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METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

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Release Date ~~DEC 23 1998~~ JAN 13 1999

FINANCIAL AND COMPLIANCE AUDIT

TOGETHER WITH

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 1998

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Metropolitan Battered Women's Program, Inc.

We have audited the accompanying statement of financial position of **Metropolitan Battered Women's Program, Inc. (MBWP)** (a non-profit corporation) as of June 30, 1998 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the **MBWP's** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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.

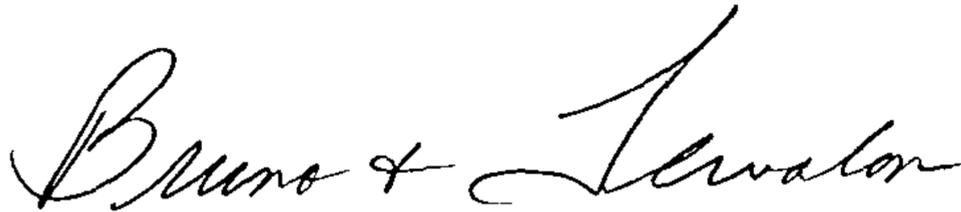
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Metropolitan Battered Women's Program, Inc.** as of June 30, 1998, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Board of Directors
Metropolitan Battered Women's Program, Inc.
Page 2

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the report (shown on page 12) is presented for the purpose of additional analysis and is not a required part of the financial statements of **MBWP**. 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 our report dated November 20, 1998 on our consideration of **Metropolitan Battered Women's Program, Inc.**'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.



BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

November 20, 1998

Bruno

CERTIFIED PUBLIC ACCOUNTANTS

& Tervalon

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 1998

ASSETS

Cash	\$ 8,049
Grants receivable (NOTE 2)	125,989
Furniture and equipment, net of accumulated depreciation of \$18,100 (NOTE 2)	9,848
Deposits	<u>811</u>
Total assets	<u>\$144,697</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accrued payroll taxes and withholdings	\$ <u>4,513</u>
Total liabilities	<u>4,513</u>
Net Assets:	
Unrestricted (NOTE 2)	124,289
Temporarily restricted (NOTE 2)	<u>15,895</u>
Total net assets	<u>140,184</u>
Total liabilities and net assets	<u>\$144,697</u>

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

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 1998

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
Support and Revenues			
Government and other grants (NOTE 1)	\$439,190	\$ 43,483	\$482,673
Fundraising activities, net (NOTE 4)	20,513	-0-	20,513
Other revenue and contributions	32,875	-0-	32,875
In-kind donations (NOTE 3)	109,799	-0-	109,799
Net assets released from restrictions (NOTE 8):			
Satisfaction of program restrictions	<u>27,588</u>	<u>(27,588)</u>	<u>-0-</u>
Total support and revenues	<u>629,965</u>	<u>15,895</u>	<u>645,860</u>
Expenses			
Program Services:			
Client support and outreach	489,565	-0-	489,565
Support Services:			
Management and general	<u>128,863</u>	<u>-0-</u>	<u>128,863</u>
Total expenses	<u>618,428</u>	<u>-0-</u>	<u>618,428</u>
Change in Net Assets	11,537	15,895	27,432
Net Assets			
Beginning of year	<u>112,752</u>	<u>-0-</u>	<u>112,752</u>
End of year	<u>\$124,289</u>	<u>\$15,895</u>	<u>\$140,184</u>

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

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1998

Cash Flows from Operating Activities	
Change in net assets	\$ 27,432
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	2,416
Changes in assets and liabilities:	
Increase in grants and other receivables	(67,785)
Increase in liabilities	<u>3,021</u>
Net cash used in activities	<u>(34,916)</u>
Cash Flows from Investing Activities	
Purchase of furniture and equipment	<u>(7,336)</u>
Net cash used in investing activities	<u>(7,336)</u>
Net decrease in cash	(42,252)
Cash, beginning of year	<u>50,301</u>
Cash, end of year	\$ <u><u>8,049</u></u>

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

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - Organization:

The **Metropolitan Battered Women's Program, Inc. (MBWP)** is a non-profit corporation organized to serve victims of domestic violence in Jefferson, Orleans, St. James, and St. John Parishes.

In order to meet its objectives, **MBWP** administers various services funded by federal, state, local, and private grants.

General

During the year ended June 30, 1998, **MBWP** received the following funding:

<u>FUNDING SOURCE</u>	<u>GRANT PERIOD</u>	<u>GRANT BUDGET AWARD</u>	<u>GRANT REVENUE RECOGNIZED</u>
<u>GOVERNMENT GRANTS:</u>			
State of Louisiana - Office of Women's Services	07/01/97 - 06/30/98	\$249,239	\$244,354
State of Louisiana - Department of Justice-(CVAP)	10/01/96 - 09/30/97	34,000	9,904
	10/01/97 - 09/30/98	42,860	27,617
Department of Justice-(VAWA)	07/01/96 - 06/30/97	3,932	1,995
	07/01/97 - 06/30/98	19,038	14,116
Department of Justice-(METLAC)	10/01/96 - 09/30/97	13,000	3,981
	10/01/97 - 09/30/98	14,034	7,520
State of Louisiana - Department of Social Services (Louisiana Children's Trust Fund)	07/01/97 - 06/30/98	10,000	8,118
Jefferson Parish - Department of Housing & Urban Development (ESGP)	07/01/96 - 06/30/98	40,000	20,921
	07/01/97 - 06/30/99	40,000	4,723

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 1 - Organization, Continued:

General, Continued

<u>FUNDING SOURCE</u>	<u>GRANT PERIOD</u>	<u>GRANT BUDGET AWARD</u>	<u>GRANT REVENUE RECOGNIZED</u>
<u>GOVERNMENT GRANTS, CONTINUED</u>			
Jefferson Parish - Community Development Block Grant	02/01/98 - 07/30/99	\$ 50,000	\$ 6,648
U.S. Department of Housing & Urban Development	02/01/92 - 02/01/98	526,801	<u>89,293</u>
Total Government Sources			<u>439,190</u>
<u>PRIVATE GRANTS:</u>			
Louisiana Bar Foundation (IOLTA)	1997	42,127	19,377
Louisiana Bar Foundation (IOLTA)	1998	50,000	<u>24,106</u>
Total Private Sources			<u>43,483</u>
TOTAL GOVERNMENT AND OTHER GRANTS			<u>\$482,673</u>

NOTE 2 - Summary of Significant Accounting Policies:

Basis of Accounting

MBWP is a non-profit, community based organization whose financial statements are prepared on the accrual basis

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Basis of Presentation

MBWP has adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations," which establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions.

A description of the net asset categories is as follows:

Unrestricted Net Assets

Unrestricted net assets include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the social, educational, cultural, and health missions of **MBWP** are included in this category.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of **MBWP** and/or the passage of time. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

MBWP did not have any permanently restricted net assets as of June 30, 1998.

Furniture and Equipment

Major furniture and equipment purchases are recorded at historical cost. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. **MBWP's** policy is to expense minor purchases under \$1,000.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Grants Receivable

Grants receivable represent the amount of grant revenue/funds which have been requested, but not received and/or un-reimbursed expenditures as of June 30, 1998.

Substantially all of the MBWP's revenue is derived from grants. These funds are deemed to be earned and recorded as revenues when the organization has incurred expenses in compliance with the specific restrictions of a grant.

Income Taxes

MBWP is a not-for-profit organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and 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.

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.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 3 - In-Kind Donations:

During the fiscal year ended June 30, 1998, **MBWP** received various types of in-kind donations which are recorded in revenues and corresponding expenditures. Included as occupancy expense is the value of the building **MBWP** occupies which is owned by Jefferson Parish. The parish provides the building rent-free for the purpose of operating the program and providing shelter for the benefit of battered women.

Additionally, **MBWP** utilizes other facilities rent-free for consultation purposes in certain other parishes on different days of the week.

Also, included as in-kind donations is the value of items received from donors.

NOTE 4 - Fundraising Activities:

During the fiscal year ended June 30, 1998, **MBWP** recognized revenue and incurred related expenses from fundraising activities as follows:

<u>Activity</u>	<u>Gross Revenues</u>	<u>Related Expenses</u>	<u>Net</u>
Women's Chef Show-Off	<u>\$32,043</u>	<u>\$11,530</u>	<u>\$20,513</u>

NOTE 5 - Contingency:

MBWP is a recipient of several grants and awards of federal and state funds. These grants and awards are governed by various federal and state guidelines, regulations, and contractual agreements.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 5 - Contingency, Continued:

The administration of the program and activities funded by these grants and awards is under the control and administration of **MBWP** and is subject to audit and/or review by the applicable funding sources. Any grant or award funds found to be not properly spent in accordance with the terms, conditions, and regulations of the funding sources may be subject to recapture.

NOTE 6 - Economic Dependency:

*The primary sources of revenue for **MBWP** are federal, state, and local grants provided through various funding agencies. The continued success of **MBWP** is dependent upon the renewal of grants from current funding sources as well as obtaining new funding.*

NOTE 7 - Commitment:

MBWP has two leases on certain office facilities that expires December 31, 1998 and June 30, 1999. The minimum rental commitment on the leases at June 30, 1998 totals \$6,450. Rent expense for the year ended June 30, 1998 amounted to \$8,125.

NOTE 8 - Temporarily Restricted Net Assets:

During the fiscal year ended June 30, 1998, **MBWP's** only temporarily restricted net assets were from the Louisiana Bar Foundation (IOLTA) grant for the purpose of providing legal services to **MBWP's** clients net assets were released from donor restrictions by incurring expenses satisfying that purpose as specified by the donor.

SUPPLEMENTARY INFORMATION

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 1998

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>	
	<u>Client Support and Outreach</u>	<u>Management and General</u>	<u>Total Expenses</u>
Advertising	\$ -0-	\$ 205	\$ 205
Accounting and legal	-0-	6,297	6,297
Bank charges	-0-	79	79
Cleaning supplies	-0-	3,343	3,343
Client emergency services	3,012	-0-	3,012
Contract labor	12,998	-0-	12,998
Day care	11,571	-0-	11,571
Depreciation (NOTE 2)	-0-	2,416	2,416
Dues and subscriptions	-0-	750	750
Equipment and furniture (NOTE 2)	-0-	19,504	19,504
Food	15,841	-0-	15,841
Fringe benefits	11,756	-0-	11,756
Insurance	-0-	10,898	10,898
Library	2,101	-0-	2,101
Miscellaneous	-0-	13,608	13,608
Office supplies and expenses	-0-	7,806	7,806
Payroll taxes	27,326	-0-	27,326
Postage	-0-	811	811
Printing	-0-	4,775	4,775
Recruitment	480	-0-	480
Rent (NOTE 7)	-0-	8,125	8,125
Repairs and maintenance	-0-	24,444	24,444
Salaries	283,526	-0-	283,526
Staff workshops and training	3,670	-0-	3,670
Telephone	-0-	10,073	10,073
Travel	7,898	-0-	7,898
Utilities	-0-	15,729	15,729
In-kind donations (NOTE 3)	<u>109,386</u>	<u>-0-</u>	<u>109,386</u>
Total expenses	<u>\$489,565</u>	<u>\$128,863</u>	<u>\$618,428</u>

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

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

To the Board of Directors
Metropolitan Battered Women's Program, Inc.

We have audited the financial statements of **Metropolitan Battered Women's Program, Inc. (MBWP)** as of and for the year ended June 30, 1998 and have issued our report thereon dated November 20, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether **MBWP's** financial statements are free of material misstatement, except as explained in the following paragraph, 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.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

During the course of our audit certain participant programmatic records and information were not made available to us because of the client confidentiality restrictions placed upon **MBWP** by its funding sources under the Federal Privacy Act of 1974. Accordingly, we have not performed any testing for compliance with certain programmatic regulations relating to participant eligibility, and participant record retention and completeness. As part of our audit, we assessed the risk that noncompliance with certain provisions of laws, regulations, contracts and grants relating to participant eligibility, and participant record retention and completeness could cause the financial statements to be materially misstated. However, we concluded that the risk of material misstatement of the financial statements was sufficiently low for the programmatic regulations not tested.

Except for the effects of such non-compliance, if any, as might have been determined had we performed tests of compliance relating to participant eligibility, and participant record retention and completeness, 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 **MBWP'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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

Internal Control Over Financial Reporting, CONTINUED

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 management and funding agencies. However, this report is a matter of public record and its distribution is not limited.



BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

November 20, 1998

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 1998

We have audited the financial statements of **Metropolitan Battered Women's Program, Inc.** as of and for the year ended June 30, 1998, and have issued our report thereon dated November 20, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control		
Material Weaknesses	-	No
Reportable Conditions	-	No
Compliance		
Compliance Material to Financial Statements -		No

b. Federal Awards

Internal Control		
Material Weaknesses	-	No
Reportable Conditions	-	No
Type of Opinion on Compliance		
For Major Programs	-	Not Applicable

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?	-	Not Applicable
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c. Identification of Major Programs - **Not Applicable**

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 1998

**Section II - Findings Relating to the Financial Statements Reported in Accordance
with Government Auditing Standards**

No Matters Reported.

Section III - Findings and Questioned Costs Related to Federal Awards

Not Applicable.