

THE ARC OF VERMILION, INC.

Erath, Louisiana

Financial Report

Years Ended June 30, 2018 and 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The ARC of Vermilion, Inc.
Erath, Louisiana 70533

Report on the Financial Statements

We have audited the accompanying financial statements of The ARC of Vermilion, Inc. (the ARC) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017 and the related statements of activities, 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 audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the ARC as of June 30, 2018 and 2017, 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 Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 13 is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information section has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2018, on our consideration of the ARC'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 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* in considering the ARC's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
November 8, 2018

FINANCIAL STATEMENTS

THE ARC OF VERMILION, INC.
Erath, Louisiana

Statements of Financial Position
June 30, 2018 and 2017

	2018	2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 316,784	\$ 179,360
Accounts receivable	50,073	35,606
Inventory	15,536	13,011
Prepaid Expenses	200	200
Total current assets	382,593	228,177
Property and equipment:		
Land	193,350	193,350
Buildings and equipment	875,872	875,872
Automobiles	164,816	127,407
Accumulated depreciation	(464,508)	(409,702)
Total net property and equipment	769,530	786,927
Total assets	\$ 1,152,123	\$ 1,015,104
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 4,224	\$ 3,338
Accrued salaries and related benefits	19,413	14,538
Notes payable - current	34,325	16,325
Line of credit	24,500	27,800
Other liabilities	582	-
Total current liabilities	83,044	62,001
Long-term liabilities:		
Notes payable - long term	426,128	313,208
Total liabilities	509,172	375,209
Net assets:		
Unrestricted	642,951	639,895
Total liabilities and net assets	\$ 1,152,123	\$ 1,015,104

The accompanying notes are an integral part of this statement.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Statements of Activities
For The Years Ended June 30, 2018 and 2017

	2018	2017
Changes in unrestricted net assets -		
Revenue, Gains and Other Support:		
Program Reimbursement	\$ 431,299	\$ 394,082
Store sales	153,908	115,162
Donations	176,158	151,153
Fundraising	210	18,802
Interest income	654	396
Other income	19,430	85,085
Grant income	1,000	-
Total revenue, gains and other support	782,659	764,680
Expenses:		
Program services	654,512	373,765
Supporting Services:		
Fundraising	22,338	78,225
Management and general	102,753	274,313
Total expenses	779,603	726,303
Change in net assets	3,056	38,377
Net assets, beginning of year	639,895	601,518
Net assets, end of year	\$ 642,951	\$ 639,895

The accompanying notes are an integral part of this statement.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Statements of Cash Flows
For The Years Ended June 30, 2018 and 2017

	2018	2017
Cash flows provided by operating activities		
Change in net assets	\$ 3,056	\$ 38,377
Adjustments to reconcile change in net assets to net cash flow from operating activities:		
Depreciation	54,806	51,461
Non-cash donations	(3,000)	-
Decrease (increase) in operating assets		
Accounts receivable	(14,467)	(10,842)
Prepaid Expenses	-	725
Inventory	(2,525)	-
Increase (decrease) in operating liabilities		
Accounts payable	886	(8,723)
Accrued payroll taxes	4,875	8,557
Other liabilities	582	-
Total adjustments	41,157	41,178
Net cash provided by operating activities	44,213	79,555
Cash flows from investing activities		
Payment for property and equipment	-	(79,680)
Cash flows from financing activities		
Proceeds from issuance of debt	115,591	-
Payments on line of credit	(3,300)	(2,200)
Payments on debt	(19,080)	(11,482)
Net cash (used) provided by financing activities	93,211	(13,682)
Net change in cash and cash equivalents	137,424	(13,807)
Cash and cash equivalents, beginning of period	179,360	193,167
Cash and cash equivalents, end of period	\$ 316,784	\$ 179,360
Supplementary cash flow information:		
Interest paid	\$ 13,728	\$ 13,683
Donated inventory	\$ 153,908	\$ 115,162
Property and equipment acquired through donation	\$ 3,000	\$ -
Property and equipment acquired through issuance of debt	\$ 34,409	\$ 35,094

The accompanying notes are an integral part of this statement.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The ARC of Vermilion, Inc., (the ARC) is a non-profit organization exempt from income tax under section 501(c)(3) of the Internal Revenue Code. The corporation was created to promote and advance charitable, educational, and scientific purposes and to provide for the general welfare of persons who are retarded citizens of the Parish of Vermilion and surrounding areas.

The board of directors of the corporation is elected by the members of the corporation, serve variable terms, and receive no compensation.

B. Financial Statement Presentation

The ARC reports 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.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements of the corporation are presented on the accrual basis of accounting.

D. Cash and Cash Equivalents

Cash and cash equivalents is comprised of interest-bearing deposits which are stated at cost, which approximates market. All short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the date of purchase, they have a maturity date no longer than three months.

E. Income Taxes

Income taxes are not provided for in the financial statements since the organization is exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code and similar state provisions. The organization is not classified as a private foundation. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the ARC and recognize a tax liability (or asset) if the ARC has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the ARC, and has concluded that as of June 30, 2018 and 2017, respectively, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The ARC is subject to

THE ARC OF VERMILION, INC.
Erath, Louisiana

Notes to Financial Statements

routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

F. Property and Equipment

Land, buildings and equipment are valued at cost, or fair market value in the case of dated property. The ARC of Vermilion, Inc. maintains a threshold level of \$500 or more for capitalizing assets. Depreciation is computed on a straight-line basis over the applicable recovery periods which range from 5 to 31.5 years. Depreciation expense totaled \$54,806 and \$51,461 at June 30, 2018 and 2017, respectively.

G. Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid and can be carried over from year to year, not to exceed thirty days.

H. Inventory

The ARC of Vermilion, Inc. records contributed goods at fair value at the date of receipt and records related inventory in the Statement of Financial Position. Purchased inventory of saleable goods are stated at cost. Inventory is sold on a first-in, first-out (FIFO) basis.

I. Donated Services and Materials

A substantial number of volunteers have donated time to the ARC of Vermilion, Inc.'s program and supporting services. No amounts have been included in the financial statements for the donated services of volunteers because the criteria for recognition of such volunteer effort have not been satisfied. Other donated services and donated materials are stated at their estimated fair value on the date donated. Donated materials for the years ended June 30, 2018 and 2017 was \$155,231 and \$101,918 respectively.

J. Revenue Recognition

Program reimbursements and store sales are recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

K. Estimates

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

L. Advertising

The ARC uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred. Advertising costs were immaterial for disclosure.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Notes to Financial Statements

M. Functional Allocation of Expenses

The costs of providing various program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(2) Concentration of Credit Risk

The Organization's cash is deposited in multiple financial institutions. Cash accounts at banks are insured by the FDIC for up to \$250,000. Amounts in excess of insured limits were approximately \$26,125 and \$0 at June 30, 2018 and 2017, respectively.

(3) Notes Payable

The ARC of Vermilion Inc.'s note payable balance consisted of the following:

	2018	2017
Note payable to Bank of Erath, dated May 22, 2015, in the original amount of \$320,062, payable in fifty nine monthly installments of \$1,993, and a ballon payment of \$264,843, including interest at 4.25 percent annum, and maturing May 22, 2020, secured by land and buildings.	\$ 285,177	\$ 297,913
Note payable to Gulf Coast Bank, dated June 9, 2017, in the original amount of \$32,094, payable in seventy two monthly installments of \$481 including interest at 2.50 percent annum, and maturing June 2, 2023, secured by a 2017 GMC Savana 2500.	26,776	31,620
Note payable to South Central Planning and Development Commission, Inc., dated December 14, 2017, in the original amount of \$150,000, payable in sixty monthly installments of \$1,500 including interest at 0 percent annum, and maturing May 16, 2023.	148,500	-
Total long term debt	460,453	329,533
Less: current portion	34,325	16,325
Net long term debt	\$ 426,128	\$ 313,208

THE ARC OF VERMILION, INC.
Erath, Louisiana

Notes to Financial Statements

Notes Payable at June 30, 2018, is schedule to mature as follows:

Year Ending	Principal
June 30,	
2019	\$ 34,325
2020	297,181
2021	23,427
2022	23,565
2023 and thereafter	<u>81,955</u>
	<u>\$ 460,453</u>

(4) Employee Benefit Plan

The ARC of Vermilion, Inc. has a defined contribution retirement plan which allows an employee that has completed one year of service and has attained age 21 to participate in the plan. The employee is allowed to contribute up to 10% of their salary. The ARC of Vermilion, Inc. does not contribute to the retirement plan. An employee is considered vested once they have five years of service with The ARC of Vermilion, Inc. The amount of pension expense incurred was \$0 and \$380 for the years ended June 30, 2018 and 2017, respectively.

(5) Compensation Benefits, and Other Payments to Director

The compensation, benefits, and other payments to Janise Hardy, CEO for the fiscal year was \$52,000.

(6) Litigation

There is no litigation pending against The ARC of Vermilion, Inc. at June 30, 2018 and 2017.

(7) Line of Credit

The ARC has an available line of credit of \$50,000 as of June 30, 2018 bearing an interest rate of 2% per annum. The line is collateralized by a certificate of deposit. The outstanding balance due on the line as of June 30, 2018 was \$24,500.

(8) Subsequent Events

The ARC has evaluated subsequent events through the date of the independent auditor's report, the date which the financial statements were available to be issued.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Notes to Financial Statements

(9) Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-9, Revenue from Contracts with Customers (Topic 606). This guidance is a comprehensive new revenue recognition standard that will supersede substantially all existing revenue recognition guidance. The new standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be more entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under existing guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. On July 9, 2015, the FASB agreed to delay the effective date of the standard by one year. Therefore, the new standard will be effective for annual periods beginning after December 31, 2018 and is not expected to have a significant impact on the ARC's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) intended to improve financial reporting regarding leasing transactions. The new standard affects all companies and organizations that lease assets and liabilities for the rights and obligations created by those leases if the lease terms are more than 12 months. The guidance also will require qualitative quantitative disclosures providing additional information about the amounts recorded in the financial statements. The amendments in this update are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The ARC is evaluating the potential impact of the amendment on the ARC's financial statements.

In August 2016, the FASB issued Accounting Standards update No. 2016-14, Not-for-Profit Entities (Topic 958) to improve the current net assets classification requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. The amendments in this Update make certain improvements that address many, but not all, of the identified issues about the current financial reporting for not-for-profit entities. The amendment is effective for fiscal years beginning after December 15, 2017. The ARC is evaluating the potential impact of the amendment on the ARC's financial statements.

SUPPLEMENTARY INFORMATION

THE ARC OF VERMILION, INC.
Erath, Louisiana

Statement of Functional Expenses
For the Year Ended June 30, 2018

	Program Services	Supporting Services		Total
		Fundraising	Management and General	
Auto expense	\$ 35,407	\$ -	\$ -	\$ 35,407
Contribution expense	155,231	-	-	155,231
Dues	-	-	1,119	1,119
Interest expense	12,355	-	1,373	13,728
Liability insurance	65,534	-	7,282	72,816
Medical insurance	-	-	9,640	9,640
Miscellaneous	4,161	-	4,057	8,218
Payroll taxes	19,391	1,676	4,318	25,385
Professional fees	24,000	-	6,600	30,600
Rent	7,700	-	-	7,700
Repairs and maintenance	6,147	-	683	6,830
Salaries	239,114	20,662	58,198	317,974
Supplies	11,694	-	1,299	12,993
Telephone	7,691	-	855	8,546
Training in-service	128	-	-	128
Utilities	16,634	-	1,848	18,482
Total expenses before depreciation	605,187	22,338	97,272	724,797
Depreciation expense	49,325	-	5,481	54,806
Total expenses	<u>\$ 654,512</u>	<u>\$ 22,338</u>	<u>\$ 102,753</u>	<u>\$ 779,603</u>

The accompanying notes are an integral part of this statement.

**INTERNAL CONTROL,
COMPLIANCE,
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
The ARC of Vermilion, Inc.
Erath, Louisiana

We have audited, 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, the financial statements of The ARC of Vermilion, Inc. (the ARC) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the ARC'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 the ARC's internal control. Accordingly, we do not express an opinion on the effectiveness of the ARC'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 ARC'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as items 2018-001 and 2018-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ARC's financial statements are free of 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*.

The ARC of Vermilion, Inc.'s Response to Findings

The ARC's response to the findings identified in our audit is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The ARC's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report maybe limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
November 8, 2018

THE ARC OF VERMILION, INC.
Erath, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2018

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

2018-001 Inadequate Segregation of Accounting Functions

CONDITION: The ARC of Vermilion, Inc. did not have adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

CAUSE: The cause of the condition is the fact that The ARC of Vermilion, Inc. does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Beginning in January of 2017, new procedures were established whereby the staff bookkeeper performs the accounting functions; the CEO oversees those functions. An Arc of Vermilion Board Member also oversees the reconciliation of the monthly bank statements.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2018

2018-002 Application of Generally Accepted Accounting Principles (GAAP)
(Qualifications and Training)

CONDITION: The ARC of Vermilion, Inc. does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

CRITERIA: AU-C§265.A37 identifies the following as a deficiency in the design of (internal) controls:

“... in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements.”

CAUSE: The cause of the condition is the result of a failure to design or implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a material departure from generally accepted accounting principles.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Board of Directors of the Arc of Vermilion, Inc. approved that their staff bookkeeper attends a LANTEC approved course for QuickBooks. She attended that course on August 17-18, 2017 in order to gain more knowledge of bookkeeping procedures and the better establish internal controls over the preparation of financial statements. The Board of the Arc of Vermilion reviews the draft financial statements prior to approving them.

B. Compliance

There are no compliance findings to report.

THE ARC OF VERMILION, INC.
Erath, Louisiana

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended June 30, 2018

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2017-001 Inadequate Segregation of Accounting Functions

CONDITION: The ARC of Vermilion, Inc. did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: Based upon the cost-benefit of additional personnel, it would not be feasible to achieve complete segregation of duties.

CURRENT STATUS: Unresolved. See item 2018-001.

2017-002 Application of Generally Accepted Accounting Principles (GAAP)

CONDITION: The ARC of Vermilion, Inc. does not have adequate internal controls over recording the entity's financial transactions or preparing its financial statements, including the related notes in accordance with generally accepted accounting principles (GAAP).

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

CURRENT STATUS: Unresolved. See item 2018-002.

B. Compliance

There were no compliance findings to report.