

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

**Financial Statements  
June 30, 2009  
(With Comparative Totals for 2008)**

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

FINANCIAL STATEMENTS  
JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR 2008)

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To the Board of Directors of  
Partners for Youth with Disabilities, Inc.  
Boston, Massachusetts

Independent Auditors' Report on the Financial Statements

We have audited the accompanying statement of financial position of Partners for Youth with Disabilities, Inc. as of June 30, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Partners for Youth with Disabilities, Inc.'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 the 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 Partners for Youth with Disabilities, Inc. as of June 30, 2009, 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 21, 2009, on our consideration of Partners for Youth with Disabilities, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing and not to provide an opinion of 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.



SANDBERG, GONZALEZ & CREEDEN, P.C.  
Certified Public Accountants

Stoughton, Massachusetts  
September 21, 2009

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR 2008)

**ASSETS**

	<u>2009</u>	<u>2008</u>
<b><u>Current Assets</u></b>		
Cash and cash equivalents	\$ 355,661	\$ 370,172
Contracts receivable	31,168	60,773
Pledges receivable	103,500	50,500
Other receivables	150	83
Prepaid expenses	<u>18,725</u>	<u>16,180</u>
Total current assets	509,204	497,708
<b><u>Fixed Assets</u></b>		
Furniture and equipment	14,260	14,260
Less: accumulated depreciation	<u>13,864</u>	<u>12,597</u>
Total property and equipment	<u>396</u>	<u>1,663</u>
<b><u>Total Assets</u></b>	<u>\$ 509,600</u>	<u>\$ 499,371</u>

**LIABILITIES AND NET ASSETS**

<b><u>Current Liabilities</u></b>		
Accrued expenses	\$ 16,957	\$ 30,078
Accrued vacation compensation	<u>26,027</u>	<u>23,507</u>
Total current liabilities	42,984	53,585
<b><u>Net Assets</u></b>		
Unrestricted	214,980	227,286
Temporarily restricted	<u>251,636</u>	<u>218,500</u>
Total net assets	<u>466,616</u>	<u>445,786</u>
<b><u>Total Liabilities and Net Assets</u></b>	<u>\$ 509,600</u>	<u>\$ 499,371</u>

See accompanying notes. See Independent Auditors' Report on the Financial Statements.

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

STATEMENT OF ACTIVITIES  
JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR 2008)

	2009			2008
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
<b><u>Support and Revenue</u></b>				
Grants and contributions	\$ 182,074	\$ 448,500	\$ 630,574	\$ 475,879
In kind contributions	3,640		3,640	4,045
Special events	84,750	5,000	89,750	137,895
Released from restrictions	420,364	(420,364)		
Service fees	275,415		275,415	385,142
Interest and dividends	1,633		1,633	4,419
Other income				1,154
Total support and revenue	<u>967,876</u>	<u>33,136</u>	<u>1,001,012</u>	<u>1,008,534</u>
<b><u>Expenses</u></b>				
Program services	680,732		680,732	632,839
Fundraising	147,521		147,521	133,483
General and administrative	<u>151,929</u>		<u>151,929</u>	<u>179,320</u>
Total expenses	<u>980,182</u>		<u>980,182</u>	<u>945,642</u>
<b><u>Change in Net Assets</u></b>	(12,306)	33,136	20,830	62,892
<b><u>Net Assets - Beginning of Year</u></b>	<u>227,286</u>	<u>218,500</u>	<u>445,786</u>	<u>382,894</u>
<b><u>Net Assets - End of Year</u></b>	<u>\$ 214,980</u>	<u>\$ 251,636</u>	<u>\$ 466,616</u>	<u>\$ 445,786</u>

See accompanying notes. See Independent Auditors' Report on the Financial Statements.

**STATEMENT OF FUNCTIONAL EXPENSES**  
**JUNE 30, 2009**  
 (WITH COMPARATIVE TOTALS FOR 2008)

	2009				2008	
	Youth in					
	Mentoring Program	Preparation for Independence Program	Education/ Employment Program	Total Program Services	General and Administrative	Total
Salaries	\$ 209,507	\$ 54,113	\$ 106,815	\$ 370,435	\$ 89,532	\$ 508,533
Payroll taxes	20,201	5,434	10,647	36,282	8,572	49,505
Fringe benefits	32,195	8,389	16,155	56,739	13,896	78,543
Salaries and related expenses	261,903	67,936	133,617	463,456	112,000	636,581
Accounting						5,356
Activity fees		2,816	77	2,893		1,002
Advertising and recruitment	205		85	290	100	881
Bank fees					1,258	2,629
Client transportation	32	4,131	6,647	10,810		10,810
Conference and meetings	1,487	35	330	1,852	55	1,907
Contracted services	11,829	11,549	57,286	80,664	5,956	113,861
Depreciation	522	135	266	923	223	1,267
Equipment rental and maintenance	1,535	396	831	2,762	656	12,644
Event						19,759
Food	1,330	1,967	3,150	6,447		6,447
Grants						15,000
Insurance	8,275	2,137	4,219	14,631	3,536	20,085
Membership dues		150		150	1,450	1,875
Miscellaneous	448	69	324	841	448	3,576
Occupancy	18,691	7,418	17,557	43,666	7,686	55,741
Office supplies						5,785
Payroll fees					2,620	2,620
Permits and fees					850	850
Postage and delivery	435	298	357	1,090	1,057	4,379
Printing and reproduction	2,393	879	1,303	4,575	832	11,881
Professional fees					6,610	6,610
Publications and subscriptions					117	1,014
Supplies	4,337	1,393	5,888	11,618	1,211	18,461
Telephone and internet	11,875	1,652	2,727	16,254	2,065	19,645
Temporary help		125	200	325	425	750
Travel	7,311	3,281	5,710	16,302	2,488	22,400
Utilities	669	173	341	1,183	286	1,620
	\$ 333,277	\$ 106,540	\$ 240,915	\$ 680,732	\$ 151,929	\$ 980,182
						\$ 945,642

See accompanying notes. See Independent Auditors' Report on the Financial Statements.

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

STATEMENTS OF CASH FLOWS  
JUNE 30, 2009  
(WITH COMPARATIVE TOTALS FOR 2008)

	<u>2009</u>	<u>2008</u>
<b><u>Cash Flows From Operating Activities</u></b>		
Change in net assets	\$ 20,830	\$ 62,892
Adjustment to reconcile increase to net cash provided by operating activities:		
Depreciation	1,267	2,765
(Increase) decrease in:		
Contracts receivable	29,605	21,091
Pledges receivable	(53,000)	90,700
Other receivables	(67)	3,957
Prepaid expenses	(2,545)	(3,470)
Increase (decrease) in:		
Accrued expenses	(13,121)	3,002
Accrued vacation compensation	2,520	10,209
Grants payable		(35,000)
<b><u>Net Cash Provided (Used) by Operating Activities</u></b>	<u>(14,511)</u>	<u>156,146</u>
<b><u>Cash Flows From Investing Activities</u></b>		
Purchase of equipment	<u>0</u>	<u>0</u>
<b><u>Net Cash Provided (Used) by Investing Activities</u></b>	<u>0</u>	<u>0</u>
<b><u>Net Cash Provided by Financing Activities</u></b>	<u>0</u>	<u>0</u>
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>	<u>(14,511)</u>	<u>156,146</u>
<b><u>Cash and Cash Equivalents - Beginning of Year</u></b>	<u>370,172</u>	<u>214,026</u>
<b><u>Cash and Cash Equivalents - End of Year</u></b>	<u>\$ 355,661</u>	<u>\$ 370,172</u>
<b><u>SUPPLEMENTAL INFORMATION:</u></b>		
Interest paid	\$ <u>0</u>	\$ <u>0</u>
Disposal of fully depreciated fixed assets	\$ <u>0</u>	\$ <u>0</u>

See accompanying notes. See Independent Auditors' Report on the Financial Statements.

## PARTNERS FOR YOUTH WITH DISABILITIES, INC.

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

### **Note 1. Organization**

A partner for Youth with Disabilities, Inc. was organized in the Commonwealth of Massachusetts as a not-for-profit corporation in 1985.

Since its' founding in 1983, Partners for Youth with Disabilities (PYD) Inc., has been a pioneer in the development and delivery of a unique mentoring service and has established innovative and effective programs serving youth with disabilities ages 6-24 in Massachusetts. In addition, the agency trains adults with and without disabilities that serve as mentors for youth, and parents of children with disabilities who need support and guidance. During FY09, the agency served over 400 individuals. Not only has PYD provided hundreds of mentors/partners for youth and young adults in over two decades of its existence through its **Mentor Match Program**, but PYD has also found creative ways to provide mentoring opportunities through new programs which address health, independence, social skills, and career development.

Current programs include:

#### **Mentoring Division:**

*Mentor Match Program* – This core program of the agency matches youth with disabilities with adults with and without disabilities that serve as role models and mentors for the youth guiding them to achieve their personal, independent living and career goals.

*Partners Online Program* – This online mentoring program for youth, mentors and parents is a fully accessible community where people with disabilities and their family members can find mentoring guidance, resources and friendship. This program which is open 24 hours a day 7 days a week has over 500 members.

*National Center on Mentoring for Youth with Disabilities* – This national center provides training and technical assistance to individuals and organizations interest in developing mentoring programs inclusive of youth with disabilities. The center hosts meetings and conferences and disseminates information and resources to interested parties throughout the nation.

#### **Youth in Preparation for Independence Division:**

*Making Healthy Connections Program* – This health promotion peer mentoring program brings together young adults with disabilities who are interested in learning how to lead active, healthy lifestyles. The goal of the program is to assist youth in transitioning to adulthood. In addition to 2 youth groups that meet in Boston and Springfield, the program offers support groups for parents.

*Peer Leadership Program* – This program prepares young adults with disabilities to become leaders in their communities through participating in after-school community service opportunities. Young leaders develop leadership and job readiness skills while at the same time learning the value of community service.



**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

(Continued)

**Note 1. Organization** (Continued)

**Education and Training Division:**

*Young Entrepreneurs Project* – This program teaches youth with disabilities to plan for their financial future by offering training workshops to teach entrepreneurial and business skills to youth. Mentors from the business community work with youth to assist them in preparing business plans and in working on career and educational goals.

*Access to Theatre Program* – This is an inclusive theatre arts program that engages youth with and without disabilities in after-school and summer theatre arts activities. The program features original theatre productions created by the youth and performed at various community locations.

All of these PYD programs were developed with the understanding that youth with disabilities face many obstacles in their efforts to live independent productive lives, and that one of the greatest obstacles is a profound sense of powerlessness over the most basic circumstances of daily life. Consequently, all PYD programs are grounded in the philosophy of empowerment; programs are designed to provide opportunities for youth to gain control of their lives and to acquire the information, resources, and skills for life-long growth and full participation in their communities.

**Note 2. Summary of Significant Accounting Policies**

a. Standards of Accounting and Reporting

The Organization follows the standards of accounting and financial reporting as described in the American Institute of Certified Public Accountants' Audit and Accounting Guide for 'Not-for-Profit Organizations'.

b. Financial Statement Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required 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. A description of the three net asset categories follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. No permanently restricted assets were received or held during 2009 and 2008 and accordingly, these financials do not reflect any activity related to this class of net assets for 2009 and 2008.

PARTNERS FOR YOUTH WITH DISABILITIES, INC.

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

(Continued)

**Note 2. Summary of Significant Accounting Policies** (Continued)

- c. Restricted and Unrestricted Revenue  
Contributions received are recorded as unrestricted, temporarily, or permanently restricted support depending on the existence and/or nature of any donor restrictions. When a time or purpose restriction expires, restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.
- d. Fixed Assets  
These assets are recorded at cost, when purchased or if donated, at their estimated fair market value at date of donation. All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs and betterments that materially prolong the useful lives of assets are capitalized.
- e. Depreciation  
Provisions for depreciation are made in the accounts using the straight-line method over the estimated useful life of the asset. Furniture and equipment is being depreciated over 3 to 5 years.
- f. Allocation of Expenses  
Expenses are allocated among program and supporting services directly or on the basis of time records and utilization estimates made by the Organization's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.
- g. Use of Estimates  
The presentation 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 disclosures 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.
- h. Cash and Cash Equivalents  
For purposes of the statement of cash flows, Partners for Youth with Disabilities, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.
- i. Summarized Comparative Financial Statements  
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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

(Continued)

**Note 2. Summary of Significant Accounting Policies** (Continued)

j. Service Fees

Financial awards from federal, state and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

k. Promises To Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

l. Donated Goods and Services

Donated services are recognized as contributions in accordance with SFAS No. 116 *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased. At June 30, 2009, in kind contributions were recorded as follows:

Graphic design	\$ 2,500
Photography	<u>1,140</u>
	<u>\$ 3,640</u>

**Note 3. Tax Status**

Partners for Youth with Disabilities, Inc. is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

**Note 4. Concentration of Credit Risk**

The Organization maintains cash and cash equivalents in various local financial institutions. Cash accounts at banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation. Amounts in excess of insured limits were \$0 at June 30, 2009.

Money market accounts are held at a local brokerage where balances are uninsured. The total balance in the money market accounts at June 30, 2009 was \$116,659. The accounts are monitored on a regular basis by the Board of Directors.

**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009**

(Continued)

**Note 4. Concentration of Credit Risk** (Continued)

Credit risk with respect to contracts receivable is considered low because a substantial portion of the receivables are from governmental sources.

**Note 5. Temporarily Restricted Net Assets**

Temporarily restricted net assets consists of grants which are restricted for specific use or time by the donor as follows:

Partner Matching program	\$ 29,500
Access to Theater program	67,000
Young Entrepreneurs	75,500
Making Healthy Connections	9,000
Pathways to Inclusion	52,000
Special event	5,000
Development	<u>13,636</u>
	<u>\$ 251,636</u>

During the year ended June 30, 2009, net assets were released from donor restriction by incurring costs satisfying donor stipulations associated with the following programs:

Partner Matching program	\$ 96,000
Young Entrepreneur program	32,500
Making Healthy Connections	91,000
Access to Theater program	68,000
Partners Online program	35,000
Inclusion Mentoring & Replication	68,500
Development	11,364
Special Events	<u>18,000</u>
	<u>\$ 420,364</u>

**Note 6. Pledges Receivable**

Pledges receivable are due to be collected as follows:

2010	<u>\$ 103,500</u>
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**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009

(Continued)

**Note 7. Leases**

The Organization leases office space under a seven-year lease expiring December 31, 2012. The lease requires monthly payments of \$3,277. Occupancy expense for the years ended June 30, 2009 and 2008, totaled \$55,741 and \$54,800 respectively, which includes parking and additional space rented for trainings. Future minimum lease payments for the years ended June 30 are as follows:

2010	\$ 39,325
2011	39,325
2012	39,325
2013	19,662

The Organization has a secured operating lease for a copier requiring monthly payments of \$133, expiring December 2009.

Future minimum lease payments are as follows:

2010	\$ 798
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Equipment rental totaled \$11,245 and \$5,132 for the years ended June 30, 2009 and 2008, respectively.

To the Board of Directors  
Partners for Youth with Disabilities, Inc.  
Boston, Massachusetts

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

We have audited the financial statements of Partners for Youth with Disabilities, Inc. as of and for the year ended June 30, 2009, and have issued our report thereon dated September 21, 2009. 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 Partners for Youth with Disabilities, Inc.'s internal control over financial reporting as a basis for designing our auditing 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 the Organization'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 Partners for Youth with Disabilities, Inc.'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 Partners for Youth with Disabilities, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by Partners for Youth with Disabilities, Inc.'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 Partners for Youth with Disabilities, Inc.'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 Partners for Youth with Disabilities, 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 that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management, board of directors and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Sandberg, Gonzalez & Creeden, P.C.*  
SANDBERG, GONZALEZ & CREEDEN, P.C.  
Certified Public Accountants

Stoughton, Massachusetts  
September 21, 2009