

**CENTER FOR WOMEN IN TRANSITION**  
**AUDIT REPORT**  
**SEPTEMBER 30, 2010**  
**(WITH COMPARATIVE TOTALS FOR 2009)**

## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Center for Women in Transition  
Holland, Michigan

We have audited the accompanying statement of financial position of Center for Women in Transition (a nonprofit organization) as of September 30, 2010, and the related statements of activities and changes in net assets, functional expenses, cash flows, and the supplementary schedule for the year then ended. These financial statements are the responsibility of Center for Women in Transition 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 September 30, 2009, financial statements and, in our report dated January 6, 2010, we expressed an unqualified opinion on these 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 and supplementary schedule referred to above present fairly, in all material respects, the financial position of Center for Women in Transition as of September 30, 2010, and the changes in its 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*, we have also issued our report dated January 14, 2011, on our consideration of Center for Women in Transition's internal control over financial reporting and on 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 important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting

and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature in black ink, reading "Flegal Tibbitts". The signature is written in a cursive, flowing style.

FLEGAL & TIBBITTS

January 14, 2011

**CENTER FOR WOMEN IN TRANSITION**  
**STATEMENT OF FINANCIAL POSITION**  
**ASSETS**  
**SEPTEMBER 30, 2010**  
**(WITH COMPARATIVE TOTALS FOR 2009)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2010</u>	<u>2009</u>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 399,935	180,376	580,311	554,398
Grants receivable	118,264		118,264	110,356
Promises to give		69,588	69,588	71,150
Interest receivable	2,168		2,168	87
Client rent receivable				2,407
Other receivables	42,950		42,950	18,589
Prepaid expenses	<u>28,523</u>		<u>28,523</u>	<u>35,171</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$ <u>591,840</u></b>	<b><u>249,964</u></b>	<b><u>841,804</u></b>	<b><u>792,158</u></b>
<b>PROPERTY AND EQUIPMENT</b>				
Land	\$ 525,870		525,870	557,743
Buildings	712,354		712,354	810,293
Land and building improvements	1,813,161		1,813,161	1,832,146
Office furniture and equipment	418,654		418,654	424,273
Transportation equipment	<u>66,352</u>		<u>66,352</u>	<u>66,352</u>
	3,536,391		3,536,391	3,690,807
Less accumulated depreciation	<u>(1,056,599)</u>		<u>(1,056,599)</u>	<u>(966,207)</u>
<b>NET PROPERTY &amp; EQUIPMENT</b>	<b>\$ <u>2,479,792</u></b>		<b><u>2,479,792</u></b>	<b><u>2,724,600</u></b>
<b>OTHER ASSETS</b>				
Beneficial interest in assets held at Community Foundations	\$ <u>24,250</u>		<u>24,250</u>	<u>24,535</u>
<b>TOTAL ASSETS</b>	<b>\$ <u><u>3,095,882</u></u></b>	<b><u><u>249,964</u></u></b>	<b><u><u>3,345,846</u></u></b>	<b><u><u>3,541,293</u></u></b>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION**  
**STATEMENT OF FINANCIAL POSITION**  
**LIABILITIES AND NET ASSETS**  
**SEPTEMBER 30, 2010**  
**(WITH COMPARATIVE TOTALS FOR 2009)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2010</u>	<u>2009</u>
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 63,726		63,726	49,140
Accrued wages and vacation pay	86,022		86,022	95,897
Accrued payroll taxes	10,114		10,114	3,699
Accrued retirement plan	6,426		6,426	7,664
Deferred revenue	729		729	3,812
Current portion of long-term liabilities				<u>2,949</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ <u>167,017</u></b>		<b><u>167,017</u></b>	<b><u>163,161</u></b>
<b>LONG-TERM LIABILITIES</b>				
Bank mortgage payable	\$			90,190
MSHDA mortgages payable	111,100		111,100	111,100
Less current portion shown above				<u>(2,949)</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$ <u>111,100</u></b>		<b><u>111,100</u></b>	<b><u>198,341</u></b>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>278,117</u></b>		<b><u>278,117</u></b>	<b><u>361,502</u></b>
<b>NET ASSETS</b>				
Unrestricted	\$ 2,798,930		2,798,930	2,931,073
Board designated funds	18,835		18,835	18,596
Temporarily restricted		<u>249,964</u>	<u>249,964</u>	<u>230,122</u>
<b>TOTAL NET ASSETS</b>	<b>\$ <u>2,817,765</u></b>	<b><u>249,964</u></b>	<b><u>3,067,729</u></b>	<b><u>3,179,791</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>3,095,882</u></b>	<b><u>249,964</u></b>	<b><u>3,345,846</u></b>	<b><u>3,541,293</u></b>

See accompanying notes

CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2010  
(WITH COMPARATIVE TOTALS FOR 2009)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2010</u>	<u>2009</u>
<b>REVENUES, GAINS, AND SUPPORT</b>				
Grants - governmental agencies	\$ 1,180,456	15,898	1,196,354	1,239,137
Other grants	51,266	95,985	147,251	158,869
Contributions	408,984	39,900	448,884	333,711
United Way		136,950	136,950	137,911
Donated services/Gifts-In-Kind	187,070		187,070	113,087
Transitional Housing Program income	5,392		5,392	14,452
Counseling and service fees	9,189		9,189	5,380
Girls on the Run - Registrations	131,227		131,227	118,863
Miscellaneous	46,256		46,256	25,447
Special events	111,472		111,472	111,380
Victim's compensation	20,551		20,551	
Building rent	15,400		15,400	24,078
Investment income	5,512		5,512	11,503
Net assets released from restrictions	<u>268,891</u>	<u>(268,891)</u>		
<b>TOTAL REVENUES, GAINS, AND SUPPORT</b>	<b>\$ <u>2,441,666</u></b>	<b><u>19,842</u></b>	<b><u>2,461,508</u></b>	<b><u>2,293,818</u></b>
<b>EXPENSES</b>				
Program	\$ 2,079,771		2,079,771	2,076,832
Management and general	221,087		221,087	272,555
Fundraising	<u>272,712</u>		<u>272,712</u>	<u>203,494</u>
<b>TOTAL EXPENSES</b>	<b>\$ <u>2,573,570</u></b>		<b><u>2,573,570</u></b>	<b><u>2,552,881</u></b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (131,904)</b>	<b>19,842</b>	<b>(112,062)</b>	<b>(259,063)</b>
<b>NET ASSETS, October 1</b>	<b><u>2,949,669</u></b>	<b><u>230,122</u></b>	<b><u>3,179,791</u></b>	<b><u>3,438,854</u></b>
<b>NET ASSETS, September 30</b>	<b>\$ <u><u>2,817,765</u></u></b>	<b><u><u>249,964</u></u></b>	<b><u><u>3,067,729</u></u></b>	<b><u><u>3,179,791</u></u></b>

See accompanying notes

CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2010  
(WITH COMPARATIVE TOTALS FOR 2009)

	Program Services	Management and General	Fundraising	2010	2009
Salaries & wages	\$ 813,143	47,905	121,747	982,795	1,050,554
Fringe benefits	156,597	10,847	16,035	183,479	199,345
Assistance to individuals	300,758			300,758	285,861
Travel	19,809	272	561	20,642	29,136
Dues and publications	11,682	2,738	613	15,033	11,866
Supplies	104,940	750	988	106,678	116,928
Insurance	6,344	13,449		19,793	20,710
Seminars & training	3,033		2,850	5,883	4,810
Professional services		10,000		10,000	10,000
Communications	42,220	6,591	1,665	50,476	56,251
Miscellaneous	16,741	6,271	1,045	24,057	37,121
Service charges	196	31	1,859	2,086	1,611
Contributed services/Gifts-In-Kind	154,177		32,893	187,070	113,087
Special events/fundraising			73,000	73,000	76,273
Printing	4,093	10,714		14,807	18,907
Depreciation	110,507	8,554	5,990	125,051	124,384
Occupancy	94,181	3,982	4,216	102,379	99,765
Equipment rental & maintenance	12,076	3,318	4,063	19,457	21,056
Rental expenses		26,036		26,036	15,334
Loss on sale of rental property		60,151		60,151	
Contracted services	180,023	9,478	4,668	194,169	198,361
Advertising	1,219		519	1,738	2,490
Program match	48,032			48,032	59,031
<b>TOTAL</b>	<b>\$ 2,079,771</b>	<b>221,087</b>	<b>272,712</b>	<b>2,573,570</b>	<b>2,552,881</b>

See accompanying notes

CENTER FOR WOMEN IN TRANSITION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2010  
(WITH COMPARATIVE TOTALS FOR 2009)

	<u>2010</u>	<u>2009</u>
<b>FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (112,062)	(259,063)
Adjustment to reconcile net assets to net cash provided by operating activities:		
Depreciation	125,052	124,384
(Increase) Decrease in agency endowments	285	(613)
Loss on disposal of rental property	60,151	
From change in assets and liabilities		
(Increase) decrease in:		
Grants receivable	(7,908)	118,487
Promises to give	1,562	(3,601)
Prepaid expenses/other receivables	(17,387)	12,507
Increase (decrease) in:		
Accounts payable	14,586	(56,243)
Accrued wages	(9,875)	22,363
Other current liabilities	<u>2,094</u>	<u>(2,661)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 56,498</u>	<u>(44,440)</u>
<b>FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	\$ (7,734)	(24,135)
Net proceeds from disposal of rental property	<u>67,339</u>	
<b>NET CASH PROVIDED FROM INVESTING ACTIVITIES</b>	<u>\$ 59,605</u>	<u>(24,135)</u>
<b>FROM FINANCING ACTIVITIES</b>		
Payment of long-term liabilities	\$ (90,190)	(2,777)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>\$ 25,913</u>	<u>(71,352)</u>
CASH AND CASH EQUIVALENTS, October 1	<u>554,398</u>	<u>625,750</u>
CASH AND CASH EQUIVALENTS, September 30	<u>\$ 580,311</u>	<u>554,398</u>

SUPPLEMENTAL DISCLOSURE - Operating activities reflect \$4,501 and \$5,502 of interest paid for the years ending September 30, 2010 and 2009, respectively.

See accompanying notes

CENTER FOR WOMEN IN TRANSITION  
SUPPLEMENTAL INFORMATION  
SCHEDULE OF GRANTS - GOVERNMENTAL AGENCIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2010  
(WITH COMPARATIVE TOTALS FOR 2009)

	<u>2010</u>	<u>2009</u>
City of Holland	\$ 15,898	13,000
Federal Department of Housing and Urban Development - Supportive Housing	295,350	301,587
Federal Emergency Management Agency	34,171	36,025
Federal Department of Justice - Transitional Housing and Specialized Services		2,822
Michigan Department of Community Health: Crime Victims Assistance	157,949	160,117
Michigan State Housing Development Authority: Homeless Emergency Shelter (non-federal)	77,180	87,978
Ottawa County Community Action Agency - Supportive Housing	10,000	10,000
County of Ottawa - Supervised Visits		18,573
Michigan Coalition Against Domestic and Sexual Violence	52,645	48,770
State of Michigan Department of Human Services		
Domestic Violence (federal financial assistance)	209,711	209,704
Domestic Violence (non-federal)		12,892
STOP Violence Against Women (federal financial assistance)	74,450	74,450
Domestic Violence Transitional Housing (federal financial assistance)	200,000	194,219
Sexual Assault (federal financial assistance)	29,670	13,020
Sexual Assault (non-federal)	<u>39,330</u>	<u>55,980</u>
 TOTAL GRANTS - GOVERNMENTAL AGENCIES	 \$ <u>1,196,354</u>	 <u>1,239,137</u>

See accompanying notes

CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2010

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Center for Women in Transition's mission is to respond to, reduce, and prevent domestic and sexual violence against women. This mission is achieved through education, collaboration, and advocacy with crisis and supportive services to victims and survivors. These services include providing information, referral services, emergency shelter, individual counseling, and twenty-four hour crisis response. Some of the topics of these services include domestic violence and rape, mid-life planning, assertiveness training, sexual harassment, divorce, and career development. Programs are available to anyone within the service district area.

The financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Center for Women in Transition is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

Property and equipment are recorded at cost or fair market value if donated. Depreciation is computed using the straight-line method over the estimated lives of the assets placed into service. The Organization has adopted the policy of capitalizing assets costing \$5,000 or more.

Center for Women in Transition uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Subsequent events were evaluated through January 14, 2011, which is the date the financial statements were available to be issued.

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.

Grants and contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. It is the policy of the Organization to spend donor restricted funds first when implementing projects or programs.

For the purposes of the statement of cash flows, cash and cash equivalents include several checking accounts, petty cash, short term certificates of deposits, and savings accounts.

Advertising costs are expensed as incurred.

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2009, from which the summarized information was derived.

CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2010

CONTRIBUTED SERVICES

Donated services totaling \$6,780 were recognized for the year ended September 30, 2010.

The Organization also receives additional volunteer services in conjunction with its exempt purpose which do not meet the criteria for recognition in the financial statements. Accordingly, no values have been recorded herein.

GIFTS-IN-KIND

Tangible personal property donated to the Organization for the benefit of clients, other non-profit organizations, or for fundraising purposes is valued at approximate fair market value and recorded in the financial statements. For the year ending September 30, 2010, \$180,290 of gifts-in-kind were recognized.

CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash accounts and certificates of deposit with several local financial institutions. Although such cash balances may have exceeded the federally insured limits at certain times during the year they are, in the opinion of management, subject to minimal risk. Accounts are guaranteed by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution. Amounts in excess of insured limits were \$62,973 at September 30, 2010.

TEMPORARILY RESTRICTED NET ASSETS

At September 30, 2010, the Organization's temporarily restricted net assets consisted of:

Unconditional promises to give from local United Ways which will be received and available for unrestricted purposes in the subsequent fiscal year	\$ 69,588
Capital campaign	121,870
Other contributions which are donor-restricted for various uses	<u>58,506</u>
Total Temporarily Restricted Net Assets	<u>\$249,964</u>

BOARD DESIGNATED FUNDS

The Board of Directors has designated funds as follows:

Resale seed money	\$ 9,375
Donna Cornwell Development Fund	4,800
Capital Campaign interest	<u>4,660</u>
Total Board Designated Funds	<u>\$ 18,835</u>

CENTER FOR WOMEN IN TRANSITION  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED SEPTEMBER 30, 2010

RETIREMENT PLAN

The Organization has adopted a 403(b) employer contributory plan. All employees are eligible to make employee elective deferral contributions. Employees age 21 and over who have completed one eligibility year of service, as defined by the Plan, are eligible for employer matching and employer discretionary contributions. For the year ended September 30, 2010, the Organization made discretionary contributions of 2% of compensation. No matching contributions were made. The Organization's retirement contribution expense was \$18,165 for the year ended September 30, 2010.

OPERATING LEASES

The Organization conducts certain operations from facilities that are leased under operating leases. A total of \$25,800 was charged to expense under these leases during the year ended September 30, 2010.

The Organization also leases a copier under a 39 month lease. A total of \$7,919 was charged to expense under this lease during the year ended September 30, 2010.

Future minimum lease payments are as follows:

2011	\$30,478
2012	7,728
2013	<u>2,576</u>
	<u>\$40,782</u>

LINE OF CREDIT

The Organization has an unsecured line of credit agreement that permits borrowing up to \$200,000. At September 30, 2010, there was no amount outstanding under this line of credit.

MSHDA MORTGAGES PAYABLE

Two separate mortgages were obtained from Michigan State Housing Development Authority (MSHDA) for acquiring and renovating property. Both loans are secured by the related property and do not accrue interest. Principal repayment is required only if the property is sold, transferred, or otherwise conveyed, voluntarily or involuntarily, through foreclosure or other processes, or if the property is no longer operated as a homeless facility prior to a lock-out date. After the lock-out date, there is no obligation to repay the mortgages. The mortgages are forgiven as follows:

<u>Mortgage Amount</u>	<u>Lock-Out Date</u>
\$ 53,100	November 2, 2015
<u>58,000</u>	August 1, 2016
<u>\$111,100</u>	

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2010**

**ACCRUED VACATION PAY**

The Organization has accrued vacation pay and paid time off earned by employees but unpaid as of September 30, 2010. The Organization's policy requires payment of unused vacation and paid time off upon termination of employment. The amount accrued at September 30, 2010, was \$43,357.

**FUNCTIONAL EXPENSES**

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

**CONTINGENCIES**

Federal financial assistance grants are subject to review by the granting agencies and may be reviewed by the grantor for up to three years after the year of expenditure. Such grants have not been reviewed and approved, nor has any estimate been made for contingent liabilities, such as disallowed expenditures, arising out of any grantor review.

**BENEFICIAL INTEREST IN ASSETS HELD BY COMMUNITY FOUNDATIONS**

When a not-for-profit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the organization must account for the transfer of such assets as a beneficial interest in funds held by the community foundation. The community foundation refers to such funds as agency fund endowments.

The community foundation maintains variance power and legal ownership of agency endowment funds and, as such, continues to report the funds as assets of the community foundation. However, the organization also records the agency funds as an asset at the fair value of the fund, which is generally equivalent to the present value of future payments expected to be received by the organization.

At September 30, 2010, the balance of the agency fund endowments was \$24,250.

CENTER FOR WOMEN IN TRANSITION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2010

<u>Federal Grantor/Pass-through Grantor/ Program</u>	<u>CFDA #</u>	<u>Pass-through Entity Identifying #</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Awards:			
Supportive Housing Program	14.235		\$ 228,118
Passed through Good Samaritan Ministries for Transitional Housing:			
7/1/09 to 6/30/10	14.235	MI0267B5F190801	50,506
7/1/10 to 6/30/11	14.235	MI0267B5F190802	<u>16,726</u>
Total Supportive Housing Program			<u>\$ 295,350</u>
TOTAL UNITED STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>\$ 295,350</u>
UNITED STATES DEPARTMENT OF JUSTICE			
Passed through Michigan Department of Community Health:			
Victims of Crime Assistance	16.575	CVA #20004-13V07	\$ 157,949
Passed through State of Michigan Department of Human Services:			
Stop Violence Against Women	16.588	STOP-08-70001	74,450
Domestic Violence Prevention & Treatment	16.588	DV-08-70001	<u>18,964</u>
TOTAL UNITED STATES DEPARTMENT OF JUSTICE			<u>\$ 251,363</u>

See accompanying notes

CENTER FOR WOMEN IN TRANSITION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Federal Grantor/Pass-through Grantor/ Program	CFDA #	Pass-through Entity Identifying #	Federal Expenditures
<b>UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Michigan Coalition Against Domestic Violence:			
1/30/09 to 1/29/10	93.136	DELTA	\$ 19,771
1/30/10 to 1/29/11	93.136	DELTA	<u>32,874</u>
			<u>\$ 52,645</u>
Passed through Michigan Department of Human Services:			
Temporary Assistance to Needy Families	93.558	DV-08-70001	\$ 140,479
Temporary Assistance to Needy Families	93.558	TSH-08-70001	<u>200,000</u>
Total Temporary Assistance to Needy Families			<u>\$ 340,479</u>
Family Violence Preventative Services	93.671	DV-08-70001	<u>\$ 50,268</u>
Preventative Health & Health Services Block Grant	93.991	RPS-08-70001	<u>\$ 29,670</u>
<b>TOTAL UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>\$ 473,062</u>
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>			
Emergency Food and Shelter National Board Programs:			
Phase 27	97.024	456100-003	<u>\$ 34,171</u>
<b>TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY</b>			<u>\$ 34,171</u>
<b>TOTAL FEDERAL AWARDS</b>			<u><u>\$ 1,053,946</u></u>

See accompanying notes

**CENTER FOR WOMEN IN TRANSITION  
NOTES TO SCHEDULE OF FEDERAL AWARDS  
SEPTEMBER 30, 2010**

**BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Center for Women in Transition 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 preparation of, the basic financial statements.

**MATCHING CONTRIBUTIONS**

In accordance with the terms of the Crime Victim Assistant grant, Center for Women in Transition received in-kind matching contributions consisting of donated services. These services are valued at \$67,015.

**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**

To the Board of Directors  
Center for Women in Transition  
Holland, Michigan

We have audited the financial statements of Center for Women in Transition (a nonprofit organization) as of and for the year ended September 30, 2010, and have issued our report thereon dated January 14, 2011. 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 Center for Women in Transition's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Center for Women in Transition's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center for Women in Transition'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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Center for Women in Transition'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 or other matters that are required to be reported under *Government Auditing Standards*.

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

*Flegal & Tibbitts*

FLEGAL & TIBBITTS

January 14, 2011

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

To the Board of Directors  
Center for Women in Transition  
Holland, Michigan

**Compliance**

We have audited Center for Women in Transition's compliance 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 its major federal program for the year ended September 30, 2010. Center for Women in Transition's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements referred to above is the responsibility of Center for Women in Transition's management. Our responsibility is to express an opinion on Center for Women in Transition'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-33, *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 identified in the accompanying schedule of findings and questioned costs occurred. An audit includes examining, on a test basis, evidence about Center for Women in Transition'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 Center for Women in Transition's compliance with those requirements.

In our opinion, Center for Women in Transition complied, in all material respects, with the compliance requirements referred to above that are applicable to its major federal program identified in the accompanying schedule of findings and questioned costs for the year ended September 30, 2010.

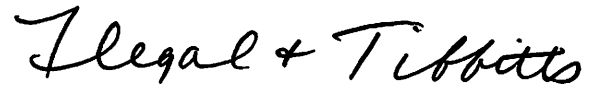
**Internal Control Over Compliance**

Management of Center for Women in Transition is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered Center for Women in Transition's internal control over compliance with the 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Center for Women in Transition's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. 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 management, the board of directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Flegal & Tibbitts".

FLEGAL & TIBBITTS

January 14, 2011

**CENTER FOR WOMEN IN TRANSITION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion.
2. No significant deficiencies relating to the audit of the financial statements of Center for Women in Transition are reported.
3. No instances of noncompliance material to the financial statements of Center for Women in Transition were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award program of Center for Women in Transition are reported.
5. The auditor's report on compliance for the major federal award program for Center for Women in Transition expresses an unqualified opinion.
6. No audit findings relative to the major federal award program for Center for Women in Transition are reported.
7. The major program tested was Temporary Assistance to Needy Families, CFDA #93.558.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Center for Women in Transition was determined to be a low-risk auditee.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

There were no audit findings noted in the prior year audit.