

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2017 AND 2016

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

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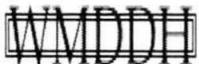
INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors
Affiliated Blind of Louisiana
Training Center, Inc.
Lafayette, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Affiliated Blind of Louisiana Training Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 auditors' 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.

Unless otherwise expressly indicated, any tax advice contained in this communication, or attachments are not intended for use and cannot be used (i) to avoid any penalties under the Internal Revenue Code, or (ii) to promote, market or recommend to another party the tax consequences of any matter addressed therein. This communication (and/or the documents accompanying it) may contain confidential information belonging to the sender, which is protected by the Accountant-Client privilege. The information is indeed only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any use, disclosure, copying, distribution, or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this communication in error, please notify us by telephone immediately.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Affiliated Blind of Louisiana Training Center, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2017, on our consideration of Affiliated Blind of Louisiana Training Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Affiliated Blind of Louisiana Training Center, Inc.'s internal control over financial reporting and compliance.

***Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC***

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, L.L.C.
Certified Public Accountants

December 2, 2017
Lafayette, Louisiana

AFFILIATED BLIND OF LOUISIANA TRAINING CENTER, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 AND 2016**

ASSETS

	2017	2016
CURRENT ASSETS		
Cash and Interest Bearing Deposits	\$ 915,630	\$ 882,419
Due from Other Agencies	261,187	160,071
Other Receivables	134,809	120,520
Inventory	40,447	41,929
Prepaid Insurance	1,831	20,176
Prepaid Expenses	13,502	5,859
Total Current Assets	1,367,406	1,230,974
PROPERTY AND EQUIPMENT (NET)	2,279,357	2,372,504
OTHER ASSETS		
Deposits	1,015	1,015
Total Other Assets	1,015	1,015
TOTAL ASSETS	\$ 3,647,778	\$ 3,604,493

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 3,407	\$ 28,865
Accrued Payroll and Related Liabilities	18,108	18,694
Accrued Compensated Absences	31,112	31,112
Income Taxes Payable	3,014	944
Other Current Liabilities	2,371	2,234
Total Current Liabilities	58,012	81,849
TOTAL LIABILITIES	58,012	81,849
NET ASSETS		
Unrestricted	2,214,101	2,067,958
Temporarily Restricted	1,375,665	1,454,686
Total Net Assets	3,589,766	3,522,644
TOTAL LIABILITIES AND NET ASSETS	\$ 3,647,778	\$ 3,604,493

The accompanying notes are an integral part of these statements.

AFFILIATED BLIND OF LOUISIANA TRAINING CENTER, INC.

**STATEMENT OF ACTIVITIES
JUNE 30, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
UNRESTRICTED NET ASSETS			
PUBLIC SUPPORT			
Donations	\$ 422,317	\$ -	\$ 422,317
Fundraising	<u>1,689,204</u>	<u>-</u>	<u>1,689,204</u>
Total Public Support	<u>2,111,521</u>	<u>-</u>	<u>2,111,521</u>
 REVENUES			
Fee for Service	657,568	-	657,568
Governmental Grants	548,485	-	548,485
Appropriations	500,000	-	500,000
Miscellaneous	48,371	-	48,371
Interest	<u>1,564</u>	<u>-</u>	<u>1,564</u>
Total Revenues	<u>1,755,988</u>	<u>-</u>	<u>1,755,988</u>
 NET ASSETS RELEASED FROM			
Expiration of Time Restrictions	75,000	(75,000)	-
Net Inventory Purchased (Used)	<u>4,021</u>	<u>(4,021)</u>	<u>-</u>
 TOTAL PUBLIC SUPPORT AND REVENUES RELEASED FROM RESTRICTIONS	<u>3,946,530</u>	<u>(79,021)</u>	<u>3,867,509</u>
 EXPENSES AND LOSSES			
Program Services	1,670,977	-	1,670,977
Supporting Services			
Management and General	469,610	-	469,610
Special Gaming Fundraising	<u>1,659,801</u>	<u>-</u>	<u>1,659,801</u>
Total Expenses	<u>3,800,388</u>	<u>-</u>	<u>3,800,388</u>
 CHANGE IN NET ASSETS	146,142	(79,021)	67,121
 NET ASSETS AT BEGINNING OF YEAR	<u>2,067,958</u>	<u>1,454,686</u>	<u>3,522,644</u>
 NET ASSETS AT END OF YEAR	<u>\$ 2,214,100</u>	<u>\$ 1,375,665</u>	<u>\$ 3,589,765</u>

The accompanying notes are an integral part of these statements.

AFFILIATED BLIND OF LOUISIANA TRAINING CENTER, INC.

**STATEMENT OF ACTIVITIES
JUNE 30, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
UNRESTRICTED NET ASSETS			
PUBLIC SUPPORT			
Donations	\$ 477,911	\$ -	\$ 477,911
Fundraising	<u>1,796,113</u>	<u>-</u>	<u>1,796,113</u>
Total Public Support	<u>2,274,024</u>	<u>-</u>	<u>2,274,024</u>
 REVENUES			
Fee for Service	527,048	-	527,048
Governmental Grants	531,352	-	531,352
Appropriations	460,183	-	460,183
Miscellaneous	24,984	-	24,984
Interest	1,068	-	1,068
Gain on Disposal of Assets	<u>500</u>	<u>-</u>	<u>500</u>
Total Revenues	<u>1,545,135</u>	<u>-</u>	<u>1,545,135</u>
 NET ASSETS RELEASED FROM			
Expiration of Time Restrictions	75,000	(75,000)	-
Net Inventory Purchased (Used)	<u>1,558</u>	<u>(1,558)</u>	<u>-</u>
 TOTAL PUBLIC SUPPORT AND REVENUES RELEASED FROM RESTRICTIONS	<u>3,895,717</u>	<u>(76,558)</u>	<u>3,819,159</u>
 EXPENSES AND LOSSES			
Program Services	1,608,595	-	1,608,595
Supporting Services			
Management and General	465,793	-	465,793
Special Gaming Fundraising	<u>1,731,658</u>	<u>-</u>	<u>1,731,658</u>
Total Expenses	<u>3,806,046</u>	<u>-</u>	<u>3,806,046</u>
 CHANGE IN NET ASSETS	89,671	(76,558)	13,113
 NET ASSETS AT BEGINNING OF YEAR	<u>1,978,287</u>	<u>1,531,244</u>	<u>3,509,531</u>
 NET ASSETS AT END OF YEAR	<u>\$ 2,067,958</u>	<u>\$ 1,454,686</u>	<u>\$ 3,522,644</u>

The accompanying notes are an integral part of these statements.

AFFILIATED BLIND OF LOUISIANA TRAINING CENTER, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
JUNE 30, 2017**

	PROGRAM SERVICES	SUPPORTING SERVICES		TOTAL
		SPECIAL GAMING FUNDRAISING	MANAGEMENT AND GENERAL	
Compensation and Related Expenses				
Salaries	\$ 781,874	\$ 47,999	\$ 126,837	\$ 956,710
Retirement Plan Matching	15,478	-	6,808	22,286
Payroll Taxes	60,583	-	9,787	70,370
	<u>857,935</u>	<u>47,999</u>	<u>143,432</u>	<u>1,049,366</u>
Advertising	3,963	3,810	-	7,773
Alarm Monitoring	330	-	615	945
Client Services	10,597	-	-	10,597
Contract Services	289,833	-	4,902	294,735
Depreciation	14,654	-	137,405	152,059
Equipment Rental	1,242	-	4,122	5,364
Exterminator	3,553	-	-	3,553
Fire Extinguisher/Sprinkler	269	-	269	538
Fuel	6,121	-	-	6,121
Garbage Collection	5,895	-	-	5,895
Insurance	74,494	-	65,938	140,432
Janitorial	25,664	10,300	17,813	53,777
Legal and Accounting	6,891	1,620	27,898	36,409
Low Vision Evaluations	28,625	-	-	28,625
Miscellaneous	1,264	3,258	3,691	8,213
Office Expense	3,779	-	4,192	7,971
Prizes	-	1,339,215	-	1,339,215
Repairs and Maintenance	67,637	-	6,799	74,436
Session Fees	-	82,825	-	82,825
Security	-	17,580	-	17,580
Supplies and Materials	215,564	150,180	1,665	367,409
Taxes	-	3,014	-	3,014
Telephone	11,196	-	14,240	25,436
Training	2,461	-	285	2,746
Travel	9,288	-	1,049	10,337
Utilities	29,722	-	35,295	65,017
	<u>29,722</u>	<u>-</u>	<u>35,295</u>	<u>65,017</u>
TOTAL	<u>\$ 1,670,977</u>	<u>\$ 1,659,801</u>	<u>\$ 469,610</u>	<u>\$ 3,800,388</u>

The accompanying notes are an integral part of these statements.

AFFILIATED BLIND OF LOUISIANA TRAINING CENTER, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
JUNE 30, 2016**

	SUPPORTING SERVICES			TOTAL
	PROGRAM SERVICES	SPECIAL GAMING FUNDRAISING	MANAGEMENT AND GENERAL	
Compensation and Related Expenses				
Salaries	\$ 803,693	\$ 46,450	\$ 121,110	\$ 971,253
Retirement Plan Matching	20,000	-	7,707	27,707
Payroll Taxes	60,206	-	9,633	69,839
	<u>883,899</u>	<u>46,450</u>	<u>138,450</u>	<u>1,068,799</u>
Advertising	3,745	-	-	3,745
Alarm Monitoring	392	-	393	785
Client Services	11,587	-	-	11,587
Contract Services	244,979	-	2,986	247,965
Depreciation	3,104	-	148,856	151,960
Equipment Rental	2,186	-	2,944	5,130
Exterminator	3,566	-	-	3,566
Fire Extinguisher/Sprinkler	3,055	-	343	3,398
Fuel	6,034	-	-	6,034
Garbage Collection	5,578	-	-	5,578
Insurance	89,525	-	65,674	155,199
Interest Expense	-	-	727	727
Janitorial	19,481	10,300	19,401	49,182
Legal and Accounting	10,116	1,095	28,076	39,287
Low Vision Evaluations	30,400	-	-	30,400
Miscellaneous	1,918	5,873	5,018	12,809
Office Expense	2,373	-	7,976	10,349
Prizes	-	1,395,440	-	1,395,440
Repairs and Maintenance	26,007	-	5,803	31,810
Session Fees	-	83,125	-	83,125
Security	-	17,955	-	17,955
Supplies and Materials	214,089	162,657	984	377,730
Taxes	-	8,763	-	8,763
Telephone	7,476	-	5,809	13,285
Training	2,087	-	-	2,087
Travel	7,564	-	820	8,384
Utilities	29,434	-	31,533	60,967
	<u>29,434</u>	<u>-</u>	<u>31,533</u>	<u>60,967</u>
TOTAL	<u>\$ 1,608,595</u>	<u>\$ 1,731,658</u>	<u>\$ 465,793</u>	<u>\$ 3,806,046</u>

The accompanying notes are an integral part of these statements.

AFFILIATED BLIND OF LOUISIANA TRAINING CENTER, INC.

**STATEMENTS OF CASH FLOWS
JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 67,122	\$ 13,113
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:		
Depreciation	152,059	151,960
Gain on Disposal of Assets	-	(500)
Changes in Current Assets and Liabilities:		
Due from Other Agencies	(101,116)	27,928
Other Receivables	(14,289)	(23,406)
Inventory	1,482	287
Prepaid Insurance	18,345	2,999
Prepaid Expenses	(7,643)	313
Accounts Payable	(25,458)	4,687
Accrued Payroll and Related Liabilities	(586)	(25,464)
Income Taxes Payable	2,070	(3,048)
Other Current Liabilities	<u>137</u>	<u>(1,349)</u>
Net Cash Provided By Operating Activities	<u>92,123</u>	<u>147,520</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	<u>(58,912)</u>	<u>(25,281)</u>
Net Cash Used In Investing Activities	<u>(58,912)</u>	<u>(25,281)</u>
NET INCREASE IN CASH AND EQUIVALENTS	33,211	122,239
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>882,419</u>	<u>760,180</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 915,630</u>	<u>\$ 882,419</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Income taxes	<u>\$ -</u>	<u>\$ 7,340</u>

The accompanying notes are an integral part of these statements.

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization – Affiliated Blind of Louisiana Training Center, Inc. (the “Organization”) was incorporated on September 10, 1997 to operate the Training Center which was previously operated by Affiliated Blind of Louisiana, Inc. The Organization took over operation of the Training Center effective October 1, 1997. The mission of the Training Center is to teach skills required to maximize the independence and increase the employability of individuals who are blind, visually-impaired, or deaf-blind, thereby allowing for full integration into the community.

Basis of Presentation - The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Basis of Accounting – The financial statements of Affiliated Blind of Louisiana Training Center, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Revenue – Fee for service contract revenue is recognized as services are provided. Grant and state appropriation revenue are recognized when the related expenses are incurred and all eligibility requirements imposed by the provider have been met.

Recognition of Donor Restrictions – Contributions are recognized as revenue when the donor makes a promise to give the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Allowance for Doubtful Accounts – The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

Property and Equipment – Purchased property and equipment are recorded at cost at the date of the acquisition. Property and equipment purchased with grant funds are recorded as temporarily restricted contributions. Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. In the absence of donor stipulations regarding how long the contributed assets must be used, the Organization has adopted a policy of implying a time restriction that expires over the useful life of the assets. Depreciation is computed by the straight-line method based on the following estimated useful lives:

Furniture and Equipment	3-7 Years
Building and Improvements	10-40 Years
Vehicles	5 Years

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Compensated Absences - Employees of the Organization earn annual leave in varying amounts ranging from 4.67 hours per month to 8 hours per month, depending on length of service. At the end of each year, employees may carry forward vacation time earned but not taken with the maximum allowable carryover of unused vacation time being equal to one year's accumulated vacation time. Subject to the above limitation, unused vacation is paid to an employee upon retirement or resignation at hourly rates being earned by that employee at separation. At June 30, 2017 and 2016, accrued annual leave totaled \$31,112 and \$31,112 , respectively.

Sick leave is earned at the same rate as annual leave; however, sick leave is not paid to employees at termination, therefore no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Inventories – Inventories consist of low vision training aids and supplies, cafeteria and vending supplies and items for sale at the Eye Deal Store and are stated at the lower of cost or realizable market.

Deferred Revenue – Deferred revenue represents state appropriations received for which the related expenses have not been incurred by the Organization. At June 30, 2017 and 2016, there were no deferred revenues.

Donated Services – The Organization receives donated services from unpaid volunteers who assist in program services during the year; however, these donated services are not reflected in the statement of activity because the criteria for recognition under Accounting Standards Codification (ASC) 958-605-25-16 have not been satisfied.

Advertising – Advertising costs are expensed as incurred. Advertising expense for the years ended June 30, 2017 and 2016 were \$7,773 and \$3,745, respectively.

Income Taxes – Affiliated Blind of Louisiana Training Center, Inc. is an exempt organization for Federal income tax purposes under section 501(c)(3) of the Internal Revenue Code. However, certain fundraising activities of the Organization are not specifically exempt from income tax as further discussed in Note G.

As of June 30, 2017, the tax years that remain subject to examination by taxing authorities begin with 2014. Management believes that all positions taken in those returns would be sustained if examined by taxing authorities.

Impairments – Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of June 30, 2017, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Considerations - Fair value is used to measure financial and certain nonfinancial assets and liabilities measured or disclosed at fair value on a recurring basis (at least annually). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value hierarchy established and prioritized fair value measurements into three levels based on the nature of the inputs. The hierarchy gives the highest priority to inputs based on market data from independent sources (observable inputs – Level 1) and the lowest priority to a reporting entity’s internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs – Level 3).

The fair value option allows entities to choose, at specified election dates, to measure eligible financial assets and financial liabilities at fair value that are not otherwise required to be measured at fair value. If an entity elects the fair value option for an eligible item, changes in that item’s fair value in subsequent reporting periods must be recognized in current earnings. The fair value option was not elected for the measurements of any eligible assets or liabilities.

The estimated fair values of each entity’s short-term financial instruments (primarily cash and cash equivalents, receivables, accounts payables, accrued expenses, short-term debt and lines of credit) approximate their individual carrying amounts due to the relatively short period between their origination and expected realization or payment. Based on market rates for similar loans, the fair value of long-term debt approximates their carrying value.

Reclassifications – Certain reclassifications have been made to the 2016 financial statement presentation to correspond to the current year’s format. Net assets and changes in net assets are unchanged due to these reclassifications.

(B) AFFILIATED ORGANIZATIONS

Affiliated Blind of Louisiana Enterprises, Inc., Affiliated Blind of Louisiana, Inc. and Acadiana Chapter are all not for profit organizations that manage bingo operations and contribute 75% of their profits to the Organization. The following direct monetary transactions were engaged in as of and for the years ended June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Contributions from:		
Affiliated Blind of Louisiana Enterprises, Inc.	\$ 68,310	\$ 358,737
Affiliated Blind of Louisiana	245,250	247,875
Other Chapters	<u>103,525</u>	<u>165,428</u>
	<u>\$ 417,085</u>	<u>\$ 472,040</u>

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

(B) AFFILIATED ORGANIZATIONS - continued

Balances due from affiliated organizations at June 30, 2017 and 2016 were \$ 8,747 and \$648, respectively. These amounts are included in other receivables on the statements of financial position.

(C) FIXED ASSETS

Property and equipment consisted of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Land	\$ 292,500	\$ 292,500
Buildings and Improvements	4,489,297	4,489,297
Furniture and Equipment	1,331,866	1,313,709
Vehicles	<u>81,707</u>	<u>40,952</u>
	6,195,370	6,136,458
Less: Accumulated Depreciation	<u>(3,916,013)</u>	<u>(3,763,954)</u>
Total	<u>\$ 2,279,357</u>	<u>\$ 2,372,504</u>

Total depreciation expense for the years ended June 30, 2017 and 2016 was \$152,059 and \$151,960, respectively.

(D) DUE FROM OTHER AGENCIES

Due from other agencies was composed of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Louisiana Rehabilitation Services for the Blind	\$ 56,124	\$ 81,890
Louisiana Commission for the Deaf	1,690	3,616
Louisiana Department of Health and Hospitals	40,763	27,916
State of Louisiana Appropriation	39,544	-
Federal Communications Commission: Deaf-Blind Equipment Distribution Program	47,903	37,180
U. S. Department of Housing and Urban Development: Maison de LeMaire	7,022	7,022
Other Agencies	<u>68,141</u>	<u>2,447</u>
	<u>\$ 261,187</u>	<u>\$ 160,071</u>

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

(E) TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods as of June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Net Book Value of Building		
Constructed with Federal Grant Funds	\$ 1,350,000	\$ 1,425,000
Inventory	<u>25,665</u>	<u>29,686</u>
	<u>\$ 1,375,665</u>	<u>\$ 1,454,686</u>

(F) NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or the expiration of time as follows:

	<u>2017</u>	<u>2016</u>
Time Restriction Expired:		
Building Depreciation	(\$ 75,000)	(\$ 75,000)
Net Inventory Purchased (Used)	<u>(4,021)</u>	<u>(1,558)</u>
	<u>(\$ 79,021)</u>	<u>(\$ 76,558)</u>

(G) INCOME TAXES ON UNRELATED BUSINESS INCOME

ABL's pull tab gaming fundraising activity is considered unrelated business income and as a result a federal and state income tax provision has been provide for this activity. The provision for income tax expense included in fundraising expenses in the statement of activities are as follows:

	<u>2017</u>	<u>2016</u>
Federal	\$ 2,405	\$ 6,935
State	<u>609</u>	<u>1,828</u>
Total	<u>\$ 3,014</u>	<u>\$ 8,763</u>

Income tax liabilities of \$3,014 and \$944, respectively, at June 30, 2017 and 2016 are included in the statements of financial position as a current liability.

(H) PENSION PLAN

Effective January 1, 1998, the Organization adopted a 401(k) Profit Sharing Plan. The plan covers substantially all full-time employees of the Organization who meet the plan's eligibility requirements. The Plan provides for a tax deferred profit sharing contribution and an employee elective contribution, effective August 1, 1998, with an Organization matching provision.

The Organization contributed 4% of gross salaries for each Plan participant in fiscal years 2017 and 2016. Participants may contribute up to 15% of annual compensation. Contributions made by the Organization to the Plan were \$22,286 and \$27,707, during the 2017 and 2016 fiscal years, respectively.

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

(I) CONCENTRATION OF CREDIT RISK

The Organization's main funding source is the State of Louisiana. Funding is received through State appropriations, fee for service contracts, and other grants. For the years ended June 30, 2017 and 2016, funding received from the State of Louisiana was \$1,303,666 and \$1,252,560 or 33.72% and 32.79%, respectively, of total revenues, gains, and other support.

(J) FINANCIAL INSTRUMENTS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and investments. The Organization places its cash and investments with high quality financial institutions. At June 30, 2017 and 2016, the Organization had cash and cash equivalent balances of \$780,897 and \$671,819, respectively, in excess of the FDIC limits at these financial institutions.

The fair values of the Organization's financial instruments are as follows:

Cash and short-term investments – The carrying amount approximates fair value because of the short maturities of those investments.

(K) COMPENSATION, BENEFITS AND OTHER PAYMENTS

A detail of compensation, benefits, and other payments paid to Lynn Blanchard, Executive Director, for the year ended June 30, 2017:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 77,522
Benefits – Retirement	\$ 3,100

(L) SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 2, 2017, the date which the financial statements were available to be issued.

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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*

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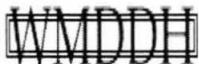
DAMIAN H. SPIESS, CPA, CFP **

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STEPHANIE L. WEST, CPA, MBA

To the Board of Directors
Affiliated Blind of Louisiana Training
Center, Inc.
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Affiliated Blind of Louisiana Training Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, 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 December 2, 2017.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Affiliated Blind of Louisiana Training Center, Inc.'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*.

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.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

December 2, 2017
Lafayette, Louisiana

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

We have audited the financial statements of Affiliated Blind of Louisiana Training Center, Inc. as of and for the year ended June 30, 2017, and have issue our report thereon dated December 2, 2017. 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 Comptroller General of the United States. Our audit of the financial statements of June 30, 2017 resulted in an unqualified opinion.

Section I – Summary of Auditors’ Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant Deficiencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Compliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Section II – Financial Statement Findings

There were no current year findings.

Section III – Federal Award Findings and Questioned Costs

This section in not applicable.

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2017**

There were no prior year findings.

**AFFILIATED BLIND OF LOUISIANA
TRAINING CENTER, INC.**
Lafayette, Louisiana

Independent Accountants' Report
On Applying Agreed-Upon Procedures

Year Ended June 30, 2017

WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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To the Board of Directors and Management
Affiliated Blind of Louisiana Training Center, Inc.
Lafayette, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Affiliated Blind of Louisiana Training Center, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Affiliated Blind of Louisiana Training Center, Inc.'s compliance with certain laws, regulations and best practices during the year ended June 30, 2017. Management of Affiliated Blind of Louisiana Training Center, Inc. is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Written Policies and Procedures

1. Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget

There were no written policies and procedures noted.

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

There were no written policies and procedures noted.

Unless otherwise expressly indicated, any tax advice contained in this communication, or attachments are not intended for use and cannot be used: (i) to avoid any penalties under the Internal Revenue Code; or (ii) to promote, market or recommend to another party the tax consequences of any matter addressed therein. This communication (and/or the documents accompanying it) may contain confidential information belonging to the sender, which is protected by the Accountant-Client privilege. The information is indeed only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any use, disclosure, copying, distribution, or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this communication in error, please notify us by telephone immediately.

- c) **Disbursements**, including processing, reviewing, and approving

The written policies and procedures were not adequate for the functions noted above.

- d) **Receipts**, including receiving, recording, and preparing deposits

The written policies and procedures were not adequate for the functions noted above.

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

There were no written policies and procedures noted.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

There were no written policies and procedures noted.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

There were no written policies and procedures noted.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

This section is not applicable to not for profit entities.

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

This section is not applicable to not for profit entities.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:
a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met quarterly.

- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).

Obtained and reviewed minutes of the managing board for the fiscal period noting that the minutes discussed financial statements and operating results.

- If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

There was no deficit spending noted.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.)

Obtained and reviewed the minutes of the managing board for the fiscal period noting that non-budgetary financial information was referenced.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Obtained listing of client bank accounts from management and management's representation that listing is complete.

4. Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity fund accounts may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared;

Obtained bank statements and reconciliations for all months in the fiscal period noting that reconciliations have been prepared for all months.

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and

The bank reconciliations prepared for all accounts examined did not have evidence of management review.

- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Obtained bank statements and reconciliations for all months in the fiscal period noting no items were outstanding over six months at the end of the fiscal period.

Collections

5. Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Obtained listing of cash collection locations and management's representation that listing is complete and noted there were no cash collection of public funds.

6. Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner. *Note: School student activity funds may be excluded from selection if they are otherwise addressed in a separate audit or AUP engagement.* **For each cash collection location selected:**

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing the cash in the bank, recording the related transaction, or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

Not applicable.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.

Not applicable.

- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:

- Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at each collection location.

Not applicable.

- Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Not applicable.

7. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Not applicable.

Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)

8. Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management's representation that the listing or general ledger population is complete.

Listing of disbursements and management's representation that the listing is complete was obtained.

9. Using the disbursement population from #8 above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debit card/fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.

Examined supporting documentation for each of the 25 disbursements selected and found that purchases were initiated using the proper approval process.

- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.

Examined supporting documentation for each of the 25 disbursements selected and found appropriate approval of all purchases.

- c) Payments for purchases were not processed without (1) an approved requisition and/or purchase order, or electronic equivalent; a receiving report showing receipt of goods purchased, or electronic equivalent; and an approved invoice.

Examined supporting documentation for each of the 25 disbursements and found all payments were processed with proper approval, receiving report and approved invoice.

10. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

The person responsible for processing payments can also add vendors.

11. Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

The written policies and procedures were not adequate for the functions noted above.

12. Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

Inquiry and observation noted no exceptions.

13. If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

This step is not applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

14. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Listing of active credit cards, and name of person who maintain possession of cards and management's representation that the listing is complete was obtained. There are no fuel cards or debit cards used.

15. Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Listing was obtained and randomly selected 4 cards.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Monthly statements were obtained and address the functions noted above.

- b) Report whether finance charges and/or late fees were assessed on the selected statements.

It was noted that finance charges and late fees were assessed on one of the four cards selected.

16. Using the monthly statements or combined statements selected under #15 above, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

a) For each transaction, report whether the transaction is supported by:

- An original itemized receipt (i.e., identifies precisely what was purchased)

No exceptions noted.

- Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.

No exceptions noted.

- Other documentation that may be required by written policy (e.g., purchase order, written authorization.)

Not applicable.

b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.

No exceptions noted.

c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

This section in N/A – entity is a not for profit.

Travel and Expense Reimbursement

17. Obtain from management a listing of all travel and related expense reimbursements, by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Listing of travel and expense reimbursements by person and management's representation that the listing is complete was obtained.

18. Obtain the entity's written policies related to travel and expense reimbursements. Compare the amounts in the policies to the per diem and mileage rates established by the U.S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Policies were obtained. There are no dollar amounts specified in the policies.

19. Using the listing or general ledger from #17 above, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense

documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates (#18 above) and report each reimbursement that exceeded those rates.

Expenses were paid in accordance with written policy.

- b) Report whether each expense is supported by:
 - An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.]

No exceptions noted.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating).

No exceptions noted.

- Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance)

No exceptions noted.

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

No exceptions noted.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

20. Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Listing of all contracts in effect and management's representation that the listing is complete was obtained.

21. Using the listing above, select the five contract “vendors” that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payments to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.

The Organization does not use formal/written contracts in most instances.

- b) Compare each contract’s detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:

- If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g., solicited quotes or bids, advertisement, selected lowest bidder)

This is not applicable, entity is a not for profit and is not required to follow the Louisiana Public Bid Law.

- If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.

Not applicable.

- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.

The contract was not amended.

- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

No noncompliance noted.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law (e.g. Lawrason Act or Home Rule Charter).

Not required by policy.

Payroll and Personnel

22. Obtain a listing of employees (and elected officials, if applicable) with their related salaries, and obtain management’s representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

Listing of employees with their related salaries and management’s representation that the listing is complete was obtained.

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.

No exceptions noted.

- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

No exceptions noted.

23. Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period), and:

- a) Report whether all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.

No exceptions noted.

- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

No exceptions noted.

24. Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether the termination payments were made in strict accordance with policy and/or contract and approved by management.

It was noted that there were no terminated employees during the fiscal period.

25. Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Not applicable.

Ethics (excluding nonprofits)

26. Using the five randomly selected employees/officials from procedure #22 under “Payroll and Personnel” above, obtain ethics compliance documentation from management and report whether the entity maintained documentation to demonstrate that required ethics training was completed.

This is not applicable to not for profit entities.

27. Inquire of management whether any alleged ethics violations were reported to the entity during the fiscal period. If applicable, review documentation that demonstrates whether management investigated alleged ethics violations, the corrective actions taken, and whether management’s actions complied with the entity’s ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

This is not applicable to not for profit entities.

Debt Service (excluding nonprofits)

28. If debt was issued during the fiscal period, obtain supporting documentation from the entity, and report whether State Bond Commission approval was obtained.

This is not applicable to not for profit entities.

29. If the entity had outstanding debt during the fiscal period, obtain supporting documentation from the entity and report whether the entity made scheduled debt service payments and maintained debt reserves, as required by debt covenants.

Not applicable.

30. If the entity had tax millages relating to debt service, obtain supporting documentation and report whether millage collections exceed debt service payments by more than 10% during the fiscal period. Also, report any millages that continue to be received for debt that has been paid off.

Not applicable.

Other

31. Inquire of management whether the entity had any misappropriations of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

32. Observe and report whether the entity has posted on its premises and website, the notice required by R.S. 24:523.1. This notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

Required notices were posted on the entity’s premises. It was noted that the required notices were not posted on the entity’s website.

33. If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

No exceptions noted.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Affiliated Blind of Louisiana Training Center, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

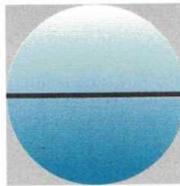
***Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC***

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

Lafayette, Louisiana
December 6, 2017

December 6, 2017

Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC
P.O. Box 80569
Lafayette, LA 70598



"More Than Meets The Eye"

The following is Management's response to the 2016-2017 AUP report submitted.

WRITTEN POLICIES AND PROCEDURES

1. a) Management will work toward writing a formal written policy.
- b) Management will work toward writing a formal written policy.
- c) Management will work toward expanding the existing policy and procedures.
- d) Management will work toward expanding the existing policy and procedures.
- e) Management will work toward expanding the existing policy and procedures.
- f) Management will work toward expanding the existing policy and procedures.
- g) Management will work toward writing a formal written policy.

BANK RECONCILIATIONS

- 4 b) Management will review bank reconciliations.

DISBURSEMENTS

10. Management will work toward enhancing the mitigating controls that are currently in place.
11. Management will work toward expanding the existing policy and procedures.

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS

15. b) Management will work toward implementing policies to avoid late fees and finance charges.

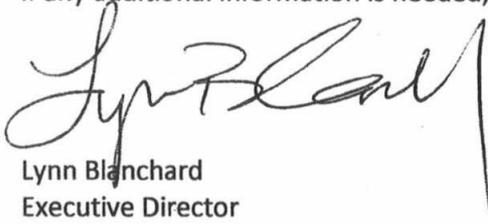
CONTRACTS

21. a) Management feels that a scope of service proposal or estimate was appropriate for the services being performed.

OTHER

32. Management will work toward updating the website to include the required notices.

If any additional information is needed, please contact me.



Lynn Blanchard
Executive Director

Affiliated Blind of Louisiana, Inc.
T r a i n i n g C e n t e r