

RECEIVED
LEGISLATIVE AUDITOR
00 JUN 21 AM 9:26

F OFFICIAL
FILE COPY

DO NOT SEND

(Xerox copy)

OUR HOUSE, INC.
MONROE, LOUISIANA

FINANCIAL STATEMENTS
AND
ACCOUNTANT'S REPORT

DECEMBER 31, 1999

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

Release Date JUL 19 2000

OUR HOUSE, INC.
TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-7
Schedule of Federal Financial Assistance	8
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	9
Schedule of Findings and Questioned Costs	10

MARCUS, ROBINSON and HASSELL

CERTIFIED PUBLIC ACCOUNTANTS
P. O. BOX 2896
TELEPHONE 322-8106
MONROE, LOUISIANA 71207-2896

Harvey Marcus, CPA
John Robinson, CPA
Doyle Hassell, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Our House, Inc.
Monroe, Louisiana

We have audited the accompanying statement of financial position of Our House, Inc. (a nonprofit organization) as of December 31, 1999, 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 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. 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 the 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 Our House, Inc. as of December 31, 1999, and the changes in net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2000, on our consideration of Our House, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Our House, Inc. taken as a whole. 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 Organization," 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.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
Monroe, Louisiana
June 14, 2000

OUR HOUSE, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 1999

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	39,030
Grant Receivable - Transitional Living	(468)
Grant Receivable - DDHS	8,120
Grant Receivable - La Child Trust (2000)	6,015
Grant Receivable - Family Strengthening	6,201
Grant Receivable - Family Strengthening - 2000	5,000
Grant Receivable - Rehabilitation	<u>31,000</u>

TOTAL CURRENT ASSETS 94,898

FIXED ASSETS, NET (Note 3) 222,843

TOTAL ASSETS 317,741

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable 1,575

TOTAL CURRENT LIABILITIES 1,575

NET ASSETS

Unrestricted Net Assets:

Operating	78,323
Fixed Assets	222,843
Temporarily Restricted Net Assets	<u>15,000</u>

TOTAL NET ASSETS 316,166

TOTAL LIABILITIES AND NET ASSETS 317,741

See Accompanying Notes

OUR HOUSE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 1999

UNRESTRICTED NET ASSETS

PUBLIC SUPPORT AND REVENUE

PUBLIC SUPPORT:

Individuals and Corporations	42,828
Fund Raiser	5,147
Contract Programs	8,575
United Way	42,952
Grant - DHHS	139,677
Grant - CDBG	15,040
Grant - Family Strengthening	18,147
Mentor Program	7,339
Grant - Transitional Living	44,640
Grant - La Child Trust	13,954
Grant - HUD - Emergency Shelter	55,417
In-Kind Contributions	<u>114,327</u>
<u>TOTAL UNRESTRICTED PUBLIC SUPPORT</u>	<u>508,043</u>

REVENUE:

Membership	975
Interest Income	1,337
Other Income	<u>3,296</u>
<u>TOTAL UNRESTRICTED REVENUE</u>	<u>5,608</u>
<u>TOTAL UNRESTRICTED PUBLIC SUPPORT AND REVENUE</u>	<u>513,651</u>

EXPENSES

PROGRAM SERVICES:

Shelter	217,687
La Child/Mentor	18,491
Family Strengthening	17,713
Transitional Living	<u>44,642</u>
<u>TOTAL PROGRAM SERVICES</u>	<u>298,533</u>

SUPPORTING SERVICES:

Management and General	<u>76,763</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>76,763</u>
<u>TOTAL EXPENSES</u>	<u>375,296</u>

INCREASE IN UNRESTRICTED NET ASSETS

138,355

TEMPORARILY RESTRICTED NET ASSETS

Grant - FRUEAUFF Foundation	<u>15,000</u>
-----------------------------	---------------

INCREASE IN NET ASSETS

153,355

NET ASSETS, Beginning of Year

162,811

NET ASSETS, End of Year

316,166

See Accompanying Notes

OUR HOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>PROGRAM SERVICES</u>			
	<u>SHELTER</u>	<u>LA CHILD/ MENTOR</u>	<u>FAMILY STRENGTHENING</u>	<u>TRANS- ITIONAL LIVING</u>
<u>SALARIES AND RELATED EXPENSES</u>				
Salaries	99,458	12,826	14,535	27,185
Payroll Taxes & Employee Benefits	<u>11,104</u>	<u>993</u>	<u>1,518</u>	<u>2,366</u>
<u>TOTAL SALARIES AND RELATED EXPENSES</u>	110,562	13,819	16,053	29,551
<u>OTHER EXPENSES</u>				
Administrative	1,025	0	0	0
Advertising	0	0	0	0
Bank Charges	8	0	0	0
Client Services	424	0	0	696
Contract Labor	3,445	1,100	0	0
Depreciation	7,866	0	0	0
Dues and Fees	1,430	0	0	0
Fund Raise Expense	0	0	0	0
Household Supplies	1,732	0	0	0
Insurance	6,349	0	0	0
Legal and Accounting	9,237	0	0	0
Meals	3,019	0	0	830
Meetings	0	0	0	0
Miscellaneous	642	0	0	73
Office Supplies	2,702	0	0	116
Other Direct Costs	0	2,400	15	0
Postage	369	0	0	124
Rent	2,500	0	0	8,950
Repairs and Maintenance	759	0	0	285
Supplies	1,134	692	593	1,092
Telephone	3,332	0	663	941
Travel	2,110	480	389	0
Utilities	5,315	0	0	1,984
In-Kind Costs	<u>53,727</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL OTHER EXPENSES</u>	<u>107,125</u>	<u>4,672</u>	<u>1,660</u>	<u>15,091</u>
<u>TOTAL PROGRAM AND SUPPORTING SERVICES EXPENSES</u>				
	<u>217,687</u>	<u>18,491</u>	<u>17,713</u>	<u>44,642</u>

<u>SUPPORTING SERVICES MANAGEMENT AND GENERAL</u>	<u>TOTAL</u>
21,832	175,836
<u>2,437</u>	<u>18,418</u>
24,269	194,254
225	1,250
382	382
4	12
0	1,120
758	5,303
2,471	10,337
0	1,430
1,569	1,569
0	1,732
866	7,215
4,550	13,787
0	3,849
871	871
428	1,143
676	3,494
0	2,415
117	610
0	11,450
729	1,773
284	3,795
454	5,390
495	3,474
280	7,579
<u>37,335</u>	<u>91,062</u>
<u>52,494</u>	<u>181,042</u>
 <u>76,763</u>	 <u>375,296</u>

See Accompanying Notes

OUR HOUSE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1999

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	153,355
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	10,337
(Increase) Decrease In:	
Grants Receivable	(35,813)
Increase (Decrease) In:	
Accounts Payable	<u>813</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES 128,692

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Property and Equipment	<u>(140,035)</u>
-------------------------------------	------------------

NET CASH USED IN INVESTING ACTIVITIES (140,035)

NET INCREASE (DECREASE) IN CASH (11,343)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 50,373

CASH AND CASH EQUIVALENTS, END OF YEAR 39,030

See Accompanying Notes

OUR HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Our House, Inc. is a nonprofit organization based in Monroe, Louisiana. The Organization provides "hotline" services for runaway and troubled teens. The Organization's services also include providing shelter and transportation for troubled teens.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Public Support and Revenue

Annual contributions are recorded as revenue when received and are generally available for unrestricted use unless specifically restricted by the donor.

Grant income is deferred until expended for the purpose of the grant. Unreimbursed expenses are recorded as income and as a grant receivable.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Functional Expenses and Expense Allocation

Functional expenses are expenses that can be identified with a specific program. Expenses for support services have not been allocated among program and supporting services classifications, because time records and estimates were not made by the Organization's management.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash in checking, savings, and mutual funds is considered cash and cash equivalent for the purposes of the statement of cash flows.

Income Taxes

The Organization is exempt from Federal and State income taxes under Section 501(c)3 of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements.

Property and Equipment

Assets have been recorded at cost when cost could be determined, and at estimated cost when cost records could not be located. All donated assets have been recorded at estimated fair value on the date of donation. Fixed assets are being depreciated over estimated useful lives using the straight line method.

OUR HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization has discontinued its use of fund accounting.

Contributions

The Organization has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

NOTE 2 - FIXED ASSETS

Assets

Building and Land	166,359
Autos and Trucks	25,568
Furniture and Equipment	<u>53,062</u>
	244,989

Accumulated Depreciation

Building and Land	2,364
Autos	4,164
Furniture and Equipment	<u>15,618</u>
	<u>22,146</u>
Net Fixed Assets	<u>222,843</u>

Depreciation for the year ended December 31, 1999 totaled \$10,337.

NOTE 3 - OPERATING LEASE

The Organization has a one year noncancelable operating lease for a building payable at \$750 per month. The lease will expire in May 2000.

OUR HOUSE, INC.
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 1999

<u>Federal Grants/Pass-Through Grantor/Program Title</u>	<u>C.F.D.A. Number</u>	<u>Grant Award Number</u>	<u>Current Year Expenditures</u>
U.S. Department of Health and Human Services: Runaway and Homeless Youth Program	93.623	06CY0499	\$139,677
U.S. Department of Housing and Urban Development: Pass-Through from City of Monroe, Louisiana: Community Development Block Grant	14.218	9431.00	15,040
Transitional Living	14.218	LA48897-0702	44,640
Emergency Shelter Grants	14.231		<u>55,417</u>
Total			<u>\$254,774</u>

MARCUS, ROBINSON and HASSELL

CERTIFIED PUBLIC ACCOUNTANTS
P. O. BOX 2896
TELEPHONE 322-8106
MONROE, LOUISIANA 71207-2896

Harvey Marcus, CPA
John Robinson, CPA
Doyle Hassell, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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
Our House, Inc.
Monroe, Louisiana

We have audited the financial statements of Our House, Inc. (a nonprofit organization) as of and for the year ended December 31, 1999, and have issued our report thereon dated June 14, 2000. 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 Our House, 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 provision 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 Our House, 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. 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.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
Monroe, Louisiana
June 14, 2000

OUR HOUSE, INC.
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999

PART I - SUMMARY OF THE AUDITOR'S RESULTS

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section 510(a).
- vi. There were no major federal programs for the year ended December 31, 1999.
- vii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No.A-133, Section 520(b) was \$300,000.

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

NONE