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**METROVISION PARTNERSHIP FOUNDATION**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED**

**DECEMBER 31, 1998 AND 1997**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-28-99

**Ericksen, Krentel, Canton & LaPorte, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**

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## INDEPENDENT AUDITORS' REPORT

MetroVision Partnership Foundation  
New Orleans, Louisiana

We have audited the accompanying statement of financial position of MetroVision Partnership Foundation (the "Foundation") as of December 31, 1998 and the related statements of unrestricted revenues, expenses, and other changes in unrestricted net assets, changes in net assets, and of cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Foundation as of December 31, 1997, were audited by other auditors whose report dated July 15, 1998, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with generally accepted auditing standards, the *Louisiana Governmental Audit Guide* 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 Foundation at December 31, 1998, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Foundation taken as a whole. The accompanying supplementary information is presented in Schedule "1" and "2" is for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. These schedules are the responsibility of the Foundation's management. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MetroVision Partnership Foundation  
April 26, 1999  
Page 2

In accordance with *Government Auditing Standards*, we have also issued a report dated April 26, 1999 on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

April 26, 1999

*Ericksen, Krentel, Canton, & LaPorte LLP*

Certified Public Accountants

**METROVISION PARTNERSHIP FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
DECEMBER 31, 1998 AND 1997

<u>ASSETS</u>	<u>1998</u>	<u>1997</u>
<b><u>CURRENT ASSETS:</u></b>		
Cash and cash equivalents	\$ 619,043	\$ 196,253
Contributions and grants receivable	800,980	737,835
Prepaid expenses	8,189	13,227
Due from affiliates	-	24,117
	<u>1,428,212</u>	<u>971,432</u>
<b><u>PROPERTY AND EQUIPMENT:</u></b>		
Furniture and office equipment	165,341	144,359
Leasehold improvements	14,999	12,030
Less: accumulated depreciation	<u>(88,726)</u>	<u>(64,390)</u>
	<u>91,614</u>	<u>91,999</u>
Net property and equipment	<u>91,614</u>	<u>91,999</u>
	<u>\$ 1,519,826</u>	<u>\$ 1,063,431</u>
Total assets	<u>\$ 1,519,826</u>	<u>\$ 1,063,431</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>CURRENT LIABILITIES:</u></b>		
Accounts payable and accrued expenses	\$ 856,094	\$ 693,318
Due to the Chamber	<u>356,917</u>	<u>288,018</u>
	<u>1,213,011</u>	<u>981,336</u>
Total liabilities	<u>1,213,011</u>	<u>981,336</u>
<b><u>COMMITMENTS AND CONTINGENCIES (NOTE 4)</u></b>		
	-	-
<b><u>NET ASSETS (LIABILITIES):</u></b>		
Unrestricted	155,315	(62,905)
Temporarily restricted (Note 2)	<u>151,500</u>	<u>145,000</u>
	<u>306,815</u>	<u>82,095</u>
Total net assets	<u>306,815</u>	<u>82,095</u>
	<u>\$ 1,519,826</u>	<u>\$ 1,063,431</u>
Total liabilities and net assets	<u>\$ 1,519,826</u>	<u>\$ 1,063,431</u>

See accompanying NOTES TO FINANCIAL STATEMENTS



**METROVISION PARTNERSHIP FOUNDATION**  
**STATEMENTS OF UNRESTRICTED REVENUES, EXPENSES, AND**  
**OTHER CHANGES IN UNRESTRICTED NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 1998 AND 1997**

	1998	1997
<b><u>UNRESTRICTED REVENUES:</u></b>		
Contributions	\$ 1,303,929	\$ 1,291,419
Grants:		
Government	2,013,868	1,011,410
Private	512,176	183,445
Interest	16,569	13,555
Other	87,454	221,128
Total unrestricted revenues	3,933,996	2,720,957
<b><u>NET ASSETS RELEASED FROM RESTRICTIONS:</u></b>		
Expiration of time restrictions	145,000	171,500
Total unrestricted revenues, gains and other support	4,078,996	2,892,457
<b><u>UNRESTRICTED EXPENSES:</u></b>		
Payroll and fringe benefits	1,533,307	941,954
Allocated payroll	219,090	170,339
Allocated overhead	-	97,440
Postage and telephone	64,592	60,801
Supplies	47,736	134,632
Travel, meals, and meetings	244,334	223,892
Consultants, communication, and publications	854,471	934,768
General insurance	14,013	13,977
Sponsorships and contributions	10,691	19,025
Equipment	25,152	10,533
Rent	85,719	87,135
Depreciation	24,336	22,680
Miscellaneous	47,795	93,971
Interest expense	9,106	-
Fundraising	168,482	-
Curriculum development	511,952	75,500
Total unrestricted expenses	3,860,776	2,886,647
Change in unrestricted net assets	218,220	5,810
Unrestricted net assets (liabilities), beginning of year	(62,905)	(68,715)
Unrestricted net assets (liabilities), end of year	\$ 155,315	\$ (62,905)

See accompanying NOTES TO FINANCIAL STATEMENTS

**METROVISION PARTNERSHIP FOUNDATION**  
**STATEMENTS OF CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 1998 AND 1997**

	<u>1998</u>	<u>1997</u>
<b><u>UNRESTRICTED NET ASSETS:</u></b>		
Total unrestricted revenues	\$ 3,933,996	\$ 2,720,957
Net assets released from restrictions	145,000	171,500
Total unrestricted expenses	<u>(3,860,776)</u>	<u>(2,886,647)</u>
Increase in unrestricted net assets	<u>218,220</u>	<u>5,810</u>
<b><u>TEMPORARILY RESTRICTED NET ASSETS:</u></b>		
Contributions	151,500	45,000
Net assets released from restrictions	<u>(145,000)</u>	<u>(171,500)</u>
Increase (decrease) in temporarily restricted net assets	<u>6,500</u>	<u>(126,500)</u>
Increase (decrease) in net assets	224,720	(120,690)
Net assets, beginning of year	<u>82,095</u>	<u>202,785</u>
Net assets, end of year	<u>\$ 306,815</u>	<u>\$ 82,095</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

**METROVISION PARTNERSHIP FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
FOR THE YEARS ENDED DECEMBER 31, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ 224,720	\$ (120,690)
Adjustments to reconcile the change in net assets used in operating activities:		
Depreciation	24,336	22,680
Changes in operating assets and liabilities:		
Increase in contributions and grants receivable	(63,145)	(597,566)
(Increase) decrease in prepaid expenses	5,038	(5,474)
(Increase) decrease in due from affiliates	24,117	(24,117)
Increase in accounts payable	162,776	444,707
Increase in due to the Chamber	68,899	222,888
Decrease in funds held for others	-	(61,506)
	<u>446,741</u>	<u>(119,078)</u>
Net cash used in operating activities		
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Purchase of property and equipment	<u>(23,951)</u>	<u>(7,001)</u>
	<u>(23,951)</u>	<u>(7,001)</u>
Increase (decrease) in cash and cash equivalents	422,790	(126,079)
Cash and cash equivalents, beginning of year	<u>196,253</u>	<u>322,332</u>
Cash and cash equivalents, end of year	<u>\$ 619,043</u>	<u>\$ 196,253</u>
<b><u>SUPPLEMENTAL SCHEDULE OF NON-CASH OPERATING ACTIVITIES:</u></b>		
Operating activities reflect the following:		
Interest paid	\$ 9,106	\$ -

See accompanying NOTES TO FINANCIAL STATEMENTS



**METROVISION PARTNERSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1998 AND 1997**

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

The MetroVision Partnership Foundation (“the Foundation”) is a Louisiana non-profit corporation organized on a non-stock basis. The Foundation was created to in order to provide a permanent structure through which the implementation of the economic development plan developed by its predecessor organization, the MetroVision Partnership, could be accomplished. The plan is intended to restructure the Regional New Orleans area economy to provide an adequate base of employment opportunities into the 21<sup>st</sup> century.

The Foundation is the recipient of government and private grants which fund the Foundation’s involvement with the State of Louisiana’s School-to-Work program. The School-to-Work program’s goal is to provide a continuous system that prepares all students for productive citizenship by challenging them with a curriculum that is rigorous, meets the highest standards, and is relevant to the needs of business and industry.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly revenue is recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

The Foundation follows standards established for external financial reporting by not-for-profit organizations which requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. A description of the three net asset categories follows:

- **Unrestricted** - Net assets which are free of donor-imposed restrictions; all revenues, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets.
- **Temporarily Restricted** – Net assets whose use by the Foundation is limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled or removed by actions of the Foundation pursuant to those stipulations.
- **Permanently Restricted** – Net assets whose use by the Foundation is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

**METROVISION PARTNERSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 1998 AND 1997**

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all short-term, highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are stated at cost, less an allowance for accumulated depreciation. Additions, improvements, and betterments to property and equipment in excess of \$500 are capitalized.

Expenditures for maintenance, repairs, and improvements which do not materially extend the useful lives of the assets are charged to expense as incurred. When property and equipment are removed from service, the cost of the assets and the related accumulated depreciation are removed from the books, and any resulting gain or loss is credited to or charged against the current period's income.

Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. The estimated useful lives used in computing depreciation are as follows:

Furniture and office equipment	5 - 8 years
Leasehold improvements	5 - 10 years

Contributions Receivable

The Foundation considers contributions receivable to be fully collectible. Accordingly, no allowance for uncollectible contributions is required. If amounts become uncollectible, they will be written off when that determination is made. Unconditional promises to give cash and other assets are recorded at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently 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 restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of unrestricted revenues, expenses, and other changes in unrestricted net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

**METROVISION PARTNERSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 1998 AND 1997

**(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Revenue Recognition

Revenues are provided primarily by contributions and grants. Contributions received, including unconditional promises to give, are recognized as revenues in the period received. Grant revenues are recognized in accordance with the terms of the grant.

Advertising

The Foundation expenses the production costs of advertising as incurred, except for direct-response advertising which is capitalized and amortized over its expected period of future benefits. Advertising expense for December 31, 1998 and 1997 was \$31,956 and \$32,836, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

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

Paid Leave

All full-time classified employees of the Foundation are permitted to accrue up to a maximum of 30 days of paid leave (annual leave). Upon termination of employment, an employee is paid for accrued paid leave based on the respective current hourly rate of pay. All liabilities are accrued when incurred.

**(2) TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes or periods;

	1998	1997
For periods after December 31, 1998 and 1997	\$ 151,500	\$ 145,000



**METROVISION PARTNERSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 1998 AND 1997

**(3) RELATED PARTY TRANSACTIONS**

Certain officers of the Foundation are also officers of the New Orleans Regional Chamber of Commerce (the Chamber).

In the ordinary course of operations, the Chamber has made available to the Foundation on a reimbursement basis specific assistance in the form of administrative support and use of facilities. A portion of the salaries, pension and related fringe benefits of those individuals providing such support is allocated to the Foundation. Additionally, during 1997 the Foundation was allocated a fee to the Chamber for use of office space and overhead. All such allocated amounts are included in the Statements of Unrestricted Revenues, Expenses and Other Changes in Unrestricted Net Assets as "Allocated Payroll," "Allocated Overhead" and "Rent" and totaled \$320,476 and \$354,914 for the years ended December 31, 1998 and 1997, respectively.

The Foundation also reimburses the Chamber for its portion of certain payments to vendors for operating and administrative expenditures incurred specifically on behalf of the Foundation.

Effective January 1, 1998, the Chamber began charging the Foundation interest on monies advanced to the Foundation. For the year ended December 31, 1998 the Foundation was charged interest expense of \$9,106 on the average outstanding balance due the Chamber.

**(4) COMMITMENTS AND CONTINGENCIES**

One lawsuit is pending against the Foundation. The Foundation's management, after reviewing this suit with outside counsel, considers that the liabilities, if any, will not be material to the financial statements.

**(5) FUNCTIONAL EXPENSES**

Expenses incurred were for the following purposes:

	<u>1998</u>	<u>1997</u>
Program services	\$ 3,080,624	\$ 2,258,394
General and administrative	587,334	605,573
Fund-raising	168,482	-
Depreciation	<u>24,336</u>	<u>22,680</u>
	<u>\$ 3,860,776</u>	<u>\$ 2,886,647</u>

**METROVISION PARTNERSHIP FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 1998 AND 1997**

**(6) CONCENTRATION OF CREDIT RISK**

The Foundation maintains its cash in bank deposit accounts at various financial institutions. The balances at times may exceed federally insured limits. At December 31, 1998, the Foundation exceeded the insured limit by \$211,909. All cash balances were insured at December 31, 1997.

**7) RECLASSIFICATION OF FINANCIAL STATEMENT PRESENTATION**

Certain reclassifications have been made to the 1997 financial statements to conform with the 1998 financial statement presentation. Such reclassifications had no effect on change in net assets as previously reported.



**METROVISION PARTNERSHIP FOUNDATION**  
**STATEMENTS OF UNRESTRICTED REVENUES, EXPENSES, AND**  
**OTHER CHANGES IN UNRESTRICTED NET ASSETS BY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 1998**

	MetroVision	School-to-Work State of Louisiana Grant	School-to-Work Baptist Community Ministry Grant	Total
<b><u>UNRESTRICTED REVENUES:</u></b>				
Contributions	\$ 1,303,929	\$ -	\$ -	\$ 1,303,929
Grants:				
Government	545,868	1,468,000	-	2,013,868
Private	-	-	512,176	512,176
Interest	8,494	-	8,075	16,569
Other	87,454	-	-	87,454
	<u>1,945,745</u>	<u>1,468,000</u>	<u>520,251</u>	<u>3,933,996</u>
<b><u>NET ASSETS RELEASED FROM RESTRICTIONS:</u></b>				
Expiration of time restrictions	<u>145,000</u>	<u>-</u>	<u>-</u>	<u>145,000</u>
	<u>2,090,745</u>	<u>1,468,000</u>	<u>520,251</u>	<u>4,078,996</u>
<b><u>UNRESTRICTED EXPENSES:</u></b>				
Payroll and fringe benefits	744,302	648,300	140,705	1,533,307
Allocated payroll	219,090	-	-	219,090
Postage and telephone	57,704	5,280	1,608	64,592
Supplies	14,685	30,687	2,364	47,736
Travel, meals, and meetings	145,898	71,377	27,059	244,334
Consultants, communication, and publications	486,195	197,404	170,872	854,471
General insurance	14,013	-	-	14,013
Sponsorships and contributions	10,691	-	-	10,691
Equipment	22,152	3,000	-	25,152
Rent	85,719	-	-	85,719
Depreciation	24,336	-	-	24,336
Miscellaneous	47,795	-	-	47,795
Interest expense	9,106	-	-	9,106
Fundraising	168,482	-	-	168,482
Curriculum development	-	511,952	-	511,952
	<u>2,050,168</u>	<u>1,468,000</u>	<u>342,608</u>	<u>3,860,776</u>
Change in unrestricted net assets	40,577	-	177,643	218,220
Unrestricted net assets (liabilities), beginning of year	<u>(92,096)</u>	<u>-</u>	<u>29,191</u>	<u>(62,905)</u>
Unrestricted net assets (liabilities), end of year	<u>\$ (51,519)</u>	<u>\$ -</u>	<u>\$ 206,834</u>	<u>\$ 155,315</u>

**METROVISION PARTNERSHIP FOUNDATION**  
**STATEMENTS OF UNRESTRICTED REVENUES, EXPENSES, AND OTHER CHANGES IN**  
**UNRESTRICTED NET ASSETS BY FUND – METROVISION FUND ONLY**  
**FOR THE YEAR ENDED DECEMBER 31, 1998**

	<u>1998</u>	<u>1997</u>
<b><u>UNRESTRICTED REVENUES:</u></b>		
Contributions	\$ 1,303,929	\$ 1,426,431
Grants:		
Government	545,868	375,586
Interest	8,494	12,244
Other	<u>87,454</u>	<u>107,001</u>
Total unrestricted revenues	<u>1,945,745</u>	<u>1,921,262</u>
<b><u>NET ASSETS RELEASED FROM RESTRICTIONS:</u></b>		
Expiration of time restrictions	<u>145,000</u>	<u>171,500</u>
Total unrestricted revenues, gains and other support	<u>2,090,745</u>	<u>2,092,762</u>
<b><u>UNRESTRICTED EXPENSES:</u></b>		
Payroll and fringe benefits	744,302	803,136
Allocated payroll	219,090	170,339
Allocated overhead	-	97,440
Postage and telephone	57,704	60,801
Supplies	14,685	16,742
Travel, meals, and meetings	145,898	223,132
Consultants, communication, and publications	486,195	580,422
General insurance	14,013	13,977
Sponsorships and contributions	10,691	19,025
Equipment	22,152	10,533
Rent	85,719	87,135
Depreciation	24,336	22,680
Miscellaneous	47,795	10,781
Interest expense	9,106	-
Fundraising	<u>168,482</u>	<u>-</u>
Total unrestricted expenses	<u>2,050,168</u>	<u>2,116,143</u>
Change in unrestricted net assets	40,577	(23,381)
Unrestricted net assets (liabilities), beginning of year	<u>(92,096)</u>	<u>(68,715)</u>
Unrestricted net assets (liabilities), end of year	<u>\$ (51,519)</u>	<u>\$ (92,096)</u>

**METROVISION PARTNERSHIP FOUNDATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
FOR THE YEAR ENDED DECEMBER 31, 1998

Description	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Education			
Pass-Through Programs From: The Office of the Governor, Office of Workforce Development/Lifelong Learnings – State of Louisiana	84.278E	72-1177207	<u>\$ 1,468,000</u> *

\* Major program

See notes to SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**METROVISION PARTNERSHIP FOUNDATION**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1998**

1. The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting.
2. Federal pass-through programs are presented by the entity through which the Foundation received the Federal financial assistance.
3. Contract or Catalog of Federal Domestic Assistance (CFDA) Number is presented for the individual award scheduled.
4. This Schedule consists of program expenditures for the School-to-Work Grant.
5. Of the federal expenditures presented in the Schedule, MetroVision Partnership Foundation provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
School-to-Work Grant	84.278E	\$ 892,517

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BENJAMIN J. ERICKSEN (Retired 1998)  
J.V. LECIFRE KRETEL (Retired 1993)  
RONALD H. ACKERMANN (Retired 1995)

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

MetroVision Partnership Foundation  
New Orleans, Louisiana

### Compliance

We have audited the compliance of MetroVision Partnership Foundation (the "Foundation"), 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 December 31, 1998. The Foundation's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Foundation's management. Our responsibility is to express an opinion on the Foundation's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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 the Foundation'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 the Foundation's compliance with those requirements.

In our opinion, the Foundation complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1998.



To the Board of Directors  
MetroVision Partnership Foundation  
April 26, 1999  
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**Internal Control Over Compliance**

The management of the Foundation 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 the Foundation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

April 26, 1999

*Erickson, Krentel, Canton & LaPorte LLP*

Certified Public Accountants

# Ericksen, Krentel, Canton & LaPorte, L.L.P.

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BENJAMIN J. ERICKSEN (Retired 1998)  
J.V. LECLERE KRENTEL (Retired 1993)  
RONALD H. ACKERMANN (Retired 1995)

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

MetroVision Partnership Foundation  
New Orleans, Louisiana

We have audited the financial statements of the MetroVision Partnership Foundation (the "Foundation"), as of and for the year ended December 31, 1998, and have issued our report thereon dated April 26, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

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

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

MetroVision Partnership Foundation  
April 26, 1999  
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This report is intended for the information of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

April 26, 1999

*Ericksen, Krentel, Canton & LaPorte LLP*

Certified Public Accountants

**METROVISION PARTNERSHIP FOUNDATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 1998**

**SUMMARY OF THE AUDITORS' RESULTS**

- An unqualified opinion was issued on the financial statements of the auditee.
- Our audit of the financial statements did not disclose a reportable condition in internal controls.
- The audit disclosed no instances of noncompliance that were material to the financial statements of the auditee.
- The statement that reportable conditions in internal control over major programs were disclosed by the audit and whether any such conditions were material weaknesses is not applicable.
- An unqualified opinion was issued on compliance for major programs.
- The audit disclosed no findings which are required to be reported under Section 501(a) of Circular A-133.
- Major program for the year ended December 31, 1998 was:
  - Department of Education – School-to-Work (CFDA #84.278E)
- The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- The auditee did not qualify as a low-risk auditee.

**SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

There were no items identified in the course of our testing during the current year required to be reported.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS**

There were no items identified in the course of our testing during the current year required to be reported.



**METROVISION PARTNERSHIP FOUNDATION  
STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 1998**

Department of Education

Pass-through Programs From:

The Office of the Governor,  
Office of Workforce Development/  
Lifelong Learnings – State of Louisiana

Finding 97-1 School-to-Work Grant

Condition: Primarily, as a result of turnover within the accounting department and the related conditions of the accounting records, the Foundation was unable to prepare and issue its *annual financial reports in a timely manner.*

Recommendation:

1. Replace the senior grant accountant.
2. Due to the volume of journal entries, there is an indication of a lack of timely review procedures in recording amounts to the correct general ledger accounts and treatment of various general ledger transactions. All general ledger journal entries should be reviewed and approved prior to input in the general ledger. In addition, expense accounts should be reviewed for propriety on a timely basis in detail by various department heads whose departments incur these expenses. As an additional monitoring procedure and future budgeting tool, as all expenses are compared to budgeted amounts, we recommend that department heads analyze fluctuations from budget and submit a memo to accounting for expense amounts that exceed a specified threshold on a monthly basis.
3. Since journal entries are reflected on the Company's records, they should be adequately documented in the form of a journal voucher that is initialed by the preparer and by the reviewer in order to verify the validity of the transaction. Journal vouchers should be numerically controlled and bound in permanent form.

Current Status: The recommendation was adopted during 1998 and no similar findings were noted in the 1998 audit.