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January 31, 2014

Board of Directors  
Fort Wayne Women's Bureau, Inc.  
2417 Fairfield Avenue  
Fort Wayne, IN 46807

We have reviewed the audit report prepared by Dulin, Ward & DeWald, Inc., Independent Public Accountants, for the period January 1, 2011 to December 31, 2011. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Fort Wayne Women's Bureau, Inc., as of December 31, 2011, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

**WOMEN'S BUREAU, INC.**

**FINANCIAL STATEMENTS**

**Year Ended December 31, 2011**

**With Summarized Information for December 31, 2010**

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Women's Bureau, Inc.  
Fort Wayne, Indiana

We have audited the accompanying statement of financial position of Women's Bureau, Inc. (a nonprofit organization) as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Bureau'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 Bureau's 2010 financial statements and in our report dated March 25, 2011, 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 Women's Bureau, Inc. as of December 31, 2011, 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 a report dated March 23, 2012 on our consideration of Women's Bureau, Inc.'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 performed for the purpose of forming an opinion on the basic financial statements of Women's Bureau, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards and related notes is presented for the purpose 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. 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.

*Dulin, Ward & DeWald, Inc.*

Fort Wayne, Indiana  
March 23, 2012

**WOMEN'S BUREAU, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2011 with Summarized Information for December 31, 2010

	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 249,866	\$ 156,965
Short-term investments	9,898	9,888
Receivables:		
Contract fees	20,748	18,024
Grants	197,297	432,838
Prepaid expenses	29,227	11,724
Long-term investments	327,970	335,900
Cash value of life insurance	9,181	8,863
Beneficial interests	20,938	11,274
Fixed assets - net	<u>37,822</u>	<u>32,404</u>
<b>Total Assets</b>	<b><u>\$ 902,947</u></b>	<b><u>\$ 1,017,880</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 8,717	\$ 6,613
Employees' payroll deductions and accrued expenses	<u>47,867</u>	<u>46,297</u>
<b>Total Liabilities</b>	56,584	52,910
<b>NET ASSETS</b>		
Unrestricted net assets	482,750	555,649
Temporarily restricted net assets	132,265	177,973
Permanently restricted net assets	<u>231,348</u>	<u>231,348</u>
<b>Total Net Assets</b>	<b><u>846,363</u></b>	<b><u>964,970</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 902,947</u></b>	<b><u>\$ 1,017,880</u></b>

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

**WOMEN'S BUREAU, INC.**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2011

With Summarized Information for the Year Ended December 31, 2010

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>
<b>CHANGES IN NET ASSETS</b>		
<b>Support, Revenues and Gains:</b>		
Contributions	\$ 283,487	\$ 80,380
United Way	8,647	20,000
Grants - federal	497,777	10,000
Grants - state	50,140	-
Grants - county and city	330,429	-
Special events:		
Proceeds	121,624	-
Less direct benefit to donors	(8,764)	-
Memberships	1,620	-
Program service fees	2,562	-
Contract fees	147,967	-
Investment revenue	533	9,892
Gain on investments	-	-
Miscellaneous	2,545	-
<b>Net Assets Released From Restrictions:</b>		
Satisfaction of program requirements	159,213	(159,213)
	<hr/>	<hr/>
<b>Total Support, Revenues and Gains</b>	1,597,780	(38,941)
<b>Expenses and Losses:</b>		
Violence Against Women	293,028	-
Women's Enterprise	304,318	-
Transitions	818,049	-
Administration	153,369	-
Fund raising	98,820	-
Loss on investments	1,250	6,767
Loss on disposal of fixed assets	1,845	-
Grant repayment	-	-
	<hr/>	<hr/>
<b>Total Expenses and Losses</b>	1,670,679	6,767
	<hr/>	<hr/>
<b>CHANGE IN NET ASSETS</b>	(72,899)	(45,708)
	<hr/>	<hr/>
<b>NET ASSETS - beginning of year</b>	555,649	177,973
	<hr/>	<hr/>
<b>NET ASSETS - end of year</b>	<u>\$ 482,750</u>	<u>\$ 132,265</u>

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

Permanently Restricted	2011	2010
\$ -	\$ 363,867	\$ 310,345
-	28,647	22,541
-	507,777	586,664
-	50,140	226,500
-	330,429	398,700
-	121,624	111,937
-	(8,764)	(20,448)
-	1,620	6,350
-	2,562	3,575
-	147,967	146,288
-	10,425	10,049
-	-	30,560
-	2,545	-
-	-	-
-	1,558,839	1,833,061
-	293,028	298,523
-	304,318	258,867
-	818,049	987,203
-	153,369	144,494
-	98,820	109,518
-	8,017	-
-	1,845	-
-	-	11,821
-	1,677,446	1,810,426
-	(118,607)	22,635
231,348	964,970	942,335
\$ 231,348	\$ 846,363	\$ 964,970

**WOMEN'S BUREAU, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2011

With Summarized Information for the Year Ended December 31, 2010

	<b>Violence Against Women</b>	<b>Women's Enterprise</b>	<b>Transitions</b>
Salaries	\$ 142,298	\$ 112,314	\$ 444,917
Employee health and retirement benefits	4,000	8,141	37,597
Payroll taxes	14,751	8,310	48,794
	<hr/>	<hr/>	<hr/>
<b>Total Salaries and Related Expenses</b>	161,049	128,765	531,308
Rent	19,184	40,952	87,140
Professional fees	87,726	49,182	-
Contracted services	1,624	29,481	69,003
Program supplies and services	3,077	21,176	19,895
Travel	5,370	10,335	23,194
Special events	-	-	-
Insurance	3,685	2,847	20,878
Maintenance and repairs	1,825	5,088	16,928
Utilities	945	841	20,329
Office supplies and postage	2,568	5,671	6,257
Telephone	2,553	1,236	7,223
Printing and publications	369	1,477	94
Registrations - fees and dues	992	1,938	1,011
Public relations	-	4,346	1,610
Miscellaneous	392	26	2,148
Licenses and fees	-	35	1,307
Moving expense	-	-	-
Interest	-	-	-
Grants and specific assistance to individuals	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Expenses Before Depreciation</b>	291,359	303,396	808,325
Depreciation	1,669	922	9,724
	<hr/>	<hr/>	<hr/>
<b>Total Expenses</b>	<b>\$ 293,028</b>	<b>\$ 304,318</b>	<b>\$ 818,049</b>

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

<b>Admini- stration</b>	<b>Fund Raising</b>	<b>2011</b>	<b>2010</b>
\$ 52,282	\$ 33,569	\$ 785,380	\$ 915,115
17,301	533	67,572	102,739
5,705	3,523	81,083	84,080
<hr/>	<hr/>	<hr/>	<hr/>
75,288	37,625	934,035	1,101,934
14,775	5,737	167,788	146,777
23,509	1,019	161,436	179,202
17,310	683	118,101	91,496
108	93	44,349	43,418
974	1,464	41,337	29,587
-	38,060	38,060	28,964
3,163	949	31,522	33,632
1,903	2,732	28,476	34,119
708	310	23,133	35,090
774	1,357	16,627	12,002
1,401	432	12,845	11,925
182	7,501	9,623	9,427
4,741	50	8,732	11,261
-	-	5,956	7,274
3,219	21	5,806	2,398
1,612	370	3,324	3,477
2,150	-	2,150	-
88	-	88	-
-	-	-	455
<hr/>	<hr/>	<hr/>	<hr/>
151,905	98,403	1,653,388	1,782,438
1,464	417	14,196	16,167
<hr/>	<hr/>	<hr/>	<hr/>
<u>\$ 153,369</u>	<u>\$ 98,820</u>	<u>\$ 1,667,584</u>	<u>\$ 1,798,605</u>

**WOMEN'S BUREAU, INC.**  
**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2011

With Summarized Information for the Year Ended December 31, 2010

	<b>2011</b>	<b>2010</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (118,607)	\$ 22,635
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Depreciation	14,196	16,167
Change in cash surrender value of life insurance	(318)	(212)
Reinvested interest in beneficial interests	(479)	(388)
Reinvested interest in investments	(10,465)	(8,628)
(Gain) loss on investments	8,017	(30,560)
(Gain) loss on disposal of fixed assets	1,845	-
Change in assets and liabilities:		
(Increase) decrease in:		
Receivables - contract fees	(2,724)	(5,000)
Receivables - grants	235,541	(78,448)
Prepaid expenses	(17,503)	13,970
Increase (decrease) in:		
Accounts payable	2,104	2,853
Employees' payroll deductions and accrued expenses	1,570	(4,500)
	113,177	(72,111)
<b>Cash Flows From Operating Activities</b>	<b>113,177</b>	<b>(72,111)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	11,056	119,636
Purchase of fixed assets	(21,459)	(1,861)
Investment in beneficial interest	(10,000)	-
Proceeds from beneficial interest	127	875
	(20,276)	118,650
<b>Cash Flows From Investing Activities</b>	<b>(20,276)</b>	<b>118,650</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>92,901</b>	<b>46,539</b>
<b>CASH AND CASH EQUIVALENTS - beginning of year</b>	<b>156,965</b>	<b>110,426</b>
<b>CASH AND CASH EQUIVALENTS - end of year</b>	<b>\$ 249,866</b>	<b>\$ 156,965</b>

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

**WOMEN'S BUREAU, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2011

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Women's Bureau, Inc.'s (Bureau) mission is advancing women through advocacy, education, and economic empowerment. The Bureau is dedicated to both advocacy on women's issues and the provision of services to women and their families in northern Indiana. Programs include substance abuse treatment, family reunification and self-sufficiency, rape crisis intervention and counseling, rape prevention through education, and economic self-sufficiency through a women's business center for entrepreneurs.

**Taxes**

The Bureau is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies for the 50% charitable contributions deduction limitation. The Bureau has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code. The Bureau's income tax filings are subject to audit by various taxing authorities. The Bureau's open audit periods include years ending December 31, 2008 - 2010. The Bureau's management has determined that there are no events that would more likely than not cause the above tax position to change within the next twelve months.

**Estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Cash and Cash Equivalents**

For the purposes of the statement of cash flows, Women's Bureau, Inc. considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

(continued)

## 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)

### **Receivables**

The Bureau makes claims for reimbursement under government contracts and recognizes pledges as public support in the year that the pledge is made. The Bureau provides an allowance for uncollectible receivables equal to the estimated collection losses that will be incurred in the collection of all receivables. Based on historical collection experience with these entities, no allowance for uncollectible accounts is deemed necessary.

### **Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statement of financial position. These investments are initially recorded at cost if they were purchased or at their fair market value on the date of the gift if they were received as a donation. Unrealized gains and losses are included in the statement of activities change in net assets.

### **Fixed Assets**

Fixed assets are stated at cost or, if donated, at fair value at the date of the gift. The Bureau follows the policy of providing depreciation on the straight-line method for financial reporting purposes over the estimated useful lives of the related assets. It is not the Bureau's policy to imply time restrictions expiring over the useful life of donated assets. In the absence of donor-imposed restrictions on the use of the asset, gifts of long-lived assets are reported as unrestricted support. Fixed assets with an item cost or donated value of \$500 or more and a useful life of one year or more are capitalized when acquired.

### **Public Support and Revenue**

All contributions are considered to be available for the general programs of the Bureau unless specifically restricted by the donor. The Bureau reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When the donor restriction expires, that is, when a stipulated time restriction ends or purpose 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. Donor-restricted contributions are recorded in the temporarily restricted class for restrictions expiring during the fiscal year, and then reclassified to the unrestricted class. By definition, permanently restricted support must be maintained in perpetuity. Restrictions on these net assets do not expire and no assets are reclassified in the statement of activities.

### **In-kind Contributions**

In-kind contributions of facilities, services, equipment and supplies are recognized as support and expense or property and equipment and are recorded at market value as of the date received.

## **1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(continued)**

### **Unemployment Compensation**

For Indiana Employment Security Act purposes, the Bureau has elected to fund the State unemployment compensation reserve rather than to reimburse the State for claims made. Such contributions are recognized as expense when paid.

### **Financial Statement Presentation**

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 Bureau's financial statements for the year ended December 31, 2010, from which the summarized information was derived.

### **Reclassification**

Certain reclassifications have been made to conform prior year's financial statements to the current presentation. The reclassifications have no effect on previously reported operational results.

### **Subsequent Events**

Management has evaluated subsequent events through March 23, 2012, the date which the financial statements were available for issue.

## **2. PLEDGES RECEIVABLE**

The Bureau has received notification of an intention to give in the amount of \$10,000 from the United Way of Allen County. The expected funding is to be used for the Transitions program in 2012 and has not been recorded as an asset of the Bureau as of December 31, 2011.

## **3. SHORT-TERM INVESTMENTS**

Short-term investments consist of certificates of deposit in the amount of \$9,898.

#### 4. LONG-TERM INVESTMENTS

Investments as of December 31, 2011 are summarized as follows:

	<b>Market</b>	<b>Cost</b>
Equities	\$ 201,380	\$ 179,570
Mutual funds	123,883	122,472
Money market funds	<u>2,707</u>	<u>2,707</u>
	<u>\$ 327,970</u>	<u>\$ 304,749</u>

#### 5. BENEFICIAL INTEREST

The beneficial interest consists of funds held by the Community Foundation of Greater Fort Wayne (Foundation) which are the result of an agreement whereby the Bureau has transferred assets to the Foundation and has specified itself as the beneficiary of the assets. The Bureau may draw up to a certain percent of the value of the assets each year, but may only obtain a return of the full value of the assets upon consent of the Foundation.

Additionally, the Foundation holds investment assets, with a value of \$21,744, for the benefit of the Bureau for which the Foundation has retained variance power. These assets are not recorded as assets of the Bureau.

#### 6. FIXED ASSETS

The components of fixed assets as of December 31, 2011 are as follows:

Furniture and equipment	\$ 139,033
Leasehold acquisition costs	<u>10,000</u>
	149,033
Accumulated depreciation and amortization	<u>111,211</u>
	<u>\$ 37,822</u>

## 7. FAIR VALUE MEASUREMENT

Assets and liabilities recorded at fair value in the statement of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

*Level 1.* Unadjusted quoted prices in active markets for identical assets and liabilities.

*Level 2.* Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets or quoted market prices for identical assets or liabilities in active markets.

*Level 3.* Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

*Long-Term Investments.* Value determined by reference to quoted market prices and other relevant information generated by market transactions.

*Cash Value of Life Insurance.* Value determined by life insurance company to be the net cash value of the policy.

*Beneficial Interest.* Value based upon the Bureau's proportionate share of the Community Foundation of Greater Fort Wayne's pooled investment portfolio.

(continued)

7. FAIR VALUE MEASUREMENT (continued)

Fair value of assets and liabilities measured on a recurring basis at December 31, 2011 are as follows:

	Level 1	Level 3
Investments		
Equities:		
Large growth	\$ 63,890	\$ -
Large value	51,841	-
Foreign large blend	22,160	-
Mid-cap value	22,153	-
Mid-cap blend	18,700	-
Diversified emerging markets	7,642	-
Real estate	6,575	-
Small blend	3,064	-
Equity energy	2,689	-
Small growth	2,666	-
Mutual funds:		
Intermediate-term bond	86,942	-
Inflation-protected bond	11,669	-
Bank loan	10,421	-
Long-term bond	5,740	-
World bond	4,698	-
Commodities broad basket	4,413	-
Cash value of life insurance	-	9,181
Beneficial interests	<u>-</u>	<u>20,938</u>
	<u>\$ 325,263</u>	<u>\$ 30,119</u>

(continued)

7. **FAIR VALUE MEASUREMENT** (continued)

Following is a reconciliation of activity for assets and liabilities measured at fair value based on significant unobservable inputs for the year ending December 31, 2011:

	Beneficial Interests	Cash Value of Life Insurance
Beginning balance - January 1, 2011	\$ 11,274	\$ 8,863
Total gains and losses included in earnings:		
Income	479	-
Unrealized gain (loss)	(881)	318
Realized gain (loss)	193	-
Investment fees	(127)	-
Contributions	10,000	-
Distribution	<u>-</u>	<u>-</u>
Ending balance - December 31, 2011	<u>\$ 20,938</u>	<u>\$ 9,181</u>

8. **LINE OF CREDIT**

The Bureau has entered into a line of credit agreement with Wells Fargo Bank. The agreement provides for maximum borrowing of \$100,000 with interest at the bank's index rate plus one percent (5.00% at December 31, 2011) or 5% whichever is greater. The note, which is secured by all the Bureau's assets, expires August 24, 2012. No draws were made on the line of credit during 2011.

9. **NET ASSETS**

Temporarily restricted net assets as of December 31, 2011 are restricted for the following purposes:

Endowment - unappropriated earnings	\$ 111,948
Rape awareness program	<u>20,317</u>
	<u>\$ 132,265</u>

Permanently restricted net assets are restricted for endowment purposes.

## 10. ENDOWMENT

Women's Bureau, Inc. has currently invested its donor-restricted endowment funds in an investment account with a mixture of equities, fixed income and cash and cash equivalents. In addition, a portion of the donor-restricted and board designated endowment funds have been invested with the Community Foundation of Greater Fort Wayne. The endowment has been established to promote the mission of the agency. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

### **Interpretation of Relevant Law**

The Board of Directors of Women's Bureau, Inc. has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Bureau classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Bureau in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Bureau considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Bureau and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Bureau
- (7) The investment policies of the Bureau.

(continued)

10. ENDOWMENT (continued)

**Endowment Net Asset Composition by Type of Fund as of December 31, 2011**

	<b>Donor Restricted Endowment</b>	<b>Board Designated Endowment</b>	<b>Total Endowment</b>
Unrestricted	\$ (4,386)	\$ 9,997	\$ 5,611
Temporarily restricted	111,948	-	111,948
Permanently restricted	<u>231,348</u>	<u>-</u>	<u>231,348</u>
Total funds	<u>\$ 338,910</u>	<u>\$ 9,997</u>	<u>\$ 348,907</u>

**Changes in Endowment Net Assets for the Year Ended December 31, 2011**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - beginning of year	\$ (4,053)	\$ 119,879	\$ 231,348	\$ 347,174
Investment return:				
Investment income	479	9,892	-	10,371
Net depreciation (realized and unrealized)	(689)	(6,767)	-	(7,456)
Fees	<u>(126)</u>	<u>(4,025)</u>	<u>-</u>	<u>(4,151)</u>
Total investment return	(336)	(900)	-	(1,236)
Contributions	10,000	-	-	10,000
Appropriation of endowment assets for expenditure	<u>-</u>	<u>(7,031)</u>	<u>-</u>	<u>(7,031)</u>
Endowment net assets - end of year	<u>\$ 5,611</u>	<u>\$ 111,948</u>	<u>\$ 231,348</u>	<u>\$ 348,907</u>

(continued)

10. **ENDOWMENT** (continued)

**Description of Amounts Classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowment Only)**

**Permanently Restricted Net Assets**

The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by UPMIFA

	\$	231,348
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**Temporarily Restricted Net Assets**

The portion of perpetual endowment funds subject to a time restriction under UPMIFA:

	\$	111,948
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**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Bureau to retain as a fund of perpetual duration. Deficiencies of this nature that are reported as unrestricted net assets were \$4,386 as of December 31, 2011. These deficiencies resulted from unfavorable market fluctuations in past years.

**Return Objectives and Risk Parameters**

The Bureau has adopted investment and spending policies for endowment assets that attempt to preserve the principal in terms of its purchasing power so the fund will be able to serve the Bureau's needs over the long term; produce sufficient income to meet the needs of the Bureau; and provide long-term growth in assets as may be fairly balanced by the need for reasonable income and investment risk. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to achieve satisfactory investment returns while gaining the risk control of diversification.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Bureau relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Bureau targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Bureau has a policy of appropriating for distribution each year 5 percent of its endowment fund's average prior three-year portfolio value. In establishing this policy, the Bureau considers the long-term expected return on its endowment.

**11. EMPLOYEE BENEFIT PLAN**

The Bureau sponsors a tax deferred annuity plan under Section 403(b) of the Internal Revenue Code. This plan covers all employees who elect salary reduction contributions. The Bureau matches a certain percent of the amount contributed by the employees. The amount charged to operations was \$1,255 for 2011.

**12. OPERATING LEASES**

The Bureau leases its operating facilities under operating leases expiring in 2014. Total rental expense under the noncancelable leases for 2011 was \$105,558. Minimum future rental payments under noncancelable operating leases as of December 31, 2011 for each of the next five years and in the aggregate are as follows:

2012	\$ 150,740
2013	150,740
2014	75,370
2015 and thereafter	<u>-</u>
Total lease commitments	<u>\$ 376,850</u>

Additionally, the Bureau rents other facilities, storage space and office equipment on a month-to-month basis. Total rental expense under cancelable operating leases was \$41,196 for 2011.

During 2011, the Bureau incurred \$10,000 of brokerage commissions related to its office relocation. The brokerage commission, which is being amortized over the life of the lease, had \$1,667 of amortization in 2011 included in rent expense.

**13. INVESTMENT EXPENSES**

Investment expenses totaled \$4,151 for 2011 and have been included in professional fees on the statement of functional expenses.

**14. IN-KIND CONTRIBUTIONS**

The Bureau recognized contribution revenue for certain services received at the fair value of those services. Those services include the following:

Program – Violence Against Women	
Professional fees	\$ 85,710
Program – Women’s Enterprise	
Professional fees	49,182
Rent	17,450
Program supplies and services	5,749
Public relations	<u>930</u>
	<u>\$ 159,021</u>

**15. CONCENTRATIONS**

The Bureau provides a substantial amount of its services to Lake County, Indiana and to the federal government. A significant reduction in the level of this activity, if this were to occur, may have an effect on the Bureau’s operating results.

The Bureau has significant investments in stocks, bonds and mutual funds and, therefore, is subject to concentration of credit risk. Investments are made by investment managers engaged by the Bureau. Although the fair value of investments is subject to fluctuation on a year-to-year basis, management believes the investment policy is prudent for the long-term welfare of the Bureau and its beneficiaries.

**16. ADVERTISING COSTS**

Advertising costs are charged to operations when incurred. The cost of advertising charged to operations was \$5,956 in 2011.

**WOMEN'S BUREAU, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended December 31, 2011

<b>Federal Grantor/ Pass-Through Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Agency or Pass-Through Number</b>	<b>Revenue Recognized</b>	<b>Expenditures</b>
U.S. Department of Justice: Passed through Indiana Criminal Justice Institute: Crime Victim Assistance	16.575	2010-VA-GX-0100 & 2011-VA-GX-0039	\$ 77,298	\$ 77,298
U.S. Department of Health and Human Services: Pregnant and Postpartum Women	93.243	5H79TI019633-03	188,076	188,076
Passed through Indiana Coalition Against Sexual Assault: Rape Prevention Education	93.193	N/A	13,627	13,627
U.S. Department of Housing and Urban Development: Emergency Shelter Grant	14.231	IN0064B5H020802 & IN0064B5H021003	89,775	89,775
Passed through Indiana Housing and Community Development Authority: Emergency Shelter Grant	14.231	ES-010-031	7,157	7,157
U.S. Small Business Administration: Women's Business Ownership Assistance	59.043	SBAHQ05W0010 & SBAHQ11W0066	131,844	131,844
			<u>\$ 507,777</u>	<u>\$ 507,777</u>

The accompanying notes are an integral part of this schedule.

**WOMEN'S BUREAU, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
December 31, 2011

**1. BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the Federal awards program presented on the accrual basis of accounting, as contemplated by generally accepted accounting principles.

**2. MATCHING CONTRIBUTIONS**

In accordance with terms of the grant, the Bureau has expended matching contributions in the amount of \$66,116, of which \$33,058 was in-kind, for the Women's Business Ownership Assistance Program.



**INDEPENDENT AUDITOR'S 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**

Board of Directors  
Women's Bureau, Inc.  
Fort Wayne, Indiana

We have audited the financial statements of Women's Bureau, Inc. (a nonprofit organization) as of and for the year ended December 31, 2011, and have issued our report thereon dated March 23, 2012. 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 Women's Bureau, 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 Women's Bureau, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bureau'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 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 the 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 Women's Bureau, 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of Women's Bureau, Inc. in a separate letter dated March 23, 2012.

This report is intended solely for the information and use of the board of directors, management, 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.

*Dulin, Waudt & DeWald, Inc.*

Fort Wayne, Indiana  
March 23, 2012



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

Board of Directors  
Women's Bureau, Inc.  
Fort Wayne, Indiana

**Compliance**

We have audited Women's Bureau, Inc.'s compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Women's Bureau, Inc.'s major federal programs for the year ended December 31, 2011. Women's Bureau, Inc.'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 Women's Bureau, Inc.'s management. Our responsibility is to express an opinion on Women's Bureau, Inc.'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 Women's Bureau, Inc.'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 on Women's Bureau, Inc.'s compliance with those requirements.

In our opinion, Women's Bureau, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

### **Internal Control Over Compliance**

Management of Women's Bureau, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Women's Bureau, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the 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 Women's Bureau, Inc.'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 the 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 over compliance that might be deficiencies, 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 is not intended to be and should not be used by anyone other than these specified parties.

*Dulin, Wanda DeWald, Inc.*

Fort Wayne, Indiana

March 23, 2012

**WOMEN'S BUREAU, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
December 31, 2011

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal Control over financial reporting:

Material weakness(es) identified? \_\_\_ Yes  X  No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_ Yes  X  None Reported

Noncompliance material to financial statements noted? \_\_\_ Yes  X  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? \_\_\_ Yes  X  No

Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_ Yes  X  None Reported

Type of report issued on compliance for major programs: Unqualified

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

(continued)

**WOMEN'S BUREAU, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
December 31, 2011

(continued)

**Identification of Major Programs:**

CFDA Number(s)	Name of Federal Program or Cluster
59.043	Women's Business Ownership Assistance
93.243	Pregnant and Postpartum Women

Dollar threshold used to distinguish between  
type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee?  Yes  No

**Section II - Financial Statement Findings**

No material weaknesses or instances of noncompliance noted.

**Section III – Federal Award Findings and Questioned Costs**

No material weaknesses or instances of noncompliance, including questioned costs, noted.

**WOMEN'S BUREAU, INC.**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
Year Ended December 31, 2011

Timely and accurate account reconciliations were not prepared for all significant account balances. The prior year finding no longer exists.