

SOUTHEAST ASIAN MUTUAL ASSISTANCE
ASSOCIATIONS COALITION, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2017 AND 2016
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT AND
REPORT ON COMPLIANCE

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.

JUNE 30, 2017 AND 2016

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Independent Auditor's Report

To: The Board of Directors
Southeast Asian Mutual Assistance Associations Coalition, Inc.
Philadelphia, PA

Report on the Financial Statements

We have audited the accompanying financial statements of ***Southeast Asian Mutual Assistance Associations Coalition, Inc.*** (a non-profit organization) which comprise the statement of financial position as of June 30, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ***Southeast Asian Mutual Assistance Associations Coalition, Inc.*** as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of functional expenses on pages 12 and 13 are presented for purposes of additional analysis and are 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 November 16, 2017, on our consideration of ***Southeast Asian Mutual Assistance Associations Coalition, Inc.'s*** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ***Southeast Asian Mutual Assistance Associations Coalition, Inc.'s*** internal control over financial reporting and compliance.

Renzi, Bernardi, Suarez & Co.

Collingswood, NJ
November 16, 2017

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30,

| <u>ASSETS</u> | <u>2017</u> | <u>2016</u> |
|---|----------------------------|----------------------------|
| Current assets | | |
| Cash and cash equivalents | \$ 633,227 | \$ 717,016 |
| Grants receivable, current portion | 283,335 | 145,763 |
| Contracts and other receivables | 319,096 | 215,147 |
| Prepaid expenses | <u>24,988</u> | <u>19,211</u> |
| Total current assets | <u>1,260,646</u> | <u>1,097,137</u> |
| Property and equipment, net | <u>88,514</u> | <u>75,845</u> |
| Other assets | | |
| Grants receivable, net of current portion | 189,969 | 280,164 |
| Security deposit | <u>14,898</u> | <u>14,898</u> |
| Total other assets | <u>204,867</u> | <u>295,062</u> |
| Total assets | <u><u>\$ 1,554,027</u></u> | <u><u>\$ 1,468,044</u></u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Current liabilities | | |
| Accounts payable and accrued expenses | <u>\$ 60,217</u> | <u>\$ 40,749</u> |
| Total current liabilities | <u>60,217</u> | <u>40,749</u> |
| Net assets | | |
| Unrestricted | 569,529 | 459,241 |
| Temporarily restricted | <u>924,281</u> | <u>968,054</u> |
| Total net assets | <u>1,493,810</u> | <u>1,427,295</u> |
| Total liabilities and net assets | <u><u>\$ 1,554,027</u></u> | <u><u>\$ 1,468,044</u></u> |

The accompanying notes are an integral part of this statement.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

| <u>REVENUE AND SUPPORT</u> | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|--|---------------------|-----------------------------------|---------------------|
| Government contracts | \$ 1,511,333 | \$ - | \$ 1,511,333 |
| Foundations | 473,371 | 560,143 | 1,033,514 |
| Contributions | 15,596 | - | 15,596 |
| In-kind contributions | 106,700 | - | 106,700 |
| Other | 3,094 | - | 3,094 |
| Net assets released from restrictions: | | | |
| Satisfaction of program restrictions | 603,916 | (603,916) | - |
| | <u>2,714,010</u> | <u>(43,773)</u> | <u>2,670,237</u> |
| Total revenue and support | | | |
| <u>EXPENSES</u> | | | |
| Program services | | | |
| Community | 346,031 | - | 346,031 |
| Health and social services | 477,031 | - | 477,031 |
| Education | 1,588,921 | - | 1,588,921 |
| | <u>2,411,983</u> | <u>-</u> | <u>2,411,983</u> |
| Total program services | | | |
| Supporting services | | | |
| Management and general | 175,102 | - | 175,102 |
| Fundraising and development | 16,637 | - | 16,637 |
| | <u>191,739</u> | <u>-</u> | <u>191,739</u> |
| Total supporting services | | | |
| Total expenses | <u>2,603,722</u> | <u>-</u> | <u>2,603,722</u> |
| Changes in net assets | 110,288 | (43,773) | 66,515 |
| Net assets, beginning of fiscal year | <u>459,241</u> | <u>968,054</u> | <u>1,427,295</u> |
| Net assets, end of fiscal year | <u>\$ 569,529</u> | <u>\$ 924,281</u> | <u>\$ 1,493,810</u> |

The accompanying notes are an integral part of this statement.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

| <u>REVENUE AND SUPPORT</u> | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|--|---------------------|-----------------------------------|---------------------|
| Government contracts | \$ 1,216,988 | \$ - | \$ 1,216,988 |
| Foundations | 276,002 | 1,169,146 | 1,445,148 |
| Contributions | 8,027 | - | 8,027 |
| In-kind contributions | 106,231 | - | 106,231 |
| Other | 8,985 | - | 8,985 |
| Net assets released from restrictions: | | | |
| Satisfaction of program restrictions | 365,715 | (365,715) | - |
| | <u>1,981,948</u> | <u>803,431</u> | <u>2,785,379</u> |
| Total revenue and support | | | |
| <u>EXPENSES</u> | | | |
| Program services | | | |
| Community | 46,863 | - | 46,863 |
| Health and social services | 457,082 | - | 457,082 |
| Education | 1,197,030 | - | 1,197,030 |
| | <u>1,700,975</u> | <u>-</u> | <u>1,700,975</u> |
| Total program services | | | |
| Supporting services | | | |
| Management and general | 118,850 | - | 118,850 |
| Fundraising and development | 91,877 | - | 91,877 |
| | <u>210,727</u> | <u>-</u> | <u>210,727</u> |
| Total supporting services | | | |
| Total expenses | <u>1,911,702</u> | <u>-</u> | <u>1,911,702</u> |
| Changes in net assets | 70,246 | 803,431 | 873,677 |
| Net assets, beginning of fiscal year | <u>388,995</u> | <u>164,623</u> | <u>553,618</u> |
| Net assets, end of fiscal year | <u>\$ 459,241</u> | <u>\$ 968,054</u> | <u>\$ 1,427,295</u> |

The accompanying notes are an integral part of this statement.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED JUNE 30,

| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | <u>2017</u> | <u>2016</u> |
|---|-------------------|-------------------|
| Changes in net assets | \$ 66,515 | \$ 873,677 |
| Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities: | | |
| Depreciation and amortization | 27,301 | 24,060 |
| (Increase) decrease in: | | |
| Grants receivable | (47,377) | (347,177) |
| Contracts and other receivables | (103,949) | 18,482 |
| Prepaid expenses | (5,777) | (5,303) |
| Increase (decrease) in: | | |
| Accounts payable | 19,468 | (42,248) |
| Net cash (used in) provided by operating activities | <u>(43,819)</u> | <u>521,491</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| Purchase of property and equipment | <u>(39,970)</u> | <u>(31,479)</u> |
| Net cash (used in) investing activities | <u>(39,970)</u> | <u>(31,479)</u> |
| Net (decrease) increase in cash and cash equivalents | (83,789) | 490,012 |
| Cash and cash equivalents, beginning of fiscal year | <u>717,016</u> | <u>227,004</u> |
| Cash and cash equivalents, end of fiscal year | <u>\$ 633,227</u> | <u>\$ 717,016</u> |

The accompanying notes are an integral part of this statement.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2017 AND 2016

1. NATURE OF ACTIVITIES

Southeast Asian Mutual Assistance Associations Coalition, Inc. (the “Organization”) is a non-profit organization under the Pennsylvania Nonprofit Corporation Law. The Organization’s primary operations are to provide educational, health, and social services to immigrants, refugees, and native-born individuals and families in the Greater Philadelphia area. The primary source of revenue and support is government contracts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization are presented on the accrual basis of accounting with generally accepted accounting principles and, accordingly, reflect all significant receivables, payables and other liabilities. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (FASB ASC) Topic 958, Not-for-Profit Entities. Under FASB ASC Topic 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

Temporarily Restricted Net Assets – Net assets that are subject to donor-imposed stipulations that may or will be fulfilled by actions of the Organization and/or the passage of time, to meet the stipulations or become unrestricted at the date specified by the donor. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets that are subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors permit the Organization to use all or part of the investment return on these net assets for general or specific purposes. There were no permanently restricted net assets as of June 30, 2017 or 2016.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2017 AND 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents represent cash in bank and short-term certificates of deposit. For purposes of the statement of cash flows, management considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Receivables

Receivables are recorded at the discounted amounts of earned revenue. A provision for doubtful accounts has not been established as management considers all accounts to be collectible based upon a favorable history over a substantial period of time.

Property and Equipment

Property and equipment is stated at cost. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method. The Organization capitalizes all equipment expenditures over \$1,000. Major renewals and betterments are charged to the capital accounts while maintenance and repairs which do not improve or extend the life of the respective assets are expensed.

Contributions and Revenue

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending upon the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Multi-year unconditional grants are recorded as revenue in their entirety in the year they are awarded. Due to the nature of these grants, significant increases and decreases in net assets may occur. Significant fluctuations can arise as grants are recognized as support in the fiscal period in which they are awarded, but the expenses incurred with such grants occur in a different fiscal period. In fiscal 2016, total net assets shown on page 3, the statement of financial position, increased by \$873,677 primarily as a result of a multi-year grant of \$500,000 received from a foundation. This grant is for the period 2016 through 2021.

Revenues from governmental agencies are generally reported as exchange transactions when qualifying expenses are incurred under the agreement.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2017 AND 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Management has reviewed tax positions taken in filings with federal and state jurisdictions and believes those positions would be sustained should the filings be examined by the relevant taxing authority. These tax filings are subject to examination, generally for three years after they are filed.

Should settlement of an examination or other event result in a change in management's evaluation of a tax position taken or expected to be taken in filings that have not been closed by statute or examination, any interest and penalties related to the unrecognized tax benefit as a result of the uncertain tax position would be included in interest expense and administrative expenses, respectively.

Credit and Market Risk

Financial instruments which subject the Organization to concentrations of credit and market risk consist principally of cash and receivables. From time to time, the Organization may have amounts on deposit in excess of the federally insured deposit limit at one bank. The Organization places its cash with high quality financial institutions. Receivables are subject to the risk that donors might renege on their commitments. The Organization periodically reminds donors of their commitments.

Allocation of Functional Expenses

Directly identifiable expenses are charged to programs, supporting services and fundraising. Any expenditure not directly chargeable have been allocated among program and supporting services on the basis of employees' time records and estimates made by the Organization's management. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Contributed Services

Contributed services are reported as contributions at their fair value if such services create or enhance non-financial assets, would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing such specialized skills. No donated services were recognized in the years ended June 30, 2017 and 2016. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization in fulfilling its mission.

The fair market value of donated facilities is recognized at the date of the donation.

Advertising

Advertising costs are expenses as incurred. For the years ended June 30, 2017 and 2016, the expenses totaled \$2,932 and \$564, respectively.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2017 AND 2016

3. CONTRACTS AND GRANTS RECEIVABLE

Contracts receivable at June 30 are as follows:

| | 2017 | 2016 |
|---------------------------------------|------------|------------|
| Receivable in less than one year | \$ 319,096 | \$ 215,147 |
| Receivable in one to five years | - | - |
| Receivable in more than five years | - | - |
| Total contracts receivable at June 30 | 319,096 | 215,147 |

Grants receivable at June 30 are as follows:

| | | |
|------------------------------------|---------|---------|
| Receivable in less than one year | 283,335 | 145,763 |
| Receivable in one to five years | 200,000 | 300,000 |
| Receivable in more than five years | - | - |
| Total grants receivable at June 30 | 483,335 | 444,513 |

| | | |
|--|----------|----------|
| Less: present value discount (3.5% at June 30, 2017 and 2016, respectively) | (10,031) | (19,836) |
|--|----------|----------|

| | | |
|--|------------|------------|
| Total contracts and grants receivable at June 30 | \$ 792,400 | \$ 641,074 |
|--|------------|------------|

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of support designated to be expended on the Organization's programs in future periods. Temporarily restricted net assets were \$924,281 and \$968,054 at June 30, 2017 and 2016, respectively.

5. PROPERTY AND EQUIPMENT

Property and equipment at June 30 consists of the following:

| | 2017 | 2016 |
|--------------------------------|------------|------------|
| Office equipment | \$ 155,925 | \$ 115,955 |
| Leasehold improvements | 35,000 | 35,000 |
| Vehicles | 29,869 | 29,869 |
| | 220,794 | 180,824 |
| Less: accumulated depreciation | (132,280) | (104,979) |
| Property and equipment, net | \$ 88,514 | \$ 75,845 |

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC
NOTES TO THE FINANCIAL STATEMENTS
AS OF JUNE 30, 2017 AND 2016

5. PROPERTY AND EQUIPMENT (CONT'D)

Depreciation expense for the years ended June 30, 2017 and 2016 was \$27,301 and \$24,060, respectively.

6. COMMITMENTS AND CONTINGENCIES

The Organization has an operating lease for its primary office space that expires May 2018. The Organization also rents additional off-site space to be used for program activities that expires March 2020. For both years, rent expense also included \$105,000 of donated rent for facilities utilized in the Education Programs. Rent expense was \$200,896 and \$175,353 for the years ended June 30, 2017 and 2016, respectively. Minimum annual payments for all leases are as follows for the years ending:

| | |
|-------|-------------------|
| 2018 | \$ 116,835 |
| 2019 | 68,618 |
| 2020 | <u>15,300</u> |
| Total | <u>\$ 200,753</u> |

7. LINE OF CREDIT

The Organization established a \$200,000 revolving line of credit with a financial institution. Borrowings under this line bore interest at 4.25% at June 30, 2017 and 2016. There were no outstanding balances at June 30, 2017 and 2016.

8. CONCENTRATIONS

Contracts from government agencies comprise approximately 57% and 44% of the revenue for the years ended June 30, 2017 and 2016, respectively. Foundations comprise 39% and 52% of revenue for the years ended June 30, 2017 and 2016. These contracts and foundation revenue must be applied for on an annual basis with no assurance that they will be awarded in future years.

9. SUBSEQUENT EVENTS

In preparing these financial statements, management of the Organization has evaluated events and transactions for potential recognition or disclosure through November 16, 2017, the date the financial statements were available to be issued. The Organization had no significant or material subsequent events through November 16, 2017.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017

| | Program Services | | | Supporting Services | | Total |
|--------------------------------|-------------------|-------------------------------|---------------------|---------------------------|--------------------------------|---------------------|
| | Community | Health and Social Services | Education | Management and General | Fundraising and Development | |
| Personnel expenses | | | | | | |
| Salaries | \$ 148,400 | \$ 309,483 | \$ 981,603 | \$ 70,387 | \$ 11,225 | \$ 1,521,098 |
| Payroll taxes | 17,069 | 34,885 | 110,317 | 7,610 | 1,126 | 171,007.00 |
| Employee benefits | 11,670 | 33,811 | 87,821 | 6,798 | 1,175 | 141,275.00 |
| Total personnel expenses | 177,139 | 378,179 | 1,179,741 | 84,795 | 13,526 | 1,833,380 |
| Operating expenses | | | | | | |
| Consumable supplies | 13,623 | 28,793 | 44,375 | 10,422 | - | 97,213 |
| Depreciation | - | - | - | 27,301 | - | 27,301 |
| Insurance | 2,405 | 3,785 | 13,193 | 255 | 30 | 19,668 |
| Miscellaneous | 148 | 2,333 | 5,154 | 2,154 | 2,356 | 12,145 |
| Occupancy | - | 23,451 | 199,729 | 265 | - | 223,445 |
| Office equipment expenses | 330 | 178 | 8,578 | 163 | - | 9,249 |
| Professional services | 145,821 | 28,553 | 81,449 | 42,382 | 725 | 298,930 |
| Staff development and training | 1,210 | 1,735 | 14,420 | 6,804 | - | 24,169 |
| Telephone | 1,155 | 2,094 | 11,927 | 30 | - | 15,206 |
| Travel and conferences | 4,200 | 7,930 | 30,355 | 531 | - | 43,016 |
| Total operating expenses | 168,892 | 98,852 | 409,180 | 90,307 | 3,111 | 770,342 |
| Total expenses | <u>\$ 346,031</u> | <u>\$ 477,031</u> | <u>\$ 1,588,921</u> | <u>\$ 175,102</u> | <u>\$ 16,637</u> | <u>\$ 2,603,722</u> |

The accompanying notes are an integral part of this schedule.

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016

| | Program Services | | | Supporting Services | | Total |
|--------------------------------|------------------|-------------------------------|--------------|---------------------------|--------------------------------|--------------|
| | Community | Health and Social Services | Education | Management and General | Fundraising and Development | |
| Personnel expenses | | | | | | |
| Salaries | \$ 31,893 | \$ 295,464 | \$ 728,278 | \$ 50,376 | \$ 72,029 | \$ 1,178,040 |
| Payroll taxes | 3,078 | 32,191 | 80,324 | 6,284 | 8,025 | 129,902 |
| Employee benefits | 6,615 | 33,920 | 70,293 | 2,538 | 11,063 | 124,429 |
| Total personnel expenses | 41,586 | 361,575 | 878,895 | 59,198 | 91,117 | 1,432,371 |
| Operating expenses | | | | | | |
| Consumable supplies | 4,068 | 19,298 | 35,327 | 7,426 | 117 | 66,236 |
| Depreciation | - | - | - | 24,060 | - | 24,060 |
| Insurance | 42 | 5,196 | 10,966 | 1,565 | 176 | 17,945 |
| Miscellaneous | 53 | 718 | 1,717 | 1,489 | - | 3,977 |
| Occupancy | 100 | 25,938 | 169,739 | 867 | - | 196,644 |
| Office equipment expenses | - | 2,920 | 3,438 | 1,035 | - | 7,393 |
| Professional services | - | 27,733 | 58,955 | 21,731 | 386 | 108,805 |
| Staff development and training | 192 | 1,264 | 4,670 | 416 | 71 | 6,613 |
| Telephone | - | 4,911 | 5,519 | 104 | - | 10,534 |
| Travel and conferences | 822 | 7,529 | 27,804 | 959 | 10 | 37,124 |
| Total operating expenses | 5,277 | 95,507 | 318,135 | 59,652 | 760 | 479,331 |
| Total expenses | \$ 46,863 | \$ 457,082 | \$ 1,197,030 | \$ 118,850 | \$ 91,877 | \$ 1,911,702 |

The accompanying notes are an integral part of this schedule.

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
Southeast Asian Mutual Assistance Associations Coalition, Inc.
Philadelphia, PA

We have audited the financial statements of **Southeast Asian Mutual Assistance Associations Coalition, Inc.** (the "Organization") as of and for the year ended June 30, 2017 and have issued our report thereon dated November 16, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 and compliance. Accordingly, this communication is not suitable for any other purpose.

Renzi, Bernardi, Suarez & Co.

Collingswood, NJ
November 16, 2017

SOUTHEAST ASIAN MUTUAL ASSISTANCE ASSOCIATIONS COALITION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

SECTION I - SUMMARY OF AUDITOR'S FINDINGS

Financial Statements

| | | |
|--|-------------|-----------|
| Type of auditor's report issued: | Unqualified | |
| Internal control over financial reporting: | | |
| <input type="checkbox"/> Material weakness(es) identified? | _____yes | ___X___no |
| <input type="checkbox"/> Significant deficiencies(s) identified that are not considered to be material weaknesses? | _____yes | ___X___no |
| Noncompliance material to financial statements noted? | _____yes | ___X___no |

SECTION II - FINANCIAL STATEMENT FINDINGS

None