

**SOUTHWEST LOUISIANA  
INDEPENDENCE CENTER, INC.  
Lake Charles, Louisiana**

**Audit of Financial Statements  
September 30, 1993**

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**BROUSSARD & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

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Founded in 1978

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Southwest Louisiana Independence Center, Inc.  
Lake Charles, Louisiana

We have audited the accompanying statement of financial position of Southwest Louisiana Independence Center, Inc., a non-profit organization as of September 30, 2003, and the related statement of activities and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Southwest Louisiana Independence Center, Inc. as of September 30, 2003, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2003, on our consideration of Southwest Louisiana Independence Center, Inc.'s internal control structure and compliance with laws and regulations. That report is an integral part of our audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

*Broussard & Company*

Lake Charles, Louisiana  
December 15, 2003  
/s/

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
 Lake Charles, Louisiana  
 Statement of Financial Position  
 As of September 30, 2021

**ASSETS**

<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 12,067
Grants receivable	118,890
Prepaid expenses	8,651
Other receivables	328
	240,040
<b>PROPERTY AND EQUIPMENT</b>	
Furniture and equipment	121,691
Accumulated depreciation	(80,744)
	40,947
<b>OTHER ASSETS</b>	
Deposits	1,558
	1,558
<b>TOTAL ASSETS</b>	<b>\$ 283,545</b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 11,889
Current portion of leases payable	5,547
Accrued payroll and related expenses	78,764
Other accrued expenses	1,495
	97,695
<b>LONG TERM LIABILITIES:</b>	
Lease obligations - net of current portion	438
	438
<b>TOTAL LIABILITIES</b>	<b>98,133</b>
<b>NET ASSETS</b>	
Unrestricted	185,414
	185,414
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 283,545</b>

See accompanying notes to the financial statements.

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
**Lake Charles, Louisiana**  
**Statement of Activities**  
**For The Year Ended September 30, 2007**

	Unrestricted	Temporarily Restricted	Total
<b>SUPPES</b>			
Medical/volunteer programs	\$ 749,556	\$ -	\$ 749,556
Federal and state grants	500,880	-	500,880
Special events and other	9,834	-	9,834
Net assets, returned from temporary restrictions	888	(888)	-
<b>Total Support</b>	<b>1,261,158</b>	<b>(888)</b>	<b>1,260,270</b>
<b>EXPENSES</b>			
Program expenses	1,261,137	-	1,261,137
Supporting services:			
Management and general	20,832	-	20,832
<b>Total Expenses</b>	<b>1,281,969</b>	<b>-</b>	<b>1,281,969</b>
<b>CHANGE IN NET ASSETS</b>	<b>81,189</b>	<b>(888)</b>	<b>80,301</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>49,500</b>	<b>888</b>	<b>50,388</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 130,689</b>	<b>\$ -</b>	<b>\$ 130,689</b>

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
**Lake Charles, Louisiana**  
**Statement of Cash Flows**  
**For The Year Ended September 30, 2003**

<b>Cash Flows From Operating Activities</b>		
Increase in net assets	5	(1,403)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation expense		16,292
(Increase) decrease in operating assets:		
Grants receivable		(13,288)
Prepaid expenses		(9,833)
Increase (decrease) in operating liabilities:		
Accounts payable		(21,239)
Accrued payroll and related expenses		30,096
Other accrued expenses		(21,276)
		<u>(24,041)</u>
Total Adjustments		(24,041)
Net Cash Used By Operating Activities		<u>(21,158)</u>
 <b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment		<u>(14,112)</u>
Net Cash Used By Investing Activities		<u>(14,112)</u>
 <b>Cash Flows From Financing Activities</b>		
Principal payments on loans		<u>(18,242)</u>
Net Cash Provided By Financing Activities		<u>(18,242)</u>
 <b>Net Increase (Decrease) in Cash</b>		
		32,895
Cash - Beginning of Year		10,289
Cash - End of Year	1	<u><u>43,184</u></u>
 <b>Supplemental Disclosures of Cash Flow Information</b>		
Cash paid for interest	3	<u><u>1,902</u></u>

See accompanying notes to the financial statements.

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
**Lake Charles, Louisiana**  
**Statement of Functional Expenses**  
**For The Year Ended September 30, 2003**

	Program Services	Supporting Services, Management & General	Total
Advertising	\$ 3,997	\$ -	\$ 3,997
Audit expense	6,185	-	6,185
Bank service charges	81	-	81
Depreciation	-	16,992	16,992
Direct client services	271,271	-	271,271
Education and training	11,509	-	11,509
Equipment purchase - client	277	-	277
Insurance	41,790	-	41,790
Interest expense	1,832	-	1,832
Payroll taxes/Wage expense	180,687	-	180,687
Postage	6,883	-	6,883
Professional services	7,898	-	7,898
Printing services	22,083	-	22,083
Rent	31,139	-	31,139
Repairs and maintenance	6,591	-	6,591
Salaries	731,873	-	731,873
Supplies	33,253	-	33,253
Telephone	24,264	-	24,264
Travel	20,048	-	20,048
Utilities	6,741	-	6,741
Miscellaneous	-	4,240	4,240
<b>Total Program Expenses</b>	<b>\$ 1,381,157</b>	<b>\$ 20,832</b>	<b>\$ 1,401,989</b>

See accompanying notes to the financial statements.

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
Lake Charles, Louisiana  
Notes to Financial Statements  
September 30, 2003

**NOTE 7 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities**

Southwest Louisiana Independence Center, Inc. was organized under Section 501 (c)(3) of the Internal Revenue Code as a nonprofit organization for the purpose of providing support services to the physically disabled and their families. A significant portion of the Center's revenues are Medicaid payments received for providing patient care services to Medicaid eligible individuals. The Center also receives grants from the U.S. Department of Education and the State of Louisiana Department of Social Services. The Center is not classified as a private foundation by the Internal Revenue Service.

**Income Taxes**

The Center is exempt from Federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and from Louisiana income taxes. Therefore, no provision has been made for Federal or state income taxes in the accompanying financial statements.

**Basis of Accounting**

The accompanying financial statements of Southwest Louisiana Independence Center, Inc. have been prepared on the accrual basis of accounting.

Grants, miscellaneous contributions of cash, and other assets are reported as nonreciprocal support unless donor stipulations are not returned during the fiscal year.

**Cash and Cash Equivalents**

The Center had deposits of \$86,244 at September 30, 2003 and a carrying value of \$52,187, which includes \$400 in petty cash. These balances were entirely covered by Federal Depository Insurance.

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

**Use of 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 these estimates.

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
**Lake Charles, Louisiana**  
**Notes to Financial Statements (Continued)**  
**September 30, 2003**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment/Depreciation and Amortization**

Property and equipment are recorded at their historical cost. Donated assets are recorded at their estimated fair value on the date of the donation.

Furniture and equipment are being depreciated over estimated useful lives of three to seven years. The straight-line method of depreciation is being utilized. Depreciation expense was \$26,992 for the year ended September 30, 2003. This included depreciation on assets acquired through capital lease.

**Compensated Absence**

The Center has a vesting liability in the amount of \$12,203 at September 30, 2003 for unused vacation and earned time off. Such leave is not vested, therefore no accrual is reflected in the financial statements.

**Retirement Benefits**

The Center does not provide retirement benefits. Employees participate in the Social Security system. The Center is not responsible for any post-employment benefits. The Center has only the usual obligation to make current matching payments to the Social Security system for active employees.

**NOTE 2 - PROPERTY AND EQUIPMENT**

The following is a summary of furniture and equipment as of September 30, 2003:

Furniture and Equipment, October 1, 2002	\$ 127,215
Additions for the Year Ended September 30, 2003	14,179
Disposals for the Year Ended September 30, 2003	<u>(18,643)</u>
Furniture and Equipment, September 30, 2003	<u>\$ 132,751</u> *
Accumulated Depreciation, October 1, 2002	\$ 82,773
Depreciation for the Year Ended September 30, 2003	16,694
Less Depreciation on Disposed Assets for the Year Ended September 30, 2003	<u>(18,643)</u>
Accumulated Depreciation, September 30, 2003	<u>\$ 80,724</u> **
Net Book Value, September 30, 2003	<u>\$ 41,847</u>

\* - Includes \$27,499 of leased equipment.

\*\* - Includes \$20,373 of accumulated depreciation on leased equipment.

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
 Lake Charles, Louisiana  
 Notes to Financial Statements (Continued)  
 September 30, 2003

**NOTE 3 - GRANTS RECEIVABLE**

Grants receivable at September 30, 2003 consisted of reimbursements for expenses incurred in the following programs:

Program	Amount
Title VII-E	\$ 4,879
Telecommunications Device Distribution	4,440
State Personal Care Attendant Contract	3,653
State Independent Living-Center	16,678
State Medicaid Contract Services	96,346
State Interpreter Services (LRS)	340
Elderly Disabled Adults	3,847
SLIC Interpreting	1,782
Housing Development	3,608
<b>Total Receivable</b>	<b><u>\$ 138,999</u></b>

**NOTE 4 - CAPITAL LEASE PAYABLE**

Capital lease payable at September 30, 2003 consists of the following:

Series copier lease payable to Great America Leasing Corporation, \$270 per month including interest at 8.95% incurred by copier. Matures November 3, 2004.	\$ 2,990
Copier lease payable to Best Office Solutions, \$377 per month including interest at 14.09% secured by copier. Matures November 28, 2005.	741
Touhite copier lease payable to Great America Leasing Corporation, \$122 per month including interest at 13.02% secured by copier. Matures November 18, 2003.	<u>242</u>
<b>Total Capital Leases Payable</b>	<b><u>\$ 3,973</u></b>

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
 Lake Charles, Louisiana  
 Notes to Financial Statements (Continued)  
 September 30, 2003

**NOTE 4 - CAPITAL LEASES PAYABLE (CONTINUED)**

Future minimum lease payments under capital leases for the next five years are as follows:

Fiscal year ending September 30,	2004	\$ 4,241
	2005	541
	Thereafter	<u>9-</u>
Total Future Minimum Lease Payments		<u>\$ 4,782</u>
Less Amount Representing Interest		<u>(102)</u>
Present Value of Future Minimum Lease Payments		<u>\$ 4,680</u>

**NOTE 5 - OPERATING LEASE**

The Center currently leases office space for both the Lake Charles and the Lafayette offices. The current lease agreement for the Lake Charles site is for a thirty-six month period beginning July 1, 1997 with a monthly fee of \$2,100. The Center did renew its lease for another thirty-six month period beginning September 1, 2000 at the same monthly fee of \$2,100. Effective October 2003, the Center began leasing this space on a monthly basis for \$2,110 per month. The Center is expecting to move to a new location in Lake Charles in early 2004. The current lease agreement for the Lafayette site is for a twenty-four month period beginning July 1, 2003 with a monthly fee of \$1,180.

Total rent expense reflected in these financial statements for the year ended September 30, 2003 was \$23,574.

**NOTE 6 - CONTINGUOUS RESPONSIBILITY FUND**

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. Management is not aware of any disallowed costs as of September 30, 2003.

**NOTE 7 - RISK MANAGEMENT**

The Center has purchased commercial insurance for its general liability and worker's compensation insurance. They have not retained any risks with relation to these activities.

**SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.**  
**Lake Charles, Louisiana**  
**Notes to Financial Statements (Continued)**  
**September 30, 2003**

**NOTE 8 - ECONOMIC DEPENDENCY**

The Center receives the majority of its revenues from funds provided by state and federal grants as well as through a contract for patient care services provided to Medicaid eligible individuals. If significant budget cuts are made at the federal and/or state level or the Medicaid contract is not renewed, the amount of funds the Center receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Center will receive in the next fiscal year.



Founded in 1979

## **BROUSSARD & COMPANY**

**CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.**

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### **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

The Board of Directors  
Southwest Louisiana Independence Center, Inc.  
Lake Charles, Louisiana

We have audited the financial statements of Southwest Louisiana Independence Center, Inc. (a nonprofit organization) as of and for the year ended September 30, 2003, and have issued our report thereon dated December 15, 2003. 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.

#### **Compliance**

As part of obtaining reasonable assurance about whether Southwest Louisiana Independence Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Southwest Louisiana Independence Center, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter (involving the internal control over financial reporting and its operation) that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Center's ability to record, process, summarize, and report financial data consistent with the objectives of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Compliance and Internal Control as Item ICG-02-1.

#### **MOBILE OFFICE**

201 East Division Street, Suite 202  
Lake Charles, Louisiana 70601  
PH (713) 681-0200 Fax (713) 681-0202

#### **LAKE CHARLES OFFICE**

One Lyndwood Drive, Suite 1000  
Lake Charles, Louisiana 70601  
PH (713) 681-0200 Fax (713) 681-0202

#### **HOUMA OFFICE**

The First Center  
Dulac, Louisiana 70627  
PH (713) 681-0200 Fax (713) 681-0202

The Board of Directors  
Southwest Louisiana Independence Center, Inc.  
Lake Charles, Louisiana  
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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe that the reportable conditions described above is a material weakness.

This report is intended for the information of the management of Southwest Louisiana Independence Center, Inc., the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass through entities and is not intended to be used should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bronson & Company*

Lake Charles, Louisiana  
December 15, 2011  
/s/

SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.  
SCHEDULE OF COMPLIANCE (AND INTERNAL  
CONTROL OVER FINANCIAL REPORTING)  
FOR THE YEAR ENDED SEPTEMBER 30, 2003

I INTERNAL CONTROL FINDINGS – GOVERNMENTAL AUDITING STANDARDS (GAS)

(ICG-00-1) Lack of Segregation of Duties

**Finding:** There appears to be a lack of segregation of duties with respect to the accounting functions of the Center. We did note that the current management and board of directors have taken steps to perform independent review of the items processed through the accounting system and strengthen its internal controls.

**Cause:** Due to the size of the staff, it is not always feasible to segregate duties.

**Effect:** The possibility of unauthorized transactions being processed exists.

**Recommendation:** We recommend that the Center's management and board continue to perform independent review of the items processed through the accounting system in order to strengthen its internal controls.

**Management Response:** NLIC management and board of directors shall continue to perform independent review of items processed through the accounting system in order to strengthen its internal controls.

SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.  
SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2003

1 INTERNAL CONTROL FINDINGS -- GOVERNMENTAL AUDITING STANDARDS (IGG)

0001-02-03 Lack of Segregation of Duties

Finding: There appears to be a lack of segregation of duties with respect to the accounting functions of the Center. We did note that the current management and board of directors have taken steps to perform independent review of the items processed through the accounting system and strengthen its internal controls.

Cause: Due to the size of the staff, it is not always feasible to segregate duties.

Effect: The possibility of unauthorized transactions being processed exists.

Recommendation: We recommend that the Center's management and board continue to perform independent review of the items processed through the accounting system in order to strengthen its internal controls.

Management Response: SLIC management and board of directors shall continue to perform independent review of items processed through the accounting system in order to strengthen its internal controls.