

**BONNE SANTE'**  
**CHEMICAL HEALTH & WELLNESS CENTER**  
**New Roads , Louisiana**

**Annual Financial Report**

**As of and for the Year Ended**  
**June 30, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/30/11

**DONALD C. De VILLE**  
Certified Public Accountant  
7829 Bluebonnet Boulevard  
Baton Rouge, Louisiana 70810

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
New Roads, LOUISIANA**

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*Certified Public Accountant*  
  
**Donald C. DeVille**

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**INDEPENDENT AUDITOR'S REPORT**

August 10, 2010

Board of Commissioners  
Bonne Sante' Chemical Health & Wellness Center  
New Roads, Louisiana

I have audited the accompanying basic financial statements of Bonne Sante' Chemical Health & Wellness Center, as of and for the year ended June 30, 2010, as listed in the Table of Contents. The basic financial statements are the responsibility of Bonne Sante' Chemical Health and Wellness Center's management. My responsibility is to express an opinion of these financial statements based on my audit.

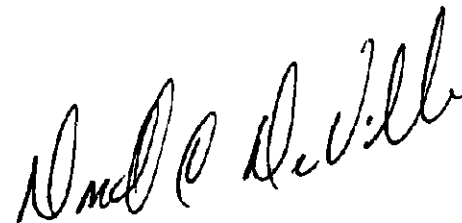
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and 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. I believe that my audit provided a reasonable basis for my opinion.

In my opinion, the basic financial statement referred to above present fairly, in all material respects, the financial position of Bonne Sante' Chemical Health & Wellness Center as of June 30, 2010, and the results of operations for the year the ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated August 10, 2010, on my consideration of Bonne Sante' Chemical Health and Wellness Center's internal control over financial reporting and on my 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 my 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 my audit.

The budgetary comparison information on pages 23 and 24, is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express an opinion on it.

The Bonne Sante' Chemical Health & Wellness Center has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

A handwritten signature in black ink, appearing to read "Wm. C. DeWitt". The signature is written in a cursive style with a large, prominent initial "W".

# *Basic Financial Statements*

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER  
 NEW ROADS, LOUISIANA  
 STATEMENT OF NET ASSETS  
 June 30, 2010**

	<b>GOVERNMENTAL ACTIVITIES</b>
<b>ASSETS:</b>	
Cash	\$85,743
Taxes Receivable	41,147
Grants Receivable	9,055
Accounts Receivable, net	449
Prepaid Payroll Withholdings	623
Capital assets, net of accumulated depreciation	5,829
Total Assets	142,846
 <b>LIABILITIES:</b>	
Accounts Payable	\$1,136
Accrued Wages Payable	1,953
Lease Payable	5,732
Compensated Absences Payable	15,082
Total Liabilities	23,903
 <b>NET ASSETS:</b>	
Investment in Capital Assets, net of debt	5,829
Unreserved-Undesignated	113,114
Total Net Assets	118,943

The accompanying notes are an integral part of this statement.

**BONNE SANTE' - CHEMICAL HEALTH AND WELLNESS CENTER**  
**NEW ROADS, LOUISIANA**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2010

	Program Revenues			Capital Grants & Contributions	Net (Expenses) Revenues and Increases (Decreases) in Net Assets
	Charges for Expenses	Operating Services	Grants & Contributions		
<b>GOVERNMENTAL ACTIVITIES</b>					
HEALTH AND WELFARE:					
SUPPORT SERVICES					
Substance Abuse	\$260,938	\$5,918	\$73,639	\$0	(181,381)
Treatment	66,600	0	66,600	0	0
Total Governmental Activities	<u>327,538</u>	<u>5,918</u>	<u>140,239</u>	<u>0</u>	<u>(181,381)</u>
General Revenues:					
Sales Taxes					187,635
Investment earnings					121
Other general revenues					701
Total general revenues and transfers					<u>188,457</u>
Change in Net Assets					7,076
Net assets-beginning					<u>111,867</u>
Net assets-ending					<u><u>118,943</u></u>

The accompanying notes are an integral part of this statement.

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER**  
**NEW ROADS, LOUISIANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2010**

	<b>GENERAL FUND</b>	<b>TREATMENT FUND</b>	<b>TOTAL</b>
<b>ASSETS:</b>			
Cash	\$78,531	\$7,212	\$85,743
Taxes Receivable	41,147	0	41,147
Intergovernmental Receivable	5,467	3,588	9,055
Accounts Receivable	449	0	449
Prepaid Payroll Withholdings	623	0	623
Due From Other Funds	10,800	0	10,800
Total Assets	<u>137,017</u>	<u>10,800</u>	<u>147,817</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$1,136	\$0	\$1,136
Accrued Wages	1,953	0	1,953
Lease Payable	5,732	0	5,732
Compensated Absences Payable	6,521	0	6,521
Due To Other Funds	0	10,800	10,800
Total Liabilities	<u>15,342</u>	<u>10,800</u>	<u>26,142</u>
<b>FUND BALANCES:</b>			
Unreserved-Undesignated	121,675	0	121,675
Total Fund Balance	<u>121,675</u>	<u>0</u>	<u>121,675</u>
Total Liabilities and Fund Balance	<u>137,017</u>	<u>10,800</u>	<u>147,817</u>

The accompanying notes are an integral part of this statement.



**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER**  
**NEW ROADS, LOUISIANA**  
**Reconciliation of Fund Balances on the Balance Sheet**  
**For Governmental Funds to Net Assets of**  
**Governmental Activities on the Statement of Net Asses**  
**June 30, 2010**

<b>Fund Balances - Total Governmental Funds</b>	<b>\$121,675</b>
 Amounts reported for governmental activities in the statement of net assets are different because:	
 Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	
Add: Capital Assets	28,095
Deduct - Accumulated depreciation	<u>(22,266)</u>
Net adjustments	<u>5,829</u>
 Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Assets	
Compensated absences	<u>(8,561)</u>
 <b>Net Assets of Governmental Activities</b>	 <b><u><u>118,943</u></u></b>

The accompanying notes are an integral part of this statement.

**BONNE SANTE' - CHEMICAL HEALTH AND WELLNESS CENTER  
 NEW ROADS, LOUISIANA  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	GENERAL FUND	TREATMENT FUND	TOTAL
<b>REVENUE</b>			
Intergovernmental			
Federal-DH&HS	\$0	\$66,600	\$66,600
Local	73,639	0	73,639
Sales Taxes	187,635	0	187,635
Charges For Services	5,658	0	5,658
Fines	260	0	260
Interest Income	121	0	121
Miscellaneous Income	701	0	701
	<u>268,014</u>	<u>66,600</u>	<u>334,614</u>
<b>EXPENDITURES</b>			
<b>HEALTH AND WELFARE</b>			
<b>CURRENT</b>			
Salaries	150,108	57,312	207,420
Fringe	47,920	9,288	57,208
Travel	1,275	0	1,275
Operating Services	18,544	0	18,544
Operating Supplies	3,777	0	3,777
Other	1,884	0	1,884
Professional	33,918	0	33,918
Capital Outlay	0	0	0
	<u>257,426</u>	<u>66,600</u>	<u>324,026</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	10,588	0	10,588
<b>FUND BALANCE, BEGINNING</b>	<u>111,087</u>	<u>0</u>	<u>111,087</u>
<b>FUND BALANCE, END</b>	<u>121,675</u>	<u>0</u>	<u>121,675</u>

The accompanying notes are and integral part of this statement.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
 NEW ROADS, LOUISIANA  
 Reconciliation of Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities  
 For the Year Ended June 30, 2010**

**Net Change in Fund Balances - Total Governmental Funds** **\$10,588**

Amounts reported for governmental activities in the statements of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Add: Capital outlays	0
Deduct - depreciation expense	<u>(2,333)</u>
Net Adjustment	<u>(2,333)</u>

Some expenses (i.e. compensated absences) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	<u>(1,179)</u>
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**Change in Net Assets of Governmental Activities** **7,076**

The accompanying notes are an integral part of this statement.

## *Notes to the Financial Statements*

## **BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER NOTES TO FINANCIAL STATEMENTS**

### **INTRODUCTION**

The mission of the Center is to increase the availability and accessibility of effective, community based prevention, treatment, assessment/referral services for individuals faced with chemical use problem, in order to improve the lifestyles of the citizens of Pointe Coupee Parish. The Center has about six full time employees.

The Bonne Sante' Chemical Health & Wellness Center (Center) was created as part of the Pointe Coupee Health Service District No. 1 under the authority of Louisiana Revised Statutes 46:1051-1069. The Center is governed by the Pointe Coupee Health Service District No. 1 and the substance abuse advisory committee. The Center is located in the City of New Roads and services the entire parish of Pointe Coupee from this location.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Bonne Sante' Chemical Health & Wellness Center is considered a component unit of Pointe Coupee Parish Health Service District No. 1. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the Center. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

All individual governmental funds are reported as separate columns in the fund financial statements.

#### **B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Center reports the following major governmental funds:

General Fund

General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another funds.

Major Special Revenue Funds

Treatment Fund is use to account for the funds provided by the State of Louisiana to operate a licensed outpatient substance abuse center providing outpatient and/or intensive outpatient services to adults and adolescents of Pointe Coupee and surrounding parishes suffering the effects of alcohol and/or drug abuse or dependence.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

**C. Deposits and Investments**

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Center's investment policy allow the entity to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments for the Center are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**D. Receivables and Payables**

Receivables consist of all revenues earned at year end and not yet received.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

*The Center shares an one per cent of the sales taxes collected in the Pointe Coupee Parish for health services. This is done by the Center submitting an invoice for expenses each month to be reimbursed.*

**E. Inventories and Prepaid Items**

All immaterial inventories of the governmental funds are recorded as expenditures when purchased rather than when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**F. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., fire hydrants), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Center maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Equipment	5-7 years

**G. Compensated Absences (PTO)**

The Center's recognition and measurement criteria for compensated absences follows:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

GASB Statement No. 16 provides that a liability for sick leave should be accrued using one of the following termination approaches:

1. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
2. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

**H. Fund Equity**

In the fund financial statements, governmental funds may report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**I. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*BUDGET INFORMATION-* The Center uses the following budget practices:

1. The budgetary calendar – Each year before the beginning of the fiscal year the Center prepares and submits a proposed operating budget for the General and Treatment Funds to the Pointe Coupee Health Service District No. 1 , State of Louisiana and 18<sup>th</sup> Judicial District Drug Court for approval.
2. Appropriations (unexpended budget balances) lapse at year-end.
3. There are no outstanding encumbrances.
4. The GAAP basis is use in preparing and reporting the budgets and those funds not budgeted.
5. The Pointe Coupee Health Service District No. 1 will meet time to time to make changes or amendments within the various budget classifications.



**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

**3. CASH AND CASH EQUIVALENTS**

At June 30, 2010, the Center has cash and cash equivalents (book balances) totaling \$85,743 as follows:

Petty Cash	\$150.
Demand Account	7,212
Interest Bearing	<u>78,381</u>
 Total	 <u>85,743</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2010, the Center had \$108,564 in deposits (collected bank balances). These deposits are secured from risk by \$108,564 of federal deposit insurance.

**4. RECEIVABLES**

The receivables of \$38,348 at June 30, 30, 2010, are as follows:

Class of Receivable

Taxes:	
Sales Taxes	\$41,1477

Grants:	
State	3,588
Drug Court	<u>5,467</u>
Total	<u>9,055</u>

Accounts	
Patients	6,452
Less: Allowance for Uncollectible	<u>(6,003)</u>
Total	<u>449</u>

Receivables are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income. The direct charge off method is not a material departure from GAAP as it approximates the valuation method.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

**5. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2010, for the primary government is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated				
Machinery and equipment	28,095	-0-	-0-	28,095
Total capital assets being depreciated	28,095	-0-	-0-	28,095
Less accumulated depreciation for:				
Machinery and equipment	(19,933)	2,333	-0-	(22,266)
Total accumulated depreciation	(19,933)	2,333	-0-	(22,266)
Total capital assets being depreciated, net	8,162	( 2,333)	-0-	5,829

**6. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$8,821 at June 30, 2010, are as follows

	<u>Accounts Payable</u>	<u>Accrued Wages</u>	<u>Compensated Absences</u>	<u>Total</u>
General Fund:				
Accounts Payable	1,136	0	0	1,136
Accrued Wages	0	1,953	0	1,953
Compensated Absences, Current Portion Only	0	0	5,732	5,732
Total Accounts, Salaries, and Other Payables	1,136	1,953	5,732	8,821

**7. LEASES**

The Center capital lease payable on its copier was \$5,732 as of June 30, 2010.

The future minimum lease payments are as follows:

June 30, 2011	\$1,905
June 30, 2012	2,105
June 30, 2013	<u>1,722</u>
Total	<u>5,732</u>

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

**8. LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended June 30, 2010::

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Purchase Agreements</u>	<u>Total</u>
Long-term obligations at Beginning of Year	0	13,903	0	13,903
Additions	0	1,179	0	1,179
Deductions	0		0	
Long-term obligations at End of Year	<u>0</u>	<u>15,082</u>	<u>0</u>	<u>15,082</u>

The following is a summary of the current (due in one year or less ) and the long-term (due in more than one year) portions of long-term obligations as of June 30,, 2010:

	<u>Bonded Debt</u>	<u>Compensated Absences</u>	<u>Total</u>
Current portion	0	6,521	6,521
Long-term portion	0	8,561	8,561
Total	<u>0</u>	<u>15,082</u>	<u>15,082</u>

**9. RETIREMENT SYSTEMS**

**A. Plan Description**

- Substantially all of the Center's employees are members of the Parochial Employees' Retirement System of Louisiana (System) a cost sharing, multiple-employer, non-qualified defined benefit pension plan controlled and administered by a separate board of trustee. The System is composed of two distinct plans, Plan A ad Plan B, with separate assets and separate benefit provisions. All employees of the Center are members of Plan A.
- Employees with 7 or more years of service who have attained age 60 or employees who have 25 years of service who have attained the age of 55, or 30 years of service at any age are entitled to annual pension benefits equal to 3% of their final-average salary for each year of creditable service. However, for most employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

- Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.
- Employee who terminate with at least the amount of credited service stated above and do not withdraw their employee contributions may retire at the age specified above and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.
- The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

**B. Funding Policy**

- Under the Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and to Center is required to contribute at an actuarially determined rate. The current rate is 15.75% of annual covered payroll. The contribution requirements of plan members and the Center are established and may be amended by state statute.
- Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Center are established and may be amended by state statute.
- As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to changes each year based on the results of the valuation for the prior year. The Center's contributions to the System under Plan A of the years ended June 30, 2010, June 30, 2009, and June 30, 2008, were \$28,478., \$25,173, and \$21,712, respectively, equal to the required contributions for each year.

**10. OTHER POSTEMPLOYMENT BENEFITS**

The Center does not offer any post retirement benefits.

**11. CENTRALIZED COLLECTION AGENCY AGREEMEN**

In accordance with paragraph (b)(1) of Section 3 of Article VII of the Constitution of the State of Louisiana, the Center through the Pointe Coupee Health Service District No. 1 entered into an agreement on May 20, 1992, with all of the sales and use tax taxing authorities of the Parish of Pointe Coupee designating the Sales Tax Department of the Pointe Coupee Parish Police Jury as the single tax collection entity. The Center compensates the collection agency 1.25% of the gross amount collected.

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER  
NOTES TO FINANCIAL STATEMENTS**

**12. COMPENSATION PAID TO BOARD MEMBERS**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

None

**13. PRIOR PERIOD ADJUSTMENT**

A prior period adjustment of \$4,119 was made to reflect the current portion of compensated absences payable.

**14. JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES**

There was no litigation pending against the Center as of June 30, 2010.

*The Center's management believes that any potential lawsuits would be covered by insurance or resolved without any material impact upon the Center's financial statements.*

No claims were paid out or litigation costs incurred during the year ended June 30, 2010.

**15. RISK MANAGEMENT**

The Center is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Center has purchase commercial insurance to cover or reduce the risk of los that might arise should one of these incidents occur. There have been no significant reductions in coverage for the prior year. No settlements were made during the year that exceeded the Center's coverage.

**16. RELATED PARTY TRANSACTIONS**

**The Pointe Coupee Health Service District No. 1 provides office space, certain utilities and maintenance to the Center.**

**17. SUBSEQUENT EVENTS**

The Organization did not have any subsequent events through August 10, 2010, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended June 30, 2010.

## **REQUIRED SUPPLEMENTAL INFORMATION**

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER  
 NEW ROADS, LOUISIANA  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
			AMOUNTS	FINAL BUDGET
	ORIGINAL	FINAL	GAAP BASIS	FAVORABLE (UNFAVORABLE)
<b>REVENUES:</b>				
Intergovernmental	\$62,020	\$62,020	\$73,639	\$11,619
Sales Taxes	203,900	203,900	187,635	(16,265)
Charges For Services	5,000	5,000	5,658	658
Fines	900	900	260	(640)
Investment Income	500	500	121	(379)
Miscellaneous	100	100	701	601
<b>Total Revenues</b>	<b>272,420</b>	<b>272,420</b>	<b>268,014</b>	<b>(4,406)</b>
<b>EXPENDITURES:</b>				
Current				
Personnel	115,139	115,139	150,108	(34,969)
Fringe	39,053	39,053	47,920	(8,867)
Travel	4,000	4,000	1,275	2,725
Operating Services	26,990	26,990	18,544	8,446
Operating Supplies	7,758	7,758	3,777	3,981
Other	0	0	1,884	(1,884)
Professional	16,464	16,464	33,918	(17,454)
Capital Outlay	1,000	1,000	0	1,000
<b>Total Expenditures</b>	<b>210,404</b>	<b>210,404</b>	<b>257,426</b>	<b>(47,022)</b>
Excess (Deficiency) Of Revenue Over Expenditures	62,016	62,016	10,588	(51,428)
<b>FUND BALANCE, Beginning</b>	<b>111,087</b>	<b>0</b>	<b>111,087</b>	<b>0</b>
<b>FUND BALANCE, Ending</b>	<b>173,103</b>	<b>62,016</b>	<b>121,675</b>	<b>(51,428)</b>

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER  
 NEW ROADS, LOUISIANA  
 BUDGETARY COMPARISON SCHEDULE - TREATMENT FUND  
 FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
			AMOUNTS	FINAL BUDGET
	ORIGINAL	FINAL	GAAP BASIS	FAVORABLE (UNFAVORABLE)
<b>REVENUES:</b>				
Intergovernmental-CAHSD	\$66,600	\$66,600	\$66,600	\$0
<b>Total Revenues</b>	<b>66,600</b>	<b>66,600</b>	<b>66,600</b>	<b>0</b>
<b>EXPENDITURES:</b>				
Current				
Personnel	57,312	57,312	57,312	0
Fringe	9,288	9,288	9,288	0
<b>Total Expenditures</b>	<b>66,600</b>	<b>66,600</b>	<b>66,600</b>	<b>0</b>
Excess (Deficiency) Of Revenue Over Expenditures	0	0	0	0
<b>FUND BALANCE, Beginning</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCE, Ending</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## **OTHER REPORTS**

*Certified Public Accountant*



*Donald C. DeVille*

Member  
American Institute CPAs

Member  
Louisiana Society CPAs

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BATON ROUGE, LA 70810  
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

August 10, 2010

Members of the Board of Directors  
Baton Rouge, Louisiana

I have audited the financial statements of the Bonne Sante' Chemical Health & Wellness Center as of and for the year ended June 30, 2010, and have issued my report thereon dated August 10, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing my audit, I considered Bonne Sante' Chemical Health & Wellness Center's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exist 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 misstatement 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.

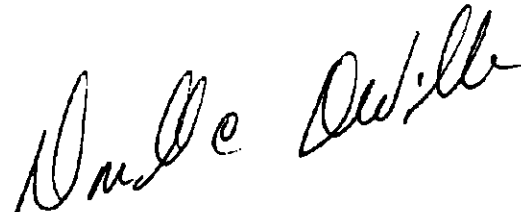
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiency in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. (Finding 2010-1) 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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bonne Sante' Chemical Health and Wellness Center's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my test disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as item 2010-1.

Bonne Sante' Chemical Health & Wellness Center's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. I did not audit Bonne Sante' Chemical Health & Wellness Center's response and, accordingly, I express no opinion on it.

This report is intended for the information of the management, 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. However, under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document and distribution is not limited.



**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER**  
**NEW ROADS, LOUISIANA**  
**SCHEDULE OF PRIOR YEAR'S FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

<u>Re No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Corrective Action Taken</u>
1.	6-30-08	Center Lacks the Qualifications and Skills To Prepare Their Financial Statements	No	N/A-Cost to Benefit Too Great for the Small Entity

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER**  
**NEW ROADS, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COST**  
**FOR THE YEAR ENDED JUNE 30, 2010**

## **A. Summary of Auditor's Result**

### **Financial Statements**

**Type of auditor's report issued: Unqualified**

- **No material weaknesses identified.**
- **No significant deficiencies identified that are not considered to a material weakness.**

**No noncompliance material to financial statements noted.**

**Federal Awards: Not Applicable**

## **B. Findings – Financial Statement Audit**

**2010-1**

**Condition: The Center's management lack the qualifications and skills to prepare its Financial Statements.**

**Criteria: Statement on Auditing Standards No. 115 defines this deficiency in the design of Controls.**

**Effect: There is no material effect to the financial statements since the auditor prepared their statements**

**Recommendation: No recommendation because the Center is so small and the cost-to-benefit Ratio is too great.**

**Management Response: The cost to hire another CPA is too great for this small Center.**

## **C. Management Letter**

**The auditor did not issue a management letter this year.**

**BONNE SANTE' CHEMICAL HEALTH & WELLNESS CENTER**  
**NEW ROADS, LOUISIANA**  
**CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Re: No - 2010-1**

**Description of Findings** – Management lacks the qualifications and training to prepare their financial statements.

**Corrective Action Plan** –The cost-to-benefit does not justify the hiring of another CPA to prepare their financial statements.

**Name of Contact** – Donna Hammond, Executive Director

**Anticipated Completion Date** – N/A