

**Metropolitan Boston Housing  
Partnership, Inc.**

Financial Statements  
and  
Auditors' Report

June 30, 2009 and 2008



**Daniel Dennis & Company LLP**  
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**Metropolitan Boston Housing Partnership, Inc.**

*Contents*

	<i>Page</i>
Auditors' Report	1
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Functional Expenses	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Supplemental Information	16
Schedules of Federal Housing Assistance Program	21
Schedule of Expenditures of Federal Awards	24
Notes to Schedule of Federal Awards	26
Reports on Compliance and on Internal Control	27
Schedule of Findings and Questioned Costs	32

# Daniel Dennis & Company LLP

*Certified Public Accountants*

The Board of Directors of  
**Metropolitan Boston Housing Partnership, Inc.**

## *Independent Auditors' Report*

We have audited the accompanying consolidated statements of financial position of Metropolitan Boston Housing Partnership, Inc., (a nonprofit organization) and subsidiary as of June 30, 2009 and 2008, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above, present fairly in all material respects, the consolidated financial position of Metropolitan Boston Housing Partnership, Inc., and subsidiary as of June 30, 2009 and 2008, and the consolidated changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2009 on our consideration of the Organization'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* and is important for assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Organization taken as a whole. The accompanying schedule of expenditures of federal awards and related notes are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and are not a required part of the basic financial statements. Additionally, the accompanying schedules of support, revenue and expenses, of program expenses and of the federal housing assistance program are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Daniel Dennis & Company LLP

October 1, 2009

**Metropolitan Boston Housing Partnership, Inc.**  
Consolidated Statements of Financial Position  
June 30, 2009 and 2008

	2009	2008
<i>Assets</i>		
<hr/>		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 11,619,025	\$10,089,068
Cash designated	1,585	16,886
Prepaid expenses	42,071	50,012
Accounts receivable	<u>2,229,100</u>	<u>3,368,457</u>
Total current assets	<u>13,891,781</u>	<u>13,524,423</u>
<i>Noncurrent Assets</i>		
Cash designated	1,661,257	2,265,092
Investments designated	598,415	583,114
Loans receivable	3,256,403	3,417,145
Less: allowance for doubtful accounts	(1,128,928)	(655,441)
Furniture and equipment less: accumulated depreciation \$922,008 and \$693,979	<u>322,161</u>	<u>436,676</u>
Total assets	<u>\$ 18,601,089</u>	<u>\$19,571,009</u>
<i>Liabilities and Net Assets</i>		
<hr/>		
<i>Current Liabilities</i>		
Accounts payable	\$ 1,478,196	\$ 1,167,431
Accrued expenses	544,383	589,355
Deferred revenue	<u>8,235,602</u>	<u>8,670,616</u>
Total current liabilities	<u>10,258,181</u>	<u>10,427,402</u>
<i>Noncurrent liabilities</i>		
CEDAC Home Modification Loans	2,420,147	1,906,264
Permanent reserve deposits	<u>63,658</u>	<u>389,611</u>
Total liabilities	<u>12,741,986</u>	<u>12,723,277</u>
<i>Net Assets</i>		
Unrestricted	<u>5,859,103</u>	<u>6,847,732</u>
Total liabilities and net assets	<u>\$ 18,601,089</u>	<u>\$19,571,009</u>

*See accompanying notes to consolidated financial statements.*

**Metropolitan Boston Housing Partnership, Inc.**  
 Consolidated Statements of Activities  
 For the Years Ended June 30, 2009 and 2008

<i>Change In Unrestricted Net Assets</i>	<i>2009</i>	<i>2008</i>
<b>Revenue and Support</b>		
Foundation grants	\$ 790,989	\$ 697,372
Corporate grants	240,092	130,587
Program service fees and reimbursement	103,314,490	100,974,947
Investment income	<u>80,162</u>	<u>130,015</u>
Total revenue and support	<u>104,425,733</u>	<u>101,932,921</u>
<b>Expenses</b>		
Program services	104,906,190	101,015,501
General administrative	297,522	220,147
Fundraising	<u>210,650</u>	<u>147,418</u>
Total expenses	<u>105,414,362</u>	<u>101,383,066</u>
Excess/(deficit) of revenue over expenses	<u>\$ (988,629)</u>	<u>\$ 549,855</u>
Net assets, beginning of year	\$ 6,847,732	\$ 6,297,877
Excess/(deficit) of revenue over expenses	<u>(988,629)</u>	<u>549,855</u>
<b>Net assets, end of year</b>	<u><u>\$ 5,859,103</u></u>	<u><u>\$ 6,847,732</u></u>

*See accompanying notes to consolidated financial statements.*

**Metropolitan Boston Housing Partnership, Inc.**  
**Consolidated Statements of Functional Expenses**  
**For the Years Ended June 30, 2009 and 2008**

	2009			2008			
	Total Programs	General and Administrative	Fund- Raising	Total Programs	General and Administrative	Fund- Raising	Total
<b>Program Expenses:</b>							
Rental subsidies	\$ 94,968,318	\$ -	\$ -	\$ 94,968,318	\$ -	\$ -	\$ 92,435,856
Program supplies	462,757	-	-	462,757	-	-	652,978
Portability	32,137	-	-	32,137	-	-	29,500
Corporate taxes and fees	3,977	-	-	3,977	-	-	4,058
Training	66,173	-	-	66,173	-	-	58,959
<b>Total program expenses</b>	<b>95,533,362</b>	<b>-</b>	<b>-</b>	<b>95,533,362</b>	<b>-</b>	<b>-</b>	<b>93,181,351</b>
<b>Operating Expenses:</b>							
Salaries	5,180,576	7,284	101,306	5,289,166	10,296	39,632	4,698,333
Employee benefits	1,227,407	2,000	24,549	1,253,956	3,757	9,410	1,108,988
Printing	45,262	14,640	21,874	81,776	14,134	19,437	76,375
Dues and subscriptions	11,581	38,152	1,788	51,521	33,988	5,591	46,045
Office supplies and services	53,068	441	3,214	56,723	4,099	4,435	60,454
Contracted services	205,802	24,852	8,252	238,906	7,612	7,895	166,177
Promotion and advertising	5,890	935	-	6,825	10,898	500	16,935
Postage	113,247	2,862	3,432	119,541	4,214	1,602	124,164
Training and conferences	7,424	7,267	15,818	30,509	5,621	11,456	24,550
Legal fees and accounting	85,217	31,025	658	116,900	13,552	1,160	100,850
Travel	3,899	7,051	945	11,895	7,738	1,051	15,930
Temporary help	4,009	79	698	4,786	15,440	-	20,096
Consulting	43,193	11,772	25,935	80,900	6,630	43,673	86,895
Insurance	56,675	2,178	-	58,853	2,662	-	61,936
Telephone	66,260	1,588	408	68,256	2,119	823	74,833
Rent and utilities	670,247	23,915	-	694,162	26,545	-	650,699
Equipment	65,433	14,816	-	80,249	11,587	38	74,656
Depreciation and amortization	225,544	1,658	666	227,868	5,922	707	176,808
Miscellaneous expense	200,852	73,998	1,107	275,957	2,079	8	543,089
Bank charges	42,858	3,713	-	46,571	31,254	-	73,902
Loss on investment	119,320	-	-	119,320	-	-	-
Bad debt expense	939,064	27,296	-	966,360	-	-	-
<b>Total operating expenses</b>	<b>9,372,828</b>	<b>297,522</b>	<b>210,650</b>	<b>9,881,000</b>	<b>220,147</b>	<b>147,418</b>	<b>8,201,715</b>
<b>Total expenses</b>	<b>\$ 104,906,190</b>	<b>\$ 297,522</b>	<b>\$ 210,650</b>	<b>\$ 105,414,362</b>	<b>\$ 220,147</b>	<b>\$ 147,418</b>	<b>\$ 101,383,066</b>

See accompanying notes to consolidated financial statements.

**Metropolitan Boston Housing Partnership, Inc.**  
Consolidated Statements of Cash Flows  
For the Years Ended June 30, 2009 and 2008

	2009	2008
<i>Cash Flows From Operating Activities:</i>		
Change in net assets	\$ (988,629)	\$ 549,855
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	227,868	176,808
Bad debt	966,360	24,560
(Increase)/decrease in operating assets:		
Designated cash	619,136	(1,238,265)
Accounts receivable	1,139,357	(950,840)
Prepaid expenses	7,941	(7,002)
Increase/(decrease) in operating liabilities:		
Accounts payable	310,926	311,216
Accrued expenses	(44,972)	36,907
Deferred revenue	(435,014)	(250,997)
Other liabilities	<u>(325,953)</u>	<u>22,927</u>
Net cash provided/(used) by operating activities	<u>1,477,020</u>	<u>(1,324,831)</u>
<i>Cash Flows From Investing Activities:</i>		
Purchase of fixed assets	(113,514)	(334,517)
Sale/(purchase) of investments	(15,301)	1,215,338
Change in loans to debtors	<u>181,752</u>	<u>(25,481)</u>
Net cash provided by investing activities	<u>52,937</u>	<u>855,340</u>
Net increase/(decrease) in cash and cash equivalents	<u>1,529,957</u>	<u>(469,491)</u>
Cash and cash equivalents, beginning of year	<u>10,089,068</u>	<u>10,558,559</u>
Cash and cash equivalents, at end of year	<u>\$ 11,619,025</u>	<u>\$ 10,089,068</u>

*See accompanying notes to consolidated financial statements.*



**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements  
June 30, 2009 and 2008

**1. *The Organization***

Metropolitan Boston Housing Partnership, Inc. (the Organization) is a not-for-profit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization promotes, organizes and manages programs that provide affordable housing in order to improve the quality of life in the greater metropolitan Boston area.

The Organization provides the following programs for the benefit of its clients:

*Rental Housing Assistance:*

Section 8 housing voucher and other subsidy programs that serve more than 7,100 disabled, elderly, formerly homeless, and other individuals and families throughout Greater Boston.

*Housing Consumer Education Center:*

An integrated network of services that provides tenants and property owners with housing related information, workshops, and programs.

*Scattered Site Family Emergency Shelter:*

Apartments provided for families who are temporarily homeless while they work to transition to permanent housing.

*Real Estate Services:*

Equity services and asset management oversight for 926 affordable rental units, a loan program that keeps homes accessible for an elder or a person with a disability, and affordable home ownership opportunities.

*Summary of Significant Account Policies*

*Revenue and Expenses*

Revenue and expenses are recognized on the accrual basis of accounting. Grants and contracts received from government agencies are cost reimbursement agreements. Accordingly, grant and contract income equals expenses incurred. Therefore, the excess (deficit) of receipts over expenditures is carried as a liability (deferred revenue) or as an asset (grant receivable - unbilled), respectively. Government agency revenue is recognized from fixed price or unit based contracts when service has been rendered and billed.

The Organization received 96% and 95% of its revenue from The Commonwealth of Massachusetts Department of Housing and Community Development (DHCD) for the years ended June 30, 2009 and 2008, respectively. Contracts for administrative fees are subject to annual renewal as well as continued funding from the U.S. Department of Housing and Urban Development.

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**1. *The Organization - continued***

*Fixed Assets*

Fixed assets are carried at cost less accumulated depreciation. The Organization capitalizes all expenditures for furniture, equipment, and leasehold improvements with a useful life of more than one year and a cost of over \$500. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

*Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

*Cash and Cash Equivalents*

Cash and cash equivalents consist of funds in the Organization's cash accounts and all highly liquid investments with an original maturity of three months or less.

*Accounts Receivable*

Accounts receivable are presented net of the allowance for doubtful accounts. Management's periodic evaluation of the adequacy of the allowance is based on its past experience and accounts receivable are charged off when deemed uncollectible. At June 30, 2009 and 2008, management has considered all accounts receivable to be fully collectable.

*Contributions*

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the corporation reports the support as unrestricted.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**1. *The Organization - continued***

*Functional Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs based on direct charges, personnel time estimates, space utilization and number of housing units administered.

*Major Maintenance Activities*

The Organization uses the direct expensing method to account for planned major maintenance activities, under which actual costs incurred are expensed directly when maintenance is performed.

*Fair Value Measurements*

FASB Statement No. 157, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Statement No. 157 are described below:

- Level 1- Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Inputs to the valuation methodology include:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**1. *The Organization - continued***

*Investments and Investment Income*

Investments in marketable securities with readily determinable fair values are carried at their fair values based on quoted prices in active markets (all Level 1 measurements) in the Statement of Financial Position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Dividends, interest and gains and losses on investments are reported as increases or decreases in unrestricted net assets unless a donor or law temporarily or permanently restrict their use. Dividends, interest and restricted gains whose restrictions are met in the same reporting period are reported as unrestricted support.

**2. *Wholly-Owned Subsidiary***

The accompanying consolidated financial statements include the accounts of a wholly-owned, for-profit subsidiary, BHP II, Inc., which acts as general partner of BHP II Limited Partnership (the Partnership). The Partnership's purpose is to participate in the rehabilitation and operation of 926 low income units of housing (the BHP II Program).

The financial position of BHP II, Inc. was as follows at June 30, 2009 and 2008:

	2009	2008
<b><i>Assets</i></b>		
Cash	<u>\$ 1,577,032</u>	<u>\$1,800,025</u>
Total assets	<u>\$ 1,577,032</u>	<u>\$1,800,025</u>
<b><i>Liabilities</i></b>		
Due to Parent Corporation	<u>\$ 85,899</u>	<u>\$ 76,133</u>
<b><i>Equity</i></b>		
Common stock	100	100
Paid-in capital	1,800,000	1,800,000
Retained earnings	<u>(308,967)</u>	<u>(76,208)</u>
Total equity	<u>1,491,133</u>	<u>1,723,892</u>
Total liabilities and equity	<u>\$ 1,577,032</u>	<u>\$1,800,025</u>

The cash and investments held by BHP II, Inc., are designated in that they are required to capitalize BHP II, Inc.'s, interest in the Partnership. The above accounts and intercompany transactions have been eliminated in the consolidation of the entities.

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**3. *Loans Receivable***

Loans receivable consist of the following:

	<i>2009</i>	<i>2008</i>
BHP I loans (1)	\$ 651,787	\$ 651,787
Development Reserve loans (2)	473,487	859,094
CEDAC home modification loans (3)	2,131,129	1,906,264
Less current portion	-	-
Total	\$3,256,403	\$3,417,145

(1) *BHP I Loans:*

The BHP I loans were advanced for capital improvements and operating costs of the following entities:

	<i>2009</i>	<i>Stabilization</i>	<i>Reserve</i>	<i>Total</i>
Codman Square Limited Partnership	\$ 137,025	\$ 23,494	\$ 160,519	
Lena Park Community Limited Partnership	92,850	304,907	397,757	
Other Community Development Corporations	93,511	-	93,511	
Total	\$ 323,386	\$328,401	\$651,787	

  

	<i>2008</i>	<i>Stabilization</i>	<i>Reserve</i>	<i>Total</i>
Codman Square Limited Partnership	\$ 137,025	\$ 23,494	\$ 160,519	
Lena Park Community Limited Partnership	92,850	304,907	397,757	
Other Community Development Corporations	93,511	-	93,511	
Total	\$ 323,386	\$328,401	\$651,787	

There is substantial doubt regarding the collectability of the BHP I loans. The Organization has recorded an allowance for doubtful accounts representing 100% of the outstanding balance of these loans. As a result, amortization of this debt has been deferred and no interest is being accrued on these loans.

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**3. *Loans Receivable - Continued***

*(2) Development Reserve Loans:*

The Organization has entered into agreements to administer development reserve funds for the benefit of Local Limited Partnerships (LLP's) involved in the development and operation of low income housing. Under the agreements, a portion of capital contributions to the LLP's was used to establish development reserves with the Organization acting as agent over those funds. The funds are to be loaned to the LLP's for development cost overruns and to fund operating reserves with respect to the projects. These loans are unsecured and mature at varying dates from 2015 to 2035. No payments for principle or interest are due prior to maturity unless certain benchmarks are reached as defined by the loan agreements. Loans are stated at the amount of unpaid principal, net of the allowance for loan losses. Interest on project loans is recognized as income by applying the interest rates in effect to the principal amount outstanding. An allowance for project loan losses is evaluated based upon the risks associated with the outstanding loan assets. At June 30, 2009 there is substantial doubt regarding the collectability of these loans. The Organization has recorded an allowance for doubtful accounts representing 100% of the outstanding balance.

*(3) CEDAC Home Modification Loans:*

The Organization has agreements with the Community Economic Development Assistance Corporation to administer a Home Modification Loan Program (the Program) which offers loans of \$25,000 or less to eligible property owners. Under the Program loans are made to finance modifications to homes to provide for the needs of persons with disabilities. The loans are secured by mortgages on the homes and carry annual interest rates of up to 4%. The majority of these loans are interest free and each loan is to be repaid on sale of the properties.

Proceeds from repayment of loans are used to make new loans under the program. Upon termination of the program, all assets of the program are to be returned to CEDAC.

**4. *Net Assets***

This account represents the cumulative excess of revenue, gains and other support over expenses. Net assets consist of three components, unrestricted, temporarily restricted and permanently restricted. Unrestricted assets are not restricted as to use by donors. Temporarily and permanently restricted assets are assets whose use is limited by donor imposed restrictions. At June 30, 2009 and 2008, the Organization had no temporarily or permanently restricted net assets.

As stated above, the Organization's unrestricted net assets have no donor imposed restrictions. However, the use of these assets is in many cases limited by contractual requirements of the various programs to which they relate or by designation by the board of directors for a specific purpose.

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**5. Designated Cash and Investments**

Designated cash and investments consist of the following:

	2009	2008
<i>Current designated cash:</i>		
Building Success Campaign funds	<u>\$ 1,585</u>	<u>\$ 16,886</u>
<i>Noncurrent designated cash and investments:</i>		
Unadvanced permanent reserve funds	\$ 69,548	\$ 389,611
Building Success Campaign investment	598,415	583,114
BHP II net worth cash	1,512,111	1,800,025
Security deposit on office space	<u>79,598</u>	<u>75,456</u>
Total	<u>\$2,259,672</u>	<u>\$2,848,206</u>

**6. Deferred Revenue**

The following is a summary of deferred revenue at June 30, 2009 and 2008:

	2009	2008
<i>Housing Assistance Program Rental Subsidies:</i>		
Commonwealth of Massachusetts	\$ 446,844	\$ 726,627
U.S. Department of Housing & Urban Development	7,785,956	7,940,513
Other Deferred Income	<u>2,802</u>	<u>3,476</u>
Total	<u>\$8,235,602</u>	<u>\$8,670,616</u>

**7. Lease**

The Organization has a lease agreement for office space at its Lincoln Street location. Rent expense for the years ended June 30, 2009 and 2008 was \$607,817 and \$575,335, respectively. The lease was assigned to the Organization effective September 1, 2002 and runs through August 31, 2017. Minimum lease payments under this agreement for the next five years are as follows:

2010	\$	596,216
2011	\$	630,285
2012	\$	664,355
2013	\$	698,425
2014	\$	723,031

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**8. Concentration of Cash Balances**

The Organization maintains its cash accounts in four commercial banks located in Massachusetts. Accounts at each bank are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. The Organization does not believe it is exposed to significant risk as it periodically reviews the credit standings of the related institutions. A summary of the total insured and uninsured cash balances at June 30, 2009 and 2008 are as follows:

	<i>2009</i>	<i>2008</i>
Total cash in all Massachusetts banks	\$ 13,845,486	\$11,590,018
Portion insured by FDIC	(1,000,000)	(400,000)
Portion collateralized	<u>(11,045,745)</u>	<u>(10,043,176)</u>
Uninsured cash balances	<u>\$ 1,799,741</u>	<u>\$ 1,146,842</u>

Cash on deposit with Bank of America (BoFA) is collateralized pursuant to a third party custodian agreement with the Bank of New York (BNY) whereby BNY holds cash and/or securities pledged by BoFA for the benefit of MBHP. The amount of the collateral is equal to 102% of uninsured deposits with BoFA, (\$11,266,660 at June 30, 2009).

**9. DHCD Receivables**

Amounts included in accounts receivable at June 30, 2009 and 2008, that relate to Federal Section 8 housing assistance programs administered by DHCD are as follows:

	<i>2009</i>	<i>2008</i>
Administrative fees and housing assistance payments	\$ 352,578	\$ 169,658

**10. Surplus Revenue Retention**

Per State regulations, the Organization is entitled to retain an annual surplus, up to five (5%) of total revenues attributable to or generated by State agreements to further its charitable purpose. The cumulative surplus amount which can be retained may not in total exceed (20%) of its prior year's gross revenue from the State. At June 30, 2009 and 2008, the cumulative revenue retention (deficit)/surplus balances were \$(1,506,914) and \$(1,514,228) and the current year surplus/(deficits) were \$7,314 and \$(507,356), respectively.

**11. Investments**

At June 30 2009 and 2008, investments consist of U.S. Treasury securities with a maturity date of August 15, 2009. Investments are carried at cost which approximates fair value. Investment income is recorded as it accrues.



**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Consolidated Financial Statements - *Continued*  
June 30, 2009 and 2008

**12. *Tax Deferred Retirement Plan***

MBHP provides for retirement benefits for its full-time employees through its tax deferred retirement plan. This plan constitutes a defined contribution plan under section 403(b) of the Internal Revenue Code and calls for regular employer contributions of 3% of annual compensation plus an addition match of the employee's contribution up to 2% of annual compensation. Employees become eligible to participate and are fully vested in the plan after twelve months of service. Pension expense for the years ended June 30, 2009 and 2008 amounted to \$181,573 and \$150,544, respectively.

**13. *Line of Credit***

The Organization has a \$350,000 revolving line of credit, all of which was unused at June 30, 2009. Bank advances on the credit line are payable on demand and carry an interest rate of 3.8% over prime. Borrowings under the line are collateralized by all assets of the Organization and the agreement expires April 1, 2010.

**14. *Accounting for Uncertainty in Income Taxes***

On July 13, 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48 *Accounting for Uncertainty in Income Taxes* (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in MBHP's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold, along with accrued interest and penalties thereon, would be recorded as an expense in the current year financial statements. FASB Staff Position No. FIN 48-3, issued December 30, 2008, allowed for the deferral of the adoption of FIN 48 by pass through entities in order to give FASB additional time to develop guidance on the application of FIN 48. MBHP has elected to defer the application of FIN 48 until additional guidance is received. Therefore, at this time, the impact of FIN 48 on the financial statements has not yet been determined. Once FIN 48 is adopted, it will apply to all open tax years subject to tax examinations as of the adoption date.

**15. *Subsequent Events***

MBHP has evaluated subsequent events through October 1, 2009, which is the date the financial statements were issued. There are no recognized subsequent events, 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.

**SUPPLEMENTAL INFORMATION**

**Metropolitan Boston Housing Partnership, Inc.**  
**Supplemental Schedule of Support, Revenue and Expenses**  
**For the Year Ended June 30, 2009**

	General Administrative	State Housing Assistance Program	Federal Housing Assistance Program	Multi Family-II	Client Services	Co-op Initiative/ Site/BCS	SSFES Program	Supporting Housing Program	Asset Management Initiatives	Subcontract and other Programs	Total
Revenue and Support:											
Foundation grants	\$ 5,180	\$ -	\$ -	\$ -	\$ 785,809	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 790,989
Corporate grants	106,234	-	-	-	131,858	-	2,000	-	-	-	240,092
Rental subsidies and administrative fees	-	8,138,722	83,201,558	-	543,218	-	-	8,444,290	-	-	100,327,788
Other service fees	-	-	137,906	-	-	-	-	-	-	9,187	147,093
Contract service income	-	-	-	1,646	1,258,637	-	942,816	-	102,681	533,829	2,839,609
Total revenue and support	111,414	8,138,722	83,339,464	1,646	2,719,522	-	944,816	8,444,290	102,681	543,016	104,345,571
Other Revenue:											
Investment income	52,097	-	-	12,736	-	15,329	-	-	-	-	80,162
Total revenue and support	163,511	8,138,722	83,339,464	14,382	2,719,522	15,329	944,816	8,444,290	102,681	543,016	104,425,733
Expenses	508,172	8,151,155	82,992,535	134,817	2,723,973	874,422	932,124	8,462,206	73,698	561,260	105,414,362
Excess (deficiency) of revenue over expenses	\$ (344,661)	\$ (12,433)	\$ 346,929	\$ (120,435)	\$ (4,451)	\$ (859,093)	\$ 12,692	\$ (17,916)	\$ 28,983	\$ (18,244)	\$ (988,629)

**Metropolitan Boston Housing Partnership, Inc.**  
**Supplemental Schedule of Support, Revenue and Expenses**  
**For the Year Ended June 30, 2008**

	General Administrative	State Housing Assistance Program	Federal Housing Assistance Program	Multi Family-II	Client Services	Co-op Initiative/ Site/BCS	SSFES Program	Supporting Housing Program	Asset Management Initiatives	Subcontract and other Programs	Total
Revenue and Support:											
Foundation grants	\$ 204,000	\$ -	\$ -	\$ -	\$ 493,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 697,372
Corporate grants	70,688	-	-	-	57,899	-	2,000	-	-	-	130,587
Rental subsidies and administrative fees	-	7,073,528	80,307,164	-	574,780	-	-	8,524,121	-	468,056	96,947,649
Other service fees	11,603	-	126,123	-	-	-	-	-	-	-	137,726
Contract service income	-	-	-	12,000	1,314,263	-	2,411,495	-	31,814	120,000	3,889,572
Total revenue and support	<u>286,291</u>	<u>7,073,528</u>	<u>80,433,287</u>	<u>12,000</u>	<u>2,440,314</u>	<u>-</u>	<u>2,413,495</u>	<u>8,524,121</u>	<u>31,814</u>	<u>588,056</u>	<u>101,802,906</u>
Other Revenue:											
Investment income	<u>97,375</u>	-	-	7,161	-	25,479	-	-	-	-	130,015
Total revenue and support	<u>383,666</u>	<u>7,073,528</u>	<u>80,433,287</u>	<u>19,161</u>	<u>2,440,314</u>	<u>25,479</u>	<u>2,413,495</u>	<u>8,524,121</u>	<u>31,814</u>	<u>588,056</u>	<u>101,932,921</u>
Expenses	<u>367,565</u>	<u>7,020,718</u>	<u>80,070,648</u>	<u>33,014</u>	<u>2,394,425</u>	<u>-</u>	<u>2,350,207</u>	<u>8,543,821</u>	<u>80,523</u>	<u>522,145</u>	<u>101,383,066</u>
Excess (deficiency) of revenue over expenses	<u>\$ 16,101</u>	<u>\$ 52,810</u>	<u>\$ 362,639</u>	<u>\$ (13,853)</u>	<u>\$ 45,889</u>	<u>\$ 25,479</u>	<u>\$ 63,288</u>	<u>\$ (19,700)</u>	<u>\$ (48,709)</u>	<u>\$ 65,911</u>	<u>\$ 549,855</u>

**Metropolitan Boston Housing Partnership, Inc.**  
**Supplemental Schedule of Program Expenses**  
**For the Year Ended June 30, 2009**

	State Housing Assistance Program	Federal Housing Assistance Program	Co-op Initiative/ Site Acquisition	SSFES Program	Supported Housing Program	Asset Management Initiatives	Subcontract and other Programs	Total
<b>Program Expenses:</b>								
Rental subsidies	\$ 7,848,102	\$ 77,541,273	\$ -	\$ 456,292	\$ 7,883,723	\$ -	\$ 421,536	\$ 94,968,318
Program supplies	-	-	-	74,824	-	-	71,161	462,757
Portability	-	32,137	-	-	-	-	-	32,137
Corporate taxes and fees	-	-	-	-	-	-	-	3,977
Travel and training	-	49,019	-	2,616	116	637	657	66,173
<b>Total program expenses</b>	<b>7,848,102</b>	<b>77,622,429</b>	<b>-</b>	<b>533,732</b>	<b>7,883,839</b>	<b>637</b>	<b>493,354</b>	<b>95,533,362</b>
<b>Operating Expenses:</b>								
Salaries	204,153	3,331,973	-	230,296	361,386	52,875	45,546	5,180,576
Employee benefits	48,304	790,784	-	50,002	85,518	12,713	10,663	1,227,407
Printing	165	37,231	-	781	632	-	27	45,262
Dues and subscriptions	-	5,320	-	-	-	-	-	11,581
Office supplies and services	529	43,939	-	360	1,225	44	349	53,068
Contracted services	2,610	179,706	-	2,770	9,422	379	625	205,802
Promotion and advertising	-	1,375	-	-	-	-	-	5,890
Postage	3,972	79,715	-	3,912	5,298	433	726	113,247
Training and conferences	-	5,378	-	327	-	-	-	7,424
Legal and accounting	1,168	50,951	-	11,587	3,527	323	600	85,217
Travel	-	3,295	-	-	-	-	-	3,899
Temporary help	-	4,009	-	-	-	-	-	4,009
Consulting	-	19,997	-	-	-	350	392	43,193
Insurance	2,422	36,956	-	2,244	4,506	363	565	56,675
Telephone	1,891	43,569	-	3,815	3,258	735	416	66,260
Rent and utilities	28,141	435,831	-	25,516	50,133	4,101	6,392	670,247
Equipment	2,375	46,317	-	2,053	4,120	341	558	65,433
Depreciation and amortization	2,499	206,718	-	1,890	4,140	404	1,047	225,544
Miscellaneous expense	-	9,094	-	62,839	-	-	-	200,852
Bank charges	4,824	37,948	-	-	-	-	-	42,858
Loss on Investment	-	-	-	-	-	-	-	119,320
Bad Debt Expense	-	-	-	-	45,202	-	-	939,064
<b>Total expenses before administrative allocation</b>	<b>8,151,155</b>	<b>82,992,535</b>	<b>874,422</b>	<b>932,124</b>	<b>8,462,206</b>	<b>73,698</b>	<b>561,260</b>	<b>104,906,190</b>
Administrative allocation	7,456	122,684	-	7,870	11,699	1,106	2,035	184,521
<b>Total expenses</b>	<b>\$ 8,158,611</b>	<b>\$ 83,115,219</b>	<b>\$ 874,422</b>	<b>\$ 939,994</b>	<b>\$ 8,473,905</b>	<b>\$ 74,804</b>	<b>\$ 563,295</b>	<b>\$ 105,090,711</b>

**Metropolitan Boston Housing Partnership, Inc.**  
**Supplemental Schedule of Program Expenses**  
**For the Year Ended June 30, 2008**

	State Housing Assistance Program	Federal Housing Assistance Program	Multi- Family-II	Client Services	Co-op Initiative/ Site Acquisition	SSFES Program	Supported Housing Program	Asset Management Initiatives	Subcontract and other Programs	Total
<b>Program Expenses:</b>										
Rental subsidies	\$ 6,806,825	\$ 75,365,451	\$ -	\$ 995,891	\$ -	\$ 907,432	\$ 7,935,853	\$ -	\$ 424,404	\$ 92,435,856
Program supplies	-	345	-	236,091	-	373,590	-	-	42,952	652,978
Portability	-	29,500	-	-	-	-	-	-	-	29,500
Corporate taxes and fees	-	-	4,058	-	-	-	-	-	-	4,058
Travel and training	4	42,249	22	12,480	-	3,894	200	-	110	58,959
<b>Total program expenses</b>	<b>6,806,829</b>	<b>75,437,545</b>	<b>4,080</b>	<b>1,244,462</b>	<b>-</b>	<b>1,284,916</b>	<b>7,936,053</b>	<b>-</b>	<b>467,466</b>	<b>93,181,351</b>
<b>Operating Expenses:</b>										
Salaries	140,389	2,879,504	21,507	698,136	-	436,704	394,656	40,140	37,369	4,648,405
Employee benefits	32,991	678,564	5,067	164,786	-	101,965	93,659	9,489	9,300	1,095,821
Printing	13	37,707	-	3,283	-	965	830	-	6	42,804
Dues and subscriptions	-	5,397	-	899	-	-	-	170	-	6,466
Office supplies and services	1,171	41,102	-	4,811	-	1,854	2,744	83	155	51,920
Contracted services	1,791	105,583	-	18,458	-	5,816	18,350	317	355	150,670
Promotion and advertising	-	2,473	-	2,825	-	239	-	-	-	5,537
Postage	3,692	73,275	-	21,824	-	8,806	9,444	480	827	118,348
Training and conferences	-	4,860	-	1,998	-	570	45	-	-	7,473
Legal and accounting	1,096	63,498	215	6,429	-	9,450	4,937	372	141	86,138
Travel	-	4,992	-	2,124	-	25	-	-	-	7,141
Temporary help	-	3,977	-	679	-	-	-	-	-	4,656
Consulting	-	31,649	-	4,943	-	-	-	-	-	36,592
Insurance	2,315	36,523	-	8,103	-	5,703	5,818	316	496	59,274
Telephone	1,828	42,822	-	11,093	-	10,247	4,723	759	419	71,891
Rent and utilities	23,085	387,680	-	88,782	-	57,455	59,207	3,077	4,868	624,154
Equipment	2,246	41,795	-	7,807	-	5,043	5,418	276	446	63,031
Depreciation and amortization	3,272	149,022	60	5,326	-	3,874	7,937	391	297	170,179
Miscellaneous expense	-	138	1,979	97,657	-	416,575	-	24,653	-	541,002
Bank charges	-	42,542	106	-	-	-	-	-	-	42,648
<b>Total expenses before administrative allocation</b>	<b>7,020,718</b>	<b>80,070,648</b>	<b>33,014</b>	<b>2,394,425</b>	<b>-</b>	<b>2,350,207</b>	<b>8,543,821</b>	<b>80,523</b>	<b>522,145</b>	<b>101,015,501</b>
<b>Administrative allocation</b>	<b>-</b>	<b>80,431</b>	<b>-</b>	<b>26,543</b>	<b>-</b>	<b>13,014</b>	<b>12,865</b>	<b>820</b>	<b>1,418</b>	<b>135,091</b>
<b>Total expenses</b>	<b>\$ 7,020,718</b>	<b>\$ 80,151,079</b>	<b>\$ 33,014</b>	<b>\$ 2,420,968</b>	<b>\$ -</b>	<b>\$ 2,363,221</b>	<b>\$ 8,556,686</b>	<b>\$ 81,343</b>	<b>\$ 523,563</b>	<b>\$ 101,150,592</b>

**SCHEDULES OF FEDERAL HOUSING  
ASSISTANCE PROGRAM**

**Metropolitan Boston Housing Partnership, Inc.**  
Schedules of Revenue and Expenses of Federal Housing Assistance Program  
For the Years Ended June 30, 2009 and 2008

	<i>2009</i>	<i>2008</i>
	<i>Voucher</i>	<i>Voucher</i>
	<i>Section 8</i>	<i>Section 8</i>
	<i>Program</i>	<i>Program</i>
<b>Revenue:</b>		
Rental subsidies and administrative fees	<u>\$83,339,464</u>	<u>\$80,433,287</u>
<b>Program Expenses:</b>		
Rental subsidies	77,541,273	75,365,451
Other program expenses	49,019	42,594
Portability	<u>32,137</u>	<u>29,500</u>
Total program expenses	<u>77,622,429</u>	<u>75,437,545</u>
<b>Operating Expenses:</b>		
Salaries	3,331,973	2,879,504
Employee benefits	790,784	678,564
Printing	37,231	37,707
Dues and subscriptions	5,320	5,397
Office supplies and services	43,939	41,102
Contracted services	179,706	105,583
Promotion and advertising	1,375	2,473
Postage	79,715	73,275
Training and conferences	5,378	4,860
Legal fees and accounting	50,951	63,498
Travel	3,295	4,992
Temporary help	4,009	3,977
Consulting	19,997	31,649
Rent and utilities	435,831	387,680
Insurance	36,956	36,523
Equipment	46,317	41,795
Telephone	43,569	42,822
Depreciation and amortization	206,718	149,022
Miscellaneous	47,042	42,680
Administrative allocation	<u>122,684</u>	<u>80,431</u>
Total expenses	<u>83,115,219</u>	<u>80,151,079</u>
Excess of revenue over expenses	<u>\$ 224,245</u>	<u>\$ 282,208</u>



**Metropolitan Boston Housing Partnership, Inc.**  
Schedules of Financial Position of Federal Housing Assistance Program  
June 30, 2009 and 2008

	<i>2009</i>	<i>2008</i>
	<i>Voucher Section 8 Program</i>	<i>Voucher Section 8 Program</i>
<b>Assets</b>		
Cash: operating	\$ 7,861,061	\$ 7,726,600
Accounts receivable tenants	450,601	514,601
Accounts receivable	350,954	169,658
Total assets	\$ 8,662,616	\$ 8,410,859
<b>Liabilities and Net Assets</b>		
Accounts payable: tenants	\$ 450,601	\$ 487,753
Accounts payable	462,144	-
Deferred income	6,892,116	7,275,208
Deferred interest	24,466	38,854
Total liabilities	7,829,327	7,801,815
Net assets	833,289	609,044
Total liabilities and net assets	\$ 8,662,616	\$ 8,410,859

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Metropolitan Boston Housing Partnership, Inc.**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2009**

<i>Federal (Pass-Through Grantor) Program Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor Number</i>	<i>Expenditures</i>
<b>U.S. Department of Housing and Urban Development</b>			
Passed through State Executive Office of Communities and Development:			
Low-Income Housing Assistance Programs for Families:			
Housing Choice Voucher Program (Major)	14.871	N/A	\$82,827,058
Moderate Rehabilitation Program (Nonmajor)	14856	N/A	374,500
Passed through the City of Boston Public Facilities Commission			
Shelter Plus Care (Nonmajor)	14.238	N/A	7,700,492
Housing Opportunities for Persons with AIDS (Nonmajor)	14.241	N/A	492,083
Passed through Latino Health Institute Proyecto Opciones (Nonmajor)	14.235	N/A	251,716
Passed through National Association of Housing Partnerships Home Counseling Program (Nonmajor)	14.169	N/A	<u>46,999</u>
Total Department of Housing and Urban Development			<u>91,692,848</u>
<b>U.S. Department of Health and Human Services</b>			
Passed through the Massachusetts Department of Transitional Assistance Program (Nonmajor)	93.558	SCWEL 4095	<u>942,816</u>
Total Department of Health and Human Services			<u>942,816</u>
Total Federal Financial Assistance			<u>\$92,635,664</u>

**Metropolitan Boston Housing Partnership, Inc.**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2009

**1. *Summary of Significant Accounting Policies***

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Metropolitan Boston Housing Partnership, Inc, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**REPORTS ON COMPLIANCE AND  
ON INTERNAL CONTROL**

# Daniel Dennis & Company LLP

*Certified Public Accountants*

The Board of Directors of  
**Metropolitan Boston Housing Partnership, Inc.**

*Report On Compliance With Requirements Applicable To Each Major Program And On Internal  
Control Over Compliance In Accordance With OMB Circular A-133*

## *Compliance*

We have audited the compliance of Metropolitan Boston Housing Partnership, Inc. (a nonprofit organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2009. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

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

In our opinion, the Organization complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2009.

## *Internal Control Over Compliance*

The management of the Organization is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

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

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

This report is intended solely for the information and use of management, the audit committee, the Board of Directors, others within the Organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Daniel Dennis & Company LLP*

*October 1, 2009*

**Metropolitan Boston Housing Partnership, Inc.**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2009

**A. Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the financial statements of Metropolitan Boston Housing Partnership, Inc.
2. No significant deficiencies were identified during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Metropolitan Boston Housing Partnership, Inc., were disclosed during the audit.
4. No significant deficiencies were identified during the audit of the major federal award program.
5. The auditors' report on compliance for the major federal award program for Metropolitan Boston Housing Partnership, Inc., expresses an unqualified opinion on the major program
6. Audit findings relative to the major federal award program for Metropolitan Boston Housing Partnership, Inc., are reported in Part C. of this Schedule.
7. The program tested as a major program was:  
Section 8 Housing Choice Voucher (CFDA #14.871)
8. The threshold for distinguishing Types A and B programs was \$2,765,233.
9. Metropolitan Boston Housing Partnership, Inc. qualified as a low-risk auditee.

**B. Findings - Financial Statements Audit**

NONE

**C. Findings and Questioned Costs - Major Federal Award Program Audit**

NONE

**Summary of Prior Audit findings**

There were no unresolved audit findings from prior years' audits of Metropolitan Boston Housing Partnership, Inc.'s Schedule of Expenditures of Federal Awards.