

9097

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**

Audit of Financial Statements

June 30, 2008

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 1/28/09

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ROBERT W. HIENZ, C.P.A.  
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## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Metropolitan Center for Women and Children, Inc.

We have audited the accompanying statement of financial position of Metropolitan Center for Women and Children, Inc. (MCWC) as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the MCWC'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 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 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 Center for Women and Children, Inc. as of June 30, 2008, and the change 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2008, on our consideration of the MCWC's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. In addition, the schedule of functional expenses on pages 11 and 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such

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

*Hienz & Macaluso, LLC*

**HIENZ & MACALUSO, LLC**

Metairie, LA

December 11, 2008

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2008**

**ASSETS**

<b>Current Assets</b>	
Cash - operating	\$ 94,571
Cash - savings	894,177
Grants receivable	184,258
Prepaid expenses	<u>16,218</u>
<b>Total current assets</b>	<b><u>1,189,224</u></b>
Property and equipment, net	<u>250,598</u>
<b>Total assets</b>	<b><u>\$ 1,439,822</u></b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>	
Accounts payable	\$ 3,002
Deferred revenue	4,825
Other liabilities	<u>30,129</u>
<b>Total current liabilities</b>	<b><u>37,956</u></b>
<b>Net Assets</b>	
Unrestricted	<u>1,401,866</u>
<b>Total net assets</b>	<b><u>1,401,866</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 1,439,822</u></b>

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

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**SUPPORT**

**Federal Financial Assistance**

Office of Women's Policy - Family Violence	\$ 107,786
Louisiana Commission on Law Enforcement - Violence Against Women	73,023
Louisiana Commission on Law Enforcement - Crime Victims Assistance	26,848
Jefferson Parish Metropolitan District Law Enforcement - Domestic Violence Counseling	18,943
U.S. Department of Housing and Urban Development - Supportive Housing Services	126,308
U.S. Department of Housing and Urban Development - Emergency Shelter Grants	48,508
U.S. Department of Justice - Human Trafficking	126,665
Louisiana Foundation Against Sexual Assault	71,231
Anti-Stalking Program	30,455
Louisiana Coalition Against Domestic Violence - Disability	50
Lafourche Parish Sheriff's Office Counsel	38,509
Temporary Assistance for Needy Families	121,146
Emergency Food and Shelter Program - United Way	43,314

**State Financial Assistance**

Office of Women's Policy - Family Violence	317,214
Office of Women's Services - Family Violence	38,704
Louisiana Bar Association	70,660

**Other Financial Assistance**

Soroptimist	20,000
TJX Foundation	3,224
Greater New Orleans Foundation	15,000
Avon Foundation	22,598
United Way of Greater New Orleans	20,000
St. Charles Parish United Way	15,000
St. John Parish United Way	25,232

<b>Total support</b>	<u>1,380,418</u>
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**Other Income**

Interest income	15,274
Donations	408,144
Fundraiser income	14,525
In-kind contributions	238,644

<b>Total other income</b>	<u>676,587</u>
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<b>Total support and other income</b>	<u>2,057,005</u>
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The accompanying notes are an integral part of these financial statements.

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**STATEMENT OF ACTIVITIES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**EXPENSES**

Program expenses	\$ 1,309,345
Management and general	304,452
Fundraising	<u>566</u>
<b>Total expenses</b>	<b><u>1,614,363</u></b>
<b>Increase in net assets</b>	<b>442,642</b>
<b>Net assets, beginning of year</b>	<b><u>959,224</u></b>
<b>Net assets, end of year</b>	<b><u>\$ 1,401,866</u></b>

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

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Change in net assets	\$ 442,642
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	22,870
Changes in assets and liabilities:	
Grants receivable	(42,897)
Prepaid expenses	1,534
Accounts payable and deferred revenue	(39,157)
Other liabilities	<u>(267)</u>
<b>Net cash provided by operating activities</b>	<u>384,725</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Purchase of property and equipment	<u>(40,119)</u>
<b>Net cash used in investing activities</b>	<u>(40,119)</u>
<b>Net increase in cash and cash equivalents</b>	344,606
<b>Cash and cash equivalents, beginning of year</b>	<u>644,142</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 988,748</u>
<b>Reconciliation of cash and cash equivalents on statement of financial position</b>	
Cash - operating	\$ 94,571
Cash - savings	<u>894,177</u>
<b>Total cash and cash equivalents</b>	<u>\$ 988,748</u>

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

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**Note 1 – Organization**

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

**Basis of Accounting**

The financial statements of MCWC have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

**Basis of Presentation**

MCWC'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 Non-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, MCWC has no temporarily or permanently restricted net assets.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 CENTER FOR WOMEN AND CHILDREN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**Note 1 – Organization (Continued)**

**Revenue Recognition**

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

**Property and Equipment**

Acquisitions of property and equipment in excess of \$2,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of the donation. 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 activities for the period. The cost of repairs and maintenance is charged to expense as incurred; significant renewals and betterments are capitalized. Deductions are made of retirements resulting from renewals or betterments.

**Income Taxes**

The MCWC 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 non-profit organization has been classified as an organization that is not a private foundation under Section 509(A).

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, MCWC has considered all unrestricted cash and other highly liquid investments with original maturities of three months or less to be cash equivalents.

**Annual and Sick Leave**

The MCWC allows the accrual of vacation and sick leave on all full-time employees who have successfully completed six (6) months of employment at a rate of seven (7) hours of vacation and sick 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 and sick day at the end of each month. However, if an employee does not use their vacation time, this time is not accrued for the following year.

**Deferred Revenue**

Advances from grants are deferred and recognized over the periods to which the expenses are incurred.

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**Note 2 – Grants Receivable**

MCWC has the following amounts receivable from grants at June 30, 2008:

Office of Women’s Policy – Family Violence	\$ 35,435
Anti-Stalking Program	7,912
Counseling	8,187
Temporary Assistance for Needy Families	23,593
Louisiana Commission on Law Enforcement	12,100
Emergency Shelter	10,108
Louisiana Foundation Against Sexual Assault	208
Department of Housing and Urban Development	39,792
Metropolitan Commission on Law Enforcement	2,677
Crime Victims Assistance Program	7,114
Lafourche Parish Sheriff’s Office	3,261
Violence Against Women	4,143
Department of Justice	26,578
Emergency Food and Shelter Program	<u>3,150</u>
<b>Total Receivables</b>	<b><u>\$184,258</u></b>

Grants receivable are considered fully collectible; therefore, management does not consider an allowance for doubtful accounts to be necessary.

**Note 3 – Prepaid Expenses**

The balance of \$16,218 represents MCWC’s prepayment of health, general liability, auto and property insurance.

**Note 4 – Property and Equipment**

Property and equipment and depreciation activity for the year ended June 30, 2008 follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Land	\$ 40,000	\$ -	\$ -	\$ 40,000
Buildings	232,939	-	-	232,939
Vehicles	54,945	31,167	27,847	58,265
Equipment and Furnishings	<u>26,508</u>	<u>9,486</u>	<u>-</u>	<u>35,994</u>
<b>Total</b>	<b>354,392</b>	<b>40,653</b>	<b>27,847</b>	<b>367,198</b>
Less: Accumulated Depreciation	<u>(121,577)</u>	<u>(22,870)</u>	<u>27,847</u>	<u>(116,600)</u>
<b>Property and Equipment, Net</b>	<b><u>\$232,815</u></b>	<b><u>\$17,783</u></b>	<b><u>-</u></b>	<b><u>\$ 250,598</u></b>

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**Note 5 – Concentrations**

The MCWC received approximately 61% of its total revenues from Federal and State grantors.

The MCWC maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000.

**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, of expenditures which may be disallowed by grantors cannot be determined at this time, although MCWC expects any such amounts to be immaterial.

**Note 7 – Lease Commitments**

The MCWC leases property at two separate locations. The first location is the Jefferson Parish East Bank building in which the administrative offices and a transitional shelter are housed. MCWC does not pay rent at this location and the lease is renewable on a year to year basis. Total in-kind contribution for rent at this location amounted to \$87,570 for the year ended June 30, 2008. The second location is located in Laplace. This Laplace location is used as an offsite outreach office. The Laplace location is leased at a below market rate of \$188 per month, with the difference being considered as in-kind contribution. The lease is also renewable annually for a one year term. Lease payments paid during the year ended June 30, 2008 totaled \$2,250. Total in-kind contribution for rent at this Laplace location amounted to \$3,270 for the year ended June 30, 2008. The future minimum rental payments for June 30, 2009 are \$2,250. Management has renewed the lease for the upcoming year.

**Note 8 – Related Party Transactions**

The Executive Director's husband performs routine maintenance on the building donated by Jefferson Parish for use by the program. Payments for this type of maintenance totaled \$263 for the year ended June 30, 2008.

**Note 9 – Expense Allocation**

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Schedule of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**SUPPLEMENTARY INFORMATION**

METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.  
 SCHEDULE OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 2008

Expenses	Program Expenses													Program Expense Total
	Office of Women's Services	Violence against Women	Lafourche Parish Sheriff's Office	Human Trafficking	Counseling	Assistance	HUD Transitional Housing Grant	HUD Emergency Shelter Grant	L'Etie Bar Association	Anti-Smoking Program	Louisiana Foundation Against Sexual Assault	Temporary Assistance for Needy Families		
Personnel	\$ 280,716	\$ 99,874	\$ 77,944	\$ 102,480	\$ 18,943	\$ 25,374	\$ 116,721	\$ 17,972	\$ 30,908	\$ 27,844	\$ 39,732	\$ -	\$ -	\$ 788,458
Travel and entertainment	6,780	-	75	5,830	-	-	-	2,498	2,255	-	3,892	-	-	21,281
Operating costs	87,800	-	-	4,455	-	1,524	5,940	26,010	32,083	687	-	-	-	121,146
Supplies	20,835	738	-	2,503	-	-	4,548	-	-	600	-	-	-	29,744
Equipment costs	10,999	-	-	-	-	-	-	2,029	3,414	-	-	-	-	16,442
Other costs	17,870	-	10,540	11,397	-	-	-	-	2,000	1,344	-	-	-	43,151
<b>Total expense</b>	<b>425,000</b>	<b>100,612</b>	<b>38,509</b>	<b>136,665</b>	<b>18,943</b>	<b>26,848</b>	<b>126,309</b>	<b>48,509</b>	<b>70,661</b>	<b>30,455</b>	<b>43,624</b>	<b>121,146</b>	<b>-</b>	<b>1,177,301</b>
In-kind Expenses														
In-kind rent	21,557	-	-	-	-	-	-	34,810	22,865	-	-	-	-	79,232
In-kind clothing and supplies	-	21,120	-	-	4,738	6,733	-	-	12,627	7,614	-	-	-	52,812
Volunteers	-	-	-	-	4,738	6,733	-	34,810	35,492	7,614	-	-	-	132,044
<b>Total in-kind expense</b>	<b>21,557</b>	<b>21,120</b>	<b>-</b>	<b>-</b>	<b>4,738</b>	<b>6,733</b>	<b>-</b>	<b>34,810</b>	<b>35,492</b>	<b>7,614</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132,044</b>
<b>Total expense</b>	<b>\$ 446,557</b>	<b>\$ 121,732</b>	<b>\$ 38,509</b>	<b>\$ 126,665</b>	<b>\$ 23,681</b>	<b>\$ 33,581</b>	<b>\$ 126,309</b>	<b>\$ 83,319</b>	<b>\$ 106,153</b>	<b>\$ 38,069</b>	<b>\$ 43,624</b>	<b>\$ 121,146</b>	<b>\$ -</b>	<b>\$ 1,309,345</b>

METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.  
 SCHEDULE OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 2008

Expenses	Management and General										Fundraising
	St. John Parish United Way	St. Charles Parish United Way	Avon Foundation	Scopitnist	TIX Foundation	Greater New Orleans Foundation	United Way of Greater New Orleans	Emergency Food & Shelter United Way	Non-Grant	Management and General Total	
Personnel	6,000	12,550	22,598	278	-	-	17,311	-	19,878	78,525	-
Travel and entertainment	711	1,450	-	-	-	-	-	-	2,046	4,207	-
Operating costs	14,521	500	-	5,000	3,224	15,000	2,202	5,000	(17,721)	27,726	566
Supplies	2,500	500	-	-	-	-	417	31,469	279	35,225	-
Equipment costs	-	-	-	-	-	-	-	6,762	-	6,762	-
Other costs	1,500	-	-	14,722	-	-	-	83	29,002	45,307	-
<b>Total expense</b>	<b>25,232</b>	<b>15,000</b>	<b>22,598</b>	<b>20,000</b>	<b>3,224</b>	<b>15,000</b>	<b>20,000</b>	<b>43,314</b>	<b>33,484</b>	<b>197,852</b>	<b>566</b>
In-kind Expenses	-	-	-	-	-	-	-	-	11,609	11,609	-
In-kind rent	-	-	-	-	-	-	-	-	50,948	50,948	-
In-kind clothing and supplies	-	-	-	-	-	-	-	-	44,043	44,043	-
Volunteers	-	-	-	-	-	-	-	-	-	-	-
<b>Total In-kind expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106,600</b>	<b>106,600</b>	<b>-</b>
<b>Total expense</b>	<b>\$ 25,232</b>	<b>\$ 15,000</b>	<b>\$ 22,598</b>	<b>\$ 20,000</b>	<b>\$ 3,224</b>	<b>\$ 15,000</b>	<b>\$ 20,000</b>	<b>\$ 43,314</b>	<b>\$ 140,084</b>	<b>\$ 304,452</b>	<b>\$ 566</b>

**OMB CIRCULAR A-133 SECTION**

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

FEDERAL GRANTOR/PASS-THROUGH AGENCY/PROGRAM TITLE	Federal CFDA Number	Federal Expenditures
U.S. Department of Justice		
Direct Award		
Human Trafficking	16.320	\$ 126,665
Passed through Louisiana Coalition Against Domestic Violence		
SARA Disability	16.529	50
Passed through Lafourche Counsel		
Lafourche Counsel	16.590	38,509
Passed through Louisiana Commission on Law Enforcement		
Rape Counseling	16.588	23,113
Sexual Assault	16.588	27,099
Violence Against Women	16.588	22,811
Rape Counseling	16.582	27,607
Anti-Stalking	16.582	30,455
CVA Shelter Program	16.582	26,848
METLEC	16.575	<u>18,943</u>
Total U.S. Department of Justice		<u>342,100</u>
U.S. Department of Housing and Urban Development		
Direct Award		
Emergency Shelter Grant	14.231	48,508
Direct Award		
Supportive Housing Program	14.235	<u>126,308</u>
Total U.S. Department of Housing and Urban Development		<u>174,816</u>
U.S. Department of Social Services		
Direct Award		
TANF Children Services	93.558	19,761
TANF Family Services	93.558	101,385
Passed through Office of Women's Policy		
OWP	93.671	107,786
Passed through Louisiana Foundation Against Sexual Assault		
Rape Prevention Education	93.136	<u>43,624</u>
Total U.S. Department of Social Services		<u>272,556</u>
U.S. Department of Homeland Security		
Direct Award		
Emergency Food and Shelter Program	97.024	<u>43,314</u>
Total Expenditures of Federal Awards		<u>\$ 832,786</u>

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Metropolitan Center for Women and Children, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.



ROBERT W. HIENZ, C.P.A.  
ANTHONY J. MACALUSO, JR., C.P.A.

DAVID V. ERNST

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

The Board of Directors  
Metropolitan Center for Women and Children, Inc.

We have audited the financial statements of the Metropolitan Center for Women and Children, Inc. (MCWC) as of and for the year ended June 30, 2008, and have issued our report thereon dated December 11, 2008. We conducted our 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Innovators in MCWC's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MCWC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of MCWC's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects MCWC's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of MCWC's financial statements that is more than inconsequential will not be prevented or detected by MCWC's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by MCWC's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether MCWC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of directors, management, federal awarding agencies and pass-through entities and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor for the State of Louisiana as a public document.

*Hienz & Macaluso, LLC*

**HIENZ & MACALUSO, LLC**  
METAIRIE, LA  
DECEMBER 11, 2008



ROBERT W. HIENZ, C.P.A.  
ANTHONY J. MACALUSO, JR., C.P.A.

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Board of Directors  
Metropolitan Center for Women and Children, Inc.

Compliance

We have audited the compliance of Metropolitan Center for Women and Children, Inc. (MCWC) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. MCWC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of MCWC's management. Our responsibility is to express an opinion on MCWC's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about MCWC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of MCWC's compliance with those requirements.

In our opinion, MCWC complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

### Internal Control over Compliance

The management of MCWC is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered MCWC's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of MCWC's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of MCWC's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of directors, management, federal awarding agencies and pass-through entities and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor for the State of Louisiana as a public document.



**HIENZ & MACALUSO, LLC**  
METAIRIE, LA  
DECEMBER 11, 2008

**METROPOLITAN CENTER FOR WOMEN AND CHILDREN, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**A. SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Metropolitan Center for Women and Children, Inc.
2. No significant deficiencies relating to the audit of the financial statements of Metropolitan Center for Women and Children, Inc. are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of non-compliance material to the financial statements of Metropolitan Center for Women and Children, Inc. were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Metropolitan Center for Women and Children, Inc. expresses an unqualified opinion.
6. Audit findings that are required to be reported in Accordance with Section 510(a) of OMB Circular A-133 are reported in Part C of this Schedule.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA No.</u>
Services for Human Trafficking Victims	16.320
Supportive Housing Program	14.235
Family Violence Prevention and Services	93.671
Violence Against Women Formula Grants	16.588

8. The threshold for distinguishing Type A and Type B programs was \$300,000.
9. Metropolitan Center for Women and Children, Inc. did not qualify as a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS AUDIT**

None