METRO HOUSING PARTNERSHIP, INC.

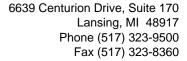
(A Nonprofit Organization)
Flint, Michigan

Annual Financial Statements,
Auditors' Report,
and
Single Audit Report

June 30, 2008

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Independent Auditors' Report

Board of Directors Metro Housing Partnership, Inc. Flint, Michigan

We have audited the accompanying statement of financial position of Metro Housing Partnership, Inc. (a nonprofit organization) as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Metro Housing Partnership Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Metro Housing Partnership, Inc.'s June 30, 2007 financial statements and, in our report dated August 24, 2007, we expressed an unqualified opinion on those financial statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Metro Housing Partnership, Inc., as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2008, on our consideration of Metro Housing Partnership, Inc.'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 considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Metro Housing Partnership, Inc., taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. 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.

Lansing, Michigan

Yeo & Yeo, P.C.

September 4, 2008

Metro Housing Partnership, Inc.

Statement of Financial Position June 30, 2008

(With Comparative Totals for 2007)

Accets	2008	2007
Assets		
Cash and cash equivalents Cash - restricted	\$ 577,281 185,783	\$ 156,721 183,939
Certificates of deposit Grants receivable	1,000,000 161,009	1,013,299 138,748
Other receivable Investments	6,873 1,004	1,089 1,048
Promises to give Prepaid expenses	5,000 4,449	10,000 1,301
Revolving loans receivable Deferred loans receivable, net of allowance		69,000
\$ 436,107 and \$ 527,710, respectively Mortgage loans - Senior Home Equipment, net of accumulated depreciation of	227,729 14,217	240,816 17,788
\$11,468 and \$ 9,946, respectively Land development sites	2,372 18,327	3,894 21,876
Land development sites	10,321	21,070
Total assets	\$ 2,204,044	\$ 1,859,518
Liabilities and Net Assets		
Liabilities		
Accounts payable Accrued expenses	\$ 127,174 30,329	\$ 74,040 24,648
Deferred revenue	55,288	48,006
Refundable advances	-	69,000
Total liabilities	212,791	215,693
Net assets		
Unrestricted Temporarily restricted	1,288,161 703,091	1,166,921 476,904
Total net assets	1,991,253	1,643,825
Total liabilities and net assets	\$ 2,204,044	\$ 1,859,518

Metro Housing Partnership, Inc.

Statement of Activities

For the Year Ended June 30, 2008 (With Comparative Totals for 2007)

					To	tals	
	L	Inrestricted	emporarily Restricted		2008		2007
Support, revenues, and gains Foundations Local funds MSHDA - CHI HUD - Supportive housing HUD - Housing counseling subgrant Kettering University grant Fees for services Interest income Unrealized gain (loss) Net assets released from restrictions	\$	137,637 203,804 300,457 1,751,826 61,608 50,000 76,405 50,588 (44) 40,808	\$ 21,000 245,995 - - - - - (40,808)	\$	137,637 224,804 546,452 1,751,826 61,608 50,000 76,405 50,588 (44)	\$	189,642 153,039 15,171 1,566,191 49,740 50,000 86,628 53,295 17
Total support and revenues		2,673,089	 226,187		2,899,276		2,163,722
Expenses Salaries Payroll taxes Fringe benefits Accounting Amortization of deferred loans Communications and marketing Consultants and contracting Depreciation Insurance Memberships and subscriptions Miscellaneous Rent Repairs and maintenance Supplies and materials Travel Telephone and utilities Computer expense MSHDA - CHI Community programs Neighborhood projects Homeless Management Information		328,842 31,183 32,336 19,009 34,086 890 33,360 1,522 5,443 1,113 9,697 30,657 7,030 4,008 3,785 5,895 - 290,016 22,086 7,561	-		328,842 31,183 32,336 19,009 34,086 890 33,360 1,522 5,443 1,113 9,697 30,657 7,030 4,008 3,785 5,895 - 290,016 22,086 7,561		292,214 25,289 48,603 14,233 32,563 3,172 12,553 1,638 2,549 1,572 7,924 27,174 7,385 7,174 1,706 4,222 11,599 6,421 34,942 32,768
System Subrecipient expenses		79,662 1,603,667	-		79,662 1,603,667		51,993 1,447,613
Total expenses		2,551,848	 		2,551,848		2,075,306
Change in net assets		121,240	226,187		347,428		88,416
Net assets at beginning of year		1,166,921	 476,904		1,643,825		1,555,409
Net assets at end of year	\$	1,288,161	\$ 703,091	\$	1,991,252	\$	1,643,825

Metro Housing Partnership, Inc.

Statement of Cash Flows

For the Year Ended June 30, 2008 (With Comparative Totals for 2007)

One holder of the control of the little of		2008 2		
Cash flows from operating activities Change in net assets	\$	347,428	\$	88,416
Adjustments to reconcile change in net assets to net cash from operating activities				
Amortization of deferred loans Depreciation Unrealized loss (gain) on investments		34,086 1,522 44		32,563 1,638 (17)
Decrease (increase) in: Grant receivable Promises to give Prepaid expenses Revolving loans receivable Deferred loans receivable Mortgage loans - Senior Home		(28,045) 5,000 (3,148) 69,000 (20,999) 3,571		3,349 5,000 (1,301) - (1) (17,788)
Increase (decrease) in: Accounts payable Accrued expenses Deferred revenue Refundable advances		53,135 5,681 7,282 (69,000)		(60,652) 277 6,764
Net cash provided by operating activities		405,556		58,248
Cash flows from investing activities Net (purchase) maturities of certificates of deposit Land development sites		13,299 3,549		(205,643) (8,425)
Net cash used by investing activities		16,848		(214,068)
Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of year		422,404 340,660		(155,820) 496,480
Cash and cash equivalents at end of year	\$	763,064	\$	340,660

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The Metro Housing Partnership, Inc. (Metro Housing), a nonprofit organization, was established August 21, 1992, by public, private and neighborhood organizations for the purpose of enhancing and expanding housing initiatives in the community.

BASIS OF ACCOUNTING

Metro Housing prepares their financial statements on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The following accounting policies are presented to facilitate the understanding of information presented in the financial statements:

- The financial statements are presented in accordance with accounting principles generally
 accepted in the United States of America to report information regarding its financial position
 and activities according to three classes of net assets: unrestricted net assets, temporarily
 restricted net assets, and permanently restricted net assets.
- The fair values of the certificates of deposit are equivalent to the cost basis.
- Investments in marketable securities with readily determinable fair values are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the changes of net assets. The organization uses primarily quoted market prices to establish fair value. Investment transactions are recorded on the trade date.
- Equipment is recorded at cost or fair market value at the date of gift. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>	<u>Method</u>
Equipment	5 - 7	Straight line

Purchases and improvements in excess of \$2,500 are capitalized while expenditures for maintenance and repairs are charged to expenses as incurred.

• Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, Metro Housing reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.



- Contributions received are recorded as unrestricted or temporarily restricted depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- Restricted cash is limited in use to the Senior Home Retention Loan Program.

INCOME TAX STATUS

Metro Housing Partnership, Inc., is a nonprofit organization exempt organization for Federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code.

CONCENTRATION OF CREDIT RISK

The Organization is required to disclose concentration of credit risk regardless of the degree of such risk. Financial instruments which potentially subject the Organization to concentration of credit risk consist principally of cash, cash equivalents and certificate of deposits. Metro Housing places its cash and cash equivalents with high quality financial institutions. At June 30, 2008, deposits with financial institutions amounted to \$ 1,888,459, of this amount; \$ 400,000 was insured by FDIC depository insurance and \$ 1,488,459 was uncollateralized and uninsured by FDIC depository insurance.

COMPARATIVE FINANCIAL INFORMATION

The financial statements and related footnotes 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. Accordingly, such information should be read in conjunction with the Organization's combined financial statements for the year ended June 30, 2007, from which the summarized information was derived.

RECLASSIFICATION

Certain amounts in the 2007 summarized comparative information have been reclassified to conform to the 2008 presentation.

NOTE 2 - CASH AND CASH EQUIVALENTS

Metro Housing considers cash on hand and demand deposits in banks as cash and highly liquid debt instruments with a maturity of three months or less to be cash equivalents for the purpose of the statement of cash flows.



NOTE 3 - INVESTMENTS

The cost of investments, and market values at June 30, 2008, are as follows:

		Fair		
	 Cost		ket Value	
	 	•		
Stock	\$ 786	\$	1,004	

The unrealized loss on investments amounted to \$44 for the year ended June 30, 2008.

NOTE 4 - PROMISES TO GIVE

Promises to give are to be used for operations. Uncollectible promises are expected to be insignificant. At June 30, 2008, promises to give were:

Amounts receivable in less than one year \$5,000

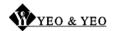
NOTE 5 - DEFERRED LOANS RECEIVABLE

Metro Housing is the administrator of two types of deferred loan programs. The first program makes five-year deferred loans to homeowners for down payment and closing costs. The second program makes fifteen-year deferred loans to homeowners for mortgage gap assistance. Liens are placed on the home at the time the deferred loan is made.

Under the five year deferred loan program, if the homeowner remains in the home for five years, the loan is forgiven. On June 30, 2008, all remaining balances of the five year loans made in 2003 were forgiven in accordance with the fulfillment of the terms of the loan agreements in the amount of \$ 125,689. In addition, if the homeowner sells the home any time during the first five years, repayment of the deferred loan funded through MSHDA is required in full. Five year deferred loans funded through the City of Flint with federal dollars are amortized at twenty percent per year, with the unamortized balance due if the homeowner sells the house before the loan is fully amortized.

Under the fifteen-year deferred loan program, if the homeowner sells the house any time during the first five years the loan is due in full. Once the homeowner has lived in the house for five years, one-tenth of the loan amortizes annually from year six to fifteen until the loan is fully amortized.

Deferred loans under the two programs were made in the following years:



Initial fiscal year loan was originated	5 Year	15 Year	_	Total
2004 2005 2006 2007 2008	\$ 208,836 38,000 10,000 - 21,000	\$ 30,000 120,000 236,000	\$	208,836 68,000 130,000 236,000 21,000
	277,836	386,000		663,836
Less: valuation allowance	 (243,107)	(193,000)	,	(436,107)
Net deferred loans	\$ 34,729	\$ 193,000	\$	227,729

NOTE 6 - SENIOR HOME RETENTION LOAN PROGRAM

Metro Housing Partnership, Inc. established a Senior Home Retention Loan Program in the amount of \$ 200,000. The program was funded with \$ 131,000 of un-committed loan funds transferred from the Revolving Loan Program of which \$ 100,000 is for the loan pool and \$31,000 covered program administrative costs. The Charles Stewart Mott Foundation also granted an additional \$ 100,000 for the project loan pool for the period March 1, 2006 through February 28, 2011.

The purpose of the program is to provide loans to seniors who have been approved for a Home Equity Conversion Mortgage (commonly known as a Reverse Mortgage) whereby an approval amount does not payoff existing mortgage liens, closing costs and needed repairs to bring a home up to Federal Housing Administration (FHA) standards. Metro Housing will approve and fund loan shortfalls by granting individual loans for a term not to exceed five years resulting in a substantially reduced monthly payment to borrower as the Reverse Mortgage Loan does not call for any monthly payments. The loan pool fund will be revolving, resulting in payments being "added back" to the pool so that the program will continue to exist.

The features of the program are:

- 1) Maximum loan of \$ 5,000 with exceptions up to \$ 10,000 on a case by case basis
- 2) Monthly fixed interest rate of four percent for a period of five years
- 3) Second Mortgage on the residence
- 4) Target loan areas include Genesee County and surrounding areas

The benefits of these loans include reduced mortgage payments because of lower interest rates and allowing the senior's to live in their homes for an extended period of time.

Senior Home Loans outstanding as of June 30, 2008 totaled \$14,217.



NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purpose or period at June 30, 2008:

Deferred loans	\$ 232,096
Bishop Trust - operations	5,000
Senior Home Retention Fund	200,000
MSHDA - Chronic Homeless Initiative	245,995
Ambassador City Summit	 20,000
	_
	\$ 703,091

During the current year, net assets were released from restrictions as either the purpose or timing restriction was met as follows:

Deferred Loans	\$ 34,086
United Way - IDA operations	1,722
Bishop Trust - operations	5,000
	\$ 40,808

NOTE 8 - OPERATING LEASE

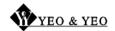
Effective October 2006, Metro Housing entered into a non-cancelable three year lease for office space. Total rental expense reported for office expense was \$ 26,279 for the year ended June 30, 2008.

The future minimum lease payments are as follows:

2009	26,279
2010	6,570

NOTE 9 - DEFERRED COMPENSATION PLAN

Metro Housing offers a retirement plan to its salaried employees in the form of a tax deferred annuity under Code Section 403(b). Employees elect annually to deposit a portion of their salaries into the plan, and Metro Housing matches up to 3 % of the base salary. Pension expense was \$ 6,983 for the year ended June 30, 2008.



NOTE 10 - COMMITMENTS AND CONTINGENCIES

Grants require the fulfillment of certain conditions as set forth in the governing instrument. Failure to fulfill the conditions could result in the return of the funds to the grantors. Although that is a possibility, the Board deems the contingency remote, since by accepting the grants and their terms; it has accommodated the objectives of the Organization to the provisions of the grant.

Metro Housing Partnership is acting as the developer of infill housing in Westwood Heights, Section 27 of Mt. Morris Township. Metro Housing, as the acting developer, designated in an agreement with BOWA, LLC, to act as the Builder/Contractor of the development. Certain highlights of the agreement are as follows:

- 1) BOWA agreed to undertake all obligations of Metro Housing Partnership in the development.
- 2) Metro Housing has also signed a contract with Genesee County Metropolitan Planning Commission for \$ 440,000 in HOME grant funds for the purposes of providing Gap financing assistance up to \$ 40,000 for eleven families.
- 3) During 2006, Metro Housing purchased vacant lots from the Genesee County Land Bank for use in the development and to be reimbursed for each site upon sale of the development sites.
- 4) For its service, Metro Housing will be paid by BOWA, a developer fee of \$ 3,500 upon closing of the sale of each lot, with or without the usage of HOME grant funds.

In addition, the Genesee County Metropolitan Planning Commission agrees to be accountable for the administration of the Gap HOME loan financing.

NOTE 11 - CURRENT VULNERABILITY DUE TO CONCENTRATIONS

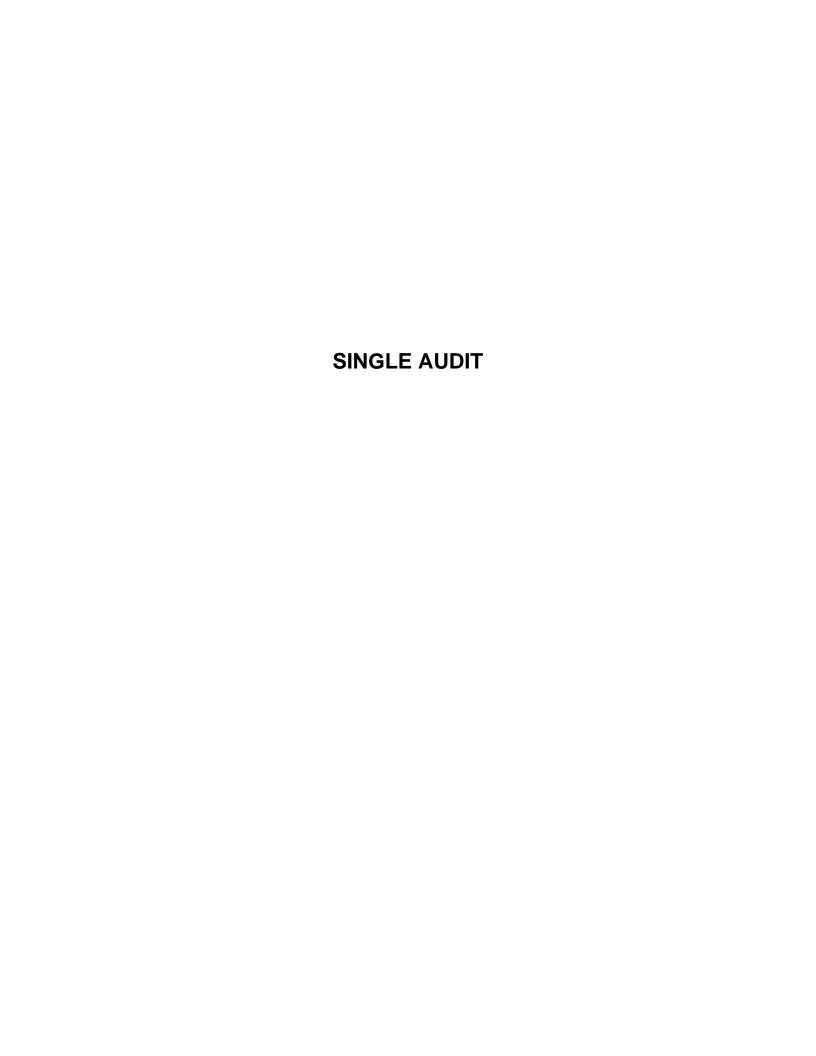
Metro Housing receives 68% of its support from the U.S. Department of Housing and Urban Development and 32% from other funding sources. It is reasonably possible that in the near term the HUD grant programs could cease, which would cause a severe impact on Metro Housing's ability to continue its operations. Metro Housing does not expect that support from the U.S. Department of Housing and Urban Development will be lost in the near term.

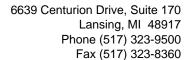
NOTE 12 – FUNCTIONAL ALLOCATION OF EXPENSES

The statement of activities discloses expenses by natural classification. The classification of expenses by function is as follows:

Program services	\$ 2,427,456
Management and general	124,392
	\$ 2,551,848
	Ψ 2,001,040









Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors Metro Housing Partnership, Inc. Flint, Michigan

We have audited the financial statements of Metro Housing Partnership, Inc., as of and for the year ended June 30, 2008, and have issued our report thereon dated September 4, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Metro Housing Partnership, Inc.'s internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Metro Housing Partnership, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Metro Housing Partnership, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended for the information and use of management, members of the board, and related grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

Lansing, Michigan September 4, 2008

Yeo & Yeo, P.C.





Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with *OMB Circular A-133*

Board of Directors Metro Housing Partnership, Inc. Flint, Michigan

Compliance

We have audited the compliance of Metro Housing Partnership, Inc. 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 June 30, 2008. Metro Housing Partnership, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Metro Housing Partnership, Inc.'s management. Our responsibility is to express an opinion on Metro Housing Partnership, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and *OMB Circular A-133* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Metro Housing Partnership Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Metro Housing Partnership Inc.'s compliance with those requirements.

In our opinion, Metro Housing Partnership, Inc. 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 June 30, 2008.

Internal Control over Compliance

The management of Metro Housing Partnership, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Metro Housing Partnership, Inc.'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 the internal control over compliance in accordance with *OMB Circular A-133*.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Metro Housing Partnership, Inc.'s ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Metro Housing Partnership, Inc.'s internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of management, members of the board, and related federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Lansing, Michigan September 4, 2008

Yeo & Yeo, P.C.

Metro Housing Partnership, Inc. Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2008

Federal Grantor Pass-Through Granto⊦ Program Title Grant Number	Federal CFDA Number	Approved Grant Amount	Accrued Revenue July 1, 2007	Current Year Receipts	Current Year Expenditures	Accrued Revenue June 30, 2008
United States Department of Housing and Urban Developmen Direct:						
MI-28B905001 Supportive Housing	14.235	\$ 1,039,280	\$ 9,844	\$ 18,516	\$ 8,672	\$ -
MI-28B105001 Supportive Housing	14.235	606,480	-	60,762	63,673	2,911
MI-28B205005 Supportive Housing	14.235	618,744	_	74,316	74,316	-
MI-28B205007 Supportive Housing	14.235	271,740	33,449	29,088	46,214	50,575
MI-28B305001 Supportive Housing	14.235	1,094,207	, -	84,703	84,703	, -
MI-28B305003 Supportive Housing	14.235	372,862	-	146,946	182,429	35,483
MI-28B505001 Supportive Housing	14.235	930,261	-	94,919	94,919	· -
MI-28B505002 Supportive Housing	14.235	136,660	4,961	30,855	25,894	-
MI-28B505003 Supportive Housing	14.235	697,775	19,919	196,288	202,302	25,933
MI-28B505004 Supportive Housing	14.235	100,543	-	46,971	47,878	907
MI-28B505005 Supportive Housing	14.235	49,724	9,638	29,926	20,288	-
MI-28B505006 Supportive Housing	14.235	127,833	-	18,690	20,345	1,655
MI-28B505007 Supportive Housing	14.235	127,393	8,812	47,437	38,625	-
MI-28B505008 Supportive Housing	14.235	194,250	5,750	35,138	29,388	-
MI-28B605001 Supportive Housing	14.235	364,669	-	244,664	269,139	24,475
MI-28B605002 Supportive Housing	14.235	251,291	-	173,557	174,837	1,280
MI-28B605003 Supportive Housing	14.235	118,668	-	96,589	96,589	-
MI-28B605004 Supportive Housing	14.235	205,540	-	205,540	205,540	-
MI-28B605005 Supportive Housing	14.235	28,250	-	19,914	19,914	-
MI-28B705004 Supportive Housing	14.235	205,543	-	28,371	28,371	-
MI-28B705009 Supportive Housing	14.235	50,269	-	-	15,240	15,240
MI-28B705010 Supportive Housinç	14.235	24,750		-	2,550	2,550
			92,373	1,683,190	1,751,826	161,009
Passed through Housing Partnership Network						
Housing counseling	14.169	61,808		61,608	61,608	
Total federal awards			\$ 92,373	\$ 1,744,798	\$ 1,813,434	\$ 161,009



Metro Housing Partnership, Inc. Notes to the Schedule of Expenditures of Federal Awards June 30, 2008

- 1. The Schedule of Expenditures of Federal Awards was prepared using the accrual basis of accounting. Expenditures include all accrual basis federal expenditures that result in the receipt of federal monies associated with the project. Any applicable state or city matching funds and expenditures are not included on this schedule.
- 2. Grant funds of \$ 1,603,667 were passed through to sub-recipients for the Supportive Housing Program, CFDA 14.235.



Metro Housing Partnership, Inc. Schedule of Findings and Questioned Costs June 30, 2008

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements					
Type of auditors' report issued: Unqualified					
Internal control over financial reporting:					
Material weakness(es) identified?	_		yes	<u>X</u>	no
 Significant deficiency(ies) identified that are not considered to be material weakness(es)? 	_		yes	X	none reported
Noncompliance material to financial statements noted?	_		yes	X	no
Federal Awards					
Internal control over major programs:					
Material weakness(es) identified?	_		yes	<u>X</u>	no
 Significant deficiency(ies) identified that are not considered to be material weakness(es)? 	_		yes	X	none reported
Type of auditors' report issued on compliance for major programs: Unqualified					
Any audit findings disclosed that are required to be reported in accordance with section 510(a) or <i>Circular A-133</i> ?	_		yes	X	no
Identification of major programs:					
CFDA Number(s)	Name of Federal Program or Cluster				
14.235	Supportive Housing				
Dollar threshold used to distinguish between type A and type B programs:	\$	300,000			
Auditee qualified as low-risk auditee?		X	ves		no



Metro Housing Partnership, Inc. Schedule of Findings and Questioned Costs June 30, 2008

SECTION II - GOVERNMENT AUDITING STANDARDS FINDINGS

There were no findings related to the financial statements which are required to be reported in accordance with generally accepted government auditing standards for the year ended June 30, 2008.

SECTION III - FEDERAL AWARD FINDINGS

There were no findings or questioned costs for Federal Awards for the year ended June 30, 2008.



Metro Housing Partnership, Inc. Summary Schedule of Prior Audit Findings June 30, 2008

There were no audit findings for the year ended June 30, 2007.

