

STATE OF CONNECTICUT



***AUDITORS' REPORT
FOUNDATION FOR CONNECTICUT WOMEN, INC.
FOR THE FISCAL YEARS ENDED
JUNE 30, 2003, 2004, 2005 AND 2006***

AUDITORS OF PUBLIC ACCOUNTS
KEVIN P. JOHNSTON ❖ ROBERT G. JAEKLE

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INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Foundation for Connecticut Women, Inc.:

We have audited the accompanying statement of net assets of the Foundation for Connecticut Women, Inc., (Foundation) as of June 30, 2003, 2004, 2005 and 2006, and the related statements of activities, 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2003, 2004, 2005 and 2006, and the results of its operations and changes in net assets 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 our report dated August 31, 2007, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Auditors of Public Accounts

Our audit was made for the purpose of forming an opinion on the financial statements of the Foundation taken as a whole. The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the Management's Discussion and Analysis and express no opinion on it.

Kevin P. Johnston
Auditor of Public Accounts

Robert G. Jaekle
Auditor of Public Accounts

August 31, 2007
State Capitol
Hartford, Connecticut

**FOUNDATION FOR CONNECTICUT WOMEN, INC.
MANAGEMENTS DISCUSSION AND ANALYSIS**

An Overview of the Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to the basic financial statements of the Foundation for Connecticut Women, Inc. The basic financial statements are comprised of the statements of: net assets, activities, and cash flows, accompanied by notes to the financial statements, which are an integral part of the financial statements.

The following is an overview and analysis of the financial performance of the Foundation of Connecticut Women, Inc., (Foundation) and its activities for the fiscal years ended June 30, 2003, 2004, 2005 and 2006. It is best to consider this information in conjunction with the information presented in the financial statements including the accompanying notes to the financial statements.

Condensed Financial Information

	<u>For the Fiscal Year Ended June 30,</u>			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Total Assets	\$ 659	\$1,843	\$1,837	\$2,252
Total Liabilities	<u>-0-</u>	<u>0-</u>	<u>-0-</u>	<u>-0-</u>
Total Net Assets	\$ 659	\$1,843	\$1,837	\$2,252
Total Revenues	\$4,318	\$1,250	\$ 100	\$ 465
Total Expenses	<u>3,659</u>	<u>66</u>	<u>106</u>	<u>50</u>
Change in Net Assets	\$ 659	\$1,184	\$ (6)	\$ 415

Financial Highlights

- The assets of the Foundation exceeded its liabilities for the fiscal year ended June 30, 2006, by \$2,252. All of this amount may be used to meet future needs of the Foundation.
- The Foundation opened its business checking account in November 2002, thus marking its first financial activity in the fiscal year ended June 30, 2003. Its revenues and expenses were the largest in that fiscal year because of activity for a large event, the Permanent Commission on the Status of Women's 30th Anniversary celebration. The Foundation's purpose is to support the work of the Permanent Commission on the Status of Women.
- The Foundation has no debt.

Subsequent to the fiscal year ended June 30, 2006, the Foundation has pursued donation and grant opportunities to fulfill its mission of supporting projects and initiatives of the Permanent Commission on the Status of Women.

Auditors of Public Accounts

**Foundation for Connecticut Women, Inc.
Statement of Net Assets
As of June 30, 2003, 2004, 2005 and 2006**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Assets:				
Cash and cash equivalents	<u>\$659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>
Total Assets	<u>\$659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>
Liabilities and Net Assets:				
Total Liabilities	-0-	-0-	-0-	-0-
Net Assets:				
Unrestricted Net Assets	<u>\$659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>
Total Net Assets	<u>\$659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>
Total Liabilities and Net Assets	<u>\$659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>

See accompanying notes to financial statements.

**Foundation for Connecticut Women, Inc.
Statement of Activities
For the Fiscal Years Ended June 30, 2003, 2004, 2005 and 2006**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues and Support:				
Donations and Contributions	<u>\$4,318</u>	<u>\$1,250</u>	<u>\$ 100</u>	<u>\$ 465</u>
Total Revenues and Support	<u>\$4,318</u>	<u>\$1,250</u>	<u>\$ 100</u>	<u>\$ 465</u>
Expenses:				
Program services	\$3,659	-0-	-0-	-0-
Supporting services:				
General and administrative	<u>-0-</u>	<u>66</u>	<u>106</u>	<u>50</u>
Total Expenses	<u>\$3,659</u>	<u>\$ 66</u>	<u>\$ 106</u>	<u>\$ 50</u>
Change in Net Assets	\$ 659	\$1,184	\$ (6)	\$ 415
Net Assets, Beginning of Year	<u>-0-</u>	<u>659</u>	<u>1,843</u>	<u>1,837</u>
Net Assets, End of Year	<u>\$ 659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>

See accompanying notes to financial statements.

Foundation for Connecticut Women, Inc.
Statement of Cash Flows
For the Fiscal Years Ended June 30, 2003, 2004, 2005 and 2006

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Cash Flows from Operating Activities:				
Source: Donations	\$4,318	\$1,250	\$ 100	\$ 465
Uses: Program Expenses	3,659			
Administrative Expenses		<u>66</u>	<u>106</u>	<u>50</u>
Net Cash Provided by Operating Activities	\$ 659	\$1,184	\$ (6)	\$ 415
Net Increase (Decr.) in Cash and Cash Equivalents:	\$ 659	\$1,184	\$ (6)	\$ 415
Cash and Cash Equivalents – Beginning of Year	<u>0</u>	<u>659</u>	<u>1,843</u>	<u>1,837</u>
Cash and Cash Equivalents – End of Year	<u>\$ 659</u>	<u>\$1,843</u>	<u>\$1,837</u>	<u>\$2,252</u>
Reconciliation of Operating Income to Net Cash Provided by Activities:				
Operating Income	\$4,318	\$1,250	\$100	\$465
Reduction in Net Assets for:				
Program Expenses				
Administrative Expenses	<u>(3,659)</u>	<u>(66)</u>	<u>(106)</u>	<u>(50)</u>
Net Cash Provided by Activities	<u>\$ 659</u>	<u>\$1,184</u>	<u>\$ (6)</u>	<u>\$ 415</u>

See accompanying notes to financial statements.

Notes to the Financial Statements

Note 1. Significant Accounting Policies and Nature of Activities

The financial statements of the Foundation for Connecticut Women, Inc, (Foundation) were prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB established standards for external financial reporting and the presentation of the Management's Discussion and Analysis. The Management's Discussion and Analysis is considered to be required supplemental information and precedes the financial statements. Significant accounting policies and nature of activities are described below.

Nature of Activities:

The Foundation for Connecticut Women Inc., operates exclusively for charitable and educational purposes. The Foundation for Connecticut Women was incorporated as a nonstock corporation on June 9, 2000, to enhance the work of Connecticut's Permanent Commission on the Status of Women (PCSW) to educate leaders and the general public about the status of women in Connecticut in regard to health care, economic security and equity, the causes of poverty, family law and other issues impacting women.

The Foundation seeks to enhance and support the ability of the PCSW to further its educational goals of informing leaders, public officials, community partners and the general public in protecting the rights of women in achieving equality. The Foundation has raised funds through donations for special events, and obtained grant funds for specific projects when a worthy project is identified to be in line with the Foundation's mission and purpose. Commissioners from the PCSW serve as a majority on the Foundation's Board; however the Foundation states that it is not controlled by the PCSW and is a separate entity that operates independently from the PCSW.

Basis of Presentation:

The accompanying financial statements were prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Although incorporated on June 9, 2000, the Foundation's financial transactions began on November 20, 2002, or for the fiscal year ended June 30, 2003. Net assets and revenues, expenses, gains and losses are classified based upon the existence or absence of donor-imposed or grant fund restrictions. Net assets of the Foundation and changes therein have been classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed or grant restrictions.

Temporarily Restricted Net Assets - Net assets that are subject to donor-imposed or grant restrictions that may or will be met, either by actions of the Foundation or by the passage of time. When a restriction expires, temporarily restricted assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Foundation had no temporarily restricted net assets at the end of fiscal years ended June 30, 2003, 2004, 2005 or 2006.

Permanently restricted net assets - Net assets that are subject to donor-imposed or grant restrictions that may be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specified purposes. The Foundation had no permanently restricted net assets at any time during the audited period.

Cash and Cash Equivalents:

Cash and cash equivalents consist of cash in a checking account.

Contributions:

Contributions are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. There were no unconditional promises to give that would be required to be reported as receivable amounts. The contributions made to the Foundation were either unrestricted or temporarily restricted when contributed. There were no permanently restricted contributions. Individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as contributed services.

Federal Income Taxes

The Foundation is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3). The Internal Revenue Service has identified the Foundation as a publicly-supported organization as described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Foundation Checking Account:

The Foundation maintains a business checking account at a commercial bank, of which the first deposit was made on November 20, 2002. Deposits into this account during the fiscal years ended June 30, 2003, 2004, 2005 and 2006, were \$4,318, \$1,250, \$100, and \$465, respectively. The balances as of June 30, 2003, 2004, 2005 and 2006, were \$659, \$1,843, \$1,837, and \$2,252, respectively. All available cash was maintained in the Foundation's checking account.

Concentration of Credit Risk

The Foundation's deposits are insured by the Federal Deposit Insurance Corporation up to \$100,000. There were no uninsured deposits as of June 30, 2003, 2004, 2005 and 2006.

Startup Expenses

Certain legal and professional services related to research, incorporation, as well as filing fees with the IRS for the purposes of establishing the Foundation were paid by the Permanent Commission on the Status of Women during the fiscal year ended June 30, 2000. These expenses totaled \$1,206.

Note 2. Temporarily Restricted Net Assets

For the fiscal year ended June 30, 2003, there was \$3,100 in donations that were considered temporarily restricted when donated. These amounts were spent on the specified programs such as the Women in the Trades Conference, \$100, and the PCSW 30th Anniversary Event, \$3,000, during the same fiscal year. At June 30, 2003, 2004, 2005 and 2006, there were no temporarily restricted net assets remaining.

Note 3. Subsequent Events

Subsequent to June 30, 2006, the Foundation obtained grant funds in the Fall of 2006 to be used for two key projects, the publication of *Guide to Women's Health Rights in Connecticut*, and a strategy event for the Connecticut Women's Health Campaign (CWHC), due out in the first quarter of 2007 and the summer of 2007, respectively. The publication is a project sponsored by the Foundation and completed in conjunction with the CWHC and the PCSW. The CWHC event will be sponsored by the Foundation and carried out by the members of CWHC in conjunction with the staff of the PCSW. These grant funds totaled \$9,000, and are temporarily restricted funds as they are to be used solely for the identified projects sponsored by the donors as described above.

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

The Board of Directors
Foundation for Connecticut Women, Inc.:

We have audited the financial statements of the Foundation for Connecticut Women, Inc., (the Foundation) as of and for the fiscal years ended June 30, 2003, 2004, 2005 and 2006, and have issued our report thereon August 31, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

Compliance and Other Matters:

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 Sections 4-37e to 4-37k of the Connecticut General Statutes, any other laws, contracts and grants, noncompliance with which would 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain immaterial instances of noncompliance or other matters that we have reported in the Management Letter following this Report.

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.

Auditors of Public Accounts

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 caused by error or fraud 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 a material weakness.

This report is intended for the information of the Foundation for Connecticut Women, Inc.'s Board of Directors. However, this report is a matter of public record, and its distribution is not limited.

Kevin P. Johnston
Auditor of Public Accounts

Robert G. Jaekle
Auditor of Public Accounts

August 31, 2007
State Capitol
Hartford, Connecticut

MANAGEMENT LETTER

The Board of Directors
Foundation for Connecticut Women, Inc.:

During our audit we noted certain matters that were less than significant or immaterial involving compliance and internal control that are presented for your consideration. Our comments have been discussed with the appropriate members of management, and are intended to encourage compliance, improve internal control, or result in other operating efficiencies. Our comments are summarized below:

Financial Statement Audit and Whistleblower Provision

Criteria: Section 4-37f, subsection (8), of the General Statutes, requires that a Foundation, which has receipts and earnings from investments totaling less than \$100,000 in each fiscal year during any three of its consecutive fiscal years, shall have completed on its behalf for the third fiscal year in any such three-year period, a full audit of the books and accounts of the Foundation.

Section 4-37j, of the General Statutes, requires that a Foundation develop and implement a written policy for the investigation of any matter involving corruption, unethical practices, violation of state laws or regulations, mismanagement, gross waste of funds, abuse of authority or danger to the public safety occurring in such foundation, prohibiting retaliatory actions and to ensure certain notification occurs.

Section 21a-190b, of the General Statutes, requires that a charitable organization register with the State of Connecticut's Public Charities Unit prior to soliciting funds.

The Board of Directors is a positive control feature for the Foundation, if it functions effectively. A regular meeting schedule and participatory members would aid in evaluating whether the Foundation's objectives are carried out.

Condition: The Foundation did not have a financial statement audit since its incorporation through June 30, 2006, until this audit was completed. The Foundation did not

have the required whistleblower provisions in writing until new bylaws were adopted on July 27, 2006. The Foundation did not register with the Attorney General's Public Charities Unit until we brought it to their attention in February 2007. The Board of Directors met twice in each of the fiscal years ended June 30, 2004 and 2005, and did not appear to transact significant business during this time.

Cause: Overall interest in the Foundation appeared to have languished.

Effect: The Foundation was not in compliance with the General Statutes that required a financial statement audit, written whistleblower provisions and registration of a charitable organization. As the Board did not meet regularly during this time, it may be questioned whether the Foundation's mission or objectives were accomplished.

Conclusion: The Board is addressing these issues as the Foundation's financial statement audit is now complete, bylaws were updated to include the required whistleblower provisions, and the Foundation has registered with the State of Connecticut's Public Charities Unit.

CONCLUSION

We wish to express our appreciation for the cooperation and courtesies extended by the representatives of the Foundation for Connecticut Women, Inc., during this examination.

Maura F. Pardo
Principal Auditor

Approved:

Kevin P. Johnston
Auditor of Public Accounts

Robert G. Jaekle
Auditor of Public Accounts