

PARTNERS FOR YOUTH WITH DISABILITIES, INC.

Financial Statements  
June 30, 2013  
(With Comparative Totals for 2012)



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

*331 Page Street  
Stoughton, MA 02072*

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

FINANCIAL STATEMENTS  
JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR 2012)

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

Independent Auditor's Report

**Report on Financial Statements**

We have audited the accompanying financial statements of Partners for Youth with Disabilities, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **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, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2013, 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 of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Partners for Youth with Disabilities, Inc.'s internal control over financial reporting and compliance.

## **Report on Summarized Comparative Information**

We have previously audited the Partners for Youth with Disabilities, Inc.'s 2012 financial statements, and our report dated October 2, 2012, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

  
SANDBERG & CREEDEN, P.C.  
Certified Public Accountants

Stoughton, Massachusetts  
September 18, 2013



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

STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR 2012)

**ASSETS**

	<u>2013</u>	<u>2012</u>
<b><u>Current Assets</u></b>		
Cash and cash equivalents	\$ 377,570	\$ 554,913
Contracts receivable	96,430	35,499
Pledges receivable	70,660	59,500
Prepaid expenses	<u>7,910</u>	<u>10,904</u>
Total current assets	552,570	660,816
<b><u>Fixed Assets</u></b>		
Furniture and equipment	17,034	17,034
Less: accumulated depreciation	<u>14,264</u>	<u>11,587</u>
Total property and equipment	<u>2,770</u>	<u>5,447</u>
<b><u>Other Assets</u></b>		
Long term pledges receivable – (net discount of \$1,196)	<u>36,804</u>	<u>0</u>
Total other assets	<u>36,804</u>	<u>0</u>
<b><u>Total Assets</u></b>	<b><u>\$ 592,144</u></b>	<b><u>\$ 666,263</u></b>

**LIABILITIES AND NET ASSETS**

<b><u>Current Liabilities</u></b>		
Accrued expenses	\$ 23,993	\$ 22,675
Accrued vacation compensation	<u>22,536</u>	<u>13,119</u>
Total current liabilities	46,529	35,794
<b><u>Net Assets</u></b>		
Unrestricted	370,227	483,902
Temporarily restricted	<u>175,388</u>	<u>146,567</u>
Total net assets	<u>545,615</u>	<u>630,469</u>
<b><u>Total Liabilities and Net Assets</u></b>	<b><u>\$ 592,144</u></b>	<b><u>\$ 666,263</u></b>

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



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

STATEMENT OF ACTIVITIES  
 JUNE 30, 2013  
 (WITH COMPARATIVE TOTALS FOR 2012)

	2013			2012
	Unrestricted	Temporarily Restricted	Total	Total
<b><u>Support and Revenue</u></b>				
Grants and contributions	\$ 226,162	\$ 375,904	\$ 602,066	\$ 600,920
In kind contributions	32,637		32,637	20,205
Special events	77,421	9,500	86,921	102,810
Released from restrictions	356,583	(356,583)		
Service fees	243,361		243,361	254,865
Interest and dividends	79		79	157
Total support and revenue	936,243	28,821	965,064	978,957
<b><u>Expenses</u></b>				
Program services	661,646		661,646	612,910
General and administrative	173,137		173,137	156,387
Fundraising	215,135		215,135	134,485
Total expenses	1,049,918		1,049,918	903,782
<b><u>Change in Net Assets</u></b>	(113,675)	28,821	(84,854)	75,175
<b><u>Net Assets - Beginning of Year</u></b>	483,902	146,567	630,469	555,294
<b><u>Net Assets - End of Year</u></b>	\$ 370,227	\$ 175,388	\$ 545,615	\$ 630,469

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





**PARTNERS FOR YOUTH WITH DISABILITIES, INC.**  
STATEMENT OF FUNCTIONAL EXPENSES  
JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR 2012)

	2013					2012
	Youth in					
	Preparation for Independence Program	Education/ Employment Program	Total Program Services	General and Administrative	Fundraising	Total
Salaries	\$ 184,337	\$ 118,147	\$ 362,158	\$ 101,872	\$ 112,733	\$ 530,319
Payroll taxes	16,911	11,314	33,786	9,070	10,541	50,669
Fringe benefits	27,052	15,070	50,880	14,831	16,544	71,579
Salaries and related expenses	228,300	144,531	446,824	125,773	139,818	652,567
Activity fees	7,048		7,048		469	4,764
Advertising and recruitment	85	140	225		16	285
Bank fees				771	944	1,609
Charitable Donation		404	933	549	549	300
Client transportation	368		344		163	2,431
Conference and meetings	344		344	233	465	2,195
Contracted services	16,838	55,537	77,107	15,825	2,753	55,733
Depreciation	856	548	1,681	473	523	2,351
Equipment rental and maintenance	1,348	1,194	2,978	745	1,901	4,410
Food	1,648	3,142	6,716		8,923	6,468
Grant expense	11,129	3,979	11,129		11,129	18,736
Insurance	6,208		12,197	3,431	3,796	588
Interest expense				378		2,034
Membership dues			55	1,410	275	6,293
Miscellaneous	2,519	398	2,930	630	3,378	55,928
Occupancy	16,037	16,336	38,818	8,088	9,022	1,977
Payroll fees				1,857		315
Permits and fees				315		2,207
Postage and delivery	140	132	426	283	1,404	4,638
Printing and reproduction	214	1,654	2,066	146	3,436	6,613
Professional fees				6,615		508
Publications and subscriptions	100	50	200	394	694	5,080
Special event					7,746	18,140
Supplies	1,719	3,238	5,774	350	1,278	11,013
Telephone and internet	3,302	2,203	6,821	1,788	2,261	17,568
Temporary help	13,017	2,255	22,452		14,417	28,604
Travel	4,672	4,443	14,386	2,932	11,286	1,352
Utilities	273	175	536	151	167	854
	\$ 316,165	\$ 240,359	\$ 661,646	\$ 173,137	\$ 215,135	\$ 903,782

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

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

STATEMENTS OF CASH FLOWS  
 JUNE 30, 2013  
 (WITH COMPARATIVE TOTALS FOR 2012)

	<u>2013</u>	<u>2012</u>
<b><u>Cash Flows From Operating Activities</u></b>		
Change in net assets	\$ (84,854)	\$ 75,175
Adjustment to reconcile increase to net cash provided by operating activities:		
Depreciation	2,677	995
(Increase) decrease in:		
Contracts receivable	(60,931)	36,774
Pledges receivable	(47,964)	9,737
Prepaid expenses	2,994	124
Increase (decrease) in:		
Accrued expenses	1,318	9,778
Accrued vacation compensation	<u>9,417</u>	<u>(7,711)</u>
<b><u>Net Cash (Used) Provided by Operating Activities</u></b>	<u>(177,343)</u>	<u>124,872</u>
<b><u>Cash Flows From Investing Activities</u></b>		
Purchase of equipment	<u>0</u>	<u>(3,717)</u>
<b><u>Net Cash (Used) by Investing Activities</u></b>	<u>0</u>	<u>(3,717)</u>
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>	<u>(177,343)</u>	<u>121,155</u>
<b><u>Cash and Cash Equivalents - Beginning of Year</u></b>	<u>554,913</u>	<u>433,758</u>
<b><u>Cash and Cash Equivalents - End of Year</u></b>	<u>\$ 377,570</u>	<u>\$ 554,913</u>
<b><u>SUPPLEMENTAL INFORMATION:</u></b>		
Interest paid	<u>\$ 378</u>	<u>\$ 588</u>
Disposal of fully depreciated fixed assets	<u>\$ 0</u>	<u>\$ 1,356</u>

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





## PARTNERS FOR YOUTH WITH DISABILITIES, INC.

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

### **Note 1. Organization**

Partners for Youth with Disabilities, Inc. (PYD) was organized in the Commonwealth of Massachusetts as a not-for-profit corporation in 1985. Since its founding in 1983, PYD 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. PYD recruits, trains, guides and supports caring adults that serve as mentors for youth, as well as supporting parents and families of children with disabilities who need additional resources. In addition to providing hundreds of mentors/partners for youth and young adults through its **Mentor Match Program**, PYD has continuously met the needs of its changing community by creating and sustaining additional mentoring models and programs to address health, independence, social skills, and career development, as well as the needs of specific disabilities like autism and learning disabilities. In addition, PYD's National Center for Mentoring Youth with Disabilities offers training and technical assistance to other organizations interested in becoming more inclusive of youth with disabilities.

PYD continues to focus its efforts on offering high quality programming in a sustainable manner. In Fiscal Year 2013, PYD began a substantial investment in its fundraising capabilities through additions to staff and increases in activities. This investment is designed to a) develop a sustainable individual donor program and b) increase funding available for near and medium term program replication and expansion. PYD is targeting its Young Entrepreneurs Project for initial replication opportunities and will finalize and begin implementing a business plan for that in FY2014.

Current PYD programs include:

#### **Mentoring Division:**

*Mentor Match Program* - This core program of the agency matches youth with disabilities with caring adults that serve as role models and mentors for the youth guiding them to achieve their personal, independent living and career goals. The Mentor Match Program served 126 youth during FY13 through creating new or supporting existing matches.

*National Center for Mentoring Youth with Disabilities* - This national center provides training and technical assistance to individuals and organizations interested in developing mentoring programs inclusive of youth with disabilities. The National Center conducts training and seminars and disseminates information and resources to interested parties throughout the nation. During FY13, PYD's National Center provided training for 242 individuals representing 112 organizations and 4 states.

#### **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 and 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. Making Healthy Connections served 63 youth and their families during FY13.



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

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

(Continued)

**Note 1. Organization** (Continued)

**Youth in Preparation for Independence Division:** (Continued)

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. During FY13, 25 Peer Leaders participated in this program.

**Education and Training Division:**

Young Entrepreneurs Project - This program teaches youth with and without 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. The Young Entrepreneurs Project served 60 Boston Public Schools students during FY13. YEP also conducted job readiness workshops for 49 youth engaged in summer employment.

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. The Access to Theatre Program served 50 youth during FY13 through weekly after-school and summer programming designed to acquire knowledge and skills in the arts.

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

The Organization presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 (formerly Statement of Financial Accounting Standards No. 117, Financial Statements for Not-for-Profit Organizations). Accordingly, the Organization reports 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:



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

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

(Continued)

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

b. Financial Statement Presentation (Continued)

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 2013 and 2012 and accordingly, these financials do not reflect any activity related to this class of net assets for 2013 and 2012.

c. 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.

d. 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.

e. 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.

f. 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.

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.



PARTNERS FOR YOUTH WITH DISABILITIES, INC.

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

(Continued)

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

h. 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.

i. 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.

j. 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, 2013, in kind contributions were recorded as follows:

	<u>2013</u>	<u>2012</u>
Donated material	\$ 11,202	\$ 9,603
Graphic design	1,875	2,500
Event support services	7,048	3,083
Legal fees	<u>12,512</u>	<u>5,019</u>
	<u>\$ 32,637</u>	<u>\$ 20,205</u>

k. 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.

l. 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, 2012, from which the summarized information was derived.



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

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

(Continued)

**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).

Unrelated business income, of which the Organization had none for the year ending June 30, 2013, would be subject to Federal and State taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

**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. At June 30, 2013 the Organization's cash balances were fully insured.

A money market account is held at a local brokerage where balances are uninsured. The total balance in the money market account at June 30, 2013 was \$116,816. The accounts are monitored on a regular basis by the Board of Directors.

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

**Note 5. Pledges Receivable**

Pledges receivable are due to be collected as follows:

FY2014	\$ 70,660
FY2015	<u>38,000</u>
Subtotal	108,660
Discount	<u>(1,196)</u>
Net pledges receivable	<u>\$ 107,464</u>

Promises to give due in more than 1 year are reflected at the present value of estimated future cash flows using a discount of 3.25%.

**Note 6. Line of Credit**

The Organization has a \$125,000 line of credit, with interest payable at 3.25% secured by all assets. Payments are due on demand. The outstanding balance at June 30, 2013 was \$0.



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

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

(Continued)

**Note 7. Temporarily Restricted Net Assets**

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

Time	\$ 85,054
Inclusive Fitness Project	33,750
Making Healthy Connections	25,000
Mentor Match	19,917
Harbor School Inclusion Project	10,000
Young Entrepreneurs Project	1,667
	<u>\$ 175,388</u>

During the year ended June 30, 2013, net assets were released from donor restriction by incurring costs satisfying donor stipulations associated with the following programs:

Time	\$ 57,100
Access to Theater	18,000
Inclusive Fitness	78,750
Making Healthy Connections	15,000
Mentor Match	97,000
Mentoring for All Project	20,000
Mentoring Project for Youth with Autism	13,333
Party 4 Partners	400
Inclusion Project	20,000
Young Entrepreneurs Project	37,000
Total Temporarily Restricted Net Assets	<u>\$ 356,583</u>

**Note 8. Leases**

The Organization leases office space under a seven-year lease expiring December 31, 2017. The lease requires monthly payments of \$3,277. Occupancy expense for the years ended June 30, 2013 and 2012, totaled \$55,928 and \$55,222 respectively, which includes parking and additional space rented for trainings. Future minimum lease payments for the years ended June 30 are as follows:

2014	\$ 41,102
2015	41,102
2016	41,877
2017	42,653
2018	21,714

The Organization has a secured operating lease for a copier requiring monthly payments of \$209, expiring August 15, 2013.



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

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

(Continued)

**Note 8. Leases** (Continued)

Future minimum lease payments are as follows:

2014	\$ 418
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On August 13, 2013, the Organization secured a new operating lease for a copier. The new lease requires monthly payments of \$205. Future minimum lease payments are as follows:

FY14	\$ 819
FY15	2,458
FY16	2,458
FY17	1,638

Equipment rental totaled \$4,019 and \$3,086 for the years ended June 30, 2013 and 2012, respectively.

**Note 9. Subsequent Event**

The Organization has evaluated events through October 23, 2012, the date the financial statements were available to be issued.

There was no subsequent events to be disclosed based on this evaluation.



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

Independent Auditor's 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

We have audited, in accordance with the 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, the financial statements of Partners for Youth with Disabilities, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 18, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Partners for Youth with Disabilities, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Partners for Youth with Disabilities, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Partners for Youth with Disabilities, Inc.'s financial statements are free from 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*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Sandberg & Creeden, P.C.*

SANDBERG & CREEDEN, P.C.  
Certified Public Accountants

Stoughton, Massachusetts  
September 18, 2013

