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RAPIDES CHILDREN'S ADVOCACY CENTER

Annual Financial Report

For the Years Ended December 31, 1998 and 1997

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 7-14-99

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June 23, 1999

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rapides Children's Advocacy Center

We have audited the accompanying statement of financial position of the Rapides Children's Advocacy Center (a non-profit organization) as of December 31, 1998 and 1997, and the related statements of activities, functional expenses and cash flows for the years 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 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 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 the Rapides Children's Advocacy Center as of December 31, 1998 and 1997, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

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

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information referred to in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Rozier, Harrington & McKay

ROZIER, HARRINGTON & MCKAY
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Rapides Children's Advocacy Center
Statements of Financial Position

	<u>December 31,</u>	
	1998	1997
<u>Assets</u>		
<u>Current assets:</u>		
Cash and cash equivalents	\$ 133,416	\$ 44,826
Grants and pledges receivable	155,211	300,941
Other current assets	259	1,850
	<hr/>	<hr/>
Total current assets	288,886	347,617
	<hr/>	<hr/>
Fixed assets, net of accumulated depreciation	90,504	84,216
	<hr/>	<hr/>
Total assets	<u>\$ 379,390</u>	<u>\$ 431,833</u>
<u>Liabilities and Net Assets</u>		
<u>Current liabilities:</u>		
Other current liabilities	<u>\$ 3,957</u>	<u>\$ 2,107</u>
	<hr/>	<hr/>
Total current liabilities	<u>3,957</u>	<u>2,107</u>
	<hr/>	<hr/>
<u>Net assets:</u>		
Unrestricted	241,629	267,384
Temporarily restricted	133,804	162,342
	<hr/>	<hr/>
Total net assets	<u>375,433</u>	<u>429,726</u>
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 379,390</u>	<u>\$ 431,833</u>

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

Rapides Children's Advocacy Center

Statements of Activities

	For the Year Ended December 31, 1998		For the Year Ended December 31, 1997	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
<u>Revenue and Support:</u>				
Contributions	\$ 28,442	\$ -	\$ 62,121	\$ -
Grants	-	93,142	-	191,700
Court cost	76,632	-	16,791	-
State appropriation	-	-	100,000	-
Net assets released from restrictions	121,680	(121,680)	75,474	(75,474)
Total revenue and support	<u>226,754</u>	<u>(28,538)</u>	<u>254,386</u>	<u>116,226</u>
				<u>370,612</u>
<u>Functional expenses:</u>				
<u>Program services:</u>				
Forensic Interviewing	66,210	-	48,714	-
CASA	125,115	-	83,900	-
Total program services	<u>191,325</u>	<u>-</u>	<u>132,614</u>	<u>-</u>
<u>Supporting services:</u>				
Management and General	60,137	-	47,142	-
Fund raising	1,047	-	5,115	-
Total supporting services	<u>61,184</u>	<u>-</u>	<u>52,257</u>	<u>-</u>
Total functional expenses	<u>252,509</u>	<u>-</u>	<u>184,871</u>	<u>-</u>
Increase (decrease) in net assets	(25,755)	(28,538)	69,515	116,226
Net assets - beginning of year	<u>267,384</u>	<u>162,342</u>	<u>197,869</u>	<u>46,116</u>
Net assets - end of year	<u>\$ 241,629</u>	<u>\$ 133,804</u>	<u>\$ 267,384</u>	<u>\$ 162,342</u>
				<u>\$ 429,726</u>

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

Rapides Children's Advocacy Center

Statements of Functional Expenses

For the Years Ended December 31, 1998 and 1997

	<u>Program Services</u>			<u>Supporting Services</u>			<u>Total Expenses</u>
	<u>Forensic Interviewing</u>	<u>CASA</u>	<u>Total</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>	
<u>For the Year Ended December 31, 1998:</u>							
Depreciation	\$ 7,796	\$ 16,465	\$ 24,261	\$ 6,548	\$ -	\$ 6,548	\$ 30,809
Insurance	3,598	3,598	7,196	3,598	-	3,598	10,794
Other	3,661	3,664	7,325	3,662	1,047	4,709	12,034
Payroll taxes and benefits	3,616	5,344	8,960	5,114	-	5,114	14,074
Professional services	1,465	1,465	2,930	1,464	-	1,464	4,394
Salaries and wages	36,753	77,622	114,375	30,868	-	30,868	145,243
Supplies	615	6,002	6,617	2,486	-	2,486	9,103
Telephone and utilities	3,043	3,043	6,086	3,044	-	3,044	9,130
Travel and education	5,663	7,912	13,575	3,353	-	3,353	16,928
Total 1998 expenses	\$ 66,210	\$ 125,115	\$ 191,325	\$ 60,137	\$ 1,047	\$ 61,184	\$ 252,509
<u>For the Year Ended December 31, 1997:</u>							
Depreciation	\$ 9,993	\$ 17,106	\$ 27,099	\$ 7,480	\$ -	\$ 7,480	\$ 34,579
Insurance	2,010	2,010	4,020	2,011	-	2,011	6,031
Other	3,186	3,183	6,369	3,183	5,115	8,298	14,667
Payroll taxes and benefits	2,200	2,996	5,196	3,160	-	3,160	8,356
Professional services	1,028	1,028	2,056	1,028	-	1,028	3,084
Salaries and wages	26,395	45,183	71,578	19,757	-	19,757	91,335
Supplies	708	4,029	4,737	5,331	-	5,331	10,068
Telephone and utilities	2,229	2,227	4,456	2,228	-	2,228	6,684
Travel and education	965	6,138	7,103	2,964	-	2,964	10,067
Total 1997 expenses	\$ 48,714	\$ 83,900	\$ 132,614	\$ 47,142	\$ 5,115	\$ 52,257	\$ 184,871

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

Rapides Children's Advocacy Center
Statements of Cash Flows

	For the Year Ended	
	December 31,	
	1998	1997
<u>Cash flows from operating activities:</u>		
Change in net assets	\$ (54,293)	\$ 185,741
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	30,809	34,579
Change in operating assets and liabilities:		
(Increase) decrease in grants and pledges receivable	145,730	(254,825)
(Increase) decrease in other current assets	1,591	(1,550)
Increase (decrease) in other current liabilities	1,850	(2,802)
Net cash provided (used) by operating activities	<u>125,687</u>	<u>(38,857)</u>
 <u>Cash flows from investing activities:</u>		
Purchase of fixed asset	<u>(37,097)</u>	<u>(3,642)</u>
Net cash provided (used) by investing activities	<u>(37,097)</u>	<u>(3,642)</u>
 Net increase (decrease) in cash and cash equivalents	88,590	(42,499)
Cash and cash equivalents - beginning of year	<u>44,826</u>	<u>87,325</u>
 Cash and cash equivalents - end of year	<u>\$ 133,416</u>	<u>\$ 44,826</u>

Supplemental Data:

For the years ended December 31, 1998 and 1997, there were no cash payments for interest or income taxes. Furthermore, there were no significant noncash investing or financing activities during the year.

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

RAPIDES CHILDREN'S ADVOCACY CENTER

Notes to Financial Statements December 31, 1998 and 1997

Note 1 – Summary of Significant Accounting Policies:

Organization:

The Rapides Children's Advocacy Center (the Center) is a non profit organization which utilizes an interagency approach to the investigation, prosecution and treatment of child sexual and physical abuse. The mission of the Center is to lessen the trauma experienced by child abuse victims as allegations are investigated and to provide support for the child victim in any resulting proceeding within the criminal justice system. Program activities conducted in pursuit of this mission are described as follows:

Forensic Interviewing – Child protection and law enforcement agencies refer children to the Center for confidential interviews regarding reports of child abuse. The interviews are conducted by specially trained professionals in a homelike setting. Interviews are recorded on videotape while making every effort to help the child feel safe, comfortable and supported.

CASA - Court Appointed Special Advocates (CASAs) are trained community volunteers appointed by the judge to represent the interest of abused and neglected children. CASAs conduct an independent investigation for the purposes of providing the court with objective recommendations regarding the child's best interest. The Center recruits, screens and trains CASA volunteers.

Basis of Presentation:

The financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles. Preparation of financial statements in conformity with generally accepted accounting principles requires certain estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

As required by Statement of Financial Accounting Standards (SFAS) No. 117, net assets and activities are classified in the following manner:

Unrestricted -- Net assets that are not subject to significant donor imposed restrictions.

Temporarily Restricted – Net assets subject to certain donor imposed restrictions and restrictions imposed by grant agreements. Temporary restrictions apply when the restriction can be fulfilled by actions of the Center or by the passage of time.

Permanently Restricted – Net assets subject to donor imposed restrictions that require these assets to be maintained in a perpetual manner.

Income Taxes:

The Center is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, the Center is not classified as a "private foundation" by the Internal Revenue Service.

RAPIDES CHILDREN'S ADVOCACY CENTER

Notes to Financial Statements ***December 31, 1998 and 1997***

Promises to Give:

As required by generally accepted accounting principles, unconditional promises to give are reported as revenue when the promise is made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Cash and Cash Equivalents:

Cash and cash equivalents represent bank deposits and highly liquid investments with original maturities of three months or less.

Fixed Assets:

Fixed assets are recorded at cost on the date of acquisition. Donated property is recorded at the estimated fair value upon receipt. Depreciation is computed using accelerated methods over estimated useful lives ranging from 5 to 8 years.

Assets donated with explicit restrictions regarding their use and contributions of cash earmarked to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Center reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated Services:

Volunteers are utilized extensively for both program and supporting services. Contributed services are recognized if the services require specialized skills and the Center would be required to purchase these services if donated services were not available. None of the contributed services received during the two years ended December 31, 1998 were recognized as revenue.

Note 2 – Grants and Pledges Receivable:

Grants and pledges receivable consisted entirely of unconditional promises to give. Details regarding the amount reported on the Statement of Financial Position are provided as follows:

	<u>1998</u>	<u>1997</u>
Grants:		
National CASA Association	\$ 27,870	\$ 49,450
State Bar Association – I.O.L.T.A Grant	18,000	41,500
Louisiana Commission on Law Enforcement	96,927	93,200
Court cost	12,414	16,791
State appropriation	----	100,000
Total	\$ 155,211	\$ 300,941

Grants and pledges are considered entirely collectible and there is no allowance for doubtful accounts. Furthermore, the entire balance is considered collectible with one year.

RAPIDES CHILDREN'S ADVOCACY CENTER

Notes to Financial Statements December 31, 1998 and 1997

Note 3 – Fixed Assets:

Details regarding fixed assets utilized by the Center are presented as follows:

	<u>1998</u>	<u>1997</u>
Furniture, fixtures and equipment	\$ 88,217	\$ 51,120
Leasehold improvements	87,797	87,797
<hr/>		
Total fixed assets	176,014	138,917
Accumulated depreciation	(85,510)	(54,701)
<hr/>		
Fixed assets net of accumulated depreciation	\$ 90,504	\$ 84,216

Note 4 – Temporarily Restricted Net Assets:

The unexpended portion of various grants has been classified as temporarily restricted due to restrictions imposed by the grantor. Details regarding the temporarily restricted amounts are presented as follows:

	<u>1998</u>	<u>1997</u>
National CASA Association	\$ 27,855	\$ 51,972
State Bar Association – I.O.L.T.A Grant	22,395	36,500
Louisiana Commission on Law Enforcement	83,554	73,870
<hr/>		
Temporarily restricted net assets	\$ 133,804	\$ 162,342

Note 5 – Concentration of Credit Risk:

At December 31, 1998, funds on deposit with various financial institutions exceeded available Federal Deposit Insurance Coverage by approximately \$46,049.

Rapides Children's Advocacy Center

Statement of Activities

I.O.L.T.A - Grant

	For the Year Ended	
	December 31,	
	1998	1997
I.O.L.T.A. - grant revenue	\$ 18,000	\$ 36,500
<u>Expenses:</u>		
Personnel		
Executive	15,000	7,750
Administrative	15,000	2,250
Travel	982	-
Training	1,123	-
	<u>32,105</u>	<u>10,000</u>
Total Expenses		
Increase (decrease) in net assets	(14,105)	26,500
Net Assets - Beginning of Year	<u>36,500</u>	<u>10,000</u>
Net Assets - End of Year	<u>\$ 22,395</u>	<u>\$ 36,500</u>

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June 23, 1999

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

To the Board of Directors
Rapides Children's Advocacy Center

We have audited the financial statements of the Rapides Children's Advocacy Center, as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated June 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 Rapides Children's Advocacy Center'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 Rapides Children's Advocacy Center'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.

-Members-

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This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

Rozier, Harrington & McKay
ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

RAPIDES CHILDREN'S ADVOCACY CENTER

Summary of Findings and Questioned Cost For the Years Ended December 31, 1998 and 1997

We were engaged to audit the financial statements of the Rapides Children's Advocacy Center as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated June 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. Our report expresses a unqualified of opinion on the financial statements for the years ending December 31, 1998 and 1997.

Section I - Summary of Auditor's Results:

- a. The report on internal control and compliance material to the financial statements reported the following items:
 - Internal Control – There were no reportable conditions
 - Compliance – No noncompliance that is material to the financial statements.

- b. Federal Awards:
 - N/A, Federal Awards received during the years ended December 31, 1998 and 197 were not sufficient in amount to require a single audit.

- c. Identification of Major Programs:
 - N/A

Section II - Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

- None

Section III - Findings and Questioned Costs for Federal Awards Which Shall Include Audit Findings as Defined by OMB Circular A-133:

- None

RAPIDES CHILDREN'S ADVOCACY CENTER

***Management's Corrective Action Plan
For the Years Ended December 31, 1998 and 1997***

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION III</u> MANAGEMENT LETTER	
N/A – No findings of this nature were reported.	Response – N/A

RAPIDES CHILDREN'S ADVOCACY CENTER

**Summary of Prior Year Findings and Questioned Cost
For the Years Ended December 31, 1998 and 1997**

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION III</u> MANAGEMENT LETTER	
N/A – No findings of this nature were reported.	Response – N/A