

THE WOMEN'S CENTER, INC.

FINANCIAL REPORT

DECEMBER 31, 2009

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Winter, Kloman, Moter & Repp, S.C.

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Independent Auditor's Report

To the Board of Directors
The Women's Center, Inc.
Waukesha, Wisconsin

We have audited the accompanying statement of financial position of The Women's Center, Inc. (a nonprofit organization) as of December 31, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of The Women's Center, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Center's 2008 financial statements, and, in our report dated June 25, 2009, we expressed an unqualified opinion on those financial statements.

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 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 The Women's Center, Inc., as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2010 on our consideration of The Women's Center, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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 performed for the purpose of forming an opinion on the basic financial statements of The Women's Center, Inc. taken as a whole. The accompanying schedule of expenditures of governmental awards is presented for purposes of additional analysis as required by the *Provider Agency Audit Guide* issued by the Wisconsin Department of Health Services and is not a required part of the basic financial statements. The accompanying schedules of unrestricted public support, revenue and expenses by program – operating and unrestricted functional expenses – operating are presented for purposes of additional analysis and are also not a required part of the basic financial statements. The information in these schedules 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.

Winter, Homan, Moter & Repp, S.C.

June 14, 2010

THE WOMEN'S CENTER, INC.

STATEMENT OF FINANCIAL POSITION
For the Year Ended December 31, 2009 with Comparative Totals for 2008

	-----Unrestricted-----						
	Operating	Property & Equipment	Total	Temporarily Restricted	Permanently Restricted	Total 2009	Total 2008
ASSETS							
CURRENT ASSETS							
Cash and equivalents	\$ 585,813	\$ 133,031	\$ 718,844	\$ 12,314	\$ 0	\$ 731,158	\$ 603,664
Grants receivable	56,824	0	56,824	0	0	56,824	80,144
Total current assets	642,637	133,031	775,668	12,314	0	787,982	683,808
PROPERTY AND EQUIPMENT							
Land and improvements	0	105,147	105,147	0	0	105,147	100,854
Buildings and improvements	0	3,283,745	3,283,745	0	0	3,283,745	3,289,740
Furniture and equipment	0	154,528	154,528	0	0	154,528	220,075
	0	3,543,420	3,543,420	0	0	3,543,420	3,610,669
Less accumulated depreciation	0	916,970	916,970	0	0	916,970	896,286
Net property and equipment	0	2,626,450	2,626,450	0	0	2,626,450	2,714,383
OTHER ASSETS							
Beneficial interest in endowments held by others	48,116	0	48,116	0	221,557	269,673	193,604
Total other assets	48,116	0	48,116	0	221,557	269,673	193,604
Total assets	\$ 690,753	\$2,759,481	\$3,450,234	\$ 12,314	\$ 221,557	\$3,684,105	\$3,591,795
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable	\$ 9,761	\$ 0	\$ 9,761	\$ 0	\$ 0	\$ 9,761	\$ 11,786
Accrued wages and benefits	87,832	0	87,832	0	0	87,832	82,784
Total current liabilities	97,593	0	97,593	0	0	97,593	94,570
LONG-TERM DEBT							
Mortgage payable	0	33,180	33,180	0	0	33,180	33,180
Total long-term debt	0	33,180	33,180	0	0	33,180	33,180
Total liabilities	97,593	33,180	130,773	0	0	130,773	127,750
NET ASSETS							
Unrestricted:							
Board designated	37,000	0	37,000	0	0	37,000	0
Undesignated	556,160	2,726,301	3,282,461	0	0	3,282,461	3,224,879
Restricted	0	0	0	12,314	221,557	233,871	239,166
Total net assets	593,160	2,726,301	3,319,461	12,314	221,557	3,553,332	3,464,045
Total liabilities and net assets	\$ 690,753	\$2,759,481	\$3,450,234	\$ 12,314	\$ 221,557	\$3,684,105	\$3,591,795

The Notes to Financial Statements are an integral part of these statements.

THE WOMEN'S CENTER, INC.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2009 with Comparative Totals for 2008

-----Unrestricted-----							
	Operating	Property & Equipment	Total	Temporarily Restricted	Permanently Restricted	Total 2009	Total 2008
PUBLIC SUPPORT AND REVENUE							
Government grants	\$ 691,609	\$ 0	\$ 691,609	\$ 0	\$ 0	\$ 691,609	\$ 702,758
United Way	279,967	0	279,967	0	0	279,967	279,967
Program and rent fees	44,185	0	44,185	0	0	44,185	52,220
Contributions	454,935	0	454,935	21,551	200	476,686	436,227
Foundation and corporate grants	302,328	0	302,328	0	0	302,328	210,241
Special events	185,965	0	185,965	0	0	185,965	174,512
Investment income (loss)	55,230	0	55,230	0	0	55,230	(48,758)
Miscellaneous	266	0	266	0	0	266	1,292
	<u>2,014,485</u>	<u>0</u>	<u>2,014,485</u>	<u>21,551</u>	<u>200</u>	<u>2,036,236</u>	<u>1,808,459</u>
Net assets released from restrictions	27,046	0	27,046	(27,046)	0	0	0
Total public support and revenue	<u>2,041,531</u>	<u>0</u>	<u>2,041,531</u>	<u>(5,495)</u>	<u>200</u>	<u>2,036,236</u>	<u>1,808,459</u>
EXPENSES							
Program services							
Counseling	235,960	0	235,960	0	0	235,960	227,173
Child abuse prevention	152,320	0	152,320	0	0	152,320	195,013
Education	42,382	0	42,382	0	0	42,382	43,013
Employment	125,115	0	125,115	0	0	125,115	145,685
Shelter	856,812	0	856,812	0	0	856,812	872,845
Transitional living	227,551	0	227,551	0	0	227,551	269,603
Supporting services							
Management and general	137,918	0	137,918	0	0	137,918	143,073
Fund raising and special events	168,891	0	168,891	0	0	168,891	189,378
Total expenses	<u>1,946,949</u>	<u>0</u>	<u>1,946,949</u>	<u>0</u>	<u>0</u>	<u>1,946,949</u>	<u>2,085,783</u>
Change in net assets	94,582	0	94,582	(5,495)	200	89,287	(277,324)
Interfund transfers	85,181	(85,181)	0	0	0	0	0
NET ASSETS							
Beginning of year	<u>413,397</u>	<u>2,811,482</u>	<u>3,224,879</u>	<u>17,809</u>	<u>221,357</u>	<u>3,464,045</u>	<u>3,741,369</u>
End of year	<u>\$ 593,160</u>	<u>\$2,726,301</u>	<u>\$3,319,461</u>	<u>\$ 12,314</u>	<u>\$ 221,557</u>	<u>\$3,553,332</u>	<u>\$3,464,045</u>

The Notes to Financial Statements are an integral part of these statements.

THE WOMEN'S CENTER, INC.

**STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2009 and 2008**

	2009	2008
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 89,287	\$ (277,324)
Adjustments to reconcile change in net assets to net cash flow, from operations:		
Depreciation and amortization	98,426	149,780
Gain on investments	0	(15,328)
Beneficial interest in endowments held for others	(76,069)	84,728
(Increase) decrease in:		
Pledges and grants receivable	23,320	36,599
Increase (decrease) in:		
Accounts payable	(2,025)	2,476
Accrued wages and benefits	5,048	4,085
Accrued interest	<u>0</u>	<u>(2,400)</u>
Net cash flows from operating activities	<u>137,987</u>	<u>(17,384)</u>
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	(10,493)	(21,772)
Proceeds from sale of investments	<u>0</u>	<u>231,791</u>
Net cash flows from investing activities	<u>(10,493)</u>	<u>210,019</u>
 <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payments on bond	<u>0</u>	<u>(800,000)</u>
Net cash flows from financing activities	<u>0</u>	<u>(800,000)</u>
 Net change in cash and equivalents	 127,494	 (607,365)
Cash and equivalents, beginning of year	<u>603,664</u>	<u>1,211,029</u>
Cash and equivalents, end of year	<u>\$731,158</u>	<u>\$ 603,664</u>
 <u>SUPPLEMENTAL CASH FLOW INFORMATION</u>		
Cash paid during the year for interest	<u>\$ 0</u>	<u>\$ 8,880</u>

The Notes to Financial Statements are an integral part of these statements.

THE WOMEN'S CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Method of accounting:

The Women's Center, Inc. (the Center) follows the accrual method of accounting wherein revenues, costs, and expenses are reflected in the period earned or incurred.

Financial statement presentation:

The Center reports 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. Under these provisions, net assets and contributions received are classified based on the existence or nature of any donor restrictions.

Unrestricted net assets are not subject to donor-imposed stipulations. Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met either by actions of the Center and/or the passage of time. Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently. The Center had \$221,557 and \$221,357 of net assets permanently restricted for endowment funds as of December 31, 2009 and 2008, respectively.

Cash and equivalents:

The Center considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, including money market funds. Financial instruments that potentially subject the Center to credit risk are cash balances that periodically exceed the federal insurance limit.

Beneficial interest in endowments held by others:

The Center has adopted accounting policies on the Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others. Under these provisions, when a resource provider (the Center) transfers assets to another agency but specifies itself as the beneficiary, the economic benefit remains with the Center. Accordingly, the assets and net assets are included in these financial statements. The Center has granted general variance powers to the Foundations. The Center will receive periodic distributions on these investments from the Foundations.

Property and equipment:

Purchased property and equipment are recorded at cost. Major additions and improvements are capitalized. Maintenance and repairs are expensed currently.

Depreciation is computed using the straight-line method over estimated useful lives of the assets ranging from five to fifty years for the buildings and improvements and five to ten years for furniture and equipment.

THE WOMEN'S CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Impairment of long-lived assets:

The Project reviews long-lived assets, including fixed assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. There have been no such losses in 2009 or 2008.

Compensated absences:

The Center reflects a liability for accrued vacation and holiday pay for all employees who held vested rights to such compensation. These benefits totaled \$37,270 and \$37,716 at December 31, 2009 and 2008, respectively.

Functional allocation of expenditures:

Payroll and related expenses are allocated to the programs based on estimated time spent in each program. Expenses specifically identifiable with a program are charged to that program. All other indirect expenses are charged to the programs according to a cost allocation plan based on employees in the programs.

Donated services:

The Center pays for most services requiring specific expertise. However, many volunteers, including nursing professionals, have donated their time to the Center for its program services. Donated services for 2009 and 2008 were \$40,360 and \$39,960, respectively.

Gifts in kind:

Special events revenue includes gifts in kind of \$1,656 and \$8,001 for 2009 and 2008, respectively. Contributions include gifts in kind of \$15,832 and \$11,668 for 2009 and 2008, respectively.

Income taxes:

The Center is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

THE WOMEN'S CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (continued)

Subsequent events:

Management evaluated subsequent events through June 14, 2010, the date the financial statements were available to be issued. Events or transactions occurring after December 31, 2009, but prior to June 14, 2010 that provided additional evidence about conditions that existed at December 31, 2009, have been recognized in the financial statements for the year ended December 31, 2009. Events or transactions that provided evidence about conditions that did not exist at December 31, 2009 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended December 31, 2009.

Note 2. Nature of Operations

The Women's Center, Inc. was organized as a not-for-profit, nonstock corporation created in 1977 to provide safety and support to women and their families and to facilitate their development. The Center provides the following programs:

Counseling

The program provides short-term individual or group counseling to women and children survivors of domestic abuse, sexual assault, or sexual abuse.

Child Abuse Prevention

The program offers parenting classes and short-term family counseling to teach families positive ways to deal with stress, manage behavior, and communicate effectively.

Education

The program provides a community educator who presents programs to local schools, community groups, service clubs, and others.

Employment

The program helps clients identify their skills and employment objectives through workshops and counseling.

Shelter

The program provides safe, confidential, short-term housing and support to women and their children who are in imminent danger of domestic abuse.

THE WOMEN'S CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 2. Nature of Operations (continued)

Transitional Living

The program helps women and their children transition from an abusive environment to independent living by providing safe, affordable housing and support services.

Note 3. Beneficial Investment in Endowments Held by Others

Beneficial interest in endowments held by others consisted of The Women's Center, Inc. of Waukesha Fund held by the Greater Milwaukee Foundation and the Waukesha County Community Foundation totaling \$269,673 and \$193,604 at December 31, 2009 and 2008, respectively. In 2009 and 2008, the Center transferred \$37,000 and \$0, respectively, to these foundations from board designated net assets.

These assets are reflected at fair value. Interest and dividend are recorded when earned. Unrealized gains or losses are reported in the accompanying statement of activities.

Beneficial interest in endowments held by others are reported using a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 – Valuation is based upon quoted prices in active markets for identical investments.
- Level 2 – Valuation is based upon other significant observable inputs (including quoted prices for similar investments).
- Level 3 – Valuation is based upon significant unobservable inputs (including the organization's assumptions in determining the fair value of investments).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective fair values. Furthermore, while the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Center determined these accounts at fair value as of December 31, 2009 and 2008 are level 3 investments.

THE WOMEN'S CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 3. Beneficial Investment in Endowments Held by Others (continued)

Changes in the fair value of the beneficial interest in endowments held by others, level 3 assets, for the years ended December 31, 2009 and 2008 are set forth below:

	2009	2008
Balance, beginning of year	\$193,604	\$278,332
Contributions	37,200	0
Interest and dividends	2,650	4,141
Net realized gains (losses)	0	(10,669)
Net unrealized appreciation (depreciation)	45,067	(64,693)
Management fees	(2,488)	(3,182)
Grants approved	<u>(6,360)</u>	<u>(10,325)</u>
	<u>\$269,673</u>	<u>\$193,604</u>

Total investment income (loss) consisted of the following at December 31:

	2009	2008
Interest and dividends	\$10,164	\$ 26,390
Unrealized gain (loss) on investments	45,066	(64,479)
Realized loss on investments	<u>0</u>	<u>(10,669)</u>
	<u>\$55,230</u>	<u>\$(48,758)</u>

Note 4. Loan Costs

The Center had capitalized costs of \$124,833 incurred to obtain Industrial Revenue Bond financing during 2003. In 2008, the bond was paid in full. Amortization expense was \$0 and \$41,611 for 2009 and 2008, respectively.

Note 5. Other Debt

The Center owes \$33,180 on mortgage loans that have no repayment schedule.

The Center has a \$150,000 line of credit available. No amounts were due on the line at December 31, 2009 or 2008.

Note 6. Major Funding Sources

The Center received 14% and 26% of its total revenue and support from two unrelated funding sources during the years ended December 31, 2009 and 2008, respectively. Receivables from these sources totaled \$0 and \$8,732 at December 31, 2009 and 2008, respectively.

THE WOMEN'S CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

Note 7. Potential Public Support Redetermination

The Center has entered into certain contractual relationships with governmental agencies and other funding sources which provide, in part, for the potential audit and adjustment by the funding sources of payments made to the Center. No governmental audits or proposed adjustments of payments are pending at this time.

Note 8. Prior Year Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended December 31, 2008, from which the summarized information was derived.

THE WOMEN'S CENTER, INC.

**SCHEDULE OF EXPENDITURES OF GOVERNMENTAL AWARDS
For the Year Ended December 31, 2009**

	Federal CFDA Number	State ID Number	Federal Awards Expended	State Awards Expended	Other Amounts Expended
<u>Wisconsin Department of Health Services</u>					
Social Services Block Grant	93.667	435.561	\$ 21,626	\$114,653	
Temporary Assistance Needy Families	93.558		5,251		
Domestic Abuse Transition	93.671	435.521717 435.521718 435.521721 435.521727	42,261	73,207 20,875 26,550 33,000	
CSBG	93.710 93.569		15,387 5,000		
SAVS Grant		435.531		23,398	
CDBG	14.218		42,000		
<u>Other Government Funding</u>					
Department of Justice – Victims of Crime Act	16.575 16.801		119,137 10,911		
Department of Commerce – HUD Emergency Shelter	14.231		57,243		
Department of Agriculture Child & Adult Care Food Program	10.558		15,695		
FEMA	97.024 97.114		15,000 10,463		
Other			_____	_____	<u>\$39,952</u>
			<u>\$359,974</u>	<u>\$291,683</u>	<u>\$39,952</u>

Note – Basis of Presentation

The accompanying schedule of expenditures of governmental awards includes the federal and state grant activity of The Women's Center, Inc. and is presented on the accrual basis accounting. The information in this schedule is presented in accordance with the requirements of the *Provider Agency Audit Guide* issued by the Wisconsin Department of Health Services. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See Independent Auditor's Report.

THE WOMEN'S CENTER, INC.

SCHEDULE OF UNRESTRICTED PUBLIC SUPPORT, REVENUE, EXPENSES BY PROGRAM - OPERATING
For the Year Ended December 31, 2009 with Comparative Totals for 2008

	Counseling	Child Abuse Prevention	Community Education	Employment	Shelter	Transitional Living	Total Programs	Management & General	Fund Raising	Total 2009	Total 2008
<u>PUBLIC SUPPORT AND REVENUE</u>											
State of Wisconsin	\$ 33,000	\$ 0	\$ 0	\$ 0	\$ 162,893	\$ 0	\$ 195,893	\$ 0	\$ 0	\$ 195,893	\$ 200,731
Healthier Wisconsin	0	0	0	0	0	0	0	0	0	0	2,578
CSBG	0	0	0	0	5,000	0	5,000	0	0	5,000	8,000
CSBG Recovery Act	0	0	0	0	15,387	0	15,387	0	0	15,387	0
Waukesha County grants	0	77,416	0	0	64,114	0	141,530	0	0	141,530	177,959
DPI Food Program	0	0	0	0	15,695	0	15,695	0	0	15,695	7,012
VOCA	40,461	0	0	0	78,676	0	119,137	0	0	119,137	114,201
VOCA Recovery Act	0	0	0	0	10,911	0	10,911	0	0	10,911	0
HUD Emergency Shelter	0	0	0	0	32,285	24,958	57,243	0	0	57,243	58,888
CDBG	8,500	0	0	3,500	30,000	0	42,000	0	0	42,000	43,500
SAVS	11,699	0	11,699	0	0	0	23,398	0	0	23,398	28,674
FEMA	0	0	0	0	15,000	0	15,000	0	0	15,000	13,410
FEMA Recovery Act	0	0	0	0	10,463	0	10,463	0	0	10,463	0
State Displaced Homemakers (WCTC)	0	0	0	37,797	0	0	37,797	0	0	37,797	45,741
Other grants	0	0	0	0	2,155	0	2,155	0	0	2,155	2,064
United Way	38,028	31,864	0	37,575	94,700	77,800	279,967	0	0	279,967	279,967
Program and rent fees	0	0	0	0	0	44,185	44,185	0	0	44,185	52,220
Contributions	0	0	0	200	6,892	0	7,092	0	459,057	466,149	445,215
Foundation and corporate grants	32,000	17,173	0	1,000	7,000	0	57,173	800	244,355	302,328	210,241
Special events	0	0	0	0	0	0	0	0	185,965	185,965	174,512
Gifts in kind	0	5,500	0	0	600	0	6,100	9,732	0	15,832	11,668
Investment income	0	0	0	0	0	0	0	55,230	0	55,230	(48,758)
Miscellaneous income	50	0	0	0	50	100	200	51	15	266	1,292
Total public support and revenue	<u>163,738</u>	<u>131,953</u>	<u>11,699</u>	<u>80,072</u>	<u>551,821</u>	<u>147,043</u>	<u>1,086,326</u>	<u>65,813</u>	<u>889,392</u>	<u>2,041,531</u>	<u>1,829,115</u>
Program expenses	235,960	152,320	42,382	125,115	856,812	227,551	1,640,140	137,918	168,891	1,946,949	2,085,783
Allocated supporting services	<u>10,767</u>	<u>7,168</u>	<u>1,819</u>	<u>5,853</u>	<u>37,794</u>	<u>8,704</u>	<u>72,105</u>	<u>(72,105)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of public support and revenue over expenses	<u>\$ (82,989)</u>	<u>\$ (27,535)</u>	<u>\$ (32,502)</u>	<u>\$ (50,896)</u>	<u>\$ (342,785)</u>	<u>\$ (89,212)</u>	<u>\$ (625,919)</u>	<u>\$ 0</u>	<u>\$ 720,501</u>	<u>\$ 94,582</u>	<u>\$ (256,668)</u>

See Independent Auditor's Report.

THE WOMEN'S CENTER, INC.

SCHEDULE OF UNRESTRICTED FUNCTIONAL EXPENSES - OPERATING
For the Year Ended December 31, 2009 with Comparative Totals for 2008

	Counseling	Child Abuse Prevention	Education	Employment	Shelter	Transitional Living	Total Programs	Management & General	Fund Raising	Total 2009	Total 2008
Wages	\$ 160,976	\$ 107,170	\$ 27,196	\$ 87,507	\$ 565,063	\$ 130,135	\$ 1,078,047	\$ 59,728	\$ 67,618	\$ 1,205,393	\$ 1,222,089
Employee benefits	28,713	16,170	6,347	15,415	111,075	18,860	196,580	7,858	7,888	212,326	224,058
Payroll taxes	12,249	8,120	2,058	6,642	43,056	9,879	82,004	5,578	5,116	92,698	96,255
Specific assistance and child care	1,582	84	0	767	3,392	63	5,888	7,953	0	13,841	27,482
Professional fees	14,753	2,987	1,086	3,204	19,339	2,926	44,295	1,737	14,475	60,507	84,274
Supplies	119	5,984	0	263	4,630	28	11,024	8,492	5,319	24,835	19,116
Food	110	70	0	0	4,946	0	5,126	1,912	407	7,445	9,530
Telephone	847	1,089	242	423	4,989	847	8,437	3,330	847	12,614	11,498
Postage	538	560	238	437	832	245	2,850	2,794	3,500	9,144	9,361
Printing and publications	770	854	1,056	937	2,423	583	6,623	7,201	14,020	27,844	33,058
Utilities	868	506	121	434	13,762	14,022	29,713	2,667	2,141	34,521	34,029
Janitorial	339	190	75	182	1,296	203	2,285	189	64	2,538	3,529
Building and maintenance	4,723	2,588	1,009	2,464	22,635	6,163	39,582	3,417	886	43,885	47,601
Depreciation and amortization	2,776	2,457	676	1,897	31,556	39,807	79,169	11,688	7,569	98,426	149,780
Interest	0	0	0	0	0	0	0	2,488	0	2,488	6,480
Liability insurance	5,833	3,285	1,289	3,131	21,736	3,500	38,774	3,254	1,105	43,133	42,756
Conference and special events	38	40	0	188	38	0	304	5,152	36,887	42,343	45,197
Advertising	146	150	627	985	2,960	0	4,868	181	0	5,049	6,560
Miscellaneous	580	16	362	239	3,084	290	4,571	2,299	1,049	7,919	13,130
Total program expenses	\$ 235,960	\$ 152,320	\$ 42,382	\$ 125,115	\$ 856,812	\$ 227,551	\$ 1,640,140	\$ 137,918	\$ 168,891	\$ 1,946,949	\$ 2,085,783

See Independent Auditor's Report.

**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* AND THE *PROVIDER AGENCY AUDIT GUIDE***

To the Board of Directors
The Women's Center, Inc.
Waukesha, Wisconsin

We have audited the financial statements of The Women's Center, Inc. (a nonprofit organization) as of and for the year ended December 31, 2009, and have issued our report thereon, dated June 14, 2010. 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 and the *Provider Agency Audit Guide*, issued by the Wisconsin Department of Health Services.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Women's Center, Inc.'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 The Women's Center, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Women's Center, Inc.'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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *Provider Agency Audit Guide*.

The Women's Center, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit The Women's Center, Inc.'s responses and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors, management and Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Winter, Wloman, Moter + Repp, S.C.

June 14, 2010

THE WOMEN'S CENTER, INC.

SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended December 31, 2009

A. Summary of Auditor's Results

1.	Type of auditor's report issued?	Unqualified
2.	Internal control over financial reporting:	
	a. Material weakness(es) identified?	No
	b. Significant deficiency(ies) identified not considered to be material weaknesses?	Yes
3.	Noncompliance material to the financial statements noted?	No

B. Financial Statement Findings

Significant deficiency – internal control:

Item 1. Segregation of Duties

Condition: Several accounting functions regarding cash receipts and disbursements and the related record keeping which should be segregated are being performed by one or two individuals.

Criteria: Accounting functions should be segregated.

Effect: A lack of proper segregation of duties could affect the Center's ability to record, process, summarize or properly report financial data.

Recommendation:

Considering the size of the Center, we believe that a proper segregation of accounting duties would be impractical and the cost of such a control would exceed the benefits realized. Furthermore, the close involvement in the Center's operations by the executive director tends to offset this potential weakness.

Comments: The Center concurs with the finding and recommendation.

Item 2. Financial Reporting Process

Condition: The Center relies on a third party to prepare their GAAP financial statements.

Criteria: The Center should be able to prepare their own GAAP financial statements and provide oversight of the financial reporting process.

Effect: A lack of internal oversight of the financial reporting process could affect the Center's ability to prepare accurate financial statements.

Recommendation:

Considering the size of the Center, we believe that the costs would outweigh the benefits to hire staff with the ability to prepare GAAP financial statements and provide oversight of the financial reporting process. We do not believe the deficiency is a material weakness since it is the Center's policy not to release GAAP financial statements unless they utilize a qualified accountant.

Comments: The Center concurs with the finding and recommendation.

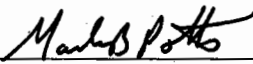
No other items were noted that are required to be disclosed as findings or questioned costs.

No prior year audit findings need to be reported.

THE WOMEN'S CENTER, INC.

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2009

C. Other Issues

- | | | |
|----|---|---|
| 1. | Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. | Does the audit report show audit issues (i.e., material noncompliance, non-material noncompliance, questioned costs, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the <i>Provider Agency Audit Guide</i> :
Department of Health Services | Yes |
| 3. | Was a management letter or other document conveying audit comments issued as a result of this audit? | No |
| 4. | Name and signature of partner | 

Mark B. Potts, CPA |
| 5. | Date of report | June 14, 2010 |



**THE
Women's
CENTER**

President

Linda Graebner-Smith

Treasurer

Sandy Villa

President Elect

Kristine Havlik

Secretary

Pat Kandziora

Past President

Karol Wendt

Directors

Lisa Binder

Marsha Block

Jeanine Dent

Erin Jacyna

Louise E Ladd Whitson

Ellen Langill

Rhonda Matthews Ware

Bridget Moran

Lynn Revoy

Mara Roberts

Dr. Shaila Singh

Sharon Wood

Sandy Wysocki

Executive Director

Marie Kingsbury

CORRECTIVE ACTION PLAN

Winter, Kloman, Moter & Repp, S.C.
December 31, 2009

Section I - Internal Control

Item 1:

- A. **Comments on Findings and Recommendations**
The Center agrees with the auditor's finding.
- B. **Actions Taken or Planned**
The Center agrees with the auditor's comment that implementing a proper segregation of duties in a small entity of this size would be impractical and cost ineffective. When only one or two employees are involved, daily work requirements, vacations and other factors make complete segregation impossible. Expanding the accounting staff would result in a cost far in excess of benefits to be realized. Further, numerous checks and balances are in place, including close involvement in the Center's operations by the executive director.
- C. **Status of Corrective Actions on Prior Findings**
Item 1 is a prior finding as discussed above.

Item 2:

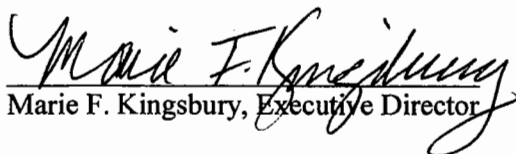
- A. **Comments on Findings and Recommendations**
The Organization agrees with the auditor's finding.
- B. **Actions Taken or Planned**
Responsible person(s) have been reminded not to release the GAAP financial statements to a third party without utilizing a qualified accountant.
- C. **Status of Corrective Action on Prior Findings**
Item 2 is a prior finding as discussed above.

Section II - Compliance

No matters noted.

The Women's Center, Inc.

By:


Marie F. Kingsbury, Executive Director