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**Baton Rouge Crisis
Intervention Center, Inc.
Baton Rouge, Louisiana
December 31, 2003**

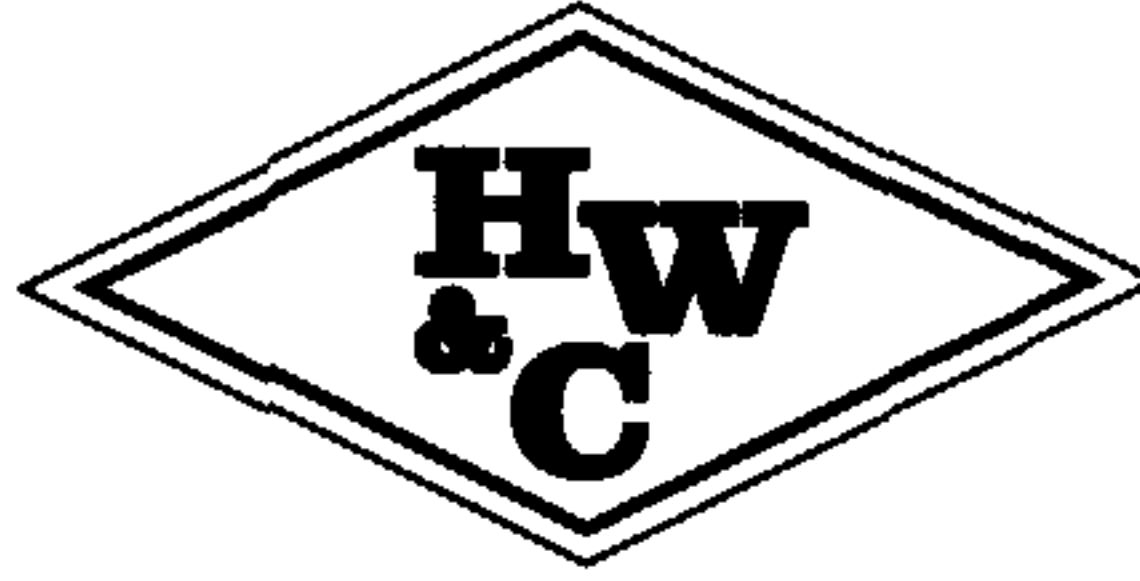
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Release Date 9-1-04

Table of Contents

Independent Auditor's Report	Page 3
Financial Statements	
Statements of Assets, Liabilities and Net Assets - Modified Cash Basis	Page 5
Statements of Revenue and Expenses - Modified Cash Basis	Page 6
Statements of Changes in Net Assets - Modified Cash Basis	Page 8
Notes to Financial Statements	Page 9
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	Page 13
Schedule of Findings and Questioned Costs	Page 15

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March 4, 2004

Independent Auditor's Report

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

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

**Baton Rouge Crisis Intervention Center, Inc.
(A Nonprofit Organization)
Baton Rouge, Louisiana**

as of December 31, 2003 and December 31, 2002, 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 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. 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 accounting principles generally accepted in the United States of America.

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, 2003 and December 31, 2002, and its revenue and expenses and changes in net assets 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 4, 2004, 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. That report (page 13) 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.

Yours truly,

Hawthorn, Weymouth & Carroll, L.L.P.

Baton Rouge Crisis Intervention Center, Inc.
Statements of Assets, Liabilities and Net Assets - Modified Cash Basis
December 31, 2003 and 2002

	A s s e t s	<u>2003</u>	<u>2002</u>
Current Assets			
Cash and cash equivalents		<u>\$126,997</u>	<u>\$161,080</u>
Property and Equipment			
Property and equipment		81,702	52,495
Accumulated depreciation		<u>(52,186)</u>	<u>(44,037)</u>
		<u>29,516</u>	<u>8,458</u>
<u>Total assets</u>		<u>156,513</u>	<u>169,538</u>
L i a b i l i t i e s a n d N e t A s s e t s			
Current Liabilities			
Capital leases - current portion		6,938	
Payroll tax withholdings payable		<u>1,578</u>	<u>1,196</u>
		8,516	1,196
<u>Capital Leases Less Current Portion</u>		<u>10,762</u>	<u> </u>
<u>Total liabilities</u>		<u>19,278</u>	<u>1,196</u>
Net Assets			
Unrestricted		137,235	123,942
Temporarily restricted		<u> </u>	<u>44,400</u>
		<u>137,235</u>	<u>168,342</u>
<u>Total liabilities and net assets</u>		<u>156,513</u>	<u>169,538</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, 2003 and 2002

	2003			2002		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue						
State contract	\$108,480		\$108,480	\$121,718		\$121,718
LSU contract	115,383		115,383	117,004		117,004
United Way						
Core Funding	205,100		205,100	205,092		205,092
Info line/211	188,299		188,299	168,132		168,132
Challenge Grant	13,000		13,000	13,000		13,000
Crisis Center Foundation						
Operating and Program Grant	35,861		35,861	45,000		45,000
Contributions	10,231		10,231	10,888		10,888
Other income	569		569	307		307
L.O.S.S. Funding				3,000	\$32,000	35,000
Child Bereavement Grant				6,825	12,400	19,225
Other grants	11,750		11,750	6,250		6,250
Interest income	873		873	1,374		1,374
Program service fees	32,037		32,037	32,074		32,074
Net assets released from restrictions in satisfaction of program restrictions	<u>44,400</u>	<u>(\$44,400)</u>	<u> </u>	<u>10,000</u>	<u>(10,000)</u>	<u> </u>
<u>Total revenue</u>	<u>765,983</u>	<u>(44,400)</u>	<u>721,583</u>	<u>740,664</u>	<u>34,400</u>	<u>775,064</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, 2003 and 2002

	<u>2003</u>			<u>2002</u>		
	Temporarily		Total	Temporarily		Total
	<u>Unrestricted</u>	<u>Restricted</u>		<u>Unrestricted</u>	<u>Restricted</u>	
Expenses						
Salaries and wages	\$419,935		\$419,935	\$359,435		\$359,435
Social Security tax	30,379		30,379	27,550		27,550
Retirement contribution	7,378		7,378	6,661		6,661
Worker's Compensation	2,569		2,569	2,624		2,624
Unemployment	334		334	5		5
Hospitalization	3,162		3,162	10,465		10,465
Life insurance	3,201		3,201	8,063		8,063
Travel and conference	12,091		12,091	13,796		13,796
Office rent	69,545		69,545	66,725		66,725
Utilities and building maintenance	38,724		38,724	23,944		23,944
Office supplies	4,255		4,255	3,614		3,614
Postage	5,139		5,139	3,789		3,789
Equipment rental/maintenance	3,063		3,063	3,500		3,500
Equipment purchases	1,793		1,793	6,848		6,848
Insurance and bonding	2,288		2,288	2,257		2,257
Interest expense	1,354		1,354			
Marketing	12,729		12,729	8,036		8,036
Telephone	34,166		34,166	31,286		31,286
Professional memberships	3,436		3,436	3,352		3,352
Publication and printing	4,173		4,173	13,317		13,317
Awards and annual meeting	7,291		7,291	7,685		7,685
Professional fees	5,400		5,400	11,305		11,305
Contractual services	23,014		23,014	16,189		16,189
Depreciation	8,150		8,150	9,213		9,213
Miscellaneous	14,675		14,675	8,152		8,152
L.O.S.S. - travel and other	5,077		5,077	11,153		11,153
ASIST - training and other	10,025		10,025	17,270		17,270
Info line/211 - directory and other	13,234		13,234	13,492		13,492
E.T.C. expenses	<u>6,110</u>	_____	<u>6,110</u>	_____	_____	_____
Total expenses	<u>752,690</u>	_____	<u>752,690</u>	<u>689,726</u>	_____	<u>689,726</u>
Revenue Over (Under) Expenses	<u>13,293</u>	<u>\$44,400</u>	<u>(31,107)</u>	<u>50,938</u>	<u>\$34,400</u>	<u>85,338</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, 2003 and 2002

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Balance, December 31, 2001	\$73,004	\$10,000	\$83,004
Revenue over (under) expenses	<u>50,938</u>	<u>34,400</u>	<u>85,338</u>
Balance, December 31, 2002	123,942	44,400	168,342
Revenue over (under) expenses	<u>13,293</u>	<u>(44,400)</u>	<u>(31,107)</u>
Balance, December 31, 2003	<u>137,235</u>	<u> </u>	<u>137,235</u>

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2003 and 2002

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, consultations, education and training for many crisis situations. The Center operates the Infoline, a referral service sponsored by the United Way. The major sources of funding are from United Way, and contracts with the State of Louisiana and Louisiana State University. Loss of any of these funding sources could adversely affect the Center's operating results.

B. Basis of Accounting

The records of the Center are maintained on the modified cash basis of accounting and the accompanying statements have been prepared on that basis. The modified cash basis differs from generally accepted accounting principles primarily because certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

C. Cash and Cash Equivalents

The Center considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

D. 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.

E. Contributed Services

Many individuals volunteer their time to help the Center with its activities. During the year ended December 31, 2003, the Center received 14,452 volunteer hours that have not been recorded in the statement of revenue, expense and changes in net assets.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2003 and 2002

Note 1-Significant Accounting Policies (Continued)

F. Property and Equipment

Property and equipment is recorded at cost and depreciated using the straight-line method of depreciation over the useful lives of the assets.

G. Tax Status

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

H. Use of Estimates

The preparation of financial statements in conformity with modified cash basis 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.

I. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Center 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 permanently restricted net assets.

J. Advertising

Advertising costs are expensed when paid. The total expenses paid were \$12,729 and \$8,036 for 2003 and 2002, respectively.

K. Reclassifications

Certain reclassifications have been made to the 2002 financial statements to conform with the 2003 financial statement presentation. The reclassifications had no effect on the excess of revenues over (under) expenses or net assets.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2003 and 2002

Note 2-Operating Leases

The Center leases office space and equipment under operating leases expiring in various years through 2008. Rental expense on these leases for the years ended December 31, 2003 and 2002 was \$79,925 and \$75,498, respectively.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year are as follows:

2004	\$78,265
2005	72,744
2006	72,744
2007	30,744
2008	372

Note 3-Capital Leases

The Center leases its computers and server from Dell Financial Services under a capital lease. The economic substance of the lease is that the Center is financing the acquisition of the assets through the lease, and accordingly, it is recorded in the Center's assets and liabilities.

The following is an analysis of the leased computers included in property and equipment:

	<u>2003</u>
Computers	\$16,703
Server	<u>4,204</u>
	20,907
Less accumulated depreciation	<u>2,163</u>
	<u><u>18,744</u></u>

The following is a schedule by years of future minimum payments required under the lease together with their present value as of December 31, 2003:

2004	\$8,777
2005	8,777
2006	<u>3,091</u>
Total minimum lease payments	20,645
Less amount representing interest	<u>2,945</u>
Present value of minimum lease payments	<u><u>17,700</u></u>

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2003 and 2002

Note 4-Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted as follows:

	<u>2003</u>	<u>2002</u>
L.O.S.S.		\$32,000
Children Bereavement Grant	<u> </u>	<u>12,400</u>
	<u> </u>	<u>44,400</u>

Note 5-Related Party Transactions

The Crisis Center Foundation is a separate nonprofit 501(c)(3) organization formed to provide support for the Center and the local community. The Foundation leases its land and building to the Center for \$6,000 per month, expiring June 16, 2007. The lease contains an automatic option to renew for 5 years. The Center incurs certain expenses related to building repairs and maintenance that are reimbursed by the Foundation. Total reimbursements for 2003 were \$5,861. There were no reimbursements for the year 2002.

The Crisis Center Foundation also contributed an operating and program grant to the Center of \$30,000 in 2003 and \$45,000 in 2002. The Foundation's contribution of this grant is not guaranteed.

Note 6-Pension Plan

The Center has a 403(b) defined contribution plan. Contributions are matched at 3% of qualified employee salaries. Contributions to the plan for the year ended 2003 were \$7,378 and \$6,661 for the year ended 2002.

Note 7-Concentrations of Credit Risk

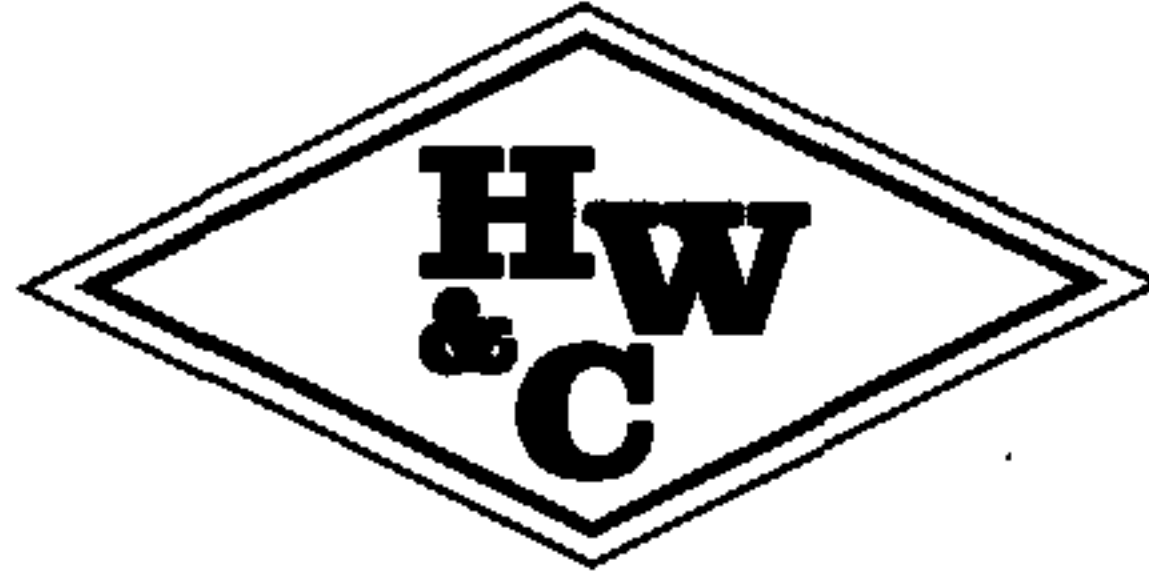
At various times during the year, cash and cash equivalents on deposit with one banking institution exceeded the \$100,000 insured by the Federal Deposit Insurance Corporation. Management monitors the financial condition of the institution on a regular basis, along with its balances in cash and cash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

Note 8-Functional Expenses

The Center provides various programs and services. The costs of providing these services have been summarized below on a functional basis as follows:

	<u>2003</u>	<u>2002</u>
Program expenses	\$684,948	\$626,264
General and administrative	<u>67,742</u>	<u>63,462</u>
	<u>752,690</u>	<u>689,726</u>

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



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March 4, 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**

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

We have audited the financial statements of the Baton Rouge Crisis Intervention Center, Inc. as of and for the year ended December 31, 2003, and have issued our report thereon dated March 4, 2004. 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.

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'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 be 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 solely for the information and use of the Board of Directors, management, the Louisiana Legislative Auditor, United Way, State of Louisiana Department of Health and Hospitals, and Louisiana State University and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24.513, this report is distributed by the Legislative Auditor as a public document.

Yours truly,

Hawthorn, Weymouth & Carroll, L.L.P.

**Baton Rouge Crisis Intervention Center, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2003**

Findings - Financial Statement Audit

No current year findings were noted by the auditor.

Baton Rouge Crisis Intervention Center, Inc.
Schedule of Prior Year Findings and Questioned Costs
Year Ended December 31, 2003

Findings - Financial Statement Audit

2003-1 - Segregation of Duties

Condition: The bookkeeper has signature authority on checks less than \$1,000, in addition to making deposits and preparing bank reconciliations.

Recommendation: These duties should be separated to strengthen internal controls.

Management's response: Effective May 30, 2003, the bookkeeper no longer has check signing authority.