

**Financial Statements and  
Reports Required for  
Audits in Accordance with  
Government Auditing Standards  
and OMB Circular A-133**

**Wayside Youth & Family  
Support Network, Inc.**

**June 30, 2014 and 2013**



**Mayer Hoffman McCann P.C.**  
Tofias New England Division  
An Independent CPA Firm

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Financial Statements and Supplemental Information*

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## *Independent Auditors' Report*

To the Board of Directors  
Wayside Youth & Family Support Network, Inc.  
Framingham, Massachusetts

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Wayside Youth & Family Support Network, Inc. (the "Organization") which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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

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

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wayside Youth & Family Support Network, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Supplemental Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the 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 audits 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2014 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* in considering the Organization's internal control over financial reporting and compliance.

*Mayer Hoffman McCann P.C.*

November 15, 2014  
Boston, Massachusetts

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Statements of Financial Position*

<b>Assets</b>	<i>June 30,</i>	
	<i>2014</i>	<i>2013</i>
Current assets:		
Cash and cash equivalents	\$ 904,984	\$ 1,270,700
Accounts receivable, net of allowance of \$135,000 and \$129,000, respectively	2,778,459	2,521,750
Prepaid expenses and deposits	263,240	255,092
Contributions receivable	9,688	13,500
<b>Total current assets</b>	<b><u>3,956,371</u></b>	<b><u>4,061,042</u></b>
Other assets:		
Contributions receivable	11,612	13,808
Investments	497,561	91,260
Property, plant and equipment, net	24,675,134	25,431,439
Debt acquisition costs, net	66,940	75,208
<b>Total other assets</b>	<b><u>25,251,247</u></b>	<b><u>25,611,715</u></b>
<b>Total assets</b>	<b><u>\$ 29,207,618</u></b>	<b><u>\$ 29,672,757</u></b>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 487,810	\$ 423,993
Accrued expenses	858,327	815,573
Deferred revenue	57,146	29,413
Line of credit	-	900,000
Current portion of bonds and notes payable	615,548	595,458
<b>Total current liabilities</b>	<b><u>2,018,831</u></b>	<b><u>2,764,437</u></b>
Long-term debt:		
Bonds and notes payable	17,617,840	18,240,220
<b>Total liabilities</b>	<b><u>19,636,671</u></b>	<b><u>21,004,657</u></b>
Net assets:		
Unrestricted	9,527,067	8,616,433
Temporarily restricted	43,880	51,667
<b>Total net assets</b>	<b><u>9,570,947</u></b>	<b><u>8,668,100</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 29,207,618</u></b>	<b><u>\$ 29,672,757</u></b>

**WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.**

*Statements of Activities*

	<i>Years Ended June 30,</i>					
	<i>2014</i>			<i>2013</i>		
	<u><i>Unrestricted</i></u>	<u><i>Temporarily Restricted</i></u>	<u><i>Total</i></u>	<u><i>Unrestricted</i></u>	<u><i>Temporarily Restricted</i></u>	<u><i>Total</i></u>
<b>Revenue and other support:</b>						
Contracts	\$ 16,148,558	\$ -	\$ 16,148,558	\$ 14,269,877	\$ -	\$ 14,269,877
Third party billings, net of contractual allowances	7,605,193	-	7,605,193	8,475,783	-	8,475,783
Grants and subsidies	1,776,379	-	1,776,379	1,880,301	-	1,880,301
Contributions	115,116	-	115,116	106,076	-	106,076
Rental income	55,620	-	55,620	60,242	-	60,242
Donated services	66,630	-	66,630	78,570	-	78,570
Net gains (losses) on investments	22,205	-	22,205	(8,107)	-	(8,107)
Other income	38,715	-	38,715	5,585	-	5,585
Gain on sale of property	-	-	-	6,000	-	6,000
Interest and dividend income	7,573	-	7,573	19,986	-	19,986
Net assets released from restrictions	7,787	(7,787)	-	13,718	(13,718)	-
<b>Total revenue and other support</b>	<b><u>25,843,776</u></b>	<b><u>(7,787)</u></b>	<b><u>25,835,989</u></b>	<b><u>24,908,031</u></b>	<b><u>(13,718)</u></b>	<b><u>24,894,313</u></b>
<b>Expenses:</b>						
<b>Program services:</b>						
Residential and day services	11,117,480	-	11,117,480	11,136,583	-	11,136,583
Community services	11,078,514	-	11,078,514	10,298,451	-	10,298,451
<b>Total program services</b>	<b><u>22,195,994</u></b>	<b><u>-</u></b>	<b><u>22,195,994</u></b>	<b><u>21,435,034</u></b>	<b><u>-</u></b>	<b><u>21,435,034</u></b>
<b>Supporting services:</b>						
General and administrative	2,626,970	-	2,626,970	2,665,951	-	2,665,951
Fundraising	110,178	-	110,178	75,996	-	75,996
<b>Total supporting services</b>	<b><u>2,737,148</u></b>	<b><u>-</u></b>	<b><u>2,737,148</u></b>	<b><u>2,741,947</u></b>	<b><u>-</u></b>	<b><u>2,741,947</u></b>
<b>Total expenses</b>	<b><u>24,933,142</u></b>	<b><u>-</u></b>	<b><u>24,933,142</u></b>	<b><u>24,176,981</u></b>	<b><u>-</u></b>	<b><u>24,176,981</u></b>
<b>Change in net assets</b>	<b>910,634</b>	<b>(7,787)</b>	<b>902,847</b>	<b>731,050</b>	<b>(13,718)</b>	<b>717,332</b>
Net assets, beginning	8,616,433	51,667	8,668,100	7,885,383	65,385	7,950,768
<b>Net assets, ending</b>	<b><u>\$ 9,527,067</u></b>	<b><u>\$ 43,880</u></b>	<b><u>\$ 9,570,947</u></b>	<b><u>\$ 8,616,433</u></b>	<b><u>\$ 51,667</u></b>	<b><u>\$ 8,668,100</u></b>

See accompanying notes to the financial statements.

**WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.**

*Statement of Functional Expenses*

Years Ended June 30,

	2014						2013
	Program Services			Supporting Services			Total Expenses
	Residential and Day Services	Community Services	Total Program Services	General and Administrative	Fundraising	Total Expenses	
Salaries and wages	\$ 6,271,106	\$ 7,418,691	\$ 13,689,797	\$ 1,170,409	\$ 61,911	\$ 14,922,117	\$ 14,772,458
Payroll taxes and employee benefits	1,178,868	1,368,046	2,546,914	232,838	11,763	2,791,515	2,771,624
<b>Total salaries and related expenses</b>	<b>7,449,974</b>	<b>8,786,737</b>	<b>16,236,711</b>	<b>1,403,247</b>	<b>73,674</b>	<b>17,713,632</b>	<b>17,544,082</b>
Professional fees and contracted services	354,902	331,391	686,293	336,804	17,858	1,040,955	819,379
Other supplies	153,353	422,810	576,163	130,010	6,165	712,338	606,331
Occupancy	1,290,532	588,084	1,878,616	415,125	1,048	2,294,789	2,044,480
Transportation	112,642	286,376	399,018	63,683	27	462,728	433,063
Interest	630,164	82,032	712,196	68,339	-	780,535	935,604
Depreciation and amortization	773,771	130,500	904,271	118,500	-	1,022,771	1,011,118
Other expenses	352,142	450,584	802,726	91,262	11,406	905,394	782,924
<b>Total other expenses</b>	<b>3,667,506</b>	<b>2,291,777</b>	<b>5,959,283</b>	<b>1,223,723</b>	<b>36,504</b>	<b>7,219,510</b>	<b>6,632,899</b>
<b>Total expenses</b>	<b>\$ 11,117,480</b>	<b>\$ 11,078,514</b>	<b>\$ 22,195,994</b>	<b>\$ 2,626,970</b>	<b>\$ 110,178</b>	<b>\$ 24,933,142</b>	<b>\$ 24,176,981</b>

See accompanying notes to the financial statements.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Statement of Functional Expenses*

*Year Ended June 30, 2013*

	<i>Program Services</i>			<i>Supporting Services</i>		<i>Total Expenses</i>
	<i>Residential and Day Services</i>	<i>Community Services</i>	<i>Total Program Services</i>	<i>General and Administrative</i>	<i>Fundraising</i>	
Salaries and wages	\$ 6,463,475	\$ 7,067,556	\$ 13,531,031	\$ 1,203,546	\$ 37,881	\$ 14,772,458
Payroll taxes and employee benefits	1,280,774	1,231,024	2,511,798	253,159	6,667	2,771,624
<b>Total salaries and related expenses</b>	<b>7,744,249</b>	<b>8,298,580</b>	<b>16,042,829</b>	<b>1,456,705</b>	<b>44,548</b>	<b>17,544,082</b>
Professional fees and contracted services	216,144	351,400	567,544	239,240	12,595	819,379
Other supplies	154,521	351,456	505,977	90,891	9,463	606,331
Occupancy	1,106,032	499,180	1,605,212	438,833	435	2,044,480
Transportation	135,819	267,556	403,375	29,668	20	433,063
Interest	755,125	70,897	826,022	109,582	-	935,604
Depreciation and amortization	796,308	90,792	887,100	124,018	-	1,011,118
Other expenses	228,385	368,590	596,975	177,014	8,935	782,924
<b>Total other expenses</b>	<b>3,392,334</b>	<b>1,999,871</b>	<b>5,392,205</b>	<b>1,209,246</b>	<b>31,448</b>	<b>6,632,899</b>
<b>Total expenses</b>	<b>\$ 11,136,583</b>	<b>\$ 10,298,451</b>	<b>\$ 21,435,034</b>	<b>\$ 2,665,951</b>	<b>\$ 75,996</b>	<b>\$ 24,176,981</b>

See accompanying notes to the financial statements.



# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Statements of Cash Flows*

	<i>Years Ended June 30,</i>	
	<i>2014</i>	<i>2013</i>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 902,847	\$ 717,332
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,022,771	1,011,198
Gain on sale of property	-	(6,000)
Net (gain) loss on investment transactions	(22,205)	8,107
Change in accounts receivable	(256,709)	(603,764)
Change in contributions receivable	6,008	6,584
Change in prepaid expenses and deposits	(8,148)	(14,335)
Change in accounts payable	63,817	6,640
Change in accrued expenses	42,754	23,428
Change in deferred revenue	27,733	(6,337)
<b>Total adjustments</b>	<b>876,021</b>	<b>425,521</b>
<b>Net cash provided by operating activities</b>	<b>1,778,868</b>	<b>1,142,853</b>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(384,096)	-
Sale of investments	-	298,522
Proceeds from sale of property, plant and equipment	-	6,000
Purchase of property, plant and equipment	(258,198)	(288,049)
<b>Net cash provided by (used in) investing activities</b>	<b>(642,294)</b>	<b>16,473</b>
<b>Cash flows from financing activities:</b>		
Net repayments on line of credit	(900,000)	(500,000)
Mortgage acquisition costs incurred	-	(47,402)
Proceeds from issuance of notes payable	-	848,000
Principal payments on notes payable	(602,290)	(420,865)
<b>Net cash used in financing activities</b>	<b>(1,502,290)</b>	<b>(120,267)</b>
<b>Net change in cash and cash equivalents</b>	<b>(365,716)</b>	<b>1,039,059</b>
Cash and cash equivalents, beginning	1,270,700	231,641
<b>Cash and cash equivalents, ending</b>	<b>\$ 904,984</b>	<b>\$ 1,270,700</b>

See accompanying notes to the financial statements.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 1 - Nature of Activities and Summary of Significant Accounting Policies*

#### *Nature of Activities*

Wayside Youth & Family Support Network, Inc. (the “Organization”) is dedicated to achieving the highest standards of quality and integrity in providing leading edge counseling, family support, residential and educational services for building strength, hope and resiliency in youth, families and communities.

#### *Classification and Reporting of Net Assets*

The Organization’s financial statement presentation follows the recommendations of the Financial Accounting Standards Board. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Organization does not have any permanently restricted net assets. A description of the net asset classes follows:

- Unrestricted net assets represent the portion of net assets of the Organization that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- Temporarily restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

#### *Use of Estimates in Preparation of Financial Statements*

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. Significant management estimates included in the financial statements are estimated useful lives of depreciable assets, allowance for uncollectible accounts and contributions receivable, satisfaction for the release of restricted net assets, and the allocation of functional expenses. Actual results could differ from those estimates.

#### *Cash and Cash Equivalents*

Cash and cash equivalents consist of cash on hand, demand deposits, and highly liquid investments with original maturities of three months or less. The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Organization monitors its exposure associated with cash and cash equivalents and has not experienced any losses in such accounts.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)*

#### ***Accounts Receivable***

Accounts receivable are carried at their net realizable value. Accounts receivable consist primarily of amounts related to grants and contracts from state and local governments and amounts due from third-party payor sources. Grants and contracts receivable are carried at the original invoice amount. Accounts receivable where a third-party payor is responsible for paying the amount are carried at the original charge for the service provided.

Management determines the need for an allowance by regularly identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Interest is not charged on accounts receivable.

#### ***Property, Plant and Equipment***

Property, plant and equipment are recorded at cost or, if donated, at estimated fair market value at the time such properties were received. Fair value of donated fixed assets is effectively recorded using a Level 3 market approach. Depreciation and amortization are provided on the straight-line basis over the estimated useful lives of the respective assets as follows:

<b><i>Description</i></b>	<b><i>Years</i></b>
Buildings	40
Land and building improvements	10-40
Leasehold improvements	Lesser of term of lease or 5-20
Furniture and equipment	3-10
Vehicles	3-5
Computer equipment and software	3-5

Expenditures for major renewals and improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Costs associated with the construction of major projects are accumulated until completion. The completed asset is then depreciated over its estimated useful life after being placed in service.

#### ***Debt Acquisition Costs***

The Organization incurred debt issuance costs including bank and professional fees in connection with certain financing arrangements. These costs were capitalized and are amortized over the term of the related debt.

#### ***Investments and Investment Income***

Investments consist of debt and equity securities and mutual funds. Investments are presented in the financial statements at fair value. Fair value is determined as per the fair value policy below. Investment income including interest, dividends, and net realized and unrealized gains and losses are included in revenues, gains and other support.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)*

#### ***Revenue Recognition***

The Organization's financial statements are prepared using the accrual method of accounting. Revenues are reported as increases in unrestricted net assets unless the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

The programs of the Organization are supported principally by contracts negotiated with various agencies of the Commonwealth of Massachusetts. Therefore, the Organization is subject to the regulations and rate formulas of the Massachusetts Executive Office for Administration and Finance Operational Services Division. Revenue is recorded by the individual programs either at the rate approved under negotiated contracts or at the rate of reimbursement as certified by the Massachusetts Operational Services Division. Excess of revenue over expenses from Commonwealth of Massachusetts supported programs, up to certain defined limits, can be utilized by the Organization for expenditures in accordance with its exempt purposes provided such expenditures are reimbursable under the Operational Services Division regulations. Amounts in excess of these limits are subject to negotiated use or potential recoupment and are reported as a liability.

The Organization reports third party revenue earned in its Clinic and Day Care programs net of contractual adjustments to the Organization's usual and customary rates, as well as an adjustment based on historical and industry collection standards in order to report net realizable revenue from these programs.

#### ***Contributions***

Contributions, including unconditional promises to give, are recognized as revenues at fair value in the period received or pledged. Fair value is determined at the original date of recordation using Level 2 fair value methods. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution, and nature of fundraising activities.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the unrestricted net asset category.

#### ***Donated Goods and Services***

The Organization receives support in the form of donated services recorded using a Level 3 fair value methodology. Donated services are recorded at their estimated fair value on the date the services are provided if the services create or enhance nonfinancial assets or the services are provided by persons possessing certain skills that would typically need to be purchased if not provided by donation.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)*

#### *Advertising*

The Organization expenses advertising costs as incurred. Advertising expense consists primarily of recruitment related expenses and amounted to \$46,753 and \$25,472 for the years ended June 30, 2014 and 2013, respectively.

#### *Income Tax*

The Organization qualifies as a public charity under Section 501(c)(3) of the Internal Revenue Code and is generally exempt from Federal and state income taxes. Accordingly, no provision for income taxes is made in the financial statements.

#### *Uncertain Tax Positions*

The Organization accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. Interest and penalties assessed, if any, are accrued as income tax expense. The Organization has identified its tax status as a tax-exempt entity and its determination as to its income being related or unrelated as its only significant tax positions. However, the Organization has determined that such tax positions do not result in an uncertainty requiring recognition. The Organization is not currently under examination by any taxing jurisdiction. The Organization’s Federal and state tax returns are generally open for examination for three years following the date filed.

#### *Fair Value Measurements*

The Organization reports certain assets/liabilities as fair value on a recurring and non-recurring basis depending on the accounting policy for the particular item. Recurring fair value measures include investment accounts. Non-recurring measures include contributions receivable. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards require the Organization to classify these financial instruments into a three-level hierarchy, based on the priority of inputs.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)*

#### *Fair Value Measurements (Continued)*

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments which are generally included in this category include listed equity and debt securities publicly traded on a stock exchange.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Level 2 also includes investments reported at net asset value per share with lock up periods of 90 days or less.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation. Level 3 also includes investments reported at net asset value per share with lock up periods in excess of 90 days.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument as well as the effects of market, interest and credit risks. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements.

For more information on the fair value of the Organization's financial instruments, see Note 4 - Fair Values of Financial Instruments.

#### *Subsequent Events*

The Organization has evaluated subsequent events through November 15, 2014, the date the Board of Directors approved and authorized the financial statements to be issued.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 2 - Contributions Receivable*

Contributions receivable consist of the following as of June 30:

	<i>2014</i>	<i>2013</i>
Capital campaign contributions receivable	\$ 22,388	\$ 28,688
Less unamortized discount	<u>(1,088)</u>	<u>(1,380)</u>
<b>Net contributions receivable</b>	<b>\$ <u>21,300</u></b>	<b>\$ <u>27,308</u></b>

Amounts are expected to be received as follows as of June 30:

	<i>2014</i>	<i>2013</i>
Less than one year	\$ 9,688	\$ 13,500
Greater than one year	<u>12,700</u>	<u>15,188</u>
<b>Total</b>	<b>\$ <u>22,388</u></b>	<b>\$ <u>28,688</u></b>

### *Note 3 - Investments*

Following is a summary as of June 30:

	<i>2014</i>	<i>2013</i>
Equities	\$ 262,063	\$ -
Mutual funds	154,672	55,361
Government securities	67,044	-
Corporate bonds	<u>13,782</u>	<u>35,899</u>
<b>Total</b>	<b>\$ <u>497,561</u></b>	<b>\$ <u>91,260</u></b>

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 4 - Fair Values of Financial Instruments*

The following tables present financial assets that the Organization measures fair value on a recurring basis, by level, within the fair value hierarchy at June 30:

**2014**

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Equities	\$ 262,063	\$ -	\$ -	\$ 262,063
Mutual funds	154,672	-	-	154,672
Government securities	53,091	13,953	-	67,044
Corporate bonds	<u>-</u>	<u>13,782</u>	<u>-</u>	<u>13,782</u>
<b>Total investments</b>	<b>\$ <u>469,826</u></b>	<b>\$ <u>27,735</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>497,561</u></b>

**2013**

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Corporate bonds	\$ -	\$ 35,899	\$ -	\$ 35,899
Government securities	<u>55,361</u>	<u>-</u>	<u>-</u>	<u>55,361</u>
<b>Total investments</b>	<b>\$ <u>55,361</u></b>	<b>\$ <u>35,899</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>91,260</u></b>

Corporate bonds and government securities are measured using quoted market prices multiplied by the quantity held when quoted market prices are observable. If quoted market prices are not available, fair value is determined using one, or a combination, of the following methods (1) a matrix pricing of similar bonds, or (2) quoted prices for recent trading activity of assets with similar characteristics to the bond.



# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 5 - Property, Plant and Equipment*

The following is a summary as of June 30:

	<b>2014</b>	<b>2013</b>
Land and buildings	\$ 26,530,134	\$ 26,530,134
Land and building improvements	1,976,594	1,857,644
Leasehold improvements	128,702	125,527
Furniture and equipment	1,078,720	1,073,978
Vehicles	36,995	36,995
Computer equipment and software	<u>1,285,714</u>	<u>1,156,569</u>
Total cost	31,036,859	30,780,847
Less accumulated depreciation and amortization	<u>6,361,725</u>	<u>5,349,408</u>
	<b><u>\$ 24,675,134</u></b>	<b><u>\$ 25,431,439</u></b>

### *Note 6 - Line of Credit*

The Organization has a \$3,000,000 line of credit available with Middlesex Savings Bank, renewable annually in January, with interest payable monthly at prime. The interest rate as of June 30, 2014 and 2013 was 3.5% and 4.0%, respectively. The outstanding borrowing as of June 30, 2014 and 2013 was \$0 and \$900,000, respectively. The note is secured by all of the Organization's assets.

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 7 - Bonds and Notes Payable*

The following is a summary as of June 30:

	<i>2014</i>	<i>2013</i>
Note payable to Middlesex Savings Bank in monthly installments of \$7,510, including interest at 4.5%, through September 2029. The note is secured by real estate.	\$ 988,682	\$ 1,032,598
Note payable to Middlesex Savings Bank in monthly installments of \$4,843, including interest at 4.5%, through November 2023. The note is secured by real estate.	443,803	480,981
Note payable to Middlesex Savings Bank in monthly installments of \$2,783, including interest at 4.5%, through March 2031. The note is secured by real estate.	388,929	404,416
The Organization has a \$16,970,000, twenty year tax-exempt bond offering issued by the Massachusetts Development Finance Agency (MDFA). Middlesex Savings Bank is the bond holder and disbursing agent. The bond proceeds were used to finance the construction of a multi-purpose residential and educational facility, The Wayside Campus, in Framingham, MA. The term of the bond is 20 years; amortization to be calculated utilizing a 30 year period. Pursuant to the loan and trust agreement with MDFA, monthly installments of interest only at the fixed rate of 6% beginning November 2007 through April 2010. Fixed interest at 3.95% for the first 10 years; adjusted thereafter for the remaining 10 years at 1.15 times the Federal Home Loan Bank Rate then in effect for the 20 year mortgage with a 10 year fixed rate. Final payment will be due in October 2027. The bond is secured by all assets of the Organization.	15,671,066	16,069,683
Term note payable to Middlesex Savings Bank with monthly payments of \$1,935, including interest at 4.5%, through May 2038. The note is secured by deposits of the Organization.	339,829	348,000
Term note payable to Middlesex Savings Bank in monthly payments of \$9,337, including interest at 4.5%, through May 2018. The note is secured by deposits of the Organization.	<u>401,079</u>	<u>500,000</u>
Total bonds and notes payable	18,233,388	18,835,678
Less current portion	<u>(615,548)</u>	<u>(595,458)</u>
<b>Bonds and notes payable, net of current portion</b>	<b>\$ <u>17,617,840</u></b>	<b>\$ <u>18,240,220</u></b>

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 7 - Bonds and Notes Payable (Continued)*

Approximate annual maturities of notes payable for the next five years and in the aggregate are as follows:

#### *Years Ending June 30,*

2015	\$	615,548
2016		638,643
2017		668,859
2018		689,106
2019		612,129
Thereafter		<u>15,009,103</u>
	\$	<u><u>18,233,388</u></u>

### *Note 8 - Operating Leases*

The Organization leases premises at various locations under operating leases which expire on various dates through August 2017. Rent expense for the years ended June 30, 2014 and 2013 was \$279,377 and \$241,592, respectively. The Organization also leases motor vehicles under various operating leases through June 2016. Vehicle lease expense for the years ended June 30, 2014 and 2013 was \$78,135 and \$77,865, respectively.

Anticipated future minimum lease payments for the next four years and in the aggregate are as follows:

#### *Years Ending June 30,*

2015	\$	301,000
2016		143,000
2017		101,000
2018		<u>5,000</u>
	\$	<u><u>550,000</u></u>

### *Note 9 - Supplemental Disclosure of Cash Flows Information*

During the years ended June 30, the following amount was paid in cash:

	<i>2014</i>	<i>2013</i>
Interest	\$ <u><u>783,289</u></u>	\$ <u><u>933,162</u></u>

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Financial Statements*

### *Note 10 - Temporarily Restricted Net Assets*

At June 30, temporarily restricted net assets were available for the following purposes:

	<i>2014</i>	<i>2013</i>
Contributions receivable	\$ 22,388	\$ 27,308
Patient fees	17,892	20,759
Scholarships	<u>3,600</u>	<u>3,600</u>
	<u>\$ 43,880</u>	<u>\$ 51,667</u>

Net assets released from restrictions totaled \$7,787 and \$13,718 for the years ended June 30, 2014 and 2013, respectively. Net assets released from restriction consisted of program activities of \$1,487 and \$7,019 and releases of time restrictions on unrestricted contributions receivable of \$6,300 and \$6,699 for the years ended June 30, 2014 and 2013, respectively.

### *Note 11 - Retirement Plans*

The Organization offers a voluntary contributory retirement plan pursuant to Section 403(b) of the Internal Revenue Code covering substantially all full-time employees, of which the Organization matches 50% up to a maximum of \$6,000 depending on the number of years of service. The Organization contributed \$181,952 and \$104,306 to the plan for the years ended June 30, 2014 and 2013, respectively. In addition, the Organization offers a retirement plan pursuant to Section 457(b) of the Internal Revenue Code for certain employees. The Organization contributed \$45,494 and \$34,769 to the plan for the years ended June 30, 2014 and 2013, respectively.

### *Note 12 - Related Party Transactions*

During the year ended June 30, 2014, one member of the Board of Directors was a partner in a law firm which provided legal services to the Organization. The Organization incurred legal fees to this firm totaling \$620. There were no fees incurred during the year ended June 30, 2013.

During the year ended June 30, 2014, one member of the Board of Directors provided fiduciary services to the Organization. The Organization incurred fees to the firm totaling \$10,310. There were no fees incurred during the year ended June 30, 2013.

### *Note 13 - Legal Matters*

The Organization is involved in legal proceedings, claims and disputes which arise in the ordinary course of business. In management's opinion, these matters will not have a material adverse effect on the financial position of the Organization.

*Supplemental Information*

**WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.**

*Schedule of Expenditures of Federal Awards*

Year Ended June 30, 2014

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Federal Expenditures</i>
<b>U.S. Department of Health and Human Services Pass-Through Programs</b>			
Passed-through the Commonwealth of Massachusetts Department of Children and Families Social Services Block Grant	93.667	CTDSSINTF0000000914CTGRP CTDSSINTF0000000914FNSS0 CTDSSINTF0000000914CTRES CTDSSINTF0000000914FNSS0 CTDSSINTF000000092014ADD CTDSSINTF0000000914STARR CTDSSINTF0000000914FNSS0 CTDSSINTF0000000514GROUP CTDSSINTF000000092014RES CTDSSINTF000000092014SPP CTDSSINTF0000000914FNIF0	\$ 313,368 222,454 114,019 55,527 13,928 4,206 1,194 588 451 74 3
			<hr/> 725,812
<b>TANF Cluster</b>			
Passed-through the Commonwealth of Massachusetts Department of Children and Families Temporary Assistance for Needy Families (TANF) State Programs	93.558	CTDSSINTF0000000914CTGRP CTDSSINTF0000000914CTRES CTDSSINTF000000092014ADD CTDSSINTF0000000914STARR RPODDSINTF0000000031219954 CTDSSINTF0000000914FNIF0	306,952 111,685 13,643 5,969 4,267 16
<b>Total TANF Cluster</b>			<hr/> 442,532
Passed-through the Commonwealth of Massachusetts Department of Children and Families Promoting Safe and Stable Families	93.556	CTDSSINTF0000041201220103 CTDSSINTF0000041300619442	11,000 50,000
			<hr/> 61,000
Passed-through the Commonwealth of Massachusetts Department of Public Health Block Grants for Prevention and Treatment of Substance Abuse	93.959	CTDPHINTF2354MM3901115045	100,000
Passed-through the Commonwealth of Massachusetts Department of Mental Health Block Grants for Community Mental Health Services	93.958	CTDMHSCDMH421001242700000 CTDMHSCDMH421050040110000 CTDMHSCDMH226001223230000	221,537 143,880 15,967
			<hr/> 381,384
Passed-through the Commonwealth of Massachusetts Department of Mental Health Injury Prevention and Control Research and State and Community Based Programs	93.136	CTDPHINTF3401M03700115040 CTDPHINTF3401M03700115040	11,667 6,667
			<hr/> 18,334
Passed-through the Commonwealth of Massachusetts Department of Mental Health Preventive Health and Health Services Block Grant	93.991	CTDPHINTF3401M03700115040	4,371
Passed-through the Commonwealth of Massachusetts Substance Abuse and Mental Services Administration Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	CTDMHSCDMH821014080210000 CTDMHSCDMH821014080260000	159,795 52,669
			<hr/> 212,464
<b>Total U.S. Department of Health and Human Services Pass-Through Programs</b>			<hr/> 1,945,897
Balance Forward			\$ <hr/> 1,945,897

**WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.**

*Schedule of Expenditures of Federal Awards*

*Year Ended June 30, 2014*

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Federal Expenditures</i>
Balance Forward			\$ 1,945,897
<b>U.S. Department of Health and Human Services Direct Programs</b>			
Administration for Children and Families Basic Center Grant	93.623		190,370
Administration for Children and Families Transitional Living for Homeless Youth	93.550		98,950
Substance Abuse and Mental Services Administration Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		383,833
Substance Abuse and Mental Services Administration Substance Abuse and Mental Health Services	93.276		72,917
Administration for Children and Families Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth	93.557		102,203
<b>Total U.S. Department of Health and Human Services Direct Programs</b>			<b>848,273</b>
<b>Total U.S. Department of Health and Human Services</b>			<b>2,794,170</b>
<b>U.S. Department of Justice Pass-Through Programs</b>			
Passed-through the Commonwealth of Massachusetts Department of Safety Crime Victim Assistance	16.575	CTVWA2014VOCAWAYSJWTV0000 CTVWA2014VOCAWAYSSAP00000 CTVWA2014VOCAWAYSWFB00000	69,509 43,192 26,482 <u>139,183</u>
Passed-through the Commonwealth of Massachusetts Department of Public Health Sexual Assault Services Formula Program	16.017	CTDPHINTF3401M03700115040	<u>12,224</u>
<b>Total U.S. Department of Justice Pass-Through Programs</b>			<b>151,407</b>
<b>U.S. Department of Agriculture Pass-Through Programs</b>			
<b>Child Nutrition Cluster</b>			
Passed-through the Commonwealth of Massachusetts Department of Education National School Lunch Program	10.555	CTDOESCDOE13758G70532112A CTDOESCDOE14758D70532112A	76,888 <u>30,691</u>
<b>Total Child Nutrition Cluster and U.S. Department of Agriculture Pass-Through Programs</b>			<b>107,579</b>
<b>U.S. Department of Housing and Urban Development Direct Programs</b>			
Supportive Housing Program	14.235		<u>241,966</u>
<b>U.S. Department of Housing and Urban Development Pass-Through Programs</b>			
<b>CDBG Entitlement Grants Cluster</b>			
Community Development Block Grants/Entitlement Grants Passed-through the City of Waltham	14.218	29017520138025	1,453
Passed-through the City of Somerville Mayor's Office of Strategic Planning and Community Development	14.218	140271	3,000 <u>4,453</u>
Home Investment Partnerships Program Passed-through the City of Somerville Mayor's Office of Strategic Planning and Community Development	14.239	140078	<u>10,000</u>
<b>Total U.S. Department of Housing and Urban Development Pass-Through Programs</b>			<b>14,453</b>
<b>Total U.S. Department of Housing and Urban Development</b>			<b>256,419</b>
<b>U.S. Department of Homeland Security Direct Programs</b>			
Emergency Food and Shelter National Board Program	97.024		<u>5,000</u>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 3,314,575</b>

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Notes to Schedule of Expenditures of Federal Awards*

*Year Ended June 30, 2014*

### ***Note 1 - Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of Wayside Youth & Family Support Network, Inc. under programs of the federal government for the year ended June 30, 2014. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations for Wayside Youth and Family Support Network, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows for Wayside Youth and Family Support Network, Inc.

### ***Note 2 - Summary of Significant Accounting Policies***

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.



*Reporting Under Government Auditing Standards*



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*Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with Government Auditing Standards*

Board of Directors  
Wayside Youth & Family Support Network, Inc.  
Framingham, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Wayside Youth & Family Support Network, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2014.

***Internal Control Over Financial Reporting***

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



### ***Compliance and Other Matters***

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

### ***Purpose of this Report***

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

*Mayer Heffernan McCann P.C.*

November 15, 2014  
Boston, Massachusetts

***Reporting Under OMB Circular A-133***



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*Independent Auditors' Report on Compliance For Each Major Federal Program  
and Report on Internal Control Over Compliance in  
Accordance with OMB Circular A-133*

Board of Directors  
Wayside Youth & Family Support Network, Inc.  
Framingham, Massachusetts

***Report on Compliance for Each Major Federal Program***

We have audited Wayside Youth & Family Support Network, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2014. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Organization complied, in all material respects, with the types of compliance 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, 2014.



### ***Report on Internal Control Over Compliance***

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 the Organization'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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Mayer Hoffmann McCann P.C.*

November 15, 2014  
Boston, Massachusetts

# WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.

## *Schedule of Findings and Questioned Costs*

*Year Ended June 30, 2014*

### *Section 1*

### *Summary of Auditors' Results*

#### *Financial Statements*

- |  |               |
|--|---------------|
| 1. Type of auditors' report issued:                          | Unmodified    |
| 2. Internal control over financial reporting:                |               |
| a. Material weaknesses identified?                           | No            |
| b. Significant deficiencies identified?                      | None Reported |
| 3. Noncompliance material to the financial statements noted? | No            |

#### *Federal Awards*

- |   |               |
|---|---------------|
| 1. Internal control over major programs:  |               |
| a. Material weaknesses identified?  | No            |
| b. Significant deficiencies identified?   | None Reported |
| 2. Type of auditors' report issued on compliance for major programs:  | Unmodified    |
| 3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? | No            |

4. Identification of major programs:

#### CFDA Number

#### Name of Federal Program/Cluster

93.667

Social Services Block Grant

93.558

TANF Cluster

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$300,000 |
| 6. Auditee qualified as a low-risk auditee?                                 | Yes       |

**WAYSIDE YOUTH & FAMILY SUPPORT NETWORK, INC.**

***Schedule of Findings and Questioned Costs***

*Year Ended June 30, 2014*

***Section 2***

***Financial Statement Findings***

None noted.

***Section 3***

***Federal Award Findings and Questioned Costs***

None noted.

***Section 4***

***Summary Schedule of Prior Year Findings***

None noted.