**CASA MYRNA VAZQUEZ, INC.
AND AFFILIATES**

FINANCIAL STATEMENTS

with

INDEPENDENT AUDITORS' REPORT

YEARS ENDED JUNE 30, 2019 AND 2018

and

UNIFORM GUIDANCE AUDIT REPORTS

YEAR ENDED JUNE 30, 2019

Smith Sullivan & Brown PC
CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 200 Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

CASA MYRNA VAZQUEZ, INC.
AND AFFILIATES

REPORT ON AUDITED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

C O N T E N T S

Smith Sullivan & Brown PC
CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 200 Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Casa Myrna Vazquez, Inc. and Affiliates
Boston, Massachusetts

We have audited the accompanying consolidated financial statements of Casa Myrna Vazquez, Inc. (a Massachusetts nonprofit organization) and Affiliates (collectively, the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Casa Myrna Vazquez, Inc. and Affiliates as of June 30, 2019 and 2018 and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

To the Board of Directors
Casa Myrna Vazquez, Inc. and Affiliates

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2019, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2019 on our consideration of Casa Myrna Vazquez, Inc. and Affiliates' 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 Casa Myrna Vazquez, Inc. and Affiliates' internal control over financial reporting and compliance.

Smith, Sullivan & Brown, PC.

Westborough, Massachusetts
December 10, 2019

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2019 AND 2018

ASSETS

	2019	2018
CURRENT ASSETS:		
Cash	$ 114,743	$ 14,524
Accounts Receivable, Program Services	941,269	1,476,066
Gifts and Grants Receivable, Current	136,313	61,605
Prepaid Expenses	20,064	13,762
Total Current Assets	1,212,389	1,565,957
PROPERTY AND EQUIPMENT, NET	6,116,393	863,001
LONG-TERM INVESTMENTS:		
Board Designated Investments	966,555	1,597,747
Endowment Cash	20,000	20,000
Endowment Investments	566,333	481,044
Total Long-Term Investments	1,552,888	2,098,791
NON-CURRENT ASSETS:		
Gifts and Grants Receivable	100,000	-
Real Estate Tax Escrow	24,765	-
Security Deposit	10,000	10,000
Total Other Assets	134,765	10,000
TOTAL ASSETS	$ 9,016,435	$ 4,537,749

LIABILITIES AND NET ASSETS

	2019	2018
CURRENT LIABILITIES:		
Note Payable, Line-of-Credit	$ -	$ 250,000
Current Portion of Long-Term Debt	82,226	-
Accounts Payable	94,283	245,281
Accrued Expenses	13,213	27,363
Accrued Payroll and Related Costs	182,429	181,451
Tenant Security Deposits	10,908	-
Total Current Liabilities	383,059	704,095
LONG-TERM DEBT, NET OF CURRENT PORTION	4,559,307	202,783
TOTAL LIABILITIES	4,942,366	906,878
NET ASSETS:		
Without Donor Restrictions:		
Operating	696,117	801,625
Board Designated	968,592	1,606,379
Invested in Property and Equipment	1,474,860	660,218
Total Without Donor Restrictions	3,139,569	3,068,222
With Donor Restrictions	934,500	562,649
Total Net Assets	4,074,069	3,630,871
TOTAL LIABILITIES AND NET ASSETS	$ 9,016,435	$ 4,537,749

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019			2018		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT, REVENUES AND RECLASSIFICATIONS:						
Program Revenues:						
Government Contracts and Grants	$ 4,130,039	$ -	$ 4,130,039	$ 3,825,336	$ -	$ 3,825,336
Rental Income and Other Program Revenues	2,132	-	2,132	14,409	-	14,409
Total Program Revenues	4,132,171	-	4,132,171	3,839,745	-	3,839,745
Gifts, Grants and Contributions:						
Grants and Contributions	454,766	711,789	1,166,555	413,178	386,387	799,565
Special Events, Net of Direct Costs	68,939	-	68,939	57,645	-	57,645
Donated Goods and Services	422,651	-	422,651	267,380	-	267,380
Total Gifts, Grants and Contributions	946,356	711,789	1,658,145	738,203	386,387	1,124,590
Other Revenues:						
Net Investment Income	65,132	45,289	110,421	176,842	33,496	210,338
Rental Income	5,451	-	5,451	-	-	-
Gain on Sale of Building	-	-	-	402,126	-	402,126
Total Other Revenues	70,583	45,289	115,872	578,968	33,496	612,464
Reclassification of Net Assets - Released from Restriction:						
Program Restrictions	337,727	(337,727)	-	379,949	(379,949)	-
Lapse of Time Restrictions	47,500	(47,500)	-	61,500	(61,500)	-
Total Net Assets Released from Restriction	385,227	(385,227)	-	441,449	(441,449)	-
TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS	**5,534,337**	**371,851**	**5,906,188**	**5,598,365**	**(21,566)**	**5,576,799**
FUNCTIONAL EXPENSES:						
Program Services:						
Residential	1,310,352	-	1,310,352	1,360,328	-	1,360,328
The EVA Center	836,407	-	836,407	794,627	-	794,627
Supportive Services	1,674,033	-	1,674,033	1,492,716	-	1,492,716
Safelink, Education and Prevention	915,978	-	915,978	832,214	-	832,214
Total Program Services	4,736,770	-	4,736,770	4,479,885	-	4,479,885
Supporting Services:						
Administrative	344,893	-	344,893	437,366	-	437,366
Fund Raising	381,327	-	381,327	285,425	-	285,425
Total Supporting Services	726,220	-	726,220	722,791	-	722,791
TOTAL FUNCTIONAL EXPENSES	**5,462,990**	**-**	**5,462,990**	**5,202,676**	**-**	**5,202,676**
TOTAL CHANGE IN NET ASSETS	**71,347**	**371,851**	**443,198**	**395,689**	**(21,566)**	**374,123**
NET ASSETS - BEGINNING OF YEAR	**3,068,222**	**562,649**	**3,630,871**	**2,672,533**	**584,215**	**3,256,748**
NET ASSETS - END OF YEAR	**$ 3,139,569**	**$ 934,500**	**$ 4,074,069**	**$ 3,068,222**	**$ 562,649**	**$ 3,630,871**

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2019

(With Summarized Comparative Consolidated Totals for 2018)

	PROGRAM SERVICES					SUPPORTING SERVICES		TOTAL FUNCTIONAL EXPENSES	
	RESIDENTIAL	THE EVA CENTER	SUPPORTIVE SERVICES	SAFELINK, EDUCATION AND PREVENTION	TOTAL PROGRAM SERVICES	ADMINIS-TRATIVE	FUND-RAISING	2019	2018
PERSONNEL AND RELATED COSTS:									
Salaries	$ 784,276	$ 458,593	$ 967,256	$ 602,580	$ 2,812,705	$ 138,049	$ 235,472	$ 3,186,226	$ 2,953,096
Payroll Taxes	75,020	51,523	88,764	58,567	273,874	1,414	20,603	295,891	262,179
Fringe Benefits	83,388	36,247	106,252	58,952	284,839	63,892	33,436	382,167	366,068
Total Personnel and Related Costs	942,684	546,363	1,162,272	720,099	3,371,418	203,355	289,511	3,864,284	3,581,343
OCCUPANCY:									
Rent	16,383	7,462	90,029	65,753	179,627	36,895	20,176	236,698	218,422
Donated Residential Space	-	120,000	-	-	120,000	-	-	120,000	120,000
Utilities	31,303	14,107	12,401	7,980	65,791	3,613	2,779	72,183	74,533
Depreciation Expense	54,262	-	-	-	54,262	-	-	54,262	59,431
Mortgage Interest	6,083	-	-	-	6,083	-	-	6,083	6,083
Repairs and Maintenance	11,764	3,587	5,403	4,067	24,821	1,662	1,238	27,721	22,326
Property Taxes and Insurance	7,607	3,677	7,926	6,923	26,133	11,725	1,324	39,182	29,428
Total Occupancy	127,402	148,833	115,759	84,723	476,717	53,895	25,517	556,129	530,223
OTHER EXPENSES:									
Direct Care Subcontractors	-	576	95,562	-	96,138	-	-	96,138	121,854
Professional Fees	33,755	51,319	54,865	39,680	179,619	17,055	8,077	204,751	178,186
Volunteer Services	34,913	-	38,888	-	73,801	-	2,010	75,811	93,323
Community Outreach	-	-	-	3,740	3,740	63	5,047	8,850	3,100
Supplies and Materials	24,969	17,458	18,444	4,215	65,086	12,501	18,066	95,653	124,386
Telephone and Communications	16,471	10,829	20,507	13,188	60,995	3,490	2,194	66,679	85,933
Direct Client Assistance	98,028	15,600	76,111	92	189,831	376	-	190,207	211,535
Small Equipment and Equipment Rental	8,603	9,784	16,150	5,335	39,872	3,650	-	43,522	70,249
Equipment Depreciation	-	-	-	-	-	-	-	-	4,530
Insurance	2,034	983	6,807	1,851	11,675	358	354	12,387	11,727
Interest and Finance Charges	-	-	-	-	-	4,944	-	4,944	10,883
Printing and Postage	852	833	2,878	4,936	9,499	262	3,304	13,065	6,568
Travel	11,047	15,446	25,895	31,337	83,725	9,991	4,136	97,852	79,592
Dues and Subscriptions	3,451	5,568	9,595	3,445	22,059	17,279	2,122	41,460	21,280
Training	4,964	11,963	27,524	1,412	45,863	205	74	46,142	23,535
Development	-	-	-	-	-	-	19,221	19,221	15,413
Bad Debt	-	-	-	-	-	13,365	-	13,365	-
Miscellaneous	1,179	852	2,776	1,925	6,732	4,104	1,694	12,530	29,016
Total Other Expenses	240,266	141,211	396,002	111,156	888,635	87,643	66,299	1,042,577	1,091,110
Total Functional Expenses	**$ 1,310,352**	**$ 836,407**	**$ 1,674,033**	**$ 915,978**	**$ 4,736,770**	**$ 344,893**	**$ 381,327**	**$ 5,462,990**	**$ 5,202,676**

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	PROGRAM SERVICES					SUPPORTING SERVICES		
	RESIDENTIAL	THE EVA CENTER	SUPPORTIVE SERVICES	SAFELINK, EDUCATION AND PREVENTION	TOTAL PROGRAM SERVICES	ADMINIS-TRATIVE	FUND-RAISING	TOTAL FUNCTIONAL EXPENSES
PERSONNEL AND RELATED COSTS:								
Salaries	$ 739,707	$ 397,344	$ 851,203	$ 564,902	$ 2,553,156	$ 217,231	$ 182,709	$ 2,953,096
Payroll Taxes	68,958	37,707	71,292	51,584	229,541	17,599	15,039	262,179
Fringe Benefits	71,270	38,427	125,893	65,438	301,028	41,649	23,391	366,068
Total Personnel and Related Costs	879,935	473,478	1,048,388	681,924	3,083,725	276,479	221,139	3,581,343
OCCUPANCY:								
Rent	19,223	15,839	91,699	48,502	175,263	22,465	20,694	218,422
Donated Residential Space	-	120,000	-	-	120,000	-	-	120,000
Utilities	35,233	14,400	12,381	6,930	68,944	3,006	2,583	74,533
Depreciation Expense	59,431	-	-	-	59,431	-	-	59,431
Mortgage Interest	6,083	-	-	-	6,083	-	-	6,083
Repairs and Maintenance	16,145	2,860	1,503	1,141	21,649	677	-	22,326
Property Insurance	7,774	3,758	8,099	7,074	26,705	1,370	1,353	29,428
Total Occupancy	143,889	156,857	113,682	63,647	478,075	27,518	24,630	530,223
OTHER EXPENSES:								
Direct Care Subcontractors	-	-	121,004	850	121,854	-	-	121,854
Professional Fees	27,167	38,625	32,797	20,736	119,325	54,357	4,504	178,186
Volunteer Services	11,171	36,782	45,370	-	93,323	-	-	93,323
Community Outreach	-	-	-	-	-	-	3,100	3,100
Supplies and Materials	80,024	19,758	14,262	4,549	118,593	3,295	2,498	124,386
Telephone and Communications	25,451	14,934	18,327	19,239	77,951	5,206	2,776	85,933
Direct Client Assistance	159,987	21,084	28,788	1,595	211,454	56	25	211,535
Small Equipment and Equipment Rental	15,988	14,075	22,649	10,825	63,537	4,034	2,678	70,249
Equipment Depreciation	520	-	-	-	520	4,010	-	4,530
Insurance	1,959	947	6,352	1,783	11,041	345	341	11,727
Interest and Finance Charges	-	-	-	-	-	10,883	-	10,883
Printing and Postage	557	1,013	2,026	878	4,474	571	1,523	6,568
Travel	8,362	12,445	22,275	21,862	64,944	10,657	3,991	79,592
Dues and Subscriptions	1,448	2,833	538	855	5,674	14,127	1,479	21,280
Training	1,369	490	14,281	2,948	19,088	3,925	522	23,535
Development	-	-	-	-	-	52	15,361	15,413
Miscellaneous	2,501	1,306	1,977	523	6,307	21,851	858	29,016
Total Other Expenses	336,504	164,292	330,646	86,643	918,085	133,369	39,656	1,091,110
Total Functional Expenses	**$ 1,360,328**	**$ 794,627**	**$ 1,492,716**	**$ 832,214**	**$ 4,479,885**	**$ 437,366**	**$ 285,425**	**$ 5,202,676**

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ 443,198	$ 374,123
Adjustments to Reconcile the Above to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	54,262	63,961
Net Investment Income	(110,365)	(210,243)
Contributions Restricted in Perpetuity	(40,000)	(20,000)
Gain from Sale of Building	-	(402,126)
In-Kind Capital Contributions	(199,562)	-
(Increase) Decrease in Current Assets:		
Accounts Receivable, Program Services	534,797	(720,195)
Gifts and Grants Receivable	(74,708)	7,395
Prepaid Expenses	(6,302)	(2,535)
Increase (Decrease) in Current Liabilities:		
Accounts Payable	(150,998)	213,034
Accrued Expenses	(14,150)	1,125
Accrued Payroll and Related Costs	978	42,945
Deferred Revenue	-	(19,021)
Tenant Security Deposits	10,908	-
(Increase) Decrease in Non-Current Assets:		
Gifts and Grants Receivable	(100,000)	-
Net Adjustment	(95,140)	(1,045,660)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	**348,058**	**(671,537)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Sale of Investments, Net of Reinvestments	656,268	136,500
Proceeds from Sale of Building	-	487,409
Net Cash Outlay for Purchase of Building and Building Improvements	(669,342)	-
Net Cash Flows from Investing Activities	(13,074)	623,909
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions Restricted for Long-Term Investment	40,000	20,000
Repayments on Line-of-Credit	(250,000)	-
Net Cash Flows from Financing Activities	(210,000)	20,000
NET INCREASE (DECREASE) IN CASH BALANCES	**124,984**	**(27,628)**
CASH BALANCES - BEGINNING OF YEAR	**34,524**	**62,152**
CASH BALANCES - END OF YEAR	**$ 159,508**	**$ 34,524**
Cash Balances:		
Cash	*$ 114,743*	*$ 14,524*
Endowment Cash	*20,000*	*20,000*
Real Estate Tax Escrow	*24,765*	*-*
Total Cash Balances	*$ 159,508*	*$ 34,524*
Supplemental Disclosures:		
Interest Paid	*$ 11,027*	*$ 16,966*
Non-Cash Investing and Financing Transactions:		
Real Estate Acquisition (Note 7)	*$ 4,438,750*	*$ -*

NOTE 1 ORGANIZATION AND AFFILIATIONS

Casa Myrna Vazquez, Inc. ("Casa Myrna", "CMV" or the "Organization") was incorporated in 1976 under the provisions of Massachusetts General Laws Chapter 180 and qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. Casa Myrna Vazquez, Inc. has been classified as an organization which is not a private foundation under IRC Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

CMV is the sole beneficiary of certain trusts which hold certain land and buildings and the related liabilities *(See Note 3)*.

NOTE 2 PROGRAM SERVICES

Casa Myrna was founded in 1977 as a volunteer-run shelter in Boston's South End for abused women and their children. The agency added residential and programmatic capacity over the years in response to emerging needs. Today, Casa Myrna serves over 1,300 survivors a year and answers nearly 30,000 calls by multilingual advocates at our SafeLink hotline, the Massachusetts statewide domestic violence hotline. In addition, Casa Myrna provides domestic and dating violence awareness and prevention by educating teens and adults across the state through workshops, seminars, trainings, social media, engagement with the media and annual ad campaigns on mass transit systems. Because we believe every relationship should be safe and healthy, *Casa Myrna's mission is to deliver solutions to end domestic and dating violence through intervention, awareness and prevention.*

Casa Myrna's programs include:

Housing Programs:

Casa Myrna operates three shelter programs and a transitional "rapid rehousing" program.

Shelter Programs:

Casa Myrna's three shelter programs are congregate, home-like environments. Each family/individual has their own room, and shares the kitchens, bathrooms, living, dining and children's play space areas. All participants receive comprehensive supportive services. Each night, Casa Myrna can house up to 26 survivors and 35 children.

The **Mary L. Foreman Emergency Program** is Casa Myrna's first shelter, opened at our founding in 1977 to respond to the needs of domestic violence survivors in the South End neighborhood of Boston. Survivors work with agency staff and community-based service providers to plan their next steps, including moving on to transitional and permanent housing. The **Teen Parenting Program** ("TPP") is a program for pregnant and parenting young adults homeless due to domestic and family violence. While at TPP, young parents receive intensive support, complete their education, attend job training or other professional skills-building programs, and participate in nightly group meetings on topics ranging from parenting and nurturing to understanding the dynamics of abusive relationships. The **EVA Center House** is a survivor-led housing program for victims of commercial sexual exploitation.

NOTE 2 *(Continued)*

Rapid Rehousing Program:

In recent years, Casa Myrna has expanded our housing services to include a Rapid Rehousing Program where survivors move quickly from homelessness to permanent housing with rental support from Casa Myrna.

Supportive Domestic Violence Services:

Through our comprehensive provision of supportive services, Casa Myrna helps survivors acquire safety, overcoming the trauma they have experienced and developing skills for long-term economic stability. Being independent, physically, financially and emotionally from their abusers signifies to survivors that they have moved beyond the trauma in their lives. We provide a comprehensive range of supports, free of charge and available in Spanish, English and other languages, to help survivors reach their short and long-term goals, as they define them. Supportive services are available to all survivors in Casa Myrna's residential programs and to survivors living in the community. Supports include:

Legal Advocacy Program

The Legal Advocacy Program ("LAP") seeks to address the unmet legal needs of survivors of domestic violence by serving as a culturally competent point of access for survivors who, due to linguistic, cultural, and economic barriers, would not be able to access representation through traditional mainstream channels. Initially established to provide emergency legal services, the program has expanded its capacity to include full representation in Probate and Family Court matters related to abuse prevention/order of protection, child custody, divorce, and housing. In addition, LAP provides community legal clinics, CORI mitigation support, and operates a Legal HelpLine available to advocates and survivors throughout the Commonwealth.

Counseling Services

Counseling Services provides individual counseling and group support to survivors of domestic violence, as well as referrals to outside therapeutic resources. Counselors provide trainings on the issue of domestic violence to other stakeholders, including social service provider groups, faith-based organizations, and community health centers. The program is staffed by a licensed social worker, counseling advocates and graduate interns majoring in social work or clinical psychology from area universities.

Housing Advocacy and Stabilization

Housing Specialists work with survivors who have been made homeless by domestic violence or who are at risk of ongoing abuse in their current living situations. Specialists help survivors assess their housing needs, and provide support in identifying, applying for, securing and maintaining safe permanent, affordable housing. The program also helps secure donations of household items and assistance with moving expenses and rent.

NOTE 2 *(Continued)*

SOAR (Stability, Opportunity, Achievement, Results)

Casa Myrna's economic development program helps survivors set and pursue educational, vocational and employment goals, and supports them in budgeting, saving and planning for their economic stability. In addition to individual support, an Economic Stability Specialist provides six-session workshop series throughout Boston that help survivors review their credit histories, repair bad credit, open savings or checking accounts, and master the realities of budgeting and sound financial planning. The program also helps secure funding for expenses related to education and training.

Community Advocacy

Through the Community Advocacy Program, Community Advocacy Specialists provide an immediate point of access for survivors throughout Boston. Specialists connect with survivors in our office and at partner sites, including health centers, district courts, homeless shelters, schools, and the Boston Family Justice Center. Specialists provide safety planning, advocacy, access to Casa Myrna's other supports, and linkages to other resources. Community Advocacy Specialists are also a critical source of information and support to staff at these organizations to help them identify warning signs and risk factors related to domestic violence. The Community Advocacy Program includes a Youth Specialist who provides advocacy for and support to young survivors of dating and domestic violence.

Children's Services

The Children's Services Program works to address the complex needs of children of all ages who have witnessed the abuse of their parent, helping them heal and recover from the trauma they have experienced. The program is based on the belief that strengthening the bond between parent and child is critically important to the healing process in the aftermath of domestic violence.

EVA Center:

In 2016, the EVA Center became a project of Casa Myrna. The EVA Center is a survivor led, social justice oriented organization whose mission is to empower women who have experienced sexual exploitation (prostitution, sex trafficking) to find solutions to the issues they face and exit the commercial sex industry. The EVA Center also works to challenge public perceptions and strongly advocate for specialized, survivor led, strength based programming that increases awareness of the many socio-economic and situational factors contributing to women and girls' entry into the sex trade. In 2017, Casa Myrna and the EVA Center partnered to create a housing program and additional advocacy and legal services to survivors of commercial sexual exploitation.

SafeLink Hotline:

SafeLink is Massachusetts' statewide, 24/7, toll-free domestic violence hotline. Answering an average of 70-90 calls a day, or over 28,000 calls annually, SafeLink's multi-lingual advocates provide survivors with information, crisis intervention, safety planning and referrals to domestic violence organizations in their own communities. They also assist callers who may be friends, family, co-workers and human service providers, by providing education and resources about domestic violence. A critical component of SafeLink is the statewide Bed Update, which provides real-time information on the availability of space in domestic violence shelters across the state.

NOTE 2 *(Continued)*

Education, Outreach and Awareness:

By raising the visibility of the issue, Casa Myrna hopes to increase attention, awareness, understanding and discussion - all of which are vital to eradicating domestic and dating violence. Casa Myrna works with youth, college students, and adults in a variety of settings to discuss topics such as patterns of control that lead to abuse, gender stereotypes, racism, poverty, community violence, the media's influence in promoting violence and disrespect, how language can contribute to the problem, and domestic violence in the family. Through public education, work with the media, engaging presentations and interactive workshops, Casa Myrna teaches the public how to recognize the warning signs of controlling, abusive and potentially dangerous intimate relationships, and provides resources on supporting survivors and ending domestic violence. Since 2008, our education and outreach work has included bi-annual statewide ad campaigns on mass transit systems throughout Massachusetts in both Spanish and English.

This fiscal year, Casa Myrna expanded our work to include a new teen dating violence prevention initiative. Through a partnership with the Boston Public Health Commission's Start Strong program, Casa Myrna created a youth peer leader program to raise awareness about the issue and educate Boston youth on healthy relationships and dating abuse. Peer leaders are paid Casa Myrna staff, and undergo full-time training during the summer and provide education during the school year.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies which affect significant elements of the Organization's consolidated financial statements are described below to enhance the usefulness of the consolidated financial statements to the reader. The preparation of financial statements in conformity with generally accepted accounting principles 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates; however, adherence to generally accepted accounting principles has, in management's opinion, resulted in reliable and consistent financial reporting by the Organization.

Basis of Accounting:

The Organization's policy is to maintain its books and prepare its consolidated financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when a liability has been incurred.

Principles of Consolidation:

These consolidated financial statements include the accounts of CMV and certain trusts in which CMV is the sole beneficiary. These trusts hold certain land and buildings and the related liabilities. The trusts are under common control by the Board of Directors of CMV. For the years presented, there were no financial transactions within the trusts and all activities represent the activities of Casa Myrna Vazquez, Inc.

NOTE 3 *(Continued)*

Fair Value of Financial Instruments:

The Organization reports its fair value measures by using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; observable inputs other than quoted prices for the asset or liability (for example, interest rate and yield curves); and inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The primary use of fair value measures in the Organization's consolidated financial statements are:

- Initial measurement of noncash gifts, including gifts of investment assets and unconditional promises to give
- Recurring measurement of investments

There have been no changes to this valuation methodology.

Financial Statement Presentation:

As required by the *FASB Accounting Standards Codification*™, the Organization reports information regarding its consolidated financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as follows:

Net Assets Without Donor Restrictions - consists of assets, public support and program revenues which are available and used for operations and programs. Net assets without donor restrictions represents the portion of net assets of the Organization that are not restricted by donor-imposed stipulations. Contributions are considered available for use unless specifically restricted by the donor. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.

NOTE 3 *(Continued)*

Net Assets With Donor Restrictions - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, grants or bequests and may include investment income earned on restricted funds. These net assets may also include resources which have a donor-imposed restriction which stipulates that a portion of the assets are to be maintained in perpetuity, but permits the Organization to expend part or all of the income derived from the donated assets.

Accounts Receivable, Program Services:

Accounts Receivable, Program Services represents amounts which are due from government funded program service contracts and subcontracts. These amounts are considered fully collectible; consequently, these financial statements do not contain a provision for uncollectible accounts receivable from contracts. Therefore, if accounts become uncollectible, a provision will be established when that determination is made.

Gifts and Grants Receivable:

Gifts and Grants Receivable reflects the balance due on grant commitments, which does not reflect a provision for uncollectible grants receivable. If amounts are deemed uncollectible, a provision will be established when that determination is made. Receivables are classified as current if they are scheduled for payment within one year, and non-current when the expected payment date exceeds one year.

Property and Equipment:

Property, equipment, furnishing and improvement purchases in excess of $5,000 are capitalized at cost, if purchased, or if donated, at fair value at the date of receipt. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment.

Depreciation of property and equipment is computed using the straight-line method, and is charged to activities over the following estimated useful lives of the assets, as expressed in terms of years.

Asset Category	Life
Buildings	40
Building Improvements	5 - 40
Furniture and Equipment	3 - 7

The Organization reviews its investments in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amounts of the real estate to the future net undiscounted cash flow expected to be generated by the rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of the property. There were no impairment losses recognized in each of the years presented.

NOTE 3 *(Continued)*

Investments:

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Consolidated Statement of Financial Position. Net investment return/(loss) is reported in the Consolidated Statement of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Investments are classified as short or long-term depending upon the nature of the investments and the intentions of management. *Board Designated Investments* are intended for the real estate acquisition and other long-term purposes, and therefore, are presented as long-term, non-current assets. *Endowment Investments* represents net assets with donor restrictions held in perpetuity; accordingly, the investments are classified as long-term regardless of the investment liquidity.

Endowment Funds:

As required by the Commonwealth of Massachusetts, the Organization follows the guidance of the Uniform Prudent Management of Institutional Funds Acts ("UPMIFA"). UPMIFA establishes law for the management of investment of donor-restricted endowment funds.

The Organization's spending policy for endowment funds provides that up to 3% of the fair value of such investments may be released annually for purposes of general operating spending. The 3% is calculated using the average market value of the pool over the last 20 calendar quarters, or as many periods as are available, in order to help to reduce the volatility of this income stream.

Pursuant to this policy, the amount which may be released is determined during the year and funds are disbursed from the investment funds to the Organization's operating accounts. Management's interpretation of state law is that the Organization may appropriate as much of the net appreciation as is prudent considering the Organization's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. In accordance with UPMIFA, the Organization considers the following factors in making a determination of whether to invest or appropriate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

NOTE 3 *(Continued)*

Income and appreciation earned on endowment investments are classified as Net Assets With Donor Restrictions until appropriated for expenditure by the Board of Directors. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Massachusetts law requires the Organization to retain as a fund of perpetual duration. For the years presented, there were no funds of this nature. When applicable, deficiencies of this nature are reported in net assets without donor restrictions.

The Organization takes a conservative approach to investing its endowment funds, which are maintained in publicly traded mutual funds and cash equivalents.

Debt Issuance Cost:

As required by FASB ASC 835-30, *Simplifying the Presentation of Debt Issuance Costs*, debt issuance costs are presented as a reduction of the carrying amount of the debt rather than as an asset. Accordingly, costs incurred in connection with debt issuance are deferred and amortized on a straight-line basis over the life of the respective debt. These expenses are included in *Mortgage Interest* in the Consolidated Statements of Functional Expenses. Long-term debt is presented net of unamortized debt issuance costs in the accompanying Consolidated Statement of Financial Position.

Revenue Recognition:

CMV is the recipient of various federal, state and local government funded service contracts. These contracts are administered on either a cost reimbursement basis or on a unit-of-service basis; accordingly, the funding sources are billed as eligible costs are incurred or units-of-service are provided, and program service revenues along with the related receivables are recorded in the period during which the costs were incurred and the services were delivered. These service contracts and federal awards are subject to an annual renewal process and future funding is not guaranteed.

Contributions, Gifts and Grants:

As required by the *FASB Accounting Standards Codification™*, contributions are required to be recorded as receivables and revenues and the Center is required to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. Contributions may include gifts of cash, stock, collection items, or promises to give.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. 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 reported at their estimated fair value.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved when such amounts are considered material. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions depending on the nature of the restriction until the restriction expires, at which time these amounts are reclassified to net assets without donor restrictions.

NOTE 3 *(Continued)*

Donated Goods and Services:

As required by the *FASB Accounting Standards Codification™*, the Organization maintains a policy whereby the value of the donated goods and services which create or enhance nonfinancial assets; require a specialized skill; and/or which would have otherwise been purchased by the Organization are recognized as revenue and expense on the Consolidated Statements of Activities and are listed as expenses on the Consolidated Statements of Functional Expenses.

Functional Expenses:

CMV allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. For the years presented, *Salaries, Payroll Taxes,* and *Fringe Benefits* are allocated based on employee time and effort. *Rent, Utilities, Deprecation Expense, Mortgage Interest, Repairs and Maintenance,* and *Property Taxes and Insurance* are allocated based on square footage. Supporting services are those related to operating and managing Casa Myrna Vazquez, Inc. and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Administrative - includes all activities related to Casa Myrna Vazquez, Inc.'s internal management and accounting for program services.

Fund Raising - includes all activities related to maintaining contributor information, writing grant proposals, distribution of materials and other similar projects related to the procurement of funds for Casa Myrna's programs.

Tax Position:

The Organization currently evaluates all tax positions, and makes a determination regarding the likelihood of those positions being upheld under review. The primary tax position made by CMV is the existence of Unrelated Business Income Tax and the Organization's status as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

Reclassifications:

Certain amounts in the prior year have been reclassified to conform to the current year presentation in relation to the adoption of ASU 2016-14. Reclassifications made to the prior year have no impact on total net assets or changes in net assets.

Recent Accounting Guidance:

Recently Implemented Standards

In August 2016, the Financial Accounting Standards Board ("FASB") issued ASC Update No. 2016-14, (Topic 958) *Presentation of Financial Statements of Not-for-Profit Entities*, with the goal of improving not-for-profit financial statements to provide more useful information to donors, grantors, creditors, and other financial statement users.

NOTE 3 *(Continued)*

This ASU modified the current guidance over several criteria, of which the following affected the Organization's financial statements:

- The Organization's net assets are segregated into two categories, "with donor restrictions" and "without donor restrictions" as opposed to the previous requirement of three classes of net assets.
- The Organization provided qualitative and quantitative information relating to management of liquidity and the availability of financial assets to meet cash needs for general expenditures within one year of the statement of financial position date.
- The Organization provided a more in-depth explanation of the methods used to allocate costs among program and supporting functions.

In accordance with this ASU, the Organization has applied retrospective application. The ASU provides organizations with the option of presenting one year of liquidity and the availability of financial assets in the year of implementation; therefore, the Organization is not presenting a liquidity and availability disclosure for the year ended June 30, 2018.

Recently Issued Standards

In May 2014, the FASB issued ASC Update No. 2014-09, (Topic 606) *Revenue from Contracts with Customers*. This ASU is a comprehensive new revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. This updated guidance impacts not-for-profit entities that have revenue transactions other than contributions. In August 2015, the FASB deferred the effective date of ASC Update No. 2014-09 by one year when it issued ASC Update No. 2015-14, (Topic 606) *Revenue from Contracts with Customers*. This standard is effective for the Organization in consolidated financial statements issued for fiscal years beginning July 1, 2019.

In June 2018, the FASB issued ASC Update No. 2018-08, (Topic 958) *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. The ASU also provides additional guidance to help determine whether a contribution is conditional or unconditional. This standard is effective for the Organization in consolidated financial statements issued for fiscal years beginning July 1, 2019.

NOTE 4 INVESTMENTS

As of June 30, 2019 and 2018, CMV's investment portfolio consists of the following:

	June 30, 2019					
Investment Type	Cost Basis	Unrealized Gains	Unrealized Losses	Fair Value (Level 1)	Fair Value (Level 2)	Total Fair Value
Money Market Funds	$ 137,248	$ -	$ -	$ 137,248	$ -	$ 137,248
Common Stock	820,067	253,328	-	1,073,395	-	1,073,395
Corporate Bonds	320,990	1,255	-	-	322,245	322,245
Total	$1,278,305	$254,583	$ -	$1,210,643	$322,245	$1,532,888

NOTE 4 *(Continued)*

	June 30, 2018					
Investment Type	Cost Basis	Unrealized Gains	Unrealized Losses	Fair Value (Level 1)	Fair Value (Level 2)	Total Fair Value
Money Market Funds	$ 29,964	$ -	$ -	$ 29,964	$ -	$ 29,964
Common Stock	1,407,744	314,986	-	1,722,730	-	1,722,730
Corporate Bonds	312,371	13,726	-	-	326,097	326,097
Total	$1,750,079	$328,712	$ -	$1,752,694	$326,097	$2,078,791

Financial Statement Classification:

	2019	2018
Board Designated Investments	$ 966,555	$1,597,747
Endowment Investments	566,333	481,044
Total	$1,532,888	$2,078,791

Investment gains and losses consist of the following:

	2019	2018
Net Unrealized Gains (Losses) on Investments	$ (22,810)	$172,716
Net Realized Gains on Investments	115,194	22,364
Interest and Dividends	36,342	35,369
Investment Fees	(18,305)	(20,111)
Net Investment Return	$110,421	$210,338

The Organization uses the following ways to determine the fair value of its investments:

Money Market Funds: Determined by the published net asset value (“NAV”) per unit at the end of the last trading day of the year, which is the basis for transactions at that date.

Common Stock: Traded on national securities exchanges and are determined by the published closing price on the last business day of the fiscal year.

Corporate Bonds: valued at the market quotations provided by brokers and dealers who used quotations for similar securities in active markets, which represents a market approach.

NOTE 5 PROPERTY AND EQUIPMENT

The following is a summary of the Organization’s property and equipment as of June 30, 2019 and 2018:

Asset Category	Cost	Accumulated Depreciation	Net Book Value 2019
Land	$1,529,269	$ -	$1,529,269
Buildings and Improvements	5,960,156	1,373,061	4,587,095
Furniture and Equipment	38,548	38,519	29
Total	$7,527,973	$1,411,580	$6,116,393

NOTE 5 *(Continued)*

Asset Category	Cost	Accumulated Depreciation	Net Book Value 2018
Land	$ 73,233	$ -	$ 73,233
Buildings and Improvements	2,124,387	1,334,619	789,768
Furniture and Equipment	215,626	215,626	-
Total	$2,413,246	$1,550,245	$863,001

Building Acquisition:

In June 2019, Casa Myrna purchased two adjacent building in the Dorchester neighborhood of Grove Hall for $4.95M. These buildings will serve as the Organization's future headquarters. The new property consists of approximately 22,000 square feet of building space on .5 acres of land. The acquisition was primarily financed with $4.5M in loans from Cambridge Trust Company *(Note 7).*

In connection with the Casa Myrna's impending relocation to its new headquarters, the Organization disposed of fully depreciated equipment with an original cost of $192,924. The disposal of this equipment had no impact on the change in net assets for the year ended June 30, 2019.

Property Sale:

In November 2017, Casa Myrna sold its facility located at Mount Everett Street in Dorchester that previously housed the Transitional Living Program. Net proceeds from the sale of the property was $487,409. At the time of the sale, the building and related assets had a total net book value of $85,283, and the resulting gain of $402,126 is included in *Gain on Sale of Building* on the accompanying Consolidated Statements of Activities for the year ended June 30, 2018.

NOTE 6 LINES-OF-CREDIT

During the years ended June 30, 2019 and 2018, Casa Myrna had a $250,000 revolving line-of-credit with Berkshire Bank. Borrowings on the line-of-credit bore interest at the Wall Street Journal prime rate plus 0.50%, which was 6.0% and 5.5% as of June 30, 2019 and 2018, respectively. The note was collateralized by a security interest in substantially all assets of the Organization. As of June 30, 2018, the Organization had outstanding borrowings of $250,000 on the line-of-credit. The line-of-credit carried a zero balance as of June 30, 2019 and was subsequently terminated in July 2019.

In June 2019, as part of the financing arrangements related to the new building purchase, Casa Myrna obtained a line-of-credit with Cambridge Trust Company, that is due on demand, with a maximum available amount of $250,000 *(See Note 7).* Interest is calculated at the prime rate plus 0.5%, but not less than 6.0%. As of June 30, 2019, the interest rate was 6.0%, and the line-of-credit carried a zero balance.

NOTE 7 MORTGAGE DEBT

City of Boston:

Casa Myrna has an interest only note payable to the City of Boston's Department of Neighborhood Development in the amount of $202,783. Interest of 3% is payable annually through April 2022, at which time any unpaid principal and interest are due. This note is secured by a first mortgage on land and a building which houses the Teen Parenting Program, located in Dorchester, MA. The balance of the note is classified as non-current debt in the accompanying Consolidated Statements of Financial Position.

Revenue Bonds:

The Organization secured financing for a portion of its building purchase with proceeds from tax-exempt bonds in the amount of $3,250,000, which were issued by the Massachusetts Development Finance Agency and purchased by Cambridge Trust Company. These bonds were issued on June 1, 2019, and the loan was fully advanced at closing. The bond bears interest at a fixed rate of 3.6%. Beginning July 2019, the repayment for the bonds will be over a 10-year term and consists of monthly interest and principal payments of $14,868, based on a 30-year mortgage-style amortization schedule.

Mortgage Note:

In addition to the revenue bonds, the Organization secured a mortgage in the amount of $1,250,000 from Cambridge Trust Company with a fixed interest rate of 4.56% per annum. Beginning July 2019, the repayment for the note will be over a 10-year term and consists of monthly interest and principal payments of $6,194, based on a 30-year amortization schedule.

The revenue bonds and mortgage note payable to Cambridge Trust Company are guaranteed by a security interest in substantially all assets of the Organization. The Organization is subject to certain financial and non-financial covenants as detailed in the financing agreements with Cambridge Trust.

As of June 30, 2019 and 2018, the outstanding balance on the preceding debt was $4,657,783 and $202,783, respectively. The principal portion scheduled for payment in FY 2020 is $82,226 and the remaining non-current portion due in subsequent years is scheduled below:

Fiscal Year Ending	Amount
June 30, 2021	$ 85,433
June 30, 2022	291,549
June 30, 2023	92,231
June 30, 2024	95,832
Thereafter*	3,994,262
Total Long Term Debt	$4,559,307

*Net of Unamortized Debt Issuance Costs of $16,250.

NOTE 8 RESTRICTIONS AND DESIGNATIONS OF NET ASSETS

As of June 30, 2019 and 2018, net assets without donor restrictions were designated by the Board of Directors for the following projects and purposes:

Board Designation	2019	2018
Investment Funds	$966,555	$1,597,747
Program Participant Education Expenses	2,037	8,632
Total	$968,592	$1,606,379

As of June 30, 2019 and 2018, net assets with donor restrictions consisted of the following balances:

Nature of Restriction	2019	2018
Appreciation on Endowment Investments	$196,333	$151,044
Endowment Assets Restricted in Perpetuity	390,000	350,000
The EVA Center and Exit Program	306,667	-
Time Restricted, General Operations	21,500	19,000
Teen Parenting Program	20,000	10,000
SOAR Program	-	22,605
Community Outreach and Advocacy	-	10,000
Total	$934,500	$562,649

For the years presented, net assets were released from restriction for the following programs and purposes:

Nature of Restriction	2019	2018
Community Outreach and Advocacy	$144,333	$ 87,500
Legal Advocacy	57,000	57,000
SOAR Program	54,605	5,000
Teen Parenting Program	54,208	115,333
Time Restricted, General Operations	47,500	61,500
The EVA Center and Exit Program	25,122	60,434
Emergency Shelter	2,459	2,500
Office Infrastructure Upgrades	-	29,182
SafeLink Hotline	-	23,000
Total	$385,227	$441,449

NOTE 8 *(Continued)*

The composition of and changes in donor-designated endowment net assets for the years ended June 30, 2019 and 2018 were as follows:

	With Donor Restrictions		
	Original Gift Amount	Net Appreciation	Total Endowment Net Assets
Endowment Net Assets, July 1, 2017	$330,000	$117,548	$447,548
Contributions	20,000	-	20,000
Investment Return	-	33,496	33,496
Endowment Net Assets, June 30, 2018	350,000	151,044	501,044
Contributions	40,000	-	40,000
Investment Return	-	45,289	45,289
Endowment Net Assets, June 30, 2019	$390,000	$196,333	$586,333

The following table summarizes the financial statement classification of Donor-Designated Endowment Net Assets as of June 30, 2019 and 2018:

	2019	2018
Endowment Investments	$566,333	$481,044
Endowment Cash	20,000	20,000
Total	$586,333	$501,044

NOTE 9 GOVERNMENT FUNDED CONTRACTS

Commonwealth of Massachusetts - Department of Public Health ("DPH"):

For many years, Casa Myrna has contracted with the Commonwealth of Massachusetts in several purchase-of-service arrangements under domestic violence programs that provided funding for the emergency shelter, the teen residential program, the SafeLink Hotline program, and community-based service programs, which are currently administered by the DPH. The aggregate funding these from contracts amounted to $1,887,004 in FY 2019 and $1,792,071 in FY 2018. The contract for the SafeLink Hotline program is administered on a cost reimbursement basis while the residential program is administered on unit rates per bed/room nights, and the community-based contract is payable at fixed monthly rates within a tiered system based upon the level of staffing committed to the program.

NOTE 9 *(Continued)*

U.S. Department of Justice ("DOJ"):

During the years presented, Casa Myrna was the recipient of two direct federal awards through the DOJ Office on Violence Against Women. The first award was funded under the federal *Legal Assistance for Victims Grant Program* and has a three-year term expiring September 30, 2019 with total funding of $600,000. This grant support CMV's Legal Advocacy program in a collaboration with the Domestic Violence Institute at Northeastern University School of Law and Roxbury Community College. The second award is funded under the *Grant Program to Address Children and Youth Experiencing Domestic and Sexual Assault and Engage Men and Boys as Allies* and originally had a three-year term beginning in October 2015 with total funding of $450,000. In October 2018, this contract was amended to extend the term of the award through September 30, 2021 with additional funding of $750,000.

CMV receives additional DOJ funds under the Victims of Crime Act ("VOCA") under cost-reimbursement contracts through the Massachusetts Office for Victim Assistance ("MOVA"). Three VOCA funded contracts were executed through MOVA with maximum annual budgets of $1,679,011 and $1,622,592 for the years ended June 30, 2019 and 2018, respectively. The contracts significantly expanded Casa Myrna's programming capacity for legal advocacy, community-based advocacy and an exit program for survivors of commercial sexual exploitation. These contracts provided funding totaling $1,582,450 and $1,359,217, respectively, for the years ended June 30, 2019 and 2018.

Total revenue received through DOJ funded programs was $1,918,263 and $1,640,304 for the years ended June 30, 2019 and 2018, respectively.

U.S. Department of Housing and Urban Development ("HUD"):

Casa Myrna received funding from HUD through the City of Boston for Rapid Rehousing with one-year contract periods expiring on October 31, 2018 and 2019 and maximum obligations of $240,712 and $256,360, respectively. These contracts provided funding totaling $134,908 and $201,586, respectively, for the years ended June 30, 2019 and 2018.

In FY 2019 and FY 2018, additional contract funding of $35,000 per year was received under the Community Development Block Grant Program, also administered by the City of Boston, and provided funding for Casa Myrna's economic development program.

Total funds received through HUD sources amounted to $169,908 and $236,586 for the years ended June 30, 2019 and 2018, respectively.

NOTE 10 SPECIAL FUND RAISING EVENTS

A summary of the Organization's fundraising events is presented below:

	2019	2018
Community of Conscience Breakfast:		
Sponsorships and Event Proceeds*	$ 92,019	$ 75,093
Less: Direct Event Costs	(23,080)	(19,564)
Net Revenue	68,939	55,529
Other Events	-	2,116
Special Events, Net of Direct Costs	$ 68,939	$ 57,645

*For the years ended June 30, 2019 and 2018, individual donations totaling $23,650 and $38,000, respectively, given by attendees were excluded from Sponsorship and Event Proceeds and are included in *Grants and Contributions* in the accompanying Consolidated Statements of Activities.

NOTE 11 DONATED GOODS AND SERVICES

For the years presented, the Organization recognized the following in-kind contributions in the consolidated financial statements:

Description	2019	2018
Legal Services	$199,562	$ 53,085
EVA House Rent	120,000	120,000
Legal Interns	38,888	9,308
Mental Health Interns	34,913	31,031
Program Supplies	17,725	46,778
Food	10,243	7,178
Other Services	1,320	-
Total	$422,651	$267,380

In addition to the above donated goods and services, Casa Myrna received $84,470 in pro bono legal services for the year ended June 30, 2018 related to real estate matters, including the sale of its former residential facility in Dorchester *(See Note 5)*. While substantial, these services were not incurred in connection with the Organization's operating activities and therefore, are not recognized in the accompanying consolidated financial statements.

NOTE 12 RENTAL INCOME

In June 2019, the Organization purchased two adjacent buildings for its future headquarters *(See Note 5)* which had existing commercial leases with various terms through May 2023. As of June 30, 2019, the aggregate minimum rental payments due under non-cancelable commercial leases are scheduled below.

Fiscal Year Ending	Amount
June 30, 2020	$204,991
June 30, 2021	60,341
June 30, 2022	60,341
June 30, 2023	53,553
Total	$379,226

NOTE 13 OPERATING LEASES

Facility:

The Organization leased space for its programs and administrative office under an operating lease agreement that ended on July 15, 2019. During the years presented, the monthly payment was approximately $17,000. The facility lease required the Organization to maintain certain insurance coverage and pay for its proportionate share of real estate taxes. A security deposit of $10,000 was paid in connection with the lease and is included in *Security Deposit* in the accompanying Consolidated Statements of Financial Position.

In June 2019, the Organization signed a one year operating lease for temporary program and administrative office space which began on June 15, 2019 with a base annual rent of $60,000, payable in monthly installments of $5,000.

Equipment:

The Organization leases certain office equipment under operating leases that expire at various dates through April 2022. Total equipment lease expense was $30,884 and $27,790 for the years ended June 30, 2019 and 2018, respectively, and is included in *Small Equipment and Equipment Rental* in the accompanying Consolidated Statements of Functional Expenses.

Future minimum lease payments for the remainder of the lease terms are as follows:

Fiscal Year Ending	Facility	Equipment	Total Lease Obligation
June 30, 2020	$66,071	$10,427	$76,498
June 30, 2021	-	2,899	2,899
June 30, 2022	-	1,419	1,419
Total	$66,071	$14,745	$80,816

NOTE 14 EMPLOYEE BENEFIT PLAN

Casa Myrna Vazquez, Inc. maintains a 403(b) retirement savings plan covering all eligible employees. The plan allows eligible employees of the Organization to defer a percentage of their earnings from current taxation by investing in mutual funds. For the years ended June 30, 2019 and 2018, the Board of Directors authorized a match of 50%, up to 4% of eligible compensation; therefore, an expense of $33,396 and $25,543, respectively, was recognized and reported as *Fringe Benefits* in the accompanying Consolidated Statements of Functional Expenses.

NOTE 15 CONCENTRATIONS

Cash and Investments:

The Organization is subject to concentrations in credit risk relating to cash and investments. For each of the years presented, the Organization's cash deposits are held primarily in one bank. Cash balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per institution. While cash balances may periodically exceed FDIC coverage, the Organization has not experienced any losses on uninsured cash balances, and Management considers credit risk on cash to be low. There were no cash balances in excess of FDIC coverage as of June 30, 2019 and 2018.

The Organization invests in professionally managed money market funds, bonds, and mutual funds. The Organization's investments are exposed to various risks, such as fluctuations in market value, and credit risk. Thus, it is at least reasonably possible that changes in the near term could materially affect investment balances. The brokerage service is a member of the Securities Investor Protection Corporation ("SIPC") which protects securities customers of its members up to $500,000, including $250,000 for claims of cash. The Organization's investment performance is reviewed by the Board of Directors on a periodic basis.

Contract Revenue and Accounts Receivable, Program Services:

Approximately 27% and 26% of total support and revenues and 54% and 77% of accounts receivable from program services are related to VOCA funded contracts through MOVA as of and for the years ended June 30, 2019 and 2018, respectively.

Approximately 32% of total support and revenues are related to contracts with the Commonwealth of Massachusetts DPH in each of the years ended June 30, 2019 and 2018.

Approximately 26% of accounts receivable from program services are related to the OVW funded contracts through the DOJ for the year ended June 30, 2019.

These contracts are subject to possible audit by the appropriate government agencies. In the opinion of Management, the results of such audits, if any, will not have a material effect on the consolidated financial position of CMV as of June 30, 2019 and 2018, or on its change in net assets for the years then ended.

Gifts and Grants Receivable:

As of June 30, 2019 and 2018, amounts due from one and three funders accounted for 85% and 92% of *Gifts and Grants Receivable*, respectively.

NOTE 15 *(Continued)*

Approximately 26% of *Grants and Contributions* revenue is from one funder for the year ended June 30, 2019.

NOTE 16 CONTINGENCIES

Surplus Revenue Retention:

The Commonwealth of Massachusetts Operational Services Division's ("OSD") regulation, 808 CMR 1.19(3), *Not-for-Profit Surplus Revenue Retention*, allows social service providers to retain a surplus up to twenty percent of total revenues attributable to or generated by Commonwealth agreements for the provision of social services to clients of the Commonwealth and to use such surplus revenue for charitable purposes of the Organization. Amounts that exceed the threshold may be subject to recoupment by the Commonwealth. Management concludes that Casa Myrna is in compliance with the OSD requirements.

Legal Matters:

In the ordinary course of the Organization's business, the Organization is from time-to-time involved in lawsuits. The Organization denies any wrong doing in these cases and is taking the appropriate legal steps in defense of these disputes. It is the Organization's position that any potential settlement would not be material to the accompanying consolidated financial statements.

NOTE 17 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of June 30, 2019, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or because the governing board has set aside the funds for a specific contingency reserve, capital investment or other long-term investments or when restricted by donors for purposes more limited than general expenditures.

Financial Assets:	
Cash	$ 159,508
Investments	1,532,888
Accounts Receivable, Program Services	941,269
Gifts and Grants Receivable	236,313
Total Financial Assets	2,869,978
Less: Amounts Not Available to be Used Within One Year:	
Board Designated Funds, Net of Estimated Appropriation	(908,592)
Endowment Assets	(586,333)
Gifts and Grants Receivable, Non-Current	(100,000)
Financial Assets Available to Meet General Expenditures Within One Year	$1,275,053

NOTE 17 *(Continued)*

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Organization is subject to certain liquidity covenants as part of the financing agreements with Cambridge Trust Company (*Note 7*). To help manage unanticipated liquidity needs, the Organization has a committed line of credit of $250,000, which it could draw upon. See Note 6 for information about the Organization's line-of-credit. Additionally, the Organization has Board-Designated funds that, while the Organization does not intend to spend these for general operating purposes within the next year, these amounts could be made available for current operations, if necessary.

For purposes of analyzing resources available to meet general expenditures over a twelve-month period, the Organization considers all expenditures related to its ongoing activities of operating programs as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 18 SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the consolidated financial statements. Therefore, Management has evaluated subsequent events through December 10, 2019, the date which the consolidated financial statements were available for issue and noted no events which met the disclosure criteria.

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2019

Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the consolidated financial statements of Casa Myrna Vazquez, Inc. and Affiliates.

2. One material weakness relating to the audit of the financial statements, identified as #2018-001, is reported in the *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*. No significant deficiencies are reported.

3. No instances of noncompliance material to the consolidated financial statements of Casa Myrna Vazquez, Inc. and Affiliates, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. No significant deficiencies relating to the audit of the major federal award program are reported in the *Independent Auditors' Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance.*

5. The auditor's report on compliance for the major federal program for Casa Myrna Vazquez, Inc. and Affiliates expresses an unmodified opinion.

6. Audit findings that are required to be reported in accordance with Section 2 CFR Section 200.516 are reported in this Schedule.

7. The program tested as a major program was:

    - U.S. Department of Justice - Victims of Crime Act (CFDA# 16.575)

8. The threshold used for determining Type A programs was $750,000

9. Casa Myrna Vazquez, Inc. and Affiliates did not qualify as a low-risk auditee.

Findings - Financial Statement Audit

See Schedule of Findings #2018-001

Findings and Questioned Costs - Major Federal Award Program Audit

None

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2019

Financial Statement Findings

Finding #2018-001: Formal Month-End and Year-End Closing Process

Condition:

The finding was a material weakness in internal controls over financial reporting stating that Organization did not have a structured and documented financial closing process which resulted in inefficiencies in the audit process and errors detected by the audit process that were material to the financial statements.

Recommendation:

We recommended that Casa Myrna design, document and implement a formal month-end and year-end closing checklist with defined procedures, roles and evidence of supervisory review with supervisor sign-offs for completion and review of specific tasks. We further recommended that this process should be conducted in a timely manner and prior to processing contract billings, particularly those which are based upon reimbursement of eligible costs.

Current Status:

Following the completion of the FY 2018 audit engagement, in December 2018, CMV established a protocol for documented weekly and monthly closing procedures. While efforts were made to strengthen the financial statement closing process, the new procedures were not fully implemented within FY 2019. As a result, revenue recognition errors that were material to the financial statements were not detected and corrected by management in the course of performing their routine closing process, and were corrected through the audit process. The overstated revenue and corresponding receivables were limited to restricted grants from foundations and donors, and did not involve government funding.

Smith Sullivan & Brown PC
CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 200 Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To The Board of Directors
Casa Myrna Vazquez, Inc.
and Affiliates
Boston, Massachusetts

We have audited, 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, the consolidated financial statements of Casa Myrna Vazquez, Inc. (a Massachusetts nonprofit organization) and Affiliates which comprise the consolidated statements of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 10, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Casa Myrna Vazquez, Inc. and Affiliates' 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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Casa Myrna Vazquez, Inc. and Affiliates' 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 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. 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 by governance.

Our consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify one deficiency in internal control, described in the accompanying Schedule of Findings as item #2018-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Casa Myrna Vazquez, Inc. and Affiliates' consolidated 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*.

To The Board of Directors
Casa Myrna Vazquez, Inc.
and Affiliates
Page Two

Management's Response to the Finding

Casa Myrna Vazquez, Inc. and Affiliates' response to the finding identified in our audit is described in the accompanying Schedule of Findings. Casa Myrna Vazquez, Inc. and Affiliates' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Smith, Sullivan & Brown, P.C.

Westborough, Massachusetts
December 10, 2019

Smith Sullivan & Brown PC
CERTIFIED PUBLIC ACCOUNTANTS

80 Flanders Road, Suite 200 Westborough, Massachusetts 01581
Tel: 508.871.7178 Fax: 508.871.7179 www.ssbcpa.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Casa Myrna Vazquez, Inc.
and Affiliates
Boston, Massachusetts

Report on Compliance for the Major Federal Program

We have audited Casa Myrna Vazquez, Inc. and Affiliates compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Casa Myrna Vazquez, Inc. and Affiliates' major federal program for the year ended June 30, 2019. Casa Myrna Vazquez, Inc. and Affiliates' major federal program is 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 program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for Casa Myrna Vazquez, Inc. and Affiliates' major federal program 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Casa Myrna Vazquez, Inc. and Affiliates' 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 the major federal program. However, our audit does not provide a legal determination of Casa Myrna Vazquez, Inc. and Affiliates' compliance.

Opinion on the Major Federal Program

In our opinion, Casa Myrna Vazquez, Inc. and Affiliates complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of Casa Myrna Vazquez, Inc. and Affiliates 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 Casa Myrna Vazquez, Inc. and Affiliates' internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Casa Myrna Vazquez, Inc. and Affiliates' internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph 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 the internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

This 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Smith, Sullivan & Brown, PC.

Westborough, Massachusetts
December 10, 2019

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

FEDERAL GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL C.F.D.A NUMBER	PASS-THROUGH GRANTOR'S ID NUMBER	FEDERAL EXPENDITURES	SUB- RECIPIENTS
U.S. Department of Housing and Urban Development				
Continuum of Care				
Passed Through:				
City of Boston, Department of Neighborhood Development	14.267	44421-18; 47098-19	$ 134,908	$ -
Community Development Block Grants				
Passed Through:				
Economic Development and Industrial Corporation	14.218	47302	35,000	-
Total U.S. Department of Housing and Urban Development			169,908	-
U.S. Department of Justice				
Direct Federal Grants:				
Office on Violence Against Women				
Legal Assistance for Victims Grant Program	16.524	2016-WL-AX-0017	186,432	91,170
Grant Program to Address Children and Youth Experiencing Domestic and Sexual Assault	16.888	2015-CY-AX-0005	149,381	4,274
Victims of Crime Act				
Passed Through:				
Massachusetts Office for Victim Assistance	16.575	VOCA2019CASAEXIT	610,481	-
	16.575	VOCA2019CASALAP	572,378	-
	16.575	VOCA2019CASACOMA	399,590	-
Total U.S. Department of Justice			1,918,262	95,444
U.S. Department of Health and Human Services				
Demonstration Grants for Domestic Victims of Human Trafficking				
Passed Through:				
Justice Resource Institute, Inc.	93.327	90TV0012-01-00	93,064	-
Total U.S. Department of Health and Human Services			93,064	-
U.S. Department of Agriculture				
Emergency Food and Assistance Program				
Passed Through:				
Greater Boston Food Bank	10.569	N/A	1,300	-
TOTAL FEDERAL EXPENDITURES			**$ 2,182,534**	**$ 95,444**

CASA MYRNA VAZQUEZ, INC. AND AFFILIATES

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

JUNE 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting:

The Organization's policy is to maintain its books and prepare its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when a liability has been incurred. The accompanying Schedule of Expenditures of Federal Awards was prepared on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Revenue Recognition:

All federal awards were administered through either cost-reimbursement program service contracts on a reimbursable basis or upon deliverable units of service; accordingly, such funding represented program service revenue and was recognized as unrestricted revenue and contract reimbursements due as eligible costs were incurred and eligible services were provided.

Indirect Cost Rate:

For the year ended June 30, 2019, the Organization was not eligible to elect to apply the 10% de minimis indirect cost rate provisions to its awards.

Financial Statement Presentation:

As required by the FASB Accounting Standards Codification™, the Organizations report information regarding their combined financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. These classifications are related to the existence or absence of donor-imposed restrictions as follows:

> *Net Assets Without Donor Restrictions* - consists of assets, public support and program revenues which are available and used for operations and programs. Net assets without donor restrictions represents the portion of net assets of the Organization that are not restricted by donor-imposed stipulations. Contributions are considered available for use unless specifically restricted by the donor. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.
>
> *Net Assets With Donor Restrictions* - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, grants or bequests and may include investment income earned on restricted funds. These net assets may also include resources which have a donor-imposed restriction which stipulates that a portion of the assets are to be maintained in perpetuity, but permits the Organization to expend part or all of the income derived from the donated assets.

All federal financial assistance has been classified as unrestricted net assets in accordance with the above definitions.

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Casa Myrna Vazquez, Inc. under programs of the federal government for the year ending June 30, 2019. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the activities of Casa Myrna Vazquez, Inc. and Affiliates, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Casa Myrna Vazquez, Inc. and Affiliates.