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Baton Rouge Crisis Intervention Center, Inc.
Baton Rouge, Louisiana
December 31, 2007

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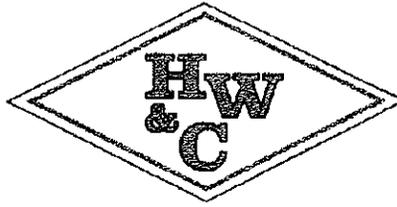
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CERTIFIED PUBLIC ACCOUNTANTS

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June 9, 2008

Independent Auditor's Report

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

We have audited the accompanying statement of financial position of the

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

as of December 31, 2007, and the related statements of activities and cash flows, for the year 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 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.

The Center has kept its records and has prepared its financial statements for previous years on the modified cash basis 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. As described in Note 2 to the financial statements, the Center has adopted the accrual basis of accounting as of the beginning of the current year. Appropriate adjustments have been made to the retained earnings as of that date.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Baton Rouge Crisis Intervention Center, Inc., as of December 31, 2007, and the results of its operations 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 a report dated June 9, 2008, 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 grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Yours truly,

Hawthorn, Waymouth & Carroll, L.L.P.

Baton Rouge Crisis Intervention Center, Inc.
Statement of Financial Position
December 31, 2007

A s s e t s

| | |
|------------------------------------|----------------|
| Current Assets | |
| Cash and cash equivalents | \$287,075 |
| Accounts receivable | <u>96,637</u> |
| <u>Total current assets</u> | 383,712 |
| Property and Equipment, Net | <u>144,666</u> |
| <u>Total assets</u> | <u>528,378</u> |

Liabilities and Net Assets

| | |
|---|----------------|
| Current Liabilities | |
| Accounts payable | 19,129 |
| Accrued expenses | 30,611 |
| Deferred revenue | <u>52,000</u> |
| <u>Total liabilities</u> | <u>101,740</u> |
| Net Assets | |
| Unrestricted | |
| Designated | 70,605 |
| Undesignated | <u>356,033</u> |
| <u>Total net assets</u> | <u>426,638</u> |
| <u>Total liabilities and net assets</u> | <u>528,378</u> |

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Statement of Activities
Year Ended December 31, 2007

| <u>Unrestricted</u> | |
|--|------------------|
| Support and Revenue | |
| State contract | \$195,329 |
| LSU contract | 104,148 |
| United Way | |
| Core Funding | 189,761 |
| Info line/211 | 236,202 |
| DSS - 211 contract | 135,700 |
| Pennington/CBG Grant | 52,000 |
| BRAF Grant | 210,905 |
| Office of Mental Health contract | 94,800 |
| LFRC contract | 24,738 |
| LA Spirit contract | 31,287 |
| Crisis Center Foundation Operating and Program Grant | 30,000 |
| Other grants | 41,453 |
| Program fees | 192,502 |
| Contributions | 4,350 |
| Other income | 9,288 |
| <u>Total support and revenue</u> | <u>1,552,463</u> |
| Expenses | |
| Salaries and wages | 859,001 |
| Payroll taxes and benefits | 143,230 |
| Telephone | 36,678 |
| Travel and conference | 54,428 |
| Office rent | 94,309 |
| Utilities and building maintenance | 52,558 |
| Office supplies | 41,023 |
| Professional membership | 4,010 |
| Professional fees | 68,509 |
| Contractual services | 38,755 |
| Awards and meetings | 8,240 |
| Equipment maintenance and supplies | 32,946 |
| Liability insurance | 4,236 |
| Depreciation | 43,559 |
| Marketing | 5,373 |
| All other expenses | 13,059 |
| ASIST - training and other | 40,409 |
| Info line/211 - directory and other | 5,450 |
| <u>Total expenses</u> | <u>1,545,773</u> |
| Change in Net Assets | 6,690 |
| Net Assets, Unrestricted | |
| Beginning of year as previously reported | 325,684 |
| Change in basis of accounting | <u>94,264</u> |
| End of year | <u>426,638</u> |

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Statement of Cash Flows
Year Ended December 31, 2007

| | |
|--|-----------------|
| Cash Flows from Operating Activities | |
| Change in net assets | \$6,690 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities | |
| Depreciation | 43,559 |
| Loss on abandonment | 2,019 |
| (Increase) Decrease in assets | |
| Accounts receivable | 30,784 |
| Increase (Decrease) in liabilities | |
| Accounts payable | 8,955 |
| Accrued expenses | 5,485 |
| Deferred revenue | <u>(26,410)</u> |
| <u>Net cash provided by operations</u> | 71,082 |
| Cash Flows From Investing Activities | |
| Capital expenditures | <u>(43,740)</u> |
| Net Increase in Cash and Cash Equivalents | 27,342 |
| Cash and Cash Equivalents | |
| Beginning of year | <u>259,733</u> |
| End of year | <u>287,075</u> |

The accompanying notes are an integral part of these statements.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2007

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 a 211 information and 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 Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its 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.

Temporarily restricted net assets are those whose use by the Organization 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 Organization in perpetuity. The Organization does not have any permanently restricted net assets.

C. Cash and Cash Equivalents

For purposes of cash flows, the Organization considers all highly liquid debt instruments purchased with original maturities of three months or less, and any certificates of deposit that do not contain material early withdrawal penalties to be cash equivalents.

D. 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, which range from 3-15 years.

Expenditures for major additions of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

E. Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and classified by the Internal Revenue Service as other than a private foundation.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2007

Note 1-Significant Accounting Policies (Continued)

F. Contributions

The Organization accounts for contributions in accordance with the requirements of the Financial Accounting Standards Board in Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made". In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

All donor-restricted support is 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. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the year received.

Government grants, which are considered exchange transactions, are recognized as revenue when allowable costs are incurred to provide the services provided for under the terms of the grant agreement. Advances under the grants are recorded as deferred income until the related services are provided.

G. Use of 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

H. Advertising

Advertising costs are expensed when paid. Total advertising expense for 2007 was \$5,372.

I. Designations of Net Assets

Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments which may be reversed by the board directors at any time. There was \$70,605 designated to provide funding for the O.C.R.C. program as of December 31, 2007.

J. Contributed Services

Many individuals volunteer their time to help the Center with its activities. During the year ended December 31, 2007, the Center received 26,600 of volunteer hours, that have not been recorded in the statement of activities.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2007

Note 2-Change in Basis of Accounting

Effective January 1, 2007, the Center converted from the modified cash basis of accounting to the full accrual method. Revenues are recognized when earned and expenses are recognized when incurred. The effect of this change resulted in net assets increasing \$94,264 as of January 1, 2007.

Note 3-Property and Equipment

Property and equipment is summarized as follows:

| | |
|--------------------------|----------------|
| Leasehold improvements | \$27,632 |
| Furniture and fixtures | 33,819 |
| Equipment | <u>197,634</u> |
| | 259,085 |
| Accumulated depreciation | <u>114,419</u> |
| | <u>144,666</u> |

Note 4-Deferred Revenue

As of December 31, 2007, the Center had received \$52,000 in grant proceeds to be used during 2008.

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 Crisis Center Foundation leased its land and building to the Center in the amount of \$94,309 for the year ended December 31, 2007.

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

| | |
|------|-----------|
| 2008 | \$110,619 |
| 2009 | 110,244 |
| 2010 | 45,934 |

The Crisis Center Foundation contributed a \$30,000 operating and program grant to the Center.

The Crisis Center Foundation contributed a \$85,000 Office of Clinical Research and Consultation grant to the Center. The Foundation's contribution of this grant is not guaranteed for future years.

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 2007 were \$12,060.

Baton Rouge Crisis Intervention Center, Inc.
Notes to Financial Statements
December 31, 2007

Note 7-Functional Expenses

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

| | |
|----------------------------|------------------|
| Program expenses | \$1,313,907 |
| General and administrative | <u>231,866</u> |
| | <u>1,545,773</u> |

Note 8-Concentrations of Credit Risk

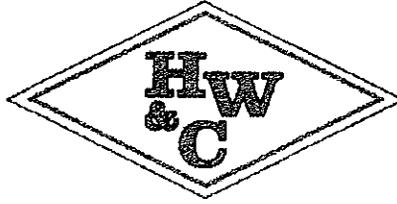
At various times during the year, cash and cash equivalents on deposit with one banking institution exceeded the \$100,000 insured by the Federal Deposit Insurance Corporation. Management monitors the financial condition of the institution on a regular basis, along with its balances in cash and cash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

Note 9-Contingencies - Grant Program

The Center participates in many grant programs which are governed by various rules and regulations. Costs charged to the grant programs are subject to audit and adjustment by the grantor agency; therefore, to the extent that the Center has not complied with the rules and regulations governing the grants, refunds of any money received and the collectibility of any related receivable at year end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed on by the grantor agency and the Center.

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June 9, 2008

**Report on Internal Control over Financial Reporting and on Compliance
and Other Matters 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. (a non-profit organization) as of and for the year ended December 31, 2007, and have issued our report thereon dated June 9, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Baton Rouge Crisis Intervention Center Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Baton Rouge Crisis Intervention Center Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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 grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

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, Waymouth & Carroll, L.L.P.

**Baton Rouge Crisis Intervention Center, Inc.
Schedule of Findings and Questioned Costs
Year Ended December 31, 2007**

Findings - Financial Statement Audit

No current year findings.

**Baton Rouge Crisis Intervention Center, Inc.
Schedule of Prior Year Findings and Questioned Costs
Year Ended December 31, 2007**

Findings - Financial Statement Audit

None.