

METROVISION PARTNERSHIP FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

DECEMBER 31, 2003 AND 2002

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

Release Date 9-8-04

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
MetroVision Partnership Foundation
New Orleans, Louisiana

We have audited the accompanying statements of financial position of MetroVision Partnership Foundation (the "Foundation") as of December 31, 2003 and 2002 and the related statements of unrestricted revenues, expenses, and other changes in unrestricted net assets, changes in net assets, and cash flows for the years 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, 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 and guide 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 audits provide 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, 2003 and 2002, and the changes in its net assets and its cash flows for the years 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 May 21, 2004 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

ERICKSEN KRENTEL & LAPORTELLP

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS
MetroVision Partnership Foundation

May 21, 2004

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Our audits were performed for the purpose of forming an opinion on the basic financial statements of the Foundation taken as a whole. The accompanying supplementary information presented in Schedules "1" through "3" is presented 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 also 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.

May 21, 2004

Erickson, Krentel & LaPorte LLP

Certified Public Accountants

METROVISION PARTNERSHIP FOUNDATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2003 AND 2002

ASSETS

	<u>2003</u>	<u>2002</u>
<u>CURRENT ASSETS:</u>		
Cash and cash equivalents	\$ 65,417	\$ 414,653
Cash held for others	62,005	29,110
Contributions and grants receivable	175,551	286,314
Prepaid expenses	500	12,161
	<u>303,473</u>	<u>742,238</u>
<u>PROPERTY AND EQUIPMENT:</u>		
Furniture and office equipment	118,682	150,524
Leasehold improvements	14,999	14,999
Less: accumulated depreciation	<u>(124,255)</u>	<u>(133,583)</u>
	<u>9,426</u>	<u>31,940</u>
Net property and equipment	<u>9,426</u>	<u>31,940</u>
Total assets	<u>\$ 312,899</u>	<u>\$ 774,178</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES:</u>		
Accounts payable and accrued expenses	\$ 54,485	\$ 68,200
Due to affiliates	325,017	647,910
Funds held for others	56,387	29,110
Accrued paid leave and seperation benefits	<u>41,626</u>	<u>80,788</u>
	<u>477,515</u>	<u>826,008</u>
Total current liabilities	<u>477,515</u>	<u>826,008</u>
<u>NET ASSETS (LIABILITIES):</u>		
Temporarily restricted	-	34,500
Unrestricted	<u>(164,616)</u>	<u>(86,330)</u>
	<u>(164,616)</u>	<u>(51,830)</u>
Total net (liabilities)	<u>(164,616)</u>	<u>(51,830)</u>
Total liabilities and net assets	<u>\$ 312,899</u>	<u>\$ 774,178</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, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>UNRESTRICTED REVENUES:</u>		
Contributions:		
Government contributions	\$ 423,376	\$ 321,876
Private	1,099,843	1,123,589
Grants:		
Government	762,784	1,337,514
Private	89,321	267,803
Interest	1,418	2,005
Other	58,241	144,885
	<u>2,434,983</u>	<u>3,197,672</u>
<u>NET ASSETS RELEASED FROM RESTRICTIONS:</u>		
Expiration of time restrictions	<u>34,500</u>	<u>-</u>
	<u>2,469,483</u>	<u>3,197,672</u>
<u>UNRESTRICTED EXPENSES:</u>		
Payroll and fringe benefits	1,320,494	1,822,524
Postage and telephone	48,107	57,571
Stationary and supplies	19,049	77,120
Travel, meals and meetings	202,636	316,747
Consultants, communications and publications	693,491	674,932
General insurance	19,455	22,792
Sponsorship and contributions	8,666	12,918
Equipment	37,169	15,019
Rent	83,399	101,748
Depreciation	65,393	63,054
Miscellaneous	16,341	52,931
Interest expense	11,473	16,802
Curriculum development	22,096	50,130
	<u>2,547,769</u>	<u>3,284,288</u>
Change in unrestricted net (liabilities)	(78,286)	(86,616)
Unrestricted net assets (liabilities), beginning of year	<u>(86,330)</u>	<u>286</u>
Unrestricted net (liabilities), end of year	<u>\$ (164,616)</u>	<u>\$ (86,330)</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

METROVISION PARTNERSHIP FOUNDATION
STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>UNRESTRICTED NET ASSETS (LIABILITIES):</u>		
Revenue	\$ 2,434,983	\$ 3,197,672
Net assets released from restrictions	34,500	-
Expense	<u>(2,547,769)</u>	<u>(3,284,288)</u>
 (Decrease) in unrestricted net assets	 <u>(78,286)</u>	 <u>(86,616)</u>
<u>TEMPORARILY RESTRICTED NET ASSETS (LIABILITIES):</u>		
Contributions	-	34,500
Net assets released from restrictions	<u>(34,500)</u>	<u>-</u>
 Increase (decrease) in temporarily restricted net assets	 <u>(34,500)</u>	 <u>34,500</u>
 (Decrease) in net assets	 (112,786)	 (52,116)
 Net assets (liabilities), beginning of year	 <u>(51,830)</u>	 <u>286</u>
 Net (liabilities), end of year	 <u><u>\$ (164,616)</u></u>	 <u><u>\$ (51,830)</u></u>

METROVISION PARTNERSHIP FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:</u>		
Change in net assets	\$ (112,786)	\$ (52,116)
Adjustments to reconcile the change in net assets to net cash from (used in) operating activities:		
Depreciation	65,393	63,054
Depreciation reimbursed to affiliated organization	(42,879)	(36,744)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Cash held for others	(32,895)	33,982
Contributions and grants receivable	110,763	430,362
Prepaid expenses	11,661	13,835
Increase (decrease) in:		
Accounts payable and accrued expenses	(13,715)	(624,565)
Due to affiliates	(322,893)	285,170
Funds held for others	27,277	(39,185)
Accrued paid leave and separation benefits	(39,162)	22,998
	<u>(349,236)</u>	<u>96,791</u>
<u>CASH FLOWS (USED IN) INVESTING ACTIVITIES:</u>		
Purchase of property and equipment	<u>-</u>	<u>(2,479)</u>
	<u>-</u>	<u>(2,479)</u>
Net cash (used in) investing activities		
	<u>-</u>	<u>(2,479)</u>
Increase (decrease) in cash and cash equivalents	(349,236)	94,312
Cash and cash equivalents at beginning of year	<u>414,653</u>	<u>320,341</u>
Cash and cash equivalents at end of year	<u>\$ 65,417</u>	<u>\$ 414,653</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>		
Cash paid for:		
Interest	<u>\$ 11,473</u>	<u>\$ 16,802</u>

See accompanying NOTES TO FINANCIAL STATEMENTS

METROVISION PARTNERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

(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 in order to provide a permanent structure for the implementation of an economic development plan. The plan is intended to restructure the Regional New Orleans area economy to provide an adequate base of employment opportunities.

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.

During 2002, the Foundation was the recipient of a government grant which funds the Foundation's involvement with the Louisiana Alliance/Presidential Program for Investments in Honduras (Alianza). The Alianza program's goal is to collaborate, with the public and private sectors in Honduras, to rebuild the nation in the wake of Hurricane Mitch.

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, 2003 AND 2002

(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.

Contributions and Grants Receivable

The Foundation considers contributions and grants receivable to be fully collectible. Accordingly, no allowance for uncollectible contributions and grants 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.

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

Depreciation expense was \$65,393 and \$63,054 for the years ended December 31, 2003 and 2002, respectively.

METROVISION PARTNERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003 AND 2002

(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.

Donated Services

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

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 the years ended December 31, 2003 and 2002 was \$16,328 and \$11,358, 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

Prior to July 1, 2000, all full-time classified employees of the Foundation were permitted to accrue up to a maximum of 30 days of paid leave (annual leave). Effective July 1, 2000, all paid leave earned subsequent to June 30, 2000 and not used by employees is forfeited. 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.

METROVISION PARTNERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003 AND 2002

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

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

(2) CASH FLOW INFORMATION

Non-cash investing activities:

During the year ended December 31, 2003, the Foundation disposed of obsolete computer equipment and furniture with an original cost of \$31,842. The equipment and furniture was fully depreciated at the time of disposal. There were no disposals during the year ended December 31, 2002.

(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 and related fringe benefits of those individuals providing such support is allocated to the Foundation. All such allocated amounts are included in the Statements of Unrestricted Revenues, Expenses and Other Changes in Unrestricted Net Assets as "Payroll and Fringe Benefits", "Equipment", "Depreciation" and "Rent" and totaled \$457,097 and \$538,212 for the years ended December 31, 2003 and 2002, 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.

The Chamber charges the Foundation interest on monies advanced to the Foundation. For the year ended December 31, 2003 and 2002 the Foundation was charged interest expense of \$11,473 and \$9,996, respectively on the average outstanding balance due the Chamber.

During 2003 and 2002, the Foundation contracted with a law firm to provide consulting and legal work on a monthly basis. The Chairman of the Foundation is a partner with this law firm. The fees paid to the law firm for the year ended December 31, 2003 and 2002 were \$91,753 and \$90,813, respectively.

METROVISION PARTNERSHIP FOUNDATION
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003 AND 2002

(4) FUNCTIONAL EXPENSES

Expenses incurred were for the following purposes:

	2003	2002
Program services	\$ 2,229,477	\$ 2,876,364
General and administrative	252,899	344,970
Depreciation	65,393	63,054
	\$ 2,547,769	\$ 3,284,388

(5) 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, 2003 and 2002, the Foundation exceeded the insured limit by \$0 and \$260,812, respectively.

(6) CONTINGENCIES AND COMMITMENTS

The Foundation is currently one of several defendants in a civil lawsuit filed by a vendor. The complaint on open account against the defendants is for \$203,070, plus legal interest and legal fees. The plaintiff contends that they were not compensated for services provided at a conference held in March 2002 and organized by the defendants. The Foundation maintains a \$2,000,000 directors and officers insurance policy with a \$25,000 deductible which provides sufficient coverage pending an unfavorable judgment. Legal fees totaling \$10,891 and \$14,109 were paid during 2003 and 2002, respectively, and applied against the deductible.

Effective August 15, 2002 the Chief Executive Officer (CEO) and Chief Operating Officer (COO) of the Foundation resigned. The resignation and separation agreements between the Foundation and the employees called for separation benefits equal to their monthly salary at the time of resignation for a period up to twelve months for the CEO and three months for the COO. The Foundation is allocated one-half of the separation benefits. If, prior to the expiration of the separation period, the former CEO obtains other employment providing compensation at a rate less than his monthly salary at the time of his resignation, the separation benefits will be reduced by the salary provided by the new employer. As of December 31, 2002, the Foundation had accrued \$31,667 of allocated separation benefits. All obligations under this agreement were satisfied during 2003. As of December 31, 2003, there were no additional amounts to be accrued.

(7) SUBSEQUENT EVENT

Effective January 1, 2004, the governing board of the Foundation changed the organization's name to Greater New Orleans Development Foundation. Prospectively, the operation of the Foundation will significantly change. Revenue will be limited to government and private grants with a corresponding decline in program expenses.

METROVISION PARTNERSHIP FOUNDATION
SCHEDULE OF UNRESTRICTED REVENUES, EXPENSES, AND
OTHER CHANGES IN UNRESTRICTED NET ASSETS BY FUND
FOR THE YEAR ENDED DECEMBER 31, 2003

	MetroVision	School-to-Work State of Louisiana Grant	School-to-Work Baptist Community Ministry Grant	Consortia	Alianza	NOATV	SLC	John Hopkins Talent Development Model	Total
UNRESTRICTED REVENUES:									
Contributions:									
Government	\$ 423,376	\$ -	\$ -	\$ 95,200	\$ -	\$ 350	\$ -	\$ 50,000	\$ 423,376
Private	954,293	-	-	-	-	25,000	192,699	-	1,099,843
Grants:									
Government	545,085	-	87,500	1,821	-	-	-	-	762,784
Private	-	-	1,368	-	-	-	-	-	89,321
Interest	50	-	-	-	-	-	-	-	1,418
Other	55,241	-	-	-	-	-	3,000	-	58,241
Total unrestricted revenues	1,978,045	-	88,868	97,021	-	25,350	195,699	50,000	2,434,983

NET ASSETS RELEASED FROM RESTRICTIONS:

Expiration of time restrictions	34,500	-	-	-	-	-	-	-	34,500
Total unrestricted revenues, gains and other support	2,012,545	-	88,868	97,021	-	25,350	195,699	50,000	2,469,483

UNRESTRICTED EXPENSES:

Payroll and fringe benefits	983,426	-	169,168	88,202	-	30	79,668	-	1,320,494
Postage and telephone	40,411	-	4,410	190	-	796	2,300	-	48,107
Stationary and supplies	9,048	-	5,133	682	-	-	2,868	1,318	19,049
Travel, meals and meetings	165,724	-	9,816	8,079	-	4,509	14,508	-	202,636
Consultants, communications and publications	592,003	-	16,217	1,952	-	11,046	72,273	-	693,491
General insurance	19,455	-	-	-	-	-	-	-	19,455
Sponsorship and contributions	8,666	-	-	-	-	-	-	-	8,666
Equipment	16,985	-	-	-	-	-	-	20,184	37,169
Rent	83,399	-	-	-	-	-	-	-	83,399
Depreciation	63,075	-	-	1,083	-	-	1,235	-	65,393
Miscellaneous	12,402	-	3,265	-	-	-	-	674	16,341
Interest expense	11,473	-	-	-	-	-	-	-	11,473
Curriculum development	-	-	1,637	2,564	-	8,969	8,926	-	22,096
Total unrestricted expenses	2,006,067	-	209,646	102,752	-	25,350	181,778	22,176	2,547,769

Change in unrestricted net assets	6,478	-	(120,778)	(5,731)	-	-	13,921	27,824	(78,286)
Unrestricted net assets (liabilities), beginning of year	(310,921)	100	188,738	13,413	-	100	22,240	-	(86,330)
Unrestricted net assets (liabilities), end of year	\$ (304,443)	\$ 100	\$ 67,960	\$ 7,682	\$ -	\$ 100	\$ 36,161	\$ 27,824	\$ (164,616)

**METROVISION PARTNERSHIP FOUNDATION
SCHEDULE OF UNRESTRICTED REVENUES, EXPENSES, AND
OTHER CHANGES IN UNRESTRICTED NET ASSETS BY FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	MetroVision	School-to-Work State of Louisiana Grant	School-to-Work Baptist Community Ministry Grant	Consortia	Alianza	NOATV	SLC	John Hopkins Talent Development Model	Total
UNRESTRICTED REVENUES:									
<i>Contributions:</i>									
Government	\$ 321,876	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 321,876
Private	1,029,089	-	-	94,500	-	-	-	-	1,123,589
<i>Grants:</i>									
Government	457,683	8,200	-	-	539,638	40,000	291,993	-	1,337,514
Private	5,303	-	262,500	-	-	-	-	-	267,803
Interest	427	-	1,476	-	102	-	-	-	2,005
Other	144,885	-	-	-	-	-	-	-	144,885
Total unrestricted revenues	1,959,263	8,200	263,976	94,500	539,740	40,000	291,993	-	3,197,672
NET ASSETS RELEASED FROM RESTRICTIONS:									
Expiration of time restrictions	-	-	-	-	-	-	-	-	-
Total unrestricted revenues, gains and other support	1,959,263	8,200	263,976	94,500	539,740	40,000	291,993	-	3,197,672

UNRESTRICTED EXPENSES:									
Payroll and fringe benefits	1,204,905	4,668	122,349	81,648	268,947	21,627	118,380	-	1,822,524
Postage and telephone	49,908	-	4,446	-	902	-	2,315	-	57,571
Stationary and supplies	12,720	480	3,308	355	57,911	84	2,262	-	77,120
Travel, meals and meetings	196,378	750	7,567	2,716	70,468	4,230	34,638	-	316,747
Consultants, communications and publications	394,140	2,302	30,109	1,822	142,538	4,135	99,886	-	674,932
General insurance	22,792	-	-	-	-	-	-	-	22,792
Sponsorship and contributions	12,918	-	-	-	-	-	-	-	12,918
Equipment	10,819	-	-	-	-	4,200	-	-	15,019
Rent	101,748	-	-	-	-	-	-	-	101,748
Depreciation	60,903	-	-	917	-	-	1,234	-	63,054
Miscellaneous	32,066	-	13,441	-	-	25	7,399	-	52,931
Interest expense	16,802	-	-	-	-	-	-	-	16,802
Curriculum development	-	-	2,842	164	-	5,599	41,525	-	50,130
Total unrestricted expenses	2,116,099	8,200	184,062	87,622	540,766	39,900	307,639	-	3,284,288
Change in unrestricted net assets	(156,836)	-	79,914	6,878	(1,026)	100	(15,646)	-	(86,616)
Unrestricted net assets (liabilities), beginning of year	(154,085)	100	108,824	6,535	1,026	-	37,886	-	286
Unrestricted net assets (liabilities), end of year	\$ (310,921)	\$ 100	\$ 188,738	\$ 13,413	\$ -	\$ 100	\$ 22,240	\$ -	\$ (86,330)

METROVISION PARTNERSHIP FOUNDATION
SCHEDULE OF UNRESTRICTED REVENUES, EXPENSES, AND OTHER
CHANGES IN UNRESTRICTED NET ASSETS -
METROVISION FUND ONLY
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>UNRESTRICTED REVENUES:</u>		
Contributions:		
Government	\$ 423,376	\$ 321,876
Private	954,293	1,029,089
Grants:		
Government	545,085	457,683
Private grants	-	5,303
Interest	50	427
Other	55,241	144,885
	<u>1,978,045</u>	<u>1,959,263</u>
<u>NET ASSETS RELEASED FROM RESTRICTIONS:</u>		
Expiration of time restrictions	34,500	-
	<u>2,012,545</u>	<u>1,959,263</u>
<u>UNRESTRICTED EXPENSES:</u>		
Payroll and fringe benefits	983,426	1,204,905
Postage and telephone	40,411	49,908
Supplies	9,048	12,720
Travel, meals, and meetings	165,724	196,378
Consultants, communication, and publications	592,003	394,140
General insurance	19,455	22,792
Sponsorship and contributions	8,666	12,918
Equipment	16,985	10,819
Rent	83,399	101,748
Depreciation	63,075	60,903
Miscellaneous	12,402	32,066
Interest	11,473	16,802
	<u>2,006,067</u>	<u>2,116,099</u>
Change in unrestricted net assets	6,478	(156,836)
Unrestricted net (liabilities), beginning of year	<u>(310,921)</u>	<u>(154,085)</u>
Unrestricted net (liabilities), end of year	<u>\$ (304,443)</u>	<u>\$ (310,921)</u>

See Auditors' Report

**METROVISION PARTNERSHIP FOUNDATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003**

Funding Agency/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Education</u>			
<u>Pass-Through Awards:</u>			
St. Charles Parish School Board Smaller Learning Communities (SLC)	84.215L	2201440	\$ <u>348,374</u> *
Total U.S. Department of Education			<u>348,374</u>
Total Federal Expenditures			<u>\$ 348,374</u>

* Represents a "Major" grant under OMB Circular A-133

METROVISION PARTNERSHIP FOUNDATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2003

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 awards scheduled.
4. Of the federal expenditures presented in the Schedule, MetroVision Partnership Foundation provided federal awards to sub-recipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Sub-recipients</u>
SLC	84.215L	\$ <u>155,675</u>
		\$ <u>155,675</u>

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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

To the Board of Directors
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, 2003, and have issued our report thereon dated May 21, 2004. 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.

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.

ERICKSEN KRENTEL & LAPORTELLP

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

MetroVision Partnership Foundation

May 21, 2004

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

May 21, 2004

Erickson, Krentel & Laforte LLP

Certified Public Accountants

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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

To the Board of Directors
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 each of its major federal programs for the year ended December 31, 2003. The Foundation's major federal programs are 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 each of its major federal programs 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 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 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 each of its major federal programs for the year ended December 31, 2003.

ERICKSEN KRENTEL & LAPORTELLI

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

MetroVision Partnership Foundation

May 21, 2004

Page 2

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

May 21, 2004

Erickson, Krentel & Laporte LLP

Certified Public Accountants

METROVISION PARTNERSHIP FOUNDATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2003

SUMMARY OF THE AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of MetroVision.
2. No material weaknesses or reportable conditions in internal control relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of MetroVision are reported in the 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*.
4. No material weaknesses or reportable conditions in internal control relating to the audit of major federal programs is reported in the 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.
5. The auditors' report on compliance for the major federal award programs for MetroVision expresses an unqualified opinion.
6. The auditors' report disclosed no findings that are required to be reported under OMB Circular A-133.
7. The following programs were identified as major programs:

U.S. Department of Education
 School-to-Career CFDA 84.215L
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. MetroVision qualified as a low-risk auditee under the provisions of OMB Circular A-133.

B. FINDINGS REQUIRED TO BE REPORTED – FINANCIAL STATEMENT AUDIT

There were no audit findings as defined by *Government Auditing Standards* that are required to be reported in this section of the Schedule of Findings and Questioned Costs.

METROVISION PARTNERSHIP FOUNDATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2003

C. FINDINGS REQUIRED TO BE REPORTED - FEDERAL AWARDS

There were no audit findings as defined in OMB Circular A-133 that are required to be reported in this section of the Schedule of Findings and Questioned Costs.

D. SUMMARY OF PRIOR YEAR'S FINDINGS

There were no findings related to federal awards for the year ended December 31, 2002.