

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

11/25/99

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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

NOV 24 1999
Release Date _____

FINANCIAL AND COMPLIANCE AUDIT

TOGETHER WITH

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 1999

**Bruno
& Tervalon**

CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1
STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 1999	3
STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 1999	4
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 1999	5
NOTES TO THE FINANCIAL STATEMENTS	6
<u>SUPPLEMENTARY INFORMATION:</u>	
Schedule of Functional Expenses	12
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	13
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	16

& Tervalon

MICHAEL B. BRUNO, CPA
ALCIDE J. TERVALON, JR., CPA
WALDO J. MORET, JR., CPA

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, 1999 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.

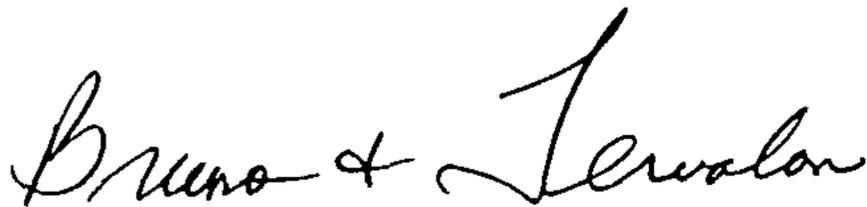
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Metropolitan Battered Women's Program, Inc.** as of June 30, 1999, and the changes in its net assets and its cash flows for the year then ended in conformity with generally 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 September 28, 1999 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

September 28, 1999

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 1999

ASSETS

Cash	\$ 79,034
Grants receivable (NOTE 2)	64,004
Furniture and equipment, net of accumulated depreciation of \$21,039 (NOTE 2)	9,470
Deposits	<u>811</u>
 Total assets	 <u>\$153,319</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued payroll taxes withholding	\$ <u>16,792</u>
 Total liabilities	 <u>16,792</u>
Net Assets:	
Unrestricted (NOTE 2)	136,114
Temporarily restricted (NOTE 2)	<u>413</u>
 Total net assets	 <u>136,527</u>
 Total liabilities and net assets	 <u>\$153,319</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, 1999

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
Support and Revenues			
Government and other grants (NOTE 1)	\$478,903	\$ 46,646	\$525,549
Fundraising activities, net (NOTE 4)	19,834	-0-	19,834
Other revenue and contributions	26,683	-0-	26,683
In-kind donations (NOTE 3)	117,120	-0-	117,120
Net assets released from restrictions (NOTE 7):			
Satisfaction of program restrictions	<u>62,128</u>	<u>(62,128)</u>	<u>-0-</u>
Total support and revenues	<u>704,668</u>	<u>(15,482)</u>	<u>689,186</u>
Expenses			
Program Services:			
Client support and outreach	564,922	-0-	564,922
Support Services:			
Management and general	<u>127,921</u>	<u>-0-</u>	<u>127,921</u>
Total expenses	<u>692,843</u>	<u>-0-</u>	<u>692,843</u>
Change in Net Assets	11,825	(15,482)	(3,657)
Net Assets			
Beginning of year	<u>124,289</u>	<u>15,895</u>	<u>140,184</u>
End of year	<u>\$136,114</u>	<u>\$ 413</u>	<u>\$136,527</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, 1999

Cash Flows from Operating Activities	
Change in net assets	\$ (3,657)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	2,939
Changes in assets and liabilities:	
Decrease in grants and other receivables	61,984
Increase in liabilities	<u>12,280</u>
Net cash used in activities	<u>73,546</u>
Cash Flows from Investing Activities	
Purchase of furniture and equipment	<u>(2,561)</u>
Net cash used in investing activities	<u>(2,561)</u>
Net increase in cash	70,985
Cash, beginning of year	<u>8,049</u>
Cash, end of year	<u>\$79,034</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, 1999, **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	07/01/98 - 06/30/99	\$253,493	\$249,753
State of Louisiana - Department of Justice-(CVAP)	10/01/97 - 09/30/98	42,860	15,242
	10/01/98 - 09/30/99	43,625	26,289
Department of Justice-(VAWA)	07/01/97 - 06/30/98	19,038	4,415
	07/01/98 - 06/30/99	20,985	12,005
Department of Justice-(METLAC)	10/01/96 - 09/30/97	13,000	4,130
	10/01/97 - 09/30/98	14,034	6,514
	10/01/98 - 09/30/99	31,870	3,801
State of Louisiana - Department of Social Services (Louisiana Children's Trust Fund)	07/01/98 - 06/30/99	10,000	9,776
Jefferson Parish - Department of Housing & Urban Development (ESGP)	07/01/95 - 06/30/96	40,000	18,198
	07/01/96 - 06/30/97	40,000	28,983
	07/01/97 - 06/30/98	45,000	3,369

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	\$ 42,869
U.S. Department of Housing & Urban Development	02/01/92 - 02/01/98	526,801	<u>53,559</u>
Total Government Sources			<u>478,903</u>
<u>PRIVATE GRANTS:</u>			
Louisiana Bar Foundation (IOLTA)	1998	50,900	22,140
Louisiana Bar Foundation (IOLTA)	1999	48,212	<u>23,693</u>
Total Private Sources			<u>45,833</u>
TOTAL GOVERNMENT AND OTHER GRANTS			<u>\$524,736</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, 1999.

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, 1999.

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, 1999, **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, 1999, **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>\$27,223</u>	<u>\$7,389</u>	<u>\$19,834</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 - Temporarily Restricted Net Assets:

During the fiscal year ended June 30, 1999, **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.

NOTE 8 - Year 2000 Compliant:

On January 1, 2000, information technology experts believe that many application systems will fail as a result of erroneous calculations and data integrity problems. The situation, commonly known as the year 2000 issue, will occur because many computers cannot process date information beyond December 31, 1999. That is because many application software products (both commercial and in-house-developed legacy systems) were originally designed to accommodate only a two digit date position to represent the year (for example, 95 for the year 1995).

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

NOTE 8 - Year 2000 Compliant, Continued

MBWP must devote the necessary resources to evaluate its systems and make them year 2000 compliant. This will ensure that the systems will be able to process date information on and after January 1, 2000.

We recommend that you modify all applications, particularly mission-critical applications, by June 30, 1999 to allow for complete testing before January 1, 2000. If **MBWP** is not year 2000 compliant by January 1, 2000, it may experience costly and significant application program failures that could prevent it from performing its normal processing activities. Depending on the extent of system failures, noncompliance may also affect the audit of the June 30, 2000 financial statements and, in extreme situations, could have catastrophic financial consequences for **MBWP**.

SUPPLEMENTARY INFORMATION

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 1999

	<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-	\$ 425	\$ 425
Accounting and legal	-0-	3,261	3,261
Bank charges	-0-	69	69
Cleaning supplies	-0-	4,132	4,132
Client emergency services	3,640	-0-	3,640
Contract labor	23,712	-0-	23,712
Day care	3,329	-0-	3,329
Depreciation (NOTE 2)	-0-	2,939	2,939
Dues and subscriptions	-0-	755	755
Equipment and furniture (NOTE 2)	-0-	22,303	22,303
Food	10,913	-0-	10,913
Fringe benefits	14,437	-0-	14,437
Insurance	-0-	15,041	15,041
Library	462	-0-	462
Miscellaneous	-0-	6,102	6,102
Office supplies and expenses	-0-	13,795	13,795
Postage	-0-	2,355	2,355
Printing	-0-	6,016	6,016
Rent	-0-	7,700	7,700
Repairs and maintenance	-0-	17,257	17,257
Salaries	374,686	-0-	374,686
Staff workshops and training	7,602	-0-	7,602
Telephone	-0-	9,353	9,353
Travel	9,021	-0-	9,021
Utilities	-0-	16,418	16,418
In-kind donations (NOTE 3)	<u>117,120</u>	<u>-0-</u>	<u>117,120</u>
Total expenses	<u>\$564,922</u>	<u>\$127,921</u>	<u>\$692,843</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, 1999 and have issued our report thereon dated September 28, 1999. 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

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

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



BRUNO & TERVALON
CERTIFIED PUBLIC ACCOUNTANTS

September 28, 1999

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 1999

We have audited the financial statements of **Metropolitan Battered Women's Program, Inc.** as of and for the year ended June 30, 1999, and have issued our report thereon dated September 28, 1999. 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, 1999 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
--	---	-----------------------

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, 1999

**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.