

COMMUNITY ACTION, INC.

**AUDIT REPORT
BASIC FINANCIAL STATEMENTS AND
SINGLE AUDIT REPORT PACKAGE**

YEARS ENDED JUNE 30, 2020 AND 2019



Zelenkofske Axelrod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

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

We have audited the accompanying financial statements of Community Action, Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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. Those standards 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.



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Board of Directors
Community Action, Inc.
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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, 2020, 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.

Emphasis of Matter

As discussed in Note 20, subsequent events related to the COVID-19 may have a significant impact on the operations of the Authority. Management has determined that it is not possible to predict the eventual outcome of the subsequent event. The accompanying financial statements do not include any adjustments related to the subsequent event. Our opinion is not modified with respect to this matter.

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 and Pennsylvania Department of Human Services – Funded 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2020, on our consideration of Community Action, Inc. 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.

Zelenkofske Axlerod LLC

ZELENKOFKSKE AXELROD, LLC

Pittsburgh, Pennsylvania
November 13, 2020

COMMUNITY ACTION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

<u>Assets</u>	<u>2020</u>	<u>2019</u>
Current Assets:		
Cash and cash equivalents	\$ 1,089,380	\$ 817,860
Grants receivable	338,502	394,060
Other receivable	367,913	537,676
Investments	28,291	45,675
Inventory	472	4,314
Prepaid expenses	<u>49,820</u>	<u>67,718</u>
 Total Current Assets	 <u>1,874,378</u>	 <u>1,867,303</u>
Fixed Assets:		
Property and equipment - Net of accumulated depreciation	<u>512,204</u>	<u>537,656</u>
 Total Assets	 <u>\$ 2,386,582</u>	 <u>\$ 2,404,959</u>
<u>Liabilities and Net Assets</u>		
Current Liabilities:		
Accounts payable	\$ 75,269	\$ 150,549
Accrued benefits and withheld taxes	48,940	66,964
Accrued salaries	87,905	150,010
Unearned revenue	65,506	42,900
Accrued expenses	23,047	28,613
Security deposits	<u>385</u>	<u>385</u>
 Total Current Liabilities	 <u>301,052</u>	 <u>439,421</u>
 Total Liabilities	 <u>301,052</u>	 <u>439,421</u>
Net Assets:		
Without donor restrictions	1,985,033	1,893,569
With donor restrictions	<u>100,497</u>	<u>71,969</u>
 Total Net Assets	 <u>2,085,530</u>	 <u>1,965,538</u>
 Total Liabilities and Net Assets	 <u>\$ 2,386,582</u>	 <u>\$ 2,404,959</u>

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

COMMUNITY ACTION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	<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	\$ 1,796,492	\$ -	\$ 1,796,492
Contributions	135,801	28,755	164,556
Contributions, in-kind	48,687	-	48,687
Special events	<u>6,973</u>	<u>-</u>	<u>6,973</u>
Total Public Support	1,987,953	28,755	2,016,708
Revenue:		-	-
Service income	1,851,972	-	1,851,972
Information technology services	162,305	-	162,305
Investment income (loss)	(15,639)	-	(15,639)
Housing income	28,018	-	28,018
Miscellaneous income	2,506	-	2,506
Released from restrictions	<u>227</u>	<u>(227)</u>	<u>-</u>
Total Revenue	<u>2,029,389</u>	<u>(227)</u>	<u>2,029,162</u>
Total Public Support and Revenue	<u>4,017,342</u>	<u>28,528</u>	<u>4,045,870</u>
Expenses:			
Operating:			
Program services	3,379,196	-	3,379,196
Fundraising	<u>7,647</u>	<u>-</u>	<u>7,647</u>
Total Operating	3,386,843	-	3,386,843
Supporting Services:			
General and Administrative	<u>539,035</u>	<u>-</u>	<u>539,035</u>
Total Supporting Services	<u>539,035</u>	<u>-</u>	<u>539,035</u>
Total Expenses	<u>3,925,878</u>	<u>-</u>	<u>3,925,878</u>
Increase in Net Assets	91,464	28,528	119,992
Net Assets, Beginning of Year	<u>1,893,569</u>	<u>71,969</u>	<u>1,965,538</u>
Net Assets, End of Year	<u>\$ 1,985,033</u>	<u>\$ 100,497</u>	<u>\$ 2,085,530</u>

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

COMMUNITY ACTION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

	<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	\$ 1,931,171	\$ -	\$ 1,931,171
Contributions	108,098	13,602	121,700
Contributions, in-kind	103,408	-	103,408
Special events	<u>1,661</u>	<u>-</u>	<u>1,661</u>
Total Public Support	2,144,338	13,602	2,157,940
Revenue:		-	-
Service income	2,029,409	-	2,029,409
Information technology services	174,994	-	174,994
Investment income	230	-	230
Housing income	28,722	-	28,722
Miscellaneous income	42,028	-	42,028
Released from restrictions	<u>602</u>	<u>(602)</u>	<u>-</u>
Total Revenue	<u>2,275,985</u>	<u>(602)</u>	<u>2,275,383</u>
Total Public Support and Revenue	<u>4,420,323</u>	<u>13,000</u>	<u>4,433,323</u>
Expenses:			
Operating:			
Program services	3,777,277	-	3,777,277
Fundraising	<u>10,747</u>	<u>-</u>	<u>10,747</u>
Total Operating	3,788,024	-	3,788,024
Supporting Services:			
General and Administrative	<u>576,974</u>	<u>-</u>	<u>576,974</u>
Total Supporting Services	<u>576,974</u>	<u>-</u>	<u>576,974</u>
Total Expenses	<u>4,364,998</u>	<u>-</u>	<u>4,364,998</u>
Increase in Net Assets	55,325	13,000	68,325
Net Assets, Beginning of Year	<u>1,838,244</u>	<u>58,969</u>	<u>1,897,213</u>
Net Assets, End of Year	<u>\$ 1,893,569</u>	<u>\$ 71,969</u>	<u>\$ 1,965,538</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, 2020

	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 1,027,179	\$ 373,327	\$ 2,485	\$ 1,402,991
Fringe benefits	211,794	47,440	419	259,653
Payroll taxes	79,098	28,138	184	107,420
Total Personnel Costs	1,318,071	448,905	3,088	1,770,064
Travel	33,172	1,743	86	35,001
Software	4,449	-	-	4,449
Equipment maintenance and rental	2,552	-	-	2,552
Small equipment and tools	897	-	-	897
Supplies	34,253	126	-	34,379
Space costs	79,366	6,631	130	86,127
Telephone	45,794	7,722	144	53,660
Postage	5,667	-	29	5,696
Printing	5,239	2	610	5,851
Licenses and registration	2,811	4,503	-	7,314
Insurance	28,271	1,799	18	30,088
Auto expenses	3,921	-	-	3,921
Information technology	-	13,471	68	13,539
Advertising and publication	859	250	-	1,109
Registration and memberships	7,897	-	-	7,897
Training and technical assistance	420	1,810	-	2,230
Administrative fees	7,204	-	-	7,204
Volunteer recognition	9,705	-	-	9,705
Contracted services	90,857	28,375	231	119,463
Utilities	25,939	-	-	25,939
Meetings	-	634	-	634
Food and meals	2,770	-	-	2,770
Building repairs and maintenance	4,745	-	-	4,745
Miscellaneous	4,244	-	-	4,244
Property taxes	84	-	-	84
Depreciation	13,534	-	-	13,534
Consumer assistance:				
Food and meals	3,840	-	-	3,840
Weatherization services	546,784	-	-	546,784
Client travel and assistance	913,511	-	-	913,511
Housing assistance	119,714	-	-	119,714
Other consumer support	13,939	-	-	13,939
Fundraising distributions	-	-	2,210	2,210
Payroll fees	-	-	-	-
Project support	-	-	-	-
In-Kind expenses	48,687	-	-	48,687
Fiscal services	-	8,033	971	9,004
Human resources services	-	3,678	62	3,740
Federal taxes	-	11,353	-	11,353
Total	\$ 3,379,196	\$ 539,035	\$ 7,647	\$ 3,925,878

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

COMMUNITY ACTION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 1,075,499	\$ 398,268	\$ 5,807	\$ 1,479,574
Fringe benefits	222,483	56,438	851	279,772
Payroll taxes	81,311	28,338	433	110,082
Total Personnel Costs	1,379,293	483,044	7,091	1,869,428
Travel	36,084	3,162	-	39,246
Software	4,050	-	-	4,050
Equipment maintenance and rental	2,616	-	-	2,616
Small equipment and tools	996	-	-	996
Supplies	30,968	1,184	-	32,152
Space costs	72,953	7,154	240	80,347
Telephone	45,947	6,493	240	52,680
Postage	5,389	1	31	5,421
Printing	3,884	21	498	4,403
Licenses and registration	847	4,945	-	5,792
Insurance	29,979	1,746	33	31,758
Auto expenses	7,017	-	-	7,017
Information technology	-	8,500	175	8,675
Advertising and publication	2,024	250	-	2,274
Registration and memberships	8,864	1,337	-	10,201
Training and technical assistance	1,095	-	-	1,095
Administrative fees	7,204	-	-	7,204
Volunteer recognition	7,280	-	-	7,280
Contracted services	98,352	27,484	475	126,311
Utilities	27,082	-	-	27,082
Meetings	435	566	-	1,001
Food and meals	3,347	-	-	3,347
Building repairs and maintenance	1,362	-	-	1,362
Miscellaneous	5,603	-	-	5,603
Property taxes	82	-	-	82
Depreciation	13,580	-	-	13,580
Consumer assistance:				
Food and meals	2,911	-	-	2,911
Weatherization services	695,068	-	-	695,068
Client travel and assistance	1,068,144	-	-	1,068,144
Housing assistance	96,103	-	-	96,103
Other consumer support	15,310	-	-	15,310
Payroll fees	-	10	-	10
In-Kind expenses	103,408	-	-	103,408
Fiscal services	-	9,569	1,817	11,386
Human resources services	-	5,771	147	5,918
Federal taxes	-	15,737	-	15,737
Total	\$ 3,777,277	\$ 576,974	\$ 10,747	\$ 4,364,998

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

COMMUNITY ACTION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Change in net assets	<u>\$ 119,992</u>	<u>\$ 68,325</u>
Adjustments to reconcile change in net assets to Net Cash Provided by (Used In) Operating Activities		
Depreciation	25,452	26,298
Unrealized loss/(gain) on investments	17,384	1,577
Loss/(Gain) on sale of fixed assets	-	1,046
Change in assets and liabilities:		
Grants receivable	55,558	(62,088)
Other receivables	169,763	(168,666)
Inventory	3,842	(121)
Prepaid expenses	17,898	(11,529)
Accounts payable	(75,280)	(1,778)
Accrued benefits and withheld taxes	(18,024)	24,226
Accrued salaries	(62,105)	(22,251)
Deferred revenues	22,606	6,330
Accrued Expenses	(5,566)	(17,305)
Security deposits	<u>-</u>	<u>(100)</u>
Total Adjustments	<u>151,528</u>	<u>(224,361)</u>
Net Cash Provided by (Used In) Operating Activities	<u>271,520</u>	<u>(156,036)</u>
Cash Flows from Financing Activities:		
Proceeds from sale of fixed assets	<u>-</u>	<u>24,537</u>
Net Cash Provided by Financing Activities	<u>-</u>	<u>24,537</u>
Increase (Decrease) in Cash and Cash Equivalents	271,520	(131,499)
Cash and Cash Equivalents, Beginning of the Year	<u>817,860</u>	<u>949,359</u>
Cash and Cash Equivalents, End of the Year	<u>\$ 1,089,380</u>	<u>\$ 817,860</u>

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

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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, 2020 and 2019, Community Action, Inc. incurred no tax penalty or interest costs. With certain exceptions, the federal income tax returns of Community Action, Inc. for 2017, 2018, and 2019 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

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

donated or acquired assets are placed in services 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.

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, 2020 and 2019.

Allowance for Doubtful Receivables

No allowance for doubtful accounts was provided as of June 30, 2020 and 2019, 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 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.

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:

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 that 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.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers. This standard implements a single framework for recognition of all revenue earned from customers. This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied. Qualitative and quantitative disclosures are required to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The standard is effective for fiscal years beginning after December 15, 2017. The Organization implemented this standard for the year 2019-2020.

In February 2016, the FASB issued ASU 2016-2, Leases (Topic 842). The main difference between previous GAAP and Topic 842 is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. The guidance aims to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The standard is effective for fiscal years beginning after December 15, 2020 and should be applied on a retrospective basis in the year it is first applied. The Organization is evaluating the impact the adoption of this standard will have on the financial statements beginning in fiscal year 2022.

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. This guidance replaces the three existing classes of net assets for not-for-profit entities with two classes, net assets with donor restrictions and net assets without donor restrictions. The guidance also requires enhanced disclosures about governing board designations and appropriations, composition of net assets with donor restrictions and other qualitative and quantitative information regarding liquid resources and the availability of financial assets. The standard is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. Early adoption is permitted, and the standard is required to be applied on a retrospective basis in the year of adoption. The Organization implemented this standard for the year 2018-2019.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

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, 2020 and 2019, was \$855,151 and \$637,528, 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, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Capacity Building	\$ 917	\$ 3,664
CSBG Discretionary	448	-
Crossroads - PCADV	55,843	38,275
CSBG	52,751	81,275
HFHADP - Disabled Housing	10,348	9,222
Homeless Assistance	1,600	4,837
Seneca Highlands IU	-	15,000
RSVP	2,873	-
Continuum of Care	9,787	8,434
Work Ready Program	47,865	58,776
Victims of Crime Act	36,988	61,964
Weatherization (DOE)	49,689	96,562
Weatherization (LIHEAP)	<u>69,393</u>	<u>16,051</u>
 Total	 <u>\$ 338,502</u>	 <u>\$ 394,060</u>

NOTE 5: INVESTMENTS

The fair values of marketable equity securities are based on quoted market prices. Investments as of June 30, 2020 and 2019, are composed of the following:

	<u>2020</u>	
	<u>Cost</u>	<u>Fair Value</u>
633 Shares Exxon Mobil Corporation	\$ 32,042	\$ 28,291
	<u>2019</u>	
	<u>Cost</u>	<u>Fair Value</u>
596 Shares Exxon Mobil Corporation	\$ 24,883	\$ 45,675

An unrealized gain/(loss) of \$(17,384) and \$(1,577) was recognized for the years ended June 30, 2020 and 2019, respectively.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 5: INVESTMENTS (CONTINUED)

Components of net investment income include:

	<u>2020</u>	<u>2019</u>
Interest income on interest bearing cash	\$ 1,745	\$ 1,807
Unrealized holding gain/(loss)	<u>(17,384)</u>	<u>(1,577)</u>
Total net investment income	<u>\$ (15,639)</u>	<u>\$ 230</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, 2020 and 2019:

	<u>Fair Value Measurements at Reporting Date</u>			
	<u>June 30, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity Securities	<u>\$ 28,291</u>	<u>\$ 28,291</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>Fair Value Measurements at</u>			
	<u>June 30, 2019</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity Securities	<u>\$ 45,675</u>	<u>\$ 45,675</u>	<u>\$ -</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 7: PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Land	\$ 54,565	\$ 54,565
Buildings and Improvements	758,394	758,394
Equipment	<u>202,370</u>	<u>203,310</u>
Property and Equipment before Depreciation	1,015,329	1,016,269
Less Accumulated Depreciation	<u>(503,125)</u>	<u>(478,613)</u>
Total Property and Equipment	<u>\$ 512,204</u>	<u>\$ 537,656</u>

Depreciation expense for the years ending June 30, 2020 and 2019, is \$25,452 and \$26,298, which includes \$11,918 and \$12,718 allocated to cost pools, respectively.

NOTE 8: RESTRICTED NET ASSETS

	<u>2020</u>	<u>2019</u>
Contributions available for Crossroads program	\$ 37,053	\$ 33,647
Contributions available for Client Services	34,733	24,678
Contributions available for Friends for Food	13,903	8,489
Contributions available for Veterans donations	781	1,008
Contributions available for Contractor Startup Fund	10,000	-
Contributions available for Horatio Street	<u>4,027</u>	<u>4,147</u>
Total Restricted Net Assets	<u>\$ 100,497</u>	<u>\$ 71,969</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 5.50 percent per annum and expiring on April 30, 2021. As of June 30, 2020 and 2019, 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, 2020 and 2019, these accrued compensated absences were \$48,940 and \$59,679, respectively. Compensated absences are included with accrued benefits and withheld taxes on the statement of financial position.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 11: OPERATING LEASE COMMITMENTS

Community Action, Inc. has several operating lease agreements in effect as of the year ended June 30, 2020, 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, 2020, 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>
2021	\$ 3,483
2022	3,483
2023	<u>290</u>
	<u>\$ 7,256</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, 2020 and 2019, lease expenses for Facilities and Equipment was \$52,101 and \$52,385, 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, 2020 and 2019, consist of the following at fair market value at the date of donation:

	<u>2020</u>	<u>2019</u>
Adult Literacy classroom space	\$ 21,975	\$ 28,865
Food and program supplies	13,859	26,227
Donated services	6,651	30,776
Donated volunteer recognition	<u>6,202</u>	<u>17,540</u>
Total Donated Services and Materials Recognized as Revenue and Expense	<u>\$ 48,687</u>	<u>\$ 103,408</u>

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 12: DONATED SERVICES AND MATERIALS (CONTINUED)

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 32,430 and 37,011 hours of time as of June 30, 2020 and 2019.

NOTE 13: CONCENTRATIONS

Community Action, Inc. received approximately twenty-three percent (23%) of its total revenue from three (3) grant programs and twenty-one percent (21%) of its total revenue from three (3) grant programs for the years ended June 30, 2020 and 2019, 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 \$55,063 and \$75,940 for the years ended June 30, 2020 and 2019, thus the organization incurred \$11,353 and \$15,737 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 2020. For employees age fifty (50) or older, the limit is \$15,500. For the years ending June 30, 2020 and 2019, employer contributions were \$32,027 and \$32,174, respectively.

NOTE 17: 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, 2020.

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, 2020, Community Action, Inc., raised and spent match monies totaling approximately thirty percent (30%) of the contract to fulfill its obligation.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 17: SUPPLEMENTAL DISCLOSURES (CONTINUED)

Domestic Violence Budget

For the year ended June 30, 2020, total domestic violence expenditures by Community Action, Inc. for domestic violence was \$564,314.

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, 2020.

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 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, 2020 and 2019.

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: 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.

COMMUNITY ACTION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

NOTE 19: LIQUIDITY AND AVAILABILITY (CONTINUED)

As of June 30, 2020, the following financial assets could readily be made available within one year of the statement of financial position date to meet general expenditures:

Cash and Cash Equivalents	\$ 1,089,380
Less: Restricted Cash	(100,497)
Grants Receivable	338,502
Other Receivable	<u>367,913</u>
Financial Assets Available	1,695,298
Available Line of Credit	<u>500,000</u>
Total Sources of Liquidity Available of June 30, 2020	 <u>\$ 2,195,298</u>

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 \$654,313.

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

In the event of an unanticipated liquidity need, Community Action, Inc. has an available line of credit in the amount of \$500,000, which could be drawn upon.

NOTE 20: SUBSEQUENT EVENTS

Subsequent to year end, a global pandemic due to the spread of the COVID-19 coronavirus caused the United States government to declare a national emergency. The pandemic has led to widespread voluntary and government-mandated closings of local stores and businesses, which has resulted in significant job losses. These job losses have the potential to have a significant impact on all aspects of the Community Action, Inc.'s operations. In addition, due to the temporary closure of all businesses that are not deemed life sustaining, State and Federal tax revenues are also significantly decreased. This decrease could result in less grant money that is relied upon by local municipalities to fund specific projects. In addition, the Community Action, Inc.'s own source revenue or derived revenues could be affected negatively. Overall, decreased funding could result in the Community Action, Inc.'s having to curtail or eliminate some services.

SUPPLEMENTARY INFORMATION



Zelenkofske Axlerod LLC

CERTIFIED PUBLIC ACCOUNTANTS

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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. 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, 2020, 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 #000066937	23	Budget Comparison Statement
Block Grant #000066937	24	Budget Comparison Statement
Block Discretionary Grant #000066937	25	Budget Comparison Statement
Block Discretionary Grant #000066937	26	Budget Comparison Statement
Block Discretionary Grant #000066937	27	Budget Comparison Statement
Low Income Home Energy Assistance Program (LIHEAP) - Grant #61719	28	Budget Comparison Statement
Low Income Home Energy Assistance Program (LIHEAP) - Grant #61719	29	Budget Comparison Statement
Low Income Home Energy Assistance Program (LIHEAP CARES) - Grant #61719	30	Budget Comparison Statement
DOE - Grant #C000066423	31	Budget Comparison Statement
Adult Education Program	32	Revenue and Expenses



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<u>Program Name</u>	<u>Page Number</u>	<u>Referenced Schedule/Exhibit</u>
Retired and Senior Volunteer Program - Contract #19SRAP005	33	Revenue and Expenses
Medical Assistance Transportation Program #SAP159000	34	Revenue and Expenses
Homeless Assistance Program - Contract #SAP159000	35	Revenue and Expenses
Supportive Housing Program Housing for Homeless and Disabled Persons - Contract PA0310L3E011811	36	Budget to Actual
Supportive Housing Program Housing for Homeless and Disabled Persons - Contract PA0310L3E011710	37	Budget to Actual
Supportive Housing Program Traditional Housing - Contract PA0320L3E011710	38	Budget to Actual
Supportive Housing Program Traditional Housing - Contract PA0320L3E011811	39	Budget to Actual
Crime Victim Assistance - Subgrant #30710	40	Schedule of Budgeted, Reported, and Allowable Costs
Crime Victim Assistance - Subgrant #29021	41	Schedule of Budgeted, Reported, and Allowable Costs
Crime Victim Assistance - Subgrant #29021	42	Schedule of Budgeted, Reported, and Allowable Costs
Crime Victim Assistance - Subgrant #29020	43	Schedule of Budgeted, Reported, and Allowable Costs
Crime Victim Assistance - Subgrant #29020	44	Schedule of Budgeted, Reported, and Allowable Costs
PCADV - Contract #6011-2020	45	Budgeted, Reported, and Allowable Costs - Title XX
PCADV - Contract #6011-2020	46	Budgeted, Reported, and Allowable Costs - Act 44
PCADV - Contract #6011-2020	47	Budgeted, Reported, and Allowable Costs - FVPS
PCADV - Contract #6011-2020	48	Budgeted, Reported, and Allowable Costs - SSBG
PCADV - Contract #6011-2020	49	Budgeted, Reported, and Allowable Costs - Act 222
PCADV - Contract #6011-2020	50	Combined Budgeted, Reported, and Allowable Costs - Funding Reconciliation
PCADV - Contract #6011-2020	51	Schedule of Revenues
Work Ready Program - Contract #41000648330	52	Budget Comparison Statement
Work Ready Program - Contract #41000648330	53	Budget Comparison Statement



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- (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.

The agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such an opinion or conclusion. 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.

Pittsburgh, Pennsylvania
November 13, 2020

Zelenkofske Axlerod LLC

ZELENKOFKSKE AXELROD LLC

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT #C000066937
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Approved Budget	Contract Period Expenditures	Questioned Costs
OPERATING COSTS			
Salaries and Fringes	\$ 219,389	\$ 112,951	\$ -
Consumable Supplies	410	324	-
Travel	267	167	-
Advertising	268	269	-
Office Equipment	-	-	-
Space Costs	9,704	7,771	-
Audit	2,000	1,930	-
Total Operating Costs	<u>232,038</u>	<u>123,412</u>	<u>-</u>
RELATED COSTS			
Professional Services	3,750	-	-
Insurance	751	652	-
Legal	-	-	-
Total Related Costs	<u>4,501</u>	<u>652</u>	<u>-</u>
OTHER COSTS			
Other	<u>13,461</u>	<u>7,389</u>	<u>-</u>
Total Other Costs	<u>13,461</u>	<u>7,389</u>	<u>-</u>
Total	<u>\$ 250,000</u>	<u>\$ 131,453</u>	<u>\$ -</u>

NOTE: The Community Services Block Grant Program contract period is from January 1, 2020 through December 31, 2020. The expenditures above are for the period January 1, 2020 through June 30, 2020.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT #C000066937
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Approved Budget	Contract Period Expenditures	Questioned Costs
OPERATING COSTS			
Salaries and Fringes	\$ 210,946	\$ 89,272	\$ -
Consumable Supplies	399	15	-
Travel	2,333	1,681	-
Space Costs	11,600	4,658	-
Audit	2,017	-	-
Total Operating Costs	<u>227,295</u>	<u>95,626</u>	<u>-</u>
RELATED COSTS			
Professional Services	3,750	3,750	-
Insurance	<u>754</u>	<u>192</u>	<u>-</u>
Total Related Costs	<u>4,504</u>	<u>3,942</u>	<u>-</u>
OTHER COSTS			
Other	<u>18,201</u>	<u>6,949</u>	<u>-</u>
Total Other Costs	<u>18,201</u>	<u>6,949</u>	<u>-</u>
Total	<u>\$ 250,000</u>	<u>\$ 106,517</u>	<u>\$ -</u>

NOTE: The Community Services Block Grant Program contract period is from January 1, 2019 through December 31, 2019. The expenditures above are for the period July 1, 2019 through December 31, 2019.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK DISCRETIONARY GRANT #C000066937
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Approved Budget	Contract Period Expenditures	Questioned Costs
MACHINERY/EQUIPMENT	\$ 3,000	\$ -	\$ -
OPERATING COSTS			
Salaries and Fringes	\$ 3,390	\$ 2,500	\$ -
Training & Technical Assistance	6,025	4,653	-
Supplies	2,533	-	-
Space Costs	-	150	-
Audit	-	76	-
Total Operating Costs	<u>11,948</u>	<u>7,379</u>	<u>-</u>
RELATED COSTS			
Insurance	-	19	-
Total Related Costs	<u>-</u>	<u>19</u>	<u>-</u>
OTHER COSTS			
Other	<u>-</u>	<u>203</u>	<u>-</u>
Total Other Costs	<u>-</u>	<u>203</u>	<u>-</u>
Total	<u>\$ 14,948</u>	<u>\$ 7,601</u>	<u>\$ -</u>

NOTE: The Community Services Block Discretionary Grant Program contract period is from January 1, 2020 through September 30, 2020. The expenditures above are for the period January 1, 2020 through June 30, 2020.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK DISCRETIONARY GRANT #C000066937
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
OPERATING COSTS			
Salaries and Fringes	\$ 1,848	\$ -	\$ -
Training & Technial Assistance	1,816	-	-
Space Costs	-	-	-
Audit	-	-	-
Total Operating Costs	<u>3,664</u>	<u>-</u>	<u>-</u>
RELATED COSTS			
Professional Services/Consultants	11,336	11,336	-
	<u>11,336</u>	<u>11,336</u>	<u>-</u>
OTHER COSTS			
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Costs	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 15,000</u>	<u>\$ 11,336</u>	<u>\$ -</u>

NOTE: The Community Services Block Discretionary Grant Program contract period is from January 1, 2019 through September 30, 2019. The expenditures above are for the period July 1, 2019 through September 30, 2019.

**COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
COMMUNITY SERVICES BLOCK DISCRETIONARY GRANT #C000066937
FOR THE YEAR ENDED JUNE 30, 2020**

BUDGET CATEGORY	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
MACHINERY/EQUIPMENT	\$ 7,500	\$ -	\$ -
RELATED COSTS			
Professional Services/Consultants	32,500	-	-
 Total	 <u>\$ 40,000</u>	 <u>\$ -</u>	 <u>\$ -</u>

NOTE: The Community Services Block Discretionary Grant Program contract period is from May 1, 2020 through September 30, 2021. The expenditures above are for the period May 1, 2020 through June 30, 2020.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000061719 (LIHEAP)
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 525	\$ 516	\$ -
Operating/supplies	6,300	7,010	-
Total Administration	6,825	7,526	-
FINANCIAL AUDIT	1,304	1,303	-
DIRECT SERVICES			
Program support	83,613	81,452	-
Program operations	315,000	304,859	-
Total Direct Services	398,613	386,311	-
LIABILITY INSURANCE	1,800	2,016	-
Total	\$ 408,542	\$ 397,156	\$ -

NOTE: The contract period for the Weatherization (LIHEAP) Program is October 1, 2015 through September 30, 2020. The expenditures and budget above are for the period July 1, 2019 through June 30, 2020.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000061719 (LIHEAP)
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 926	\$ 335	\$ -
Operating/supplies	8,326	1,425	-
Total Administration	<u>9,252</u>	<u>1,760</u>	<u>-</u>
FINANCIAL AUDIT	<u>944</u>	<u>-</u>	<u>-</u>
DIRECT SERVICES			
Program support	107,377	17,621	-
Program operations	<u>365,984</u>	<u>20,569</u>	<u>-</u>
Total Direct Services	<u>473,361</u>	<u>38,190</u>	<u>-</u>
HEALTH AND SAFETY	<u>3,400</u>	<u>3,400</u>	<u>-</u>
LIABILITY INSURANCE	<u>1,427</u>	<u>291</u>	<u>-</u>
Total	<u>\$ 488,384</u>	<u>\$ 43,641</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 and budget above are for the period July 1, 2019 through September 30, 2019.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000061719 (LIHEAP CARES)
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ -	\$ 28	\$ -
Operating/supplies	4,655	124	-
Total Administration	<u>4,655</u>	<u>152</u>	<u>-</u>
DIRECT SERVICES			
Program support	70,759	1,697	-
Program operations	-	542	-
Total Direct Services	<u>70,759</u>	<u>2,239</u>	<u>-</u>
HEALTH AND SAFETY	<u>17,690</u>	<u>-</u>	<u>-</u>
LIABILITY INSURANCE	<u>-</u>	<u>24</u>	<u>-</u>
Total	<u>\$ 93,104</u>	<u>\$ 2,415</u>	<u>\$ -</u>

NOTE: The contract period for the Weatherization (LIHEAP) Program is May 18, 2020 through September 30, 2020. The expenditures and budget above are for the period May 18, 2020 through June 30, 2020.

COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
WEATHERIZATION CONTRACT #C000066423 (DOE)
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Final Approved Budget	Current Fiscal Period Expenditures	Questioned Costs
ADMINISTRATION			
Personnel	\$ 2,575	\$ 1,233	\$ -
Operating/supplies	14,713	7,781	-
Insurance	12	-	-
Total Administration	<u>17,300</u>	<u>9,014</u>	<u>-</u>
FINANCIAL AUDIT	<u>1,500</u>	<u>1,424</u>	<u>-</u>
DIRECT SERVICES			
Program support	86,687	89,896	-
Program operations	143,300	79,698	-
Total Direct Services	<u>229,987</u>	<u>169,594</u>	<u>-</u>
HEALTH AND SAFETY	<u>20,000</u>	<u>15,401</u>	<u>-</u>
LIABILITY INSURANCE	<u>2,805</u>	<u>1,805</u>	<u>-</u>
TRAINING & TECHNICAL	<u>17,675</u>	<u>4,956</u>	<u>-</u>
Total	<u><u>\$ 289,267</u></u>	<u><u>\$ 202,194</u></u>	<u><u>\$ -</u></u>

NOTE: The contract period for the Weatherization (DOE) Program is July 1, 2017 through June 30, 2022. The expenditures and budget above are for the period July 1, 2019 through June 30, 2020.

COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
DEPARTMENT OF EDUCATION - ADULT EDUCATION PROGRAMS
YEAR ENDED JUNE 30, 2020

	<u>Adult Education Programs</u>	
	<u>Adult Literacy Programs</u>	
	<u>Act 143</u>	<u>Section 231</u>
REVENUE		
Grant income	<u>\$ 30,000</u>	<u>\$ 52,500</u>
EXPENSES		
Salaries	18,001	33,048
Benefits	4,655	10,275
Professional and technical fees	20	488
Purchased property services	2,404	3,367
Other purchased services	3,040	3,600
Supplies	<u>1,880</u>	<u>1,722</u>
	<u>30,000</u>	<u>52,500</u>
Due to Funding Source	<u>\$ -</u>	<u>\$ -</u>

**COMMUNITY ACTION, INC.
SCHEDULE OF REVENUE AND EXPENSES
RETIRED AND SENIOR VOLUNTEER PROGRAM
CONTRACT #19SRAPA005
YEAR ENDED JUNE 30, 2020**

REVENUE

Grant income		\$ 68,347
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VOLUNTEER SUPPORT EXPENSES

Salaries and wages	36,571	
Fringe benefits	10,078	
Travel	4,510	
Other volunteer support costs	11,727	
Contractual & Consultant Services	<u>539</u>	
 Total Volunteer Support Expenses		 <u>63,425</u>

VOLUNTEER COSTS

Volunteer mileage	219	
Volunteer recognition	2,456	
Insurance	<u>2,247</u>	
 Total Volunteer Costs		 <u>4,922</u>
 Total Program		 <u>68,347</u>

Due to (from) Funding Source	<u>\$ -</u>	<u>\$ -</u>
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NOTE: The program contract period is from July 1, 2019 through June 30, 2020. 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, 2020**

County: Jefferson	Year Ended	June 30, 2020
	<u>Reported</u>	<u>Actual</u>
SERVICE DATA		
Expenditures:		
Group I Clients	\$ 1,007	\$ 1,007
Total Expenditures	<u>1,007</u>	<u>1,007</u>
Omit Summary of Trips		
ALLOCATION DATA		
Revenues:		
Department of Human Services		
Jefferson County Commissioners	1,286,968	1,286,968
Total Revenues	<u>1,286,968</u>	<u>1,286,968</u>
Funds Expended:		
Operating Costs	950,105	950,105
Administrative Costs	<u>336,863</u>	<u>336,863</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, 2020**

SOURCES OF FUNDING

HHS allocation	\$ 31,264
Interest earned	<u>4</u>
Total HAP Funding	<u>31,268</u>

EXPENSES	<u>Administration</u>	<u>Case Management</u>	<u>Rental Assistance</u>	<u>Total</u>
Personnel		\$ 18,074		\$ 18,074
Operating	<u>2,966</u>	<u>2,836</u>	<u>7,392</u>	<u>13,194</u>
Subtotal	<u>\$ 2,966</u>	<u>\$ 20,910</u>	<u>\$ 7,392</u>	<u>31,268</u>
Total HAP Expenses				<u>31,268</u>
Total Unexpected Funds				<u>-</u>

**COMMUNITY ACTION, INC.
BUDGET TO ACTUAL
SUPPORTIVE HOUSING PROGRAM -
HOUSING FOR HOMELESS AND DISABLED PERSONS
CONTRACT #PA0310L3E011811
YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>
REVENUE		
Grant income	\$ 96,352	\$ 56,087
EXPENSES		
Administrative	5,633	5,038
Leasing	68,311	37,747
Supportive services	<u>22,408</u>	<u>13,302</u>
Total Expenses	<u>96,352</u>	<u>56,087</u>
Due to Funding Source	<u>\$ -</u>	<u>\$ -</u>

NOTE: The Supportive Housing Program #PA0310L3E011811 contract period is December 1, 2019, through November 30, 2020. The expenditures above are for the period December 1, 2019 through June 30, 2020. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.
BUDGET TO ACTUAL
SUPPORTIVE HOUSING PROGRAM -
HOUSING FOR HOMELESS AND DISABLED PERSONS
CONTRACT #PA0310L3E011710
YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>
REVENUE		
Grant income	\$ 93,725	\$ 34,510
EXPENSES		
Administrative	5,633	-
Leasing	66,023	24,729
Supportive services	<u>22,069</u>	<u>9,781</u>
	<u>93,725</u>	<u>34,510</u>
Due to Funding Source	<u>\$ -</u>	<u>\$ -</u>

NOTE: The Supportive Housing Program #PA0310L3E011710 contract period is December 1, 2018 through November 30, 2019. The expenditures above are for the period July 1, 2019 through November 30, 2019. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.
BUDGET TO ACTUAL
SUPPORTIVE HOUSING PROGRAM -
TRANSITIONAL HOUSING
CONTRACT #PA0320L3E011710
YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>
REVENUE		
Grant income	<u>\$ 66,101</u>	<u>\$ 11,832</u>
EXPENSES		
Administrative	4,324	-
Leasing	7,020	730
Direct operating	14,843	2,496
Supportive services	<u>39,914</u>	<u>8,606</u>
Total Expenses	<u>66,101</u>	<u>11,832</u>
Due to Funding Source	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

NOTE: The Supportive Housing Program #PA0320L3E011710 contract period is September 1, 2018, through August 31, 2019. The expenditures above are for the period July 1, 2019 through August 31, 2019. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.
BUDGET TO ACTUAL
SUPPORTIVE HOUSING PROGRAM -
TRANSITIONAL HOUSING
CONTRACT #PA0320L3E011811
YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>
REVENUE		
Grant income	\$ 66,101	\$ 59,382
EXPENSES		
Administrative	\$ 4,324	5,785
Leasing	7,020	6,290
Direct operating	14,843	15,199
Supportive services	39,914	32,108
Total Expenses	66,101	59,382
Due to Funding Source	<u>\$ -</u>	<u>\$ -</u>

NOTE: The Supportive Housing Program #PA0320L3E011811 contract period is September 1, 2019 through August 31, 2020. The expenditures above are for the period September 1, 2019, through June 30, 2020. 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 #30710
YEAR ENDED JUNE 30, 2020

	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
BUDGET CATEGORY			
Personnel	\$ 126,382	\$ 93,596	\$ -
Employee benefits	48,887	27,459	-
Travel	2,122	1,134	-
Supplies / operating	<u>17,184</u>	<u>23,013</u>	<u>-</u>
	<u>\$ 194,575</u>	<u>\$ 145,202</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from July 1, 2019 through September 30, 2020. The expenditures above are for the period July 1, 2019 through June 30, 2020.

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE
SUBGRANT #29021
YEAR ENDED JUNE 30, 2020

	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
BUDGET CATEGORY			
Personnel	\$ 41,603	\$ 13,322	\$ -
Employee benefits	17,125	4,352	-
Travel	872	181	-
Supplies / operating	<u>5,907</u>	<u>3,278</u>	<u>-</u>
	<u>\$ 65,507</u>	<u>\$ 21,133</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from April 1, 2019 through September 30, 2021. The expenditures above are for the period July 1, 2019 through June 30, 2020.

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE
SUBGRANT #29021
YEAR ENDED JUNE 30, 2020

	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
BUDGET CATEGORY			
Personnel	\$ 41,603	\$ 3,454	\$ -
Employee benefits	17,125	721	-
Travel	872	42	-
Supplies / operating	5,907	446	-
	<u>\$ 65,507</u>	<u>\$ 4,663</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from April 1, 2019 through September 30, 2021. The expenditures above are for the period July 1, 2019 through September 30, 2019.

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE
SUBGRANT #29020
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Approved Budget	Reported Costs	Questioned Costs
Personnel	\$ 86,744	\$ 1,702	\$ -
Employee benefits	30,681	332	-
Travel	1,417	91	-
Supplies / operating	14,962	243	-
	<u>\$ 133,804</u>	<u>\$ 2,368</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from April 1, 2019 through September 30, 2021. The expenditures above are for the period July 1, 2019 through June 30, 2020.

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FUNDING RECONCILIATION FOR CRIME VICTIM ASSISTANCE
SUBGRANT #29020
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	<u>Approved Budget</u>	<u>Reported Costs</u>	<u>Questioned Costs</u>
Personnel	\$ 86,728	\$ 20,535	\$ -
Employee benefits	30,650	5,344	-
Travel	1,417	694	-
Supplies / operating	15,009	2,892	-
	<u>\$ 133,804</u>	<u>\$ 29,465</u>	<u>\$ -</u>

NOTE: The Crime Victim Assistance Subgrant - contract period is from April 1, 2019 through September 30, 2021. The expenditures above are for the period July 1, 2019 through June 30, 2020.

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
TITLE XX PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Allowable Costs Per Audit				
	Approved Budget	Reported Costs	Total	(Over) Under Budget	Questioned Costs
TITLE XX					
Personnel					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Total Personnel	-	-	-	-	-
Operations:					
Communications	360	360	360	-	-
Maintenance	1,800	1,800	1,800		
Postage	351	351	351		
Printing	456	456	456		
Professional Fees	11,958	11,958	11,958	-	-
Rent	250	250	250		
Supplies	504	504	504	-	-
Utilities	600	600	600	-	-
Total Operations	16,279	16,279	16,279	-	-
Total	\$ 16,279	\$ 16,279	\$ 16,279	\$ -	\$ -

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
ACT 44 PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020

BUDGET CATEGORY	Allowable Costs Per Audit				
	Approved Budget	Reported Costs	Total	(Over) Under Budget	Questioned Costs
ACT 44					
Personnel					
Salaries	\$ 124,734	\$ 116,139	\$ 116,139	\$ 8,595	\$ -
Benefits	46,025	28,352	28,352	17,673	-
Total Personnel	170,759	144,491	144,491	26,268	-
Operations:					
Advertising	53	53	53	0	-
Communications	1,025	725	725	300	-
Food	3,000	2,337	2,337	663	-
Postage	60	28	28	32	-
Printing	1,350	1,218	1,218	132	-
Professional Fees	39,560	29,695	29,695	9,865	-
Rent	10,182	10,833	10,833	(651)	-
Supplies	504	504	504	-	-
Travel	7,030	3,725	3,725	3,305	-
Utilities	4,606	4,460	4,460	146	-
Total Operations	67,370	53,579	53,579	13,791	-
Total	\$ 238,129	\$ 198,070	\$ 198,070	\$ 40,059	\$ -

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
FVPS PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020

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>
FVPS					
Personnel					
Salaries	\$ 61,939	\$ 54,868	\$ 54,868	\$ 7,071	\$ -
Benefits	10,829	10,829	10,829	-	-
Total Personnel	<u>72,768</u>	<u>65,697</u>	<u>65,697</u>	<u>7,071</u>	<u>-</u>
Operations:					
Communications	9,753	9,267	9,267	486	-
Insurance	2,959	2,879	2,879	80	-
Professional Fees	9,439	9,439	9,439	-	-
Rent	500	500	500	-	-
Supplies	5,161	5,557	5,557	(396)	-
Travel	5,999	5,999	5,999	-	-
Utilities	2,006	2,006	2,006	-	-
Total Operations	<u>35,817</u>	<u>35,647</u>	<u>35,647</u>	<u>170</u>	<u>-</u>
Total	<u>\$ 108,585</u>	<u>\$ 101,344</u>	<u>\$ 101,344</u>	<u>\$ 7,241</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
SSBG RELOCATION PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020

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>
SSBG RELOCATION					
Operational relocation expense	<u>\$ 10,492</u>	<u>\$ 10,492</u>	<u>\$10,492</u>	<u>\$ -</u>	<u>\$ -</u>
Program totals	<u>\$ 10,492</u>	<u>\$ 10,492</u>	<u>\$10,492</u>	<u>\$ -</u>	<u>\$ -</u>

COMMUNITY ACTION, INC.
SCHEDULE OF BUDGETED, REPORTED, AND ALLOWABLE COSTS WITH
ACT 222 PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020

	<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>
BUDGET CATEGORY					
ACT 222					
OPERATIONS					
Communications	\$ 250	\$ 250	\$ 250	\$ -	\$ -
Professional Fees	250	250	250	-	-
Rent	250	250	250	-	-
Supplies	189	189	189	-	-
Utilities	150	150	150	-	-
Program totals	<u>\$ 1,089</u>	<u>\$ 1,089</u>	<u>\$ 1,089</u>	<u>\$ -</u>	<u>\$ -</u>

**COMMUNITY ACTION, INC.
COMBINED SCHEDULE OF BUDGETED, REPORTED, AND
ALLOWABLE COSTS WITH FUNDING RECONCILIATION
PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020**

	<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>
BUDGET CATEGORIES					
TITLE XX					
Operations	\$ 16,279	\$ 16,279	\$ 16,279	\$ -	\$ -
ACT 44					
Personnel	170,759	144,492	144,492	26,268	-
Operations	67,370	53,579	53,579	13,791	-
ACT 222					
Operations	1,089	1,089	1,089	-	-
FVPS					
Personnel	72,768	65,697	65,697	7,071	-
Operations	35,817	35,647	35,647	170	-
SSBG RELOCATION					
Operations	<u>10,492</u>	<u>10,492</u>	<u>10,492</u>	<u>-</u>	<u>-</u>
	<u>\$ 374,574</u>	<u>\$ 327,275</u>	<u>\$ 327,275</u>	<u>\$ 47,299</u>	<u>\$ -</u>
FUNDING RECONCILIATION					
Approved contract received as of June 30, 2020				271,432	
Approved contract receivable at June 30, 2020				<u>55,843</u>	
					327,275
Allowable Costs					
Approved				327,275	
Questioned				<u>-</u>	
					<u>327,275</u>
Due to (from) PCADV					<u>\$ 55,843</u>

**COMMUNITY ACTION, INC.
SCHEDULE OF REVENUES
PCADV CONTRACT #6011-2020
YEAR ENDED JUNE 30, 2020**

Received during:

July	\$	-
August		
September		61,780
October		30,890
November		30,890
December		-
January		47,710
February		29,605
March		-
April		25,705
May		28,010
June		16,841

271,431

Receivable at June 30:

55,843

Total

\$ 327,274

**COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF PUBLIC WELFARE
WORK READY PROGRAM #410006483330
YEAR ENDED JUNE 30, 2020**

	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
Administration			
Personnel	\$ 837	\$ 269	\$ -
Operating Expenses	<u>13,616</u>	<u>4,380</u>	<u>-</u>
Total Administration	<u>14,453</u>	<u>4,649</u>	<u>-</u>
PROGRAM COSTS			
Personnel	97,995	58,792	-
Equipment and Supplies	800	105	-
Operating Expenses	16,403	9,145	-
Other Expenses	<u>14,885</u>	<u>2,110</u>	<u>-</u>
Total Program Costs	<u>130,083</u>	<u>70,152</u>	<u>-</u>
	<u>\$ 144,536</u>	<u>\$ 74,801</u>	<u>\$ -</u>

NOTE: The Work Ready contact period is from October 1, 2019, through September 30, 2020. The expenditures above are for the period October 1, 2019 through June 30, 2020. The budget is for the entire contract period.

**COMMUNITY ACTION, INC.
BUDGET COMPARISON STATEMENT
DEPARTMENT OF PUBLIC WELFARE
WORK READY PROGRAM #41000648330
YEAR ENDED JUNE 30, 2020**

	<u>Approved Budget</u>	<u>Contract Period Expenditures</u>	<u>Questioned Costs</u>
Administration			
Personnel	\$ 578	\$ 147	\$ -
Operating Expenses	<u>10,262</u>	<u>1,231</u>	<u>-</u>
Total Administration	<u>10,840</u>	<u>1,378</u>	<u>-</u>
PROGRAM COSTS			
Personnel	69,441	22,226	-
Equipment and Supplies	500	69	-
Operating Expenses	12,623	2,704	-
Other Expenses	<u>14,998</u>	<u>1,001</u>	<u>-</u>
Total Program Costs	<u>97,562</u>	<u>26,000</u>	<u>-</u>
	<u><u>\$ 108,402</u></u>	<u><u>\$ 27,378</u></u>	<u><u>\$ -</u></u>

NOTE: The Work Ready contract period is from January 1, 2019, through September 30, 2019. The expenditures above are for the period July 1, 2019 through September 30, 2019. The budget is for the entire contract period.

SINGLE AUDIT REPORTS

COMMUNITY ACTION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020
 (Page 1 of 2)

Grantor Program Title	Source Code	Federal 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 7/1/2019	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 6/30/2020
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>										
Transitional Housing	D	14.267	PA0320L3E011811	09/01/19-08/31/20	\$ 66,101	\$ 49,595	\$ -	\$ 59,382	\$ 59,382	\$ 9,787
Housing for Homeless and Disabled Persons	D	14.267	PA0310L3E011811	12/01/19-11/30/20	96,352	45,740	-	56,087	56,087	10,347
Transitional Housing	D	14.267	PA0320L3E011710	09/01/18-08/31/19	66,101	21,054	9,222	11,832	11,832	-
Housing for Homeless and Disabled Persons	D	14.267	PA0310L3E011710	12/01/18-11/30/19	93,725	42,944	8,434	34,510	34,510	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						159,333	17,656	161,811	161,811	20,134
<u>U.S. DEPARTMENT OF JUSTICE</u>										
Passed Through the Pennsylvania Commission on Crime and Delinquency:										
Crime Victim Assistance	D	16.575	2015/2016-VF-05-26605	07/01/16-06/30/19	457,883	61,517	61,517	-	-	-
Crime Victim Assistance - Clearfield County	D	16.575	2017/2018-VF-05-29020	04/01/19-09/30/21	133,804	2,368	-	2,368	2,368	-
Crime Victim Assistance - Jefferson County	D	16.575	2016/2017/2018-VF-05-29021	04/01/19-09/30/21	65,507	5,110	446	4,663	4,663	(1)
Crime Victim Assistance	D	16.575	2018-VF-05 30710	07/01/19-09/30/20	194,575	126,504	-	145,202	145,202	18,698
Crime Victim Assistance - Clearfield County	D	16.575	2017/2018-VF-05-29020	04/01/19-09/30/21	133,804	20,030	-	29,465	29,465	9,435
Crime Victim Assistance - Jefferson County	D	16.575	2016/2017/2018-VF-05-29021	04/01/19-09/30/21	65,507	12,277	-	21,133	21,133	8,856
TOTAL U.S. DEPARTMENT OF JUSTICE						227,806	61,963	202,831	202,831	36,988
<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	07/01/19-06/30/20	52,500	36,383	-	52,500	52,500	16,117
TOTAL U.S. DEPARTMENT OF EDUCATION						36,383	-	52,500	52,500	16,117
<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 18/19	I	81.042	C000066423	07/01/17-06/30/22	380,046	96,562	96,562	-	-	-
WX-DOE 19/20	I	81.042	C000066423	07/01/17-06/30/22	289,267	152,505	-	202,194	202,194	49,689
TOTAL U.S. DEPARTMENT OF ENERGY						249,067	96,562	202,194	202,194	49,689
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>										
Passed Through the Pennsylvania Department of Community and Economic Development:										
Community Services Block Grant 2020	I	93.569	C000066937	01/01/20-12/31/20	250,000	78,702	-	131,453	131,453	52,751
Community Services Block Discretionary Grant 2020	I	93.569	C000066937	10/01/19-09/30/20	14,948	7,153	-	7,601	7,601	448
Community Services Block Discretionary Grant 2020	I	93.569	C000066937	05/01/20-09/30/21	40,000	-	-	-	-	-
Community Services Block Grant 2019	I	93.569	C000066937	01/01/19-12/31/19	250,000	187,792	81,275	106,517	106,517	-
Community Services Block Discretionary Grant 2019	I	93.569	C000066937	01/01/19-09/30/19	15,000	15,000	3,664	11,336	11,336	-
						288,647	84,939	256,907	256,907	53,199
Low-Income Home Energy Assistance Program 18/19	I	93.568	C000061719	10/01/15-09/30/22	488,384	59,693	16,051	43,641	43,641	(1)
Low-Income Home Energy Assistance Program 19/20	I	93.568	C000061719	10/01/15-09/30/22	408,542	330,177	-	397,156	397,156	66,979
Low-Income Home Energy Assistance Program 19/20 CARES	I	93.568	C000061719	05/18/20-09/30/22	93,104	-	-	2,415	2,415	2,415
						389,870	16,051	443,212	443,212	69,393
Passed Through the Pennsylvania Department of Human Services:										
Work Ready 18/19	I	93.558	41000648330	01/01/19 - 09/30/19	108,402	86,153	58,776	27,378	27,378	1
Work Ready 19/20	I	93.558	4100083330	10/01/19 - 09/30/20	144,536	26,937	-	74,801	74,801	47,864
						113,090	58,776	102,179	102,179	47,865
Passed Through the Pennsylvania Coalition Against Domestic Violence (PCADV):										
Social Services Block Grant 19/20	I	93.667	6011-2020	07/01/19-06/30/20	16,279	16,223	-	16,279	16,279	56
Social Services Block Grant 19/20	I	93.667	6011-2020	07/01/19-06/30/20	10,492	10,492	-	10,492	10,492	-
						26,715	-	26,771	26,771	56
Family Violence Prevention Services 19/20	I	93.671	6011-2020	07/01/19-06/30/20	108,585	98,864	-	101,344	101,344	2,480
Family Violence Prevention Services 18/19	I	93.671	6011-2019	07/01/18-06/30/19	106,385	5,782	5,782	-	-	-
						104,646	5,782	101,344	101,344	2,480
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						922,968	165,548	930,413	930,413	172,993

COMMUNITY ACTION, INC.
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2020
 (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 7/1/2019	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 6/30/2020
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:</u>										
Retired Senior and Volunteer Program - RSVP	D	94.002	19SRAPA005	07/01/19-06/30/20	\$ 68,347	\$ 65,474	\$ -	\$ 68,347	\$ 68,347	\$ 2,873
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE						<u>65,474</u>	<u>-</u>	<u>68,347</u>	<u>68,347</u>	<u>2,873</u>
Jefferson County Commissioners										
Medical Assistance Transportation Program	I	93.778	N/A	07/01/19-06/30/20	811,040	511,565		643,484	643,484	\$ 131,919
TOTAL JEFFERSON COUNTY COMMISSIONERS						<u>511,565</u>	<u>-</u>	<u>643,484</u>	<u>643,484</u>	<u>131,919</u>
TOTAL FEDERAL ASSISTANCE					\$ 5,029,216	\$ 2,172,596	\$ 341,729	\$ 2,261,580	\$ 2,261,580	\$ 430,713

Source Code: I - Indirect D - Direct

NOTE: Community Action, Inc. did not provide federal funds to subrecipients during the year ended June 30, 2020.

COMMUNITY ACTION, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

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, 2020, 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, 2020.

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.

NOTE 5: 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
Medical Assistance Transportation Program	93.778	<u>\$ 643,484</u>
Total federal awards selected for testing		<u>643,484</u>
Total federal program awards		<u>\$2,261,580</u>
Percentage of total federal expenditures		28%



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE AND THE
PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES SINGLE AUDIT SUPPLEMENT

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

Report on Compliance for Each Major Federal and DHS 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, 2020. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 and DHS 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; 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), and the *Pennsylvania Department of Human Services Single Audit Supplement*. Those standards, Uniform Guidance and the Pennsylvania Department of Human Services Single Audit Supplement 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 or DHS 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 and DHS program. However, our audit does not provide a legal determination of COMMUNITY ACTION, INC.'s compliance.

Opinion on Each Major Federal and DHS 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 and DHS programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2020.



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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 and DHS 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 and DHS program and to test and report on internal control over compliance in accordance with Uniform Guidance and the Pennsylvania Department of Human Services Single Audit Supplements 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 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 or DHS 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 or DHS 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 or DHS 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 Uniform Guidance and DHS Single Audit Supplement. Accordingly, this report is not suitable for any other purpose.



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Report on Schedule of Expenditures of Federal Awards Required By Uniform Guidance

We have audited the financial statements of COMMUNITY ACTION, INC. as of and for the year ended June 30, 2020, and the related notes to the financial statements. We issued our report thereon dated November 13, 2020 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Zelenkofske Axlerod LLC

ZELENKOFKSKE AXELROD LLC

Pittsburgh, Pennsylvania
November 13, 2020



Zelenkofske Axlerod LLC

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INDEPENDENT AUDITOR'S 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, 2020, 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 November 13, 2020.

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.



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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

ZELENKOFOSKE AXELROD LLC

Pittsburgh, Pennsylvania
November 13, 2020

COMMUNITY ACTION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020

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 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:

CFDA Number(s)	Name of Program or Cluster
93.778	Medical Assistance Transportation 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, 2020

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, 2020

Status of Prior Audit Findings

None

COMMUNITY ACTION, INC.
POST-AUDIT CONFERENCE
JUNE 30, 2020

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

Date: November 13, 2020

Time: 2:00 PM

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



Signature of Auditor



Signature of Director