

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

**Audit of Financial Statements
September 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of @Southwest Louisiana Independence Center, Inc., (a non-profit organization) which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, cash flows, and functional expenses for the year 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 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 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.

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

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 @Southwest Louisiana Independence Center, Inc. as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits and Other Payments to the Executive Director is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and is derived from the underlying accounting and other records to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued my report dated March 17, 2022, on our consideration of @Southwest Louisiana Independence 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 the effectiveness of @Southwest Louisiana Independence Center, Inc.'s 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 @Southwest Louisiana Independence Center, Inc.'s internal control over financial reporting and compliance.

Steven M. DeRouen & Associates, LLC

Lake Charles, Louisiana
March 17, 2022

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

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,626,564
Grants and other receivables	484,860
Prepaid expenses	<u>5,960</u>
Total Current Assets	<u>3,117,384</u>
PROPERTY AND EQUIPMENT	
Furniture and equipment	1,128,981
Building and improvements	<u>334,344</u>
	1,463,325
Less accumulated depreciation	<u>(466,259)</u>
	997,066
Land	<u>150,000</u>
Net Property and Equipment	<u>1,147,066</u>
OTHER ASSETS	
Deposits	<u>5,033</u>
TOTAL ASSETS	<u><u>\$ 4,269,483</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable	\$ 299,822
Accrued payroll and related expenses	265,195
Other accrued expenses	5,497
Current portion of notes payable	<u>13,903</u>
Total Current Liabilities	<u>584,417</u>
LONG TERM LIABILITIES	
Notes payable - net of current portion	<u>226,303</u>
TOTAL LIABILITIES	<u>810,720</u>
NET ASSETS	
Without donor restrictions	<u>3,458,763</u>
Total Net Assets	<u>3,458,763</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,269,483</u></u>

See accompanying notes to the financial statements.

SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Lake Charles, Louisiana
Statement of Activities
For The Year Ended September 30, 2021

SUPPORT

Medicaid waiver program	\$	4,480,564
Federal grants		570,423
State grants		231,196
Private pay and veterans affairs		175,211
Special events and other		5,940
Loan and accounts payable forgiveness income		1,083,098
		1,083,098
Total Support		6,546,432

EXPENSES

Program expenses		4,915,751
Supporting services:		
Management and general		502,372
Loss on disposal of fixed assets		22,512
		22,512
Total Expenses		5,440,635

CHANGE IN NET ASSETS 1,105,797

WITHOUT DONOR RESTRICTIONS NET ASSETS - BEGINNING OF YEAR 2,352,966

WITHOUT DONOR RESTRICTIONS NET ASSETS - END OF YEAR \$ 3,458,763

SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Lake Charles, Louisiana
Statement of Cash Flows
For The Year Ended September 30, 2021

Cash Flows From Operating Activities	
Change in net assets	\$ 1,105,797
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation expense	62,509
(Increase) decrease in operating assets:	
Grants receivable	62,913
Prepaid expenses	77,446
Insurance reimbursements receivable	462,679
Increase (decrease) in operating liabilities:	
Accounts payable	(229,258)
Accrued payroll and related expenses	30,044
Other accrued expenses	1,827
	<hr/>
Total Adjustments	468,160
	<hr/>
Net Cash Provided (Used) By Operating Activities	1,573,957
	<hr/>
Cash Flows From Investing Activities	
Disposal of fixed assets	23,561
Purchase of property and equipment	(491,051)
	<hr/>
Net Cash Used By Investing Activities	(467,490)
	<hr/>
Cash Flows From Financing Activities	
Paycheck Protection Loan forgiveness	(825,022)
Principal payments on bank loans	(13,143)
	<hr/>
Net Cash Provided (Used) by Financing Activities	(838,165)
	<hr/>
Net Increase (Decrease) In Cash	268,302
Cash - Beginning of Year	2,358,262
	<hr/>
Cash - End of Year	\$ 2,626,564
	<hr/> <hr/>
Supplemental Disclosure:	
Interest paid	\$ 11,261
	<hr/> <hr/>

See accompanying notes to the financial statements.

SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Lake Charles, Louisiana
Statement of Functional Expenses
For The Year Ended September 30, 2021

	<u>Program Services</u>	<u>Supporting Services, Management & General</u>	<u>Total</u>
Advertising	\$ 16,418	\$ -	\$ 16,418
Audit expense	5,338	16,014	21,352
Bank service charges	1,113	3,338	4,451
Depreciation	15,627	46,882	62,509
Education and training	2,800	-	2,800
Insurance	218,952	38,639	257,590
Payroll taxes/fringe expense	375,307	19,753	395,060
Postage	5,136	906	6,042
Purchased services	71,869	-	71,869
Interpreting services	18,474	-	18,474
Rent	78,686	-	78,686
Repairs and maintenance	14,831	44,493	59,324
Salaries	3,924,442	206,550	4,130,992
Supplies	41,786	7,374	49,160
Telephone	30,692	5,416	36,108
Travel	28,068	4,953	33,021
Utilities	7,443	22,330	29,773
Consumer expenses	18,757	-	18,757
Office expenses	16,759	50,278	67,037
Interest	2,815	8,446	11,261
Miscellaneous	20,438	27,001	47,439
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 4,915,751</u>	<u>\$ 502,372</u>	<u>\$ 5,418,123</u>

See accompanying notes to the financial statements.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

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

Income Taxes

The Center is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code and applicable state codes. Accordingly, no provision for federal and state income taxes is included in the financial statements. @Southwest Louisiana Independence Center, Inc.'s Form 990, Return of Organization Exempt from Income Tax, is subject to examination by the IRS, generally for three (3) years after it was filed.

Method of Accounting

The accompanying financial statements of @Southwest Louisiana Independence Center, Inc. have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles. Net assets and revenues, expense, gains and losses are classified based on the existence or absence of grantor/contributor imposed or time restrictions.

The financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) in its Accounting Standard Codification (ASC) Topic, *Financial Statements of Not-for-Profit Organizations*. In accordance with this guidance, the Center is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets available subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Method of Accounting (Continued)

The Center reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), which supersedes the revenue recognition requirements in ASC 605, Revenue Recognition. This literature is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The accounting guidance also requires additional disclosure regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts including significant judgements and changes in judgements, as well as assets recognized from costs incurred to obtain or fulfill a contract. On October 1, 2020, the Center adopted ASC 606 and was applied to all contracts on a modified retrospective method.

Management has analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and has concluded that no material changes are necessary to conform with the new standard. Revenues from contracted services are presented at transaction prices in the form of rates as set by Medicaid, Veterans Affairs, and various commercial insurance. Revenue is recognized and considered earned at the time of completion of the services. Fundraising and special event revenues represent reciprocal transfers (exchange transactions) are recognized when the performance obligation is satisfied. The Center's estimate of the transaction price is determined based on the cost expended to provide such goods or services.

Cash and Cash Equivalents

The Center had bank deposits of \$2,631,540 as of September 30, 2021 with a carrying value of \$2,626,564, which includes \$600 in petty cash.

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

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The Center maintains bank accounts at various banks, where account balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, the Center maintains deposit balances that exceed federally insured limits. Amounts in excess of insured limits at September 30, 2021 were \$1,617,119. The Center deposits its cash with high quality financial institutions, and management believes the Center is not exposed to significant credit risk on those amounts.

Use of Estimates

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

Property and Equipment/Depreciation and Amortization

Property and equipment are recorded at their historical cost. Donated assets are recorded at their estimated fair value on the date of the donation. Capital assets are defined as those acquired with an initial individual cost of more than \$500. Repairs and maintenance are charged to operations when incurred.

Furniture and equipment are being depreciated over estimated useful lives of three to fifteen years. The building is being depreciated over an estimated useful life of thirty-five years. The straight-line method of depreciation is being utilized. Depreciation expense was \$62,509 for the year ended September 30, 2021.

Compensated Absences

The Center has a contingent liability in the amount of \$34,487 at September 30, 2021 for unused vacation. Sick leave is not vested, therefore no accrual is reflected in the financial statements.

Advertising Costs

Advertising costs are expensed as incurred and amounted to \$16,418 for the year ended September 30, 2021.

Performance Indicator

The Center utilizes revenues over expenses as its performance indicator.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Contributions

Grants and contributions are recognized as income when received. The Board reports grants as donor restricted support if they are received with stipulations that limit the use of the funds. When grantor restrictions expire, donor restricted net assets are reclassified to without donor restricted net assets and reported in the statement of activities as net assets released from restrictions. All other support is recognized when earned. Grants and contributions that are restricted by the grantor or donor are reported as increases in without donor restricted net assets if the restrictions expire in the same fiscal year in which the grants and contributions are recognized.

Functional Expenses

Expenses were allocated in the accompanying financial statements to program and support services functional expense groups. The methods of allocation were based on the Center's estimates of the relative proportion of each expense utilized for program or support service functions.

Investments

The Center reports its investments in accordance with generally accepted accounting principles for not-for-profit organizations, which establish accounting standards for investments in certain equity securities and for all debt securities. The guidance prescribes that covered investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the statement of activities.

NOTE 2 - ECONOMIC DEPENDENCY

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

NOTE 3 - LINE OF CREDIT

The Center has a line of credit with an available limit of \$50,000. Interest accrues and is payable monthly at 3.70% on any outstanding balance. The line is secured by the Center's deposits held by the lender. The balance due on this line of credit was \$-0- as of September 30, 2021.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 4 - PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of September 30, 2021:

Property and Equipment, October 1, 2020	\$ 1,255,244
Additions for the Year Ended September 30, 2021	491,053
Disposals for the Year Ended September 30, 2021	-
Building impairment for the Year Ended September 30, 2021	<u>(132,972)</u>
Property and Equipment, September 30, 2021	<u>\$ 1,613,325</u>
Accumulated Depreciation, October 1, 2020	\$ 513,159
Depreciation for the Year Ended September 30, 2021	62,509
Less Depreciation on Disposed Assets for the Year Ended September 30, 2021	-
Building impairment for the Year Ended September 30, 2021	<u>(109,409)</u>
Accumulated Depreciation, September 30, 2021	<u>\$ 466,259</u>
Net Book Value, September 30, 2021	<u>\$ 1,147,066</u>

NOTE 5 - CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability. Management is not aware of any disallowed costs as of September 30, 2021.

NOTE 6 - RETIREMENT PLAN

The Center participates in a SIMPLE IRA retirement plan for the benefit of its employees. The plan allows employees who anticipate earning more than \$5,000 in the current year to participate and allows them to contribute a percentage of their pay or a flat dollar amount up to a maximum annual contribution of \$13,500. The plan requires employer-matching contributions on a dollar-for-dollar basis up to 3% of each employee's compensation. The employer may elect, upon advance notice to the employees, to make a maximum match of less than 3% but not less than 1% of employee's compensation; however, this election can only be made during two out of any consecutive five-year periods. Employer matching contributions for the fiscal year ended September 30, 2021 was \$14,316.

NOTE 7 - RISK MANAGEMENT

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

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 8 - GRANTS AND OTHER RECEIVABLES

Grants receivable at September 30, 2021 consisted of reimbursements for expenses incurred in the following programs:

<u>Program</u>	<u>Amount</u>
Telecommunications Device Distribution	\$ 9,010
State Personal Care Attendant Contract	3,201
Elderly Disabled Adults	285,349
SLIC Interpreting	19,742
Children's Choice	17,168
Long Term Personal Care Services	86,151
Supportive Employment	270
LCD Interpreting	495
Supportive Services Provider	8,410
Private Pay	360
Other	1,655
Veterans Affairs	<u>53,049</u>
Total Receivable	<u>\$ 484,860</u>

NOTE 9 - OPERATING LEASES

The Center currently leases office space for the Lafayette and Leesville offices. The lease agreement for the Lafayette site is for a 36-month period beginning June 30, 2019 with a monthly fee of \$3,000 ending on June 30, 2022. The lease agreement for the Leesville site is for a 60-month period beginning August 1, 2019 through July 31, 2024 with a monthly fee of \$1,500. Total rent expense reflected in these financial statements for the year ended September 30, 2021 is \$78,686.

The following is a schedule of future minimum rental payments due under the non-cancelable lease agreements for the years ending September 30:

2022	\$ 45,000
2023	\$ 18,000
2024	\$ 15,000

NOTE 10 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Center has \$3,111,424 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$2,626,564 and grants receivable of \$484,860. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The Center has a goal to maintain financial assets which consist of cash on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$1,000,000. The Center has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Center deposits cash in excess of daily requirements in certificate of deposit investments.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 11 - FAIR VALUE OF INSTRUMENTS

The Center has a number of financial instruments, none of which is held for trading purposes. The Center estimates that the fair value of all financial instruments at September 30, 2021 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The estimated fair value amounts have been determined by the Center using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and, accordingly, the estimates are not necessarily indicative of the amounts that the agency could realize in a current market exchange. The recorded values of cash and cash equivalents, grants and other receivables, prepaid expenses, accounts payable, and accrued expenses approximate their fair values based on their short-term nature. The recorded values of notes payable approximate their fair value, as interest is insignificant.

NOTE 12 - NOTES PAYABLE

Notes payable as of September 30, 2021 consisted of the following:

Bank note dated November 6, 2014, payable in 120 equal monthly installments of \$2,033.71, the final payment to be paid November 5, 2024, including interest at 4.49%, collateralized by real estate with a carrying value of \$840,813.	<u>\$ 240,206</u>
Total debt	240,206
Less current portion	<u>13,903</u>
Long-term debt	<u><u>\$ 226,303</u></u>

Maturities of debt are as follows:

September 30:	Amount
2022	\$ 13,903
2023	14,486
2024	15,150
2025	<u>196,667</u>
Total	<u><u>\$ 240,206</u></u>

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Notes to Financial Statements (Continued)
September 30, 2021

NOTE 13 - FORGIVENESS OF DEBT

During the fiscal year ending September 30, 2021, the Center applied for and was notified that \$825,022 in eligible expenditures for payroll and other expenses described in the CARES Act Paycheck Protection Program loan has been forgiven. The Paycheck Protection Program loan forgiveness is reflected in the accompanying statement of activities.

During the fiscal year ending September 30, 2021, the Center received notification that \$258,076 in previously accrued construction invoices owed were forgiven by the contractor. The accrued construction invoices were under dispute and were forgiven as a result of a legal proceedings. The accrued construction invoice forgiveness is reflected in the accompanying statement of activities.

NOTE 14 - SUBSEQUENT EVENT

The Center evaluated its September 30, 2021 financial statements for subsequent events through the date the financial statements were available to be issued. The Center is not aware of any subsequent events which require recognition or disclosure in the financial statements.

STEVEN M. DEROUEN & ASSOCIATES, LLC

Certified Public Accountants

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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

The Board of Directors
@Southwest Louisiana Independence Center, Inc.
Lake Charles, 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 @Southwest Louisiana Independence Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 17, 2022.

Internal Control over Financial Reporting

In planning and performing our audit, we considered @Southwest Louisiana Independence 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 @Southwest Louisiana Independence Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of @Southwest Louisiana Independence Center, Inc.'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.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether @Southwest Louisiana Independence Center, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test 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. However, this report is a matter of public record and its distribution is not limited.

Steven M. DeRouen & Associates, LLC

Lake Charles, Louisiana
March 17, 2022

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Schedule of Findings and Responses
September 30, 2021

Section I – Summary of Auditor’s Report

Financial Statements

Type of auditor’s report issued			Unmodified
Internal control over financial reporting:			
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Significant deficiency identified not considered to be a material weakness?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported	
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	

Section II – Financial Statement Findings

There were no current year financial statement findings.

Section III – Compliance Findings

There were no current year compliance findings.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.
Schedule of Prior Year Audit Findings
September 30, 2021

Prior Year Findings

There were no prior year financial statement findings.

@SOUTHWEST LOUISIANA INDEPENDENCE CENTER, INC.

**Schedule of Compensation, Benefits and Other
Payments to the Executive Director**

Year Ended September 30, 2021

NO COMPENSATION PAID FROM PUBLIC FUNDS

Agency Head: Mitch Granger, Executive Director

Purpose	Amount
Salary	\$ 0.00
Benefits-insurance	0.00
Benefits-retirement	0.00
Benefits-Other	0.00
Car allowance	0.00
Vehicle provided by Center	0.00
Reimbursements	0.00
Travel	0.00
Registration fees	0.00
Conference travel	0.00
Continuing professional education fees	0.00
Housing	0.00
Unvouchered expenses	0.00
Special meals	0.00