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MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
MONROE, LOUISIANA

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
FOR THE YEAR ENDED
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 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 10-27-04

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
JUNE 30, 2004

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 - H.U.D. Audits
 - Non-Profit Organizations
- Business & Financial Planning
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 - Individual & Partnership
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- Bookkeeping & Payroll Services

October 1, 2004

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Monroe Area Guidance Center
a/k/a Harmony House
Monroe, Louisiana 71201

We have audited the accompanying statement of financial position of the Monroe Area Guidance Center a/k/a Harmony House (a nonprofit organization) as of and for the year ended 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; *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 Monroe Area Guidance Center a/k/a Harmony House, 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.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Monroe Area Guidance Center a/k/a Harmony House taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents for the year ended June 30, 2004, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information

has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 1, 2004 on our consideration of Monroe Area Guidance Center a/k/a Harmony House's internal control over financial reporting and on 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.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

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October 1, 2004

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

Board of Directors
Monroe Area Guidance Center
a/k/a Harmony House
Monroe, Louisiana

We have audited the financial statements of Monroe Area Guidance Center a/k/a Harmony House as of and for the year ended June 30, 2004, and have issued our report thereon dated October 1, 2004. We conducted our audit in accordance with accounting standards generally accepted in the United States of America 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 Monroe Area Guidance Center a/k/a Harmony House'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 Monroe Area Guidance Center a/k/a Harmony House'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.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2004

ASSETS

Current Assets

Cash and Cash Equivalents	42,937
Accounts Receivable - Grants	69,372
Accounts Receivable - Other	18,661
Unconditional Promises to Give United Way Services Funding	36,929

TOTAL CURRENT ASSETS 167,899

Property and Equipment

Land	120,650
Buildings	957,715
Furniture and Equipment	207,809
Improvements	179,049
	1,465,223
Less: Accumulated Depreciation	(455,179)

NET PROPERTY AND EQUIPMENT 1,010,044

TOTAL ASSETS 1,177,943

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	441
Notes Payable Due Within One Year	111,725
Accrued Leave	20,893

TOTAL CURRENT LIABILITIES 133,059

Net Assets

Unrestricted - Operations	(2,089)
Unrestricted - Fixed Assets	1,010,044
Temporarily Restricted	36,929

TOTAL NET ASSETS 1,044,884

TOTAL LIABILITIES AND NET ASSETS 1,177,943

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

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

UNRESTRICTED NET ASSETS

Support	
Grants and Contracts	473,215
Contributions	<u>39,817</u>
<u>TOTAL UNRESTRICTED SUPPORT</u>	<u>513,032</u>

Revenues	
Medicaid	556,137
Client Fees	17,712
Interest	160
Miscellaneous	29,093
Management and Bookkeeping Fees	<u>3,996</u>
<u>TOTAL UNRESTRICTED REVENUES</u>	<u>607,098</u>

Net Assets Released from Restrictions	
United Way Services Funding	<u>41,065</u>
<u>TOTAL NET ASSETS RELEASED FROM RESTRICTIONS</u>	<u>41,065</u>

<u>TOTAL UNRESTRICTED SUPPORT, REVENUES AND RECLASSIFICATION</u>	<u>1,161,195</u>
--	------------------

EXPENSES

Program Services	
Community Support	640,112
Fairhaven Shelter	262,980
Supportive Living	102,448
Laundry Services	29,199
Harmony House	67,145
Case Management Plus	<u>78,525</u>
<u>TOTAL PROGRAM SERVICES</u>	<u>1,180,409</u>

Supporting Services	
Management and General	40,551
Fund Raising	<u>-</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>40,551</u>

<u>TOTAL EXPENSES</u>	<u>1,220,960</u>
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<u>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</u>	(59,765)
---	-----------

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

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2004

TEMPORARILY RESTRICTED NET ASSETS

United Way Services Funding for Future Periods	36,929
Net Assets Released from Restriction	
Expiration of Time Restriction on United Way Service Funding	(<u>41,065</u>)

<u>TOTAL INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</u>	(<u>4,136</u>)
---	------------------

<u>TOTAL INCREASE (DECREASE) IN NET ASSETS</u>	(63,901)
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<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>1,108,785</u>
--	------------------

<u>NET ASSETS AT END OF YEAR</u>	<u>1,044,884</u>
----------------------------------	------------------

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

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM SERVICES

	COMMUNITY SUPPORT PROGRAM	FAIRHAVEN SUPPORTIVE SHELTER	LIVING	LAUNDRY SERVICES	HARMONY HOUSE OMH	CASE MANAGE- MENT PLUS	GENERAL AND ADMINIS- TRATIVE	TOTAL
Personal Services	383,885	180,799	72,829	15,819	35,776	55,188	32,638	776,934
Related Benefits	58,501	21,966	9,783	1,695	5,466	7,933	2,513	107,857
Travel	17,828	3,561	4,781	551	630	1,410	-	28,761
Operating Services	131,473	34,348	9,743	9,000	16,952	7,004	2,934	211,454
Supplies	15,109	10,007	515	675	4,935	6,995	669	38,905
Professional Services	3,841	1,000	508	225	500	-	-	6,074
Miscellaneous	4,116	-	-	-	-	-	83	4,199
<u>Total Expenses Before Depreciation</u>	614,753	251,681	98,159	27,965	64,259	78,530	38,837	1,174,184
Depreciation	25,359	11,299	4,289	1,234	2,886	-	1,714	46,781
<u>TOTAL EXPENSES</u>	<u>640,112</u>	<u>262,980</u>	<u>102,448</u>	<u>29,199</u>	<u>67,145</u>	<u>78,530</u>	<u>40,551</u>	<u>1,220,965</u>

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

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2004

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Increase (Decrease) in Net Assets	(63,901)
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided (Used) by Operating Activities	
Depreciation	46,781
(Increase) Decrease in:	
Operating Assets - Unconditional Promises to Give	4,136
Accounts Receivable - Grants	(3,032)
Accounts Receivable - Other	2,371
Increase (Decrease) in Operating Liabilities -	
Accounts Payable	(256)
Accrued Leave	(1,492)
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>(15,393)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchase of Fixed Assets	(101,847)
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>(101,847)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	
Increase (Decrease) in Short-Term Debt	<u>88,753</u>
<u>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</u>	<u>88,753</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	<u>(28,487)</u>
<u>BEGINNING CASH AND CASH EQUIVALENTS</u>	<u>71,424</u>
<u>ENDING CASH AND CASH EQUIVALENTS</u>	<u>42,937</u>
<u>SUPPLEMENTAL CASH BASIS DATA</u>	
Interest Paid	4,886
Income Taxes Paid	-0-

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

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004

NOTE 1 - Summary of Significant Accounting Policies

A. Statement of Presentation:

The accompanying financial statements conform to generally accepted accounting principles for not-for-profit organizations.

B. Organization:

The Organization provides a spectrum of habilitation-oriented services to the chronically mentally ill in northeast Louisiana, including providing employment opportunities, helping clients with physical and emotional problems in order to help them get into the mainstream of community life, and operating a group home for the mentally ill. The Organization also carries out a janitorial program to help train clients for employment.

C. 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.

D. Cash and Cash Equivalents:

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

E. Budget Policy:

Budgets for various programs are prepared by the Organization and approved by grantor of the funds for each respective program.

F. Cash in Bank:

All funds are in institutions insured by an agency of the Federal Government, the Federal Deposit Insurance Corporation.

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 - Summary of Significant Accounting Policies (Continued)

G. Related Party Transactions:

Monroe Area Guidance Center a/k/a Harmony House is the managing agent over Kilgore Complex, Inc. Monroe Area Guidance Center a/k/a Harmony House and Kilgore Complex, Inc. share several board members and employees. Management and bookkeeping received from Kilgore Complex, Inc. during the year ended June 30, 2004 totaled \$3,996. At June 30, 2003 2,714 was due from Kilgore Complex, Inc. for reimbursement of operating expenses.

Monroe Area Guidance Center a/k/a Harmony House and Garrett Road Apartments, Inc. share several board members and employees. At June 30, 2004, \$15,947 was due from Garrett Road Apartments, Inc. for the reimbursement of expenses.

H. Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary 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. The Organization has no permanently restricted net assets at June 30, 2004.

I. Property and Equipment:

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support 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 support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 1 - Summary of Significant Accounting Policies (Continued)

I. Property and Equipment: (Continued)

restricted net assets to unrestricted net assets at that time. Buildings are depreciated using the straight-line method over the useful lives ranging between 27.5 years and 39 years. Equipment is depreciated using the declining balance method.

J. Allocation of Functional Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

K. Reserve for Bad Debts:

Accounts receivable have been reviewed by management and they have determined that there is no requirement for a reserve for bad debts account as of June 30, 2004.

L. Advertising Costs:

Advertising cost for the year ended June 30, 2004 were immaterial. Advertising costs are expensed as incurred.

NOTE 2 - Funding Policies and Sources of Funds

The Organization receives its monies through various methods of funding. Most of the funds are received on a grant basis from Louisiana Department of Health and Hospitals. The Organization also receives funds as a reimbursement of actual expenditures, and upon a per unit of service provided method, including Medicaid funds. The Organization also receives funds by contributions from both public and private sources.

NOTE 3 - Unconditional Promises to Give

Grants

Grants at June 30, 2004 generally consist of reimbursements from the Department of Health and Hospitals for expenditures incurred under the grant program. Such receivables have been pledged to secure the short term loan.

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 3 - Unconditional Promises to Give (Continued)

United Way

United Way Services Funding is awarded on a calendar year basis. For the calendar year 2004, \$73,859 was awarded to Monroe Area Guidance Center, of which \$36,929 is temporarily restricted.

NOTE 4 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE 5 - In-Kind Contributions

The Organization received various in-kind contributions during the year from private and public sources. The value of donated volunteer services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services.

NOTE 6 - Income Tax Status

The Organization, a non-profit corporation, is exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code.

NOTE 7 - Changes in Fixed Assets

A summary of changes in fixed assets recorded at cost follows:

	Balance July 1, <u>2003</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>2004</u>
Land	120,650	-	-	120,650
Harmony House Bldg.	660,000	-	-	660,000
Fairhaven Bldg.	297,715	-	-	297,715
Harmony House Improvements	81,182	97,867	-	179,049
Furniture & Equipment	<u>205,320</u>	<u>3,980</u>	<u>1,491</u>	<u>207,809</u>
TOTAL	<u>1,364,867</u>	<u>101,847</u>	<u>1,491</u>	<u>1,465,223</u>
Accumulated Depreciation	<u>409,889</u>	<u>46,781</u>	<u>1,491</u>	<u>455,179</u>

The State of Louisiana maintains a revisionary right against \$66,945 on the furniture and equipment in the event the Organization wishes to dispose of assets or ceases operations.

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 8 - Accrued Leave

As of June 30, 2004, accrued annual leave time was \$20,893. The Organization records leave as an expenditure in the year the leave is earned.

NOTE 9 - Clients on Medicaid

The Organization's policy is to bill the Department of Health and Hospitals for non-Medicaid clients. If the client later becomes Medicaid eligible, Medicaid may reimburse the Organization for past services that were originally billed and paid by the Department of Health and Hospitals to the Organization. When the Medicaid reimbursement for these past services is received by the Organization, the Organization reduces the amount of the current monthly funds request to the Department of Health and Hospitals.

NOTE 10 - Pension

The Organization maintains an employee retirement plan for full-time salaried employees. Employer contributions equal seven per cent of compensation, per employee. The pension contribution for the year was \$21,319.

NOTE 11 - Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

NOTE 12 - Fair Values of Financial Instruments

The Organization's financial instruments, none of which are held for trading purposes, include cash and a note payable. The Organization estimates that the fair value of all financial instruments at June 30, 2004 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2004

NOTE 13 - Bank Loan Payable

The short-term note payable consists of a line of credit payable to Iberia Bank. The line of credit, with a variable interest rate of 4.31%, had a balance of \$111,725 at June 30, 2004 and is secured by real estate.

NOTE 14 - Audit Requirements

The Organization did not fall under the A-133 audit regulation which became effective for fiscal years beginning after July 1, 1996 due to federal funds expended being under \$500,000.

NOTE 15 - HUD Funding

The Organization was approved by the Department of Housing and Urban Development (HUD) for a grant for a Case Management Plus project. The total obligation by HUD for this grant will be \$160,432 to be disbursed in two years on a cost-reimbursement basis beginning in the year ended June 30, 2004.

NOTE 16 - Cash Funds

All cash funds are in institutions insured up to \$100,000 by an agency of the federal government. At various times during the year the cash funds in these institutions exceeded \$100,000 and the excess of these funds was uninsured.

NOTE 17 - CONTINGENCY

The Organization is a defendant in a lawsuit filed by an employee. The suit alleges the employee was discriminated against. Management believes the suit is without merit and is vigorously defending the lawsuit. The probability of an unfavorable outcome against the Organization at the current state of the proceedings is less than fifty percent. If there is an unfavorable ruling against the Organization, the range of possible loss is believed to be \$17,500 to \$55,500.

SUPPLEMENTARY FINANCIAL INFORMATION

MONROE AREA GUIDANCE CENTER
 A/K/A HARMONY HOUSE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development Supportive Housing Program Case Management Plus 6-30-03 Program Year	14.181	<u>82,667</u>
<u>TOTAL FEDERAL ASSISTANCE</u>		<u>82,667</u>

See accountants' report.

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2004

GENERAL

The Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Monroe Area Guidance Center a/k/a Harmony House (nonprofit organization). All financial assistance received directly or passed through from other government or nonprofit agencies is included on the schedule.

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Monroe Area Guidance Center a/k/a Harmony House and is presented on the accrual basis of accounting.

SUBRECIPTS

Monroe Area Guidance Center a/k/a Harmony House did not pass through any federal funds received by it.

See accountants' report.

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MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
COMPENSATION TO BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2004

No compensation was paid to any board member during the year under audit.

See accountants' report.

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SCHEDULE III

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES - GRANTOR BASIS
FOR THE YEAR ENDED JUNE 30, 2004

PROGRAM SERVICES

	<u>COMMUNITY SUPPORT PROGRAM</u>	<u>FAIRHAVEN SHELTER</u>	<u>SUPPORTIVE LIVING</u>	<u>LAUNDRY SERVICES</u>	<u>HARMONY HOUSE OMH</u>	<u>CASE MANAGEMENT PLUS</u>
Support:						
Grants and Contracts						
OMH	-	126,535	99,202	28,564	66,748	-
ESG	-	27,463	-	-	-	-
Dept of Transportation	39,631	-	-	-	-	82,667
HUD	-	-	-	-	-	-
LSUS/E.A. Conway	-	-	-	-	-	-
Contributions	47,951	25,500	-	2,405	-	-
United Way	2,295	1,000	-	-	-	-
Other	-	-	-	-	-	-
	<u>89,877</u>	<u>180,498</u>	<u>99,202</u>	<u>30,969</u>	<u>66,748</u>	<u>82,667</u>
<u>TOTAL SUPPORT</u>						
Revenue:						
Client Fees - Room and Board	-	17,712	-	-	-	-
Medicaid	503,234	52,903	-	-	-	-
Interest Income	160	-	-	-	-	-
Miscellaneous	28,901	132	-	-	-	60
Management and Bookkeeping Fees	<u>3,996</u>	-	-	-	-	-
	<u>536,291</u>	<u>70,747</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>60</u>
<u>TOTAL REVENUE</u>						
<u>TOTAL SUPPORT AND REVENUE</u>	<u>626,168</u>	<u>251,245</u>	<u>99,202</u>	<u>30,969</u>	<u>66,748</u>	<u>82,727</u>

See accountants' report.

SCHEDULE III
(CONTINUED)

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES - GRANTOR BASIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2004

	<u>PROGRAM SERVICES</u>						CASE MANAGEMENT PLUS
	COMMUNITY SUPPORT PROGRAM	FAIRHAVEN SHELTER	SUPPORTIVE LIVING	LAUNDRY SERVICES	HARMONY HOUSE OMH		
Personal Services	383,885	180,799	72,829	15,819	35,776	55,188	
Related Benefits	58,501	21,966	9,783	1,695	5,466	7,933	
Travel	17,828	3,561	4,781	551	630	1,410	
Operating Services	131,473	34,348	9,743	9,000	16,952	7,004	
Supplies	15,109	10,007	515	675	4,935	6,990	
Professional Services	3,841	1,000	508	225	500	-	
Capital Outlay	101,432	415	-	-	-	-	
Administrative Costs	18,053	11,760	1,043	3,004	2,489	4,202	
Miscellaneous	4,116	-	-	-	-	-	
<u>TOTAL EXPENDITURES</u>	<u>734,238</u>	<u>263,856</u>	<u>99,202</u>	<u>30,969</u>	<u>66,748</u>	<u>82,727</u>	
<u>NET REVENUE (LOSS)</u>	<u>(108,070)</u>	<u>(12,611)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- * Material weakness(es) identified? ___ yes X no
- * Reportable condition(s) identified that
are not considered to be material
weaknesses? ___ yes X none reported
- Noncompliance material to financial
statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

- * Material weakness(es) identified? Not Applicable
- * Reportable condition(s) identified that
are not considered to be material
weaknesses? Not Applicable

Type of auditors' report issued on compliance for major programs:
Not Applicable

Any audit findings disclosed that are
required to be reported in accordance
with section 510(a) of Circular A-133? Not Applicable

Identification of major programs:
None

Dollar threshold used to distinguish
between type A and type B programs: \$500,000

Auditee qualified as low-risk auditee? ___ yes X no

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings nor questioned costs for the year ended June 30, 2004.

SECTION III - FEDERAL FINDINGS AND QUESTIONED COSTS

Not Applicable

MONROE AREA GUIDANCE CENTER
A/K/A HARMONY HOUSE
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS
JUNE 30, 2004

There were no findings for the year ended June 30, 2003.