

**CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.**

**FINANCIAL STATEMENTS**

*with*

**INDEPENDENT AUDITORS' REPORT**

**YEARS ENDED JULY 31, 2024 AND 2023**

Smith  Sullivan  
& Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

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**CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.**

**REPORT ON FINANCIAL STATEMENTS**

**YEARS ENDED JULY 31, 2024 AND 2023**



**CHILDREN'S ADVOCACY CENTER**  
*of suffolk county*

**Mission Statement**

*The Children's Advocacy Center of Suffolk County (CAC) unites public, private and community partners to ensure safety, healing and justice for children and families impacted by violence, exploitation and abuse.*

CHILDREN’S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

REPORT ON FINANCIAL STATEMENTS

YEARS ENDED JULY 31, 2024 AND 2023

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# Smith Sullivan & Brown PC

CERTIFIED PUBLIC ACCOUNTANTS

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Children's Advocacy Center of Suffolk County, Inc.  
Boston, Massachusetts

### **Opinion**

We have audited the accompanying financial statements of Children's Advocacy Center of Suffolk County, Inc. (a Massachusetts nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Children's Advocacy Center of Suffolk County, Inc. as of June 30, 2024 and 2023, 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Children's Advocacy Center of Suffolk County, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Children's Advocacy Center of Suffolk County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

To the Board of Directors  
Children's Advocacy Center of Suffolk County, Inc.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Children's Advocacy Center of Suffolk County, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Children's Advocacy Center of Suffolk County, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

*Smith, Sullivan & Brown, PC*

Westborough, Massachusetts  
February 7, 2025

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

STATEMENTS OF FINANCIAL POSITION  
AS OF JULY 31, 2024 AND 2023

**ASSETS**

	<u>2024</u>	<u>2023</u>
<b><u>CURRENT ASSETS:</u></b>		
Cash	\$ 3,431,054	\$ 3,052,404
Grants and Contributions Receivable	132,971	142,585
Prepaid Expenses	65,024	52,487
Total Current Assets	<u>3,629,049</u>	<u>3,247,476</u>
 <b><u>PROPERTY AND EQUIPMENT, NET</u></b>	 <u>45,585</u>	 <u>62,700</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>\$ 3,674,634</u></u>	 <u><u>\$ 3,310,176</u></u>

**LIABILITIES AND NET ASSETS**

<b><u>CURRENT LIABILITIES:</u></b>		
Accounts Payable and Accrued Expenses	\$ 26,542	\$ 15,638
Accrued Payroll and Related Costs	80,980	55,353
Total Current Liabilities	<u>107,522</u>	<u>70,991</u>
 <b><u>NET ASSETS:</u></b>		
Net Assets Without Donor Restrictions	3,374,485	3,039,819
Net Assets With Donor Restrictions	192,627	199,366
Total Net Assets	<u>3,567,112</u>	<u>3,239,185</u>
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>\$ 3,674,634</u></u>	 <u><u>\$ 3,310,176</u></u>

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JULY 31, 2024 AND 2023

	2024			2023		
	<u>WITHOUT</u>	<u>WITH</u>	<u>TOTAL</u>	<u>WITHOUT</u>	<u>WITH</u>	<u>TOTAL</u>
	<u>DONOR</u>	<u>DONOR</u>	<u>ACTIVITIES</u>	<u>DONOR</u>	<u>DONOR</u>	<u>ACTIVITIES</u>
	<u>RESTRICTIONS</u>	<u>RESTRICTIONS</u>		<u>RESTRICTIONS</u>	<u>RESTRICTIONS</u>	
<b><u>SUPPORT, REVENUES AND RECLASSIFICATIONS:</u></b>						
<i>Support and Revenues:</i>						
Gifts, Grants and Contributions	\$ 198,150	\$ 249,000	\$ 447,150	\$ 100,554	\$ 239,000	\$ 339,554
Government Grants and Sub-Contracts	1,192,640	-	1,192,640	1,182,195	-	1,182,195
Donated Goods, Services and Facilities	702,312	-	702,312	727,935	-	727,935
Proceeds from Fund Raising Events	752,190	-	752,190	601,984	-	601,984
Less: Cost of Direct Benefits to Donors	(101,351)	-	(101,351)	(71,083)	-	(71,083)
Interest Income	490	-	490	488	-	488
<i>Reclassification of Net Assets:</i>						
Net Assets Released from Restriction	255,739	(255,739)	-	218,009	(218,009)	-
<b><u>TOTAL SUPPORT, REVENUES AND RECLASSIFICATIONS</u></b>	<b><u>3,000,170</u></b>	<b><u>(6,739)</u></b>	<b><u>2,993,431</u></b>	<b><u>2,760,082</u></b>	<b><u>20,991</u></b>	<b><u>2,781,073</u></b>
<b><u>EXPENSES:</u></b>						
Program Services	1,872,509	-	1,872,509	1,852,863	-	1,852,863
Administrative	531,092	-	531,092	327,823	-	327,823
Fund Raising	261,903	-	261,903	256,399	-	256,399
<b><u>TOTAL EXPENSES</u></b>	<b><u>2,665,504</u></b>	<b><u>-</u></b>	<b><u>2,665,504</u></b>	<b><u>2,437,085</u></b>	<b><u>-</u></b>	<b><u>2,437,085</u></b>
<b><u>CHANGE IN NET ASSETS</u></b>	<b><u>334,666</u></b>	<b><u>(6,739)</u></b>	<b><u>327,927</u></b>	<b><u>322,997</u></b>	<b><u>20,991</u></b>	<b><u>343,988</u></b>
<b><u>NET ASSETS - BEGINNING OF YEAR</u></b>	<b><u>3,039,819</u></b>	<b><u>199,366</u></b>	<b><u>3,239,185</u></b>	<b><u>2,716,822</u></b>	<b><u>178,375</u></b>	<b><u>2,895,197</u></b>
<b><u>NET ASSETS - END OF YEAR</u></b>	<b><u>\$ 3,374,485</u></b>	<b><u>\$ 192,627</u></b>	<b><u>\$ 3,567,112</u></b>	<b><u>\$ 3,039,819</u></b>	<b><u>\$ 199,366</u></b>	<b><u>\$ 3,239,185</u></b>

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2024

*(With Summarized Comparative Totals for 2023)*

	<u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND-</u> <u>RAISING</u>	<u>COST OF</u> <u>DIRECT</u> <u>DONOR</u> <u>BENEFITS</u>	<u>TOTAL</u> <u>FUNCTIONAL EXPENSES</u>	
					<u>2024</u>	<u>2023</u>
Salaries and Wages	\$ 1,238,959	\$ 251,980	\$ 182,138	\$ -	\$ 1,673,077	\$ 1,489,020
Payroll Taxes and Benefits	352,850	46,780	33,464	-	433,094	374,739
Consultants and Professional Fees	45,955	171,888	6,564	-	224,407	243,645
Depreciation Expense	17,115	-	-	-	17,115	19,380
Dues and Fees	1,039	1,112	75	-	2,226	1,236
Education and Training	6,421	-	-	-	6,421	13,289
Electronic Payment Fees	-	12,969	2,555	-	15,524	10,775
Events	3,362	-	1,466	101,351	106,179	87,921
Insurance	-	10,142	-	-	10,142	9,846
Marketing	6,356	-	141	-	6,497	4,108
Office Supplies	11,404	7,077	666	-	19,147	23,489
Rent	96,687	11,375	5,688	-	113,750	113,750
Telephone and Internet	64,096	14,886	26,122	-	105,104	81,644
Travel and Entertainment	19,997	1,910	2,538	-	24,445	25,599
Utilities	8,268	973	486	-	9,727	9,727
<b>Total Functional Expenses</b>	<b>1,872,509</b>	<b>531,092</b>	<b>261,903</b>	<b>101,351</b>	<b>2,766,855</b>	<b>2,508,168</b>
Cost of Direct Benefits to Donors	-	-	-	(101,351)	(101,351)	(71,083)
<b>Total Expenses Per Statement of Activities</b>	<b>\$ 1,872,509</b>	<b>\$ 531,092</b>	<b>\$ 261,903</b>	<b>\$ -</b>	<b>\$ 2,665,504</b>	<b>\$ 2,437,085</b>



CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2023

	<u>PROGRAM</u> <u>SERVICES</u>	<u>ADMINI-</u> <u>STRATIVE</u>	<u>FUND-</u> <u>RAISING</u>	<u>COST OF</u> <u>DIRECT</u> <u>DONOR</u> <u>BENEFITS</u>	<u>TOTAL</u> <u>FUNCTIONAL</u> <u>EXPENSES</u>
Salaries and Wages	\$ 1,195,706	\$ 130,530	\$ 162,784	\$ -	\$ 1,489,020
Payroll Taxes and Benefits	319,829	19,929	34,981	-	374,739
Consultants and Professional Fees	98,971	144,674	-	-	243,645
Depreciation Expense	19,380	-	-	-	19,380
Dues and Fees	1,100	59	77	-	1,236
Education and Training	12,399	890	-	-	13,289
Electronic Payment Fees	670	997	9,108	-	10,775
Events	-	-	16,838	71,083	87,921
Insurance	2,051	7,795	-	-	9,846
Marketing	2,500	1,177	431	-	4,108
Office Supplies	6,887	976	406	-	8,269
Rent	111,907	11,375	5,688	-	128,970
Telephone and Internet	51,730	8,188	21,726	-	81,644
Travel and Entertainment	21,465	260	3,874	-	25,599
Utilities	8,268	973	486	-	9,727
<b>Total Functional Expenses</b>	<b>1,852,863</b>	<b>327,823</b>	<b>256,399</b>	<b>71,083</b>	<b>2,508,168</b>
Cost of Direct Benefits to Donors	-	-	-	(71,083)	(71,083)
<b>Total Expenses Per Statement</b>	<b>\$ 1,852,863</b>	<b>\$ 327,823</b>	<b>\$ 256,399</b>	<b>\$ -</b>	<b>\$ 2,437,085</b>

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JULY 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in Net Assets	<u>\$ 327,927</u>	<u>\$ 343,988</u>
<i>Adjustments to Reconcile the Above to Net Cash Provided by Operating Activities:</i>		
Depreciation Expense	17,115	19,380
<i>(Increase) Decrease in Current Assets:</i>		
Grants and Contributions Receivable	9,614	46,119
Prepaid Expenses	(12,537)	(26,483)
<i>Increase (Decrease) in Current Liabilities:</i>		
Account Payable and Accrued Expenses	10,904	4,774
Accrued Payroll and Related Costs	<u>25,627</u>	<u>18,001</u>
Net Adjustment	<u>50,723</u>	<u>61,791</u>
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>	<b><u>378,650</u></b>	<b><u>405,779</u></b>
<b><u>NET INCREASE IN CASH BALANCES</u></b>	<b><u>378,650</u></b>	<b><u>405,779</u></b>
<b><u>CASH BALANCES - BEGINNING OF YEAR</u></b>	<b><u>3,052,404</u></b>	<b><u>2,646,625</u></b>
<b><u>CASH BALANCES - END OF YEAR</u></b>	<b><u>\$ 3,431,054</u></b>	<b><u>\$ 3,052,404</u></b>

CHILDREN’S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

NOTE 1      ORGANIZATION

Children’s Advocacy Center of Suffolk County, Inc. (“CAC” or the “Organization”) is a Massachusetts nonprofit corporation formed in 1994 and qualifies as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the IRC Internal Revenue Code (“IRC”). The Organization has been classified as an organization which is not a private foundation under Section 509(a); accordingly, contributions made to this Organization qualify for the maximum charitable deduction for federal income tax purposes.

NOTE 2      PROGRAM SERVICES AND AFFILIATIONS

The Children’s Advocacy Center of Suffolk County (CAC) unites public, private and community partners to promote safety, healing and justice for children exposed to violence and their families. Each year in Suffolk County, more than 1,600 young victims of sexual abuse, physical abuse and commercial sexual exploitation are referred to the CAC for support and assistance. The only program of its kind in Suffolk County, the CAC coordinates the efforts of child protection, law enforcement, prosecutors, advocates, medical experts and trauma clinicians under one roof to provide high quality, specialized services for abused children and their families. The CAC’s child-friendly, trauma-informed program is based in Boston, co-located with partner agencies. The CAC is a fully accredited member of the National Children’s Alliance.

The CAC’s team of compassionate experts works together with partners to focus on what matters most: safety and healing.

**Multi-Disciplinary Teams:**

The Multi-Disciplinary Team (“MDT”) is the heart of the CAC’s response to allegations of child abuse. The goal of the MDT is to quickly respond to concerns of child abuse and to determine the best response for the child and family.

**Forensic Interviewing:**

Forensic Interviews provide children a safe place to tell their story to experts who will listen to them, protect them, and help them heal. The electronically-recorded interview typically involves a child speaking with a Forensic Interviewer while team members observe the interview through a one-way mirror.

**Mental Health Program:**

The CAC’s mental health program provides advocacy, support, and evidence-based trauma services to child victims of abuse and their caregivers. To further support children and families, the team includes a Family Resource Specialist and Family Advocates. The Family Resource Specialist provides assistance in accessing needed housing, employment, financial, food and other essential resources. The Family Advocates offer education, assessments, support, advocacy and referrals for necessary services. This support is needed more than ever.

**Medical Services:**

The Children’s Advocacy Center of Suffolk County, provides specialized and trauma-informed medical care for children who have experienced abuse or exploitation. Medical services are provided by a Pediatric Sexual Assault Nurse Examiner (pedi-SANE) at no cost to children and families.

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

*(Continued)*

NOTE 2 *(Continued)*

**SEEN/Child Trafficking Response:**

The Support to End Exploitation Now program ("SEEN" Program) at the CAC provides expert case coordination and training to create a safety net for high risk and exploited youth.

**Outreach and Training:**

The CAC's Outreach & Training program provides education and resources to professionals, community members and youth. Demand for training has increased dramatically with growing demand for training regarding online safety and supporting youth who are impacted by online exploitation. The CAC training team includes a Training Program Manager and Community Outreach Coordinator to help meet this demand.

**Data & Evaluation:**

The CAC hired its first Data Analyst in 2022 to enhance the CAC's data collection, evaluation and case tracking with the goals of ensuring high quality service delivery and conducting program evaluation to better measure impact.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting:**

The financial statements of the Children's Advocacy Center of Suffolk County, Inc. have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles ("GAAP") and accordingly, reflect all significant receivables, payables and other liabilities.

**Estimates:**

The preparation of financial statements in conformity with GAAP 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 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.

**Financial Statement Presentation:**

The Organization reports information regarding its 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 defined below.

*Net Assets Without Donor Restrictions* - Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. In addition, net assets within this classification include funds which represent resources designated by the Board of Directors for specific purposes.

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

*Net Assets With Donor Restrictions* - Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity. For the years presented, the Organization has no net assets that are required to be maintained in perpetuity. The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

**Receivables:**

*Grants and Contributions Receivable* amounts which are primarily due from government agencies, and subcontracted government grants. The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give with expected payment dates that extend beyond one year are discounted to their present value when such amounts are considered material. Management determines the allowance for uncollectible amounts based on historical experience and a review of subsequent collections. Management believes that these amounts are fully collectible, and therefore, no allowance for doubtful amounts has been established. For the years presented, CAC reported no losses from uncollectible receivables.

**Property and Equipment:**

CAC records all property and equipment at cost, if purchased (exceeding \$5,000), or if donated, at the fair value on 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 is computed using the straight-line method and is charged against activities over the estimated useful lives of the assets, as expressed in terms of years, or over the lease term, if shorter.

**Revenue Recognition:**

*Gifts, Grants and Contributions:* The Organization is the beneficiary of contributions in the form of grants from other organizations, governmental agencies, donations of cash and financial assets from individuals and contributions of nonfinancial assets. Contributions, including promises to give, without donor conditions are recognized as revenue at their estimated fair value at the date of donation and classified as either with or without donor restrictions depending on the donor's stipulations or lack thereof. Unconditional, multi-year commitments are recognized in the year during which the initial commitment is made at the amount that the Organization reasonably expects to collect. 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 until the restrictions are met, at which time the net assets are reclassified to net assets without donor restrictions.

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

Conditional donations are those that have a measurable performance or other barrier and include a right of return of the assets or right of release of the donor from further obligation if the conditions are not met. Conditional donations are not recognized until the associated barriers are met. Any cash received before the conditions or barriers are met is reported as a refundable grant advance. When the conditions are met the revenue is reported as contributions without donor restrictions unless there are further restrictions over and above those associated with the donor conditions. In such cases, when the conditions and restrictions are met within the same reporting period, the support is recognized as contributions or grants without donor restrictions.

*Government Grants and Sub-Contracts:* CAC receives government funding to provide training, technical, and organizational assistance to public, private and community partners to promote safety, healing and justice for children exposed to violence and their families. A portion of the Organization's revenue is derived from cost-reimbursable grants and sub-contracts, which are conditional upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization invoices the grantors after such expenses have been incurred and does not receive payment in advance of service delivery; accordingly, there is no obligation for conditional grant advances arising from these agreements in the accompanying financial statements. (See Note 6)

*Special Events Revenue:* Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. CAC recognizes the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

*Donations of Nonfinancial Assets:* Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization (See Note 8). CAC relies heavily upon volunteer involvement in direct service, outreach and administrative capacities. The Organization does not sell donated gifts-in-kind.

**Functional Expenses:**

The Organization allocates its expenses on a functional basis among various programs and support services. In the accompanying Statements of Functional Expenses, *Salaries and Wages, Payroll Taxes and Benefits, Rent and Telephone and Internet* are allocated based on estimates of time and effort. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

*Administrative* - includes all activities related to CAC's internal management and accounting for program services.

*Fund Raising* - includes all activities related to maintaining contributor information, writing grant proposals, direct mail solicitation, distribution of materials and other similar projects related to the procurement of funds.

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

(Continued)

NOTE 3 (Continued)

*Cost of Direct Donor Benefits* - includes direct costs of special fundraising events and is presented as an offset to *Proceeds from Fund Raising Events* in the accompanying Statements of Activities.

**Reclassifications:**

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on results previously reported.

NOTE 4 PROPERTY AND EQUIPMENT

The following is a summary of the Organization's property and equipment as of July 31, 2024 and 2023:

<u>Asset Category</u>	<u>Est. Life</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value 2024</u>
Equipment	5 - 7	\$ 79,490	\$59,732	\$19,758
Leasehold Improvements	39	<u>47,463</u>	<u>21,636</u>	<u>25,827</u>
Total		<u>\$126,953</u>	<u>\$81,368</u>	<u>\$45,585</u>

  

<u>Asset Category</u>	<u>Est. Life</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value 2023</u>
Equipment	5 - 7	\$202,335	\$166,679	\$35,656
Leasehold Improvements	39	<u>47,463</u>	<u>20,419</u>	<u>27,044</u>
Total		<u>\$249,798</u>	<u>\$187,098</u>	<u>\$62,700</u>

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consists of unexpended donor designated grants and contributions with the following restrictions as of July 31, 2024 and 2023:

<u>Nature of Restriction</u>	<u>2024</u>	<u>2023</u>
Mental Health & Family Advocacy Program	\$168,417	\$110,003
SEEN Program	13,083	53,651
Outreach	11,127	33,858
Other Purpose Restrictions	-	<u>1,854</u>
Total	<u>\$192,627</u>	<u>\$199,366</u>

Net assets released from restrictions by incurring expenses which satisfied the restricted purposes or by occurrence of events specified by the donors were as follows:

<u>Nature of Restriction</u>	<u>2024</u>	<u>2023</u>
Mental Health & Family Advocacy Program	\$110,586	\$115,733
SEEN Program	90,567	62,519
Forensic Interview Equipment	52,730	33,682
Outreach	<u>1,856</u>	<u>6,075</u>
Total	<u>\$255,739</u>	<u>\$218,009</u>

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

(Continued)

NOTE 6      CONDITIONAL GRANT AGREEMENTS

**Government Agencies:**

A significant portion of CAC's revenue is derived from cost reimbursement contracts and sub-contracts through the Victims of Crime Act ("VOCA"), Massachusetts Office of Victim Assistance ("MOVA"), Department of Health and Human Services Administration for Children and Families ("DHS") and an earmark grant from the Department of Children and Families ("DCF"). These contracts are conditional upon certain performance requirements and the incurrence of allowable qualifying expenses. Grants administered by MOVA also require a non-federal match as a condition to funding. As of July 31, 2024, funding of \$1.1M was awarded to CAC, which is conditional upon the incurrence of qualifying expenditures.

**Cummings Foundation:**

During FY 2020, CAC received a \$25,000 grant from the Cummings Foundation (the "Foundation") through the Cummings \$20 Million Grant Program which provides for up to five annual renewals, conditional upon the sole discretion of the Foundation. CAC received its fourth and fifth year of funding during FY 2023 and FY 2024, respectively, which was the final year of funding under this award agreement.

NOTE 7      SPECIAL FUNDRAISING EVENTS

The Organization held special fundraising events during each of the years presented.

<u>Description</u>	<u>2024</u>	<u>2023</u>
Sponsorships and Ticket Sales	\$ 666,610	\$601,984
Donated Goods Sold at Auction	<u>85,580</u>	<u>-</u>
Proceeds from Fundraising Events	752,190	601,984
Less: Cost of Direct Benefits to Donors	<u>(101,351)</u>	<u>(71,083)</u>
Net Fundraising Event Revenue	<u>\$ 650,839</u>	<u>\$530,901</u>

NOTE 8      DONATED GOODS, SERVICES AND FACILITIES

The following donated goods, services and facilities have been recognized as revenues with offsetting expenses in the accompanying financial statements:

<u>Description</u>	<u>2024</u>	<u>2023</u>
Donated Salaries and Wages	\$372,948	\$383,872
Donated Payroll Taxes and Benefits	170,657	161,836
Donated Facilities	123,477	123,477
Donated Consulting Services	24,700	48,000
Donated Goods	<u>10,530</u>	<u>10,750</u>
Total	<u>\$702,312</u>	<u>\$727,935</u>

Salaries and related costs are donated to CAC by the Suffolk County District Attorney's Office and the Department of Public Health on an annual basis. Salaries, payroll taxes, and benefits are valued at the pay rate CAC compensates staff for comparable services and benchmarked against similar organizations.



CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

(Continued)

NOTE 8 (Continued)

During the years ended July 31, 2024 and 2023, the Organization occupied portions of the City of Boston's Family Justice Center on a rent-free basis under an informal agreement. The estimated fair value of this donated rent, including certain utilities, was \$123,477 for each of the years presented, and valued at the cost for comparable leased properties in the Boston area. Donated rent and utilities are included in revenue as *Donated Goods, Services and Facilities* and in expenses as *Rent*.

Donated salaries, related costs and facilities are allocated based on time and effort in the same manner as the Organization's employees.

CAC receives donated consulting services valued at the rate for comparable services. Donated consulting services are program related and included in *Consultants* and *Professional Fees* in the accompanying Statements of Functional Expenses.

Donated goods are reported in cost of direct benefits to donors and offset against fundraising event proceeds.

During FY 2024 the Organization received \$85,580 of donated auction items. The fair market value of the auction items was determined based on the price received at auction. The amount is reported in proceeds from fundraising events.

NOTE 9 CONCENTRATIONS AND RELATED PARTY ACTIVITIES

**Cash Balances:**

The Organization is subject to concentrations of credit risk relating primarily to uninsured cash deposits held at one financial institution. Cash deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per institution. The Organization had \$3,180,780 and \$2,802,226 in excess of federally insured limits as of July 31, 2024 and 2023, respectively. The Organization has not experienced any losses on uninsured cash balances.

**Receivables:**

As of July 31, 2024 and 2023, 67% and 100% of *Grants and Contributions Receivable* was due under the Organization's contracts with two grantors.

**Revenue:**

Approximately 62% and 67%, respectively, of CAC's total support and revenue was derived through direct or indirect government support, including contracts, sub-contracts, grants, earmarks and donated staff and facilities for the years presented.

CHILDREN'S ADVOCACY CENTER OF SUFFOLK COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2024 AND 2023

(Continued)

NOTE 10    EMPLOYEE RETIREMENT PLAN

CAC has a contract with Empower Retirement and participates in the Massachusetts CORE plan. The CORE plan is a 401(K) plan which covers all eligible employees. Participants can make an elective deferral for any plan year up to the federal limits and the Organization is required to match any contribution up to 3% of each participant's salary (subject to statutory limitations on eligible earnings). For the years ended July 31, 2024 and 2023, total employer contributions to the plan amounted to \$40,411 and \$34,588, respectively and is included in *Payroll Taxes and Benefits* in the accompanying Statements of Functional Expenses.

NOTE 11    LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Organization's financial assets as of July 31, 2024 and 2023, which are available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year of the Statement of Financial Position date or when restricted by donors for purposes more limited than general expenditures.

	<u>2024</u>	<u>2023</u>
Financial Assets:		
Cash	\$3,431,054	\$3,052,404
Grants and Contributions Receivable	<u>132,971</u>	<u>142,585</u>
Financial Assets Available to Meet General Expenditures Within One Year	<u>\$3,564,025</u>	<u>\$3,194,989</u>

As part of the Organization's liquidity management, Children's Advocacy Center of Suffolk County has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

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

NOTE 12    SUBSEQUENT EVENTS

Management is required to consider events subsequent to the financial statement date for potential adjustment to or disclosure in the financial statements. Therefore, Management has evaluated subsequent events through February 7, 2025, the date which the financial statements were available for issue, and noted no events which met the criteria for recognition or disclosure.