

9087

RECEIVED  
LEGISLATIVE AUDITOR

04 OCT 13 08 11:06

FAMILY COUNSELING AGENCY, INC.

ALEXANDRIA, LOUISIANA

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 quasi-official. The report is available for public inspection at the State House office of the Legislative Auditor and, when appropriate, at the office of the parish clerk of court.

Release Date 10 - 20 - 04

## CONTENTS

### PAGE

Independent Auditors' Report	1-2
Report on Compliance and on Internal Control Over Financial Reporting	3-4
Report on Compliance With Requirements Applicable to Each Major Program	5-6
Schedule of Findings and Questioned Costs	7
Summary Schedule of Prior Audit Findings	8
Statement of Financial Position	9
Statement of Activities	10
Statement of Cash Flows	11
Statement of Functional Expenses	12
Schedule of Expenditures of Federal Awards	13
Notes to Schedule of Expenditures of Federal Awards	14
Notes to Financial Statements	15-25
Supplementary Information-Statement of Revenues and Expendures-HCLTA	26

**ADLER & PIAS**  
CERTIFIED PUBLIC ACCOUNTANTS

Henry L. Mason, CPA  
William A. Proffitt, CPA  
W. Stephen Peters, CPA  
Paul W. Blair, CPA

*Paul W. Blair*

1412 Centre Court, Suite 302  
Alexandria, Louisiana 71301-3408

Phone (504) 949-9342  
Fax (504) 949-9344

Website: [www.adlerpias.com](http://www.adlerpias.com)

Members  
American Institute of  
Certified Public Accountants  
+  
Society of Louisiana  
Certified Public Accountants

Board of Directors  
Family Counseling Agency, Inc.  
Alexandria, Louisiana

**INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying statement of financial position of Family Counseling Agency, Inc. (a nonprofit organization) as of 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 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 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 Family Counseling Agency, Inc. 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.

In accordance with Government Auditing Standards, we have also issued our report dated September 21, 2004 on our consideration of Family Counseling Agency, Inc.'s internal control over financial reporting and 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.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of revenues and expenditures - KOLTA Grant is presented for the purpose of additional analysis and is not a required part of the financial statements of Family Counseling Agency, Inc. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of

Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements of Family Counseling Agency, Inc. 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.

*Anna K. Pines, CPA*

September 21, 2004

**ADLER & PIAS**  
CERTIFIED PUBLIC ACCOUNTANTS

Henry L. Mason, CPA  
William A. Foubler, CPA  
W. Stephen Powers, CPA  
Paul W. Bels, CPA

*Equal Opportunity  
Employers*

1412 Centre Court, Suite 302  
Alexandria, Louisiana 71301-3406

Phone: (504) 445-8342  
Fax: (504) 445-9044

Website: [www.adlerpias.com](http://www.adlerpias.com)

Members  
American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

Board of Directors  
Family Counseling Agency, Inc.  
Alexandria, Louisiana

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

We have audited the financial statements of Family Counseling Agency, Inc. (a nonprofit organization) as of and for the year ended June 30, 2004, and have issued our report thereon dated September 21, 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 Family Counseling Agency, 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 Family Counseling Agency, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Family Counseling Agency, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 04-1.

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. Our consideration of the internal control over financial reporting 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 information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Robert J. Adams, LLP*

September 21, 2004

**ADLER & PIAS**  
CERTIFIED PUBLIC ACCOUNTANTS

Henry L. Mason, CPA  
William A. Poché, CPA  
W. Stephen Proulx, CPA  
Paul W. Best, CPA

*Established*

1913 Carondelet Court, Suite 300  
Alexandria, Louisiana 71301-3406

Phone (504) 945-6341  
Fax (504) 445-6344

Website: [www.adlerpias.com](http://www.adlerpias.com)

Member  
American Institute of  
Certified Public Accountants  
+  
Society of Louisiana  
Certified Public Accountants

Board of Directors  
Family Counseling Agency, Inc.  
Alexandria, Louisiana

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of Family Counseling Agency, Inc. (a nonprofit organization) with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2004. Family Counseling Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Family Counseling Agency, Inc.'s management. Our responsibility is to express an opinion on Family Counseling Agency Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Family Counseling Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Family Counseling Agency, Inc.'s compliance with those requirements.

In our opinion, Family Counseling Agency, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for

the year ended June 30, 2004.

#### **Internal Control Over Compliance**

The management of Family Counseling Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Family Counseling Agency, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Alexis A. Acas, CPA*

September 21, 2004



FAMILY COUNSELING AGENCY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004

**SUMMARY OF AUDIT RESULTS**

- a. Financial statement opinion-unqualified.
- b. One reportable condition disclosed during the audit of the financial statements is reported in the Communications of Reportable Conditions to Management and the Board of Directors. The condition is not reported as a material weakness.
- c. There were no instances of non-compliance which is material to the financial statements.
- d. Report on compliance for major programs-unqualified opinion.
- e. There were no audit findings which are required to be reported in accordance with .510a.
- f. See "Notes to Financial Statements" note 11 for schedule of federal awards and other grant revenue.
- g. Type A programs - \$300,000 and larger.  
Type B programs - under \$300,000.
- h. The audit is qualified as a low-risk.
- i. The programs tested as major programs are:
  - U.S. Dept of Health and Human Services: LA Office on Women's Policy - Family Violence Program Services. CFDA# 93.671, and
  - U.S. Dept of Justice: LA Commission on Law Enforcement - Domestic Violence Program - Spouse Abuse. CFDA #16.575

**FINDINGS-FINANCIAL STATEMENT AUDIT**

**REPORTABLE CONDITION**

**04-1 Segregation of Duties**

Segregation of conflicting duties within accounting functions is a basic internal control. Because the Organization has a small accounting staff, the costs of further segregation of all conflicting duties may not be beneficial. Therefore, we have not relied on internal controls to be effective. Since the Organization's accounting staff is small, procedures should be in place for management to monitor the daily financial statement processing functions.

FAMILY COUNSELING AGENCY, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2004

**FINDING 03-1: Segregation of Duties**

**Condition:** This finding was a reportable condition stating that since the Organization has a small accounting staff, then segregation of duties is not attainable.

**Recommendation:** The auditor recommended that, since the Organization's accounting staff is small and it would not be cost beneficial to further segregate, then procedures should be in place for management to monitor the daily financial statement processing functions.

**Current Status:** Since the cost of further segregation of all conflicting duties is not cost beneficial to the Organization, the reportable condition remains an issue in the current year.

**EMILY COUNSELING AGENCY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2004**

<b>Assets</b>	<b>Operating Fund</b>	<b>Fund Fund</b>	<b>Total</b>
Cash and Cash Equivalents	\$ 370,865	308,918	708,779
Accounts Receivable - Clients	5,785	0	5,785
Accounts Receivable - State and Federal Grants	145,028	0	145,028
Allowance for Doubtful Accounts	(1,800)	0	(1,800)
Prepays	3,808	0	3,808
Plant and Equipment (Book Value)	0	219,958	219,958
<b>Total Assets</b>	<b>\$ 523,876</b>	<b>528,876</b>	<b>1,052,752</b>
<b>Liabilities</b>			
Accounts Payable	\$ 30,228	0	30,228
Accrued Salaries Payable	22,774	0	22,774
Accrued Payroll Withholding Payable	9,378	0	9,378
Accrued Employee Benefits Payable	14,148	0	14,148
Reserve for Self-Insurance(Unemployment)	1,708	0	1,708
Notes Payable	0	71,444	71,444
Unearned Revenue	31,872	0	31,872
<b>Total Liabilities</b>	<b>99,898</b>	<b>71,444</b>	<b>171,342</b>
<b>Net Assets</b>			
Unrestricted	423,800	208,525	632,325
Temporarily Restricted	7,872	328,910	336,782
Permanently Restricted	0	0	0
<b>Total Net Assets</b>	<b>431,672</b>	<b>537,435</b>	<b>969,107</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 928,570</b>	<b>548,879</b>	<b>1,077,449</b>

**FAMILY CONNECTIONS AGENCY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2008**

	Unrestricted			Temporarily Restricted			Permanently Restricted	
	Operating Fund	Plant Fund	Total Unrestricted	Operating Fund	Plant Fund	Temporarily	Restricted	Total
<b>Revenues, Gains, and Other Support</b>								
Grants from:								
Federal Agency	\$ 111,500	0	111,500	0	0	0	0	111,500
Governmental Agencies	1,072,902	0	1,072,902	50,710	0	95,710	0	1,219,322
Program Service Fee - Individuals	89,449	0	89,449	0	0	0	0	89,449
Fundation/Revenues	48,264	0	48,264	0	0	0	0	48,264
Contributions	58,791	0	58,791	0	0	0	0	58,791
Investment Income	207	0	207	0	2,888	2,888	0	3,303
Other	21,676	0	21,676	0	0	0	0	21,676
Net assets released from restrictions:								
Restrictions satisfied by payments	128,260	0	128,260	(22,478)	(77,600)	(128,260)	0	0
<b>Total Revenues, Gains, and Other Support</b>	<b>1,442,889</b>	<b>0</b>	<b>1,442,889</b>	<b>278,942</b>	<b>(74,712)</b>	<b>(128,260)</b>	<b>0</b>	<b>1,276,070</b>
<b>Expenses</b>								
Program Services								
Counseling Services	418,218	12,150	430,368	0	0	0	0	430,368
Training/Peer	645,871	18,870	664,741	0	0	0	0	664,741
Supporting Services								
Management and General	226,536	6,046	232,582	0	0	0	0	232,582
<b>Total Expenses</b>	<b>1,290,625</b>	<b>37,066</b>	<b>1,327,691</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,327,691</b>
<b>Change in Net Assets</b>	<b>152,264</b>	<b>(37,066)</b>	<b>115,198</b>	<b>(278,942)</b>	<b>(74,712)</b>	<b>(128,260)</b>	<b>0</b>	<b>485,288</b>
<b>Net Assets at Beginning of Year</b>	<b>283,024</b>	<b>90,159</b>	<b>373,183</b>	<b>17,078</b>	<b>443,676</b>	<b>480,268</b>	<b>0</b>	<b>1,044,227</b>
<b>Net Assets at End of Year</b>	<b>435,288</b>	<b>53,093</b>	<b>488,381</b>	<b>(261,864)</b>	<b>(37,066)</b>	<b>352,008</b>	<b>0</b>	<b>1,532,557</b>

**FAMILY COUNSELING AGENCY, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows From Operating Activities:	Operating Fund	Plant Fund	Totals
Change in Net Assets	\$ 148,023	(101,982)	46,041
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operations:			
Depreciation	0	37,232	37,232
Changes in Assets and Liabilities:			
Accounts Receivable	63,301	0	63,301
Allowance for Doubtful Accounts	62	0	62
Deposits	(3,800)	0	(3,800)
Accounts Payable	(25,450)	0	(25,450)
Accrued Salaries Payable	(2,888)	0	(2,888)
Accrued Payroll Withholding Payable	359	0	359
Accrued Employee Benefits Payable	3,519	0	3,519
Reserve for Self - Insurance (Unemployment)	(8,888)	0	(8,888)
Unearned Revenue	24,581	0	24,581
Total Adjustments	58,021	37,232	95,253
Net Cash Provided/(Used) by Operating Activities	218,044	(74,750)	143,294
<b>Cash Flows From Investing Activities:</b>			
Capital Expenditures	0	(148,582)	(148,582)
Net Cash Provided/(Used) by Investing Activities	0	(148,582)	(148,582)
<b>Cash Flows From Financing Activities:</b>			
Notes Payable	0	(2,437)	(2,437)
Transfers Between Funds	(148,080)	148,089	0
Net Cash Provided/(Used) by Financing Activities	(148,080)	145,652	(2,427)
Net Change in Cash and Cash Equivalents	69,964	(114,700)	(44,736)
Cash and Cash Equivalents - Beginning	307,080	443,676	750,756
Cash and Cash Equivalents - Ending	\$ 376,044	328,976	705,020
<b>Supplemental Disclosures:</b>			
Income Taxes Paid	\$ 0	0	0
Interest Paid	\$ 0	0	0

FAMILY COUNSELING AGENCY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2004

	Program Services		Supporting Services Management and General	Total
	Counseling Services	Telling Fest		
Salaries	\$ 280,729	281,458	183,752	745,939
Employee Benefits	23,084	25,978	16,388	75,450
Payroll Taxes	39,889	20,463	12,049	72,401
Workers Compensation Insurance	1,681	1,621	883	4,185
Gas/Debit	238	0	0	238
Professional Fees/Ceramics	2,281	38,858	0	41,139
Occupancy	2,128	168,157	2,888	172,973
Telephone	8,788	26,498	0	35,286
Postage	1,176	1,888	168	3,232
Dues, Subscriptions and Printing	682	312	0	994
Travel, Conferences and Training	28,321	13,844	0	42,165
Assistance to Individuals	42,027	17,148	0	59,175
Supplies	12,276	14,867	8,282	35,425
Audit	1,883	2,068	1,021	4,972
Insurance - Vehicle, Property & Liability	8,175	18,862	8,328	35,365
Equipment Rental and Maintenance	687	281	273	1,241
Advertising and Promotion	0	11,154	680	12,034
Alarm Service	0	20,898	458	21,356
Special Events	182	0	0	182
Deposits - Rent and Utilities	0	12,418	0	12,418
Capital Repair/Improvement	0	101,833	0	101,833
Service Contracts - Equip.	8,127	2,800	0	10,927
Bank Charges	0	860	1,081	2,041
Auto Expenses	1,628	4,158	0	5,786
Insurance Claims Expense	0	150	0	150
Other Expenses	4,528	2,273	0	6,801
Transfer to Plant Fund	(78,687)	(128,302)	0	(206,989)
Total Expenses Before Depreciation	478,218	648,807	228,328	1,355,353
Depreciation	12,218	18,872	8,048	39,138
Total Expenses	\$ 490,436	667,679	236,376	1,394,491

**TRUST COUNSELING AGENCY, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

11

Federal Grant/Pass-through Grant/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Health and Human Services:</b>			
Pass-through programs from LA Office on Women's Policy Family Violence Program Services	83.071	000424	\$ 194,020
Pass-through programs from LA Department of Health and Hospitals: Office of Mental Health - Inpatient Mental Health Services	83.050	000400	107,000
Office of Mental Health - Mobile Outpatient Programs Face-to-Face	83.050	000504	57,020
LAFASA/Office of Public Health - Rape Crisis/Preventive Health	83.061		48,000
Pass-through programs from LA Department of Social Services: Office of Community Services - In-Home Services Program	83.087	070541	40,501
Office of Community Services - Independent Living Project	83.074	000870	66,400
Office of Community Services - Youth in Transition Mentoring Program	83.074	000870	1,428
Office of Community Services - Positive Youth Development	83.088	004534	20,070
Office of Community Services - Educational and Training Vouchers	83.074	007068	24,072
Office of Community Services - Children's Trust - Grandparents	83.090	000006	10,000
<b>Total U.S. Department of Health and Human Services:</b>			<u>495,020</u>
<b>U.S. Department of Justice:</b>			
Pass-through programs from LA Commission on Law Enforcement: Domestic Violence Program - Spouse Abuse	16.575	000-0-000	100,000
Victim Assistance Program - Spouse Abuse	16.575	000-0-000	13,021
Victim Assistance Program - Previously Underserved	16.575	000-0-000	7,000
Rape Counseling Program - Spouse Abuse	16.575	000-0-000	46,000
Elder Abuse Program - Previously Underserved	16.575	001-0-000	14,201
Domestic Violence Program - Youth	16.588	000-0-000	17,000
Sexual Assault Program - VAWA	16.588	000-0-000	50,000
Pass-through programs from Violence Against Women Office: Legal Assistance for Victims Program	16.626		3,078
<b>Total U.S. Department of Justice:</b>			<u>207,000</u>
<b>U.S. Department of Housing and Urban Development:</b>			
Pass-through programs from LA Department of Social Services: Office of Community Services and Peoples Parish Police Jury - Emergency Shelter Grant Program	14.204	000000	50,000
<b>U.S. Department of Homeland Security:</b>			
Emergency Food and Shelter Program	87.029		7,000
<b>U.S. Department of Agriculture:</b>			
Pass-through programs from LA State Department of Education: Child and Adult Food Program	16.000		6,000
<b>Total Expenditures of Federal Awards</b>			<b>\$ 702,020</b>

See accompanying notes to schedule of expenditures of federal awards.

FAMILY COUNSELING AGENCY, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2004

I. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Family Counseling Agency, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



**FAMILY COUNSELING AGENCY, INC.  
NOTES TO FINANCIAL STATEMENTS**

**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:**

**Nature of Activities**

Family Counseling Agency, Inc. is a United Way supported agency offering counseling services in Alexandria and various surrounding parishes. It also operates a battered women's shelter (Turning Point) in a building that has been leased from the Central Louisiana Community Foundation.

**Contributed Services**

During the year ended June 30, 2004, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization at the battered women's shelter, but these services do not meet the criteria for recognition as contributed services. The Organization received 8,113 volunteer hours for the year ended June 30, 2004.

**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.

**Concentrations**

Due to certain concentrations the agency faces a certain vulnerability. Grants from the state of Louisiana and the Federal Government equal in excess of 50% of total income.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Family Counseling Agency, Inc. and changes therein are classified and reported as follows:

**Unrestricted net assets** - Net assets that are not subject to donor-imposed stipulations.

**FAMILY COUNSELING AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Temporarily restricted net assets** - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Family Counseling Agency, Inc. and/or the passage of time. When a 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.

**Permanently restricted net assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Family Counseling Agency, Inc. Generally, the donors of these assets permit Family Counseling Agency, Inc. to use all or part of the income earned or any related expenses for general or specific purposes.

**Financial Statement Presentation**

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Property and Equipment**

All fixed assets, betterments and replacements over \$500.00 are recorded at cost if purchased and on estimated value if donated. Such donations are reported as unrestricted contributions 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 contributions. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets.

**Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**Employee Benefits**

Retirement and other employee benefit plans including health and dental insurance and a child care cafeteria plan are available to all full-time employees.

**Cash and Cash Equivalents**

Cash and cash equivalents are considered to be all highly liquid debt instruments

**FAMILY COUNSELING AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

purchased with an original maturity of three months or less.

**Compensated Absences**

Because of the immateriality of estimating compensated absences, the Organization has not attempted to accrue a liability for them.

**2. CASH AND CASH EQUIVALENTS:**

Cash and Cash Equivalents Consist of:

	<u>OPERATING</u>	<u>PLANT</u>
Petty Cash	250	0-
Money Market	140,205	328,919
Checking	<u>288,410</u>	<u>0-</u>
	<u>378,865</u>	<u>328,919</u>

**3. FAIR VALUE OF FINANCIAL INSTRUMENTS:**

The carrying amounts of cash and cash equivalents and money market funds approximate fair values because of the short maturities of those instruments.

**4. ACCOUNTS RECEIVABLE:**

Accounts Receivable - State and Federal Grants Consist of:

Office on Women's Policy - Family Violence Program	15,983
OPH - Sexual Assault	10,408
Independent Living Project	8,768
Mental Health Center - In home project	14,575
Office of Community Services - In Home Services	5,133
Rapides Parish Police Jury-ESGP	7,949
I.O.L.T.A. Grant Programs - LA Bar Foundation	8,834
Office of Community Services - Children's Trust - Grandparents	10,000
LA Commission on Law Enforcement - Sexual Abuse	3,622
LA Commission on Law Enforcement - Sexual Assault Program	7,087
LA Commission on Law Enforcement - Domestic Violence Program	7,358
LA Commission on Law Enforcement - Spouse Abuse	11,105
LA Commission on Law Enforcement - Victim Assist - Spouse Abuse	8,100
LA Commission on Law Enforcement - Vict. Assist - Pres. Underserved	7,812
LA Commission on Law Enforcement - Elder Abuse Program	3,855
LA Education Dept. - Emergency Food Program	1,343
LA Coalition Against Domestic Violence - Rural Proj. - Acadianas	3,620
LA Coalition Against Domestic Violence - Rural Proj. - Grant Parish	900

**FAMILY COUNSELING AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Accounts Receivable - Cont'd.**

LA Coalition Against Domestic Violence - TANF	5,173
LA Coalition Against Domestic Violence - TANF - Avoyelles	1,944
LA Coalition Against Domestic Violence - Rapides Parish URAP	300
LA Coalition Against Domestic Violence - Catahoula RRAP	300
Mental Health - Mobile Emergency Response Face-to-Face	1,849
Office of Community Services - Positive Youth Development	1,000
Office of Community Services - Education and Training Vouchers	292
	<u>345,028</u>

**5. PROPERTY AND EQUIPMENT:**

A Summary of Plant and Equipment Follows:

Land	10,000
Building	80,363
Building and leasehold improvements	198,650
Office equipment and furniture	202,565
	591,578
Less: Accumulated depreciation	333,915
Book Value	<u>257,663</u>

**6. RESERVE FOR UNEMPLOYMENT:**

Family Counseling started contributing to the state's unemployment compensation fund in the first quarter of 2004. Up until that time Family Counseling did not contribute to the state's unemployment compensation fund but had elected to provide its employees unemployment coverage through a reimbursement program. Under this method the state processes all claims and pays benefits according to the Employment Security Law. It then bills Family Counseling each quarter for funds that it has expended. Funds set aside for this purpose are board restricted.

**7. PENSION PLAN AND BENEFITS PROVISION:**

Employee benefits - Family Counseling provides all full-time employees with immediate coverage of health insurance and dental insurance. The agency pays 70% of health and 70% of dental for all full-time employees as of June 30, 2004. A defined contributions pension plan is also provided to all employees who have one year and 1,000 hours of employment and have reached their twenty-first birthday. Other related benefits included disability annuity, (1 year and 1,000 hours of employment, and 21 years of age), disability insurance, (full-time, immediate coverage) and life insurance (full-time, immediate coverage).

FAMILY COUNSELING AGENCY, INC.  
NOTES TO FINANCIAL STATEMENTS

Family Counseling funds these benefits on a monthly basis. For the current year, Family Counseling contributed \$75,381 toward these employee benefits.

8. NOTES PAYABLE:

Notes payable consists of a lease purchase agreement for office equipment. Payments due for the next 5 years are as follows:

FYE	6-30-05	3,294
	6-30-06	3,294
	6-30-07	3,294
	6-30-08	<u>1,582</u>
		<u>11,444</u>

9. IN-KIND DONATION:

Cooperative agreement between the Rapides Parish Police Jury (RPPJ) and Family Counseling Agency, Inc. (FCA). The RPPJ entered into an agreement with Central Louisiana State Hospital (CLSH) to renovate and take possession of building 82, unit 34 in Forest Glen located on the premises of CLSH. The RPPJ agreed to provide possession of this building to FCA to be used to provide a shelter for battered and homeless women and children. This agreement was signed on September 3, 1991 effective for a five (5) year period beginning December 1, 1990 with options that have since been renewed. In January 2003, the shelter experienced a fire in the donated building. The shelter was then moved to another building on the CLSH premises with less square footage. The rental value of the new building on the CLSH premises of \$57,280 is to be recorded as an in-kind contribution from the State of Louisiana and is to be used as a source for matching funds. Also, Family Counseling Agency, Inc. entered into a lease with The Central Louisiana Community Foundation to lease a building for a new location to relocate the Turning Point shelter. The lease is a 25 year lease with an annual rental due of \$1.00. The lease was entered into on June 18, 2003 and FCA paid the \$25.00 rental for 25 years in July 2003. FCA had to do some remodeling to the new building therefore, they were not able to move the Turning Point shelter until May 1, 2004. The rental value of the new building set forth by The Central Louisiana Community Foundation is \$60,000 and is to be recorded as an in-kind contribution and is to be used as a source for matching funds.

**FAMILY COUNSELING AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**10. REVENUE - GOVERNMENTAL GRANTS:**

Family Counseling operates on a cost reimbursement plan for grants provided by Louisiana and the Federal Government. These grants are not presented as temporary restrictions since funds are not received in advance of disbursements.

**11. Schedule of Federal Awards and Other Grant Revenue:**

<u>NAME OF PROGRAM</u>	<u>FEDERAL</u>	<u>OTHER</u>	<u>TOTAL GRANT</u>
Office on Women's Policy, Family Violence Program	134,129	-0-	134,129
State of Louisiana, Department of Health and Hospitals, Office of Mental Health, In-Home Mental Health Services	107,499	-0-	107,499
State of Louisiana, Department of Social Services, Office of Community Services, Rapides Parish Police Jury, Emergency Shelter Grant Program	32,302	-0-	32,302
I.O.J. T.A. Grants Program, Louisiana Bar Foundation (Interest on Lawyer's Trust Accounts) Family Violence Program	-0-	10,110	10,110
State of Louisiana, Department of Health and Hospital, Office of Public Health, LAFASA, Rape Crisis/Preventive Health	46,832	-0-	46,832
State of Louisiana, Department of Social Services, Office of Community Services In-Home Services Program	46,501	-0-	46,501
State of Louisiana, Department of Social Services, Office of Community Services, Children's Trust - Grandparents	10,000	-0-	10,000
State of Louisiana, Department of Social Services, Office of Community Services, Independent Living Project	68,400	-0-	68,400

FAMILY COUNSELING AGENCY, INC.  
NOTES TO FINANCIAL STATEMENTS

<u>NAME OF PROGRAM</u>	<u>FEDERAL</u>	<u>OTHER</u>	<u>TOTAL GRANT</u>
State of Louisiana, Central Louisiana State Hospital, Family Violence Program Building Provided Rent Free	-0-	57,250	57,250
Central Louisiana Community Foundation, Family Violence Program Building Provided Rent Free	-0-	60,000	60,000
Emergency Food and Shelter Program	7,062	-0-	7,062
Louisiana Commission on Law Enforcement, Domestic Violence Program, VAWA	17,018	-0-	17,018
Louisiana Commission on Law Enforcement, Sexual Assault Program, VAWA	30,803	-0-	30,803
Louisiana Commission on Law Enforcement, Rape Counseling Program, Sexual Abuse	48,161	-0-	48,161
Louisiana Commission on Law Enforcement, Domestic Violence Program, Spouse Abuse	109,096	-0-	109,096
State of Louisiana, Department of Health and Hospitals, Office of Mental Health, Mobile Emergency Response Face-To-Face	37,029	-0-	37,029
Louisiana Department of Education, Child and Adult Food Program	8,294	-0-	8,294
Louisiana Commission on Law Enforcement, Victim Assistance Program, Spouse Abuse	13,021	-0-	13,021

FAMILY COUNSELING AGENCY, INC.  
NOTES TO FINANCIAL STATEMENTS

<u>NAME OF PROGRAM</u>	<u>FEDERAL</u>	<u>OTHER</u>	<u>TOTAL GRANT</u>
Louisiana Commission on Law Enforcement, Victim Assistance Program, Previously Underfunded	7,812	-0-	7,812
Louisiana Commission on Law Enforcement, Elder Abuse Program, Previously Underfunded	14,201	-0-	14,201
Louisiana Coalition Against Domestic Violence - Rural Project Avoyelles	-0-	18,821	18,821
Louisiana Coalition Against Domestic Violence - Rural Project Grant Parish	-0-	18,375	18,375
Louisiana Coalition Against Domestic Violence - TANF	-0-	18,810	18,810
Louisiana Coalition Against Domestic Violence - TANF - Avoyelles	-0-	3,692	3,692
Louisiana Coalition Against Domestic Violence - Grant Parish - RPAP	-0-	8,708	8,708
Louisiana Coalition Against Domestic Violence - Avoyelles - RPAP	-0-	3,136	3,136
Louisiana Coalition Against Domestic Violence - Rapides Parish - UPAP	-0-	4,316	4,316
Louisiana Coalition Against Domestic Violence - LaSalle - RPAP	-0-	600	600
Louisiana Coalition Against Domestic Violence - Wilcox - RPAP	-0-	700	700
Louisiana Coalition Against Domestic Violence - Catahoula - RPAP	-0-	1,575	1,575
Louisiana Coalition Against Domestic Violence - Concordia - RPAP	-0-	766	766



**FAMILY COUNSELING AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

<b><u>NAME OF PROGRAM</u></b>	<b><u>FEDERAL</u></b>	<b><u>OTHER</u></b>	<b><u>TOTAL GRANT</u></b>
Louisiana Coalition Against Domestic Violence - Catahoula/Concordia	-0-	11,700	11,700
State of Louisiana, Department of Social Services, Office of Community Services, Youth in Transition Mentoring Program	1,436	-0-	1,436
Central Area Agency on Aging, Inc. - Family Caregivers Support	-0-	3,088	3,088
Avoyelles Parish Outreach Office Building Provided Rent Free	-0-	2,700	2,700
Various Parish Domestic Violence Outreach Office Buildings Provided Rent Free	-0-	2,700	2,700
Various Parish Sexual Abuse Outreach Office Buildings Provided Rent Free	-0-	2,700	2,700
Grant Parish Outreach Office Building Provided Rent Free	-0-	2,700	2,700
Violence Against Women Office, Acadian Legal Services, Legal Assistance for Victims Program	5,678	-0-	5,678
State of Louisiana, Department of Social Services, Office of Community Services, Positive Youth Development Program	20,678	-0-	20,678
State of Louisiana, Department of Social Services, Office of Community Services, Educational and Training Vouchers	24,072	-0-	24,072
Transparenting Grant Program	-0-	4,012	4,012
Christmas Children's Grant	<u>-0-</u>	<u>3,889</u>	<u>3,889</u>
<b><u>GRANT TOTALS</u></b>	<b><u>782,104</u></b>	<b><u>240,168</u></b>	<b><u>1,022,272</u></b>

**FAMILY COUNSELING AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**12. SIGNIFICANT CONCENTRATIONS OF CREDIT RISKS:**

Family Counseling Agency, Inc. maintains cash balances and money market funds in the amount of \$705,525. Of this amount, \$413,255 is in excess of FDIC insured limits.

**13. OTHER:**

On July 19, 2003, Family Counseling received a grant in the amount of \$400,000. These funds were classified as temporarily restricted for an anticipated future building program. As of June 30, 2004, these funds have earned \$37,828 in interest which is also classified as temporarily restricted. In the current year, \$117,850 of this amount was transferred to the operating account to be used for the remodeling of the new building for the relocation of the Turning Point shelter.

**14. NET ASSET CLASSIFICATIONS:**

Temporarily restricted net assets are for the following purposes:

Operating Fund - Reserve for Self-Insurance Unemployment	1,708
Operating Fund - IOLTA Grant	5,365
Plant Fund - Cash - Capital Campaign Account	8,732
Plant Fund - Cash - Building Campaign Account	<u>320,179</u>
<b>Total Temporarily Restricted Net Assets</b>	<b><u>336,583</u></b>

**15. NET ASSETS RELEASED FROM RESTRICTIONS:**

Net assets were released from restrictions by making payments satisfying the restricted purposes.

Operating Fund - Reserve for Self-Insurance Unemployment	8,869
Operating Fund - IOLTA Grant	4,745
Operating Fund - Unearned Revenue	6,981
Plant Fund - Building Campaign Funds	<u>117,650</u>
<b>Total Net Assets Released from Restrictions</b>	<b><u>138,245</u></b>

FAMILY COUNSELING AGENCY, INC.  
NOTES TO FINANCIAL STATEMENTS

16. CONTINGENCIES:

Family Counseling Agency, Inc. is a defendant in a lawsuit alleging damages for breach of confidentiality. The lawsuit was filed on July 12, 2004 and at this time management cannot estimate potential losses; therefore the Organization has not made an accrual for the lawsuit.

### Supplementary Information

FAMILY COUNSELING AGENCY, INC.  
 STATEMENT OF REVENUES AND EXPENDITURES  
 BALANCE SHEET  
 FOR THE YEAR ENDED JUNE 30, 2004

	<u>Total Temporarily Restricted</u>
<b>Revenues, Gains, and Other Support</b>	
Governmental Agencies	\$ 10,118
<b>Total Revenues, Gains, and Other Support</b>	<b>10,118</b>
<b>Expenses</b>	
Salaries	3,901
Employee Benefits	814
<b>Total Expenses</b>	<b>4,715</b>
<b>Change in Net Assets</b>	<b>5,403</b>