

**WOMEN'S INITIATIVE FOR
SELF- EMPOWERMENT**

FINANCIAL STATEMENTS

December 31, 2009 and 2008

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
Saint Paul, Minnesota

We have audited the accompanying statements of financial position of **Women's Initiative for Self - Empowerment** (a Minnesota non-profit corporation) as of December 31, 2009 and 2008 and the related statements of activities and changes in net assets, statements of functional expenses and statements of cash flows for the years then ended. These financial statements are the responsibility of the Organization'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. 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 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 **Women's Initiative for Self-Empowerment**, as of December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

THOMAS LEWIS & ASSOCIATES, P.A.

November 12, 2010



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WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
STATEMENTS OF FINANCIAL POSITION
December 31, 2009 and 2008

	2009	2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 31,829	\$ 26,937
Promises to give	-	35,000
Grants receivable	167,008	149,560
Prepaid expenses	-	127
Total Current Assets	198,837	211,624
PROPERTY AND EQUIPMENT - Net		
Furniture, fixture and equipment	7,481	7,481
Less, accumulated depreciation	7,481	7,481
	-	-
	\$ 198,837	\$ 211,624
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 595	\$ 1,240
Accrued expenses	4,079	-
Deferred contract revenue	112,037	132,160
Total Current Liabilities	116,711	133,400
NET ASSETS		
Unrestricted	82,126	62,224
Temporarily restricted	-	16,000
	82,126	78,224
	\$ 198,837	\$ 211,624

See independent auditor's report and notes to financial statements

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Years Ended December 31, 2009 and 2008

	2009			Comparative Totals For 2008
	Unrestricted	Restricted	Total	
REVENUE AND SUPPORT				
Private foundations	\$ 81,000	\$ -	\$ 81,000	\$ 79,000
Fees and grants from government agencies	223,493	-	223,493	349,423
Individuals and businesses	8,183	-	8,183	24,575
Affiliated organizations	28,854	-	28,854	6,516
Investment income	39	-	39	194
Miscellaneous revenues	1,333	-	1,333	1,471
Total	<u>342,902</u>	<u>-</u>	<u>342,902</u>	<u>461,179</u>
Net assets transferred to satisfy program restrictions	<u>16,000</u>	<u>(16,000)</u>	<u>-</u>	<u>-</u>
Total Revenue	358,902	(16,000)	342,902	461,179
EXPENSES				
Program services				
Girls getting ahead leadership	82,358	-	82,358	56,953
Financial literacy education	56,682	-	56,682	202,994
Access to health	190,273	-	190,273	163,812
Total Program Services	<u>329,313</u>	<u>-</u>	<u>329,313</u>	<u>423,759</u>
Support services				
Management and general	9,687	-	9,687	41,058
Total Support Services	<u>9,687</u>	<u>-</u>	<u>9,687</u>	<u>41,058</u>
Total Expenses	<u>339,000</u>	<u>-</u>	<u>339,000</u>	<u>464,817</u>
Change in Net Assets	19,902	(16,000)	3,902	(3,638)
NET ASSETS, BEGINNING OF THE YEAR	62,224	16,000	78,224	81,862
NET ASSETS, END OF THE YEAR	<u>\$ 82,126</u>	<u>\$ -</u>	<u>\$ 82,126</u>	<u>\$ 78,224</u>

See independent auditor's report and notes to financial statements

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2009, with Comparative Totals for 2008

	2009						Comparative Totals For 2008
	Program Services				Management & General	Grand Total	
	Girls Leadership	Financial Literacy Education	Access to Health	Total Program			
Salaries and wages	\$ 42,951	\$ 23,900	\$ 58,179	\$ 125,030	\$ 3,946	\$ 128,976	\$ 238,474
Employee benefits	5,689	4,103	10,458	20,250	38	20,288	33,396
Payroll taxes	1,196	1,506	7,258	9,960	317	10,277	16,070
Total salaries and related costs	<u>49,836</u>	<u>29,509</u>	<u>75,895</u>	<u>155,240</u>	<u>4,301</u>	<u>159,541</u>	<u>287,940</u>
Professional services	2,092	2,906	5,446	10,444	1,609	12,053	6,007
Office supplies	2,326	2,396	1,374	6,096	612	6,708	6,679
Telephone	610	406	4,621	5,637	41	5,678	3,406
Rent and occupancy	6,991	3,941	12,169	23,101	900	24,001	16,299
Printing and publications	364	-	438	802	-	802	1,408
Contract services	-	2,498	98	2,596	249	2,845	8,541
Conferences and conventions	143	39	7,272	7,454	53	7,507	6,381
Insurance	299	507	446	1,252	528	1,780	1,534
Scholarships	2,750	-	25,740	28,490	249	28,739	27,571
Stipend	672	-	-	672	40	712	5,656
Miscellaneous expense	54	38	251	343	1,208	1,551	21,743
Equipment rental & maintenance	559	321	1,003	1,883	-	1,883	3,824
Staff development	249	85	281	615	43	658	-
Travel	4,244	511	2,739	7,494	(146)	7,348	16,910
Payments to Affiliates	<u>11,169</u>	<u>13,525</u>	<u>52,500</u>	<u>77,194</u>	<u>-</u>	<u>77,194</u>	<u>50,834</u>
Total Expense before Depreciation	82,358	56,682	190,273	329,313	9,687	339,000	464,733
Depreciation and amortization	-	-	-	-	-	-	84
	<u>\$ 82,358</u>	<u>\$ 56,682</u>	<u>\$ 190,273</u>	<u>\$ 329,313</u>	<u>\$ 9,687</u>	<u>\$ 339,000</u>	<u>\$ 464,817</u>

See independent auditor's report and notes to financial statements

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 3,902	\$ (3,638)
Adjustments to reconcile the change in net assets to net cash from operating activities:		
Depreciation and amortization	-	84
Promises to give	35,000	(35,000)
Grants receivable	(17,448)	144,653
Prepaid expenses	127	907
Accounts payable	(645)	(9,219)
Accrued expenses	4,079	(6,499)
Deferred contract revenue	(20,123)	(183,730)
	<u>4,892</u>	<u>(92,442)</u>
Net Cash Flow Provided By (Used in) Operating Activities	4,892	(92,442)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,892	(92,442)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>26,937</u>	<u>119,379</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 31,829</u>	<u>\$ 26,937</u>

See independent auditor's report and notes to financial statements

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Women's Initiative for Self Empowerment (the "Organization") is a multicultural women's non-profit organization which was started in Minnesota in 1995 by and for immigrant women to provide adjustment services for immigrant and refugee women and girls. Since 1995 the Organization has expanded their mission to creating leadership development opportunities for immigrant and refugee women and girls. The organization provides services to women and girls from all countries, cultures and economic backgrounds through a variety of programs addressing the empowerment of women and girls primarily through educational workshops, advocacy, mentorship, and support and by promoting public awareness.

The major activities of the Organization include the following:

Financial Literacy Initiative for Immigrants/Refugees (FLII/R): Program provides African, Asian & Latino immigrant/refugee families with information in asset building and consumer protection skills needed to help them make rational decisions towards their self-sufficiency and civic integration into their new communities. The program was initiated in 2005/6 with McKnight Foundation fund focusing Asian and Latino immigrants, and was later, in 2006, expanded to particularly reach African and Asian refugees through DHHS-ORR fund. The program uses the "Becoming Part of Wealth in America" which allocates a total of 70 hours of curriculum training, financial counseling, and referrals services and follow-ups.

Since mid-2007 the Organization expanded its FLII program objective of economic self sufficiency through McKnight funded Individual Development Account (IDA) Program, which rewards eligible working-poor families with matching funds to enhance their monthly savings to build long-term assets in education, starting a business or buying first home. The program has established partnerships with the Family Assets for Independence in Minnesota (FAIM) which contributes saving matching funds to eligible working-poor families.

In 2009, the Organization conducted 9 workshops and reaching 117 adult participants from various countries and ethnic groups including Asians from the Karen community group from Burma, Africans from the West African countries of the Gambia, Sierra Leone, Liberia, Guinea Mali, and the Oromo from Ethiopia. 74 participants received free tax assistance through a referral to AccountAbility Minnesota and 54 participants expressed interested to enroll in the IDA program. Pre-post-training tests and impact evaluation survey analysis conducted showed a significant increase in participant's financial knowledge & their activities and behavior

Funded by: McKnight; Otto Bremer, and St. Paul Foundations and Money Gram International

Integrating Foreign Trained Healthcare Professionals for Self Sufficiency (IFTHPSS) Program: In October 2007, the Organization, in collaboration with the African and American Friendship Association for Cooperation and Development (AAFACD), Inc., was granted funding of \$168,370 per year for three years from the Department of Health and Human Services, Office of Refugee Resettlement, to educate and empower forty multi-ethnic refugee nurses and doctors (from Asian, Africa, Eastern Europe, Latin American and the Middle East) to obtain their licensure and get integrate into the US healthcare system. In addition to advocacy for system change to remove licensure barriers, this funding provides participants re-training, scholarships for study courses and exam fees, case management and educational support consisting of on-going career exploration, employment development, scholarships for training and taking exams for licensure.

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Funders, local foundations: Headwater Foundation for Justice and Park Nicollet, provided funds for the provision of services and support to empower other immigrant doctors and nurses for success in the process of licensure. Collaborators include, MN Health Literacy Partnership, Vital Aging Network; St. Paul Workforce Center, the Center for Cross Cultural Health, Global Language Institute, the International Institute of MN, Eastern European Medical Association, West Metro Medical Association and the University of Minnesota, medical and nursing schools.

The program Director, Coordinator, and Advocate actively engaged in community outreach and public educational activities with different selected stakeholders in the local community and participated in several discussions, meetings, workshops and conferences. WISE/AAFACD partnership presented the IFTHPSS Program's model at the first national recertification conference in hosted by Refugee Works in Michigan in June 2009, a testimony to the fact that there is increasing interest in the recertification of professionals New Americans. The program has been recognized as a model for replication in other states.

2009 major accomplishments: The partnership vetted 20 participants and assigned them to a group of 20 peer and professional mentors, to facilitate the process of obtaining US clinical (hand-on) experience, assisting in building participants' interpersonal and US employment cultural proficiency skills. The program staff and participants held discussions with the Dean of the School of Nursing, University of Minnesota, exploring the possibility of creating a pathway for ten foreign trained physicians who are not getting into residency to train as nurse practitioners. Collaborative meetings of program staff and participants held with the Coordinator of the Area Health Education Centers (AHEC), physicians and CEOs of the local health care system and community members in Crookston Minnesota led to discussion of the possibility for foreign trained physicians to have transitional employment and exposure to medical practice in rural health Centers as they process their residency application.

By the end of 2009, at least 211 foreign trained health professionals (FTHPs), mainly doctors and nurses, were enrolled in the Program and in different stages in the licensure process. During the year, over 55 FTHPs participated in advocacy and support groups, or/and received case management; 10 FT doctors successful passed at least one United States Medical Licensure Exam (USMLE); and 5 foreign trained (FT) doctors completed a second USMLE. Nine FT doctors who had complete all the three required exams applied for residency and four got accepted. 15 FT doctors who have completed all required exams but were not able to get into residency were in search for alternative health professional pathways. Two nurses obtained their license and started working in the clinics/hospital as RNs.

Girls Getting Ahead in Leadership (GGAL): GGAL is a college preparation program that works with underserved and underrepresented young women in their junior and senior years of high school. The program works with recently arriving immigrant communities to help them understand the financial aid process, planning and preparing for college, community resources, career awareness and exploration. The primary goal of this project is to increase low-income immigrant girls' readiness to enter into institutions of higher education in order for them to achieve economic well-being and independence in the future. Major Accomplishments included:

- During the 08/09 Program, 48 high school juniors and seniors were recruited and enrolled in the program; 24 were active participants in the program (attended over 80% of the program activities and workshops). 25 volunteers were recruited and worked with the program. From September 2008 to June 2009, 28 workshops were completed on topics including: college preparation, career exploration, financial aid & scholarships, goal setting, personal statements, time management, computer literacy and leadership development. Girls participated in seven college visits and attended eleven community events: field trips and conferences.

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 15 senior girls active in the 2008-09 programs successfully graduated from high schools and 14 of these graduates enrolled in local colleges or universities.
- During summer 2009, 12 GGAL girls participated in Girls Democracy in Action (GDIA), the civic enhancement of GGAL, focuses on providing immigrant girls (10-12 grades) with training and resources about citizenship, Minnesota politics, community engagement, public policy and the concepts of social change. The participants increased their knowledge about civic engagement and advocacy in three educational workshops, facilitated by staff from Project Logos (which later had a name change to Project Footsteps).
- 19 GGAL girls also participated in the Summer Art Project, conducted by WISE in collaboration with AAFACD, Inc. The program explored concepts of self identity, future dreams and cultural art along with artistic components, such as book arts. Three artists facilitated ten sessions and two field trips to art museums.
- Nineteen college graduate volunteers served as mentors and regularly attended workshops, providing one-on-one assistance, and support to GGAL girls.

Funded by: Minnesota Office of Higher Education, Marbrook Foundation Metropolitan Regional Arts Council (MRAC) and Target Foundation

Project Achieve: is an after school college preparation program that works with juniors and seniors youth at Higher Ground Academy who were not accepted into the Admission Possible program based on low GPAs and the perception that they have low potential to succeed in college. The program works with recently arrived African refugees & African Americans to help them prepare for the ACT, understand the college application and financial aid processes, and explore different careers and colleges. The primary goal is to increase youths' readiness to enter into institutions of higher education in order for them to achieve economic well-being.

Major Accomplishments:

- During the 08/09 school year, the Organization provided academic & career counseling to 12 juniors and five seniors twice a week to help prepare them for college & the ACT.
- Four volunteers worked with the students weekly.
- All five seniors of the 08/09 school year successfully applied to three or more post-secondary institutions and graduated with at least 2.5 GPA.

Funded by: Minnesota Office of Higher Education and Higher Ground Academy

Basis of Presentation

The financial statements have been prepared in conformity with the disclosure requirements of generally accepted accounting standards for not-for-profit Organizations. Under these provisions, net assets and revenues, expenses, gains and losses are classified on the existence or absence of donor-imposed restrictions.

Accordingly, the Organization's net assets and changes thereto are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed or other stipulations.

Temporarily Restricted Net Assets - Includes net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization or with the passage of time.

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanently Restricted Net Assets – Are net assets subject to donor-imposed restrictions stipulating that the corpus be held in perpetuity. The Organization has no permanently restricted net assets.

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. Changes in prior year's estimates are accounted for within the statement of changes in net assets in the current year.

Cash and Cash Equivalents

For financial statement purposes, highly liquid investments with original maturities of less than three months are considered to be cash equivalents.

Accrual Basis Financial Statements

The accrual basis of accounting has been used and conforms to generally accepted accounting principles as applicable to reporting for not-for-profit organizations.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on the functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management.

Comparative and Summarized Financial Information

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

Income Taxes

The Organization is exempt from federal and state income taxes as organizations described under Section 501(c)(3) of the Internal Revenue Code and section 290.05 of the Minnesota Statute. The Organization's open audit periods are the years ended December 31, 2006 through 2009.

The Organization has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2009.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for tax return years prior to the year ended December 31, 2006.

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization's policy is to classify any income tax related interest and penalties in interest expense and other expenses, respectively.

Donated Material and Services

Contributed services are recorded as contributions, at their fair value, when the service creates or enhances a non-financial asset or the donation. Some unpaid volunteers have made contributions of their time to the organization's programs. The value of this contributed time is not reflected in these statements, since it does not meet the requirements for recognition in the financial statements.

Revenue Recognition

Donations, grants, contributions and all other forms of revenue are considered unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by donor are recorded as deferred revenues until the appropriate future period or the donor restriction is satisfied, respectively.

Deferred Contract Revenue

Deferred contract revenue represents program service fees for which funds have been committed by the grantor but the related services have not yet been performed. Deferred contract revenue for the years ended December 31, 2009 and 2008 was \$112,037 and \$132,160, respectively.

Contributions

Contributions are recognized when the donor makes an unconditional commitment to give to the organization. Contributions that are restricted by the donor are reported as increases in temporarily restricted net assets and transferred to unrestricted net assets when the restriction expires or the condition is met.

Reclassifications

Certain items relating to the year 2008 have been reclassified to conform to reporting in the 2009 presentation.

NOTE B – GRANTS RECEIVABLE

Grants receivable are as follows:

	<u>2009</u>	<u>2008</u>
Dept of Health & Human Services (ORR)	\$136,008	\$133,560
MN Higher Education Services Offices	16,000	16,000
Higher Ground Academy	15,000	-
	<u>\$167,008</u>	<u>\$149,560</u>

NOTE C - PROPERTY AND EQUIPMENT

Property and Equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated lives of the particular assets. When the organization commits to the disposal or abandonment of equipment, the assets are written off or down to the net realizable value. The cost of maintenance and repairs is charged to income as incurred; significant renewals or betterments are capitalized.

WOMEN'S INITIATIVE FOR SELF-EMPOWERMENT
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE D – COMMITMENTS AND CONTINGENCIES

Concentrations of Credit Risk

In 2009, approximately 55% of the Organization's revenue was from a single government source. Should this source fail to continue to subsidize the Organization's revenue or should there be a worsening of the economy or other factors beyond the Organization's control, this loss of revenue could cause severe impact on its continued operations.

Federal Deposit Insurance

The Federal Deposit Insurance Corporation insures checking and savings account balances up to \$250,000 per financial institution. The Organization maintains its cash in bank accounts at a single financial institution. There were no balances in excess of this limit at December 31, 2009 or 2008 and the Organization has not experienced any losses in these accounts.

Lease Obligations

The Organization leases office space under a lease that expires on October 31, 2014. Rent expense for the years 2009 and 2008 was \$24,001 and \$17,215, respectively. Minimum annual payments under the lease for the next five years are as follows:

<u>Year</u>	<u>Amount</u>
2010	\$25,844
2011	26,331
2012	25,844
2013	26,618
2014	22,740