest rate was approximately 6.25%. Interest paid during the year was \$750.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

NOTE 16 - SUBSEQUENT EVENTS:

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through November 7, 2014, the date the report was available for issue, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

NOTE 17 - UNCERTAIN TAX POSITIONS:

The Organization is subject to examination by various taxing authorities. Management has reviewed the Organization's activities and believes that no additional amounts or disclosures are needed, as the effect of any uncertain tax positions is not material to the financial statements. The tax returns for the years 2013, 2012, 2011, and 2010 are open for examination by various taxing authorities.

NOTE 18 - RELATED PARTY:

There were no material related party transactions during the year ended June 30, 2014.

SUPPLEMENTARY FINANCIAL INFORMATION

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
COMPENSATION TO BOARD MEMBERS
JUNE 30, 2014

No compensation was paid to any board member during the year under audit.

See independent auditors' report.

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COMPLIANCE REPORTS

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.



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INDEPENDENT AUDITORS' 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
West Carroll Safe and Drug Free Volunteers, Inc.
d/b/a West Carroll Partners in Prevention
Oak Grove, 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 West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, 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 November 7, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' 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 responses that we consider to be significant deficiencies. Such deficiencies are described as items 2014-1, 2014-2, and 2014-3.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention'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*.

West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention's Response to Findings

West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. West Carroll Safe and Drug Free Volunteers, Inc. d/b/a West Carroll Partners in Prevention'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.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
Monroe, Louisiana
November 7, 2014

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2014

INTERNAL CONTROL FINDINGS

2014-1

Finding: As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting journal entries and to prepare the Organization's annual financial statements. This condition is intentional by management based upon the Organization's financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls.

Professional Auditing Standards require that we report the above condition as a control deficiency. The standards do not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Criteria: Proper internal controls under Professional Auditing Standards require management to prepare the Organization's annual financial statements.

Effect: This finding has no material effect on the financial statements.

Cause: It is not cost effective for the Organization to cure this control deficiency.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
JUNE 30, 2014

INTERNAL CONTROL FINDINGS (Continued)

2014-1 (Continued)

Recommendation: As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying the reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under Professional Auditing Standards. In this case, we do not believe that curing the significant deficiency described above would be cost effective or practical and, accordingly, do not believe any corrective action is necessary.

Reply: Management agrees with this finding.

2014-2

Finding: Weaknesses in controls over bank account reconciliation were noted. We noted several old outstanding checks listed on the bank reconciliation.

Criteria: Proper internal controls require that outstanding checks over six months old be investigated to determine the status of such checks.

Effect: This finding has no material effect on the financial statements.

Cause: The organization does not have a policy on the investigation of old outstanding checks.

Recommendation: We recommend the organization adopt a policy to investigate outstanding checks when six months old to determine the status of those checks.

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
JUNE 30, 2014

INTERNAL CONTROL FINDINGS (Continued)

2014-2 (Continued)

Reply: Management agrees with this finding and will implement the recommendations.

2014-3

Finding: We noted the organization's various insurance coverages may be inadequate.

Criteria: Proper internal controls require that the organization obtain adequate insurance to cover possible liability claims against the organization.

Effect: This finding has no material effect on the financial statements.

Cause: The organization has not had an insurance agent review its insurance coverage for amounts of coverage.

Recommendation: We recommend the organization contact its insurance agent to update insurance coverage to ensure the organization has adequate insurance coverage for liability claims, including non-owner auto coverage.

Reply: Management agrees with this finding and will contact its insurance agent to review the organization's coverage.

COMPLIANCE FINDINGS

None

WEST CARROLL SAFE AND DRUG FREE VOLUNTEERS, INC.
D/B/A WEST CARROLL PARTNERS IN PREVENTION
FINDINGS, RECOMMENDATIONS AND CORRECTIVE ACTIONS - PRIOR YEAR
JUNE 30, 2014

INTERNAL CONTROL FINDINGS

2013-1

Finding: The finding related to financial statement preparation is not cost effective to cure.

Status: Uncleared

2013-2

Finding: The finding related to checks being used out of sequence and a few instances where payroll checks were released early.

Status: Cleared

COMPLIANCE FINDINGS

No findings noted in prior year.