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## **SOUTHEAST SPOUSE ABUSE PROGRAM**

### **FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 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 FEB 3 1999

**SOUTHEAST SPOUSE ABUSE PROGRAM**

**FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 1998**

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**BRUCE HARRELL & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

Bruce C. Harrell, CPA

Warren A. Wool, CPA  
Michael P. Estay, CPA  
Dale H. Jones, CPA  
Charles P. Hebert, CPA  
James D. Rabalais, CPA

109 West Minnesota Park  
Park Place Suite 7  
Hammond, LA 70403  
VOICE: (504) 542-6372  
FAX: (504) 345-3156

KENTWOOD OFFICE  
P.O. Box 45 - 602 Fifth St.  
Kentwood, LA 70444  
VOICE: (504) 229-5955  
FAX: (504) 229-5951

MEMBERS  
American Institute of CPAs  
Society of Louisiana CPAs

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
of the Southeast Spouse Abuse Program  
Post Office Box 1946  
Hammond, Louisiana 70401

We have audited the accompanying statement of financial position of the Southeast Spouse Abuse Program (a nonprofit organization) as of June 30, 1998, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Program'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 misstatements. 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 Southeast Spouse Abuse Program as of June 30, 1998, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.



Bruce Harrell & Company, CPAs  
A Professional Accounting Corporation

November 2, 1998

**SOUTHEAST SPOUSE ABUSE PROGRAM**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 1998**

**ASSETS**

Current Assets:

Cash	\$	25,474
Receivable - LA State		4,520
Receivable - Crime Victims Assistance		8,370
Receivable - LA Marriage License		4,785
Receivable - Family Violence Prevention		6,289
Receivable - Emergency Shelter Grant Program		4,876
Receivable - Stop Violence Against Women Act		6,712
Prepaid Expense		3,960
Total Current Assets		64,986

Fixed Assets:

Computers & Software		35,945
Furniture & Fixtures		18,825
Equipment		24,486
Library		434
Less: Accumulated Depreciation		(46,102)
Total Fixed Assets		33,588
Total Assets	\$	98,574

**LIABILITIES**

Current Liabilities:

Accrued Liabilities	\$	8,542
Total Liabilities		8,542

**NET ASSETS**

Unrestricted net assets:

Operating		71,644
Board designated		15,000
Total Unrestricted net assets		86,644

Temporarily Restricted

Total Net Assets		90,032
Total Liabilities & Net Assets	\$	98,574

The accompanying notes are an integral part of these statements.

**SOUTHEAST SPOUSE ABUSE PROGRAM**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 1998

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
<b>PUBLIC SUPPORT &amp; REVENUE</b>			
State Contract Funds	\$ -	\$ 98,984	\$ 98,984
United Way Funds	-	21,500	21,500
Individual Contributions	42	-	42
Clubs & Organizations	1,145	-	1,145
Interest Income	870	-	870
SLU Project Funds	15,835	-	15,835
Family Violence Prevention Fund	-	43,460	43,460
Bogalusa United Way	-	5,300	5,300
Crime Victims Assistance	-	39,355	39,355
LA Marriage License Fund	-	23,784	23,784
IOLTA Fund	-	18,500	18,500
Emergency Shelter Grant Program	-	12,544	12,544
Stop Violence Against Women Act	-	22,970	22,970
Other Income	3,745	-	3,745
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	292,939	(292,939)	-
Total Support & Revenue	<u>314,576</u>	<u>(6,542)</u>	<u>308,034</u>
<b>EXPENSES:</b>			
Payroll -			
Salaries & Wages	183,396	-	183,396
Payroll Taxes	13,778	-	13,778
Total Payroll Expense	<u>197,174</u>	<u>-</u>	<u>197,174</u>
Advertising	330	-	330
Apartment Rent	9,598	-	9,598
Bank Charges	174	-	174
Client Emergency Expense	6,528	-	6,528
Contract Services	23,149	-	23,149
Dues & Subscriptions	614	-	614
Employee Travel	5,004	-	5,004
Equipment Maintenance	1,726	-	1,726
Equipment Rentals	198	-	198
Insurance	11,816	-	11,816
Janitorial	935	-	935
Office Rent	15,750	-	15,750
Office Security	2,550	-	2,550
Postage	593	-	593
Printing & Copying	760	-	760
Program Travel	1,374	-	1,374
Supplies	5,518	-	5,518

The accompanying notes are an integral part of these statements.

**SOUTHEAST SPOUSE ABUSE PROGRAM  
STATEMENT OF ACTIVITIES**

(Continued)  
June 30, 1998

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
<b>EXPENSES: (Continued)</b>			
Telephone	9,298	-	9,298
Telephone-Answer Service	669	-	669
Training	3,574	-	3,574
Utilities	4,223	-	4,223
Miscellaneous Expense	2,111	-	2,111
Moving Expense	1,585	-	1,585
Depreciation	9,325	-	9,325
Loss on Obsolete Asset	917	-	917
Total Expenses	<u>315,493</u>	<u>-</u>	<u>315,493</u>
Change in Net Assets	(917)	(6,542)	(7,459)
Net Assets at Beginning of Year	72,561	24,930	97,491
Net Assets at End of Year	<u>\$ 71,644</u>	<u>\$ 18,388</u>	<u>\$ 90,032</u>

The accompanying notes are an integral part of these statements.

**SOUTHEAST SPOUSE ABUSE PROGRAM  
STATEMENT OF FUNCTIONAL EXPENSES**

June 30, 1998

	Supporting Services		Program Services		
	Management and General	Fund Raising	Louisiana State Contract	Tangipahoa United Way	Property Acquisition
<b>EXPENSES:</b>					
Payroll -					
Salaries & Wages	\$ 3,270	\$ -	\$ 86,112	\$ 16,133	\$ -
Payroll Taxes	155	-	7,676	-	-
Total Payroll Expense	3,425	-	93,788	16,133	-
Advertising	330	-	-	-	-
Apartment Rent	-	-	-	-	-
Bank Charges	174	-	-	-	-
Client Emergency Expense	3,283	-	-	-	-
Contract Services	18,336	-	-	1,501	-
Dues & Subscriptions	-	-	-	614	-
Employee Travel	194	-	308	85	-
Equipment Acquisition	-	-	-	-	-
Equipment Maintenance	328	-	-	-	-
Equipment Rentals	89	-	-	109	-
Insurance	3,002	-	4,888	-	-
Janitorial	167	-	-	-	-
Office Rent	-	-	-	-	-
Office Security	-	-	-	-	-
Postage	3	-	-	525	-
Printing & Copying	384	-	-	376	-
Program Travel	256	-	-	-	-
Supplies	4,727	-	-	129	-
Telephone	-	-	-	1,650	-
Telephone-Answer Service	113	-	-	378	-
Training	972	-	-	-	-
Utilities	100	-	-	-	-
Miscellaneous Expense	621	-	-	-	-
Moving Expenses					
Depreciation	9,325	-	-	-	-
Loss on Obsolete Assets	917	-	-	-	-
Total Expenses	<u>\$ 46,746</u>	<u>\$ -</u>	<u>\$ 98,984</u>	<u>\$ 21,500</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Program Services

Bogalusa United Way	Crime Victims Assistance	Louisiana Marriage License	IOLTA	Family Violence Prevention	Emergency Shelter Grant Program	Stop Violence Against Women Act	Totals
\$ -	\$ 31,658	\$ 14,719	\$ 18,500	\$ 13,004	\$ -	\$ -	\$ 183,396
-	1,321	2,069	-	2,557	-	-	13,778
-	32,979	16,788	18,500	15,561	-	-	197,174
-	-	-	-	-	-	-	330
-	-	-	-	-	9,598	-	9,598
-	-	-	-	-	-	-	174
840	-	-	-	1,915	490	-	6,528
2,795	-	-	-	-	517	-	23,149
-	-	-	-	-	-	-	614
-	2,531	-	-	1,886	-	-	5,004
-	-	-	-	-	-	-	-
-	-	-	-	1,398	-	-	1,726
-	-	-	-	-	-	-	198
-	98	-	-	3,828	-	-	11,816
-	-	48	-	720	-	-	935
-	-	-	-	-	-	15,750	15,750
-	-	-	-	2,550	-	-	2,550
-	65	-	-	-	-	-	593
-	-	-	-	-	-	-	760
-	62	-	-	1,056	-	-	1,374
162	500	-	-	-	-	-	5,518
13	2,461	-	-	5,174	-	-	9,298
-	178	-	-	-	-	-	669
-	-	-	-	2,602	-	-	3,574
-	481	-	-	-	1,939	1,703	4,223
1,490	-	-	-	-	-	-	2,111
-	-	-	-	-	-	1,585	1,585
-	-	-	-	-	-	-	9,325
-	-	-	-	-	-	-	917
<u>\$ 5,300</u>	<u>\$ 39,355</u>	<u>\$ 16,836</u>	<u>\$ 18,500</u>	<u>\$ 36,690</u>	<u>\$ 12,544</u>	<u>\$ 19,038</u>	<u>\$ 315,493</u>



**SOUTHEAST SPOUSE ABUSE PROGRAM**  
**STATEMENT OF CASH FLOWS**  
June 30, 1998

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$	(7,459)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation		9,325
Change in Accounts Receivable		11,437
Change in Prepaid Expenses		(571)
Change in Accounts Payable and Accrued Expenses		5,762
Net Cash Provided from Operating Activities		18,494

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of Equipment		(17,645)
Loss on Obsolete Assets		917
Total Cash Flows from Investing Activities		(16,728)

Net Increase (Decrease) in Cash		1,766
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<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		23,708
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<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$	25,474
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The accompanying notes are an integral part of these statements.

**SOUTHEAST SPOUSE ABUSE PROGRAM**  
**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 1998**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of the Organization**

Southeast Spouse Abuse Program is a nonprofit corporation organized for the purpose of providing the following:

- A. Emotional and psychological support to victims of family violence through the provision of crisis intervention and support counseling, advocacy, and referrals for other forms of necessary assistance.
- B. Information on the alternatives available to abused spouses, including information on shelter, public benefits, legal and criminal justice systems.
- C. Assistance to victims of family violence in establishing lives free from violence through help in searching for employment, housing and child care.
- D. Education to the people of Tangipahoa, St. Helena, Livingston, and Washington Parishes about the issues, concerns, and problems involved in family violence. This includes the training of law enforcement, health care, social service, and legal personnel who affect the lives of abused spouses.

**Basis of Accounting**

The financial statements of the Southeast Spouse Abuse Program have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

**Support and Revenue**

Southeast Spouse Abuse Program receives grant and contract support primarily from the Office of Women's Services, Louisiana Commission on Law Enforcement, Southeastern Louisiana University, Tangipahoa Area United Way, United Way of Bogalusa, Louisiana Bar Foundation and City of Hammond.

**Contributions**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is

## **SOUTHEAST SPOUSE ABUSE PROGRAM**

### **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

#### **Promises to Give**

Unconditional promises to give, if applicable, less an allowance for uncollectible amounts, are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

#### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management estimates.

#### **Cash and Cash Equivalents**

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

#### **Fixed Assets, Depreciation**

Fixed assets used by the Southeast Spouse Abuse Program are stated at cost. Depreciation is provided on the straight-line method over the useful life of the assets.

#### **Donated Services**

A significant portion of the Southeast Spouse Abuse Program's functions are conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition under SFAS No. 116.

**SOUTHEAST SPOUSE ABUSE PROGRAM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(CONTINUED)**

**JUNE 30, 1998**

**NOTE B - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes or periods:

IOLTA funds not expended through June 30, 1998 used for future salary expense	\$	3,388
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**NOTE C - DESIGNATED NET ASSETS**

Board of Directors designated for future operations	\$	15,000
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**NOTE D - FIXED ASSETS**

Fixed assets at June 30, 1998, are summarized as follows by major classification:

Computers & Software	\$	35,945
Furniture and Fixtures		18,825
Equipment		24,486
Library		434
Subtotal		79,690
Less: Accumulated Depreciation		(46,102)
Fixed Assets, Net	\$	33,588

**SOUTHEAST SPOUSE ABUSE PROGRAM**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 1998**

**NOTE E - ACCRUED VACATION**

Vacation days are earned at the rate of one-half day per semi-monthly pay period that an employee satisfactorily completes work. No more than ten vacation days may be carried over from one calendar year to another. Compensation for days remaining will be paid upon termination of employment at the end of each pay period as if that employee had worked during the period. No other employee liability will be recognized in connection with length of employment.

**NOTE F - INCOME TAXES**

The Southeast Spouse Abuse Program has an exemption from federal income taxes under Section 501 C (3) of the Internal Revenue Service Code and from Louisiana income taxes. The organization has been classified as an organization that is not a private foundation under Section 509 (a) (2) of the Internal Revenue Code and qualifies for the 50% charitable contribution deduction for individual donors.

**NOTE G - ALLOCATION OF EXPENSES**

In some cases, common expenses are incurred which support the work performed under more than one grant or contract. Such expenses are allocated as agreed by the funding organizations or, in the absence of an agreement, on the basis which appears most reasonable to the Southeast Spouse Abuse Program.

**SOUTHEAST SPOUSE ABUSE PROGRAM**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(CONTINUED)**

**JUNE 30, 1998**

**NOTE II - EXPENDITURES OF FEDERAL AWARDS**

<b>FEDERAL GRANTOR/PASS THROUGH GRANTOR PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>		<b>DISBURSEMENTS/ EXPENDITURES</b>
<b>Department of Justice</b>			
Counselor/Advocate Position	16.575	\$	39,355
Stop Violence Against Women Act	16.588		22,970
<b>Department of Health and Human Services</b>			
Family Violence Prevention and Human Services Act	93.67		43,460
<b>Department of Health and Human Services State Office of Community Services</b>			
Emergency Shelter Grants Program	14.231		12,544
<b>Total Federal Awards</b>			
		\$	118,329

**SOUTHEAST SPOUSE ABUSE PROGRAM**

**NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

**JUNE 30, 1998**

**NOTE I - OPERATING LEASE**

On January 23, 1998, the Southeast Spouse Abuse Program entered a three-year lease with an option to renew for an additional three years for its office facility with Westpark Investments, Inc. The leased premises specifically consist of 4,280 square feet of the second floor of the Westpark Professional Building. The term of the lease for this space will be three years, commencing on the first day of February 1998 and terminating on the thirty first day of January 2001.

*Minimum rentals, on an annual basis, including the option years are as follows:*

<b>Year</b>	<b>Rental Per Month</b>	<b>Maintenance (interior and exterior) Per Month</b>	<b>Rental and Maintenance Per Year</b>
1	\$ 2,250.00	\$ 125.00	\$ 28,500.00
2	\$ 2,450.00	\$ 125.00	\$ 30,900.00
3	\$ 2,650.00	\$ 125.00	\$ 33,300.00
4	\$ 2,782.50	\$ 125.00	\$ 34,890.00
5	\$ 2,782.50	\$ 125.00	\$ 34,890.00
6	\$ 2,782.50	\$ 125.00	\$ 34,890.00

**SOUTHEAST SPOUSE ABUSE PROGRAM**

**Summary Schedule of Prior Audit Findings  
Year Ended June 30, 1997**

**Section I - Internal Control and Compliance Material to the Financial Statements**

No Findings for Section I

**Section II - Internal Control and Compliance Material to Federal Awards**

No Findings for Section II

**Section III - Management Letter**

No Findings for Section III



**SOUTHEAST SPOUSE ABUSE PROGRAM**

**Corrective Action Plan for Current Year Audit Findings  
Year Ended June 30, 1998**

**Section I - Internal Control and Compliance Material to the Financial Statements**

No Findings for Section I

**Section II - Internal Control and Compliance Material to Federal Awards**

No Findings for Section II

**Section III - Management Letter**

No Findings for Section III

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109 West Minnesota Park  
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Hammond, LA 70403  
VOICE: (504) 542-6372  
FAX: (504) 345-3156

KENTWOOD OFFICE  
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VOICE: (504) 229-5955  
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**INDEPENDENT AUDITOR'S 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  
of the Southeast Spouse Abuse Program  
Post Office Box 1946  
Hammond, Louisiana 70401

We have audited the financial statements of the Southeast Spouse Abuse Program (a nonprofit organization), as of and for the year ended June 30, 1998, and have issued our report thereon dated November 2, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Southeast Spouse Abuse Program's 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 Southeast Spouse Abuse Program'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 certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that in our judgement, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Due to lack of personnel, the Southeast Spouse Abuse Program is not able to have proper segregation of duties.

**BRUCE HARRELL & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Accounting Corporation

To the Board of Directors  
of the Southeast Spouse Abuse Program  
Page 2

*A material weakness is a condition in which the design or operation of one or more of the internal control component 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. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.*

This report is intended solely for the use of management, the Louisiana Legislative Auditor, and the Federal Cognizant Agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Southeast Spouse Abuse Program, is a matter of public record.



Bruce Harrell & Company  
Certified Public Accountants

November 2, 1998