

**COMMUNITY SERVICE NETWORK, INC.**

UNIFORM FINANCIAL STATEMENTS

**and**

INDEPENDENT AUDITORS' REPORT

**December 31, 2013**



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## **INDEPENDENT AUDITORS' REPORT**

To The Board of Directors and Officers  
**Community Service Network, Inc.**  
Stoneham, Massachusetts

We have audited the accompanying financial statements of **Community Service Network, Inc.** ("Organization"), a nonprofit organization, which comprise the statement of financial position as of December 31, 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.

### ***Auditors' 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 auditors' 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 Organization'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.

## INDEPENDENT AUDITORS' REPORT - CONTINUED

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 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.

### ***Report on Summarized Comparative Information***

The financial statements of **Community Service Network, Inc.**'s December 31, 2012 financial statements were audited by other auditors whose report dated March 27, 2013, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Report on Supplemental Information***

The supplementary information included in Schedules A and B is presented solely for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the representation of the Organization's management and has not been subjected to the auditing procedures applied in the audit of the basic financial statements. Accordingly, we do not express an opinion or any other form of assurance concerning whether it is fairly stated in relation to the basic financial statements taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2014, on our consideration of Community Service Network, 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 Organization's internal control over financial reporting and compliance.

### ***Emphasis of Matter***

As discussed in Note H to the financial statements, management determined that there was an overstatement of previously reported accrued expenses in prior years. Accordingly, an adjustment has been made to net assets as of December 31, 2012.

*Rucci, Bardaro & Falzone, PC*

Rucci, Bardaro & Falzone, PC  
Certified Public Accountants

May 20, 2014





ORGANIZATION : COMMUNITY SERVICE NETWORK, INC.

FEIN: 222621963

STATEMENT OF FINANCIAL POSITION AS OF  
(BALANCE SHEET)

12/31/2013

WITH COMPARATIVE TOTALS AS OF

12/31/2012

	CURRENT OPERATIONS	PLANT	ENDOWMENT	CUSTODIAN	TOTAL THIS YEAR	TOTAL LAST YEAR
<b>ASSETS</b>						
1	Cash and Cash Equivalents	691,900			691,900	(410,965)
2	Accounts Receivable, Program Services	5,479,439			5,479,439	4,431,559
3	Allowance for Doubtful Accounts					
4	Net Accounts Receivable, Program Services	5,479,439			5,479,439	4,431,559
5	Contributions Receivable					
6	Notes Receivable					
7	Prepaid Expenses					6,739
8	Other Accounts Receivable					
9	Other Current Assets					1,600
10	Short-Term Investments					634,068
11	<b>TOTAL CURRENT ASSETS</b>	6,171,339			6,171,339	4,663,001
12	Land, Buildings, and Equipment		127,801		127,801	144,528
13	Accumulated Depreciation		(127,801)		(127,801)	(144,528)
14	Net Land, Buildings and Equipment					
15	Long-Term Investments					
16	Other Assets					
17	Due From Other Funds					
18	<b>TOTAL ASSETS</b>	6,171,339			6,171,339	4,663,001
<b>LIABILITIES AND NET ASSETS</b>						
19	Accounts Payable					
20	Subcontract Payable					
21	Accrued Expenses	1,802,958			1,802,958	2,184,922
22	Current Notes Payable					
23	Current Portion Long-Term Debt					
24	Deferred Revenue					
25	Other Current Liabilities	1,118,220			1,118,220	
26	<b>TOTAL CURRENT LIABILITIES</b>	2,921,178			2,921,178	2,184,922
27	Long-Term Notes & Mortgage Payable					
28	Other Liabilities					
29	Due to Other Funds					
30	<b>TOTAL LIABILITIES</b>	2,921,178			2,921,178	2,184,922
<b>NET ASSETS</b>						
31	Unrestricted	3,250,161			3,250,161	2,452,855
32	Temporarily Restricted					25,224
33	Permanently Restricted					
34	<b>TOTAL NET ASSETS</b>	3,250,161			3,250,161	2,478,079
35	<b>TOTAL LIABILITIES AND NET ASSETS</b>	6,171,339			6,171,339	4,663,001

See Accompanying Notes to the Financial Statements

ORGANIZATION : COMMUNITY SERVICE NETWORK, INC

FEIN: 222621963

**STATEMENT OF ACTIVITIES FOR THE YEAR ENDED**

12/31/2013 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED

12/31/2012

	<b>UNRESTRICTED</b>	<b>TEMPORARILY RESTRICTED</b>	<b>PERMANENTLY RESTRICTED</b>	<b>TOTAL THIS YEAR</b>	<b>TOTAL LAST YEAR</b>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
1 Contributions, Gifts, Legacies, Bequests & Special Events	3,500			3,500	131,525
2 In-Kind Contributions					5,245
3 Grants					
4 Program Service Fees	48,908,614			48,908,614	48,250,025
5 Federated Fundraising Organization Allocation					
6 Investment Revenue	1,273			1,273	10,458
7 Revenue from Commercial Products & Services					
8 Other					
9 Net Assets Released From Restrictions:					
10     Satisfaction of Program Restrictions					
11     Satisfaction of Equipment Acquisition Restrictions					
12     Expiration of Time Restrictions					
13 <b>TOTAL REVENUE, GAINS, AND OTHER SUPPORT</b>	<b>48,913,387</b>			<b>48,913,387</b>	<b>48,397,253</b>
<b>EXPENSES AND LOSSES</b>					
14 Administration (Management & General)	10,000			10,000	12,500
15 Fundraising					
16 Total Program Services	48,879,164			48,879,164	48,329,001
17 <b>TOTAL EXPENSES</b>	<b>48,889,164</b>			<b>48,889,164</b>	<b>48,341,501</b>
18 Losses					
19 <b>TOTAL EXPENSES AND LOSSES</b>	<b>48,889,164</b>			<b>48,889,164</b>	<b>48,341,501</b>
<b>CHANGES IN NET ASSETS:</b>					
20 Property & Equipment Acquisitions from Unrestricted Funds					
21 Transfer of Realized Endowment Fund Appreciation					
22 Return to Donor					
23 Other Increases (Decreases)	747,859			747,859	
24 <b>TOTAL CHANGES IN NET ASSETS</b>	<b>772,082</b>			<b>772,082</b>	<b>55,752</b>
25 <b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>2,478,079</b>			<b>2,478,079</b>	<b>2,422,327</b>
26 <b>NET ASSETS AT END OF YEAR</b>	<b>3,250,161</b>			<b>3,250,161</b>	<b>2,478,079</b>

See Accompanying Notes to Financial Statements

## STATEMENT OF CASH FLOWS for the YEAR ENDED

12/31/2013

## INDIRECT METHOD

	<b>TOTAL</b>
<b>Cash Flows from Operating Activities:</b>	
1 Changes in Net Assets	24,223
Adjustments to Reconcile Change In Net Assets to Net	
Cash provided by/(used in) Operating Activities:	
2 Depreciation	
3 Losses	
4 Increase/Decrease in Net Accounts Receivable	(1,047,880)
5 Increase/Decrease in Prepaid Expenses	8,339
6 Increase/Decrease in Contributions Receivable	
7 Increase/Decrease in Accounts Payable	1,118,220
8 Increase/Decrease in Accrued Expenses	365,894
9 Increase/Decrease in Deferred Revenue	
10 Increase/Decrease in Subcontract Payable	
11 Contributions Restricted for Long-Term Investment	
12 Net Unrealized and Realized Gains on Long-Term Investments	
13 Other Cash Used in/Provided by Operating Activities	(440,831)
14 Net Cash Provided by/(used in) Operating Activities	27,965
<b>Cash Flows from Investing Activities:</b>	
15 Insurance Proceeds	
16 Purchase(s) of Capital Assets (Land, Bldgs. & Equip.)	
17 Proceeds from Sale(s) of Investments	
18 Purchase(s) of Investments	
19 Purchase(s) of Assets Restricted To Long-Term Investment	
20 Other Investing Activities	
21 Net Cash Provided by/(used in) Investing Activities	
<b>Cash from Financing Activities:</b>	
Proceeds from Contributions Restricted For:	
22 Investment in Endowment	
23 Investment in Term Endowment	
24 Investment in Plant (Land Bldgs. & Equip.)	
Other Financing Activities:	
25 Contributions Restricted for Long-Term Investment	
26 Interest and Dividends Restricted for Reinvestment	
27 Payments on Notes Payable	
28 Payments on Long-Term Debt	
29 Other Finance Payments/Receipts	
30 Net Cash Provided by/(used in) Financing Activities	

See Accompanying Notes to the Financial Statements



ORGANIZATION : COMMUNITY SERVICE NETWORK, I

FEIN: 222621963

STATEMENT OF CASH FLOWS for the YEAR ENDED

12/31/2013

INDIRECT METHOD

31	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	27,965
32	<b>Cash and Cash Equivalents at Beginning of Year</b>	663,935
33	<b>Cash and Cash Equivalents at End of Year</b>	691,900

**Supplemental Disclosure of Cash Flow Information:**

34	Cash Paid During the Year for Interest	
35	Cash Paid During the Year for Taxes/Other	

**Supplemental Data for Noncash Investing and Financing Activities:**

36	Gifts of Equipment	
37	Other Noncash Investing and Financing Activities	
38		
39		
40		

See Accompanying Notes to the Financial Statements

ORGANIZATION : COMMUNITY SERVICE NETWORK, INC. FEIN: 222621963

**Statement of Functional Expenses for the Year Ended:** 12/31/2013

	<b>SUPPORTING SERVICES</b>		<b>PROGRAM SERVICES</b>	
	<b>TOTALS</b>	<b>ADMINISTRATION (MNGT. &amp; GEN.)</b>	<b>FUND RAISING</b>	<b>TOTAL ALL PROGRAMS</b>
1. Employee Compensation & Related Expenses	394,463			394,463
2. Occupancy	18,206			18,206
3. Other Program / Operating Expense	48,449,472			48,449,472
4. Subcontract Expense				
5. Direct Administrative Expense	27,023	10,000		17,023
6. Other Expenses				
7. Depreciation of Buildings and Equipment				
<b>8. TOTAL EXPENSES</b>	<b>48,889,164</b>	<b>10,000</b>		<b>48,879,164</b>

See Accompanying Notes to Financial Statements

ORGANIZATION : COMMUNITY SERVICE NETWORK, INC. FEIN: 222621963

**Statement of Functional Expenses for the Year Ended:** 12/31/13

	PROGRAM #	PROGRAM #	PROGRAM #	PROGRAM #	PROGRAM #
	<u>1</u>	<u>2</u>			
1. Employee Compensation & Related Expenses	<u>257,124</u>	<u>137,339</u>			
2. Occupancy	<u>16,125</u>	<u>2,081</u>			
3. Other Program / Operating Expense	<u>48,448,288</u>	<u>1,184</u>			
4. Subcontract Expense					
5. Direct Administrative Expense	<u>8,739</u>	<u>8,284</u>			
6. Other Expenses					
7. Depreciation of Buildings and Equipment					
<b>8. TOTAL EXPENSES</b>	<u>48,730,276</u>	<u>148,888</u>			

See Accompanying Notes to Financial Statements

# **Community Service Network, Inc.**

## **NOTES TO FINANCIAL STATEMENTS**

**For the year ended December 31, 2013**

### **NOTE A - NATURE OF BUSINESS**

**Community Service Network, Inc.** ("Organization") is a tax-exempt Massachusetts nonprofit agency under Section 501(c)(3) of the Internal Revenue Code and has been determined not to be a private foundation. The Organization provides assistance to needy families through a variety of community service programs. Services are provided in Stoneham, Woburn and surrounding towns in Massachusetts. The Organization was awarded a contract from the Commonwealth of Massachusetts to provide emergency shelter to Department of Housing and Community Development eligible homeless families across the Commonwealth of Massachusetts.

### **NOTE B - SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Basis of Presentation**

The accounts of the Organization are maintained on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

The Organization presents its financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under U.S. GAAP, 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) based upon the existence or absence of donor imposed restrictions. Additionally, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

A description of the net assets categories follows:

#### **Unrestricted Net Assets**

Net assets are not subject to donor-imposed restrictions.

#### **Temporarily Restricted Net Assets**

Net assets are subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or passage of time. The Organization has no temporarily restricted assets as of December 31, 2013.



# Community Service Network, Inc.

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2013

### NOTE B - SIGNIFICANT ACCOUNTING POLICIES - Continued

1. **Basis of Presentation - Continued**

**Permanently Restricted Net Assets**

Net assets are subject to donor-imposed stipulations that they may be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. The Organization did not have any permanently restricted net assets as of December 31, 2013.

2. **Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. **Donated Services and Materials**

The Organization receives donated services from a variety of unpaid volunteers which make contributions of their time in conjunction with programs and services. No amounts have been reflected in the accompanying statement of activities for volunteer services because the criteria have not been satisfied. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

4. **Functional Expenses and Allocation of Management and General**

Expenses are allocated to program and supporting services based on management's estimates.

5. **Income Taxes**

The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.



## Community Service Network, Inc.

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2013

#### NOTE B - SIGNIFICANT ACCOUNTING POLICIES - Continued

5. **Income Taxes - Continued**

U.S. GAAP clarifies the accounting for income taxes, by prescribing a minimum recognition threshold a tax position is required to meet before recognized in the financial statements. It also provides guidance on de-recognition, measurement and classification of amounts relating to uncertain tax positions, accounting for and disclosure of interest and penalties, and disclosures and transition relating to the adoption of the new accounting standard. The Organization's years ended 2013, 2012, and 2011 are subject to examination.

6. **Cash and Cash Equivalents**

The statement of cash flows is designed to show the change in cash and cash equivalents during the year. Cash equivalents are defined as short-term investments with an original maturity date of three months or less, that are readily convertible to cash such that fluctuations in interest rates lead to insignificant risk of changes in investment value.

The Organization maintains cash in interest-bearing bank accounts, which are insured by the Federal Deposit Insurance Corporation (FDIC). The FDIC insures unlimited non-interest bearing accounts and interest bearing accounts up to \$250,000. Cash in bank accounts may exceed FDIC insurance limits from time-to-time during the year in the ordinary course of business. The Organization maintains their accounts in banks who are members of the Share Insurance Fund (SIF). The SIF fully insures balances exceeding the FDIC limit of \$250,000.

7. **Revenue Recognition**

The Organization's revenues are derived from both public support and private contributions. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor imposed restrictions.



## Community Service Network, Inc.

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

For the year ended December 31, 2013

#### NOTE B - SIGNIFICANT ACCOUNTING POLICIES - Continued

7. **Revenue Recognition - Continued**

All donor-restricted contributions are 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 restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

8. **Property and Equipment**

Property and equipment acquired directly by the Organization are capitalized at cost and depreciated on the straight-line method over the estimated useful lives of the assets ranging from three to ten years. The cost of property and equipment purchased in excess of \$1,000 is capitalized. Repairs and maintenance are charged to expenses as incurred. There was no depreciation expense for the year ended December 31, 2013.

Property and equipment consisted of the following at December 31, 2013:

Furniture and Equipment	\$ 7,723
Computer Equipment	83,673
Office Equipment	<u>36,405</u>
Total	127,801
Less: accumulated depreciation	<u>(127,801)</u>
Net property and equipment	<u>\$ -</u>



## **Community Service Network, Inc.**

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

**For the year ended December 31, 2013**

#### **NOTE B - SIGNIFICANT ACCOUNTING POLICIES - Continued**

**9. Fair Value Measurements**

The Organization applies accounting principles generally accepted in the United States of America for fair value measurements on financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. These principles define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These principles also establish a framework for measuring fair value and expand disclosures about fair value measurements. A fair value hierarchy places the highest priority on measurements with significant observable inputs (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Organization had no significant financial assets requiring further disclosure under this topic.

#### **NOTE C - CASH EQUIVALENTS**

The Organization has a certificate of deposit ("CD") with Patriot Bank which matures on May 31, 2014. The CD accrues interest at .75% per annum. The balance is available on demand with no withdrawal fees or penalties. The balance in the CD at December 31, 2013 was \$604,302.

#### **NOTE D - CREDIT CARD POINTS**

The Organization has used corporate credit cards to pay for motel and hotel accommodations used for emergency shelter for eligible homeless individuals. Over the years, the Organization has built up "points" which may be used to pay or purchase goods and/or services. This contingent asset is not reflected in the accompanying statement of financial position because it is not quantifiable. During the year ended December 31, 2013, the Organization used \$19,514 of its points to pay for goods and services.





## **Community Service Network, Inc.**

### **NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended December 31, 2013**

#### **NOTE E - LEASES AND COMMITMENTS**

The Organization rents office space at 136 Elm Street, Stoneham, Massachusetts as a tenant-at-will. Rent expense for the year ended December 31, 2013 was \$10,952. The current monthly rent expense is \$1,000.

#### **NOTE F - ECONOMIC DEPENDENCIES AND CONCENTRATIONS**

All of the Organization's accounts receivable at December 31, 2013 represent amounts due from one Massachusetts government agency.

For the year ended December 31, 2013, the Organization derived 99.9% of its revenue from contracts with the Commonwealth of Massachusetts.

#### **NOTE G - SURPLUS REVENUE RETENTION**

The Surplus Retention amount of \$0 for the year ended December 31, 2013 did not exceed the maximum allowable surplus of five percent of the current year revenues from state purchasing agencies. This resulted in no surplus retention liability. The aggregate accumulated net surplus balance at December 31, 2013 did not exceed the allowable maximum surplus of 20 percent of prior year revenues from state purchasing agencies pursuant to 808 CMR1.00 the "Not-for-Profit Surplus Revenue Retention Policy" as established by The Commonwealth of Massachusetts. On a cumulative basis, the Organization has a deficit of \$56,405 for the Commonwealth of Massachusetts; therefore no financial transaction activity occurred during these years to affect the fund's balance.

#### **NOTE H - PRIOR PERIOD ADJUSTMENT**

During the year ended December 31, 2013, the Organization determined there was an unnecessary overstatement during prior years resulting in the recording of accrued expenses and, correspondingly, program service expenses. U.S. GAAP requires the accrual of a liability if information, as of the date the financial statements are issued or available to be issued, indicates that the liability is probable and the amount can be reasonably estimated. The Organization does not believe the liabilities to be probable and, therefore, did not require recognition in the financial statements. The cumulative effect of this adjustment was an increase to net assets and a decrease to accrued expenses totaling \$747,859. For the period beginning January 1, 2004, the amount of this adjustment is reflected in the beginning of the year net asset balance.



# **Community Service Network, Inc.**

## **NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**For the year ended December 31, 2013**

### **NOTE I - SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through May 20, 2014, which is the date the financial statements were available to be issued. There are no recognized subsequent events that provide additional evidence about conditions that existed at the statement of financial position date, or non-recognized subsequent events, or events that provide evidence about conditions that did not exist at the statement of financial position date, which are necessary to disclose to keep the financial statements from being misleading.



ORGANIZATION: COMMUNITY SERVICE NETWORK, INC.

**ORGANIZATION SUPPLEMENTAL INFORMATION SCHEDULE A - Unaudited**

FY END: 12/31/2013 FEIN: 222621963

REVENUE	Total Organization			EXPENSE	Total Organization		Admin (M&G)		Fund Raising		Total All Programs	
	FTE	Expense	FTE		Expense	FTE	Expense	FTE	Expense	FTE	Expense	
1R Contributions, Gifts, Legacies, Bequests	3,500		3,500	1E Total Direct Prog.Staff FTE/Exp 101-138	2.00	187,293	XXXX	XXXXXXXXXX	XXXX	XXXXXXXXXX	2.00	187,293
2R Gov. In-Kind/Capital Budget		XXXXXXXXXX	XXXXXXXXXX	2E Chief Executive Officer - FTE/Exp.	1.00	88,860					1.00	88,860
3R Private In-Kind				3E Chief Financial Officer - FTE/Exp.								
4R Total Contributions and In-Kind	3,500		3,500	4E Accting/Clerical/Support FTE/Expense	1.80	39,858					1.80	39,858
5R Mass Gov. Grant		XXXXXXXXXX	XXXXXXXXXX	5E Admin Maint/House-Grndskeeping FTE/Exp								
6R Other Grant (exclud. Fed.Direct)				6E Total Admin Employee FTE/Expense 410	2.80	128,718					2.80	128,718
7R Total Grants				7E Commercial Products & Svs/Mkting FTE/Exp					XXXX	XXXXXXXXXX		
8R Dept. of Mental Health (DMH)		XXXXXXXXXX	XXXXXXXXXX	8E Total FTE/Salary/Wages	4.80	316,011					4.80	316,011
9R Dept.of Developmental Services(DDS/DMR)		XXXXXXXXXX	XXXXXXXXXX	9E Payroll Taxes 150		24,362						24,362
10R Dept. of Public Health (DPH)		XXXXXXXXXX	XXXXXXXXXX	10E Fringe Benefits 151		54,090						54,090
11R Dept.of Children and Families (DCF/DSS)		XXXXXXXXXX	XXXXXXXXXX	11E Accrual Adjustments								
12R Dept. of Transitional Assist (DTA/WEL)		XXXXXXXXXX	XXXXXXXXXX	12E Total Employee Compensation & Rel. Exp.		394,463						394,463
13R Dept. of Youth Services (DYS)		XXXXXXXXXX	XXXXXXXXXX	13E Facility and Prog. Equip.Expenses 301, 390								
14R Health Care Fin & Policy (HCF)-Contract		XXXXXXXXXX	XXXXXXXXXX	14E Facility & Prog. Equip. Depreciation 301								
15R Health Care Fin & Policy (HCF)-UCP		XXXXXXXXXX	XXXXXXXXXX	15E Facility Operation/Maint./Furn.390		15,982						15,982
16R MA. Comm. For the Blind (MCB)		XXXXXXXXXX	XXXXXXXXXX	16E Facility General Liability Insurance 390		2,224						2,224
17R MA. Comm. for Deaf & H H (MCD)		XXXXXXXXXX	XXXXXXXXXX	17E Total Occupancy		18,206						18,206
18R MA. Rehabilitation Commission (MRC)		XXXXXXXXXX	XXXXXXXXXX	18E Direct Care Consultant 201								
19R MA. Off. for Refugees & Immigr.(ORI)		XXXXXXXXXX	XXXXXXXXXX	19E Temporary Help 202								
20R Dept.of Early Educ. & Care (EEC)-Contract		XXXXXXXXXX	XXXXXXXXXX	20E Clients and Caregivers Reimb./Stipends 203				XXXXXXXXXX		XXXXXXXXXX		
21R Dept.of Early Educ. & Care (EEC)-Voucher		XXXXXXXXXX	XXXXXXXXXX	21E Subcontracted Direct Care 206				XXXXXXXXXX		XXXXXXXXXX		
22R Dept of Correction (DOC)		XXXXXXXXXX	XXXXXXXXXX	22E Staff Training 204								
23R Dept. of Elementary & Secondary Educ. (DOE)		XXXXXXXXXX	XXXXXXXXXX	23E Staff Mileage / Travel 205								
24R Parole Board (PAR)		XXXXXXXXXX	XXXXXXXXXX	24E Meals 207								
25R Veteran's Services (VET)		XXXXXXXXXX	XXXXXXXXXX	25E Client Transportation 208				XXXXXXXXXX		XXXXXXXXXX		
26R Ex. Off. of Elder Affairs (ELD)		XXXXXXXXXX	XXXXXXXXXX	26E Vehicle Expenses 208								
27R Div.of Housing & Community Develop(ODC)	48,539,574	XXXXXXXXXX	48,539,574	27E Vehicle Depreciation 208								
28R POS Subcontract		XXXXXXXXXX	XXXXXXXXXX	28E Incidental Medical /Medicine/Pharmacy 209				XXXXXXXXXX		XXXXXXXXXX		
29R Other Mass. State Agency POS		XXXXXXXXXX	XXXXXXXXXX	29E Client Personal Allowances 211				XXXXXXXXXX		XXXXXXXXXX		
30R Mass State Agency Non - POS		XXXXXXXXXX	XXXXXXXXXX	30E Provision Material Goods/Svs./Benefits 212		48,444,539		XXXXXXXXXX		XXXXXXXXXX		48,444,539
31R Mass. Local Govt/Quasi-Govt. Entities		XXXXXXXXXX	XXXXXXXXXX	31E Direct Client Wages 214				XXXXXXXXXX		XXXXXXXXXX		
32R Non-Mass. State/Local Government		XXXXXXXXXX	XXXXXXXXXX	32E Other Commercial Prod. & Svs. 214								
33R Direct Federal Grants/Contracts	360,000	XXXXXXXXXX	360,000	33E Program Supplies & Materials 215		4,933		XXXXXXXXXX		XXXXXXXXXX		4,933
34R Medicaid - Direct Payments		XXXXXXXXXX	XXXXXXXXXX	34E Non Charitable Expenses								
35R Medicaid - MBHP Subcontract		XXXXXXXXXX	XXXXXXXXXX	35E Other Expense								
36R Medicare		XXXXXXXXXX	XXXXXXXXXX	36E Total Other Program Expense		48,449,472						48,449,472
37R Mass. Govt. Client Stipends		XXXXXXXXXX	XXXXXXXXXX	37E Management Fees 410								XXXXXXXXXX
38R Client Resources		XXXXXXXXXX	XXXXXXXXXX	38E Fundraising Fees 410				XXXXXXXXXX				XXXXXXXXXX
39R Mass. Publicly sponsored client offsets		XXXXXXXXXX	XXXXXXXXXX	39E Legal Fees 410								XXXXXXXXXX
40R Other Publicly sponsored client offsets		XXXXXXXXXX	XXXXXXXXXX	40E Audit Fees 410		10,000		10,000				XXXXXXXXXX
41R Private Client Fees (excluding 3rd Pty)	9,040	XXXXXXXXXX	9,040	41E Management Consultant 410								XXXXXXXXXX
42R Private Client 3rd Pty/other offsets		XXXXXXXXXX	XXXXXXXXXX	42E Other Professional Fees & Other Admin. Expenses 410		4,423						4,423
43R Total Assistance and Fees	48,908,614	XXXXXXXXXX	48,908,614	43E Leased Office/Program Office Equip.410,390								
44R Federated Fundraising				44E Office Equipment Depreciation 410								
45R Commercial Activities				45E Admin. Vehicle Expenses 410								XXXXXXXXXX
46R Non-Charitable Revenue				46E Admin. Vehicle Depreciation 410								XXXXXXXXXX
47R Investment Revenue	1,273		1,273	47E Directors & Officers Insurance 410								XXXXXXXXXX
48R Other Revenue				48E Program Support 216		6,882		XXXXXXXXXX				6,882
49R Allocated Admin (M&G) Revenue	XXXXXXXXXX			49E Professional Insurance 410		5,718						5,718
50R Released Net Assets-Program				50E Working Capital Interest 410								
51R Released Net Assets-Equipment				51E Total Direct Administrative Expense		27,023		10,000				17,023
52R Released Net Assets-Time				52E Admin (M&G) Reporting Center Allocation		XXXXXXXXXX		(10,000)				10,000
				53E Total Reimbursable & Fundraising Expense		48,889,164						48,889,164
53R TOTAL REVENUE	48,913,387		48,913,387	54E Direct State/Federal Non-Reimbursable Expense								XXXXXXXXXX
54R TOTAL EXPENSE = 56E	48,889,164		48,889,164	55E Allocation of State/Fed Non-Reimbursable Expense		XXXXXXXXXX						XXXXXXXXXX
55R OPERATING RESULTS	24,223		24,223	56E TOTAL EXPENSE = 56R		48,889,164						48,889,164

**COMPENSATION DISCLOSURE** Enter all compensation (salary, benefit packages, vehicles, consultant payments, loans, etc.) from the entity & its related parties/affiliates to organization principals. Attach schedule of non-salary items.

Name & Title	Reporting Entity Compensation		Compensation from Other Entities	
	Salary	Other	Salary	Other
1C Sheila Herbeck, President	83,200	\$ 8,851		
2C Bryna Davis, Executive Director	86,008	\$ 28,017		
3C				
4C				
5C				
<b>MA. Surplus Revenue Retention</b>	<b>Starting Balance</b>	<b>Expended Amount</b>	<b>Accrual Amount</b>	<b>Liability Amt.</b>
Prior Year Ma. Revenue	48,228,650	56,405	56,405	

**Comm. of MA cost reimbursement overbilling (preliminary calc. subject to adjustment)**

NON-REIMBURSABLE EXPENSE DETAIL		Note to Readers: Please see Schedule B Note to Readers regarding appropriate Non-Reimbursable Exp.	
1N Direct Employee Compensation & Related Exp.			XXXXXXXXXX
2N Direct Occupancy			XXXXXXXXXX
3N Direct Other Program/Operating			XXXXXXXXXX
4N Direct Subcontract Expense			XXXXXXXXXX
5N Direct Administrative Expense			XXXXXXXXXX
6N Direct Other Expense			XXXXXXXXXX
7N Direct Depreciation			XXXXXXXXXX
8N Total Direct Non-Reimbursable (must tie to 54E)			XXXXXXXXXX
9N Total Direct and Allocated Non-Reimbursable (54E+55E)			XXXXXXXXXX
10N Eligible Non-Reimb./Fundraising Exp. Revenue Offsets	4,773		XXXXXXXXXX
11N Capital Budget Revenue Adjustments			XXXXXXXXXX
12N Excess of Non-Reimb./Fundraising Expense over Offsets	(4,773)		XXXXXXXXXX
Description of Admin (M&G) Direct Non-Reimbursable Exp.			(4,773)

UFR Program Number: 1 Program Name: HOMELESS FAMILY ASSISTANCE Description: DHCD HOUSING FOR HOMELESS FAMILY Catalog of Federal Domestic Assistance #: B
\*Program Type: N/A Program Address: 52 BROADWAY STONEHAM MA 02180 # Weeks operated during audit period (e.g., 52): 52.00 # operating hours/week (e.g., 40): 40.00

Note to Readers: This schedule should be read in context with F.S. Notes and all other UFR information. In many instances the presence of significant planned to actual variances or non-reimbursable expenses (e.g., In-Kind donations) may be appropriate and desirable.
\* Program Type codes: 21 = SPED; 22 = HCFP/Medicaid Class Rate; 23 = Negotiated Unit Rate; 24 = Negotiated Accommodations Rate; 25= Non-negotiated Accommodations Rate; 26 = Other Non-negotiated Unit Rate; 27 = Cost Reimbursement; NA = Not Applicable

Table with columns: REVENUE, STAFFING # hours/syr = 1.00 FTE, FTE, Salary/Wage, EXPENSE - ACTUAL/PLANNED, FTE, Actual, Planned, % Var. Rows include 1R Contrib., Gifts, Leg., Bequests, Spec. Ev., 2R Gov. In-Kind/Capital Budget, 3R Private IN-Kind, 4R Total Contribution and In-Kind, 5R Mass Gov. Grant, 6R Other Grant (exclud. Fed.Direct), 7R Total Grants, 8R Dept. of Mental Health (DMH), 9R Dept. of Developmental Services(DDS/DMR), 10R Dept. of Public Health (DPH), 11R Dept. of Children and Families (DCF/DSS), 12R Dept. of Transitional Assist (DTA/WEL), 13R Dept. of Youth Services (DYS), 14R Health Care Fin & Policy (HCF)-Contract, 15R Health Care Fin & Policy (HCF)-UCP, 16R MA. Comm. For the Blind (MCB), 17R MA. Comm. for Deaf & H H (MCD), 18R MA. Rehabilitation Commission (MRC), 19R MA. Off. for Refugees & Immigr.(ORI), 20R Dept. of Early Educ. & Care (EEC)-Contract, 21R Dept. of Early Educ. & Care (EEC)-Voucher, 22R Dept of Correction (DOC), 23R Dept. of Elementary & Secondary Educ. (DOE), 24R Parole Board (PAR), 25R Veteran's Services (VET), 26R Ex. Off. of Elder Affairs (ELD), 27R Div. of Housing & Community Develop(OCD), 28R POS Subcontract, 29R Other Mass. State Agency POS, 30R Mass State Agency Non - POS, 31R Mass. Local Govt/Quasi-Govt. Entities, 32R Non-Mass. State/Local Government, 33R Direct Federal Grants/Contracts, 34R Medicaid - Direct Payments, 35R Medicaid - MBHP Subcontract, 36R Medicare, 37R Mass. Govt. Client Stipends, 38R Client Resources, 39R Mass. spon.client SF/3rd Pty offsets, 40R Other Publicly sponsored client offsets, 41R Private Client Fees (excluding 3rd Pty), 42R Private Client 3rd Pty/other offsets, 43R Total Assistance and Fees, 44R Federated Fundraising, 45R Commercial Activities, 46R Non-Charitable Revenue, 47R Investment Revenue, 48R Other Revenue, 49R Allocated Admin (M&G) Revenue, 50R Released Net Assets-Program, 51R Released Net Assets-Equipment, 52R Released Net Assets-Time, 53R Total Revenue = 57E

SERVICE STATISTICS table with columns: 1SS Enter defined unit of service: NIGHTS, 2SS Enter total unit capacity: , Undup # Clients, # service units delivered, 3SS OSD's Program, 4SS Performance Report (D-1), 5SS Internet filing system), 6SS suspended for FY '08 filings., 7SS Total: 5,808 clients, 587,825 units delivered.

MASSACHUSETTS CONTRACT INFORMATION table with columns: Dept, Contract ID -11 Characters, MMARS Code. Rows: 1C DHCD, 2C DHCD201205S, 2925.

NON-REIMBURSABLE EXPENSE DETAIL table with columns: Description, 1N Direct Employee Compensation & Related Exp., 2N Direct Occupancy, 3N Direct Other Program/Operating, 4N Direct Subcontract Expense, 5N Direct Administrative Expense, 6N Direct Other Expense, 7N Direct Depreciation, 8N Total Direct Non-Reimbursable (Tie to 54E), 9N Total Direct and Allocated Non-Reimb. (54E+55E), 10N Eligible Non-Reimbursable Exp. Revenue Offsets, 11N Capital Budget Revenue Adjustment, 12N Excess of Non-Reimbursable Expense Over Offsets.

PREPARER COMMENTS:

UFR Program Number: 2 Program Name: COMMUNITY SERVICE NETWORK SERVICES Description: CHARITABLE PROGRAMS Catalog of Federal Domestic Assistance #: B
http://www.cfda.gov/default.htm
Program Type: N/A Program Address: 52 BROADWAY STONEHAM MA 02180 # Weeks operated during audit period (e.g., 52): 52.00 # operating hours/week (e.g., 40): 40.00

Note to Readers: This schedule should be read in context with F.S. Notes and all other UFR information. In many instances the presence of significant planned to actual variances or non-reimbursable expenses (e.g., In-Kind donations) may be appropriate and desirable.

\* Program Type codes: 21 = SPED; 22 = HCFP/Medicaid Class Rate; 23 = Negotiated Unit Rate; 24 = Negotiated Accommodations Rate; 25 = Non-negotiated Accommodations Rate; 26 = Other Non-negotiated Unit Rate; 27 = Cost Reimbursement; NA = Not Applicable

Table with columns: REVENUE, STAFFING # hours/yr = 1.00 FTE, FTE, Salary/Wage, EXPENSE - ACTUAL/PLANNED, FTE, Actual, Planned, % Var. Rows include 1R Contrib., Gifts, Leg., Bequests, Spec. Ev., 2R Gov. In-Kind/Capital Budget, 3R Private IN-Kind, 4R Total Contribution and In-Kind, 5R Mass Gov. Grant, 6R Other Grant (exclud. Fed.Direct), 7R Total Grants, 8R Dept. of Mental Health (DMH), 9R Dept. of Developmental Services(DDS/DMR), 10R Dept. of Public Health (DPH), 11R Dept. of Children and Families (DCF/DSS), 12R Dept. of Transitional Assist (DTA/WEL), 13R Dept. of Youth Services (DYS), 14R Health Care Fin & Policy (HCF)-Contract, 15R Health Care Fin & Policy (HCF)-UCP, 16R MA. Comm. For the Blind (MCB), 17R MA. Comm. for Deaf & H H (MCD), 18R MA. Rehabilitation Commission (MRC), 19R MA. Off. for Refugees & Immigr.(ORI), 20R Dept. of Early Educ. & Care (EEC)-Contract, 21R Dept. of Early Educ. & Care (EEC)-Voucher, 22R Dept of Correction (DOC), 23R Dept. of Elementary & Secondary Educ. (DOE), 24R Parole Board (PAR), 25R Veteran's Services (VET), 26R Ex. Off. of Elder Affairs (ELD), 27R Div. of Housing & Community Develop(OCD), 28R POS Subcontract, 29R Other Mass. State Agency POS, 30R Mass State Agency Non - POS, 31R Mass. Local Govt/Quasi-Govt. Entities, 32R Non-Mass. State/Local Government, 33R Direct Federal Grants/Contracts, 34R Medicaid - Direct Payments, 35R Medicaid - MBHP Subcontract, 36R Medicare, 37R Mass. Govt. Client Stipends, 38R Client Resources, 39R Mass. spon.client SF/3rd Pty offests, 40R Other Publicly sponsored client offests, 41R Private Client Fees (excluding 3rd Pty), 42R Private Client 3rd Pty/other offests, 43R Total Assistance and Fees, 44R Federated Fundraising, 45R Commercial Activities, 46R Non-Charitable Revenue, 47R Investment Revenue, 48R Other Revenue, 49R Allocated Admin (M&G) Revenue, 50R Released Net Assets-Program, 51R Released Net Assets-Equipment, 52R Released Net Assets-Time, 53R Total Revenue = 57E

SERVICE STATISTICS
1SS Enter defined unit of service:
2SS Enter total unit capacity:
3SS Publicly sponsored clients:
4SS OSD's Program Privately sponsored clients:
5SS Performance Report (D-1 Free Care clients:
6SS Internet filing system) Total:
7SS suspended for FY '08 filings.

MASSACHUSETTS CONTRACT INFORMATION
Dept Contract ID -11 Characters MMARS Code

SUBCONTRACTED DIRECT CARE EXPENSE DETAIL
Subcontractor Name FEIN Expense Amt.

POS SUBCONTRACT INFORMATION
State Dept Payor Name Payor's FEIN

Comm. Of MA Surplus Rev. Retention Share

UNDUP # # service units
Clients delivered
51E Total Direct Administrative Expense
52E Admin (M&G) Reporting Center Allocation
53E Total Reimbursable Expense
54E Direct State/Federal Non-Reimbursable Expense
55E Allocation of State/Fed Non-Reimbursable Expense
56E TOTAL EXPENSE
57E TOTAL REVENUE = 53R
58E OPERATING RESULTS
CRE Preliminary Calculation of Cost Reimb. Excess Rev. \* (subject to OSD adjustment)

NON-REIMBURSABLE EXPENSE DETAIL
1N Direct Employee Compensation & Related Exp.
2N Direct Occupancy
3N Direct Other Program/Operating
4N Direct Subcontract Expense
5N Direct Administrative Expense
6N Direct Other Expense
7N Direct Depreciation
8N Total Direct Non-Reimbursable (Tie to 54E)
9N Total Direct and Allocated Non-Reimb. (54E+55E)
10N Eligible Non-Reimbursable Exp. Revenue Offsets
11N Capital Budget Revenue Adjustment
12N Excess of Non-Reimbursable Expense Over Offsets

PREPARER COMMENTS:



**INDEPENDENT AUDITORS' 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***

To The Board of Directors and Officers  
**Community Service Network, Inc.**  
Stoneham, Massachusetts

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 **Community Service Network, Inc.**, (the "Organization") a nonprofit organization, which comprise the statement of financial position as of December 31, 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 May 20, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*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. We considered deficiency 2013-1 described in the accompanying schedule of findings and responses to be a material weakness.

*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.



**INDEPENDENT AUDITORS' 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* - CONTINUED**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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.

*Rucci, Bardaro & Falzone, PC*

Rucci, Bardaro & Falzone, PC  
Certified Public Accountants

May 20, 2014



## **Community Service Network, Inc.**

### **SCHEDULE OF FINDINGS AND RESPONSES**

**For the year ended December 31, 2013**

#### **Section I - Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards**

##### Finding 2013-1

Condition -- During the audit, it was noted the Organization had relied upon adjustments provided by outside accountants, without properly reviewing and reconciling to the Organization's supporting documentation. This over-reliance on outside accountants led to improperly accrued expenses over the previous 10 years.

Criteria -- Management should maintain proper internal controls over all areas of the accounting process including financial reporting.

Effect -- Reviewing year-end financial statements and adjustments provided by outside accountants ensures information reported correctly reflects internal support and any errors made by outside accountants would be discovered on a timely basis.

Cause -- Management provided properly reconciled supporting documentation to their outside accountants; however they did not note the accountants over-accrued expenses over the course of ten years.

Recommendation -- Management should insist on yearly meetings with their outside accountants to go over the financial information and reconcile to internal documents to ensure information correctly reflects the books and records of the Organization.

#### **Section II - Federal Award Findings and Questioned Costs**

No matters were reported.

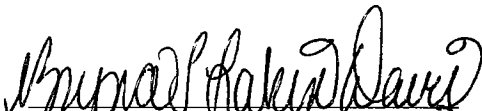




**BOARD OF DIRECTORS' ACKNOWLEDGEMENT LETTER**

We, the Board of Directors of Community Service Network, Inc., met on June 25, 2014 and have voted to recognize and accept the representations of management and the expression of opinions by Rucci, Bardaro and Falzone, PC embodied in the Basic Financial Statements, Supplementary and Subsidiary Financial Statements and Schedules and Independent Auditors' Reports contained in the Uniform Financial Statements and Independent Auditor's Report (UFR) for the period ended December 31, 2013.

In addition, we, the Board of Directors of Community Service Network, Inc., hereby certify under penalty of perjury that to the best of the members of the Board of Directors' knowledge, all material related party relationships and transactions, as defined by 808 CMR 1.02 and generally accepted government auditing standards, and other representations made by management are accurate and have been correctly and completely disclosed as required in the notes to the financial statements and schedules of the UFR for the period ended December 31, 2013.

  
Signatory for Board of Directors

Executive Director  
Title

8/13/14  
Date