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**LASALLE ASSOCIATION FOR THE
DEVELOPMENTALLY DELAYED, INC.
JENA, LOUISIANA**

Financial Statements & Auditor's Report

**June 30, 2008
& for the Year Then Ended**

**With Comparative
Totals at June 30, 2007**

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

Release Date 2/11/09

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.

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SECTION I
FINANCIAL STATEMENTS
REPORT ON FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

LaSalle Association For The Developmentally Delayed, Inc.
Jena, Louisiana

We have audited the accompanying statement of financial position of the LaSalle Association For The Developmentally Delayed, Inc., (LADD) (a non-profit corporation) as of June 30, 2008, and the related statement of activities, net assets and cash flows for the year then ended. These financial statements are the responsibility of the LADD's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the LADD as of June 30, 2007 were audited by another auditor. This auditor expressed an unqualified opinion on those financial statements in their report dated September 7, 2007.

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

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the LADD, as of June 30, 2008 and the results of its operations and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2008, on our consideration of the LADD's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements of LADD. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

John R. Vercher PC

October 27, 2008
Jena, Louisiana

MEMBER
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SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008
(With Comparative Totals at June 30, 2007)

	General Fund	Work Project Fund	LADD Industries	June 30,	
				2008 Total	2007 Total
ASSETS					
Cash on hand and in banks	\$ 178,360	\$ 34,485	\$ 87,991	\$ 300,836	\$ 261,816
Cash in savings and certificates of deposit	52,404	107,915	83,817	244,136	182,267
Accounts receivable					
Medicaid and OCDD	39,205			39,205	63,413
Interagency	0			0	1,605
Group home	4,529			4,529	1,711
Sales and services		2,650	2,722	5,372	3,509
Inventory			3,868	3,868	6,272
Fixed assets (Note 3)	64,799	636	36,880	102,315	60,411
	<u>\$ 339,297</u>	<u>\$ 145,686</u>	<u>\$ 215,278</u>	<u>\$ 700,261</u>	<u>\$ 581,004</u>
Total Assets					
LIABILITIES AND NET ASSETS					
<i>Liabilities</i>					
Payroll taxes payable	\$ 801	\$ 0	\$ 0	\$ 801	\$ 3,784
Notes payable (Note 4)				0	0
	<u>\$ 801</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 801</u>	<u>\$ 3,784</u>
Total Liabilities					
<i>Net Assets</i>					
Unrestricted	\$ 338,496	\$ 145,686	\$ 215,278	\$ 699,460	\$ 577,220
	<u>\$ 339,297</u>	<u>\$ 145,686</u>	<u>\$ 215,278</u>	<u>\$ 700,261</u>	<u>\$ 581,004</u>
Total Liabilities and Net Assets					

See accompanying notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF ACTIVITY AND NET ASSETS
YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	General Fund	Work Project Fund	LADD Industries	June 30, 2008 Total	2007 Total
SUPPORT					
State contracts (Note 5)	\$ 353,156			\$ 353,156	\$ 348,655
LaSalle School Interagency	19,300			19,300	22,547
Group Home	28,359			28,359	31,308
Contributions and memberships	9,826			9,826	7,866
Federal Funds - Grants	29,984			29,984	0
Total Support	\$ 440,625			\$ 440,625	\$ 410,376
REVENUE					
Work project activities		\$ 60,382		\$ 60,382	\$ 63,608
Sales - LADD Industries (Note 5)			\$ 81,098	81,098	100,448
Insurance reimbursement	\$ 12,075			12,075	0
Interest	3,459	5,736	4,298	13,493	9,107
Total Revenue	\$ 15,534	\$ 66,118	\$ 85,396	\$ 167,048	\$ 173,162
Total Support and Revenue	\$ 456,159	\$ 66,118	\$ 85,396	\$ 607,673	\$ 583,538
COST OF GOODS SOLD (Note 6)			\$ 67,499	\$ 67,499	\$ 72,092
EXPENDITURES (Note 7)					
Salaries and client wages	\$ 220,309	\$ 44,817		\$ 265,126	\$ 235,081
Transportation	18,211			18,211	14,893
Rent	14,400			14,400	14,400
Insurance	19,356	2,586		21,952	22,136
Payroll taxes	17,079	3,703		20,782	18,456
Utilities	6,906		\$ 2,551	9,457	9,679
Training	3,723			3,723	1,699
Office and postage	5,603			5,603	5,585
Depreciation	13,269	562	3,866	17,697	13,273
Maintenance, repair and cleaning	6,534		156	6,690	7,339
Hospitalization	9,186			9,186	7,510
Equipment and supplies	1,509	1,953		3,462	1,773
Telephone	3,703			3,703	3,792
Travel	2,145			2,145	1,090
Interest				0	0
Professional fees	2,320			2,320	2,200
Food		401		401	1,102
Other - OMR reimbursible	2,344			2,344	2,886
Other - Non-OMR reimbursible (Note 7)	9,365	30	1,337	10,732	9,687
Total Expenditures	\$ 355,962	\$ 54,062	\$ 7,910	\$ 417,934	\$ 372,581
Excess (Deficit) of Support and Revenue over Expenditures	\$ 100,197	\$ 12,056	\$ 9,987	\$ 122,240	\$ 138,865
Transfer In					\$ 10,000
Transfer Out					10,000
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Increase in Net Assets	\$ 100,197	\$ 12,056	\$ 9,987	\$ 122,240	\$ 138,865
Net Assets, Beginning of Year	238,299	133,630	205,291	577,220	438,355
Net Assets, End of Year	\$ 338,496	\$ 145,686	\$ 215,278	\$ 699,460	\$ 577,220

See accompanying notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF CASH FLOWS
TOTAL - ALL FUNDS
YEAR ENDED JUNE 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	June 30,	
	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 122,240	\$ 138,865
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	17,697	13,273
(Increase) decrease in:		
Accounts receivable	21,133	(42,473)
Inventory	2,404	(2,268)
Payroll taxes payable	(2,983)	(2)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 160,491	\$ 107,395
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	\$ (59,602)	\$ (3,584)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$ (59,602)	\$ (3,584)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of debt	\$ 0	\$ 0
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	\$ 0	\$ 0
NET INCREASE (DECREASE) IN CASH	\$ 100,889	\$ 103,811
CASH AT BEGINNING OF YEAR	444,083	340,272
CASH AT END OF YEAR	\$ 544,972	\$ 444,083
 SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 0	\$ 0

See accompanying notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED

LaSalle Association for the Developmentally Delayed, Inc., (LADD) was organized in 1976 to promote the general welfare of retarded citizens wherever they may be, and, specifically, to provide as normal a work and learning atmosphere in the least restrictive environment for retarded adults in LaSalle Parish. The Association receives funding from the State of Louisiana, Office for Citizens with Developmental Disabilities (OCDD), the Louisiana Medicaid Program, the LaSalle Parish School Board and a local group home, performs services for the general public under its Work Project program, and receives funds for other activities from memberships and contributions. In 1991, the Association began operations of LADD Industries to provide further supported employment opportunities for its clients.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to LADD, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported in the following fund groups:

General Fund - Resources are provided under several contracts from the State of Louisiana through their Medicaid Supports and NOW Waivers programs, the LaSalle Parish School Board and a local group home, based on the days or types of services provided, and by other sources such as interest, contributions, and membership dues. Expenditures are of a nature of those specified by the State in its *Guidelines for Allowable Costs* from the OCDD, except as noted hereafter.

Work Project Fund and LADD Industries Fund - Resources are provided as fees for services performed by or sales of products made by the clients and interest and are used to pay wages to the clients and other costs as needed

for these services, including the purchase of the LADD Industries building.

B. Income Tax Status

LADD qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents

D. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates that affect reported amounts. Actual results could differ from those estimates.

NOTE 3 - FIXED ASSETS AND DEPRECIATION

During past years, LADD received several vans through the Urban Mass Transit Act grant, Section 16(b)(2) program, through the Louisiana Department of Transportation (DOTD). LADD has capitalized their 20 to 30% matching portions of the vans in addition to the 70 to 80% in-kind grant funds received. The DOTD holds a reversionary interest in the vans until such time they determine to release the interest. Fixed assets consist of these vans and other small items. Ownership of all fixed assets in the general fund of LADD would revert to the Department of Health and Hospitals, OCDD, if LADD were to cease to function. Depreciation is provided on a straight-line basis over various lives recommended by the OCDD. There were additions to the general fund fixed assets in the amount of \$59,602 in the year ended June 30, 2008.

There are also fixed assets owned by Work Project in the amounts of \$5,551 in 2008 and 2007 respectively and by LADD Industries in the amount of \$69,310 in 2008 and 2007, including the LADD Industries building and real estate in the amount of \$54,735. Depreciation on these assets is provided on the straight-line basis over their useful life.

	Balance June 30, 2007	Additions	Retirements	Balance June 30, 2008
General Fund	\$ 93,195	\$ 59,602	\$ 36,387	\$116,410
Work Project Fund	5,551			5,551
Ladd Industries	<u>80,272</u>			<u>80,272</u>
	<u>\$179,018</u>	<u>\$ 59,602</u>	<u>\$ 36,387</u>	<u>\$202,233</u>
Less Accumulated Depreciation	<u>118,607</u>	<u>17,697</u>	<u>36,387</u>	<u>99,917</u>
	<u>\$ 60,411</u>	<u>\$ 41,905</u>	<u>\$ -0-</u>	<u>\$102,317</u>

NOTE 4 - NOTES PAYABLE

The note payable to the Small Business Administration was paid in full in the year ended June 30, 2006. LADD has no other debt.

NOTE 5 - SUPPORT AND REVENUE

State support in the general fund was as follows:

Medicaid Supports and Now Waivers Programs \$353,156

There are also consumers accepted through an interagency agreement with the LaSalle Parish School Board and by contract with a group home facility in Jena.

Ladd Industries has been involved in the assembly of U S Government Wash Kits (through the aid of the National Industries for the Severely Handicapped Organization), assembly of admission kits for sale to local hospitals, the resale of clothing and other items, and fabrication of crawfish nets for retail and wholesale sale.

NOTE 6 - COST OF GOOD SOLD

Cost of good sold is made up of the following:

Beginning inventory		\$ 6,272
Add: Cost of production		
Labor	\$ 25,885	
Materials	22,360	
Freight	395	
Taxes	3,122	
Other	<u>0</u>	<u>51,762</u>
Total goods available for sale		\$ 58,034
Less: Ending inventory		<u>3,868</u>

Cost of goods sold - manufactured items	\$ 54,166
Items bought for resale	<u>13,333</u>
Total cost of goods sold	<u>\$ 67,499</u>

NOTE 7 - EXPENDITURES

Expenditures in the general fund were made in accordance with the specifications listed by the Office for Citizens with Developmental Disabilities in their *Guidelines for Allowable Costs - Adult Day Services for Persons with Developmental Disabilities*, except as follows:

Directors Fees	\$ 2,100
Depreciation	7,571
Other (net)	<u>7,267</u>
	<u>\$16,938</u>

These costs were not paid with state funds, but by local funds raised by LADD.

NOTE 8 - PENSION PLAN

LADD does not have a retirement plan for its employees, other than that provided by Social Security.

NOTE 9 - LITIGATION

LADD is not involved in any litigation as of June 30, 2008.

NOTE 10 - CONCENTRATION OF CREDIT RISK FOR CASH DEPOSITS

As of June 30, 2008 the Association had deposits on hand with Southern Heritage Bank in the amount of \$546,790 (bank balance) in various checking and savings accounts and certificates of deposit. The amount of FDIC insurance maintained by the bank for these accounts is \$100,000 leaving \$446,790 of excess deposits over insurance. The Board of Directors reviews the Bank's financial statements each year to inform themselves as to the financial stability of the Bank. This review took place at the May, 2008 meeting.

SECTION II
REPORT ON INTERNAL CONTROL
AND COMPLIANCE

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

LaSalle Association For The Developmentally Delayed, Inc.
Jena, Louisiana

We have audited the accompanying basic financial statements of the LaSalle Association For The Developmentally Delayed, Inc., as of and for the year ended June 30, 2008, which collectively comprise the corporation's basic financial statements and have issued our report thereon dated October 27, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the LaSalle Association For The Developmentally Delayed, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures 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 LaSalle Association For The Developmentally Delayed, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the LaSalle Association For The Developmentally Delayed, Inc.'s internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the LaSalle Association For The Developmentally Delayed, Inc.'s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the LaSalle Association For The Developmentally Delayed, Inc.'s internal control.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LaSalle Association For The Developmentally Delayed, Inc.'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*.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

John R. Vercher PC

October 27, 2008
Jena, Louisiana

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2008**

We have audited the basic financial statements of the LaSalle Association For The Developmentally Delayed, Inc., as of and for the year ended June 30, 2008 and have issued our report thereon dated October 27, 2008. We conducted our audit in accordance with generally accepted auditing standards 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. Our audit of the financial statements as of June 30, 2008 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

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

Internal Control

Material Weaknesses Yes No Other Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Type of Opinion On Compliance Unqualified Qualified
For Major Programs Disclaimer Adverse

Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)	Name Of Federal Program (or Cluster)
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Dollar threshold used to distinguish between Type A and Type B Programs: \$

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? Yes No

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
For the Year Ended June 30, 2008**

**Section II Financial Statement Findings Required To Be Reported In Accordance With
GAGAS**

No items to report.

Section III – Internal Control

No items to report.

Section IV Federal Awards Findings and Questioned Costs

Not applicable.

SECTION III
SUPPLEMENTAL INFORMATION

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
SCHEDULE OF DIRECTOR'S COMPENSATION
YEAR ENDED JUNE 30, 2008**

Cleveland Riser, President

\$ 2,100