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MONROE AREA GUIDANCE CENTER

A/K/A HARMONY HOUSE

MONROE, LOUISIANA

FINANCIAL STATEMENTS

AND ADDITIONAL INFORMATION

FOR THE YEAR ENDED

JUNE 30, 2004

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

Release Date 10-27-04

#### JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

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# JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

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"The CPA Never Understimate The Value" *Certified Public Accountants* 3007 Armand Street Monroe, Louisiana 71201 Telephone (318) 322-5156 or (318) 323-1411 Facsimile (318) 323-6331

October 1, 2004

#### INDEPENDENT AUDITORS' REPORT

To the Board of Directors Monroe Area Guidance Center a/k/a Harmony House Monroe, Louisiana 71201 Accounting & Auditing

- H.U.D. Audits
- Non-Profit Organizations
- Business & Financial Planning
- Tax Preparation & Planning
  - Individual & Partnership
  - Corporate & Fiduciary
- Bookkeeping & Payroll Services

We have audited the accompanying statement of financial position of the Monroe Area Guidance Center a/k/a Harmony House (a nonprofit organization) as of and for the year ended June 30, 2004, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization'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; Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Monroe Area Guidance Center a/k/a Harmony House, as of June 30, 2004, 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Monroe Area Guidance Center a/k/a Harmony House taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents for the year ended June 30, 2004, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information

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has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated October 1, 2004 on our consideration of Monroe Area Guidance Center a/k/a Harmony House's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Johnston, Perry, Johnson & associates, LLP.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS



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October 1, 2004

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

Board of Directors Monroe Area Guidance Center a/k/a Harmony House Monroe, Louisiana

We have audited the financial statements of Monroe Area Guidance Center a/k/a Harmony House as of and for the year ended June 30, 2004, and have issued our report thereon dated October 1, 2004. We conducted our audit in accordance with accounting standards generally accepted in the United States of America applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

# <u>Compliance</u>

As part of obtaining reasonable assurance about whether Monroe Area Guidance Center a/k/a Harmony House'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 Monroe Area Guidance Center a/k/a Harmony House'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

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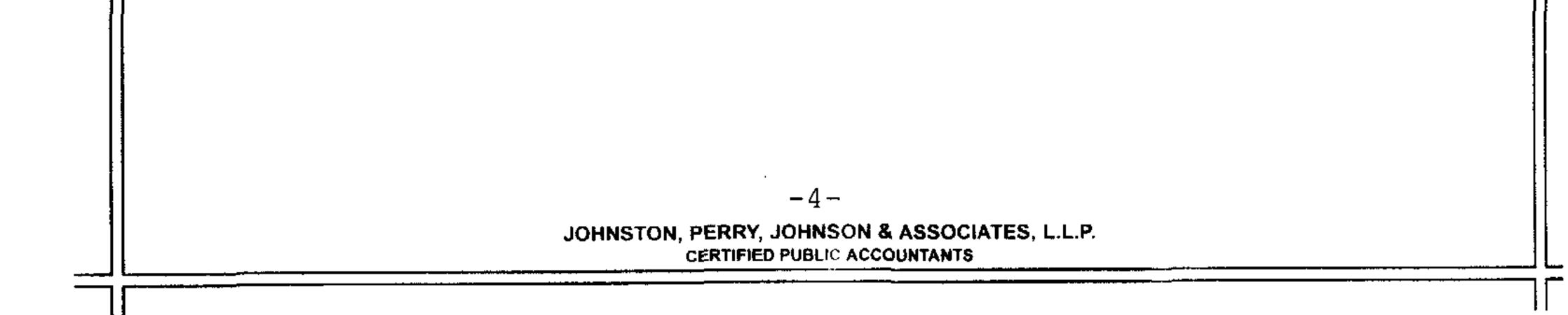
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all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low 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 audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Johnston, Perry, Johnson & associates, LLP.



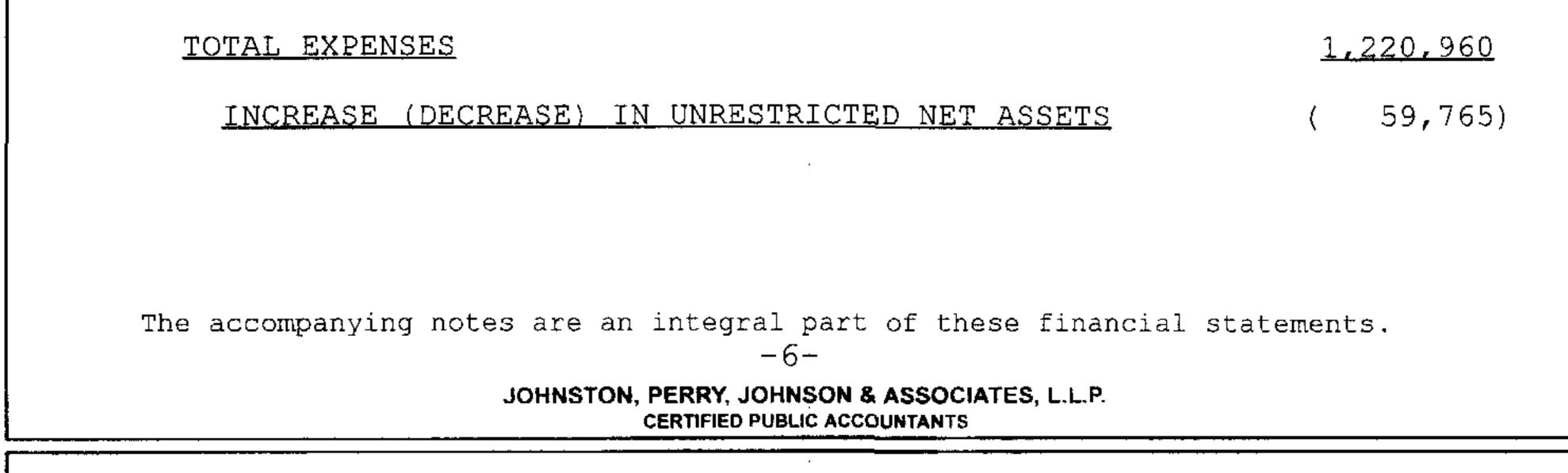


MONROE AREA GUIDANCE CE A/K/A HARMONY HOUSE STATEMENT OF FINANCIAL PO JUNE 30, 2004	£	
ASSETS		
Current Assets		
Cash and Cash Equivalents	42,937	
Accounts Receivable - Grants	69 <b>,</b> 372	
Accounts Receivable - Other	18,661	
Unconditional Promises to Give		
United Way Services Funding	<u> </u>	
TOTAL CURRENT ASSETS		167,899
Property and Equipment		
Land	120,650	
Buildings	957 <b>,</b> 715	
Furniture and Equipment	207,809	
Improvements	179,049	
	1,465,223	
Less: Accumulated Depreciation	( <u>455,179</u> )	
NET PROPERTY AND EQUIPMENT		<u>1,010,044</u>
TOTAL ASSETS		<u>1,177,943</u>
LIABILITIES AND NET AS	<u>SETS</u>	
Current Liabilities		
Accounts Payable	441	
Notes Payable Due Within One Year	111,725	
Accrued Leave	20,893	
TOTAL CURRENT LIABILITIES		133,059
Net Assets		
Unrestricted - Operations	( 2,089)	
Unrestricted - Fixed Assets	1,010,044	
Temporarily Restricted	<u> </u>	
TOTAL NET ASSETS		<u>1,044,884</u>
TOTAL LIABILITIES AND NET ASSETS		1 177 942
TATUM DIVITITES VND NET VOSETS		<u> </u>

# The accompanying notes are an integral part of these financial statements. -5-JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

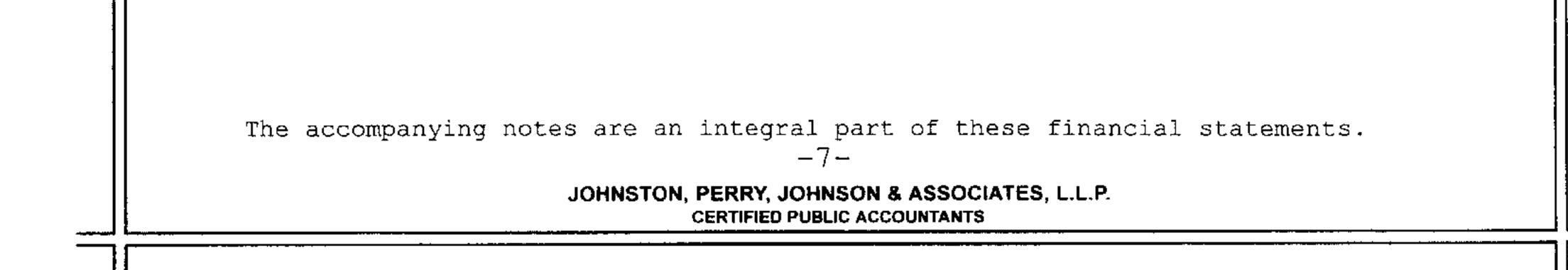
MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE	
STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2004	
UNRESTRICTED NET ASSETS	
Support	
Grants and Contracts	473,215
Contributions	39,817
TOTAL UNRESTRICTED SUPPORT	513,032
Revenues	
Medicaid	556,137
Client Fees	17,712
Interest	160
Miscellaneous	29,093
Management and Bookkeeping Fees	3,996

TOTAL UNRESTRICTED REVENUES	<u>    607,098</u>
Net Assets Released from Restrictions United Way Services Funding	41,065
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	41,065
TOTAL UNRESTRICTED SUPPORT, REVENUES AND RECLASSIFICATION	<u>1,161,195</u>
<u>EXPENSES</u>	
Program Services Community Support Fairhaven Shelter Supportive Living Laundry Services Harmony House Case Management Plus <u>TOTAL PROGRAM SERVICES</u>	640,112 262,980 102,448 29,199 67,145 78,525 1,180,409
Supporting Services Management and General Fund Raising	40,551
TOTAL SUPPORTING SERVICES	<u>    40,551</u>



MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE STATEMENT OF ACTIVITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2004

#### TEMPORARILY RESTRICTED NET ASSETS



VTER

(PENSES), 2004 -

•

TOTAL	776,934 107,857 28,761 211,454 38,905	6,074 4,199	1,174,184 46,781 1,220,965	
GENERAL AND ADMINIS- TRATIVE	32,638 2,513 2,934 669	I (2000) 1 (	38,837 1,714 40,551	
CASE MANAGE- MENT PLUS	55,188 7,933 1,410 7,004 6,995		78,530 	
HARMONY HOUSE OMH	35,776 5,466 630 16,952 4,935	200	64,259 2,886 67,145	

statements. financial these 11

		MONROE A/K STATEMENT FOR THE YI	AREZ AREZ OF BAR	A GUIDANCE CEN HARMONY HOUSE FUNCTIONAL EXE ENDED JUNE 30,
			PROGRAM S	SERVICES
	COMMUNITY SUPPORT PROGRAM	FAIRHAVEN	SUPPORTIVE LIVING	LAUNDRY SERVICES
rvices efits	383,885 58,501 17,828	180,799 21,966 3,561	72,829 9,783 4,781	15,819 1,695 551
ervices	131,473	<b></b> .	54	9,000 675
- - - - - - - - - - - - - - - - - - -	3,841 4,116	1,000	508	225
enses				
<u>ation</u>	614,753	251,681	98,159	27,965
ion	25,359	11,299	4,289	1,234
PENSES	<u>640,112</u>	<u>262,980</u>	<u>102,448</u>	<u>29,199</u>

of part integral an are notes accompanying



# EXPE TOTAL

# Depreciatic

# <u>Expen</u> pre reciat Depreci <u>Before</u>

Total

Services Miscellaneous Operating Se Supplies Professional .

. Serv Benef Ig Ser Related Travel

Personal

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2004	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u> Increase (Decrease) in Net Assets Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operating Activities	( 63,901)
Depreciation (Increase) Decrease in:	46,781
Operating Assets - Unconditional Promises to Give Accounts Receivable - Grants Accounts Receivable - Other Increase (Decrease) in Operating Liabilities -	4,136 ( 3,032) 2,371
Accounts Payable Accrued Leave	( 256) ( <u>1,492</u> )
<u>NET CASH PROVIDED (USED) BY OPERATING</u> <u>ACTIVITIES</u>	( <u>15,393</u> )
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u> Purchase of Fixed Assets	( <u>101,847</u> )
<u>NET CASH PROVIDED (USED) BY INVESTING</u> <u>ACTIVITIES</u>	( <u>101,847</u> )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u> Increase (Decrease) in Short-Term Debt	<u>   88,753</u>
<u>NET CASH PROVIDED (USED) BY FINANCING</u> <u>ACTIVITIES</u>	<u>   88,753  </u>
NET INCREASE (DECREASE) IN CASH	(28,487)
<u>BEGINNING CASH AND CASH EQUIVALENTS</u>	<u>_71,424</u>
ENDING CASH AND CASH EQUIVALENTS	<u>42,937</u>
<u>SUPPLEMENTAL CASH BASIS DATA</u> Interest Paid Income Taxes Paíd	4,886 -0-

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# The accompanying notes are an integral part of these financial statements. -9-

# NOTE 1 - Summary of Significant Accounting Policies

Statement of Presentation: Α.

> The accompanying financial statements conform to generally accepted accounting principles for not-for-profit organizations.

Organization: В.

> The Organization provides a spectrum of habilitationoriented services to the chronically mentally ill in northeast Louisiana, including providing employment opportunities, helping clients with physical and emotional

- problems in order to help them get into the mainstream of community life, and operating a group home for the mentally ill. The Organization also carries out a janitorial program to help train clients for employment.
- С. 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.

D. Cash and Cash Equivalents:

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

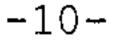
Budget Policy: Ε.

> Budgets for various programs are prepared by the Organization and approved by grantor of the funds for each respective program.



F. Cash in Bank:

# All funds are in institutions insured by an agency of the Federal Government, the Federal Deposit Insurance Corporation.



JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

# NOTE 1 - Summary of Significant Accounting Policies (Continued)

G. Related Party Transactions:

Monroe Area Guidance Center a/k/a Harmony House is the managing agent over Kilgore Complex, Inc. Monroe Area Guidance Center a/k/a Harmony House and Kilgore Complex, Inc. share several board members and employees. Management and bookkeeping received from Kilgore Complex, Inc. during the year ended June 30, 2004 totaled \$3,996. At June 30, 2003 2,714 was due from Kilgore Complex, Inc. for reimbursement of operating expenses.

Monroe Area Guidance Center a/k/a Harmony House and Garrett Road Apartments, Inc. share several board members and employees. At June 30, 2004, \$15,947 was due from Garrett Road Apartments, Inc. for the reimbursement of expenses.

# H. Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization has no permanently restricted net assets at June 30, 2004.

# I. Property and Equipment:

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. 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. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily -11-

#### 1 - <u>Summary of Significant Accounting Policies</u> (Continued) NOTE

Property and Equipment: (Continued) I.

> restricted net assets to unrestricted net assets at that time. Buildings are depreciated using the straight-line method over the useful lives ranging between 27.5 years and 39 years. Equipment is depreciated using the declining balance method.

J. Allocation of Functional Expenses:

The costs of providing the 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 benefitted.
- Reserve for Bad Debts: Κ.

Accounts receivable have been reviewed by management and they have determined that there is no requirement for a reserve for bad debts account as of June 30, 2004.

L. Advertising Costs:

Advertising cost for the year ended June 30, 2004 were immaterial. Advertising costs are expensed as incurred.

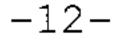
# NOTE 2 - Funding Policies and Sources of Funds

The Organization receives its monies through various methods of funding. Most of the funds are received on a grant basis from Louisiana Department of Health and Hospitals. The Organization also receives funds as a reimbursement of actual expenditures, and upon a per unit of service provided method, including Medicaid funds. The Organization also receives funds by contributions from both public and private sources.

NOTE 3 - Unconditional Promises to Give

#### Grants

Grants at June 30, 2004 generally consist of reimbursements from the Department of Health and Hospitals for expenditures incurred under the grant program. Such receivables have been pledged to secure the short term loan.



NOTE 3 - <u>Unconditional Promises to Give</u> (Continued)

United Way

United Way Services Funding is awarded on a calendar year basis. For the calendar year 2004, \$73,859 was awarded to Monroe Area Guidance Center, of which \$36,929 is temporarily restricted.

NOTE 4 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE 5 - In-Kind Contributions

> The Organization received various in-kind contributions during the year from private and public sources. The value of donated volunteer services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services.

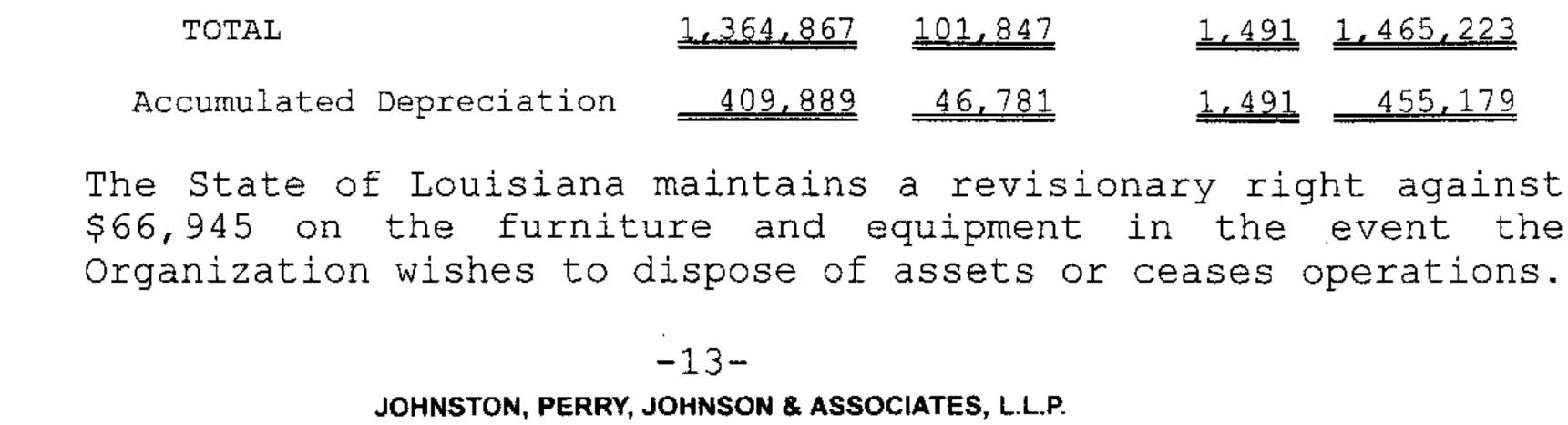
# NOTE 6 - <u>Income Tax Status</u>

The Organization, a non-profit corporation, is exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code.

NOTE 7 - <u>Changes in Fixed Assets</u>

A summary of changes in fixed assets recorded at cost follows:

	Balance July 1, <u>2003</u> <u>A</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, 2004
Land	120,650	-	_	120,650
Harmony House Bldg.	660,000	-	-	660,000
Fairhaven Bldg.	297,715	-	-	297,715
Harmony House Improvements	81,182	97,867	_	179,049
Furniture & Equipment	205,320	3,980	<u>1,491</u>	207,809



# NOTE 8 - <u>Accrued Leave</u>

As of June 30, 2004, accrued annual leave time was \$20,893. The Organization records leave as an expenditure in the year the leave is earned.

# NOTE 9 - <u>Clients on Medicaid</u>

The Organization's policy is to bill the Department of Health and Hospitals for non-Medicaid clients. If the client later becomes Medicaid eligible, Medicaid may reimburse the Organization for past services that were originally billed and paid by the Department of Health and Hospitals to the Organization. When the Medicaid reimbursement for these past

services is received by the Organization, the Organization reduces the amount of the current monthly funds request to the Department of Health and Hospitals.

# NOTE 10 - <u>Pension</u>

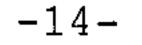
The Organization maintains an employee retirement plan for full-time salaried employees. Employer contributions equal seven per cent of compensation, per employee. The pension contribution for the year was \$21,319.

# NOTE 11 - <u>Contingent Liabilities</u>

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 of the applicable funds. The amount which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

# NOTE 12 - Fair Values of Financial Instruments

The Organization's financial instruments, none of which are held for trading purposes, include cash and a note payable. The Organization estimates that the fair value of all financial instruments at June 30, 2004 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.



#### JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

# NOTE 13 - <u>Bank Loan Payable</u>

The short-term note payable consists of a line of credit payable to Iberia Bank. The line of credit, with a variable interest rate of 4.31%, had a balance of \$111,725 at June 30, 2004 and is secured by real estate.

## NOTE 14 - <u>Audit Requirements</u>

The Organization did not fall under the A-133 audit regulation which became effective for fiscal years beginning after July 1, 1996 due to federal funds expended being under \$500,000.

NOTE 15 - HUD Funding

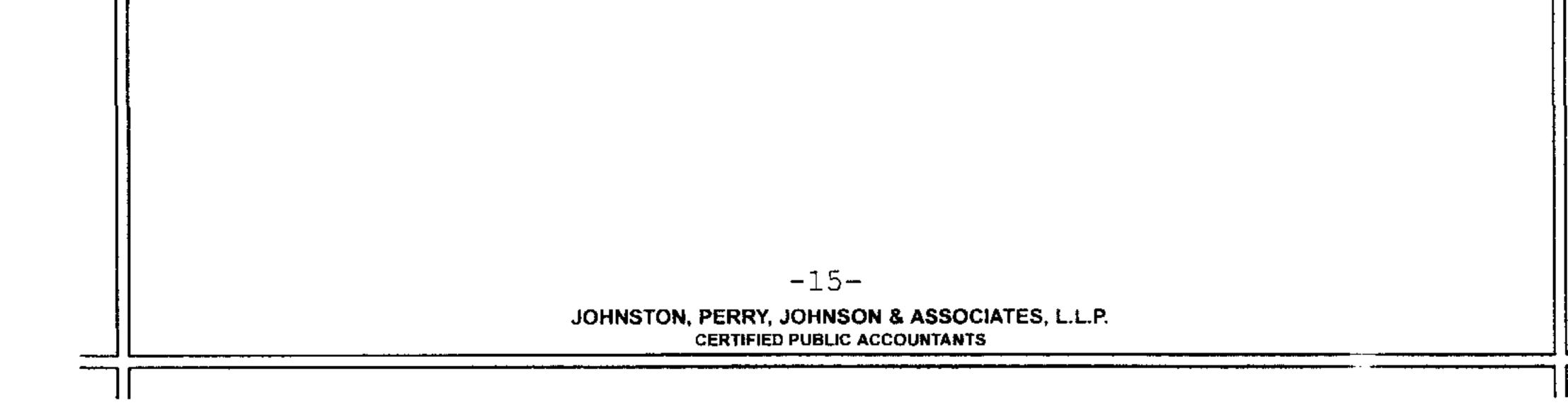
The Organization was approved by the Department of Housing and Urban Development (HUD) for a grant for a Case Management Plus project. The total obligation by HUD for this grant will be \$160,432 to be disbursed in two years on a cost-reimbursement basis beginning in the year ended June 30, 2004.

# NOTE 16 - Cash Funds

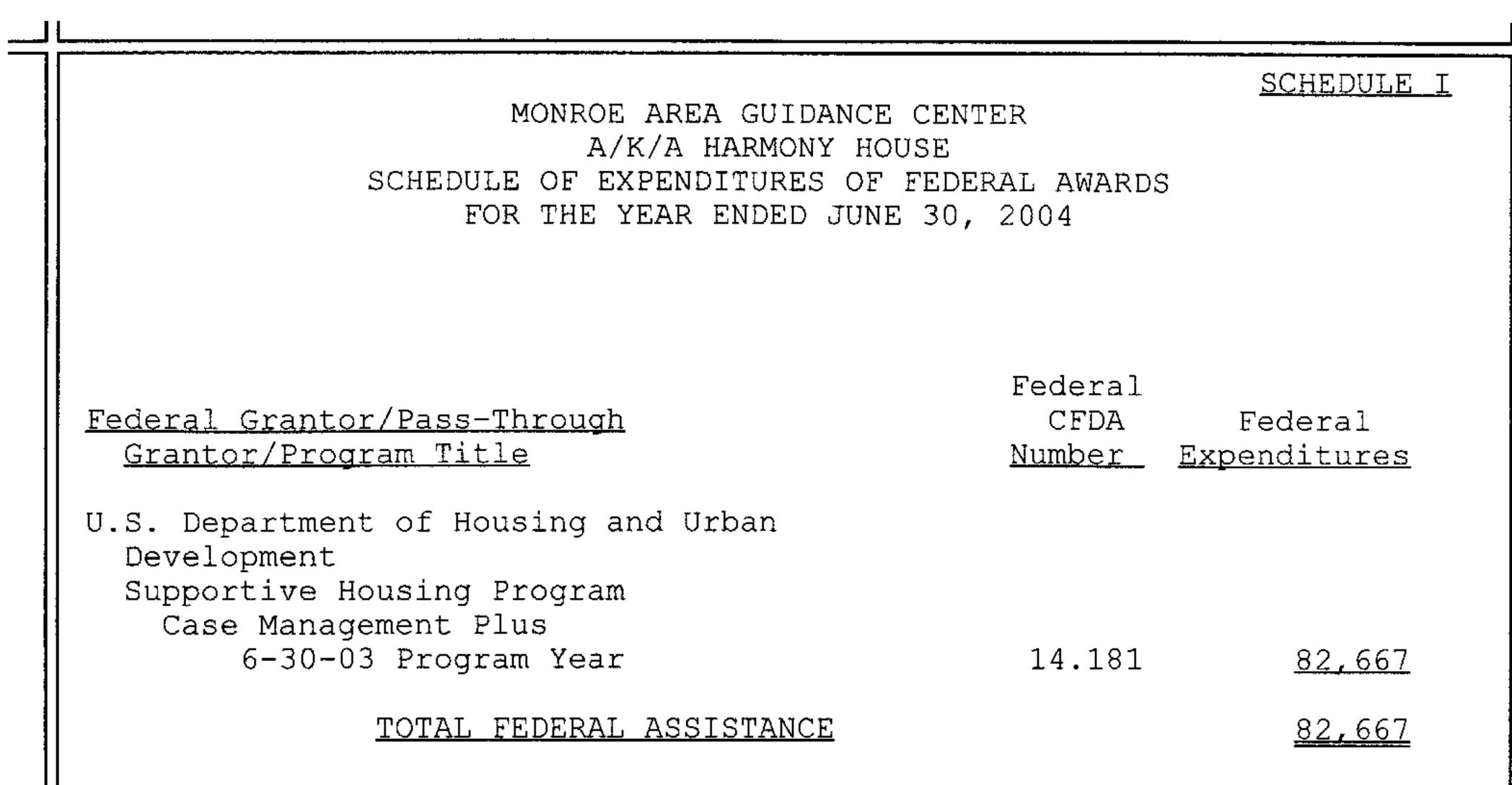
All cash funds are in institutions insured up to \$100,000 by an agency of the federal government. At various times during the year the cash funds in these institutions exceeded \$100,000 and the excess of these funds was uninsured.

# NOTE 17 - <u>CONTINGENCY</u>

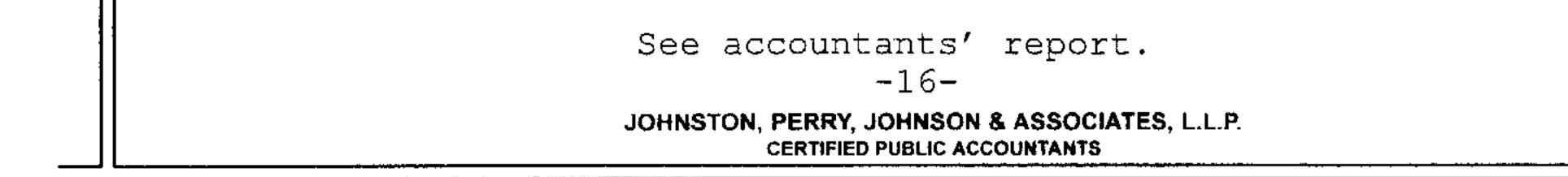
The Organization is a defendant in a lawsuit filed by an employee. The suit alleges the employee was discriminated against. Management believes the suit is without merit and is vigorously defending the lawsuit. The probability of an unfavorable outcome against the Organization at the current state of the proceedings is less than fifty percent. If there is an unfavorable ruling against the Organization, the range of possible loss is believed to be \$17,500 to \$55,500.



# SUPPLEMENTARY FINANCIAL INFORMATION







# <u>SCHEDULE I</u> (CONTINUED)

MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2004

#### **GENERAL**

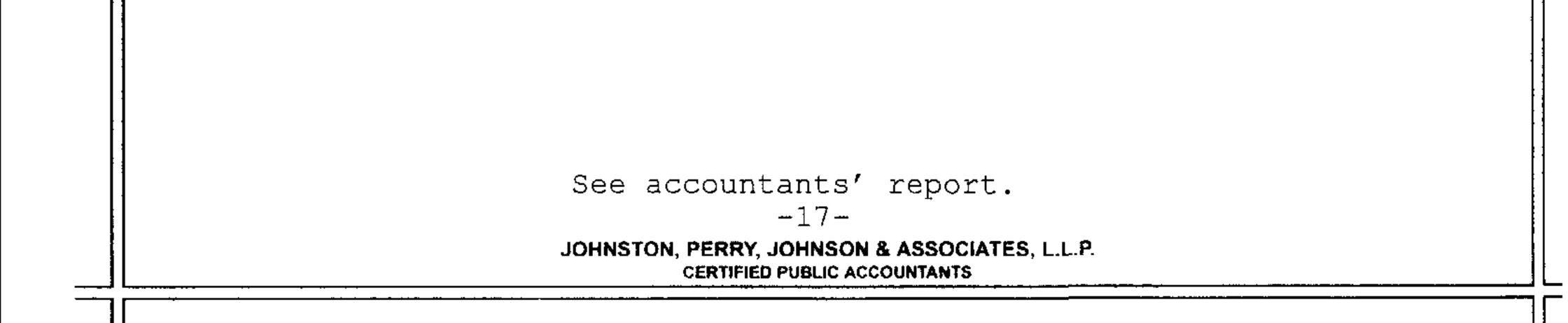
The Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Monroe Area Guidance Center a/k/a Harmony House (nonprofit organization). All financial assistance received directly or passed through from other government or nonprofit agencies is included on the schedule.

## BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Monroe Area Guidance Center a/k/a Harmony House and is presented on the accrual basis of accounting.

## SUBRECIPTS

Monroe Area Guidance Center a/k/a Harmony House did not pass through any federal funds received by it.

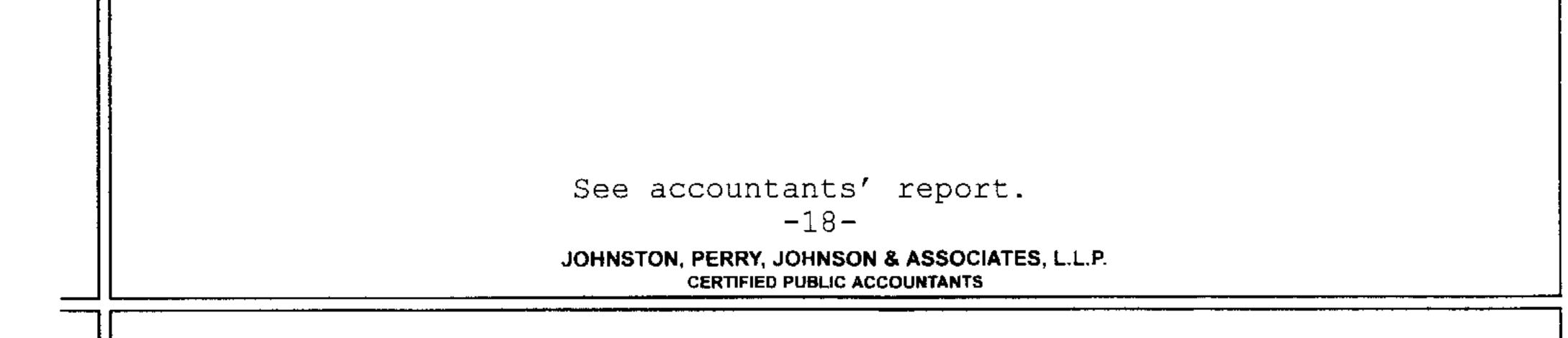


SCHEDULE II

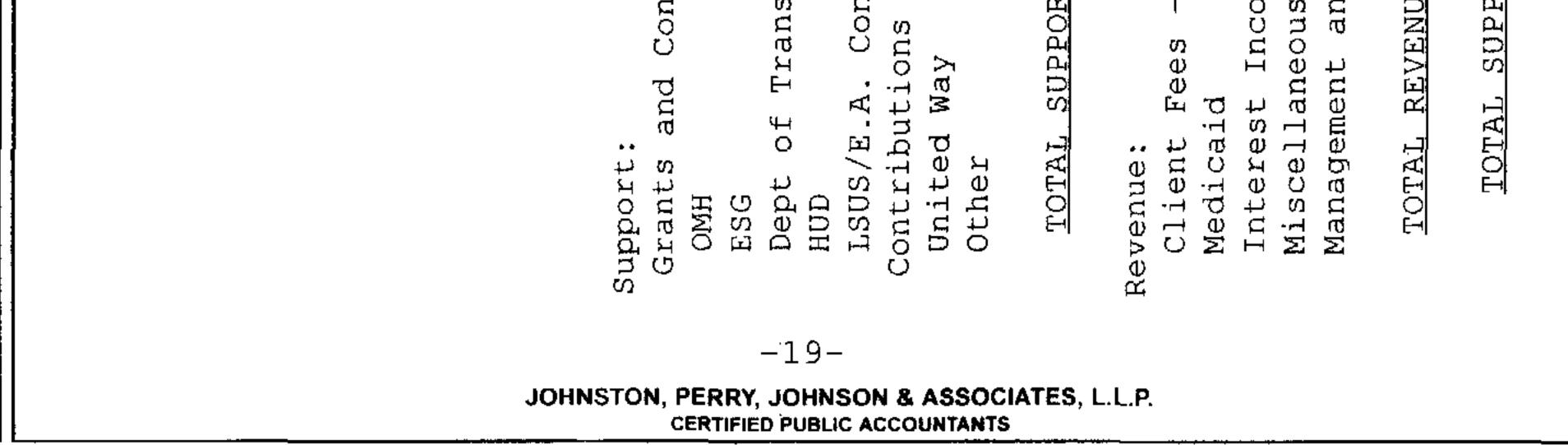
MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE COMPENSATION TO BOARD MEMBERS FOR THE YEAR ENDED JUNE 30, 2004

No compensation was paid to any board member during the year under audit.

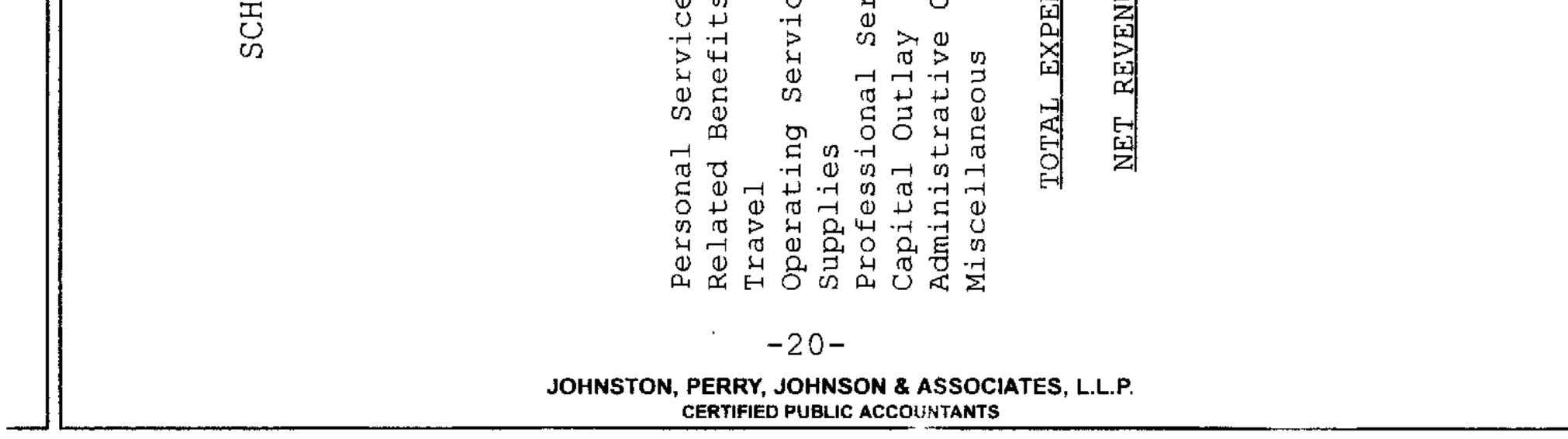




EC FC	MONROE AREA A/K/A H/ FUNCTIONAL REVEN FOR THE YEAR E	A GUIDAN HARMONY ENUES AN ENDED J	CENTER USE XPENSES - I 30, 2004	GRANTOR BP	BASIS	SCHEDULE III
	PROGRAM	RAM SERVICES	ŝ			
	COMMUNITY SUPPORT PROGRAM	FAI RHAVEN SHELTER	SUPPORTIVE LIVING	LAUNDRY SERVICES	HARMONY HOUSE OMH	CASE MANAGEMENT PLUS
ontracts	1	126,535	99,202	28,564	66 <b>,</b> 748	1
Insportation	39,631			]	]	82 <b>,</b> 667
Conway	i		8	I <b>I</b>	1	łł
ν, Ι		F	ł	2,405	1	ł
	× .	<b>N</b> .	l	ł	ł	I
	2,295	1,000	•	1	1	
ORT	89,877	<u>180, 498</u>	<u>99,202</u>	30,969	66,748	<u>82,667</u>
- Room and Board		17,712	Į	I	1	4
come	160 160 160		Ê Î	<b>1</b> E	11	1
us and Bookkeeping Fees	28,901 3,996	132 			1	9 1
NUE	<u>536,291</u>	70,747	-0-	-0-	-0-	60
JPPORT AND REVENUE	<u>626,168</u>	<u>251,245</u>	<u>99,202</u>	30,969	66,748	<u>82,727</u>
	See accol	accountants' rep	port.			



					÷ <b>-</b>	SCHEDULE III (CONTINUED)
SCHEDULE OF FU	MONROE A/ A/ FUNCTIONAL REVENU FOR THE Y	AREA GI K/A HARN JES AND FEAR END	NCE CENT HOUSE INSES - JUNE 30,	FER GRANTOR BASIS 2004	(CONTINUED)	
		PROGRAM SH	SERVICES			
	COMMUNITY SUPPORT PROGRAM	FAIRHAVEN SHELTER	SUPPORTIVE LIVING	LAUNDRY SERVICES	HARMONY <u>HOUSE_OMH</u>	CASE MANAGEMENT <u>PLUS</u>
rices Tits	$-\infty$	N N	72,829 9,783	15,819 1,695	35,776 5,466	<b>,</b> 18 , 93
rvices	, 82 , 47 , 47		N N	9,000	, 95 , 95	100
Services	~ ~	1,000 1,000	210 208	225	4, 735 500	ר רכ
iY re Costs	, 0, 1 , 0, 1 , 0, 1	415,760	1,043	3,004	- 2,489	4,202
70	┦	-	1			1
<u>XPENDITURES</u>	734,238	<u>263,856</u>	<u>99,202</u>	<u>30,969</u>	<u>66,748</u>	82,727
VENUE (LOSS)	( <u>108,070</u> )	( <u>12,611</u> )	-0-	-0-	-0-	1
-						
	S S G	e accountant	s' report.			



MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2004

#### <u>SECTION I - SUMMARY OF AUDITORS' RESULTS</u>

Financial Statements Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- \* Material weakness(es) identified? \_\_\_\_\_ yes <u>X\_</u> no
- \* Reportable condition(s) identified that are not considered to be material weaknesses?

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Noncompliance material to financial
 statements noted?
                                            <u>    yes  X </u>no
Federal Awards
Internal control over major programs:
* Material weakness(es) identified?
                                           Not Applicable
* Reportable condition(s) identified that
 are not considered to be material
 weaknesses?
                                            Not Applicable
Type of auditors' report issued on compliance for major programs:
Not Applicable
Any audit findings disclosed that are
required to be reported in accordance
with section 510(a) of Circular A-133?
                                           Not Applicable
Identification of major programs:
None
Dollar threshold used to distinguish
                                           $500,000
between type A and type B programs:
Auditee qualified as low-risk auditee?
                                             <u>   yes <u>X</u> no</u>
```

<u>yes X</u> none reported

#### JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2004

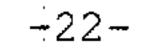
# <u>SECTION II - FINANCIAL STATEMENT FINDINGS</u>

There were no findings nor questioned costs for the year ended June 30, 2004.

<u>SECTION III - FEDERAL FINDINGS AND QUESTIONED COSTS</u>

Not Applicable





# JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

MONROE AREA GUIDANCE CENTER A/K/A HARMONY HOUSE CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS JUNE 30, 2004

There were no findings for the year ended June 30, 2003.



