

SOCIAL AND VOLUNTARY SERVICES COMMISSION FUNDING REQUEST

Legal Name of Agency: NAIC-Norman Addiction Information & Counseling

Mailing Address: P.O. Box 730, Norman, OK 73070

Application completed by: Teresa Collado

Telephone Number: 405-321-0022

Email Address: tcollado@naichelp.org

Amount of Funding Request: \$13,200

In what year was your Agency incorporated: 1972

Are you associated with a national organization: No

Number of volunteers: 60

How many hours do volunteers donate: 700-800 Hours

How much money do volunteers save the agency: \$10,000 to \$15,000

Has your Agency applied for SVSC funds before: Yes

Year 2012 Amount \$1000 Purpose: Emergency transportation funds, 2 bikes
(Received: \$1000)

Year 2010 Amount \$1000 Purpose: Emergency transportation fund, 3 bikes
(Received: \$1000)

Year 2009 Amount \$2,000 Purpose: \$10 Gas Vouchers
(Received: \$2,000)

Year 2008 Amount \$3,194 Purpose: 2 PowerPoint projectors, 2 laptops
(Received: \$1,600)

Year 2007 Amount \$2,635 Purpose: DVDs; DVD burners, office equipment
(Received: \$1,200)

Year 2006 Amount \$1,017 Purpose: Client Incentives, UA's, Curriculum
(Received: \$750)

Year 2004 Amount \$6,240 Purpose: Parent Specialist
(Received: \$2,000)

Year 2003 Amount \$3,000 Purpose: Education Equipment
(Received: \$0)

Financial Information from the last fiscal year:

Percent of the budget which is spent on fund-raising: 2%
Percent of your budget spent on programs: 89%
Percent of your budget spent on administrative expenses: 9%

Percentage of Organizational funding:

Religious Organizations	<u>0%</u>
Civic Clubs	<u>.001%</u>
Corporate Donors	<u>.01%</u>
Endowment/Interest Income	<u>.01%</u>
Fees for services/products	<u>19%</u>
Government Grants	<u>10%</u>
Government Contracts	<u>61%</u>
Individual Donors	<u>.001%</u>
Private Foundations	<u>>.001%</u>
Special Events (based on net earnings)	<u>.05%</u>
United Way	<u>9%</u>
Other	

Overall Mission of Agency

Please provide a one page narrative in 10 or 12 point type describing the mission of your agency. List the client population (income, age, geographic location – percentage of City of Norman residents) and describe all programs and services offered currently by your agency. Include any duplication of services in our area and the percentage increase or decrease projected in staff numbers over previous year.

Specific project for which funding is being requested

Please provide a one page narrative in 10 or 12 point type describing the project for which funds are requested including staff positions, salaries, equipment, office supplies and other expenses. Please address what similar services are available through other local agencies, why this program is unique, how many will benefit and why it would be appropriate for City of Norman funds to be used to support this program.

Financial Information

Please provide a description of internal financial evaluation procedures, control processes and performance review procedure including the percentage increase or decrease of total budget over previous fiscal year budget. Attach previous year budget summary and projected budget to include in kind contributions and budget assumptions. An independent audit (not an internal audit) is required for any organization that has assets, an annual budget or annual income of \$100,000 or more. For an organization below the \$100,000 level, if no audit is available, so state and provide a signed financial statement (signature of the Board Treasurer or the organizations' chief financial officer) for the most recent fiscal year.

Required Attachments to this application:

Narrative describing Overall Mission of Agency

Narrative describing Specific Project for which Funding is being requested

Financial Information as previously outlined

Budget summary and projected budget

Copy of most recent Audit

Copy of IRS tax exempt status letter or your application for tax exempt status

List of current board members including names and professions

List of current staff members and their position titles

OVERALL MISSION OF AGENCY

NAIC-Norman Addiction Information & Counseling's mission is to provide help and hope to individuals, families and communities impacted by alcohol, other drugs, and co-occurring conditions. Founded in 1972 and located in Norman, NAIC has grown from a one-person referral source for alcoholism to an agency with 20 full-time employees who provide a full spectrum of addiction and co-occurring services: prevention, intervention, outpatient treatment, and aftercare. In addition, NAIC provides community education, treatment services for drug courts (adult, family and juvenile), and DUI schools. We have also expanded our services to include counseling for problem and compulsive gambling. Approximately 67% of NAIC's clients are at the poverty level or below. Another 14% is barely above the poverty level and struggle to make it. Over 71% of our clients live in Cleveland County. The other consumers are from surrounding areas. Last year, our population receiving treatment provided through state contracts with the Oklahoma Departmental Health of Mental Health Services and Oklahoma Health Care Authority included:

- Ages 13-17: 8 %
- Ages 18-20: 3%
- Ages 21-24: 15%
- Ages 25-34: 36%
- Ages 35-44: 21%
- Ages 45-54: 13%
- Ages 55-up: 4%

These numbers do not include those that had private insurance, self pay or those who participated in DUI services or prevention community services. 86% of our clients identify themselves as Caucasian, 16% as Native American, and 5% as African American. Less than 1% of them identify themselves as Asian Americans. Some of our clients identify themselves as two races which is why the percentages add up to over 100%. Of those clients, 5% identify themselves as Hispanic/Latino. 63% of our clients are male, and 37% are female. As the only outpatient substance abuse and compulsive gambling treatment facility in this area, we provide a multitude of programs and services which would otherwise not be provided to Norman residents. We project that the percentage of increase or decrease in the staff number will be less than 1%.

Our treatment services include the following:

Intensive Outpatient Treatment Program: This program meets for a minimum of nine hours per week for six weeks. Clients experiencing severe problems due to their addiction are appropriate for this program. Topics include Understanding the Illness of Addiction, Identifying Triggers, Steps to Preventing Relapse, Connecting Values to Behaviors, Understanding Family Relationships, Spirituality, and Life Management. Upon completion of this program, consumers attend Relapse Prevention in addition to any or all Specialty Groups.

Outpatient Treatment Program: Outpatient treatment services are offered to adolescents, adults, and family members from the moment they walk into the door. NAIC takes walk-ins Monday through Friday, and clients are screened the same day by an experienced counselor. Clients are scheduled for immediate participation in an Early Recovery Skills group as interim services prior to their formal comprehensive assessment. After the assessment, the counselor assists the client in developing an individualized treatment plan. There is a variety of services provided based on the individual need of the client. These include individual therapy, family therapy, group counseling and education that focus on marital and

family relationships, grief, anxiety, depression and trauma as well as the primary issues of substance abuse and/or compulsive gambling. NAIC has case managers who assist clients with identifying and meeting individual needs for support in areas such as housing, employment, education and transportation. The intensity, choice and duration of treatment groups are developed based on the individual needs and abilities of the client.

PROJECT NARRATIVE

NAIC is requesting financial assistance of \$13,200 for two projects:

The purpose of the first project is to implement an effective and efficient electronic health records (EHRs) and billing system provided through Welligent. NAIC is requesting \$5,000 to assist with that project. The system will allow us to more effectively run our non-profit business as well as to continue providing high quality, comprehensive substance abuse treatment for adults, adolescents and families. The EHR creates a single record that includes all of the patient's health information: a record that is up to date, complete, and accurate. The EHR will increase NAIC's and the clients' ability to make better and quicker decisions with more comprehensive, easily accessible information. Because the system is cloud-based and data is backed up at a separate location from NAIC, it will create a uniform, high level of security, privacy controls and resources, thus ensuring a higher level of confidentiality. Not only will the services help NAIC provide improved client care through more efficient access to client information, it will also improve NAIC's fiscal sustainability as a non-profit organization providing life savings addiction treatment services.

The objectives are two-fold:

- Implement an effective electronic health record system to better manage our clients' services and increase the quality of the services.
- Implement an effective billing system to increase the fiscal viability and sustainability of the agency in order to continue our mission of providing treatment services.

Through weekly meetings with the project team and Welligent, NAIC will develop and implement this twelve month project starting May 1, 2013 through April 30, 2014. The project team includes the executive director, chief financial officer, associate director and the office manager who will work directly with teams from each of their departments. The measurable outcomes include:

- Reduce the amount of time therapists spend on paperwork from 15 hours per week to 10.
- Increase the number of hours therapists provide treatment services from 20 hours per week to 25-30 hours week which increase the number of clients receiving services.
- Increase the average number of clients in the therapeutic groups from 5 to 8 due to more efficient processing of paperwork and tracking.

The second project is a collaborative partnership with Norman Public Schools (NPS) on their Alternative to Suspension Program (ASP). NAIC is requesting \$8,200 to assist with that program. NPS has a no tolerance policy that prohibits alcohol and other drugs at any of the schools or for students to be under the influence of alcohol and other drugs. If the student is caught, there is an automatic 45 day suspension. However, if the student and a parent agree to attend four two-hour sessions on addiction and its impact, the suspension is reduced to 10 days. NAIC will provide the educational series for \$65 per student. There is not a limit as to how many family members can attend. The counselor will identify students who may require further services and make a recommendation for a comprehensive assessment. The sessions topics are:

1. Understanding Substance Abuse Addiction;

2. Understanding How Substance Abuse Addiction Affects the Family;
3. Understanding How Trauma Affects Substance Abuse; and
4. Understanding the Different Levels of Treatment.

The actual cost of the program is \$135 for the series. This is the amount NAIC would bill the Oklahoma Department of Mental Health if participants were qualified, admitted clients. To keep the program affordable for students and their families, the fee will remain at \$65. Last year, there were approximately 80 students who participated ASP and about half of those students were on the reduced or free lunch program. We are requesting $\$135 \times 40 = \$5,400$ to be able to provide full scholarships for those that qualify for the reduced or free lunch program and $\$70 \times 40 = \$2,800$ to subsidize the families that are able to pay the \$65. NAIC is stepping in to assist the Norman Public Schools when the social agency who provided this service was no longer able to provide it due to funding cuts. NAIC has partnered with NPS on the project in the past, and we look forward to partnering again.

The objectives are:

- To provide prevention and early intervention addiction education to reduce the chances for continued misuse of alcohol and other drugs and/or addiction.
- To collaborate with NPS to provide services to enhance the well-being of students and their families
- To serve approximately 80 students and their families.

The measurable outcomes include:

- 80% of participants will have a greater understanding of addiction and its effects.
- 80% of participants will complete the program and gain reduced suspension.

Over 80% of our budget funds are used for salaries and fringe benefits. Our budget for other expenses is very limited. Our services are highly specialized. NAIC is the only outpatient substance abuse treatment center in our area that provides the full continuum of services: prevention, intervention, treatment, and after care. We focus our services on the whole family as well as the individual with the addiction. Treatment saves lives, brings families together, and helps people to become productive citizens of the city of Norman.

BUDGET

Welligent Electronic Health Records System

Professional/Consulting Management Fees:	\$11,500.00
Professional/Consulting Billing Development:	\$12,500.00
Business Process Consulting:	\$ 5,000.00
Training Materials:	\$ 4,500.00
Program Supplies:	\$ 4,500.00
Travel by Welligent for on-site training:	\$ 5,000.00
TOTAL	\$43,000.00

Alternative to Suspension Program

40 Students plus Family Members x \$135.00	\$ 5,400.00
40 Students plus Family Members x \$70	\$ 2,800.00
TOTAL	\$ 8,200.00

GRAND TOTAL	\$51,200.00
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Requesting from SVSC:	\$13,200.00
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Financial Information 2013

The fiscal assets of Norman Addiction Information & Counseling (NAIC) shall be managed in accordance with established policies and procedures approved by the Board of Directors, supported by a written accounting manual and a yearly financial plan.

The Governance authority of NAIC is the Board of Directors. The programmatic and fiscal operational responsibilities of the Board are vested in the Executive Director. It is the Executive Director, in conjunction with members of the Board of Directors, and the Chief Financial Officer who prepares a proposed annual operating budget of NAIC which serves as the written yearly financial plan. This proposed budget is presented to the Board for approval no later than May of each year. Any adjustments that need to be made to the budget during the year will be proposed before the Board for approval.

At each monthly Board of Directors meeting and at the monthly meeting of the Board finance committee the financial performance for the previous month as well as the year to day performance is reviewed and the financial statements presented are approved by the Board of Directors.

The revenue budget for NAIC reflects a 6% decrease from fiscal year 2013 to fiscal year 2014. This reflected no increase in funding from governmental grants and contracts which comprise approximately 60% of NAIC's annual revenue budget. The decrease of approximately 6% is due to budget adjustments to more accurately reflect revenue realizations during fiscal year 2012. The decreases are primarily due to a decline in drug court clients and competitive pressure in the DUI Assessment and DUI School programs. Attached are the financial report for fiscal year 2012 as well as the Board approved budget for fiscal year 2013. The major initiative assumed in the fiscal year 2013 budget is an increased emphasis on the part of the Board in Board Development and a revitalized effort to attract private funding through donations and pledges.

NAIC Profit and Loss Budget Performance
Fiscal Year Ended June 30, 2013

	<u>Jun 13</u>	<u>Budget</u>	<u>Jul '12 - Jun 13</u>	<u>Annual Budget</u>
Ordinary Income/Expense				
Income				
0400 · Client	44,650.38	30,612.50	314,326.93	367,350.00
0405 · DUI S	6,440.00	6,003.33	68,210.50	72,040.00
0408 · DUI A	4,075.00	5,830.00	56,735.00	69,960.00
0411 · Comr	1,160.50	3,250.00	41,672.35	39,000.00
0415 · APRC	0.00		0.00	0.00
0420 · EAP &	0.00		0.00	0.00
0425 · TANF	3,263.72	5,000.00	60,094.00	60,000.00
0430 · Court	16,497.60	13,058.34	155,304.71	156,700.00
0431 · Court	6,900.58	9,000.00	87,678.07	108,000.00
0432 · Drug "	1,000.00		0.00	
0435 · DOC F	6,991.44	14,833.33	178,000.00	178,000.00
0443 · Preve	10,943.86	10,083.33	120,604.94	121,000.00
0450 · Adole	7,222.50	7,083.33	87,332.45	85,000.00
0455 · Gener	2,553.13	7,666.65	50,739.82	92,000.00
0465 · Extrar	2,553.33		20,708.39	
Total Income	<u>114,252.04</u>	<u>112,420.81</u>	<u>1,241,407.16</u>	<u>1,349,050.00</u>
Gross Profit	<u>114,252.04</u>	<u>112,420.81</u>	<u>1,241,407.16</u>	<u>1,349,050.00</u>
Expense				
0500 · Salar	74,403.27	72,836.50	845,230.24	873,900.60
0501 · Payrol	7,251.49	6,000.00	75,433.24	71,999.98
0527 · Health	6,190.13	10,030.57	73,064.43	120,366.89
0530 · 403(B)	1,017.54	483.34	7,102.70	5,800.12
0548 · - Prof	1,074.00	3,250.00	27,932.75	38,999.49
0549 · Contr	468.00	0.00	5,578.00	0.00
0552 · Prof. /	0.00	1,208.35	13,185.00	14,501.09
0560 · Profes	1,206.45	1,791.69	14,223.60	21,500.22
0570 · Suppl	2,160.21	3,020.02	20,570.28	36,240.24
0571 · Mailin	0.00	150.01	1,453.86	1,800.03
0574 · Data &	1,590.17	1,750.01	18,799.38	21,000.20
0579 · Occu	7,544.76	5,977.29	81,065.51	71,727.37
0580 · Outsik	104.95	291.68	5,007.67	3,500.22
0581 · Trans	383.54	1,083.35	7,630.71	13,000.23
0582 · Specit	0.00	50.02	20.85	600.27
0583 · Profes	2,550.21	1,166.70	20,250.43	14,000.21
0584 · Admir	556.80	833.33	7,053.77	10,000.03
0586 · Treas	1.43	124.99	86.07	1,499.93
0588 · Mis. C	140.06	50.00	1,458.70	600.00
0599 · Non C	1,427.83	2,322.96	17,573.96	28,012.88
Total Expense	<u>108,070.84</u>	<u>112,420.81</u>	<u>1,242,721.15</u>	<u>1,349,050.00</u>
Net Ordinary Income	<u>6,181.20</u>	<u>0.00</u>	<u>(1,313.99)</u>	<u>0.00</u>

**NAIC-Norman Addiction Information & Counseling
FY14 Budget**

	FY'13 Annual Budget	FY'13 Projected	Proj. Over / Under Budget	FY14 Proposed Budget	% change FY14 vs FY13
Ordinary Income/Expense					
Income					
Total 0400 · Client Services Income	367,350	302,123	(65,227)	310,000	
Total 0405 · DUI Schools / Programs	72,040	69,561	(2,479)	72,000	
Total 0408 · DUI Assessments	69,960	59,193	(10,767)	60,000	
Total 0411 · Community Corrections	39,000	55,449	16,449	55,000	
Total 0425 · TANF DHS Programs	60,000	60,000	-	60,000	
To Dr Ct - Cleveland	156,700	149,234	(7,466)	150,000	
Total 0431 · Dr Ct - McClain	108,000	79,448	(28,552)	80,000	
Total 0435 · DOC Related Services	178,200	178,200	-	178,200	
Total 0443 · Prevention Services	121,000	121,000	-	121,000	
Total 0450 · Adolescent Treatment Income	85,000	85,053	53	85,053	
General & Admin. Through 4/30/2012					
OU Parking	4,480	4,000	480	4,480	
Breakfast W/ Santa	5,656	5,500	156	10,000	
Grants	21,000	10,000	11,000	25,000	
Board Pledges	4,991	13,000	5,600	5,600	
Donations Public	6,377	40,000	7,376	20,000	
NAIC sponsored Workshops	7,481	10,000	10,000	12,000	
Royalty income & Commission	5,282	3,500	5,862	5,862	
Investment income	4,965	3,700	6,965	6,965	
Foundation Distributions	3,062	2,000	3,062	3,062	
Miscellaneous	3,102	300	3,101	3,101	
	66,395	92,000	73,102	96,070	96,070
TOTAL REVENUE	1,349,350	1,232,363	(116,987)	1,267,323	-6.1%
Expense					
0500-99 · Salaries -	888,514	834,762	(53,752)	6,581	841,343
0501-99 · Payroll Tax	68,888	62,607	(6,281)	557	63,164
0527-99 · Health Ins. -no classification	120,367	77,130	(43,237)	713	77,843
0530-99 · 403(b) Match - no classification	5,800	5,400	(400)	-	5,400
0548-11 · Prof fees	38,999	25,894	(13,105)	6,384	32,278
0549-00 · Contract Services	-	5,401	-	36,000	41,401
0552-04 · Legal & Accounting	3,000	13,185	10,185	-	13,185
0560-01 · Insurance-Malpractice	8,500	3,955	(4,545)	-	3,955
0560-02 · Ins-Workmen's Comp	10,500	4,701	(5,799)	-	4,701
0560-03 · Insurance-Dir/Officer	2,500	2,641	141	-	2,641
0560-04 · Insurance - Group Life	-	3,098	3,098	-	3,098
0570-01 · Program Supplies	10,520	4,859	(5,661)	-	4,859
0570-02 · Office Supplies	10,519	8,469	(2,050)	-	8,469
0570-03 · Testing Material Supplies	4,000	4,674	674	-	4,674
0570-05 · Books/Literature/Film	202	44	(158)	-	44
0570-07 · Janitor Service/Supplies	11,000	2,616	(8,384)	-	2,616
0571-01 · Postage	1,800	1,589	(211)	-	1,589
0574-01 · Telephones	21,000	17,990	(3,010)	-	17,990
0579-01 · Rent/Utilities	49,927	43,853	(6,074)	-	43,853
0579-05 · Insurance General Prop & Liab.	11,000	17,584	6,584	-	17,584
0579-06 · Repairs/Maintenance	11,000	17,442	6,442	-	17,442
0580-01 · Printing	-	1,516	1,516	-	1,516
0580-02 · Advertising	3,500	4,538	1,038	-	4,538
0581-05 · Mileage	8,000	5,916	(2,084)	-	5,916
0581-06 · Travel	5,000	1,594	(3,406)	-	1,594
0582-01 · Emergency Assistance	600	-	(600)	-	-
0583-01 · Professional Dues/Certification	4,000	6,472	2,472	-	6,472
0583-02 · Seminars	5,000	9,795	4,795	-	9,795
0583-04 · Workshop Expense	5,000	2,391	(2,609)	-	2,391
0584-01 · Board Development	1,500	-	(1,500)	-	-
0584-04 · Fundraising	1,000	-	(1,000)	-	-
0584-05 · Meeting & Promotion	2,500	6,243	3,743	-	6,243
0584-06 · Marketing	5,000	1,444	(3,556)	-	1,444
0588-02 · Bank Fees	1,500	93	(1,407)	-	93
0588-01 · Miscellaneous Expense	600	1,471	871	-	1,471
0599-01 · Depreciation	28,013	17,721	(10,292)	-	17,721
Total Expense	1,349,250	1,217,098	(132,152)	1,267,323	-6.1%
Net Ordinary Income	0	15,275	20,676	0	

Norman Addiction Information and Counseling
Norman, Oklahoma

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION***

For the Year Ended June 30, 2012

SAUNDERS & ASSOCIATES, PLLC

Certified Public Accountants

630 East 17th Street

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Ada, Oklahoma 74820

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NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

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Saunders & Associates, PLLC
Certified Public Accountants

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Website: www.saunderscpas.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Norman Addiction Information and Counseling
Norman, Oklahoma

We have audited the accompanying statement of financial position of Norman Addiction Information and Counseling as of June 30, 2012, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Norman Addiction Information and Counseling's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Norman Addiction Information and Counseling's internal control over financial reporting. Accordingly, we express no such opinion. 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 our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Norman Addiction Information and Counseling as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2013 on our consideration of Norman Addiction Information and Counseling'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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. In addition, the accompanying supplemental information, as listed in the preceding table of contents, 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 was derived from and relates directly to the underlying accounting and other records used 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.

Saunders & Associates, PLLC

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants

January 23, 2013

FINANCIAL STATEMENTS

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

STATEMENT OF FINANCIAL POSITION

June 30, 2012

ASSETS

Current Assets:

Cash	\$ 105,500
Short Term Investments in Certificates of Deposit	93,492
Accounts Receivable:	
Client Services	88,036
Other	6,713
Prepaid Expenses	6,483
Total Current Assets	<u>300,224</u>

Fixed Assets:

Furniture & Equipment	368,651
Building Renovations	40,651
Accumulated Depreciation	<u>(309,678)</u>
Net Fixed Assets	<u>99,624</u>

Other Assets:

Investments-Community Foundation of Oklahoma	16,485
Investments-OKC Community Foundation	<u>24,587</u>
Total Other Assets	<u>41,072</u>

TOTAL ASSETS **\$ 440,920**

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 1,213
Accrued Payroll Liabilities	6,275
Accrued Liability for Compensated Absences	<u>34,538</u>
Total Current Liabilities	<u>42,026</u>

Net Assets:

Unrestricted:	
Operations	258,198
Fixed Assets	99,624
Temporarily Restricted	0
Permanently Restricted	<u>41,072</u>
Total Net Assets	<u>398,894</u>

TOTAL LIABILITIES AND NET ASSETS **\$ 440,920**

• The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES AND OTHER SUPPORT				
Federal Financial Assistance	\$ 424,119	\$ 0	\$ 0	\$ 424,119
State Financial Assistance	477,737	0	0	477,737
Counseling Contracts and Client Fees	238,443	0	0	238,443
United Way	117,517	0	0	117,517
Interest	3,060	0	0	3,060
Contributions	78,680	0	5,000	83,680
In-Kind Contributions	60,000	0	0	60,000
Miscellaneous	18,372	0	0	18,372
Net Assets Released from Restriction:				
Satisfaction of Program Restrictions	0	0	0	0
Total Revenue and Gains	<u>1,417,928</u>	<u>0</u>	<u>5,000</u>	<u>1,422,928</u>
EXPENSES				
Program Services:				
Client Services	227,795	0	0	227,795
Adolescent Treatment	75,036	0	0	75,036
Probation/Parole	37,405	0	0	37,405
Drug Free Community	116,351	0	0	116,351
APRC	16,006	0	0	16,006
DUI/VFP	152,705	0	0	152,705
Drug Court	379,329	0	0	379,329
LARC	128,244	0	0	128,244
TANF	148,172	0	0	148,172
Total Program Services	<u>1,281,043</u>	<u>0</u>	<u>0</u>	<u>1,281,043</u>
Support Services:				
Management and General	200,117	0	0	200,117
Total Support Services	<u>200,117</u>	<u>0</u>	<u>0</u>	<u>200,117</u>
Total Expenses	<u>1,481,160</u>	<u>0</u>	<u>0</u>	<u>1,481,160</u>
OTHER INCREASES (DECREASES)				
Unrealized Gains (Losses) on Investments	0	0	(1,137)	(1,137)
Total Other Increases (Decreases)	<u>0</u>	<u>0</u>	<u>(1,137)</u>	<u>(1,137)</u>
INCREASE (DECREASE) IN NET ASSETS	(63,232)	0	3,863	(59,369)
Net Assets, June 30, 2011	<u>421,054</u>	<u>0</u>	<u>37,209</u>	<u>458,263</u>
NET ASSETS, JUNE 30, 2012	<u>\$ 357,822</u>	<u>\$ 0</u>	<u>\$ 41,072</u>	<u>\$ 398,894</u>

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2012

	Client Services	Adolescent Treatment	Probation/ Parole	Drug Free Community Grant	APRC	DUI/VFP	Drug Court
EXPENSES:							
Salaries and Wages	\$ 119,366	\$ 60,523	\$ 32,293	\$ 66,607	\$ 7,639	\$ 104,987	\$ 256,345
Employee Benefits	30,430	5,011	545	7,929	1,823	7,108	34,500
Payroll Taxes	11,410	5,741	3,105	6,502	704	9,573	23,435
Total Personnel Expenses	<u>161,206</u>	<u>71,275</u>	<u>35,943</u>	<u>81,038</u>	<u>10,166</u>	<u>121,668</u>	<u>314,280</u>
Advertising	1,288	64	7	383	15	680	932
Conferences and Meetings	2,124	104	244	9,219	1,000	493	826
Contract Services	31,862	707	88	3,118	165	9,571	9,184
Dues and Certification	740	0	0	331	0	405	688
Insurance	4,551	366	324	2,026	326	2,665	5,071
Janitorial	2,143	165	36	948	114	1,312	2,509
Occupancy	7,947	594	430	3,440	527	4,667	26,117
Postage	386	24	9	363	55	206	369
Printing	43	0	0	0	0	0	26
Repairs and Maintenance	2,651	247	27	1,207	134	1,468	3,119
Emergency Assistance	158	0	0	250	0	0	0
Supplies	4,670	503	34	4,445	2,409	5,732	5,630
Telephone	4,836	304	65	1,742	185	2,402	7,418
Transportation and Travel	651	486	0	6,778	835	165	750
Miscellaneous	139	7	5	36	0	44	80
In-kind Expenses	0	0	0	0	0	0	0
Total Expenses Before Depreciation	<u>225,395</u>	<u>74,846</u>	<u>37,212</u>	<u>115,324</u>	<u>15,931</u>	<u>151,478</u>	<u>376,999</u>
Depreciation	<u>2,400</u>	<u>190</u>	<u>193</u>	<u>1,027</u>	<u>75</u>	<u>1,227</u>	<u>2,330</u>
TOTAL EXPENSES	<u>\$ 227,795</u>	<u>\$ 75,036</u>	<u>\$ 37,405</u>	<u>\$ 116,351</u>	<u>\$ 16,006</u>	<u>\$ 152,705</u>	<u>\$ 379,329</u>

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2012

	LARC	TANF	Total Program Services	Management and General	Total Supporting Services	Total
EXPENSES:						
Salaries and Wages	\$ 107,395	\$ 104,894	\$ 860,049	\$ 29,437	\$ 29,437	\$ 889,486
Employee Benefits	7,723	11,348	106,417	34,854	34,854	141,271
Payroll Taxes	9,720	9,695	79,885	2,734	2,734	82,619
Total Personnel Expenses	<u>124,838</u>	<u>125,937</u>	<u>1,046,351</u>	<u>67,025</u>	<u>67,025</u>	<u>1,113,376</u>
Advertising	20	431	3,820	1,526	1,526	5,346
Conferences and Meetings	66	566	14,642	4,479	4,479	19,121
Contract Services	142	4,505	59,342	34,761	34,761	94,103
Dues and Certification	0	0	2,164	879	879	3,043
Insurance	1,598	2,703	19,630	2,478	2,478	22,108
Janitorial	6	1,428	8,661	1,152	1,152	9,813
Occupancy	211	4,849	48,782	2,859	2,859	51,641
Postage	0	249	1,661	103	103	1,764
Printing	0	0	69	0	0	69
Repairs and Maintenance	103	1,633	10,589	2,667	2,667	13,256
Emergency Assistance	0	0	408	0	0	408
Supplies	115	2,024	25,562	3,001	3,001	28,563
Telephone	199	2,419	19,570	2,435	2,435	22,005
Transportation and Travel	0	104	9,769	2,700	2,700	12,469
Miscellaneous	23	45	379	2,224	2,224	2,603
In-kind Expenses	0	0	0	60,000	60,000	60,000
Total Expenses Before Depreciation	<u>127,321</u>	<u>146,893</u>	<u>1,271,399</u>	<u>188,289</u>	<u>188,289</u>	<u>1,459,688</u>
Depreciation	<u>923</u>	<u>1,279</u>	<u>9,644</u>	<u>11,828</u>	<u>11,828</u>	<u>21,472</u>
TOTAL EXPENSES	<u>\$ 128,244</u>	<u>\$ 148,172</u>	<u>\$ 1,281,043</u>	<u>\$ 200,117</u>	<u>\$ 200,117</u>	<u>\$ 1,481,160</u>

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash provided (used) by operating activities:

Increase (decrease) in net assets \$ (59,369)

Adjustments to Reconcile Change in Net Assets to Net Cash

Provided by Operating Activities:

Depreciation 21,472

(Increase) Decrease in Receivables 20,171

(Increase) Decrease in Prepaid Expenses 16,476

Increase (Decrease) in Accounts Payable (11,961)

Increase (Decrease) in Accrued Liabilities 956

Net Cash Provided (Used) by Operating Activities (12,255)

CASH FLOWS FROM INVESTING ACTIVITIES

Decrease in Short-Term Investments 104,750

Increase in Other Assets - Investments (3,863)

Acquisition of Fixed Assets (41,575)

Net Cash Provided (Used) by Investing Activities 59,312

CASH FLOWS FROM FINANCING ACTIVITIES

Reduction of Debt Principal 0

Net Cash Provided (Used) by Financing Activities 0

Net Increase (Decrease) in Cash 47,057

Cash and Cash Equivalents, June 30, 2011 58,443

CASH AND CASH EQUIVALENTS, JUNE 30, 2012 \$ 105,500

Supplemental Disclosures:

Interest Income \$ 3,060

Interest Expense \$ 0

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

Nature of Activities – Norman Addiction Information and Counseling (NAIC) was incorporated on September 11, 1972. NAIC is a private, nonprofit organization that provides counseling, education and treatment to individuals afflicted with alcoholism or problems connected with the use of alcohol, narcotics, or dangerous drugs or other debilitating substances or conditions. These activities are supported by funds from federal and state agencies as well as private foundations and the general public. NAIC is a United Way Agency.

Basis of Accounting – The financial statements of NAIC are prepared on the accrual basis whereby revenues are recognized when earned and expenditures are recognized when incurred. Cash contributions and in-kind contributions are recognized when received.

Financial Statement Presentation – Accounting principles generally accepted in the United States requires NAIC 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. In addition, the Agency is required to present a statement of cash flows. NAIC has, for reporting purposes, reclassified its financial statements to present the three classes of net assets as required.

Net Asset Classes – The financial statements report amounts by the following classes of net assets.

- a) **Unrestricted Net Assets** are those having no donor-imposed stipulations and are currently available for use by management.
- b) **Temporarily Restricted Net Assets** are those received with donor stipulations that limit the use of the donated assets. When stipulated time restrictions expire or purpose restrictions are accomplished, these net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.
- c) **Permanently Restricted Net Assets** are those contributed with donor stipulations that may be held in perpetuity with the use of income for unrestricted purposes.

Income Taxes and Uncertain Tax Positions

Income Tax Status – The Organization qualifies as an organization exempt from income taxes under Section 501(c)(3) of the *Internal Revenue Code* and is subject to a tax on income from any unrelated business, as defined by Section 509(a)(1) of the Code. The Organization currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

The Organization has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more-likely-than-not be sustained upon examinations by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE 1: SUMMARY OF ACCOUNTING POLICIES, CONTINUED

believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations, or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2012.

Federal and state income tax statutes dictate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, the Organization has no open examinations with the Internal Revenue Service or the Oklahoma Tax Commission.

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.

Donated Services – No amounts have been reflected in the financial statements for donated services. NAIC pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist NAIC with specific assistance programs and various committee assignments.

NOTE 2: CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Cash Flows, NAIC considers all unrestricted, highly liquid investments, with an initial maturity of three months or less to be cash equivalents. All funds are deposited in institutions insured by the FDIC, and all deposits are fully insured by the depository institution.

NOTE 3: SHORT TERM INVESTMENTS

Short term investments are certificates of deposits with original maturity dates in excess of three months.

NOTE 4: ACCOUNTS RECEIVABLE

Accounts receivable represent amounts billed to the contractors and funding agencies for services provided to clients.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE 5: FURNITURE AND EQUIPMENT

Furniture and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. NAIC follows the practice of capitalizing, at cost, all expenditures for fixed assets of \$500 or more. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 5-7 years. Changes to furniture and equipment during the year were as follows:

	Balance <u>06/30/11</u>	Additions	Retirements	Balance <u>06/30/12</u>
Furniture & Equipment	\$ 364,096	\$ 4,555	\$ 0	\$ 368,651
Building Renovations (in progress)	<u>3,631</u>	<u>37,020</u>	<u>0</u>	<u>40,651</u>
	<u>\$ 367,727</u>	<u>\$ 41,575</u>	<u>\$ 0</u>	<u>\$ 409,302</u>
Accumulated Depreciation	\$(288,206)	\$(21,472)	\$ 0	\$(309,678)

NOTE 6: DONATED PROPERTY AND EQUIPMENT

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

NOTE 7: OTHER ASSETS – ENDOWMENT FUNDS

Other assets represent a beneficial interest in assets held by others and consist of funds transferred by NAIC to Oklahoma City Community Foundation, Inc. and to the Community Foundation of Oklahoma. Both Foundations have been granted variance power. The corpus of the funds may not be withdrawn; however, income distributed to NAIC by the funds may be used for any purpose. The interest in the endowment funds is recorded in the financial statements in accordance with generally accepted accounting principles. Balances at June 30, 2012 were as follows:

	Okla. City Community Foundation	Communities Foundation of Oklahoma	Total
Balance, June 30, 2011	\$ 19,992	\$ 17,217	\$ 37,209
Reciprocal Transfers	5,000	0	5,000
Unrealized Gains (Losses)	<u>(405)</u>	<u>(732)</u>	<u>(1,137)</u>
Balance, June 30, 2012	<u>\$ 24,587</u>	<u>\$ 16,485</u>	<u>\$ 41,072</u>

All endowment fund assets are permanently restricted.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE 8: COMPENSATED ABSENCES

NAIC recognizes its obligation relating to employees' rights to receive compensation for future absences attributable to employees' services already rendered. NAIC's liability for compensated absences at June 30, 2012 was \$34,538.

NOTE 9: LEASES

NAIC has no significant long-term or capital leases.

NOTE 10: EMPLOYEE BENEFIT PLAN

NAIC offers its employees two different salary reduction agreements

- 403(b) Salary reduction plan that covers all full time employees.
- Code Section 125 Cafeteria Plan

During the fiscal year ending June 30, 2012 NAIC contributed \$17,386 to the 403(b) plan.

NOTE 11: RELATED PARTY TRANSACTIONS AND IN-KIND CONTRIBUTIONS

Certain members of the Board of Directors for NAIC serve as a majority of the Board of Directors for Oklahoma Resource Foundation for Alcoholism and Chemical Dependency (ORF). ORF provides the office building and certain office equipment to NAIC. The value of these items has been recorded as an in-kind donation valued at \$60,000. Having control of the board for ORF also gives NAIC access to certain other assets and cash reserves of that organization.

NOTE 12: FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at June 30, 2012 are as follows:

	Fair Value Measurements at Reporting Date Using	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Short-Term Investments – CD's	\$ 93,492	\$ 93,492
Endowment Investments	41,072	41,072
Total	\$ 134,564	\$ 134,564

Current year unrealized losses on endowment funds equaled \$(1,137).

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2012

NOTE 13: CONCENTRATIONS

NAIC received approximately \$780,072 in funding received directly from or passed through the Oklahoma State Department of Mental health and Substance Abuse Services. These funds represent approximately 54% of total revenues. Significant reductions in federal and state funding levels or loss of funding altogether could have a negative impact on NAIC's ability to provide services at the current level.

NOTE 14: CONTINGENT LIABILITIES

NAIC participates in a number of state and federally assisted programs. These programs are audited in accordance with *Government Auditing Standards*. Audits of prior years have not resulted in any significant disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, management believes that further examination would not result in any significant disallowed costs.

NOTE 15: FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing various programs 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 by those costs.

NOTE 16: SUBSEQUENT EVENTS

Management of NAIC has evaluated subsequent events through January 23, 2013, which is the date the financial statements were available to be issued.

Saunders & Associates, PLLC
Certified Public Accountants

630 East 17th Street * P. O. Box 1406 * Ada, Oklahoma 74820 * (580) 332-8548 * FAX: (580) 332-2272
Website: www.saunderscpas.com

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

Board of Directors
Norman Addiction Information and Counseling
Norman, Oklahoma

We have audited the financial statements of Norman Addiction Information and Counseling as of and for the year ended June 30, 2012, and have issued our report thereon dated January 23, 2013. 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 of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Norman Addiction Information and Counseling'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 Norman Addiction Information and Counseling's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Norman Addiction Information and Counseling's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Norman Addiction Information and Counseling'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*.

Page 2

This report is intended solely for the information and use of management, the board of directors, others within the entity, federal awarding agencies, and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Saunders & Associates, PLLC

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants

January 23, 2013

SUPPLEMENTAL INFORMATION

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2012

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>CFDA No.</u>	<u>Revenue</u>	<u>Expenditures</u>
<u>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<u>Direct:</u>			
Drug Free Community Grant - # 5H79SP016698-01	93.276	\$ <u>121,784</u>	\$ <u>121,784</u>
Total HHS Direct Funding		<u>121,784</u>	<u>121,784</u>
<u>Passed through Oklahoma State Department of Mental Health and Substance Abuse Services</u>			
General Population	93.959	231,419	231,419
APRC - Federal Prevention	93.959	24,298	24,298
Adolescent Treatment	93.959	8,529	8,529
DHS Referred TANF	93.558	<u>38,089</u>	<u>38,089</u>
Total Okla. Dept. of Mental Health and Substance Abuse Services		<u>302,335</u>	<u>302,335</u>
Total U. S. Dept. of Health and Human Services		<u>424,119</u>	<u>424,119</u>
TOTAL FEDERAL AWARDS		\$ <u>424,119</u>	\$ <u>424,119</u>

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

SCHEDULE OF EXPENDITURES OF STATE AWARDS

For the Year Ended June 30, 2012

<u>State Grantor/Pass-Through Grantor/ Program Title</u>	<u>Revenue Recognized</u>	<u>Amount Expended</u>
Oklahoma Dept. of Mental Health and Substance Abuse Services		
Alcohol and Drug Abuse Services:		
Drug Court - Cleveland Adult	\$ 117,579	\$ 117,579
Drug Court - Cleveland Juvenile	1,297	1,297
Drug Court - McClain/Garvin	97,206	97,206
Inmates - LARC	180,000	180,000
Probation & Parolees	20,934	20,934
Gambling Treatment Services	15,853	15,853
TANF - Medicaid	<u>44,868</u>	<u>44,868</u>
Total Okla. Dept. of Mental Health	<u>477,737</u>	<u>477,737</u>
TOTAL STATE AWARDS	\$ <u>477,737</u>	\$ <u>477,737</u>

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

June 30, 2012

NOTE 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include the federal and state grant activity of Norman Addiction Information and Counseling (NAIC), and are presented on the accrual basis of accounting.

NOTE 2: CONTINGENT LIABILITIES

NAIC participates in a number of state and federally assisted programs. These programs are audited in accordance with *Government Auditing Standards and Amendments of 2003*. Audits of prior years have not resulted in any significant disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, management believes that further examination would not result in any significant disallowed costs.

NOTE 3: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not agree with the amounts reported in the related federal or state financial reports filed with the grantor agencies because of accruals made in the schedule which will be included in future reports filed with those agencies.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

STATUS OF PRIOR AUDIT FINDINGS

June 30, 2012

Section II – Financial Statement Findings and Questioned Costs:

None reported.

Section III – Federal Awards Findings and Questioned Costs:

None reported.

* The accompanying notes are an integral part of the financial statements.

NORMAN ADDICTION INFORMATION AND COUNSELING
Norman, Oklahoma

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2012

None reported.

* The accompanying notes are an integral part of the financial statements.



Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077552439
June 25, 2009 LTR 4168C 0
23-7229899 000000 00 000
00042536
BODC: TE

NORMAN ALCOHOL INFORMATION CENTER
INC
NORMAN ADDICTION INFORMATION AND
COUNSELING
PO BOX 730
NORMAN OK 73070-0730

011904

Employer Identification Number: 23-7229899
Person to Contact: Gloria Robinson
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of May 18, 2009, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in December 1972, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Cindy Westcott
Manager, EO Determinations

NAIC Board of Directors FY13

Name	Contact Numbers		Email	Address	Employment
Bob Calvert <i>President</i>	(h) 405.751.1280	(w) 405.848.6642	bobc @calverts.com	3016 Kent Drive OKC OK 73120	Calvert's Plant Interiors, Owner
	(c) 405.361.4871	(f) 405.848.6644			
Brent Smith <i>Vice President</i>	(h) 405-310-3462	(c) 405-615-8461	bsmith103 @cox.net	721 Willow Lane Norman OK 73072	Credit Manager, American Precious Metals Exchange
Stanley Evans <i>Treasurer</i>	(h) 405.521.0323	(w) 405.325.4726	stanevans @ou.edu	4108 Harvey OKC OK 73118	OU Law, Assistant Dean for Students, Retired
	(c) 405.550.8888				
Amy Million <i>Assistant Treasurer</i>	(c) 405.306.1980	(w) 405.292.0564	amy.million #NAME?	1932 W. Lindsey, Ste. C Norman OK 73069	Edward Jones, Financial Advisor
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