

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Baton Rouge, Louisiana
December 31, 2017

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**HAWTHORN
WAYMOUTH
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Certified Public Accountants

Louis C. McKnight, III, CPA
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Independent Auditor's Report

The Board of Directors
Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Baton Rouge, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits and other payments to agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2018, on our consideration of Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center's internal control over financial reporting and compliance.

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

April 7, 2018

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Statements of Financial Position
December 31, 2017 and 2016

	Assets	
	2017	2016
Current Assets		
Cash and cash equivalents	\$ 12,560	\$ 128,299
Accounts receivable, net	90,054	28,783
Prepaid expenses	32,925	33,863
Total current assets	135,539	190,945
Property and Equipment, net	794,119	825,072
Total assets	\$ 929,658	\$ 1,016,017
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 6,685	\$ 16,236
Accrued expenses	21,120	32,394
Line of credit	50,000	-
Deferred revenue	8,000	58,000
Total current liabilities	85,805	106,630
Unrestricted Net Assets	843,853	909,387
Total liabilities and net assets	\$ 929,658	\$ 1,016,017

The accompanying notes are an integral part of these financial statements.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Statements of Activities
Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenue and Support		
Contracts		
Human services district	\$ 144,820	\$ 175,456
Healthcare	121,654	121,657
Higher learning	151,674	155,605
Non-profit	106,752	49,992
Resource	64,330	67,103
Workshop	4,725	19,135
Grants and contributions		
Grants	168,198	61,789
Contributions	46,680	35,587
Special events	30,608	24,626
United Way allocation	45,000	121,000
In-kind	10,158	4,836
Miscellaneous	7,189	8,768
	<u>901,788</u>	<u>845,554</u>
Expenses		
Program services	761,394	690,817
General and administrative	200,512	220,951
Fundraising	5,416	6,382
	<u>967,322</u>	<u>918,150</u>
Change in Unrestricted Net Assets	(65,534)	(72,596)
Unrestricted Net Assets, beginning of year	909,387	981,983
Unrestricted Net Assets, end of year	<u>\$ 843,853</u>	<u>\$ 909,387</u>

The accompanying notes are an integral part of these financial statements.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Interention Center
Statement of Functional Expenses
Years Ended December 31, 2017 and 2016

	December 31, 2017				December 31, 2016			
	Program Services	General and Admin- istrative	Fund- raising	Total Expenses	Program Services	General and Admin- istrative	Fund- raising	Total Expenses
Salaries and wages	\$ 324,982	\$ 102,351	\$ -	\$ 427,333	\$ 311,619	\$ 104,444	\$ -	\$ 416,063
Payroll taxes and benefits	31,660	20,005	-	51,665	28,851	21,857	-	50,708
Telephone and technology	53,996	2,761	-	56,757	53,157	2,327	-	55,484
Travel and conference	2,790	207	-	2,997	5,406	953	-	6,359
Depreciation, utilities, property insurance, and maintenance	64,800	4,700	-	69,500	57,600	19,646	-	77,246
Supplies, postage, and printing	5,404	9,248	-	14,652	2,195	7,817	-	10,012
Professional memberships	1,853	525	-	2,378	1,800	648	-	2,448
Professional fees	5,730	14,933	-	20,663	14,486	13,173	-	27,659
Contractual services	248,270	16,034	-	264,304	192,125	39,165	-	231,290
Awards and meetings	4,362	-	-	4,362	2,807	-	-	2,807
Insurance	9,046	16,406	-	25,452	9,329	5,795	-	15,124
Marketing and development	6,646	-	-	6,646	8,705	1,076	-	9,781
Special Events - COS walk	-	-	5,416	5,416	-	-	6,382	6,382
All other expenses	1,855	13,342	-	15,197	2,737	4,050	-	6,787
	<u>\$ 761,394</u>	<u>\$ 200,512</u>	<u>\$ 5,416</u>	<u>\$ 967,322</u>	<u>\$ 690,817</u>	<u>\$ 220,951</u>	<u>\$ 6,382</u>	<u>\$ 918,150</u>

The accompanying notes are an integral part of these financial statements.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Statements of Cash Flows
Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Change in unrestricted net assets	\$ (65,534)	\$ (72,596)
Adjustments to reconcile change in unrestricted net assets to net cash used in operating activities		
Depreciation	30,953	30,286
(Increase) Decrease in assets:		
Accounts receivable	(61,271)	(904)
Prepaid expenses	938	(9,316)
Increase (Decrease) in liabilities:		
Accounts payable	(9,551)	2,832
Accrued expenses	(11,274)	(2,315)
Deferred revenue	(50,000)	37,000
Net cash used in operating activities	<u>(165,739)</u>	<u>(15,013)</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	-	(13,104)
Net cash used in investing activities	<u>-</u>	<u>(13,104)</u>
Cash Flows From Financing Activities		
Net increase in line of credit	50,000	-
Net cash provided by financing activities	<u>50,000</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	(115,739)	(28,117)
Cash and Cash Equivalents, beginning of year	128,299	156,416
Cash and Cash Equivalents, end of year	<u>\$ 12,560</u>	<u>\$ 128,299</u>
 Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	<u>\$ 178</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Notes to Financial Statements
December 31, 2017

Note 1-Summary of Significant Accounting Policies

A. Nature of Operations

On December 11, 1974, Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center (the “Center”) was incorporated in Louisiana. The Center began in 1970 as The PHONE - a 24-hour confidential telephone crisis counseling service on the campus of Louisiana State University. The Center is a nationally certified crisis center that has expanded across the state of Louisiana and offers other forms of crisis intervention services, in addition to The PHONE, such as online emotional support through Crisis Chat and texting. Through prevention, intervention, education and postvention services, the Center strives to reduce emotional distress of traumatic loss, with a focus on suicide, homicide, and violence. The major sources of funding are contracts with Louisiana Human Service Districts, universities, health care providers, and United Way.

B. Basis of Accounting and Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Center reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets include those net assets whose use by the Center is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Temporarily restricted net assets are those net assets whose use by the Center has been limited by donors to later periods of time or other specific dates or for specified purposes. Permanently restricted net assets are those net assets received with donor-imposed restrictions limiting the Center’s use of the assets. As of December 31, 2017 and 2016, the Center had no temporarily or permanently restricted net assets.

C. 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 periods. Actual results could differ from those estimates.

D. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Center considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents.

E. Accounts Receivable

Accounts receivable are presented at face value, net of allowance for doubtful accounts. The allowance for doubtful accounts is established through provisions charged against income and is maintained at a level believed adequate by management to absorb estimated bad debts based on historical and economic conditions. The Center charges off receivables on a case-by-case basis through the allowance. As of December 31, 2017 and 2016, management deemed all receivables to be fully collectible, and therefore did not establish an allowance.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Notes to Financial Statements
December 31, 2017

Note 1-Summary of Significant Accounting Policies (Continued)

F. Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired, or otherwise disposed, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. Expenditures for maintenance and repairs are charged to expense as incurred. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. The estimated useful lives for property and equipment categories are 15-30 years for buildings, 5-7 years for furniture and fixtures, and 3-5 years for equipment.

Contributed property and equipment are 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.

G. Income Taxes

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

Management has determined that there are no uncertain tax positions that would require recognition in the financial statements. If the Center were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense, and penalties on any income tax would be reported as income taxes. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based on ongoing analysis of tax laws, regulations, and interpretations thereof as well as other factors.

H. Contributions

Contributions are recognized when the donor makes a promise to give to the Center that is, in substance, unconditional. Donor-restricted contributions are reported as increases to unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases to temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

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

I. Advertising

Advertising costs are expensed as incurred. Total advertising expenses for the years ended December 31, 2017 and 2016 were \$6,646 and \$9,781, respectively.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Notes to Financial Statements
December 31, 2017

Note 1-Summary of Significant Accounting Policies (Continued)

J. Contributed Services

Many individuals volunteer their time to help the Center with its activities. During the years ended December 31, 2017 and 2016, the Center received 5,207 and 7,339 volunteer hours, respectively, that have not been recorded in the statements of activities since no specialized skills were required.

Note 2-Property and Equipment

Property and equipment are summarized as follows as of December 31:

	<u>2017</u>	<u>2016</u>
Land	\$ 316,500	\$ 316,500
Buildings	612,821	612,821
Furniture and fixtures	47,748	47,748
Equipment	<u>126,568</u>	<u>126,568</u>
	1,103,637	1,103,637
Less: accumulated depreciation	<u>309,518</u>	<u>278,565</u>
 Total property and equipment, net	 <u>\$ 794,119</u>	 <u>\$ 825,072</u>

Note 3-Line of Credit

During 2017, the Center obtained a \$250,000 line of credit with a bank, of which \$50,000 was drawn at December 31, 2017, bearing interest at Gulf Coast Bank prime less 0.75%. The rate was 3.50% at December 31, 2017. The line of credit matures on September 19, 2018 and is collateralized by land and buildings.

Note 4-Pension Plan

The Center has a SIMPLE IRA defined contribution plan. Contributions are matched at 3% of qualified employee salaries. Contributions to the plan for the years ended December 31, 2017 and 2016 were \$7,081 and \$5,460, respectively.

Note 5-Contingencies

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.

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Notes to Financial Statements
December 31, 2017

Note 6-Concentrations

The Center receives revenue through grants and contracts administered by the State of Louisiana, universities, health care providers, and United Way. The grant and contract amounts are appropriated each year by the respective agencies. If significant budget cuts are made at either the federal, state or agency level, the amount of funds received by the Center could be reduced significantly by an amount that could adversely impact its operations. In 2017, contracts with revenue of \$56,990 were not renewed on the contract expiration date.

Note 7-Subsequent Events

The Center evaluated all subsequent events through April 7, 2018, the date the financial statements were available to be issued. The Center is in the process of merging operations with another non-profit organization.

Supplementary Information

**Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Schedule of Compensation, Benefits and Other
Payments to Agency Head or Chief Executive Officer
Year Ended December 31, 2017**

**Agency Head Name: Aaron Blackledge, Executive Director
January 1, 2017 – November 30, 2017**

Purpose	Amount
Salary	\$ 37,264
Benefits - insurance	812
Benefits - retirement	1,118
Car allowance	0
Vehicle provided by agency	0
Per diem	0
Reimbursements - cell phone	350
Travel and meals	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	47
Other reimbursements	0

**Agency Head Name: Amy Vidrine, Executive Director
December 1, 2017 – December 31, 2017**

Purpose	Amount
Salary	\$ 3,105
Benefits - insurance	0
Benefits - retirement	93
Car allowance	0
Vehicle provided by agency	0
Per diem	0
Reimbursements - cell phone	0
Travel and meals	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
Other reimbursements	0



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**Independent Auditor's 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 Board of Directors
Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Baton Rouge, Louisiana

We have audited, in accordance with the 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, the financial statements of Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated April 7, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. d/b/a Crisis Intervention Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Baton Rouge Crisis Intervention Center, Inc. d/b/a Crisis Intervention Center's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

April 7, 2018

Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Schedule of Findings and Responses
Year Ended December 31, 2017

Part I. Summary of Audit Results

- 1) An unmodified opinion has been expressed on the financial statements of Baton Rouge Crisis Intervention Center, Inc., as of and for the year ended December 31, 2017, and the related notes to the financial statements.
- 2) No deficiencies in internal control over financial reporting that we consider to be material weaknesses were identified.
- 3) No instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* were identified.
- 4) A single audit in accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was not required.
- 5) A management letter was not issued.

Part II. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

- 1) No findings were noted.

**Baton Rouge Crisis Intervention Center, Inc.
d/b/a Crisis Intervention Center
Schedule of Prior Year Findings and Responses
Year Ended December 31, 2017**

Part I. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

- 1) No findings were noted.
- 2) A management letter was not issued.