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**Baton Rouge Crisis
Intervention Center, Inc.
Baton Rouge, Louisiana
December 31, 1998**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 JUN 23 1999

HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

H. DANIEL GARFOLL, C.P.A.
ROBERT E. WALES, C.P.A.
J. CHARLES PARKER, C.P.A.
LOUIS C. MCKNIGHT, III, C.P.A.
ANTHONY J. CRISTINA, III, C.P.A.
CHARLES R. PEVEY, JR., C.P.A.
DAVID J. BROUSSARD, C.P.A.



CERTIFIED PUBLIC ACCOUNTANTS

8555 UNITED PLAZA BLVD.
BATON ROUGE, LOUISIANA 70809
(225) 923-3000 • FAX (225) 923-3008

ROBERT B. HAWTHORN, C.P.A.
(1906-1977)
JOHN F. WAYMOUTH, C.P.A.
(1902-1987)
HOWARD V. GARFOLL, C.P.A.
(1903-1983)

WARREN C. BEB, C.P.A.
RETIRED
ROBERT J. ZERNOLI, C.P.A.
RETIRED
CARL L. HANCOCK, C.P.A.
RETIRED

March 23, 1999

Independent Auditor's Report

The Officers and Board of Directors
Baton Rouge Crisis Intervention Center, Inc.
Baton Rouge, Louisiana

Gentlemen:

We have audited the accompanying statements of assets, liabilities, and net assets - modified cash basis of the

**Baton Rouge Crisis Intervention Center, Inc.
Baton Rouge, Louisiana**

as of December 31, 1998 and December 31, 1997, and the related statements of revenue and expenses - modified cash basis and changes in net assets - modified cash basis, for the years then ended. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards 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 audits provide a reasonable basis for our opinion.

As described in Note 1, the Center's policy is to prepare its financial statements on the basis of modified cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets - modified cash basis of the Baton Rouge Crisis Intervention Center, Inc., as of December 31, 1998 and December 31, 1997, and its support, revenue and expenses for the years then ended, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated March 23, 1999, on our consideration of the Baton Rouge Crisis Intervention Center Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Yours truly,

Hawthorn, Waymouth & Carroll, L.L.P.

Baton Rouge Crisis Intervention Center, Inc.
Statements of Assets, Liabilities and Net Assets - Modified Cash Basis
December 31, 1998 and December 31, 1997

A s s e t s

	<u>1998</u>	<u>1997</u>
Current Assets		
Cash	\$67,975	\$74,376
Certificate of deposit	<u> </u>	<u>10,000</u>
<u>Current assets</u>	<u>67,975</u>	<u>84,376</u>
Fixed Assets	66,343	49,109
Accumulated depreciation	<u>(32,846)</u>	<u>(25,398)</u>
	<u>33,497</u>	<u>23,711</u>
<u>Total assets</u>	<u>101,472</u>	<u>108,087</u>

Liabilities and Net Assets

Current Liabilities		
Payroll tax withholdings payable	\$1,970	\$1,800
Net Assets		
Unrestricted	<u>99,502</u>	<u>106,287</u>
<u>Total liabilities and net assets</u>	<u>101,472</u>	<u>108,087</u>

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Statements of Revenue and Expenses - Modified Cash Basis
Years Ended December 31, 1998 and December 31, 1997

	<u>1998</u>	<u>1997</u>
Revenue		
State contract	\$102,993	\$106,791
LSU contract	105,788	98,000
Membership fees	2,335	1,360
United Way	169,057	165,237
Crisis Center Foundation Grant	22,181	30,000
Contributions	6,747	7,460
Other income	5,571	18,485
Other grants	12,405	6,500
Interest income	<u>3,811</u>	<u>897</u>
<u>Total revenue</u>	<u>430,888</u>	<u>434,730</u>
Expenses		
Salaries and wages	267,587	250,937
Social Security tax	20,559	19,347
Worker's Compensation	2,089	1,733
Hospitalization	7,323	7,879
Life insurance	3,912	3,659
Travel	7,838	11,484
Rent	31,800	31,800
Utilities and building maintenance	14,587	17,195
Office supplies	2,112	2,021
Postage	2,718	2,565
Equipment rental/maintenance	4,020	2,691
Equipment purchases	2,234	2,017
Insurance and bonding	1,938	2,146
Marketing	6,723	1,663
Telephone	22,217	24,231
Professional memberships	2,136	2,169
Publication and printing	6,921	3,641
Awards and annual meeting	3,625	3,035
Professional fees	2,500	2,250
Contractual services	5,238	1,550
Depreciation expense	7,448	6,590
Miscellaneous	6,677	6,684
Loss Program expense	<u>5,471</u>	<u> </u>
<u>Total expenses</u>	<u>437,673</u>	<u>407,287</u>
Revenue Over (Under) Expenses	<u>(6,785)</u>	<u>27,443</u>

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Statements of Changes In Net Assets - Modified Cash Basis
Years Ended December 31, 1998 and December 31, 1997

UNRESTRICTED

Balance, December 31, 1996	\$78,844
Revenue over (under) expenses	<u>27,443</u>
Balance, December 31, 1997	106,287
Revenue over (under) expenses	<u>(6,785)</u>
Balance, December 31, 1998	<u>99,502</u>

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 1998

Note 1-Significant Accounting Policies

A. Background

The Baton Rouge Crisis Intervention Center, Inc. (the Center) was incorporated December 11, 1974. The main Center program is "The Phone", which is a 24 hour crisis intervention service provided by telephone contact. Callers may also be directed to other Center programs such as Suicide Outreach, Survivors of Suicide, or the Children's Bereavement Group. The Center also provides assessments and consultations, education and training for many crisis situations. The major sources of funding are from United Way, State contracts and LSU.

B. Basis of accounting

The Baton Rouge Crisis Intervention Center, Inc.'s policy is to prepare its financial statements using the modified cash basis of accounting; consequently, certain revenue and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

C. Donations

Cash donations are recognized when received; no recognition is given in the financial statements to pledges or promises until the actual receipt of funds.

D. Property, Plant and Equipment

Fixed assets are recorded at cost and depreciated using the straight-line method of depreciation over their useful lives.

E. Tax Status

The Baton Rouge Crisis Intervention Center, Inc. is exempt from federal income and unemployment taxes under section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation.

F. Use of Estimates

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

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 1998

Note 1-Significant Accounting Policies (Continued)

G. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by Baton Rouge Crisis Intervention Center, Inc. has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Center in perpetuity. The Center does not have any temporarily or permanently restricted net assets.

H. Advertising

Advertising costs are expensed when paid

Note 2-Leases

Effective January 16, 1992, the Baton Rouge Crisis Intervention Center, Inc. leased space located at 4837 Revere Drive from the Crisis Center Foundation for \$2,650 per month under a three year operating lease. The lease contains three options to renew for five years each. The first five year renewal option was approved and expires January 16, 2000. Lease expense for the fiscal years ending December 31, 1998 and December 31, 1997, was \$31,800 for each year. Minimum lease payments due for the years remaining on the lease are as follows:

1999	\$31,800
2000	1,325

Note 3-Contracts

The Baton Rouge Crisis Intervention Center, Inc. is partially funded by annual contracts through the State of Louisiana and Louisiana State University. Money received from these sources was as follows:

	<u>1998</u>	<u>1997</u>
State of Louisiana	\$102,993	\$106,791
Louisiana State University	105,788	98,000

Note 4-Related Party Transactions

The Crisis Center Foundation is a separate nonprofit 501(c)3 organization formed to provide the Center with a building. The Foundation purchased the building located at 4837 Revere Drive effective January 16, 1992. The Center leases the building from the Foundation as described in Note 2. The Center incurs certain expenses related to building repairs and maintenance that are reimbursed by the Foundation. Reimbursements for 1998 and 1997 were \$5,905 and \$2,181, respectively.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 1998

Note 4-Related Party Transactions (Continued)

The Crisis Center Foundation made contributions to the Center of \$20,000 in 1998 and \$30,000 in 1997. The Foundation's contributions are not guaranteed each year.

Note 5-Fixed Assets Acquisitions

In 1998, the Baton Rouge Crisis Intervention Center purchased from 1997 reserves, fixed assets totaling \$17,233. The purchases consisted primarily of computer workstations and equipment relating to the upgrade from a DOS Windows operating system.

Note 6-Concentrations of Credit Risk

At various times during the year, cash and cash equivalents on deposit with one banking institution exceeded the \$100,000 insured by the Federal Deposit Insurance Corporation. Management monitors the financial condition of the institution on a regular basis, along with its balances in cash and cash equivalents, to minimize potential risk.

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March 23, 1999

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Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards

The Officers and Board of Directors
Baton Rouge Crisis Intervention Center, Inc.
Baton Rouge, Louisiana

Officers and Members of the Board:

We have audited the financial statements of the Baton Rouge Crisis Intervention Center, Inc. as of and for the year ended December 31, 1998, and have issued our report thereon dated March 23, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Baton Rouge Crisis Intervention 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 tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Baton Rouge Crisis Intervention Center, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management, the Louisiana Legislative Auditor, United Way, State of Louisiana Department of Health and Hospitals and Louisiana State University.

Yours truly,

Southern, Waymouth & Carroll, S.L.P.