

**Metropolitan Boston Housing
Partnership, Inc.**

Financial Statements
and
Auditors' Report

June 30, 2011 and 2010



Daniel Dennis & Company LLP
Certified Public Accountants

116 Huntington Avenue
Boston, MA 02116
(617) 262-9898
FAX: (617) 437-9937

Web Site: <http://www.danieldennis.com>

Metropolitan Boston Housing Partnership, Inc.

Contents

	<i>Page</i>
Auditors' Report	1
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to 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 statements of financial position of Metropolitan Boston Housing Partnership, Inc., (a nonprofit organization) as of June 30, 2011 and 2010, and the related 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above, present fairly in all material respects, the financial position of Metropolitan Boston Housing Partnership, Inc., as of June 30, 2011 and 2010, and the 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 September 12, 2011 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Daniel Dennis & Company LLP

September 12, 2011

Metropolitan Boston Housing Partnership, Inc.
 Statements of Financial Position
 June 30, 2011 and 2010

	<i>2011</i>	<i>2010</i>
<i>Assets</i>		
<hr/>		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 12,013,891	\$10,916,689
Prepaid expenses	47,637	23,013
Accounts receivable	3,738,281	3,809,381
Client deposits	<u>591,539</u>	<u>644,624</u>
Total current assets	<u>16,391,348</u>	<u>15,393,707</u>
<i>Noncurrent Assets</i>		
Restricted cash	570,143	514,930
Restricted investments	600,000	600,000
Loans receivable	3,197,435	3,111,136
Less: allowance for doubtful accounts	(328,401)	(328,401)
Furniture and equipment less: accumulated depreciation \$555,615 and \$597,046	<u>194,055</u>	<u>166,710</u>
Total assets	<u><u>\$ 20,624,580</u></u>	<u><u>\$19,458,082</u></u>
<i>Liabilities and Net Assets</i>		
<hr/>		
<i>Current Liabilities</i>		
Accounts payable	\$ 2,475,956	\$ 2,009,701
Accrued expenses	522,163	772,147
Deferred revenue	8,134,263	7,650,801
Client deposits	<u>568,609</u>	<u>651,834</u>
Total current liabilities	<u>11,700,991</u>	<u>11,084,483</u>
<i>Noncurrent liabilities</i>		
CEDAC Home Modification Loans	<u>3,358,136</u>	<u>3,217,152</u>
Total liabilities	<u>15,059,127</u>	<u>14,301,635</u>
<i>Net Assets</i>		
Unrestricted	<u>5,565,453</u>	<u>5,156,447</u>
Total liabilities and net assets	<u><u>\$ 20,624,580</u></u>	<u><u>\$19,458,082</u></u>

See accompanying notes to financial statements.

Metropolitan Boston Housing Partnership, Inc.
 Statements of Activities
 For the Years Ended June 30, 2011 and 2010

<i>Change In Unrestricted Net Assets</i>	<i>2011</i>	<i>2010</i>
Revenue and Support		
Foundation grants	\$ 485,441	\$ 372,938
Corporate grants	149,211	187,304
Individual grants	58,100	48,417
Program service fees and reimbursement	108,584,942	104,917,033
Investment income	<u>13,814</u>	<u>21,764</u>
Total revenue and support	<u>109,291,508</u>	<u>105,547,456</u>
Expenses		
Program services	108,089,474	105,861,423
General administrative	560,799	185,326
Fundraising	<u>232,229</u>	<u>203,363</u>
Total expenses	<u>108,882,502</u>	<u>106,250,112</u>
Excess/(deficit) of revenue over expenses	<u>\$ 409,006</u>	<u>\$ (702,656)</u>
Net assets, beginning of year	\$ 5,156,447	\$ 5,859,103
Excess/(deficit) of revenue over expenses	<u>409,006</u>	<u>(702,656)</u>
Net assets, end of year	<u><u>\$ 5,565,453</u></u>	<u><u>\$ 5,156,447</u></u>

See accompanying notes to financial statements.

Metropolitan Boston Housing Partnership, Inc.
Statements of Functional Expenses
For the Years Ended June 30, 2011 and 2010

	<i>2011</i>				<i>2010</i>			
	<i>Total Programs</i>	<i>General and Administrative</i>	<i>Fund- Raising</i>	<i>Total</i>	<i>Total Programs</i>	<i>General and Administrative</i>	<i>Fund- Raising</i>	<i>Total</i>
Direct Program Expenses:								
Rental subsidies	\$ 99,783,756	\$ -	\$ -	\$ 99,783,756	\$ 97,152,857	\$ -	\$ -	\$ 97,152,857
Charitable contributions	-	-	-	-	700,823	-	-	700,823
Loss on investment	-	-	-	-	185,722	-	-	185,722
Payments to subgrantees	576,271	-	-	576,271	-	-	-	-
Program supplies	8,786	-	-	8,786	80,340	-	-	80,340
Portability	41,870	-	-	41,870	43,506	-	-	43,506
Corporate taxes and fees	2,556	-	-	2,556	25,955	-	-	25,955
Travel and training	52,286	-	-	52,286	51,451	-	-	51,451
	<u>100,465,525</u>	<u>-</u>	<u>-</u>	<u>100,465,525</u>	<u>98,240,654</u>	<u>-</u>	<u>-</u>	<u>98,240,654</u>
Total program expenses								
Operating Expenses:								
Salaries	5,030,042	297,873	102,769	5,430,684	4,990,813	5,555	112,277	5,108,645
Employee benefits	1,087,270	72,311	22,437	1,182,018	1,115,655	3,412	25,030	1,144,097
Printing	26,371	13,444	12,515	52,330	29,356	14,767	15,353	59,476
Dues and subscriptions	6,267	34,397	7,147	47,811	10,087	39,593	4,850	54,530
Office supplies and services	43,021	10,947	3,278	57,246	47,923	197	3,701	51,821
Contracted services	118,816	1,188	4,862	124,866	83,134	7,338	8,971	99,443
Promotion and advertising	6,438	7,751	825	15,014	3,693	310	500	4,503
Postage	101,083	5,184	5,385	111,652	115,722	297	5,216	121,235
Training and conferences	9,438	7,042	33,139	49,619	4,241	7,065	14,835	26,141
Legal fees and accounting	62,819	18,814	-	81,633	79,965	31,922	635	112,522
Travel	3,121	2,784	1,452	7,357	6,212	5,289	317	11,818
Temporary help	34,953	8,909	26,491	70,353	12,694	-	3,320	16,014
Consulting	27,611	35,493	9,600	72,704	14,489	26,811	5,002	46,302
Insurance	48,601	3,616	-	52,217	47,644	1,523	-	49,167
Telephone	55,379	362	441	56,182	53,661	775	521	54,957
Rent and utilities	732,606	28,646	-	761,252	705,238	21,365	-	726,603
Equipment	42,306	5,286	-	47,592	58,404	7,866	-	66,270
Depreciation and amortization	128,000	1,984	-	129,984	188,188	1,792	52	190,032
Miscellaneous expense	22,583	2,133	1,888	26,604	20,613	6,916	2,783	30,312
Bank charges	28,335	2,635	-	30,970	33,037	2,533	-	35,570
Bad debt expense	8,889	-	-	8,889	-	-	-	-
	<u>7,623,949</u>	<u>560,799</u>	<u>232,229</u>	<u>8,416,977</u>	<u>7,620,769</u>	<u>185,326</u>	<u>203,363</u>	<u>8,009,458</u>
Total operating expenses								
Total expenses	<u>\$108,089,474</u>	<u>\$ 560,799</u>	<u>\$ 232,229</u>	<u>\$108,882,502</u>	<u>\$105,861,423</u>	<u>\$ 185,326</u>	<u>\$ 203,363</u>	<u>\$106,250,112</u>

See accompanying notes to financial statements.

Metropolitan Boston Housing Partnership, Inc.
Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010

	<i>2011</i>	<i>2010</i>
<i>Cash Flows From Operating Activities:</i>		
Change in net assets	\$ 409,006	\$ (702,656)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	129,984	190,032
Bad debt	8,889	-
(Increase)/decrease in operating assets:		
Restricted cash	(55,213)	1,442,772
Accounts receivable	62,211	(1,580,281)
Prepaid expenses	(24,624)	19,058
Loans receivable CEDAC Home Mod. Program	(86,299)	(655,251)
Client deposits	53,085	22,309
Increase/(decrease) in operating liabilities:		
Accounts payable	466,255	531,505
Accrued expenses	(249,984)	227,764
Deferred revenue	483,462	93,224
Loans payable CEDAC Home Mod. Program	140,984	797,005
Client deposits	(83,225)	(26,191)
Other liabilities	-	(63,658)
Net cash provided by operating activities	<u>1,254,531</u>	<u>295,632</u>
<i>Cash Flows From Investing Activities:</i>		
Purchase of fixed assets	<u>(157,329)</u>	<u>(34,590)</u>
Net cash used by investing activities	<u>(157,329)</u>	<u>(34,590)</u>
Net increase in cash and cash equivalents	<u>1,097,202</u>	<u>261,042</u>
Cash and cash equivalents, beginning of year	<u>10,916,689</u>	<u>10,655,647</u>
Cash and cash equivalents, at end of year	<u><u>\$ 12,013,891</u></u>	<u><u>\$10,916,689</u></u>

See accompanying notes to financial statements.

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements

June 30, 2011 and 2010

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 7,600 disabled, elderly, formerly homeless, and other individuals and families throughout Greater Boston.

Housing Consumer Education Center:

The Center is available to everyone requiring housing-related assistance. Issues include: utility or rent arrearages; landlord/tenant conflict; and inadequate incomes. Staff provides information, referrals, and brief counseling.

Specialized Programs:

Services include several programs with case management supports such as the Hoarding and Sanitation Initiative and Fair Housing Initiative.

Foreclosure Prevention and Tenancy Preservation Initiative:

This program provides early notification to tenants and offers counseling and advocacy to tenants and property owners.

American Recovery and Reinvestment Act (Homelessness Prevention and Rapid Re-Housing Program)

This program provides case management and financial assistance to prevent homelessness, housing stabilization supports and rapidly re-house people who are homeless.

Property Owner Services

Services include workshops, informational newsletters, and conflict resolution and mediation services. In addition, MBHP's *Home Modification Loan Program* offers low- and no-interest loans to make modifications to the homes of elders, adults with cognitive and physical disabilities, and families with children with disabilities.

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements - *Continued*

June 30, 2011 and 2010

2. *Summary of Significant Account Policies*

Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America (GAAP). Certain reclassifications have been made to the 2010 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

Revenue Recognition

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 (accounts receivable), respectively. Government agency revenue is recognized from fixed price or unit based contracts when service has been rendered and billed.

The Organization received 87% and 96% of its revenue from The Commonwealth of Massachusetts Department of Housing and Community Development (DHCD) for the years ended June 30, 2011 and 2010, 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.

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, 2011 and 2010, management has considered all accounts receivable to be fully collectable.

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 more than \$500. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements - *Continued*

June 30, 2011 and 2010

2. *Summary of Significant Account Policies - continued*

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 Organization reports the support as unrestricted. During the years ended June 30, 2011 and 2010, the Organization received only unrestricted contributions.

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.

Fair Value Measurements

GAAP 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 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 Financial Statements - *Continued*

June 30, 2011 and 2010

2. *Summary of Significant Account Policies - 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.

Income Taxes

The Organization is exempt from income taxes as a non-profit corporation under Section 501(c)(3) of the U.S. Internal Revenue Code and is also exempt from state income taxes, except for income taxes on unrelated business income, if any. For the years ended June 30, 2011 and 2010, the Organization had no unrelated business income subject to income taxes. Accordingly, no provision for income taxes has been included in these financial statements.

The Organization evaluates tax positions taken or expected to be taken in its 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 penalty thereon would be recorded as an expense in the current year financial statements. At June 30, 2011 the Organization believes that it has no uncertain tax positions within any of its open tax years (2008-2010).

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.

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.

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements - *Continued*

June 30, 2011 and 2010

2. *Summary of Significant Account Policies – continued*

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.

Subsequent Events

The Organization has performed an evaluation of subsequent events through September 12, 2011, which is the date of the Organization's financial statements were available to be issued. No material subsequent events have occurred since June 30, 2011 that requires recognition or disclosure in these financial statements.

3. *Loans Receivable*

Loans receivable consist of the following:

	<i>2011</i>	<i>2010</i>
BHP I loans (1)	\$ 328,401	\$ 328,401
CEDAC home modification loans (2)	<u>2,869,034</u>	<u>2,782,735</u>
Total	<u>\$3,197,435</u>	<u>\$3,111,136</u>

(1) *BHP I Loans:*

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

	<i>2011</i>	<i>2010</i>
Codman Square Limited Partnership	\$ 23,494	\$ 23,494
Lena Park Community Limited Partnership	<u>304,907</u>	<u>304,907</u>
Total	<u>\$ 328,401</u>	<u>\$ 328,401</u>

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 Financial Statements - *Continued*

June 30, 2011 and 2010

3. *Loans Receivable - Continued*

(2) 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 \$30,000 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 3%. The majority of these loans are interest free and each loan is to be repaid upon sale of the individual 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 may 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, 2011 and 2010, 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.

5. *Restricted Cash and Investments*

Restricted cash and investments consist of the following:

	<i>2011</i>	<i>2010</i>
Building Success Campaign investment	\$ 600,000	\$ 600,000
Unadvanced CEDAC Home Mod. Loan proceeds	489,102	434,296
Security deposit on office space	<u>81,041</u>	<u>80,634</u>
Total	<u>\$1,170,143</u>	<u>\$1,114,930</u>

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements - *Continued*

June 30, 2011 and 2010

6. Investments

Investments, carried at fair value based on quoted prices in active markets (all Level 1 measurements) and approximating cost, consist of the following at June 30, 2011 and 2010:

	<i>2011</i>	<i>2010</i>
Mutual funds	<u>\$ 600,000</u>	<u>\$ 600,000</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, 2011 and 2010 was \$656,683 and \$607,817, 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:

2012	\$	664,355
2013	\$	698,425
2014	\$	723,031
2015	\$	745,744
2016	\$	768,457

8. DHCD Receivables

Amounts included in accounts receivable at June 30, 2011 and 2010, that relate to Federal Section 8 housing assistance programs administered by DHCD are \$51,189 and zero, respectively.

9. Deferred Revenue

The following is a summary of deferred revenue at June 30, 2011 and 2010:

	<i>2011</i>	<i>2010</i>
Housing Assistance Program Rental Subsidies:		
Commonwealth of Massachusetts	\$1,330,080	\$ 591,628
U.S. Department of Housing & Urban Development	6,796,381	7,056,371
Other Deferred Income	<u>7,802</u>	<u>2,802</u>
Total	<u>\$8,134,263</u>	<u>\$7,650,801</u>

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements - *Continued*

June 30, 2011 and 2010

10. Concentration of Cash Balances

The Organization maintains its cash accounts in three 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, 2011 and 2010 are as follows:

	<i>2011</i>	<i>2010</i>
Total cash in all Massachusetts banks	\$ 13,560,946	\$12,451,890
Portion insured by FDIC	(750,000)	(750,000)
Portion collateralized	<u>(11,376,487)</u>	<u>(10,330,143)</u>
Uninsured cash balances	<u>\$ 1,434,459</u>	<u>\$ 1,371,747</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, (\$11,604,017 and \$10,536,746 at June 30, 2011 and 2010, respectively).

11. 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, 2011 and 2010, the Organization had no cumulative revenue retention surplus balance.

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 allows for a discretionary employer match of employee contributions of up to 2% of annual compensation. Upon employment participants become eligible to participate and are fully vested in the plan. Pension expense for the years ended June 30, 2011 and 2010 amounted to \$76,000 and \$83,945, respectively.

Metropolitan Boston Housing Partnership, Inc.

Notes to Financial Statements - *Continued*

June 30, 2011 and 2010

13. *Line of Credit*

The Organization has a \$350,000 revolving line of credit, all of which was unused at June 30, 2011. Bank advances on the credit line are payable on demand and carry an interest rate of 3.5% over prime. Borrowings under the line are collateralized by all assets of the Organization and the agreement expires, April 1, 2012.

SUPPLEMENTAL INFORMATION

Metropolitan Boston Housing Partnership, Inc.
Supplemental Schedule of Support, Revenue and Expenses
For the Year Ended June 30, 2011

	<i>General Administrative & Fundraising</i>	<i>State Housing Assistance Program</i>	<i>Federal Housing Assistance Program</i>	<i>Client Services</i>	<i>HPRP Program</i>	<i>Supported Housing Program</i>	<i>Loans and Monitoring Programs</i>	<i>Total</i>
Revenue and Support:								
Foundation grants	\$ 212,631	\$ -	\$ -	\$ 272,810	\$ -	\$ -	\$ -	\$ 485,441
Corporate grants	125,511	-	-	23,700	-	-	-	149,211
Individual grants	52,750	-	-	5,350	-	-	-	58,100
Rental subsidies and administrative fees	-	9,363,122	80,138,834	1,222,397	7,234,016	10,273,548	43,382	108,275,299
Other service fees	-	-	84,599	-	-	-	-	84,599
Contract service income	-	-	-	169,790	-	-	55,254	225,044
	<u>390,892</u>	<u>9,363,122</u>	<u>80,223,433</u>	<u>1,694,047</u>	<u>7,234,016</u>	<u>10,273,548</u>	<u>98,636</u>	<u>109,277,694</u>
Total revenue and support								
Other Revenue:								
Investment income	<u>12,893</u>	<u>-</u>	<u>842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79</u>	<u>13,814</u>
Total revenue	<u>403,785</u>	<u>9,363,122</u>	<u>80,224,275</u>	<u>1,694,047</u>	<u>7,234,016</u>	<u>10,273,548</u>	<u>98,715</u>	<u>109,291,508</u>
Expenses	<u>793,028</u>	<u>9,272,222</u>	<u>79,409,551</u>	<u>1,775,770</u>	<u>7,049,831</u>	<u>10,490,405</u>	<u>91,695</u>	<u>108,882,502</u>
Excess (deficiency) of revenue over expenses	<u>\$ (389,243)</u>	<u>\$ 90,900</u>	<u>\$ 814,724</u>	<u>\$ (81,723)</u>	<u>\$ 184,185</u>	<u>\$ (216,857)</u>	<u>\$ 7,020</u>	<u>\$ 409,006</u>

Metropolitan Boston Housing Partnership, Inc.
Supplemental Schedule of Support, Revenue and Expenses
For the Year Ended June 30, 2010

	<i>General Administrative & Fundraising</i>	<i>State Housing Assistance Program</i>	<i>Federal Housing Assistance Program</i>	<i>Multi- Family-II</i>	<i>Client Services</i>	<i>HPRP Program</i>	<i>Supported Housing Program</i>	<i>Loans and Monitoring Programs</i>	<i>Total</i>
Revenue and Support:									
Foundation grants	\$ 8,202	\$ -	\$ -	\$ -	\$ 364,736	\$ -	\$ -	\$ -	\$ 372,938
Corporate grants	72,104	-	-	-	115,200	-	-	-	187,304
Individual grants	47,156	-	-	-	1,261	-	-	-	48,417
Rental subsidies and administrative fees	-	8,930,016	82,852,737	-	962,811	2,702,290	8,920,067	-	104,367,921
Other service fees	28	-	77,100	6,826	6,790	-	-	-	90,744
Contract service income	-	-	-	-	363,792	-	-	94,576	458,368
Total revenue and support	<u>127,490</u>	<u>8,930,016</u>	<u>82,929,837</u>	<u>6,826</u>	<u>1,814,590</u>	<u>2,702,290</u>	<u>8,920,067</u>	<u>94,576</u>	<u>105,525,692</u>
Other Revenue:									
Investment income	<u>19,372</u>	<u>-</u>	<u>1,568</u>	<u>824</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,764</u>
Total revenue	<u>146,862</u>	<u>8,930,016</u>	<u>82,931,405</u>	<u>7,650</u>	<u>1,814,590</u>	<u>2,702,290</u>	<u>8,920,067</u>	<u>94,576</u>	<u>105,547,456</u>
Expenses	<u>388,689</u>	<u>8,878,209</u>	<u>82,265,054</u>	<u>961,318</u>	<u>2,034,345</u>	<u>2,790,261</u>	<u>8,859,196</u>	<u>73,040</u>	<u>106,250,112</u>
Excess (deficiency) of revenue over expenses	<u>\$ (241,827)</u>	<u>\$ 51,807</u>	<u>\$ 666,351</u>	<u>\$ (953,668)</u>	<u>\$ (219,755)</u>	<u>\$ (87,971)</u>	<u>\$ 60,871</u>	<u>\$ 21,536</u>	<u>\$ (702,656)</u>

Metropolitan Boston Housing Partnership, Inc.
Supplemental Schedule of Program Expenses
For the Year Ended June 30, 2011

	<i>State Housing Assistance Program</i>	<i>Federal Housing Assistance Program</i>	<i>Client Services</i>	<i>HPRP Program</i>	<i>Supported Housing Program</i>	<i>Loans and Monitoring Programs</i>	<i>Total</i>
Program Expenses:							
Rental subsidies	\$ 9,007,626	\$ 74,479,739	\$ 639,418	\$ 6,130,055	\$ 9,526,918	\$ -	\$ 99,783,756
Payments to subgrantees	-	-	146,351	142,714	287,206	-	576,271
Program supplies	-	209	8,577	-	-	-	8,786
Portability	-	41,870	-	-	-	-	41,870
Corporate taxes and fees	-	2,556	-	-	-	-	2,556
Travel and training	-	31,427	13,694	5,701	1,243	221	52,286
	<u>9,007,626</u>	<u>74,555,801</u>	<u>808,040</u>	<u>6,278,470</u>	<u>9,815,367</u>	<u>221</u>	<u>100,465,525</u>
Operating Expenses:							
Salaries	182,225	3,197,196	625,408	504,523	462,442	58,248	5,030,042
Employee benefits	39,366	692,771	134,730	108,324	99,316	12,763	1,087,270
Printing	127	21,585	2,635	1,799	225	-	26,371
Dues and subscriptions	-	5,691	576	-	-	-	6,267
Office supplies and services	304	33,290	2,358	5,466	1,380	223	43,021
Contracted services	3,115	87,220	10,368	8,450	8,904	759	118,816
Promotion and advertising	-	575	5,863	-	-	-	6,438
Postage	3,497	65,991	11,004	10,894	8,861	836	101,083
Training and conferences	-	7,250	1,838	350	-	-	9,438
Legal and accounting	2,051	39,167	8,959	6,017	6,102	523	62,819
Travel	-	1,116	1,773	232	-	-	3,121
Temporary help	-	-	27,650	7,303	-	-	34,953
Consulting	-	5,206	5,228	8,452	225	8,500	27,611
Insurance	1,710	30,910	5,585	5,039	4,936	421	48,601
Telephone	1,178	36,593	7,802	6,221	3,281	304	55,379
Rent and utilities	24,392	465,930	85,299	80,383	70,605	5,997	732,606
Equipment	1,193	29,445	4,246	3,657	3,476	289	42,306
Depreciation and amortization	1,838	109,079	6,006	5,335	5,285	457	128,000
Miscellaneous expense	-	-	20,402	27	-	2,154	22,583
Bank charges	3,600	24,735	-	-	-	-	28,335
Bad debt expense	-	-	-	8,889	-	-	8,889
	<u>9,272,222</u>	<u>79,409,551</u>	<u>1,775,770</u>	<u>7,049,831</u>	<u>10,490,405</u>	<u>91,695</u>	<u>108,089,474</u>
Administrative allocation	<u>19,863</u>	<u>356,104</u>	<u>63,845</u>	<u>59,544</u>	<u>56,732</u>	<u>4,711</u>	<u>560,799</u>
Total expenses	<u>\$ 9,292,085</u>	<u>\$ 79,765,655</u>	<u>\$ 1,839,615</u>	<u>\$ 7,109,375</u>	<u>\$ 10,547,137</u>	<u>\$ 96,406</u>	<u>\$ 108,650,273</u>

Metropolitan Boston Housing Partnership, Inc.
Supplemental Schedule of Program Expenses
For the Year Ended June 30, 2010

	<i>State Housing Assistance Program</i>	<i>Federal Housing Assistance Program</i>	<i>Multi-Family-II</i>	<i>Client Services</i>	<i>HPRP Program</i>	<i>Supported Housing Program</i>	<i>Loans and Monitoring Programs</i>	<i>Total</i>
Program Expenses:								
Rental subsidies	\$ 8,600,893	\$ 77,101,294	\$ -	\$ 863,326	\$ 2,309,503	\$ 8,277,841	\$ -	\$ 97,152,857
Charitable contributions	-	-	700,823	-	-	-	-	700,823
Loss on investment	-	-	185,722	-	-	-	-	185,722
Program supplies	-	73,688	-	6,652	-	-	-	80,340
Portability	-	43,506	-	-	-	-	-	43,506
Corporate taxes and fees	-	-	25,950	-	-	-	5	25,955
Travel and training	61	36,792	-	7,831	6,127	34	606	51,451
Total program expenses	8,600,954	77,255,280	912,495	877,809	2,315,630	8,277,875	611	98,240,654
Operating Expenses:								
Salaries	188,324	3,230,084	32,346	787,107	300,891	398,991	53,070	4,990,813
Employee benefits	42,337	720,805	7,235	170,748	73,451	89,186	11,893	1,115,655
Printing	362	27,080	-	240	1,076	598	-	29,356
Dues and subscriptions	-	9,174	-	913	-	-	-	10,087
Office supplies and services	608	37,703	370	5,063	3,350	755	74	47,923
Contracted services	1,863	62,973	132	10,293	3,213	4,354	306	83,134
Promotion and advertising	-	573	-	3,120	-	-	-	3,693
Postage	3,435	85,829	166	15,551	6,321	4,105	315	115,722
Training and conferences	-	3,177	-	415	434	215	-	4,241
Legal and accounting	2,153	53,204	6,120	9,246	4,392	4,434	416	79,965
Travel	-	5,222	-	990	-	-	-	6,212
Temporary help	-	374	-	1,090	11,230	-	-	12,694
Consulting	-	2,582	-	4,367	7,540	-	-	14,489
Insurance	1,890	31,091	134	6,611	3,232	4,376	310	47,644
Telephone	1,464	36,529	89	7,368	4,265	3,307	639	53,661
Rent and utilities	26,568	461,543	1,875	101,046	48,468	61,386	4,352	705,238
Equipment	1,870	41,111	133	6,962	3,689	4,330	309	58,404
Depreciation and amortization	2,479	168,456	158	8,376	3,071	5,284	364	188,188
Miscellaneous expense	4	3,221	-	17,030	8	-	350	20,613
Bank charges	3,898	29,043	65	-	-	-	31	33,037
Total expenses before administrative allocation	8,878,209	82,265,054	961,318	2,034,345	2,790,261	8,859,196	73,040	105,861,423
Administrative allocation	7,124	121,791	519	24,561	13,319	16,809	1,203	185,326
Total expenses	\$ 8,885,333	\$ 82,386,845	\$ 961,837	\$ 2,058,906	\$ 2,803,580	\$ 8,876,005	\$ 74,243	\$ 106,046,749

**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, 2011 and 2010

	<u>2011</u>	<u>2010</u>
	<i>Voucher</i>	<i>Voucher</i>
	<i>Section 8</i>	<i>Section 8</i>
	<i>Program</i>	<i>Program</i>
Revenue:		
Rental subsidies and administrative fees	<u>\$79,291,635</u>	<u>\$82,011,485</u>
Program Expenses:		
Rental subsidies	73,675,800	76,379,821
Other program expenses	34,056	36,768
Portability	<u>41,870</u>	<u>43,506</u>
Total program expenses	<u>73,751,726</u>	<u>76,460,095</u>
Operating Expenses:		
Salaries	3,144,965	3,179,879
Employee benefits	681,461	709,627
Printing	21,585	27,080
Dues and subscriptions	5,691	9,126
Office supplies and services	33,030	37,619
Contracted services	86,135	62,335
Promotion and advertising	575	573
Postage	64,781	85,234
Training and conferences	7,250	1,838
Legal fees and accounting	38,437	52,471
Travel	1,116	5,222
Temporary help	-	374
Consulting	5,206	2,582
Rent and utilities	457,414	452,658
Insurance	30,313	30,461
Equipment	29,028	40,490
Telephone	36,208	36,048
Depreciation and amortization	108,437	167,711
Miscellaneous	26,602	32,081
Administrative allocation	<u>351,893</u>	<u>172,572</u>
Total expenses	<u>78,881,853</u>	<u>81,566,076</u>
Excess of revenue over expenses	<u>\$ 409,782</u>	<u>\$ 445,409</u>

Metropolitan Boston Housing Partnership, Inc.
Schedules of Financial Position of Federal Housing Assistance Program
June 30, 2011 and 2010

	<i>2011</i>	<i>2010</i>
	<i>Voucher Section 8 Program</i>	<i>Voucher Section 8 Program</i>
Assets		
Cash: operating	\$ 9,788,370	\$ 8,980,207
Accounts receivable tenants	507,250	483,916
Total assets	\$ 10,295,620	\$ 9,464,123
Liabilities and Net Assets		
Accounts payable: tenants	\$ 456,062	\$ 483,916
Accounts payable	1,494,594	866,838
Deferred income	6,640,350	6,820,564
Deferred interest	17,473	15,446
Total liabilities	8,608,479	8,186,764
Net assets	1,687,141	1,277,359
Total liabilities and net assets	\$ 10,295,620	\$ 9,464,123

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Metropolitan Boston Housing Partnership, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

<i>Federal (Pass-Through Grantor) Program Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor Number</i>	<i>Expenditures</i>
U.S. Department of Housing and Urban Development			
Passed through Massachusetts Department of Housing and Community and Development:			
Low-Income Housing Assistance Programs for Families:			
Housing Choice Voucher Program *	14.871	N/A	\$79,164,655
Shelter Plus Care	14.238	N/A	1,491,133
Homelessness Prevention and Rapid Re-Housing Program - ARRA*	14.257	N/A	3,761,190
Moderate Rehabilitation Program	14.856	N/A	364,413
Passed through the City of Boston Public Facilities Commission			
Shelter Plus Care	14.238	N/A	6,839,198
Homelessness Prevention and Rapid Re-Housing Program - ARRA*	14.257	N/A	2,759,254
Housing Opportunities for Persons with AIDS	14.241	N/A	408,763
Supportive Housing Program	14.235	N/A	1,260,292
Passed through Jewish Family Children's Service, Inc.			
Homelessness Prevention and Rapid Re-Housing Program - ARRA*	14.257	N/A	33,173
Passed through Latino Health Institute Proyecto Opciones			
Supportive Housing Program	14.235	N/A	274,163
Passed through Mass Housing and Shelter Alliance, Inc.			
Homelessness Prevention and Rapid Re-Housing Program - ARRA*	14.257	N/A	413,487
Passed through Traveler's Aid Family Services Inc.			
Homelessness Prevention and Rapid Re-Housing Program - ARRA*	14.257	N/A	242,644
Passed through Urban Edge, Inc.			
Homelessness Prevention and Rapid Re-Housing Program ARRA*	14.257	N/A	<u>24,268</u>
Total Federal Financial Assistance			<u><u>\$97,036,633</u></u>

* indicates a Major Federal Program

Metropolitan Boston Housing Partnership, Inc.
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2011

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.

2. Subrecipients

Federal expenditures presented in the schedule of expenditures of federal awards include funds awarded to subrecipients as follows:

Homelessness Prevention and Rapid Re-Housing Program - ARRA	14.257	<u>\$ 142,714</u>
Supportive Housing Program	14.235	<u>\$ 289,610</u>

**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 Internal Control Over Financial Reporting and On Compliance and Other Matters
Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing
Standards*

We have audited the financial statements of Metropolitan Boston Housing Partnership, Inc.; (a nonprofit organization) as of and for the year ended June 30, 2011, and have issued our report thereon dated September 12, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Organization is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the audit committee, 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

September 12, 2011

Daniel Dennis & Company LLP

Certified Public Accountants

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

Independent Auditors' Report On Compliance With Requirements That Could Have A Direct And Material Effect On 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., with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. Metropolitan Boston Housing Partnership, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of Metropolitan Boston Housing Partnership, Inc.'s management. Our responsibility is to express an opinion on Metropolitan Boston Housing Partnership, Inc.'s compliance based on our audit.

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

In our opinion, Metropolitan Boston Housing Partnership, Inc., complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of Metropolitan Boston Housing Partnership, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Metropolitan Boston Housing Partnership, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Metropolitan Boston Housing Partnership, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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, 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

September 12, 2011

Metropolitan Boston Housing Partnership, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011

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 programs.
5. The auditors' report on compliance for the major federal award programs for Metropolitan Boston Housing Partnership, Inc., expresses an unqualified opinion on the major programs.
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 programs tested as major programs were:
 - Section 8 Housing Choice Voucher (CFDA #14.871)
 - Homelessness Prevention and Rapid Re-Housing ARRA (CFDA #14.257)
8. The threshold for distinguishing Types A and B programs was \$2,911,099.
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.