



LUTHER SPEIGHT & COMPANY, LLC
Certified Public Accountants and Consultants

FAMILY VALUES RESOURCE INSTITUTE, INC.
(A Non-Profit Organization)

**FINANCIAL STATEMENTS AND ACCOMPANYING
INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2017

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LUTHER SPEIGHT & COMPANY, LLC
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Family Values Resource Institute, Inc.
Baton Rouge, LA

Report on the Financial Statements

We have audited the accompanying financial statements of the Family Values Resource Institute, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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

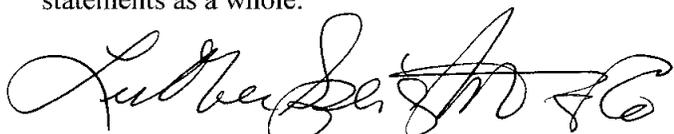
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Family Values Resource Institute, Inc. as of December 31, 2017 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2018, on our consideration of the Family Values Resource Institute, Inc.'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 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 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 the Family Values Resource Institute, Inc.'s internal control over financial reporting and compliance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The *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.



Luther Speight & Company CPAs
Baton Rouge, Louisiana
June 28, 2018

Family Values Resource Institute, Inc.
Statement of Financial Position
As of December 31, 2017

ASSETS

Cash	\$ 11,475
Grants Receivable	85,818
Fixed Assets (Net)	<u>299,342</u>

TOTAL ASSETS \$ 396,635

LIABILITIES AND NET ASSETS

Liabilities:

Accounts Payable	\$ 15,949
Payroll Liabilities	3,964
Accrued Expenses	13,624
Due To Owner/Trustee	59,740
Lines of Credit	91,523
Note Payable	<u>21,667</u>
Total Liabilities	<u>206,467</u>

Net Assets:

Invested in Fixed Assets	299,342
Unrestricted Net Assets	<u>(109,174)</u>
Total Net Assets	<u>190,168</u>

TOTAL LIABILITIES AND NET ASSETS \$ 396,635

The accompanying footnotes are an integral part of the financial statements.

Family Values Resource Institute, Inc.
Statement of Activities
For The Year Ended December 31, 2017

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Grant Income	\$ -	\$ 486,422	\$ 486,422
Program Income	7,624	-	7,624
Contribution Income	56,294	-	56,294
Rental Income	35,300	-	35,300
Other Income	8,071	-	8,071
Restrictions:			
Assets released from restrictions	486,422	(486,422)	-
TOTAL REVENUE AND SUPPORT	593,711	-	593,711
EXPENSES			
Salaries	222,498	-	222,498
Program Expenses	170,810	-	170,810
Professional Services	58,419	-	58,419
Occupancy Expenses	11,133	-	11,133
Donations	8,500	-	8,500
Interest Expense	8,427	-	8,427
Communications	7,364	-	7,364
Supplies	6,855	-	6,855
Insurance	3,474	-	3,474
Janitorial	6,485	-	6,485
Maintenance & Repairs	5,958	-	5,958
Equipment Rental & Maintenance	5,634	-	5,634
Miscellaneous Expenses	5,109	-	5,109
Travel	3,185	-	3,185
Bank Fees	2,062	-	2,062
Postage	1,845	-	1,845
Printing & Copying	1,625	-	1,625
Renovations	1,460	-	1,460
Advertising	1,157	-	1,157
Meals and Meetings	1,000	-	1,000
Depreciation	8,276	-	8,276
TOTAL EXPENSES	541,276	-	541,276
CHANGE IN NET ASSETS	52,435	-	52,435
NET ASSETS			
Beginning of the Year	163,948	-	163,948
Prior Period Adjustments	(26,215)	-	(26,215)
End of the Year	\$ 190,168	\$ -	\$ 190,168

The accompanying footnotes are an integral part of the financial statements.

Family Values Resource Institute, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2017

Cash Flows from Operating Activities:	
Change in Net Assets	\$ <u>52,435</u>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operations:	
Depreciation	8,276
Adjustment to Net Assets	(26,215)
Decrease in Receivables	50,212
Decrease in Prepaid Expenses	5,456
Decrease in Accounts Payable	(4,853)
Decrease in Grant Advances	794
Decrease in Accrued Expenses	(51,302)
Total Adjustments	<u>(17,632)</u>
Net Cash Used Provided by Operating Activities	<u>34,803</u>
Cash Flows from Investing Activities:	
Purchases of Fixed Assets	(2,964)
Net Cash Used by Investing Activities	<u>(2,964)</u>
Cash Flows from Financing Activities	
Repayments to Owners	(22,640)
Net Cash Flows Used by Financing Activities	<u>(22,640)</u>
Net Decrease in Cash	9,199
Cash at Beginning of Year	<u>2,276</u>
Cash at End of Year	<u><u>\$ 11,475</u></u>

The accompanying footnotes are an integral part of the financial statements.

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
Notes to the Financial Statements
For The Year Ended December 31, 2017

NOTE 1- BACKGROUND AND NATURE OF ACTIVITIES

Background

Family Values Resource Institute, Inc. (FVRI) was established in 1992 as a non-profit organization located in East Baton Rouge Parish of Louisiana providing services to primarily women and teens. The center is positioned in an urban part of the city, known as Scotlandville, blocks away from Southern University. FVRI serves communities like Alexandria, Brownsfields, Baker, and Zachary to the North; Port Allen, Plaquemine and Brusly to the Southwest; and New Roads, Levonia and Maringuoin to the West.

FVRI has continued to expand available services to provide other needs. They have collaborated with many community and faith-based organizations over the past 22 years, which has enabled and encouraged the expansion of services. In 2005, FVRI birthed the Women's Help Center to encompass a broad spectrum of services to an otherwise underserved population in the community. They continue to expand available services to include the Technology and Career Development Center – teaching GED and literacy education; The Youth Character Education and Development Center – preparing participants to educationally, emotionally and socially succeed in life; and the Personal Empowerment Center – promoting health and wellness through personal group counseling.

Today Family Values Resource Institute, Inc. continues to grow, establishing The Technology and Career Development Center, The Organization employs an Executive Director, Clinic Director, Admin Assistant, GED Instructor and Assistant, Character Education Program Coordinator and Teachers, Parenting Education Teachers, Fatherhood Program Instructor, a Data Entry Clerk, Transportation Driver, and a Social Worker. Together the FVRI team administers services to over 2,000 men, women, teens and children per year. The goal for each program participant is to develop employable skills, increase their education opportunities, self-esteem, self-reliance and ultimately changing lives.

Women's Help Center

Established in 2005 as a part of FVRI, the Women's Help Center provides crisis intervention counseling, pregnancy testing and confirmation, prenatal and parenting education classes, formula, diapers and other baby items. Also provided are ultrasound and routine exams and STD/HIV testing. Women can now receive early detection of pregnancy and be encouraged to obtain early prenatal care. The Center participates as a subcontractor in the Alternatives to Abortion grant program administered by the Family Values Resource Institute, Inc.

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
Notes to the Financial Statements
For The Year Ended December 31, 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Accounting

The Organization's financial statements are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Basis of Reporting

In accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth in FASB ASC 958, which established standards for external financial reporting by not-for-profit organizations, the Organization classifies resources for accounting and reporting purposes into three net asset categories which are unrestricted, temporarily restricted, and permanently restricted net assets according to external (donor) imposed restrictions. A description of these three net asset categories is as follows:

- Unrestricted net assets include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of the Organization are included in this category. The Organization has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of the Organization and therefore, their policy is to record those net assets as unrestricted.
- Temporarily restricted net assets include realized gains and losses, investment income and gifts and contributions for which donor-imposed restrictions have not been met.
- Permanently restricted net assets are contributions, which are required by the donor-imposed restriction to be invested in perpetuity and only the income, be made available for program operations in accordance with donor restrictions. Such income is reflected in temporarily restricted net assets until utilized for donor-imposed restrictions

At December 31, 2017, the Organization did not have any permanently restricted net assets.

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
Notes to the Financial Statements
For The Year Ended December 31, 2017

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.

Economic Dependency

Family Values Resource Institute, Inc. received a substantial portion of its funding through federal grants passed-through the State of Louisiana. The Organization's continuance is highly dependent upon continued funding from these sources.

Income Tax Status

Family Values Resource Institute, Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Agency qualifies for the charitable contribution deduction under Section 170(b) (1) (A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

NOTE 3 – FUNDRAISING REVENUE

Family Values Resource Institute, Inc. did not hold their annual fundraising event during the audit period. Since the net effect of the event were not meeting expectations, the Program Director indicated that the fundraising event was deferred again this year while new, cost saving options are identified.

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
Notes to the Financial Statements
For The Year Ended December 31, 2017

NOTE 4 - FURNITURE AND EQUIPMENT

All acquisitions of property and equipment in excess of \$500.00 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Furniture	5 years
Office equipment	3 years

Buildings	\$ 369,000
Equipment and Furniture	116,336
Vehicles	7,500
Less: Accumulated Depreciation	<u>(188,182)</u>
	<u>\$ 304,654</u>

The depreciation expense recorded for the year ended December 31, 2017 totaled \$8,276.

NOTE 5 – NOTE PAYABLE

Family Values Resource Institute, Inc. currently has an outstanding note payable. The outstanding balance of the notes payable as of the year ended December 31, 2017 totaled \$21,667. Information regarding future amortizations of the note were not available.

NOTE 6 - SUBSEQUENT EVENTS

Events through June 28, 2018 which is the date this report was available for issuance have been evaluated. There were no matters requiring disclosure.



LUTHER SPEIGHT & COMPANY, LLC
Certified Public Accountants and Consultants

**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***

To the Board of Trustees of
Family Values Resource Institute, Inc.

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 Family Values Resource Institute, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 28, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Family Values Resource Institute'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 Family Values Resource Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of the Family Values Resource Institute'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 Family Values Resource Institute'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.



Luther Speight & Company, LLC
New Orleans, LA
June 28, 2018

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
For The Year Ended December 31, 2017
Section I – Summary of Auditor’s Results

Financial Statements:

An unmodified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weakness(es) identified? yes no

Significant deficiency(s) identified
not considered to be material weaknesses? yes no

Noncompliance material to financial statements noted? yes no

Federal Awards: NOT APPLICABLE

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
Schedule of Findings and Questioned Costs
For The Year Ended December 31, 2017

There were no findings or questioned costs noted during our examination.

Family Values Resource Institute, Inc.
Baton Rouge, Louisiana
For The Year Ended December 31, 2017
Summary Schedule of Prior Year Findings

There were no prior year findings.

Family Values Resource Institute, Inc.

**Schedule of Compensation, Benefits, and Other Payments
To Agency Head or Chief Executive Officer
For the Year Ended December 31, 2017**

Agency Head Name and Title: Barbara J Thomas, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 49,683
Benefits-FICA	3,801
Benefits-insurance	-
Benefits-retirement	-
Benefits-executive parking	-
Car allowance	-
vehicle provided by government	-
Per diem	-
Reimbursements	602
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-