

COMMUNITY ACTION, INC.
AUDIT REPORT
BASIC FINANCIAL STATEMENTS AND
SINGLE AUDIT REPORT PACKAGE
YEAR ENDED JUNE 30, 2025

COMMUNITY ACTION, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Action, Inc.
105 Grace Way
Punxsutawney, Pennsylvania 15979

Report on the Financial Statements

Opinion

We have audited the financial statements of Community Action, Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Action, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the guidelines issued by the Pennsylvania Department of Human Services and the Pennsylvania Coalition Against Domestic Violence (PCADV). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Action, 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 Community Action, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's 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 and Government Auditing Standards 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.



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Community Action, Inc.
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In performing an audit in accordance with GAAS and Government Auditing Standards, 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 Community Action 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 Community Action 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 audit.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of Community Action, Inc. taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) 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.

The Other Supplementary Information on pages 49 through 57 are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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The Other Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance to the auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated, in all material respects, in relation to the basic 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 2, 2025, on our consideration of Community Action, 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 Community Action, Inc. internal control over financial reporting and compliance.

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Zelenkofske Axlerod LLC

Pittsburgh, Pennsylvania
December 2, 2025

COMMUNITY ACTION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$1,062,944
Grants Receivable	438,065
Other Receivable	244,459
Investments	85,386
Inventory	25,062
Prepaid Expenses	45,284
	1,901,200
Total Current Assets	
Fixed Assets:	
Property and Equipment - Net of Accumulated Depreciation	609,908
Right-of Use-Asset, Net	45,845
	45,845
Total Assets	
	\$2,556,953
<u>Liabilities and Net Assets</u>	
Current Liabilities:	
Accounts Payable	\$ 65,220
Accrued Benefits and Withheld Taxes	40,127
Accrued Salaries	113,310
Lease payable, current portion	15,836
Deferred Revenue	17,098
Accrued Expenses	33,192
Security Deposits	290
	285,073
Total Current Liabilities	
Noncurrent Liabilities:	
Leases payable	30,614
	30,614
Total Liabilities	
	315,687
Net Assets:	
Without Donor Restrictions	2,171,791
With Donor Restrictions	69,475
	69,475
Total Net Assets	
	2,241,266
Total Liabilities and Net Assets	
	\$2,556,953

The accompanying notes are an integral part of the financial statements.

COMMUNITY ACTION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
<u>Public Support and Revenue</u>			
Public Support:			
Grant income	\$ 2,704,895	\$ -	\$ 2,704,895
Contributions	93,314	48,821	142,135
Contributed nonfinancial assets	51,369	-	51,369
Special events	164	-	164
	<hr/>	<hr/>	<hr/>
Total Public Support	2,849,742	48,821	2,898,563
	<hr/>	<hr/>	<hr/>
Revenue:			
Service income	1,777,709	-	1,777,709
Investment income (loss)	36,163	-	36,163
Housing income	22,474	-	22,474
Miscellaneous income	47,978	-	47,978
Released from restrictions	16,595	(16,595)	-
	<hr/>	<hr/>	<hr/>
Total Revenue	1,900,919	(16,595)	1,884,324
	<hr/>	<hr/>	<hr/>
Total Public Support and Revenue	4,750,661	32,226	4,782,887
	<hr/>	<hr/>	<hr/>
Expenses:			
Operating:			
Program services	4,130,899	-	4,130,899
	<hr/>	<hr/>	<hr/>
Total Operating	4,130,899	-	4,130,899
	<hr/>	<hr/>	<hr/>
Supporting Services:			
General and Administrative	523,890	-	523,890
Fundraising	9,912	-	9,912
	<hr/>	<hr/>	<hr/>
Total Supporting Services	533,802	-	533,802
	<hr/>	<hr/>	<hr/>
Total Expenses	4,664,701	-	4,664,701
	<hr/>	<hr/>	<hr/>
Increase (Decrease) in Net Assets	85,960	32,226	118,186
	<hr/>	<hr/>	<hr/>
Net Assets, Beginning of Year	2,085,831	37,249	2,123,080
	<hr/>	<hr/>	<hr/>
Net Assets, End of Year	<u>\$ 2,171,791</u>	<u>\$ 69,475</u>	<u>\$ 2,241,266</u>

The accompanying notes are an integral part of the financial statements.

COMMUNITY ACTION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Program Services						Supporting Services			Total Expenses	
	CARES	Case Management Education	Domestic Violence	Housing	Medical Transportation	Weatherization	Other Program Services	Program Services	Management and General		Fundraising
Salaries	\$ 15,266	\$ 96,636	\$ 301,329	\$ 86,789	\$ 214,877	\$ 387,591	\$ 156,842	\$ 1,259,330	\$ 292,778	\$ 5,165	\$ 1,557,273
Fringe Benefits/Payroll Taxes	3,922	16,506	72,165	24,475	69,933	116,953	41,607	345,561	61,244	1,296	408,101
Total Personnel Costs	19,188	113,142	373,494	111,264	284,810	504,544	198,449	1,604,891	354,022	6,461	1,965,374
Travel	-	7,291	16,625	1,822	111	1,001	3,058	29,908	4,882	-	34,790
Equipment maintenance and rental	-	25	141	-	-	2,259	-	2,425	-	-	2,425
Small equipment and tools	-	-	-	-	-	17,703	(6,721)	10,982	-	-	10,982
Supplies	284	5,952	9,837	604	3,744	4,727	12,201	37,349	92	-	37,441
Space costs	822	5,787	12,563	7,848	14,120	4,748	22,544	68,432	3,614	571	72,617
Telephone	218	1,486	10,886	4,654	3,988	6,272	4,608	32,112	2,534	195	34,841
Postage	279	60	347	171	3,146	808	916	5,727	-	16	5,743
Printing	32	95	1,156	168	383	4	692	2,530	-	297	2,827
Licenses and registration	-	62	100	76	-	908	839	1,985	1,229	-	3,214
Insurance	155	799	8,238	1,083	2,018	21,490	6,624	40,407	456	77	40,940
Auto expenses	-	-	1	3	-	12,436	3	12,443	-	-	12,443
Information technology	-	-	-	-	-	504	400	904	94,584	464	95,952
Advertising and publication	-	-	773	-	359	-	5,000	6,132	-	-	6,132
Registration and memberships	-	-	100	-	-	949	3,215	4,264	-	50	4,314
Administrative fees	-	-	7,939	-	-	-	-	7,939	-	-	7,939
Volunteer recognition	-	-	-	-	-	-	3,709	3,709	-	-	3,709
Contracted services	-	-	1,925	2,750	-	-	5,254	9,929	30,918	950	41,797
Utilities	-	-	14,648	878	-	596	1,443	17,565	-	-	17,565
Food and meals	-	-	4,692	-	-	-	-	4,692	-	-	4,692
Building repairs and maintenance	-	-	5,001	85,109	-	-	(60,018)	30,092	-	-	30,092
Miscellaneous	-	-	1	-	-	1	1,187	1,189	2	-	1,191
Property taxes	-	-	-	-	-	-	87	87	-	-	87
Depreciation and Amortization	-	-	5,559	455	-	19,833	18,039	43,886	2	-	43,888
Consumer assistance:											
Weatherization services	-	-	-	-	-	881,107	-	881,107	-	-	881,107
Food and meals	-	-	-	-	-	-	14,503	14,503	-	-	14,503
Client travel and assistance	-	-	-	-	940,125	-	638	940,763	-	-	940,763
Housing assistance	142,002	-	9,085	108,563	-	-	(8,940)	250,710	-	-	250,710
Other consumer support	-	792	-	-	-	-	11,281	12,073	-	-	12,073
Bank Fees	-	-	-	-	-	-	-	-	1,080	-	1,080
Contributed nonfinancial assets	-	-	-	-	-	-	51,369	51,369	-	-	51,369
Fundraising Distributions	-	-	-	-	-	-	-	-	-	(961)	(961)
Fiscal services	-	-	-	-	-	309	-	309	27,996	1,591	29,896
Human resources services	-	-	-	-	-	486	-	486	2,479	201	3,166
Total	\$ 162,980	\$ 135,491	\$ 483,111	\$ 325,448	\$ 1,252,804	\$ 1,480,685	\$ 290,380	\$ 4,130,899	\$ 523,890	\$ 9,912	\$ 4,664,701

The accompanying notes are an integral part of the financial statements.

COMMUNITY ACTION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

Cash Flows from Operating Activities:

Change in net assets \$ 118,186

Adjustments to reconcile change in net assets
to Net Cash Provided by (Used In) Operating Activities

Depreciation and amortization 64,110

Unrealized loss/(gain) on investments 3,181

Change in assets and liabilities:

Grants receivable 411,601

Other receivables 61,656

Inventory (17,333)

Prepaid expenses (6,162)

Accounts payable (55,873)

Accrued benefits and withheld taxes 35,287

Accrued salaries 43,726

Deferred revenues (26,850)

Operating leases (7,655)

Accrued expenses (2,233)

Security deposits (95)

Total Adjustments 503,360

Net Cash Provided by (Used In) Operating Activities 621,546

Cash Flows from Financing Activities:

Net purchases/disposals to fixed assets (97,821)

Net Cash Used in Financing Activities (97,821)

Increase (Decrease) in Cash and Cash Equivalents 523,725

Cash and Cash Equivalents, Beginning of the Year 539,219

Cash and Cash Equivalents, End of the Year \$ 1,062,944

The accompanying notes are an integral part of the financial statements.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 1: NATURE OF OPERATIONS

Community Action, Inc. (Organization) is a private non-profit organization established in 1965 and is the local Community Action Agency designated by the Board of Commissioners of Jefferson and Clarion Counties as the lead provider of a wide range of social services primarily for low-income and disadvantaged individuals. The Organization serves as a multipurpose administering and service delivery entity for a number of projects. Although each of the projects administered by the Organization is subject to specific funding source requirements and regulations, each project has a relevant purpose toward the corporate mission. The Organization's programs are funded by various federal, state, and local grants, and private donations.

Program Descriptions

CARES: Provides support to individuals and families impacted by the COVID-19 pandemic. This program guides families in budgeting, housing assistance, and offers life coaching for obtaining or maintaining employment.

Case Management/Education: Provides instruction in a classroom/on-line setting to improve academic and digital literacy, develop skills to pass the High School Equivalency Test, post-secondary training preparation, conduct career exploration, life skills teaching, and enhance job readiness. Support services and case management are available.

Domestic Violence: Free and confidential Domestic Violence services are offered through a 24-hour hotline, safety planning, emergency shelter, options counseling, and legal advocacy.

Housing: This program provides temporary supportive housing to homeless people, providing them with case management, budget counseling, and help with established financial resources, and help pay financially to prevent homelessness situations by helping with rent, mortgage, and utility bills.

Medical Transportation: Non-emergency transportation to Medical Assistance (MA) covered appointments for Jefferson County MA recipients who do not have transportation available to them or need mileage reimbursement aid.

Weatherization: This program offers free home energy assessment, recommends improvements to reduce home energy costs and improve the health and safety of the residents. Services may include attic and wall insulation, heating, and ventilation improvements.

Other Program Services: Other programs relate to family and food assistance. Homeless services are also provided, as well as regional veterans services. AmeriCorps Seniors RSVP is another program offered, as well as VITA for free income tax return assistance.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies are the principles of accounting and the methods of applying those principles which are utilized in preparing financial statements. The accounting policies adopted can significantly affect the reported results of the operations. To facilitate an understanding of the information presented in the financial statements, the significant accounting policies followed in the presentation of the accompanying financial statements are summarized as follows:

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is a non-profit organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and applicable state regulations, subject to unrelated business taxable income on net profits from information technology activities. As such, they are not classified as a private foundation.

The Organization follows FASB ASC 740-10, Accounting for Uncertainty in Income Taxes. The FASB ASC requires the Organization to evaluate tax positions taken and determine whether it is more-likely-than-not that the tax position will be sustained upon examination based on the technical merits of the position. The Organization has performed an evaluation and has determined there are no material unrecognized tax positions or uncertain tax positions that meet the reporting and disclosure provisions of FASB ASC. The Organization records tax penalties and interest as they occur. For the year ended June 30, 2025, the Organization incurred no tax penalty or interest costs. With certain exceptions, the federal income tax returns of the Organization are subject to examination by the IRS, generally for three (3) years after they were filed.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues and support are recorded when earned, and expenses are recognized when the liabilities are incurred.

Cash Equivalents

For purposes of the statement of cash flows, Community Action, Inc. considers all highly liquid debt instruments purchased with an initial maturity of three (3) months or less to be cash equivalents. There were no instruments considered to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair market value in the statement of financial position.

Investment income and realized and unrealized gains (losses) restricted by donors are reported as increases (decreases) in net assets without donor restrictions if the restrictions are met (either a stipulated time period or a purpose restriction is accomplished) in the reporting period in which the income and gains (losses) are recognized.

Grants Receivable Allowance for Doubtful Accounts

No allowance for doubtful accounts was provided as of June 30, 2025, as management believes all outstanding receivables are collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established. Recoveries of previously charged off accounts are recorded when received.

Inventory

Inventory is stated at the lower of cost or market value. Cost is determined using the average cost method.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Receivables and Allowance for Credit Losses

The Organization operates in the health and human service industry and its other receivables are primarily derived from government payors where, in the ordinary course of business, accounts receivable are collected within the year. At each statement of financial position date, the Organization recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist.

The allowance estimate is derived from a review of the Organization's historical losses based on the aging of accounts receivable. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Organization. The Organization has determined, as of June 30, 2025, that a credit loss of zero is expected and no allowance for credit loss was recorded.

Property and Equipment

Property and equipment are recorded at cost, if purchased, and fair market value at date of donation, if contributed. Items purchased or contributed with a fair market value of \$5,000 or more are capitalized. Depreciation is computed using the straight-line method of depreciation over the assets' estimated useful lives. Donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, Community Action, Inc. reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Community Action, Inc. reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Equipment acquired with grant funds is expensed currently in accordance with provisions of the grants. Generally, the title to such assets is held by the respective grantors and there are restrictions regarding their disposition. However, real property acquired with grant funds is capitalized due to its substantial useful life.

Leases

Leases are recognized under Accounting Standards Codification 842, Leases (Topic 842). The Organization determines whether a contract contains a lease at contract inception and classifies it as either finance or operating. A contract contains a lease if there is an identified asset and the Organization has the right to control the asset.

Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of future minimum lease payments over the lease term, and ROU assets also include prepaid, accrued rent, and lease incentives. The Organization used their incremental borrowing rate to discount future lease payments. Lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Organization has entered into the following lease agreements:

Operating Leases – The Organization has entered into various lease agreements see Note 11.

Short-Term Leases – The Organization considers a lease short-term lease if they are for a period of 12 months or less. The Organization has entered into various lease agreements for office space and other facilities. The short term lease cost recognized in the statement of activities was \$21,350 for 2025.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Contributions and Revenue Recognition

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or 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. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization has remaining available award balances on federal and state grants and contracts for sponsored projects of \$17,098 that have not been recognized at June 30, 2025. These award balances will be recognized as revenue as the projects progress and conditions are met, generally as expenses are incurred.

Contributions received are recognized as revenues when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

Program service fees primarily relate to fee for service payments in which the Organization is paid an agreed-upon fee for each unit of service provided. Program service fees revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled to in exchange for providing services. Revenue is recognized as performance obligations are satisfied when services are provided to the clients. The Organization does not believe it is required to provide additional services related to revenue being recognized. The Organization determines the transaction price based on the contractual agreements.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of 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 of Community Action, Inc. and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets that are subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Grants, contract funding, and contributions which are restricted to the use of Community Action, Inc.'s programs are reflected as unrestricted revenue when these funds are received and spent during the same year.

NOTE 3: CASH AND CASH EQUIVALENTS

Cash and cash equivalents are deposited at a local bank. At June 30, 2025, the carrying amounts of the Organization's deposits was \$1,062,944 and the bank balance was \$1,126,069. At June 30, 2025, the Organization had \$867,282 in excess of Federal Deposit Insurance Corporation (FDIC) insured limits, which is collateralized through a repurchasing agreement between the Organization and the financial institution.

NOTE 4: GRANTS RECEIVABLE

Receivables, primarily representing funding under various grants or contracts for program expenditure reimbursements, are summarized as follows at June 30, 2025:

Crossroads - PCADV	\$ 117,428
Community Services Block Grant (CSBG)	43,683
Human Services Development Fund	7,527
Homeless Assistance Program	2,000
Victims of Crime Act	39,927
Weatherization (DOE)	154,878
Weatherization (LIHEAP)	18,363
Weatherization (WX Readiness)	25,632
Weatherization (WX BIL)	<u>28,627</u>
 Total	 <u>\$438,065</u>

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 5: INVESTMENTS

The fair values of marketable equity securities are based on quoted market prices. Investments as of June 30, 2025, are composed of the following:

	<u>Cost</u>	<u>Fair Value</u>
792 Shares Exxon Mobil Corporation	\$ 76,364	\$ 85,386

An unrealized gain/(loss) of \$(3,181) was recognized for the year ended June 30, 2025, respectively.

Components of net investment income include:

Dividends and Interest income on interest bearing cash	\$ 39,344
Unrealized holding loss	<u>(3,181)</u>
Total net investment income	<u>\$ 36,163</u>

NOTE 6: FAIR VALUE MEASUREMENT

The Organization applies GAAP for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP established a fair value hierarchy that prioritized the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three (3) levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table present assets that are measured at fair value on a recurring basis at June 30, 2025:

	<u>Fair Value Measurements at Reporting Date</u>			
	<u>June 30, 2025</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity Securities	<u>\$ 85,386</u>	<u>\$ 85,386</u>	<u>\$ -</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 7: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2025:

Land	\$ 53,815
Buildings and Improvements	883,975
Equipment	<u>195,482</u>
Property and Equipment before Depreciation	1,133,272
Less Accumulated Depreciation	<u>(523,364)</u>
Total Property and Equipment	<u>\$ 609,908</u>

Depreciation expense for the year ending June 30, 2025, is \$55,850 and amortization expense is \$8,260.

NOTE 8: NET ASSETS WITH DONOR RESTRICTIONS

Net asset with donor restrictions are comprised of the following at June 30, 2025:

Contributions Available for Crossroads Program	\$ 1,890
Contributions Available for Client Services	27,348
Contributions Available for Friends for Food	8,787
Contributions Available for Veterans Donations	9,483
Contributions Available for Homeless Services	<u>21,967</u>
Total Restricted Net Assets	<u>\$ 69,475</u>

NOTE 9: REVOLVING LINE OF CREDIT

The Organization maintains an unsecured line of credit with First Commonwealth Bank as follows:

A \$500,000 line of credit, with an original date of August 18, 2009, bearing interest at 8.50 percent per annum and expiring on April 30, 2026. As of June 30, 2025, there was no outstanding balance owed.

NOTE 10: ACCRUED COMPENSATED ABSENCES

Employees earn compensated time off based on hours worked. Employees are permitted to carry over from one calendar year to the next a maximum of seventy-five (75) hours. Community Action, Inc. accrues these compensated absences at current pay rates. At June 30, 2025, this accrued compensated absences was \$37,543. Compensated absences are included with accrued salaries on the statement of financial position.

NOTE 11: OPERATING LEASE COMMITMENTS

The Organization has a lease agreement for a commercial lease in effect for the year ended June 30, 2025. The terms of this lease agreement called for monthly base rent of approximately \$1,200, which expires in June 1, 2028.

The Organization also holds a lease agreement for office equipment that has a monthly amount of approximately \$183, which expires in September 2027.

The Organization also maintains a lease agreement for a copier, which expires on July 2027, and has a monthly rental payment of approximately \$194.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 11: OPERATING LEASE COMMITMENTS (CONTINUED)

The statement of financial position components of the commercial lease, office equipment, and copier were as follows as of June 30, 2025:

Right-of-use-assets	\$	<u>45,845</u>
Lease Liabilities	\$	<u>46,450</u>

There were no noncash investing and finance transactions relating to leasing. For the year ended June 30, 2025, total cash paid for leases was \$9,406. The ROU asset and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization uses their incremental borrowing rate to discount future lease payments.

The weighted-average remaining lease term (in years) and discount rate were as follows for the year ended June 30, 2025:

Commercial Lease

Operating lease weighted-average remaining lease term	2.90 years
Operating lease weighted-average discount rate	8.50%

Pitney Bowes Lease

Operating lease weighted-average remaining lease term	3.25 years
Operating lease weighted-average discount rate	5.50%

Copier Lease

Operating lease weighted-average remaining lease term	2.08 years
Operating lease weighted-average discount rate	8.50%

Estimated annual maturities of operating lease liabilities for the years ending were as follows:

Fiscal Year Ending June 30,	
2026	\$ 18,935
2027	18,934
2028	<u>13,945</u>
	51,814
Less Interest	<u>(5,364)</u>
Present Value of Lease Liabilities	<u>46,450</u>

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 12: CONTRIBUTED NONFINANCIAL ASSETS

Contributed nonfinancial assets represent donated goods and services and are reflected in the financial statements as income and expenses. Contributed services are valued at fair value, as determined by the donor organization.

Contributed nonfinancial assets consisted of the following for the year ended June 30, 2025:

	<u>Revenue recognized</u>	<u>Utilization in Program/Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Adult Literacy Classroom Space	\$ 24,990	Utilized for Adult Education Classes	No associated donor restrictions.	Value based on Donator's statement
Donated Office Space	6,550	Utilized for Americorp VITA program	No associated donor restrictions.	Value based on Donator's statement
Food and Program Supplies	14,864	Distributed to those in need of food from Food Pantry and shelter Residents	No associated donor restrictions.	Value based on Donator's statement
Donated Mileage	1,300	Utilized for Americorp VITA program volunteer mileage	No associated donor restrictions.	Value based on current federal mileage rate
Donated Services	1,215	Tutoring Services for Adult Education	No associated donor restrictions.	Valued based on current rates for similar services
Donated Technology	1,600	Utilized for AmeriCorps VITA Program	No associated donor restrictions.	Valued based on current publicly available pricing for similar items as noted based upon the Donator's statement
Donated Volunteer Recognition	850	Distributed to our Americorp Volunteers at Recognition	No associated donor restrictions.	Value based on cost of meal
Total	<u>\$ 51,369</u>			

Additionally, Community Action, Inc. receives a significant amount of contributed time that is not reflected in the accompanying financial statements because such services do not meet the criteria for recognition outlined in the accounting standards. Volunteers supporting the Retired and Senior Volunteer Program provided approximately 25,059 hours of time as of June 30, 2025.

NOTE 13: CONCENTRATIONS

Community Action, Inc. received approximately Fifty-Four percent (54%) of its total revenue from four (4) grant programs the year ended June 30, 2025. If a significant reduction in this level of funding were to occur, the Organization's ability to carry out its program services would be significantly reduced.

NOTE 14: FUNCTIONAL COSTING

The Organization 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.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 15: RETIREMENT PLAN

Effective July 1, 2000, a Simple IRA retirement plan was adopted. To be eligible, an employee must be reasonably expected to receive \$5,000 in compensation in the calendar year. Employee contributions will be matched dollar-for-dollar by employer contributions of not more than three percent (3%) of employee's annual salary. Employee salary deferrals to the Plan are permitted up to the Internal Revenue Service annual limits. For the year ending June 30, 2025, employer contributions were \$24,156.

NOTE 16: SUPPLEMENTAL DISCLOSURES

Interfund Borrowings

The lending of PCADV Contract Funds is prohibited by legal restrictions imposed by the Commonwealth of Pennsylvania and has not occurred during the year ended June 30, 2025.

Match Requirements

Community Action, Inc., is required by PCADV to raise monies within the community and spend amounts in excess of twenty percent (20%) of the contract. For the year ended June 30, 2025, Community Action, Inc., raised and spent match monies totaling approximately thirty-three percent (33%) of the contract to fulfill its obligation.

Domestic Violence Budget

For the year ended June 30, 2025, total domestic violence expenditures by Community Action, Inc. for domestic violence was \$573,349.

Interest Income

As required by contract terms, interest income earned on funds received under third-party reimbursement arrangements was used for contract related expenditures.

Federal Awards

Community Action, Inc., received, on an agency-wide basis, federal awards in excess of \$750,000 during the year ended June 30, 2025.

Cost Allocation Plan

A cost pool collection and allocation system is utilized to distribute indirect costs. Indirect expenses are pooled according to function and allocated monthly to projects and activities. Allocated expenses are based on actual monthly expenses. The Cost Allocation Plan complies with Organization Standard 8.12.

NOTE 17: COMMITMENTS AND CONTINGENCIES

Grant Programs

Community Action, Inc. participates in state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Community Action, Inc. is potentially liable for any expenditure which may be disallowed pursuant to the terms of these grant programs. In the opinion of management, liabilities resulting from disallowed expenditures, if any, would not be material to the accompanying financial statements at June 30, 2025.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

NOTE 17: COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

Community Action, Inc. is subject to certain legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions will not materially affect the Community Action, Inc.'s financial statements as a result of operations.

NOTE 18: LIQUIDITY AND AVAILABILITY

Community Action, Inc. regularly monitors liquidity required to meet its operating need and other commitments. Community Action, Inc. has various sources of liquidity at its disposal, including cash and cash equivalents, receivables, and a line of credit.

As of June 30, 2025, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

	2025
Cash and Cash Equivalents	\$ 1,062,944
Less: Assets Unavailable for General Expenditures Within One Year, Due to:	
Contractual or donor-imposed restrictions	(69,474)
Grants Receivable	438,065
Other Receivable	244,459
Financial Assets Available	1,675,994
Available Line of Credit	500,000
Total Sources of Liquidity Available of June 30	\$2,175,994

Community Action, Inc. has a goal to maintain financial assets, which consist of cash and short term investments, on hand to meet 60 days of normal operating expenses which are on average approximately \$740,582.

Community Action, Inc. invests cash in excess of daily requirements in money market accounts.

In the event of an unanticipated liquidity need, the Organization has an available line of credit in the amount of \$500,000, which could be drawn upon, as further described in Note 9. In addition to the assets noted above, the Organization also holds investment in marketable equity securities to minimize risk associated with temporary, unforeseen liquidity needs.

NOTE 19: SUBSEQUENT EVENTS

Subsequent events were evaluated through December 2, 2025, which is the date the financial statements were available to be issued. Based upon this evaluation, no additional events subsequent to June 30, 2025, were required to be recorded or disclosed in the financial statements.

SUPPLEMENTARY INFORMATION



Zelenkofske Axelrod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Community Action, Inc.
105 Grace Way
Punxsutawney, Pennsylvania 15767-1209

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Human Services (DHS) and Community Action, Inc., solely to assist you with respect to the financial schedules and exhibits required by the DHS Single Audit Supplement for the fiscal year ended June 30, 2025. Community Action, Inc.'s management is responsible for the financial schedules and exhibits required by the DHS Single Audit Supplement.

Community Action, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting DHS in determining whether Community Action, Inc. complied with the reporting requirements specified by DHS and have described the procedures in the DHS *Single Audit Supplement*. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purpose.

The procedures and associated findings are as follows:

- (a) We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DHS for fiscal year ended June 30, 2025, have been accurately compiled and reflect the audited books and records of Community Action, Inc. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DHS Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Page Number</u>	<u>Referenced Schedule/Exhibit</u>
Community Services Block Grant #C000082092	22	Budget Comparison Statement
Community Services Block Grant #C000082092	23	Budget Comparison Statement
Community Services Block Grant #C000082092	24	Budget Comparison Statement
Weatherization Contract #C000073843 (LIHEAP)	25	Budget Comparison Statement
Weatherization Contract #C000073843 (LIHEAP)	26	Budget Comparison Statement
Weatherization Contract #C000082830 (DOE)	27	Budget Comparison Statement
Weatherization Contract #C000082830 (DOE)	28	Budget Comparison Statement
Weatherization Contract #C000082830 (WX BIL)	29	Budget Comparison Statement



Zelenkofske Axelrod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

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<u>Program Name</u>	<u>Page Number</u>	<u>Referenced Schedule/Exhibit</u>
Emergency Rental Assistance Program II	30	Schedule of Revenue and Expenses
Adult Education Programs – Act 143 and Section 231	31	Schedule of Revenue and Expenses
Retired and Senior Volunteer Program Contract #22SRBPA004	32	Schedule of Revenue and Expenses
Medical Assistance Transportation Program Contract #SAP 159000	33	Schedule of Revenue and Expenses
Homeless Assistance Program Contract #SAP 159000	34	Schedule of Revenue and Expenses
Crime Victim Assistance – Subgrant #40207	35	Schedule of Budgeted, Reported, and Allowable Costs
Crime Victim Assistance – Subgrant #40207-2	36	Schedule of Budgeted, Reported, and Allowable Costs

- (b) We have inquired of management regarding adjustments to reported revenues or expenditures which were not reflected on the reports submitted to DHS for the period in question.
- (c) Processes detailed in paragraphs (a) and (b) above disclosed no adjustments and/or findings which must be reflected on the corresponding schedules.

We were engaged by DHS to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Schedules of DHS for the year ended June 30, 2025. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of DHS and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Community Action, Inc. and the Department of Human Services and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record, and its distribution is not limited.

Pittsburgh, Pennsylvania
December 2, 2025

Zelenkofske Axelrod LLC

Zelenkofske Axelrod LLC

BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT #C000082092
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Approved Budget	Contract Period Expenditures	Questioned Costs
OPERATING COSTS			
Salaries and Fringes	\$ 190,688	\$ 119,927	\$ -
Consumable Supplies	5,195	3,981	-
Travel	1,321	772	-
Space Costs	13,461	8,357	-
Audit	2,443	-	-
Total Operating Costs	<u>213,108</u>	<u>133,037</u>	<u>-</u>
RELATED COSTS			
Professional Services	7,900	1,300	-
Insurance	1,134	671	-
Legal	350	350	-
Total Related Costs	<u>9,384</u>	<u>2,321</u>	<u>-</u>
OTHER COSTS			
Other	<u>27,508</u>	<u>17,819</u>	<u>-</u>
Total Other Costs	<u>27,508</u>	<u>17,819</u>	<u>-</u>
Total	<u><u>\$ 250,000</u></u>	<u><u>\$ 153,177</u></u>	<u><u>\$ -</u></u>

NOTE: The Community Services Block Grant Program contract period is from January 1, 2024 through March 31, 2025. The expenditures above are for the period July 1, 2024 through March 31, 2025.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT #C000082092
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Approved Budget	Contract Period Expenditures	Questioned Costs
OPERATING COSTS			
Salaries and Fringes	\$ 85,789	\$ 61,945	\$ -
Consumable Supplies	210	210	-
Travel	550	434	-
Space Costs	5,000	5,000	-
Audit	2,500	2,467	-
Total Operating Costs	<u>94,049</u>	<u>70,056</u>	<u>-</u>
RELATED COSTS			
Professional Services	6,500	6,500	-
Insurance	400	330	-
Total Related Costs	<u>6,900</u>	<u>6,830</u>	<u>-</u>
OTHER COSTS			
Other	9,585	8,350	-
Total Other Costs	<u>9,585</u>	<u>8,350</u>	<u>-</u>
Total	<u>\$ 110,534</u>	<u>\$ 85,236</u>	<u>\$ -</u>

NOTE: The Community Services Block Grant Program contract period is from January 1, 2025 through December 31, 2025. The expenditures above are for the period January 1, 2025 through June 30, 2025.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT #C000082092
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Approved Budget	Contract Period Expenditures	Questioned Costs
OPERATING COSTS			
Salaries and Fringes	\$ 10,068	\$ 10,068	\$ -
Travel	4,932	4,932	-
Advertising	5,000	5,000	-
Total Operating Costs	20,000	20,000	-
Total	\$ 20,000	\$ 20,000	\$ -

NOTE: The Community Services Block Grant Program contract period is from October 1, 2023 through March 31, 2025. The expenditures above are for the period July 1, 2024 through March 31, 2025.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000073843 (LIHEAP)
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 5,886	\$ 571	\$ -
Operating/supplies	35,757	4,883	-
Total Administration	41,643	5,454	-
FINANCIAL AUDIT	5,358	-	-
DIRECT SERVICES			
Program support	200,677	34,961	-
Program operations	991,523	108,460	-
Total Direct Services	1,192,200	143,421	-
HEALTH AND SAFETY	35,518	-	-
LIABILITY INSURANCE	4,662	611	-
Total	<u>\$ 1,279,381</u>	<u>\$ 149,486</u>	<u>\$ -</u>

NOTE: The contract period for the Weatherization (LIHEAP) Program is October 1, 2020 through September 30, 2025. The expenditures and budget above are for the period July 1, 2024 through September 30, 2024.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000073843 (LIHEAP)
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 4,120	\$ 988	\$ -
Operating/supplies	15,447	19,496	-
Office equipment	-	-	-
Total Administration	<u>19,567</u>	<u>20,484</u>	<u>-</u>
FINANCIAL AUDIT	<u>3,086</u>	<u>3,086</u>	<u>-</u>
DIRECT SERVICES			
Program support	106,686	116,079	-
Program operations	<u>535,318</u>	<u>524,861</u>	<u>-</u>
Total Direct Services	<u>642,004</u>	<u>640,940</u>	<u>-</u>
HEALTH AND SAFETY	<u>1,093</u>	<u>1,093</u>	<u>-</u>
LIABILITY INSURANCE	<u>2,066</u>	<u>2,177</u>	<u>-</u>
Total	<u>\$ 667,816</u>	<u>\$ 667,780</u>	<u>\$ -</u>

NOTE: The contract period for the Low Income Home Energy Assistance Program is October 1, 2020 through September 30, 2025. The expenditures and budget above are for the period October 1, 2024 through June 30, 2025.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000082830 (DOE)
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 5,361	\$ 1,447	\$ -
Operating/supplies	<u>38,250</u>	<u>22,210</u>	<u>-</u>
Total Administration	<u>43,611</u>	<u>23,657</u>	<u>-</u>
FINANCIAL AUDIT	<u>1,894</u>	<u>1,894</u>	<u>-</u>
DIRECT SERVICES			
Program support	100,365	177,925	-
Program operations	<u>247,119</u>	<u>140,007</u>	<u>-</u>
Total Direct Services	<u>347,484</u>	<u>317,932</u>	<u>-</u>
HEALTH & SAFETY	<u>42,500</u>	<u>57,016</u>	<u>-</u>
LIABILITY INSURANCE	<u>2,500</u>	<u>1,874</u>	<u>-</u>
Total	<u>\$ 437,989</u>	<u>\$ 402,373</u>	<u>\$ -</u>

NOTE: The contract period for the Weatherization (DOE) Program is July 1, 2022 through June 30, 2027. The expenditures and budget above are for the period July 1, 2024 through June 30, 2025.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000082830 (DOE)
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 80	\$ 80	\$ -
Operating/supplies	564	226	-
Total Administration	644	306	-
DIRECT SERVICES			
Program support	4,200	320	-
Program operations	46,817	26,856	-
Total Direct Services	51,017	27,176	-
LIABILITY INSURANCE			
	2	2	-
Total	\$ 51,663	\$ 27,484	\$ -

NOTE: The contract period for the Weatherization (DOE) Program is July 1, 2022 through June 30, 2027. The expenditures and budget above are for the period July 1, 2024 through June 30, 2025.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000082830 (WX BIL)
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 8,800	\$ 839	\$ -
Operating/supplies	43,571	16,894	-
Total Administration	52,371	17,733	-
FINANCIAL AUDIT	5,156	1,952	-
DIRECT SERVICES			
Program support	217,907	115,609	-
Program operations	287,476	-	-
Total Direct Services	505,383	115,609	-
HEALTH AND SAFETY	50,514	-	-
LIABILITY INSURANCE	7,063	3,191	-
Total	<u>\$ 620,487</u>	<u>\$ 138,485</u>	<u>\$ -</u>

NOTE: The contract period for the Weatherization (DOE) Program is July 1, 2022 through June 30, 2027. The expenditures and budget above are for the period July 1, 2024 through June 30, 2025.

COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
EMERGENCY RENTAL ASSISTANCE PROGRAM II
YEAR ENDED JUNE 30, 2025

	Budget	Current Period Expenditures
REVENUE		
Grant income	\$ 2,416,871	\$ 168,423
ADMINISTRATION	<u>203,533</u>	<u>25,097</u>
HOUSING ASSISTANCE	<u>2,213,338</u>	<u>143,326</u>
Total	<u>2,416,871</u>	<u>168,423</u>
Due to Funding Source	<u>\$ -</u>	<u>\$ -</u>

Expenditures are for the period of July 1, 2024 through February 28, 2025.
Interest of \$29,489 used for expenses.

COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
DEPARTMENT OF EDUCATION - ADULT EDUCATION PROGRAMS
YEAR ENDED JUNE 30, 2025

	Adult Education Programs	
	Adult Literacy Programs	
	Act 143	Section 231
REVENUE		
Grant income	\$ 50,700	\$ 55,800
EXPENSES		
Salaries	36,288	39,854
Benefits	4,742	5,470
Purchased property services	2,417	2,546
Other purchased services	5,122	3,281
Supplies	2,131	4,007
	<u>50,700</u>	<u>55,158</u>
Due to Funding Source	<u>\$ -</u>	<u>\$ 642</u>

**COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
RETIRED AND SENIOR VOLUNTEER PROGRAM
CONTRACT #22SRBPA004
YEAR ENDED JUNE 30, 2025**

REVENUE

Grant income		\$ 53,507
--------------	--	-----------

VOLUNTEER SUPPORT EXPENSES

Salaries and wages	35,870	
Fringe benefits	6,467	
Travel	1,014	
Other volunteer support costs	7,395	
Contractual & Consultant Services	175	

Total Volunteer Support Expenses		<u>50,921</u>
----------------------------------	--	---------------

VOLUNTEER COSTS

Volunteer recognition	1,507	
Mileage	1,079	

Total Volunteer Costs		<u>2,586</u>
-----------------------	--	--------------

Total Program		53,507
---------------	--	--------

Due to (from) Funding Source	<u>\$ -</u>	<u>\$ -</u>
-------------------------------------	-------------	-------------

NOTE: The program contract period is from April 1, 2024 through May 07, 2025. The expenditures above are for the period July 1, 2024 through May 7, 2025. The match was met with local donations and community funds.

COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
MEDICAL ASSISTANCE TRANSPORTATION PROGRAM
CONTRACT #SAP 159000
YEAR ENDED JUNE 30, 2025

County: Jefferson	Year Ended	June 30, 2025
	<u>Reported</u>	<u>Actual</u>
SERVICE DATA		
Expenditures:		
Group I Clients	<u>\$ 761</u>	<u>\$ 761</u>
Total Expenditures	<u>761</u>	<u>761</u>
Omit Summary of Trips		
ALLOCATION DATA		
Revenues:		
Department of Human Services		
Jefferson County Commissioners	<u>1,300,259</u>	<u>1,300,259</u>
Total Revenues	<u>1,300,259</u>	<u>1,300,259</u>
Funds Expended:		
Operating Costs	940,134	940,134
Administrative Costs	<u>360,125</u>	<u>360,125</u>
Excess Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>
Indirect Cost Rate %	N/A	

**COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
HOMELESS ASSISTANCE PROGRAM
CONTRACT #SAP 159000
YEAR ENDED JUNE 30, 2025**

SOURCES OF FUNDING

HHS allocation	\$ 39,683
Interest earned	103
	39,786
Total HAP Funding	39,786

EXPENSES	Administration	Case Management	Rental Assistance	Total
Personnel	\$ -	\$ 14,387	\$ -	\$ 14,387
Operating	3,854	2,787	18,758	25,399
Subtotal	\$ 3,854	\$ 17,174	\$ 18,758	\$ 39,786
Total HAP Expenses				39,786
Total Unexpected Funds				\$ -

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE
SUBGRANT #40207
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
Personnel	\$ 91,248	\$ 21,492	\$ -
Employee benefits	37,336	6,296	-
Travel	3,825	1,266	-
Supplies / operating	<u>23,251</u>	<u>7,570</u>	<u>-</u>
	<u>\$ 155,660</u>	<u>\$ 36,624</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from October 1, 2023 through September 30, 2024. The expenditures above are for the period July 1, 2024 through September 30, 2024.

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE
SUBGRANT #40207-2
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Approved Budget	Reported Costs	Questioned Costs
Personnel	\$ 87,595	\$ 78,786	\$ -
Employee benefits	30,049	16,516	-
Travel	4,502	4,826	-
Supplies / operating	25,731	21,820	-
	<u>\$ 147,877</u>	<u>\$ 121,948</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from October 1, 2023 through September 30, 2025. The expenditures above are for the period October 1, 2024 through June 30, 2025.

SINGLE AUDIT REPORTS

COMMUNITY ACTION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025
 (Page 1 of 2)

Grantor Program Title	Source Code	Federal ALN/CFDA Number	Pass Through Grantor's Number	Grant Period Period Beginning/ Ending Dates	Program or Award Amount	Total Received For the Year	Accrued or (Deferred) Revenue at 7/1/2024	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 6/30/2025	Subrecipient Expenditures
<u>U.S. DEPARTMENT OF JUSTICE</u>											
Passed Through the Pennsylvania Commission on Crime and Delinquency:											
Crime Victim Assistance	I	16.575	2022-VF-05 40207-2	10/01/24-09/30/25	\$ 147,877	\$ 82,021	\$ -	\$ 121,948	\$ 121,948	\$ 39,927	\$ -
Crime Victim Assistance	I	16.575	2022-VF-05 40207	10/01/23-09/30/24	155,660	69,283	32,659	36,624	36,624	-	-
TOTAL U.S. DEPARTMENT OF JUSTICE						151,304	32,659	158,572	158,572	39,927	-
<u>U.S. DEPARTMENT OF EDUCATION</u>											
Passed Through the Pennsylvania Department of Education:											
Adult Education Section 231											
Passed through Seneca Highlands	I	84.002	N/A	07/01/24 - 06/30/25	55,800	49,968	17,442	55,158	55,158	22,632	-
TOTAL U.S. DEPARTMENT OF EDUCATION						49,968	17,442	55,158	55,158	22,632	-
<u>U.S. DEPARTMENT OF ENERGY</u>											
Passed Through the Pennsylvania Department of Community and Economic Development:											
Weatherization Assistance for Low-Income Persons:											
WX-DOE	I	81.042	C000082830	07/01/22-06/30/27	437,989	247,495	-	402,373	402,373	154,878	-
WX Readiness - DOE	I	81.042	C000082830	07/01/22-06/30/27	51,663	15,329	13,267	27,493	27,493	25,431	-
WX BIL - DOE	I	81.042	C000082830	07/01/22-06/30/27	620,487	179,337	69,479	138,485	138,485	28,627	-
TOTAL U.S. DEPARTMENT OF ENERGY						442,161	82,746	568,351	568,351	208,936	-
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>											
Passed Through the Pennsylvania Department of Community and Economic Development:											
Community Services Block Grant 2024	I	93.569	C000082092	01/01/22 - 12/31/26	250,000	190,923	37,746	153,177	153,177	-	-
Community Services Block Discretionary Grant 2024	I	93.569	C000082092	01/01/22 - 12/31/26	20,000	20,000	-	20,000	20,000	-	-
Community Services Block Grant 2025	I	93.569	C000082092	01/01/22 - 12/31/26	110,534	47,777	-	91,459	91,459	43,682	-
						258,700	37,746	264,636	264,636	43,682	-
Low-Income Home Energy Assistance Program 23/24	I	93.568	C000073843	10/01/20 - 09/30/25	1,279,355 *	625,531	476,045	149,486	149,486	-	-
Low-Income Home Energy Assistance Program 24/25	I	93.568	C000073843	10/01/20 - 09/30/25	667,816 *	649,417	-	667,780	667,780	18,363	-
						1,274,948	476,045	817,266	817,266	18,363	-
Passed Through the Pennsylvania Coalition Against Domestic Violence (PCADV):											
Social Services Block Grant - Title XX	I	93.667	6011-2025	07/01/24 - 06/30/25	16,279	9,000	-	15,043	15,043	6,043	-
Social Services Block Grant - Relocation	I	93.667	6011-2025	07/01/24 - 06/30/25	9,085	9,085	-	9,085	9,085	-	-
						18,085	-	24,128	24,128	6,043	-
COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	I	93.671	6011-23-24	10/01/23 - 09/30/24	51,101	4,388	1,781	2,607	2,607	-	-
Family Violence Prevention Services	I	93.671	6011-2025	07/01/24 - 06/30/25	109,835	31,157	-	94,864	94,864	63,707	-
						35,545	1,781	97,471	97,471	63,707	-
Jefferson County Commissioners											
Medical Assistance Transportation Program	I	93.778	N/A	07/01/24 - 06/30/25	1,481,758	694,830	111,503	650,130	650,130	66,803	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						\$ 2,282,108	\$ 627,075	\$ 1,853,631	\$ 1,853,631	\$ 198,598	\$ -

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025
 (Page 2 of 2)

Grantor Program Title	Source Code	Federal CFDA Number	Pass Through Grantor's Number	Grant Period Beginning/ Ending Dates	Program or Award Amount	Total Received For the Year	Accrued or (Deferred) Revenue at 7/1/2024	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 6/30/2025	Subrecipient Expenditures
<u>US DEPARTMENT OF LABOR</u>											
Passed through Workforce Solutions of North Central PA											
Digital Literacy Program	I	17.259	N/A	09/01/24 - 06/30/25	\$ 25,708	\$ 4,404	\$ -	\$ 4,509	\$ 4,509	\$ 105	\$ -
TOTAL WORKFORCE SOLUTIONS OF NORTH CENTRAL PA						<u>4,404</u>	<u>-</u>	<u>4,509</u>	<u>4,509</u>	<u>105</u>	<u>-</u>
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:</u>											
Retired Senior and Volunteer Program - RSVP	D	94.002	22SRBPA004	07/01/22 - 05/7/25	70,847	60,340	6,833	53,507	53,507	-	-
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						<u>60,340</u>	<u>6,833</u>	<u>53,507</u>	<u>53,507</u>	<u>-</u>	<u>-</u>
<u>US DEPARTMENT OF TREASURY</u>											
Jefferson County Commissioners											
Emergency Rental Assistance Program I	I	21.023	N/A	Restitutions	-	17,106	-	17,106	17,106	-	-
Emergency Rental Assistance Program II	I	21.023	N/A	08/27/21 - 09/30/25	2,416,871	356,147	158,235	168,423	168,423	(29,489)	-
TOTAL JEFFERSON COUNTY COMMISSIONERS						<u>373,253</u>	<u>158,235</u>	<u>185,529</u>	<u>185,529</u>	<u>(29,489)</u>	<u>-</u>
TOTAL FEDERAL ASSISTANCE					\$ 7,978,664	<u>\$ 3,363,538</u>	<u>\$ 924,990</u>	<u>\$ 2,879,257</u>	<u>\$ 2,879,257</u>	<u>\$ 440,709</u>	<u>\$ -</u>

Source Code: I - Indirect D - Direct

NOTE: Community Action, Inc. did not provide federal funds to subrecipients during the year ended June 30, 2025.

*Denotes tested as a major program

COMMUNITY ACTION, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Action, Inc., and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2: INDIRECT COST RATE

For the year ended June 30, 2025, Community Action, Inc. did not elect to use the ten percent (10%) de minimus indirect cost rate as allowed in the Uniform Guidance, section 414.

NOTE 3: AMOUNTS PASSED TO SUBRECIPIENTS

Community Action, Inc. did not provide federal awards to subrecipients during the year ended June 30, 2025.

NOTE 4: FEDERAL CASH RECEIVED

Community Action, Inc. has reported cash that was returned to the granting agencies on the Schedule of Federal Awards as a negative cash receipt.



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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Board of Directors
Community Action, Inc.
105 Grace Way
Punxsutawney, Pennsylvania 15767-1209

Report on Compliance for Each Major Federal and DHS Program

Opinion on Each Major Federal Program and DHS Program

We have audited Community Action, Inc.'s compliance with the types of compliance requirements identified as subject to the audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action, Inc.'s major federal programs for the year ended June 30, 2025. Community Action, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Community Action, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Community Action, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Community Action, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Community Action, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Community Action, Inc.'s compliance based on our audit. 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, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance



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Community Action, Inc.
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requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Community Action Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Community Action, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Community Action, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Community Action, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.



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Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Zelenkofske Axlerod LLC

Zelenkofske Axlerod LLC

Pittsburgh, Pennsylvania
December 2, 2025



Zelenkofske Axlerod LLC

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

Board of Directors
Community Action, Inc.
105 Grace Way
Punxsutawney, Pennsylvania 15767-1209

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action, Inc., which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 2, 2025.

Report on Internal Control Over Financial Reporting

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

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

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



Zelenkofske Axlerod LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action, Inc.'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.

Zelenkofske Axlerod LLC

Zelenkofske Axlerod LLC

Pittsburgh, Pennsylvania
December 2, 2025

COMMUNITY ACTION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified not considered to be material weaknesses?
___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

Federal and DHS Awards

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified not considered to be material weaknesses?
___ yes X none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with
2 CFR 200.516(a) ___ yes X no

Identification of major programs:

AL Number(s)	Name of Program or Cluster
93.568	Low-Income Home Energy Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

Auditee qualified as low-risk auditee? X yes ___ no

COMMUNITY ACTION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025

Section II – Findings Relating to the Financial Statements Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

No matters were reported.

Section III – Federal and Pennsylvania Department of Human Services Awards Findings and Questioned Costs.

No matters were reported.

COMMUNITY ACTION, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2025

Status of Prior Audit Findings

None

OTHER SUPPLEMENTARY INFORMATION

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
TITLE XX PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
TITLE XX					
Personnel					
Salaries	\$ 1,375	\$ 1,193	\$ 1,193	\$ 182	\$ -
Benefits	447	381	381	66	-
Total Personnel	<u>1,822</u>	<u>1,574</u>	<u>1,574</u>	<u>248</u>	<u>-</u>
Operations:					
Audit	247	247	247	-	-
Communications	2,160	1,974	1,974	186	-
Food	4,692	4,692	4,692	-	-
Maintenance	3,477	3,825	3,825	(348)	-
Printing	1,000	1,068	1,068	(68)	-
Professional Fees	2,216	1,653	1,653	563	-
Rent	25	10	10	15	-
Supplies	640	-	-	640	-
Total Operations	<u>14,457</u>	<u>13,469</u>	<u>13,469</u>	<u>988</u>	<u>-</u>
Total	<u>\$ 16,279</u>	<u>\$ 15,043</u>	<u>\$ 15,043</u>	<u>\$ 1,236</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
ACT 44 PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Approved Budget	Reported Costs	Allowable Costs Per Audit		
			Total	(Over) Under Budget	Questioned Costs
ACT 44					
Personnel					
Salaries	\$ 156,400	\$ 155,305	\$ 155,305	\$ 1,095	\$ -
Benefits	42,003	38,751	38,751	3,252	-
Total Personnel	<u>198,403</u>	<u>194,056</u>	<u>194,056</u>	<u>4,347</u>	<u>-</u>
Operations:					
Audit	1,336	1,324	1,324	12	-
Communications	7,148	4,800	4,800	2,348	-
Insurance	5,388	4,786	4,786	602	-
Professional Fees	31,442	33,971	33,971	(2,529)	-
Rent	6,878	7,000	7,000	(122)	-
Supplies	2,831	3,029	3,029	(198)	-
Travel	7,839	8,130	8,130	(291)	-
Utilities	8,459	7,154	7,154	1,305	-
Total Operations	<u>71,321</u>	<u>70,194</u>	<u>70,194</u>	<u>1,127</u>	<u>-</u>
Total	<u>\$ 269,724</u>	<u>\$ 264,250</u>	<u>\$ 264,250</u>	<u>\$ 5,474</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FVPS PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Allowable Costs Per Audit				
	Approved Budget	Reported Costs	Total	(Over) Under Budget	Questioned Costs
FVPS					
Personnel					
Salaries	\$ 58,214	\$ 56,847	\$ 56,847	\$ 1,367	\$ -
Benefits	19,652	12,809	12,809	6,843	-
Total Personnel	77,866	69,656	69,656	8,210	-
Operations:					
Audit	1,316	1,317	1,317	(1)	-
Communications	3,802	978	978	2,824	-
Insurance	1,203	766	766	437	-
Prof. Fees/Contr. Serv.	13,791	15,170	15,170	(1,379)	-
Rent	2,891	1,201	1,201	1,690	-
Safe Homes	2,108	-	-	2,108	-
Supplies	2,286	2,513	2,513	(227)	-
Travel	2,456	2,571	2,571	(115)	-
Utilities	2,116	692	692	1,424	-
Total Operations	31,969	25,208	25,208	6,761	-
Total	\$ 109,835	\$ 94,864	\$ 94,864	\$ 14,971	\$ -

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FVPS/ARP CARES ACT PCADV CONTRACT #6011-23-24
YEAR ENDED JUNE 30, 2025

	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Allowable Costs Per Audit</u>		
			<u>Total</u>	<u>(Over) Under Budget</u>	<u>Questioned Costs</u>
BUDGET CATEGORY					
Operations:					
Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	2,607	2,607	2,607	-	-
Total Operations	<u>2,607</u>	<u>2,607</u>	<u>2,607</u>	<u>-</u>	<u>-</u>
 Total	<u>\$ 2,607</u>	<u>\$ 2,607</u>	<u>\$ 2,607</u>	<u>\$ -</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
SSBG RELOCATION PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	Allowable Costs Per Audit				
	Approved Budget	Reported Costs	Total	(Over) Under Budget	Questioned Costs
SSBG RELOCATION					
Operational relocation expense	\$ 9,085	\$ 9,085	\$ 9,085	\$ -	\$ -
Program totals	\$ 9,085	\$ 9,085	\$ 9,085	\$ -	\$ -

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
ACT 222 PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025

BUDGET CATEGORY	<u>Allowable Costs Per Audit</u>				
	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Total</u>	<u>(Over) Under Budget</u>	<u>Questioned Costs</u>
ACT 222					
OPERATIONS					
Audit	\$ 128	\$ 128	\$ 128	\$ -	\$ -
Postage	329	228	228	101	-
Printing	275	71	71	204	-
Professional Fees	<u>357</u>	<u>233</u>	<u>233</u>	<u>124</u>	<u>-</u>
Program totals	<u>\$ 1,089</u>	<u>\$ 660</u>	<u>\$ 660</u>	<u>\$ 429</u>	<u>\$ -</u>

**COMMUNITY ACTION, INC.
COMBINED SCHEDULE OF BUDGETED, REPORTED, AND
ALLOWABLE COSTS WITH FUNDING RECONCILIATION
PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025**

BUDGET CATEGORIES	<u>Approved Budget</u>	<u>Reported Costs</u>	Allowable Costs Per Audit		
			<u>Total</u>	<u>(Over) Under Budget</u>	<u>Questioned Costs</u>
TITLE XX					
Personnel	1,822	1,574	1,574	248	-
Operations	14,457	13,469	13,469	988	-
ACT 44					
Personnel	198,403	194,056	194,056	4,347	-
Operations	71,321	70,194	70,194	1,127	-
ACT 222					
Operations	1,089	660	660	429	-
FVPS					
Personnel	77,866	69,656	69,656	8,210	-
Operations	31,969	25,208	25,208	6,761	-
SSBG RELOCATION					
Operations	9,085	9,085	9,085	-	-
FVPS/ARP CARES ACT					
Operations	2,607	2,607	2,607	-	-
	408,619	386,509	386,509	22,110	-
FUNDING RECONCILIATION					
Approved contract received as of June 30, 2025				269,345	269,345
Allowable Costs					
Approved				386,509	
Questioned				-	386,509
Due (to) from PCADV					117,164

COMMUNITY ACTION, INC.
SCHEDULE OF REVENUES
PCADV CONTRACT #6011-2025
YEAR ENDED JUNE 30, 2025

Received during:

July	\$	-
August		64,587
September		-
October		13,047
November		24,132
December		58,013
January		29,731
February		-
March		27,335
April		-
May		26,229
June		<u>26,271</u>

Total Received as of June 30, 2025 269,345

Receivable at June 30, 2025: 117,164

Total \$ 386,509

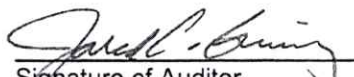
COMMUNITY ACTION, INC.
POST-AUDIT CONFERENCE
JUNE 30, 2025

This memo will serve as written notification that a post-audit conference was held between Community Action, Inc. and Zelenkofske Axelrod, LLC.

Date: November 20, 2025

Time: 10 AM

Place: Community Action, Inc. and Zelenkofske Axelrod, LLC offices.



Signature of Auditor



Signature of Director