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**METROPOLITAN BATTERED WOMEN'S
PROGRAM, INC.**

**INDEPENDENT AUDITOR'S REPORT AND REPORTS
ON INTERNAL CONTROL AND COMPLIANCE**

Jefferson, LA

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 2-9-05

METROPOLITAN BATTERED WOMEN’S PROGRAM, INC.

JUNE 30, 2004

TABLE OF CONTENTS

FINANCIAL INFORMATION SECTION

Independent Auditor’s Report 3-4

Statement of Financial Position 5

Statement of Activities and Changes in Net Assets 6-7

Statement of Functional Expenses..... 8-9

Statement of Cash Flows 10

Notes to the Financial Statements 11-15

SUPPLEMENTARY INFORMATION

Report on Compliance and On Internal Control Over Financial
Reporting Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing
Standards*..... 17-18

Schedule of Findings and Questioned Costs..... 19-20

Summary Schedule of Prior Audit Findings..... 21

Management Letter..... 22-23

Management’s Corrective Action Plan..... 24-25



**EILEEN
SHANKLIN
ANDRUS**
CERTIFIED
PUBLIC
ACCOUNTANT
A LIMITED LIABILITY
COMPANY

Member of the
American Institute
of Certified Public
Accountants

Member of the
Louisiana Society
of Certified Public
Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors of
Metropolitan Battered Women's Program, Inc.
P. O. Box 10775
Jefferson, LA 70181

I have audited the accompanying statement of financial position of the Metropolitan Battered Women's Program, Inc. (MBWP) as of June 30, 2004, as listed in the table of contents. These financial statements are the responsibility of MBWP's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Metropolitan Battered Women's Program, Inc. as of June 30, 2004 and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated August 3, 2004 on my consideration of MBWP's internal control over financial reporting and my 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 my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of the Metropolitan Battered Women's Program, Inc. The accompanying schedule of expenditures of federal awards, schedule of findings and other supplementary information is presented for purposes of additional analysis as required by *Governmental Auditing Standards*. This supplemental information is not a required part of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Eileen Shanklin Andrus
CERTIFIED PUBLIC ACCOUNTANT
A LIMITED LIABILITY COMPANY

August 3, 2004

THE METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2004

ASSETS

Current Assets

Cash - Operating	\$	45,317
Cash - Savings		93,696
Grant Receivable		135,356
Other Receivable		66
Prepaid Insurance		<u>19,379</u>

Total Current Assets 293,814

Fixed Assets

Land and Buildings		192,844
Furniture and Fixtures		<u>83,437</u>
Total Fixed Assets		276,281
Accumulated Depreciation		<u>(25,122)</u>
Total Fixed Assets, Net		<u>251,159</u>

Total Assets \$ 544,973

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$	37,236
Deferred Revenue		5,138
Other Liabilities		<u>15,419</u>
Total Current Liabilities		<u>57,793</u>

Net Assets

Unrestricted Net Assets		142,325
Temporarily Restricted Net Assets		<u>344,855</u>
Total Net Assets		<u>487,180</u>

Total Liabilities and Net Assets \$ 544,973

See Accompanying Notes.

THE METROPOLITAN BATTERED WOMEN'S PROGRAM
, INC.

STATEMENT OF ACTIVITY AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2004

	UNRE - STRICTED	TEMPORARILY RESTRICTED	TOTAL
Increases In Net Assets			
Support:			
Federal Financial Assistance			
Office of Women's Policy - Family Violence	--	\$ 102,854	\$ 102,854
Office of Women's Policy - Temporarily Assistance to Needy Famili	--	49,070	49,070
Louisiana Coalition Against Domestic Violence-			
St. John	--	3,509	3,509
Louisiana Coalition Against Domestic Violence-			
St. Charles	--	2,274	2,274
Louisiana Coalition Against Domestic Violence-			
Urban Projects	--	15,187	15,187
Louisiana Commission on Law Enforcement-Violence			
Against Women	--	19,639	19,639
Jefferson Parish Metropolitan District Law Enforcement-			
Domestic Violence Counseling	--	21,823	21,823
U.S. Department of Housing and Urban Development -			
Supportive Housing Services	--	169,113	169,113
U.S. Department of Housing and Urban Development -			
Emergency Shelter Grants	--	50,751	50,751
Louisiana Commission on Law Enforcement -			
Crime Victims Assistance	--	24,828	24,828
U.S. Department of Justice			
State Financial Assistance	--	39,591	39,591
Office of Women's Policy - Family Violence			
Louisiana Bar Association -	--	142,371	142,371
Other Financial Assistance			
Artists Against Hunger	1,000	--	1,000
Office of Women's Services - Family Violence	--	44,267	44,267
Batterers Fines	222	--	222
St. John Parish United Way	15,000	--	15,000
Total Support	<u>16,222</u>	<u>711,795</u>	<u>728,017</u>
Other Income:			
Interest Income	870	--	870
Gain on Sale of Fixed Assets	8,872	--	8,872
Donations	37,310	--	37,310
Fund Raiser Income	44,464	--	44,464
In-kind Contributions	197,253	--	197,253
Total Other Income	<u>288,769</u>	<u>--</u>	<u>288,769</u>
Total Support and Other Income	<u>304,991</u>	<u>711,795</u>	<u>1,016,786</u>
Assets Released From Restrictions	470,645	(470,645)	--
Total Increase in Net Assets	<u>775,636</u>	<u>241,150</u>	<u>1,016,786</u>

See Accompanying Notes.

THE METROPOLITAN BATTERED WOMEN'S PROGRAM
 , INC.

STATEMENT OF ACTIVITY AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2004

	UNRE - RESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Decreases In Unrestricted Net Assets			
Program Expenses	718,845	--	718,845
Management & General:	130,164	--	130,164
Fundraising	27,638	--	27,638
Total Decrease in Net Assets	<u>876,647</u>	<u>--</u>	<u>876,647</u>
Net Increase (Decrease) in Net Assets	<u>(101,011)</u>	<u>241,150</u>	<u>140,139</u>
Net Assets			
Beginning Net Assets 6/30/03	243,336	103,705	347,041
Ending Net Assets at 6/30/04	\$ <u>142,325</u>	\$ <u>344,855</u>	\$ <u>487,180</u>

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
STATEMENT OF FUNCTIONAL EXPENSES BY PROGRAM

FOR THE YEAR ENDED JUNE 30, 2004

	Program Services									
	LA		LA		LA		LA		Metro-	
	Office of Violence Against Women Services	Coalition Against Domestic Violence UPAP	Coalition Against Domestic Violence St. Charles	Coalition Against Domestic Violence St. John	LA Coalition Against Domestic Violence	LA Coalition Against Domestic Violence	LA Coalition Against Domestic Violence	LA Coalition Against Domestic Violence	LA Coalition Against Domestic Violence	Metro-politan Law Domestic Violence Counseling Assistance
Salaries	\$ 140,044	\$ 12,669	--	--	--	--	\$ 24,666	\$ 18,449	\$ 18,947	
Franchise Benefits	27,081	3,351	--	--	--	5,458	4,915	4,915		
Travel & Entertainment	5,285	--	--	--	--	875	1,044	135		
Operating Costs	74,135	\$ 15,186	\$ 2,274	\$ 3,509		4,239				
Supplies	18,266	--	--	--	--	7,160	--	--	228	
Equipment Costs	13,595	--	--	--	--	--	--	--	--	
Other Costs	11,086	--	--	--	--	6,675	--	--	--	
Total Expense Per Program	289,492	16,020	2,274	3,509		49,073	21,824	24,225		
In-kind Expenses:										
In-Kind Rent	30,051	--	--	--	--	--	--	--	--	
In-Kind Clothing & Supplies	--	--	--	--	--	--	--	--	--	
Volunteers	--	--	--	--	--	--	5,456	6,057		
Total In-Kind	30,051	--	--	--	--	--	5,456	6,057		
Total Expense Per Program	319,543	16,020	2,274	3,509		49,073	27,280	30,282		
Less: Capitalized Equipment	(4,367)	--	--	--	--	--	--	--	--	
Total Expense Per Grant and Other Programs	\$ 315,176	\$ 16,020	\$ 2,274	\$ 3,509		\$ 49,073	\$ 27,280	\$ 6,057		

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.
STATEMENT OF FUNCTIONAL EXPENSES BY PROGRAM

FOR THE YEAR ENDED JUNE 30, 2004

	General & Administrative										Fund-Raising	Total All Categories
	HUD Transitional Housing Grant	HUD Emergency Shelter Grant	LCLC Bar Association	U.S. Department of Justice	St. John Parish United Way	Program Expense Total	Non-Grant	Fund-Raising	Non-Grant	Fund-Raising		
Expenses:												
Salaries & Fringe	\$ 102,609	\$ 5,357	\$ 4,000	\$ --	\$ 2,293	\$ 329,034	\$ --	\$ 597	\$ --	\$ 329,034	\$ 57,123	
Fringe Benefits	12,157	--	1,233	--	--	56,526	--	--	--	57,123	10,530	
Travel & Entertainment	--	--	462	431	200	8,432	2,098	--	--	231,426	231,426	
Operating Costs	41,494	39,618	936	37,628	12,407	231,426	--	1,647	--	35,079	35,079	
Supplies	5,253	1,727	--	798	--	33,432	--	--	--	14,298	14,298	
Equipment Costs	--	--	--	698	--	14,293	5	--	--	78,169	78,169	
Other Costs	--	4,050	750	38	100	22,599	27,832	--	--	27,832	27,832	
Total Expense Per Program	161,513	50,752	7,381	39,593	15,000	695,842	32,179	--	27,638	755,659	755,659	
Total Expense Per Grant and Other Programs	161,513	50,752	7,381	39,593	15,000	695,842	32,179	--	27,638	755,659	755,659	
In-kind Expenses:												
In-Kind Rent	--	40,751	--	--	--	70,802	19,988	--	--	90,790	90,790	
In-Kind Clothing & Supplies	--	--	--	--	--	--	80,862	--	--	80,862	80,862	
Volunteers	--	--	--	--	--	11,513	14,989	--	--	25,602	25,602	
Total In-Kind	--	40,751	--	--	--	82,315	114,939	--	--	197,254	197,254	
	161,513	91,503	7,381	39,593	15,000	778,157	147,118	--	27,638	952,913	952,913	
	(26,098)	--	--	(28,847)	--	(59,312)	(16,954)	--	--	(76,266)	(76,266)	
	\$ 135,415	\$ 91,503	\$ 7,381	\$ 10,746	\$ 15,000	\$ 718,845	\$ 130,164	\$ 27,638	\$ 27,638	\$ 876,647	\$ 876,647	

See Accompanying Notes.

THE METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

Statement of Cash Flows

June 30, 2004

Cash flows from Operating Activities:		
Increase (Decrease) in Net Assets	\$ 140,139	
Add: Depreciation Expense	20,423	
(Increase) Decrease in Assets:		
Increase in Grant Receivables	(65,005)	
Increase in Prepaid Expenses	(12,711)	
Increase (Decrease) in Liabilities:		
Accounts Payable	36,399	
Other Liabilities	<u>5,742</u>	
Net Cash Provided (used) by Operating Activities	<u>124,987</u>	
Cash Flows from Investing Activities		
Land and Building Acquisition	(192,844)	
Other Asset Acquisitions	<u>(76,266)</u>	
Net Cash Provided (Used) in Investing Activities	(269,110)	
Cash Flows from Financing Activities		
Net Cash Provided (Used) by Financing Activities	<u>NONE</u>	
Net Increase (Decrease) in Cash and Cash Equivalents		(144,123)
Cash and Cash Equivalents at Beginning of Year	<u>283,136</u>	
Cash and Cash Equivalents at End of Year	\$ <u>139,013</u>	

See Accompanying Notes.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Metropolitan Battered Women's Program, Inc. (MBWP) is a not-for-profit "domestic violence program, which provides assistance through counseling and advocacy, both emergency and non-emergency to battered women and their children. MBWP also operates both emergency and transitional housing, two outreach offices and a legal office which houses a full-time attorney and a part-time paralegal. A wide array of services is also provided to the children of survivors in the form of counseling, computer enrichment, field trips, etc.

B. Principles

The financial statements of MBWP, Inc. have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

C. Basis of Presentation

MBWP, Inc.'s financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Unrestricted Net Assets - limited only by the broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation or bylaws and limits resulting from contractual agreements with suppliers, creditors and others entered into by the organization in the course of its business.

Temporarily Restricted Net Assets - assets whose restrictions lapse with the passage of time.

Permanently Restricted Net Assets - assets whose restrictions do not lapse with the passage of time.

Presently MBWP, Inc. has unrestricted and temporarily restricted net assets.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Contributions

Contributions are recognized when a donor makes a promise to give. Contributions that are restricted by the donor are reported as increases in temporarily unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

E. Equipment and Furnishings

MBWP follows the practice of capitalizing equipment and furnishings over \$ 2,000. Equipment and furnishings are carried at cost. Depreciation is computed using the straight-line method over five years for vehicles, three years for furniture and equipment, ten years for leasehold improvements and thirty years for buildings. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statement of activity for the period. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized. Deductions are made of retirements resulting from renewals or betterments.

F. Income Taxes

The MBWP is operating under Section 501 © (3) of the Internal Revenue Code, and is generally exempt from federal, state and local income taxes. Accordingly, no provision for income taxes is included in the financial statements. This nonprofit organization has been classified as an organization that is not a private foundation under Sec 509 (A).

G. Cash and Cash Equivalents

For purposes of the statement of cash flows, MBWP considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

At June 30, 2004 all of MBWP's cash balances were secured by Federal Depository Insurance (FDIC).

Amounts on deposit in excess of the FDIC coverage are categorized as follows;

Category 1 – Insured or collateralized with securities held by the District or by its agent in the District's name.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

H. Cash and Cash Equivalents

Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.

Category 3 – Uncollateralized

MBWP's deposits in excess of FDIC insurance are categorized as described in Category 2.

All cash balances approximate carrying values at June 30, 2004.

I. Use of 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.

J. Annual and Sick Leave

The MBWP allows the accrual of vacation on all full-time employees who have successfully completed six (6) months of employment at a rate of seven (7) hours of vacation time per month. Thereafter, any regular, full-time employee, who has successfully completed the one-year probation, will be allowed to earn one (1) vacation day at the end of each month.

Sick leave accrues at a rate of 5.83 hours of sick leave per month.

Vacation and sick leave cannot accrue from year to year.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2004

NOTE 2- GRANT RECEIVABLE

MBWP had the following amounts receivable from grants at June 30, 2004:

	<u>AMOUNT</u>
Office of Women's Policy – Family Violence	\$ 23,059
Office of Women's Services – TANF	13,192
Metropolitan Commission on Law Enforcement	6,961
Department of Housing & Urban Development	24,095
Crime Victims Assistance Program	5,238
Louisiana Coalition Against Domestic Violence	4,179
Violence Against Women	3,619
Louisiana Bar Association	887
Emergency Shelter	17,365
U.S. Office of Justice	<u>36,761</u>
Total Receivables	\$ <u>135,356</u>

NOTE 3 – PREPAID EXPENSES

The balance of \$ 19,379 represents MBWP's prepayment of general liability, auto and property insurance.

NOTE 4- FURNITURE & FIXTURES

MBWP's furniture and fixtures consist of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Land	--	\$ 40,000	--	\$ 40,000
Buildings	--	152,844	--	152,844
Vehicles	\$ 32,859	71,899	\$ (32,859)	71,899
Equipment and Furnishings	<u>15,905</u>	--	(4,367)	<u>11,538</u>
Total	\$ 48,764	--	--	\$276,281
Less: Accumulated Depreciation				<u>(25,122)</u>
Net Fixed Assets				<u>\$251,159</u>

Total depreciation expense totals \$ 20,423 June 30, 2004.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2004

NOTE 5- CONCENTRATIONS

The MBWP receives 76 % of its revenues from federal and state grantors.

NOTE 6 - CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the U.S. Department of Housing and Neighborhood Development, the Department of Justice, and the Department of Health and Hospitals. Any disallowed claims including amounts already collected, may constitute a liability of applicable funds. The amount, if any, or expenditures which may be disallowed by the grantor cannot be determined at this time; although MBWP expects such amounts to be immaterial.

NOTE 7- COMMITMENTS

The MBWP leased property at two separate locations. The first location is the Jefferson Parish East Bank building in which the administrative offices and a transitional shelter is housed. MBWP does not pay rent at this location and the lease is renewable on a year to year basis. The second location is located in LaPlace. This LaPlace location is used as an offsite outreach office. The LaPlace location is leased at a rate of \$ 188 per month. This lease is also renewable annually for a one year term. Total lease payments paid during the year ended June 30, 2004 was \$ 3,359. The future minimum rental payments are as follows:

June 30, 2005	\$ <u>2,256</u>
---------------	-----------------

Management has renewed the lease for the upcoming year.

NOTE 8 – RELATED PARTY TRANSACTIONS

It was noted during my testing that the Executive Director's husband often performs routine maintenance on the building donated by Jefferson Parish for use by the program. Total payments for this type of maintenance amounted to \$ 4,114 at June 30, 2004. *Note: These transactions were mentioned in the prior year's report and subsequently reviewed by the Ethics Board of the State of Louisiana during 2004 with no ethics findings forthcoming.*

SUPPLEMENTARY INFORMATION



**EILEEN
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**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 of
Metropolitan Battered Women's Program, Inc.
P. O. Box 10775
Jefferson, LA 70181

I have audited the financial statements of the Metropolitan Battered Women's Program (a nonprofit organization) (MBWP) as of and for the year ended June 30, 2004, and have issued my report thereon dated August 3, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

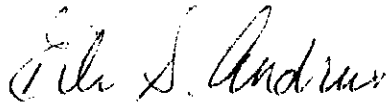
As part of obtaining reasonable assurance about whether MBWP's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, I noted certain immaterial instances of noncompliance, which I have reported to management of MBWP in a separate letter dated August 3, 2004.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered MBWP's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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 amount that would be material in relation to the financial statements being audited may occur and not be detected in a timely period by employees in the normal course of performing their assigned functions.

I noted no matters involving the internal control over financial reporting and its operation that I consider to be a material weakness. *However, I noted other matters involving the internal control over financial reporting, which I have reported to management of the MBWP in a separate letter dated August 3, 2004.*

This report is intended for the information of management, the Board of Directors of MBWP, the Legislative Auditor of the State of Louisiana, federal, state and local awarding agencies and pass-through agencies. This report is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Eileen Shanklin Andrus
CERTIFIED PUBLIC ACCOUNTANT
A LIMITED LIABILITY COMPANY

August 3, 2004

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2004

Section 1 Summary of Auditor's Reports

Financial Statements

Type of auditor's report issued = unqualified

Type of auditor's report issued on compliance and internal control = Unqualified.

Internal Control over financial reporting:

Material Weakness (es) identified Yes No

Reportable Condition(s) identified
that is not considered to be
material weaknesses Yes None Reported

Noncompliance material to financial
Statements noted? Yes No

NOT APPLICABLE, SINGLE AUDIT NOT REQUIRED.

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? Yes No

Reportable condition(s) identified
that is not considered to be a
material weakness(es). Yes None Reported

Type of auditor's report issued on compliance for major programs =

Any audit findings disclosed that
are required to be reported
in accordance with section
510 (a) of Circular A-133? Yes No

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2004

Section 1 Summary of Auditor's Reports

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
-----------------------	---

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

Auditee qualified as low-risk auditee? Yes No

Section II Financial Statement Findings and Questioned Costs

NONE NOTED.

Section III Federal Award Findings and Questioned Costs

NONE NOTED.

METROPOLITAN BATTERED WOMEN'S PROGRAM, INC.

Status of Prior Year Findings and Management Comments

For the Year Ended June 30, 2004

REPORTABLE CONDITION

None Reported in prior year.

MANAGEMENT LETTER COMMENTS

MGT. 03-01 Cash Balances in Excess of \$100,000 = Resolved.

MGT. 03-02 Non-Cash Donation Recording = Partially Resolved.



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August 3, 2004

Metropolitan Battered Women's Program, Inc.
P.O. Box 10775
Mrs. Dale Standifer
Jefferson, LA 70538

I have audited the financial statements of the Metropolitan Battered Women's Program, Inc. (MBWP) as of and for the year ended June 30, 2004, and have issued my report thereon dated August 3, 2004. I conducted my 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.

As part of my examination, I have issued my report on the financial statements dated June 30, 2004 and my report on internal control and compliance with laws, regulations, and contracts dated June 30, 2004.

In planning and performing my audit of the financial statements of MBWP, I considered its internal control in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on internal control.

However, I noted certain matters involving internal control and its operation that I consider to be important, but not significant enough to be considered a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of internal control that, in my judgment, could adversely affect the ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

The following conditions were noted during the course of conducting MBWP's audit for the year ended June 30, 2004.

MGT. 03-02 Non-Cash Donation Recording

Condition: I noted during my testing of non-cash donations that MBWP's value of donated bags of clothes were not always consistent and objective. There were several instances where bags of clothes were valued at differing amounts for the same number of bags, without explanation.

Recommendation: I recommend that all amounts recorded for bags of clothes be consistently followed as outlined to me by MBWP staff, unless an explanation is provided as to why the difference in valuation is needed.

MGT. 04-01 Federal Dollars Utilized for Audit


Condition: I noted during my testing that \$ 4,315 was charged to and approved by the Office of Woman's Policy and the Department of Housing and Urban Development for audit fees under the federal dollar allocation of the Family Violence and the Emergency Shelter Grants, respectively. The Office of Management and Budget Circular A-133 specifically prohibits the payment of audit fees from federal dollars when a Single-Audit is not required of the auditee by OMB A-133.

Recommendation: I recommend that projections be prepared to evaluate the likelihood of MBWP needing a Single Audit and the federal budgets adjusted accordingly.

These recommendations are merely suggestions and should not be construed as a criticism of management or the administrative staff.

If you need any further explanation or advice in implementing any of these recommendations please do not hesitate to call me at (985) 209-3067

Sincerely,


Eileen S. Andrus
CERTIFIED PUBLIC ACCOUNTANT
A LIMITED LIABILITY COMPANY

METROPOLITAN BATTERED WOMEN'S PROGRAM
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Website: www.metrobatteredwoman.com

October 6, 2004

Mrs. Eileen Andrus, CPA
210 Belle Meade Blvd.
Thibodaux, LA 70301

RE: Independent Auditor's Report for the Year Ended June 30, 2004
Management Response

Dear Mrs. Andrus:

Regarding comments made on the above referenced audit:

MGT. 03-02 Non-Cash Donation Recording:

Your recommendation that all amounts recorded for bags of clothes be consistently followed as outlined will be implemented. A system will be developed to have two points at which if a mistake is made, it can be remedied.

The confusion here has been to differentiate between clothes that are in excellent condition and those which are unacceptable to be re-used. All staff members involved will receive additional training on how to follow the guidelines more carefully.

MGT. 04-01 Federal Dollars Utilized for Audit

We are aware that federal dollars should not be used for audits that are not Single Audits. The problem is that we were so close to the \$ 500,000 threshold that we believed we would need the Single Audit. By the time it became apparent that we didn't we had passed the deadline of May 5, which the Office of Woman's Policy had established as the final date for an amended budget to be submitted. I am almost certain that next year we will once again need

the Single Audit as we have in multiple years past (except this one) and so we will appropriately reflect this in the proposed budgets.

Sincerely,

A handwritten signature in black ink that reads "Dale Standifer". The signature is written in a cursive style with a large, prominent initial "D".

Dale E. Standifer, LCSW
Executive Director