



## **FINANCIAL STATEMENTS**

**JUNE 30, 2017 AND 2016**

**COMMUNITY ACTION, INC.  
FINANCIAL STATEMENTS  
JUNE 30, 2017 AND 2016**

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## INDEPENDENT AUDITOR'S REPORT

October 13, 2017

To the Board of Directors  
Community Action, Inc.  
105 Grace Way  
Punxsutawney, PA 15979-1209

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

We have audited the accompanying financial statements of Community Action, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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

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

### ***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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit guidelines issued by the Pennsylvania Department of Human Services; and audit guidelines issued by the Pennsylvania Coalition Against Domestic Violence. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Community Action, 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 accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of federal awards on pages 56 and 57 is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statements, and the information on pages 25 through 54, is presented for purposes of supplemental analysis, and are not required parts of the basic 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 October 13, 2017, 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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Wessel & Company". The signature is written in a cursive, flowing style.

WESSEL & COMPANY  
Certified Public Accountants

COMMUNITY ACTION, INC.  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2017 AND 2016

	2017	2016
<b><u>ASSETS</u></b>		
Current Assets:		
Cash and cash equivalents	\$ 453,618	\$ 1,005,438
Grants receivable	265,400	241,445
Other receivables	727,707	244,024
Investments	44,337	50,995
Inventory	4,563	4,706
Prepaid expenses	63,950	41,266
Total Current Assets	1,559,575	1,587,874
Property and equipment - Net of accumulated depreciation	618,500	533,903
Total Assets	\$ 2,178,075	\$ 2,121,777
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current Liabilities:		
Accounts payable	\$ 131,332	\$ 143,172
Accrued benefits and withheld taxes	11,839	18,117
Accrued salaries	161,811	144,599
Deferred revenue	71,471	61,647
Accrued expenses	32,500	30,225
Security deposits	780	680
Total Current Liabilities	409,733	398,440
Total Liabilities	409,733	398,440
Net Assets:		
Unrestricted	1,699,938	1,656,086
Temporarily restricted	68,404	67,251
Total Net Assets	1,768,342	1,723,337
Total Liabilities and Net Assets	\$ 2,178,075	\$ 2,121,777

See Independent Auditor's Report and  
Accompanying Notes to Financial Statements

COMMUNITY ACTION, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017

	Unrestricted	Temporarily Restricted	Total 2017
<u>Public Support and Revenue</u>			
Public Support:			
Grant income	\$ 2,181,027	\$ -	\$ 2,181,027
Contributions	94,132	33,450	127,582
Contributions, in-kind	85,477	-	85,477
Special events	5,578	-	5,578
	<u>2,366,214</u>	<u>33,450</u>	<u>2,399,664</u>
Total Public Support			
Revenue:			
Service income	1,822,797	-	1,822,797
Information technology services	167,852	-	167,852
Investment income (loss)	(4,056)	-	(4,056)
Housing income	38,224	-	38,224
Miscellaneous income	17,422	-	17,422
Release from restriction	32,297	(32,297)	-
	<u>2,074,536</u>	<u>(32,297)</u>	<u>2,042,239</u>
Total Revenue			
Total Public Support and Revenue <u>4,440,750</u> <u>1,153</u> <u>4,441,903</u>			
<u>Expenses</u>			
Operating:			
Program services	3,762,176	-	3,762,176
Fundraising	5,095	-	5,095
	<u>3,767,271</u>	<u>-</u>	<u>3,767,271</u>
Total Operating			
Supporting Services:			
Management and general	629,627	-	629,627
	<u>4,396,898</u>	<u>-</u>	<u>4,396,898</u>
Total Expenses			
Change in Net Assets	43,852	1,153	45,005
Net Assets - Beginning of Year	<u>1,656,086</u>	<u>67,251</u>	<u>1,723,337</u>
Net Assets - End of Year	<u>\$ 1,699,938</u>	<u>\$ 68,404</u>	<u>\$ 1,768,342</u>

See Independent Auditor's Report and  
Accompanying Notes to Financial Statements

COMMUNITY ACTION, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2016</u>
<u>Public Support and Revenue</u>			
Public Support:			
Grant income	\$ 3,388,024	\$ -	\$ 3,388,024
Contributions	93,775	23,621	117,396
Contributions, in-kind	104,346	-	104,346
Special events	2,119	-	2,119
	<u>3,588,264</u>	<u>23,621</u>	<u>3,611,885</u>
Revenue:			
Service income	626,688	-	626,688
Information technology services	150,310	-	150,310
Investment income (loss)	8,843	-	8,843
Housing income	34,954	-	34,954
Miscellaneous income	3,817	-	3,817
Release from restriction	39,112	(39,112)	-
	<u>863,724</u>	<u>(39,112)</u>	<u>824,612</u>
Total Revenue	<u>863,724</u>	<u>(39,112)</u>	<u>824,612</u>
Total Public Support and Revenue	<u>4,451,988</u>	<u>(15,491)</u>	<u>4,436,497</u>
<u>Expenses</u>			
Operating:			
Program services	3,858,899	-	3,858,899
Fundraising	2,222	-	2,222
	<u>3,861,121</u>	<u>-</u>	<u>3,861,121</u>
Supporting Services:			
Management and general	539,883	-	539,883
	<u>4,401,004</u>	<u>-</u>	<u>4,401,004</u>
Total Expenses	<u>4,401,004</u>	<u>-</u>	<u>4,401,004</u>
Change in Net Assets	50,984	(15,491)	35,493
Net Assets - Beginning of Year	<u>1,605,102</u>	<u>82,742</u>	<u>1,687,844</u>
Net Assets - End of Year	<u>\$ 1,656,086</u>	<u>\$ 67,251</u>	<u>\$ 1,723,337</u>

See Independent Auditor's Report and  
Accompanying Notes to Financial Statements

COMMUNITY ACTION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2017

	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 1,166,833	\$ 441,020	\$ 1,223	\$ 1,609,076
Fringe Benefits	259,118	46,329	92	305,539
Payroll Taxes	88,355	33,315	93	121,763
<b>Total Personnel Costs</b>	<b>1,514,306</b>	<b>520,664</b>	<b>1,408</b>	<b>2,036,378</b>
Travel	35,738	8,416	-	44,154
Software	55	3,385	-	3,440
Equipment maintenance and rental	2,059	-	-	2,059
Small equipment and tools	63	-	-	63
Supplies	38,763	3,686	-	42,449
Space costs	85,581	9,167	34	94,782
Telephone	42,509	5,784	29	48,322
Postage	5,192	-	47	5,239
Printing	3,498	142	671	4,311
Licenses and registration	1,647	4,977	-	6,624
Insurance	32,544	1,223	6	33,773
Auto expenses	5,168	-	-	5,168
Information Technology	13,589	539	29	14,157
Advertising and publication	3,593	1,027	-	4,620
Registration and memberships	3,705	3,455	-	7,160
Training and technical assistance	-	-	-	-
Administrative fees	7,204	-	-	7,204
Volunteer recognition	8,081	-	-	8,081
Contracted services	112,323	34,275	-	146,598
Snow removal	25	-	-	25
Utilities	25,635	-	-	25,635
Meetings	609	171	-	780
Food and meals	2,319	-	-	2,319
Building repairs and maintenance	5,520	-	-	5,520
Miscellaneous	6,415	1	-	6,416
Property taxes	1,488	-	-	1,488
Cost of goods sold	-	-	-	-
Depreciation	12,553	-	-	12,553
Bad debt expense	219	-	-	219
Consumer assistance:				
Food and meals	14,874	-	-	14,874
Weatherization services	394,501	-	-	394,501
Housing assistance	109,409	-	-	109,409
Client travel and assistance	1,160,141	-	-	1,160,141
Other consumer support	17,003	-	-	17,003
Fundraising distributions	-	-	2,414	2,414
Payroll fees	-	12	-	12
Project support	4,308	-	-	4,308
In-Kind expenses	85,477	-	-	85,477
Fiscal services	-	29,253	431	29,684
Human resources services	-	3,450	26	3,476
Federal taxes	6,062	-	-	6,062
<b>Total Expenses</b>	<b>\$ 3,762,176</b>	<b>\$ 629,627</b>	<b>\$ 5,095</b>	<b>\$ 4,396,898</b>

See Independent Auditor's Report and Accompanying Notes to Financial Statements

COMMUNITY ACTION, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2016

	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 1,169,723	\$ 346,389	\$ 471	\$ 1,516,583
Fringe Benefits	263,328	48,544	104	311,976
Payroll Taxes	91,751	22,672	35	114,458
<b>Total Personnel Costs</b>	<b>1,524,802</b>	<b>417,605</b>	<b>610</b>	<b>1,943,017</b>
Travel	39,748	8,521	-	48,269
Software	680	-	-	680
Equipment maintenance and rental	3,051	(198)	-	2,853
Small equipment and tools	6,520	-	-	6,520
Supplies	53,261	1,117	-	54,378
Space costs	75,880	5,375	18	81,273
Telephone	24,334	4,275	16	28,625
Postage	12,699	266	-	12,965
Printing	10,477	793	599	11,869
Licenses and registration	1,885	4,134	-	6,019
Insurance	30,364	671	2	31,037
Auto expenses	7,038	-	-	7,038
Information Technology	-	19,146	15	19,161
Advertising and publication	4,643	479	-	5,122
Registration and memberships	5,468	2,789	-	8,257
Training and technical assistance	926	-	-	926
Administrative fees	6,813	-	-	6,813
Volunteer recognition	9,253	-	-	9,253
Contracted services	143,252	39,475	9	182,736
Snow removal	473	-	-	473
Utilities	23,123	-	-	23,123
Meetings	2,848	1,104	-	3,952
Food and meals	983	-	-	983
Building repairs and maintenance	1,939	-	-	1,939
Miscellaneous	4,533	-	-	4,533
Property taxes	1,556	-	-	1,556
Cost of goods sold	20	-	-	20
Depreciation	10,451	-	-	10,451
Bad debt expense	-	-	-	-
Consumer assistance:				
Food and meals	18,300	-	-	18,300
Weatherization services	409,734	-	-	409,734
Housing assistance	132,117	-	-	132,117
Client travel and assistance	1,156,252	-	-	1,156,252
Other consumer support	21,514	-	-	21,514
Fundraising distributions	-	-	719	719
Project support	2,500	-	-	2,500
In-Kind expenses	104,346	-	-	104,346
Fiscal services	-	28,402	222	28,624
Human resources services	-	5,929	12	5,941
Federal taxes	7,116	-	-	7,116
<b>Total Expenses</b>	<b>\$ 3,858,899</b>	<b>\$ 539,883</b>	<b>\$ 2,222</b>	<b>\$ 4,401,004</b>

See Independent Auditor's Report and Accompanying Notes to Financial Statements

COMMUNITY ACTION, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 45,005	\$ 35,493
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	27,108	23,889
Unrealized loss/(gain) on investments	6,657	(5,734)
Change in assets and liabilities:		
Grants receivable	(23,955)	104,088
Other receivables	(483,683)	(21,492)
Inventory	143	500
Prepaid expenses	(22,684)	141
Accounts payable	(9,565)	(55,356)
Security deposits	100	-
Accrued benefits and withheld taxes	(6,278)	8,062
Accrued salaries	17,212	8,234
Deferred revenues	9,824	51,053
Total Adjustments	(485,121)	113,385
Net Cash (Used In)/Provided By Operating Activities	(440,116)	148,878
<b>Cash Flows From Investing Activities:</b>		
Purchase of fixed assets	(111,704)	(64,659)
Net Cash (Used In) Investing Activities	(111,704)	(64,659)
Net (Decrease)/Increase In Cash and Cash Equivalents	(551,820)	84,219
Cash and Cash Equivalents - Beginning of Year	1,005,438	921,219
Cash and Cash Equivalents - End of Year	\$ 453,618	\$ 1,005,438

COMMUNITY ACTION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017 AND 2016

NOTE 1 - NATURE OF OPERATIONS

Community Action, Inc. 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. Community Action, Inc. serves as a multi-purpose administering and service delivery entity for a number of projects. Although each of the projects administered by Community Action, Inc., is subject to specific funding source requirements and regulations, each project has a relevant purpose toward the corporate mission. Community Action, Inc.'s programs are funded by various federal, state, and local grants, and private donations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies are the principles of accounting and the methods of applying those principles which are utilized in preparing the 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:

*Income Taxes*

Community Action, Inc. 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. (See also Note 14).

Community Action, Inc. follows FASB ASC 740-10 Topic Accounting for Uncertainty in Income Taxes. The FASB ASC requires Community Action, Inc. 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. Community Action, Inc. 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. Community Action, Inc. records tax penalties and interest as they occur. For the years ended June 30, 2017 and 2016, Community Action, Inc. incurred no tax penalty or interest costs. With certain exceptions, the federal income tax returns of Community Action, Inc. for 2014, 2015, and 2016 are subject to examination by the IRS, generally for three (3) years after they were filed.

### *Inventory*

Inventory is stated at the lower of cost or market value. Cost is determined using the first-in, first-out method.

### *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 services as instructed by the donor. Community Action, Inc. reclassifies temporarily restricted net assets to unrestricted net assets 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.

### *Cash and 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 at June 30, 2017 and 2016.

### *Allowance for Doubtful Receivables*

No allowance for doubtful accounts was provided as of June 30, 2017 and 2016, 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.

### *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 unrestricted net assets 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.

### *Basis of Presentation*

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:

Unrestricted net assets - Net assets that are not subject to donor imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor imposed stipulations that may or will be met either by actions of Community Action, Inc. and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by Community Action, Inc. Generally the donors of these assets permit Community Action, Inc. to use all or part of the income earned on related investments for general or specific purposes. There were no permanently restricted assets at June 30, 2017 and 2016.

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.

### *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.

### NOTE 3 – CONCENTRATIONS OF CREDIT RISK OF FINANCIAL INSTRUMENTS

Demand deposits in banks are financial instruments of the depositor. The depositor has the contracted right to receive this currency on demand. Community Action, Inc. has cash deposits in five (5) accounts with two (2) financial institutions. One (1) of the cash accounts represents investments in government securities, which is not covered by FDIC insurance. The other deposits are insured up to \$250,000 per institution. The balance, which was not covered by FDIC insurance at June 30, 2017 and 2016, was \$217,591 and \$778,148, respectively, which is collateralized through a repurchasing agreement between Community Action, Inc., 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, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Crossroads – PCADV	\$ 55,443	\$ 61,570
CSBG	56,742	48,655
HFHADP – Disabled Housing	10,230	10,020
HSDf	29	3,122
Clarion PFSA	1,250	---
PHARE	---	42,506
RSVP	787	3,121
Stewart McKinney	7,768	7,319
Work Ready Program	3,905	---
Victims of Crime Act	82,100	14,564
Weatherization (DOE)	28,798	22,212
WIOA/TANF (GECAC)	15,118	23,367
Weatherization (LIHEAP)	<u>3,230</u>	<u>4,989</u>
	<u>\$ 265,400</u>	<u>\$ 241,445</u>

## NOTE 5 – INVESTMENTS

The fair values of marketable equity securities are based on quoted market prices. Investments as of June 30, 2017 and 2016, are composed of the following:

	<u>2017</u>	
	<u>Cost</u>	<u>Fair Value</u>
544 Shares Exxon Mobil Corporation	\$21,675	\$44,337
	<u>2016</u>	
	<u>Cost</u>	<u>Fair Value</u>
544 Shares Exxon Mobil Corporation	\$21,675	\$50,995

An unrealized gain/(loss) of \$(6,657) and \$5,734 was recognized for the year ended June 30, 2017 and 2016, respectively.

Components of net investment income include:

	<u>2017</u>	<u>2016</u>
Dividend income	\$ 1,224	\$ 1,599
Interest income on interest bearing cash	1,377	1,510
Unrealized holding gain/(loss)	<u>(6,657)</u>	<u>5,734</u>
	<u>\$ (4,056)</u>	<u>\$ 8,843</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 tables present assets that are measured at fair value on a recurring basis at June 30, 2017 and 2016:

	June 30, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements at Reporting Date Using	
			Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Shares	\$ <u>44,337</u>	\$ <u>44,337</u>	\$ <u>---</u>	\$ <u>---</u>

	June 30, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements at Reporting Date Using	
			Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Shares	\$ <u>50,995</u>	\$ <u>50,995</u>	\$ <u>---</u>	\$ <u>---</u>

#### NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Land	\$ 62,765	\$ 62,765
Buildings and Improvements	801,614	712,188
Equipment	<u>269,351</u>	<u>247,073</u>
	1,133,730	1,022,026
Less: Accumulated Depreciation	<u>(515,230)</u>	<u>(488,123)</u>
Total Property and Equipment	<u>\$ 618,500</u>	<u>\$ 533,903</u>

Depreciation expense for the years ending June 30, 2017 and 2016, is \$27,108 and \$23,889, which includes \$14,555 and \$13,438 allocated to cost pools, respectively.

#### NOTE 8 – RESTRICTED NET ASSETS

Temporarily restricted assets at June 30, 2017 and 2016, are available for the following purposes:

	<u>2017</u>	<u>2016</u>
Contributions available for Crossroads program	\$ 34,128	\$ 36,163
Contributions available for Client Services	16,867	25,159
Contributions available for Friends for Food	5,929	5,929
Contributions available for Veterans donations	1,610	---
Contributions available for Miller Trust	<u>9,870</u>	<u>---</u>
	\$ <u>68,404</u>	\$ <u>67,251</u>

#### NOTE 9 – REVOLVING LINE OF CREDIT

Community Action, Inc., 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 4.75 percent per annum and expiring on April 30, 2018. As of June 30, 2017 and 2016, 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, 2017 and 2016, these accrued compensated absences were \$55,839 and \$54,455, respectively.

#### NOTE 11 – OPERATING LEASE COMMITMENTS

Community Action, Inc. has several operating lease agreements in effect as of the year ended June 30, 2017, for the lease of office space and other facilities. These lease agreements have various expiration dates with some continuing in effect on a month-to-month basis. Lease amounts range from \$125 per month to \$1,910 per month, depending on the facility.

Community Action, Inc. has several operating lease agreements in effect as of the year ended June 30, 2017, for the lease of office equipment. At the conclusion of these leases the equipment reverts to the lessor.

The following summarizes the future lease obligations for both the facility and equipment leases:

Year Ended June 30,	<u>Equipment</u>	<u>Facilities</u>
2018	\$ 8,878	\$ 5,400
2019	8,878	---
2020	4,209	---
2021	3,483	---
2022	<u>3,483</u>	<u>---</u>
	<u>\$ 28,931</u>	<u>\$ 5,400</u>

The above schedule does not include facility or equipment leases that are on a month-to-month basis.

For the years ending June 30, 2017 and 2016, lease expenses for Facilities and Equipment was \$52,410 and \$50,519, respectively.

#### NOTE 12 – DONATED SERVICES AND MATERIALS

Contributed services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received. In-kind contributions included in total contributed support for the years ended June 30, 2017 and 2016, consist of the following at fair market value at the date of donation:

	<u>2017</u>	<u>2016</u>
Adult Literacy classroom space	\$ 15,928	\$ 28,440
Food and program supplies	25,430	14,483
Donated services	26,581	36,304
Donated gift cards	200	2,570
Donated volunteer recognition	<u>17,338</u>	<u>22,549</u>
Total Donated Services and Materials Revenue and Expense	<u>\$ 85,477</u>	<u>\$ 104,346</u>

Additionally, Community Action, Inc. receives a significant amount of contributed time that does not meet the two (2) recognition criteria above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements. Volunteers supporting the Retired and Senior Volunteer Program provided approximately 45,343 and 53,925 hours of time as of June 30, 2017 and 2016.

#### NOTE 13 – CONCENTRATIONS

Community Action, Inc. received approximately twenty-one percent (21%) of its total revenue from three (3) grant programs and forty-three percent (43%) of its total revenue from two (2) grant programs for the years ended June 30, 2017 and 2016, respectively. If a significant reduction in this level of funding were to occur, Community Action, Inc.'s ability to carry out its program services would be significantly reduced.

#### NOTE 14 – INCOME TAXES

Community Action, Inc. is required to pay federal income taxes on profits earned by its information technology activities, an unrelated business. These activities had a profit of \$41,416 and \$60,893 for the years ended June 30, 2017 and 2016, thus the organization incurred \$6,062 and \$10,223 in federal unrelated business income tax, respectively.

#### NOTE 15 – 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.

#### NOTE 16 – SIMPLE 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. Maximum salary reductions are \$12,500 for calendar year 2017. For employees age fifty (50) or older, the limit is \$15,500. For the years ending June 30, 2017 and 2016, employer contributions were \$36,376 and \$32,364, respectively.

## NOTE 17 – SUPPLEMENTAL DISCLOSURES- PCADV

### 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, 2017.

### 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, 2017, 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, 2017, total domestic violence expenditures by Community Action, Inc. for domestic violence was \$572,777.

### 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, 2017.

## NOTE 18 - 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, 2017 and 2016.

### 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 19 – SUBSEQUENT EVENTS

Subsequent events were considered through October 13, 2017, the date the financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

**INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

October 13, 2017

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. Community Action, Inc.'s management is responsible for the company's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other 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, 2017, 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>
Block Grant #57048	25	Budget Comparison Statement
	26	Budget Comparison Statement
Low Income Home Energy Assistance Program (LIHEAP) – Grant #61719	27	Budget Comparison Statement
	28	Budget Comparison Statement
DOE	29	Budget Comparison Statement – Grant #C000055947
Adult Education Program	30	Revenue and Expenses – Contract #64-11-0011

Retired and Senior Volunteer Program	31	Revenue and Expenses – Contract #16SRAPA011
Medical Assistance Transportation Program	32	Revenue and Expenses – Contract #SAP 159000
Homeless Assistance Program	33	Revenue and Expenses – Contract #SAP 159000
Supportive Housing Program – Housing for Homeless and Disabled Persons	34	Budget to Actual Report – Contract PA0310L3E011508
	35	Budget to Actual Report – Contract PA0310L3E021407
Supportive Housing Program – Transitional Housing	36	Budget to Actual Report – Contract PA032L3E011508
	37	Budget to Actual Report – Contract PA0320L3E021407
Crime Victim Assistance	38	Schedule of Budgeted, Reported and Allowable Costs – Subgrant #26605
PCADV – Contract #5233	39	Budgeted, Reported and Allowable Costs – Title XX
	40	Budgeted, Reported and Allowable Costs – Title XX
	41	Budgeted, Reported and Allowable Costs – Act 44
	42	Budgeted, Reported and Allowable Costs – Act 44
	43	Budgeted, Reported, and Allowable Costs – FVPS
	44	Budgeted, Reported, and Allowable Costs – FVPS
	45	Budgeted, Reported, and Allowable Costs – SSBG Relocation
	46	Budgeted, Reported, and Allowable Costs – SSBG Relocation
	47	Budgeted, Report, and Allowable Costs – Act 222
	48	Budgeted, Report, and Allowable Costs – Act 222
	49	Combined Budgeted, Reported, and Allowable Costs – Funding Reconciliation
	50	Combined Budgeted, Reported, and Allowable Costs – Funding Reconciliation

	51	Schedule of Revenues
	52	Schedule of Revenues
Work Ready Program – Contract #4100064833	53	Budget Comparison Statement
	54	Budget Comparison Statement

- 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 not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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.



WESSEL & COMPANY  
 Certified Public Accountants

**COMMUNITY ACTION, INC.**  
**BUDGET COMPARISON STATEMENT**  
**DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
**COMMUNITY SERVICES BLOCK GRANT #C000057048**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Approved Budget</b>	<b>Contract Period Expenditures</b>	<b>Questioned Costs</b>
<b>OPERATING COSTS</b>			
Salaries and Fringes	\$ 101,799	\$ 101,799	\$ -
Consumable Supplies	747	301	-
Travel	3,095	2,783	-
Advertising	150	-	-
Office Equipment	-	-	-
Space Costs	7,280	7,280	-
Audit	1,500	1,500	-
<b>Total Operating Costs</b>	<b>114,571</b>	<b>113,663</b>	<b>-</b>
<b>RELATED COSTS</b>			
Professional Services	625	40	-
Insurance	600	600	-
Legal	-	-	-
<b>Total Related Costs</b>	<b>1,225</b>	<b>640</b>	<b>-</b>
<b>OTHER COSTS</b>			
Other	13,005	11,819	-
<b>Total Other Costs</b>	<b>13,005</b>	<b>11,819</b>	<b>-</b>
<b>Total</b>	<b>\$ 128,801</b>	<b>\$ 126,122</b>	<b>\$ -</b>

**NOTE:** The Community Services Block Grant Program contract period is from January 1, 2017 through December 31, 2017. The expenditures above are for the period January 1, 2017 through June 30, 2017.

**COMMUNITY ACTION, INC.**  
**BUDGET COMPARISON STATEMENT**  
**DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
**COMMUNITY SERVICES BLOCK GRANT #C000057048**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
<b>OPERATING COSTS</b>			
Salaries and Fringes	\$ 207,606	\$ 100,572	\$ -
Consumable Supplies	1,175	592	-
Travel	6,159	2,200	-
Advertising	207	52	-
Space Costs	8,570	3,620	-
Audit	1,591	-	-
	<u>225,308</u>	<u>107,036</u>	<u>-</u>
Total Operating Costs	<u>225,308</u>	<u>107,036</u>	<u>-</u>
<b>RELATED COSTS</b>			
Professional Services	3,250	3,250	-
Insurance	690	277	-
Legal	-	-	-
	<u>3,940</u>	<u>3,527</u>	<u>-</u>
Total Related Costs	<u>3,940</u>	<u>3,527</u>	<u>-</u>
<b>OTHER COSTS</b>			
Other	<u>20,752</u>	<u>7,320</u>	<u>-</u>
Total Other Costs	<u>20,752</u>	<u>7,320</u>	<u>-</u>
Total	<u><u>\$ 250,000</u></u>	<u><u>\$ 117,883</u></u>	<u><u>\$ -</u></u>

**NOTE:** The Community Services Block Grant Program contract period is from January 1, 2016 through December 31, 2016. The expenditures above are for the period July 1, 2016 through December 31, 2016.

**COMMUNITY ACTION, INC.**  
**BUDGET COMPARISON STATEMENT**  
**DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
**WEATHERIZATION CONTRACT #C000061719 (LIHEAP)**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Final Approved Budget</b>	<b>Current Fiscal Period Expenditures</b>	<b>Questioned Costs</b>
<b>ADMINISTRATION</b>			
Personnel	\$ 2,187	\$ 1,072	\$ -
Operating/supplies	9,531	7,637	-
Office equipment	-	-	-
Total Administration	<u>11,718</u>	<u>8,709</u>	<u>-</u>
<b>FINANCIAL AUDIT</b>	<u>2,700</u>	<u>2,700</u>	<u>-</u>
<b>DIRECT SERVICES</b>			
Program support	87,526	65,541	-
Program operations	<u>265,826</u>	<u>226,326</u>	<u>-</u>
Total Direct Services	<u>353,352</u>	<u>291,867</u>	<u>-</u>
<b>HEALTH AND SAFETY</b>	<u>4,500</u>	<u>-</u>	<u>-</u>
<b>LIABILITY INSURANCE</b>	<u>987</u>	<u>737</u>	<u>-</u>
Total	<u>\$ 373,257</u>	<u>\$ 304,013</u>	<u>\$ -</u>

**NOTE:** The contract period for the Weatherization (LIHEAP) Program is October 1, 2015 through September 30, 2020. The expenditures above are for the period July 1, 2016 through September 30, 2017. The budget shown is for the entire contract period.

**COMMUNITY ACTION, INC.  
 BUDGET COMPARISON STATEMENT  
 DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT  
 WEATHERIZATION CONTRACT #C000061719 (LIHEAP)  
 YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Final Approved Budget</b>	<b>Current Fiscal Period Expenditures</b>	<b>Questioned Costs</b>
<b>ADMINISTRATION</b>			
Personnel	\$ 2,187	\$ 584	\$ -
Operating/supplies	9,531	3,507	-
Office equipment	-	-	-
Total Administration	<u>11,718</u>	<u>4,091</u>	<u>-</u>
<b>FINANCIAL AUDIT</b>	<u>2,700</u>	<u>-</u>	<u>-</u>
<b>DIRECT SERVICES</b>			
Program support	87,526	4,691	-
Program operations	265,826	10,920	-
Total Direct Services	<u>353,352</u>	<u>15,611</u>	<u>-</u>
<b>HEALTH AND SAFETY</b>	<u>4,500</u>	<u>875</u>	<u>-</u>
<b>LIABILITY INSURANCE</b>	<u>987</u>	<u>68</u>	<u>-</u>
Total	<u><u>\$ 373,257</u></u>	<u><u>\$ 20,645</u></u>	<u><u>\$ -</u></u>

**NOTE:** The contract period for the Low Income Home Energy Assistance Program is October 1, 2015 through September 30, 2020. The expenditures above are for the period July 1, 2016 through June 30, 2017.

**COMMUNITY ACTION, INC.**  
**BUDGET COMPARISON STATEMENT**  
**DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
**WEATHERIZATION CONTRACT #C000055947 (DOE)**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Final Approved Budget</b>	<b>Current Fiscal Period Expenditures</b>	<b>Questioned Costs</b>
<b>ADMINISTRATION</b>			
Personnel	\$ 901	\$ 2,987	\$ -
Operating/supplies	20,959	46	-
Office equipment	-	-	-
Total Administration	<u>21,860</u>	<u>3,033</u>	<u>-</u>
<b>FINANCIAL AUDIT</b>	<u>1,949</u>	<u>-</u>	<u>-</u>
<b>DIRECT SERVICES</b>			
Program support	119,153	7,948	-
Program operations	142,783	43,769	-
Total Direct Services	<u>261,936</u>	<u>51,717</u>	<u>-</u>
<b>HEALTH AND SAFETY</b>	<u>19,000</u>	<u>12,126</u>	<u>-</u>
<b>LIABILITY INSURANCE</b>	<u>1,500</u>	<u>131</u>	<u>-</u>
Total	<u><u>\$ 306,245</u></u>	<u><u>\$ 67,007</u></u>	<u><u>\$ -</u></u>

**NOTE:** The contract period for the Weatherization (DOE) Program is July 1, 2013 through June 30, 2017. The expenditures above are for the period July 1, 2016 through June 30, 2017. The budget shown is for the entire contract period.

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
DEPARTMENT OF EDUCATION - ADULT EDUCATION PROGRAMS  
CONTRACT #64-11-0011  
YEAR ENDED JUNE 30, 2017**

	<b>Adult Education Programs</b>	
	<b>Adult Literacy Programs</b>	
	<b>Act 143</b>	<b>Section 231</b>
	<b>64-17-0011</b>	<b>FA-064-17-0011</b>
<b>REVENUE</b>		
Grant income	\$ 75,000	\$ 65,000
<b>EXPENSES</b>		
Salaries	45,676	40,615
Benefits	11,393	10,364
Professional and technical fees	2,030	2,472
Purchased property services	4,811	4,489
Other purchased services	3,276	3,097
Supplies	448	232
	67,634	61,269
<b>Due to Funding Source</b>	<b>\$ 7,366</b>	<b>\$ 3,731</b>

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
RETIRED AND SENIOR VOLUNTEER PROGRAM  
CONTRACT #16SRAPA011  
YEAR ENDED JUNE 30, 2017**

**REVENUE**

Grant income	\$ 64,347
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**VOLUNTEER SUPPORT EXPENSES**

Salaries and wages	\$ 33,470	
Fringe benefits	7,589	
Travel	4,802	
Supplies	1,594	
Other volunteer support costs	11,716	
Contractual & Consultant Services	<u>462</u>	
 Total Volunteer Support Expenses		 <u>59,633</u>

**VOLUNTEER COSTS**

Volunteer recognition	2,343	
Insurance	<u>2,371</u>	
 Total Volunteer Costs		 <u>4,714</u>

Total Program	64,347
---------------	--------

<b>Due to (from) Funding Source</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
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**NOTE:** The program contract period is from July 1, 2016 through June 30, 2017. 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**

<b>County: Jefferson</b>	<b>Year Ended</b>	<b>June 30, 2017</b>
	<u>Reported</u>	<u>Actual</u>
<b>SERVICE DATA</b>		
Expenditures:		
Group I Clients	\$ 1,160,141	\$ 1,160,141
Group II Clients	<u>-</u>	<u>\$ -</u>
Total Expenditures	<u>1,160,141</u>	<u>1,160,141</u>
<b>ALLOCATION DATA</b>		
Revenues:		
Department of Human Services	355,917	355,917
Jefferson County Commissioners	1,214,863	1,214,863
Interest Income	<u>75</u>	<u>75</u>
Total Revenues	<u>1,570,855</u>	<u>1,570,855</u>
Funds Expended:		
Operating Costs	1,160,141	1,160,141
Administrative Costs	<u>340,219</u>	<u>340,219</u>
Excess Revenues over Expenditures	<u>\$ 70,495</u>	<u>\$ 70,495</u>

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
HOMELESS ASSISTANCE PROGRAM  
CONTRACT #SAP 159000  
YEAR ENDED JUNE 30, 2017**

**SOURCES OF FUNDING**

DHS allocation	\$ 29,664
Interest earned	1
	29,665
Total HAP Funding	29,665

<b>EXPENSES</b>	<u>Administration</u>	<u>Case Management</u>	<u>Rental Assistance</u>	<u>Total</u>
Personnel	\$ 34	\$ 14,636	\$ -	\$ 14,670
Operating	2,538	2,700	-	5,238
Purchased Services	-	-	9,757	9,757
Subtotal	\$ 2,572	\$ 17,336	\$ 9,757	29,665
Total HAP Expenses				29,665
Total Unexpected Funds				\$ -

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
SUPPORTIVE HOUSING PROGRAM -  
HOUSING FOR HOMELESS AND DISABLED PERSONS  
CONTRACT #PA0310L3E011508  
YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>	<b>Actual</b>
<b>REVENUE</b>		
Grant income	\$ 91,812	\$ 57,975
<b>EXPENSES</b>		
Administrative	5,633	2,389
Leasing	63,771	38,122
Supportive services	22,408	17,464
Total Expenses	91,812	57,975
<b>Due to Funding Source</b>	<b>\$ -</b>	<b>\$ -</b>

**NOTE:** The Supportive Housing Program #PA0310B3L011508 contract period is December 1, 2016, through November 30, 2017. The expenditures above are for the period December 1, 2016 through June 30, 2017. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
SUPPORTIVE HOUSING PROGRAM -  
HOUSING FOR HOMELESS AND DISABLED PERSONS  
CONTRACT #PA0310L3E021407  
YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>	<b>Actual</b>
<b>REVENUE</b>		
Grant income	\$ 89,955	\$ 30,551
<b>EXPENSES</b>		
Administrative	5,633	52
Leasing	61,914	24,013
Supportive services	22,408	6,486
	89,955	30,551
<b>Due to Funding Source</b>	<b>\$ -</b>	<b>\$ -</b>

**NOTE:** The Supportive Housing Program #PA0310L3E021407 contract period is December 1, 2015 through November 30, 2016. The expenditures above are for the period July 1, 2016 through November 30, 2016. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
SUPPORTIVE HOUSING PROGRAM -  
TRANSITIONAL HOUSING  
CONTRACT #PA0320L3E011508  
YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>	<b>Actual</b>
<b>REVENUE</b>		
Grant income	\$ 66,101	\$ 57,896
<b>EXPENSES</b>		
Administrative	4,324	4,324
Leasing	7,020	6,290
Direct operating	14,843	14,187
Supportive services	39,914	33,095
Total Expenses	66,101	57,896
<b>Due to Funding Source</b>	\$ -	\$ -

**NOTE:** The Supportive Housing Program #PA0320L3E011508 contract period is September 1, 2016, through August 31, 2017. The expenditures above are for the period September 1, 2016 through June 30, 2017. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUE AND EXPENSES  
SUPPORTIVE HOUSING PROGRAM -  
TRANSITIONAL HOUSING  
CONTRACT #PA0320L3E021407  
YEAR ENDED JUNE 30, 2017**

	<b>Budget</b>	<b>Actual</b>
<b>REVENUE</b>		
Grant income	\$ 66,101	\$ 8,454
<b>EXPENSES</b>		
Administrative	4,324	-
Leasing	7,020	730
Direct operating	14,843	2,130
Supportive services	39,914	5,594
Total Expenses	66,101	8,454
<b>Due to Funding Source</b>	<b>\$ -</b>	<b>\$ -</b>

**NOTE:** The Supportive Housing Program #PA0320L3E021407 contract period is September 1, 2015 through August 31, 2016. The expenditures above are for the period July 1, 2016, through August 31, 2016. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE**  
**SUBGRANT #26605**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
Personnel	\$ 294,157	\$ 48,240	\$ -
Employee benefits	119,075	16,373	-
Travel	-	-	-
Supplies / operating	<u>44,651</u>	<u>9,351</u>	<u>-</u>
	<u>\$ 457,883</u>	<u>\$ 73,964</u>	<u>\$ -</u>

**NOTE:** The Crime Victim Assistance Subgrant - contract period is from July 1, 2016 through June 30, 2019. The expenditures above are for the period July 1, 2016 through June 30, 2017.

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**TITLE XX PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
TITLE XX					
Personnel					
Salaries	-	-	-	-	-
Total Personnel	-	-	-	-	-
Operations:					
Professional Fees	12,209.00	12,209.00	12,209.00	-	-
Supplies	4,070.00	4,070.00	4,070.00	-	-
Total Operations	16,279.00	16,279.00	16,279.00	-	-
Total	<u>16,279.00</u>	<u>16,279.00</u>	<u>16,279.00</u>	<u>-</u>	<u>-</u>

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**TITLE XX PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

	<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>
<b>BUDGET CATEGORY</b>					
TITLE XX					
Personnel					
Salaries	-	-	-	-	-
Total Personnel	-	-	-	-	-
Operations:					
Food	445.00	445.00	445.00	-	-
Postage	799.00	-	-	-	-
Printing	772.00	-	-	-	-
Professional Fees	9,713.00	-	-	-	-
Supplies	4,550.00	-	-	-	-
Total Operations	16,279.00	445.00	445.00	-	-
Total	16,279.00	445.00	445.00	-	-

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**ACT 44 PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

	<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>
<b>BUDGET CATEGORY</b>					
ACT 44					
Personnel					
Salaries	120,617.00	0.00	0.00	0.00	0.00
Benefits	<u>37,525.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Personnel	<u>158,142.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Operations:					
Communications	9,062.00	0.00	0.00	0.00	0.00
Equipment Maintenance	146.00	0.00	0.00	0.00	0.00
Insurance	298.00	0.00	0.00	0.00	0.00
Maintenance	1,452.00	0.00	0.00	0.00	0.00
Postage	274.00	0.38	0.38	0.00	0.00
Printing	1,852.00	0.00	0.00	0.00	0.00
Professional Fees	31,076.00	7,496.85	7,496.85	0.00	0.00
Staff Development	250.00	0.00	0.00	0.00	0.00
Supplies	17,700.00	3.79	3.79	0.00	0.00
Travel	8,997.00	0.00	0.00	0.00	0.00
Utilities	<u>1,923.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Operations	<u>73,030.00</u>	<u>7,501.02</u>	<u>7,501.02</u>	<u>0.00</u>	<u>0.00</u>
Total	<u><u>231,172.00</u></u>	<u><u>7,501.02</u></u>	<u><u>7,501.02</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**ACT 44 PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
ACT 44					
Personnel					
Salaries	109,028.00	108,808.79	108,808.79	219.21	0.00
Benefits	31,083.00	30,520.92	30,520.92	562.08	0.00
Total Personnel	140,111.00	139,329.71	139,329.71	781.29	0.00
Operations:					
Communications	12,895.00	12,563.64	12,563.64	331.36	0.00
Food	669.00	669.00	669.00	0.00	0.00
Insurance	3,457.00	3,457.00	3,457.00	0.00	0.00
Maintenance	2,894.00	2,894.00	2,894.00	0.00	0.00
Postage	404.00	404.00	404.00	0.00	0.00
Printing	524.00	215.94	215.94	308.06	0.00
Professional Fees	38,179.00	38,179.00	38,179.00	0.00	0.00
Rent	13,484.00	13,484.00	13,484.00	0.00	0.00
Supplies	6,724.00	6,724.00	6,724.00	0.00	0.00
Travel	8,362.00	6,923.42	6,923.42	1,438.58	0.00
Utilities	8,731.00	8,576.60	8,576.60	154.40	0.00
Total Operations	96,323.00	94,090.60	94,090.60	2,232.40	0.00
Total	236,434.00	233,420.31	233,420.31	3,013.69	0.00

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**FVPS PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
<b>FVPS</b>					
Personnel					
Salaries	80,783.00	80,783.00	80,783.00	0.00	0.00
Benefits	<u>22,746.00</u>	<u>22,746.00</u>	<u>22,746.00</u>	<u>0.00</u>	<u>0.00</u>
Total Personnel	<u>103,529.00</u>	<u>103,529.00</u>	<u>103,529.00</u>	<u>0.00</u>	<u>0.00</u>
Operations:					
Communications	1,577.00	1,577.00	1,577.00	0.00	0.00
Professional Fees	984.00	984.00	984.00	0.00	0.00
Supplies	295.00	295.00	295.00	0.00	0.00
Total Operations	<u>2,856.00</u>	<u>2,856.00</u>	<u>2,856.00</u>	<u>0.00</u>	<u>0.00</u>
Total	<u><u>106,385.00</u></u>	<u><u>106,385.00</u></u>	<u><u>106,385.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**FVPS PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

	<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>
<b>BUDGET CATEGORY</b>					
FVPS					
Personnel					
Salaries	28,845.00	0.00	0.00	0.00	0.00
Benefits	<u>7,879.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Personnel	<u>36,724.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Operations:					
Communications	1,000.00	298.70	298.70	0.00	0.00
Insurance	3,776.00	0.00	0.00	0.00	0.00
Memberships	55.00	0.00	0.00	0.00	0.00
Professional Fees	43,495.00	8,510.65	8,510.65	0.00	0.00
Rent	10,623.00	0.00	0.00	0.00	0.00
Staff Development	410.00	0.00	0.00	0.00	0.00
Supplies	993.00	0.00	0.00	0.00	0.00
Travel	511.00	0.00	0.00	0.00	0.00
Utilities	<u>5,273.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Operations	<u>66,136.00</u>	<u>8,809.35</u>	<u>8,809.35</u>	<u>0.00</u>	<u>0.00</u>
Total	<u><u>102,860.00</u></u>	<u><u>8,809.35</u></u>	<u><u>8,809.35</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**SSBG RELOCATION PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
SSBG RELOCATION					
Operational relocation expense	\$ 10,492	\$ 10,492	\$ 10,492	\$ -	\$ -
Program totals	10,492	10,492	10,492	-	-

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH**  
**SSBG RELOCATION PCADV CONTRACT #5233**  
**YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
SSBG RELOCATION					
Operational relocation expense	\$ 11,142	\$ -	\$ -	\$ -	\$ -
Program totals	11,142	-	-	-	-

**COMMUNITY ACTION, INC.  
 SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH  
 ACT 222 PCADV CONTRACT #5233  
 YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
ACT 222 OPERATIONS					
Food	1,089.00	1,089.00	1,089.00	0.00	0.00
Program totals	1,089.00	1,089.00	1,089.00	0.00	0.00

**COMMUNITY ACTION, INC.  
 SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH  
 ACT 222 PCADV CONTRACT #5233  
 YEAR ENDED JUNE 30, 2017**

<b>BUDGET CATEGORY</b>	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
ACT 222 OPERATIONS					
Food	1,089.00	106.35	106.35	0.00	0.00
Program totals	1,089.00	106.35	106.35	0.00	0.00

**COMMUNITY ACTION, INC.  
 COMBINED SCHEDULE OF BUDGETED, REPORTED, AND  
 ALLOWABLE COSTS WITH FUNDING RECONCILIATION  
 PCADV CONTRACT #5233  
 YEAR ENDED JUNE 30, 2017**

	<b>Allowable Costs Per Audit</b>				
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
<b>BUDGET CATEGORIES</b>					
<b>TITLE XX</b>					
Operations	16,279.00	16,279.00	16,279.00	0.00	0.00
<b>ACT 44</b>					
Personnel	140,111.00	139,329.71	139,329.71	781.29	0.00
Operations	96,323.00	94,090.60	94,090.60	2,232.40	0.00
<b>ACT 222</b>					
Operations	1,089.00	1,089.00	1,089.00	0.00	0.00
<b>FVPS</b>					
Personnel	103,529.00	103,529.00	103,529.00	0.00	0.00
Operations	2,856.00	2,856.00	2,856.00	0.00	0.00
<b>SSBG RELOCATION</b>					
Operations	10,492.00	10,492.00	10,492.00	0.00	0.00
	<b>370,679.00</b>	<b>367,665.31</b>	<b>367,665.31</b>	<b>3,013.69</b>	<b>0.00</b>
<b>FUNDING RECONCILIATION</b>					
Approved contract received as of June 30, 2017				312,222.00	
Approved contract receivable at June 30, 2017				55,443.31	
					367,665.31
<b>Allowable Costs</b>					
Approved				312,222.00	
Questioned				0.00	
					312,222.00
Due to (from) PCADV					<b>\$ (55,443.31)</b>

**COMMUNITY ACTION, INC.  
 COMBINED SCHEDULE OF BUDGETED, REPORTED, AND  
 ALLOWABLE COSTS WITH FUNDING RECONCILIATION  
 PCADV CONTRACT #5233  
 YEAR ENDED JUNE 30, 2017**

			<b>Allowable Costs Per Audit</b>		
	<b>Approved Budget</b>	<b>Reported Costs</b>	<b>Total</b>	<b>(Over) Under Budget</b>	<b>Questioned Costs</b>
<b>BUDGET CATEGORIES</b>					
<b>TITLE XX</b>					
Operations	16,279.00	445.00	445.00	0.00	0.00
<b>ACT 44</b>					
Personnel	158,142.00	0.00	0.00	0.00	0.00
Operations	73,030.00	7,501.02	7,501.02	0.00	0.00
<b>ACT 222</b>					
Operations	1,089.00	106.35	106.35	0.00	0.00
<b>FVPS</b>					
Personnel	36,724.00	0.00	0.00	0.00	0.00
Operations	66,136.00	8,809.35	8,809.35	0.00	0.00
<b>SSBG RELOCATION</b>					
Operations	11,142.00	0.00	0.00	0.00	0.00
	<b>362,542.00</b>	<b>16,861.72</b>	<b>16,861.72</b>	<b>0.00</b>	<b>0.00</b>
<b>FUNDING RECONCILIATION</b>					
Approved contract received as of June 30, 2017				16,861.72	
Approved contract receivable at June 30, 2017				0.00	
					16,861.72
<b>Allowable Costs</b>					
Approved				16,861.72	
Questioned				0.00	
					16,861.72
Due to (from) PCADV					\$ -

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUES  
PCADV CONTRACT #5233  
YEAR ENDED JUNE 30, 2017**

Received during:

July	0.00
August	0.00
September	0.00
October	6,651.00
November	98,219.00
December	0.00
January	77,867.00
February	0.00
March	67,464.00
April	27,564.00
May	34,457.00
June	<u>0.00</u>

312,222.00

Receivable at June 30:

55,443.31

Total

367,665.31

**COMMUNITY ACTION, INC.  
SCHEDULE OF REVENUES  
PCADV CONTRACT #5233  
YEAR ENDED JUNE 30, 2017**

Received during:

July	0.00
August	0.00
September	3,448.16
October	13,413.56
November	0.00
December	0.00
January	0.00
February	0.00
March	0.00
April	0.00
May	0.00
June	0.00

16,861.72

Receivable at June 30:

0.00

Total

16,861.72

**COMMUNITY ACTION, INC.  
 BUDGET COMPARISON STATEMENT  
 DEPARTMENT OF HUMAN SERVICES  
 WORK READY PROGRAM #4100064833  
 YEAR ENDED JUNE 30, 2017**

	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
<b>Administration</b>			
Personnel	\$ 4,594	\$ 3,721	\$ -
Operating Expenses	<u>9,859</u>	<u>8,193</u>	<u>-</u>
Total Administration	<u>14,453</u>	<u>11,914</u>	<u>-</u>
<b>PROGRAM COSTS</b>			
Personnel	106,538	75,495	-
Equipment and Supplies	2,314	1,868	-
Operating Expenses	15,672	12,816	-
Other Expenses	<u>5,559</u>	<u>3,361</u>	<u>-</u>
Total Program Costs	<u>130,083</u>	<u>93,540</u>	<u>-</u>
	<u><u>\$ 144,536</u></u>	<u><u>\$ 105,454</u></u>	<u><u>\$ -</u></u>

**NOTE:** The Work Ready contact period is from October 1, 2016, through September 30, 2017. The expenditures above are for the period October 1, 2016 through June 30, 2017. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.  
 BUDGET COMPARISON STATEMENT  
 DEPARTMENT OF HUMAN SERVICES  
 WORK READY PROGRAM #4100064833  
 YEAR ENDED JUNE 30, 2017**

	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
<b>Administration</b>			
Personnel	\$ 4,383	\$ 291	\$ -
Operating Expenses	<u>10,070</u>	<u>1,739</u>	<u>-</u>
Total Administration	<u>14,453</u>	<u>2,030</u>	<u>-</u>
<b>PROGRAM COSTS</b>			
Personnel	100,830	23,209	-
Equipment and Supplies	1,756	1,198	-
Operating Expenses	17,647	3,463	-
Other Expenses	<u>9,850</u>	<u>1,358</u>	<u>-</u>
Total Program Costs	<u>130,083</u>	<u>29,228</u>	<u>-</u>
	<u><u>\$ 144,536</u></u>	<u><u>\$ 31,258</u></u>	<u><u>\$ -</u></u>

**NOTE:** The Work Ready contact period is from October 1, 2015, through September 30, 2016. The expenditures above are for the period July 1, 2016 through September 30, 2016. The budget is for the entire contract period.

## **UNIFORM GUIDANCE SCHEDULE AND REPORTS**

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**  
 (Page 1 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 7/1/2016	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 6/30/2017
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>										
Continuum of Care Program	D	14.267	PA0320L3E021407	9/01/15-8/31/16	\$ 66,101	\$ 15,773	\$ 7,319	\$ 8,454	\$ 8,454	\$ -
Continuum of Care Program	D	14.267	PA0310L3E021407	12/01/15-11/30/16	89,955	40,571	10,020	30,551	30,551	-
Continuum of Care Program	D	14.267	PA0320L3E011508	9/01/16-8/31/17	66,101	50,128	-	57,896	57,896	7,768
Continuum of Care Program	D	14.267	PA0310L3E011508	12/01/16-11/30/17	91,812	47,745	-	57,975	57,975	10,230
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					<b>154,217</b>	<b>17,339</b>	<b>154,876</b>	<b>154,876</b>	<b>154,876</b>	<b>17,998</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>										
<b>Passed Through the Pennsylvania Commission on Crime and Delinquency:</b>										
Crime Victim Assistance	I	16.575	2013-2015-VF-05-24278	7/01/13-6/30/16	47,387	1,761	1,761	-	-	-
Crime Victim Assistance	I	16.575	2013-2015-VF-05-24299	7/01/13-6/30/16	72,305	12,803	12,803	-	-	-
Crime Victim Assistance	I	16.575	2015/2016-VF-26605	7/01/16-6/30/19	149,488	65,211	-	147,311	147,311	82,100
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>					<b>79,775</b>	<b>14,564</b>	<b>147,311</b>	<b>147,311</b>	<b>147,311</b>	<b>82,100</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>										
<b>Passed Through the Pennsylvania Department of Education:</b>										
Adult Education - Basic Grants to States	I	84.002	FA-064-17-001	07/01/16-06/30/17	65,000	65,000	-	61,269	61,269	(3,731)
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>					<b>65,000</b>	<b>65,000</b>	<b>-</b>	<b>61,269</b>	<b>61,269</b>	<b>(3,731)</b>
<b>U.S. DEPARTMENT OF LABOR</b>										
<b>WIA Cluster:</b>										
<b>Passed Through the Greater Erie Community Action Committee:</b>										
WIA Adult Program	I	17.258	317015	09/14/15-06/30/16	40,471	4,087	4,087	-	-	-
WIA Adult Program	I	17.258	317015	7/01/16-6/30/17	19,447	17,055	-	18,224	18,224	1,169
						21,142	4,087	18,224	18,224	1,169
WIA Youth Activities	I	17.259	306015	09/04/15-06/30/16	10,634	3,344	3,344	-	-	-
WIA Youth Activities	I	17.259	306115	09/14/15-06/30/17	30,806	5,626	5,626	-	-	-
WIA Youth Activities	I	17.259	306015	7/01/16-6/30/17	11,658	10,068	-	11,633	11,633	1,565
WIA Youth Activities	I	17.259	306115	7/01/16-6/30/17	36,148	31,232	-	36,604	36,604	5,372
						50,270	8,970	48,237	48,237	6,937
WIA Dislocated Worker Formula Grants	I	17.278	342015	09/04/15-06/30/17	39,950	9,495	9,495	-	-	-
WIA Dislocated Worker Formula Grants	I	17.278	342015	7/01/16-6/30/17	40,630	34,417	-	40,088	40,088	5,671
						43,912	9,495	40,088	40,088	5,671
<b>Total WIA Cluster</b>					<b>115,324</b>	<b>22,552</b>	<b>106,549</b>	<b>106,549</b>	<b>106,549</b>	<b>13,777</b>
<b>TOTAL U.S. DEPARTMENT OF LABOR</b>					<b>115,324</b>	<b>22,552</b>	<b>106,549</b>	<b>106,549</b>	<b>106,549</b>	<b>13,777</b>
<b>U.S. DEPARTMENT OF ENERGY</b>										
<b>Passed Through the Pennsylvania Department of Community and Economic Development:</b>										
Weatherization Assistance for Low-Income Persons	I	81.042	C000055947	7/01/13-6/30/17	306,245	60,421	22,212	67,007	67,007	28,798
<b>TOTAL U.S. DEPARTMENT OF ENERGY</b>					<b>60,421</b>	<b>22,212</b>	<b>67,007</b>	<b>67,007</b>	<b>67,007</b>	<b>28,798</b>

**COMMUNITY ACTION, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**  
 (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 7/1/2016	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 6/30/2017
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>										
<b>Passed Through the Pennsylvania Department of Community and Economic Development:</b>										
Community Services Block Grant	I	93.569	C000057048	1/01/14-12/31/16	250,000	166,538	48,655	117,883	117,883	-
Community Services Block Grant	I	93.569	C000057048	1/01/14-12/31/17	128,801	93,615	-	150,357	150,357	56,742
						260,153	48,655	268,240	268,240	56,742
Low-income Home Energy Assistance	I	93.568	C000061719	10/01/15-09/30/20	373,257	300,783	-	304,013	304,013	3,230
Low-income Home Energy Assistance	I	93.568	C000061719	10/01/15-09/30/20	361,720	25,634	4,989	20,645	20,645	-
						326,417	4,989	324,658	324,658	3,230
<b>TANF Cluster:</b>										
<b>Passed Through the Pennsylvania Department of Human Services:</b>										
Temporary Assistance for Needy Families	I	93.558	4100064833	10/01/16-9/30/17	144,536	101,541	-	105,454	105,454	3,913
Temporary Assistance for Needy Families	I	93.558	4100064833	10/01/15-9/30/16	144,536	24,377	(6,881)	31,258	31,258	-
<b>Passed Through the Greater Erie Community Action Committee:</b>										
Temporary Assistance for Needy Families	I	93.558	302015	09/04/15-06/30/17	35,066	815	815	-	-	-
Temporary Assistance for Needy Families	I	93.558	302015	07/01/16-6/30/17	5,651	3,308	-	4,649	4,649	1,341
						130,041	(6,066)	141,361	141,361	5,254
<b>Passed Through the Pennsylvania Coalition Against Domestic Violence (PCADV):</b>										
Social Services Block Grant	I	93.667	52-33	7/01/15-9/30/16	16,279	3,265	2,820	445	445	-
Social Services Block Grant	I	93.667	52-33	7/01/16-6/30/17	16,279	13,745	-	16,279	16,279	2,534
Social Services Block Grant	I	93.667	52-33	7/01/15-9/30/16	11,142	1,985	1,985	-	-	-
Social Services Block Grant	I	93.667	52-33	7/01/16-6/30/17	10,495	10,459	4,805	10,492	10,492	33
						29,454	4,805	27,216	27,216	2,567
Family Violence Prevention Services/Domestic Violence Shelter and Supportive Services	I	93.671	52-33	7/01/15-9/30/16	102,860	25,561	16,752	8,809	8,809	-
Family Violence Prevention Services/Domestic Violence Shelter and Supportive Services	I	93.671	52-33	7/01/16-6/30/17	106,385	90,272	-	106,385	106,385	16,113
						115,833	16,752	115,194	115,194	16,113
<b>Medicaid Cluster:</b>										
<b>Passed Through the Jefferson County Commissioners:</b>										
Medical Assistance Program	I	93.778	SAP 159000	7/01/16-9/30/16	177,959	177,959	(16,836)	177,959	177,959	-
Medical Assistance Program	I	93.778	SAP 159000	7/01/15-6/30/16	798,565	(16,836)	(16,836)	-	-	-
						161,123	(16,836)	177,959	177,959	-
						1,023,021	52,299	1,054,628	1,054,628	83,906
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>										
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:</b>										
Retired Senior and Volunteer Program	D	94.002	16SRAPA011	7/01/16-6/30/17	64,347	66,681	3,121	64,347	64,347	787
						66,681	3,121	64,347	64,347	787
						\$ 1,564,439	\$ 132,087	\$ 1,655,987	\$ 1,655,987	\$ 223,635
<b>TOTAL FEDERAL ASSISTANCE</b>										

Source Code: I - Indirect D - Direct

**NOTE: Community Action, Inc. did not provide federal funds to subrecipients during the year ended June 30, 2017.**

COMMUNITY ACTION, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2017

NOTE A – 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 B – INDIRECT COST RATE

For the year ended June 30, 2017, 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 C – AMOUNTS PASSED TO SUBRECIPIENTS

Community Action, Inc. did not provide federal awards to subrecipients during the year ended June 30, 2017.

NOTE D – 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.

NOTE E – MAJOR PROGRAM DETERMINATION

The major federal award programs selected for testing as determined by the auditor on a risk-based approach are as follows:

Programs	CFDA #	Expenditures
Low-Income Home Energy Assistance	93.568	\$ 324,658
Community Service Block Grant	93.569	<u>268,240</u>
Total federal awards selected for testing		<u>592,898</u>
Total federal program awards		<u>\$ 1,655,987</u>
Percentage of total federal expenditures tested		<u>35.80%</u>
Percentage of total federal expenditures required to be tested		<u>20.00%</u>

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

October 13, 2017

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, audit guidelines issued by the Pennsylvania Department of Human Services; and audit guidelines issued by the Pennsylvania Coalition Against Domestic Violence, the financial statements of Community Action, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 13, 2017.

**Internal Control over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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.



WESSEL & COMPANY  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

October 13, 2017

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

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

We have audited Community Action, Inc.'s compliance with the types of compliance requirements described 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, 2017. 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.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Community Action, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Action, Inc.'s compliance.

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

In our opinion, Community Action, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### **Report on Internal Control over Compliance**

Management of Community Action, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Action, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance is a deficiency*, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

A handwritten signature in blue ink that reads "Wessel & Company". The signature is written in a cursive, flowing style.

WESSEL & COMPANY  
Certified Public Accountants

COMMUNITY ACTION, INC.  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 JUNE 30, 2017

**Summary of Auditor's Results**

***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

***Federal Awards***

Internal control over major federal programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes      X   None reported

Type of auditor's report issued on compliance for major federal 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 federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low-Income Home Energy Assistance Program
93.569	Community Services Block Grant

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

Auditee qualified as low-risk auditee?   X   Yes    \_\_\_\_\_ No

**FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

COMMUNITY ACTION, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

JUNE 30, 2016

NONE

COMMUNITY ACTION, INC.

CORRECTIVE ACTION PLAN

JUNE 30, 2017

NONE NECESSARY

COMMUNITY ACTION, INC.  
POST-AUDIT CONFERENCE  
JUNE 30, 2017

This memo will serve as written notification that a post-audit conference was held between Community Action, Inc. and Wessel & Company.

Date: November 3, 2017

Time: 10:30 A.M.

Place: Conference Call

*Stephanie A. Stokor*

\_\_\_\_\_  
Signature of Auditor

*Dee Ann Damone*

\_\_\_\_\_  
Signature of Director