



**Empowering People, Enriching Communities**

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FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION  
WITH  
INDEPENDENT AUDITORS REPORT  
YEAR ENDED SEPTEMBER 30, 2017

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**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Ozarks Area Community Action Corporation  
Springfield, Missouri

**Report on the Financial Statements**

We have audited the accompanying financial statements of Ozarks Area Community Action Corporation (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities, 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.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ozarks Area Community Action Corporation as of September 30, 2017, 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.

## **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16 to 42 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also 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 taken as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2018 on our consideration of Ozarks Area Community Action Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Ozarks Area Community Action Corporation's internal control over financial reporting and compliance.

*Roberts, McKenzie, Mangan & Cummings*

Springfield, Missouri  
March 9, 2018

OZARKS AREA COMMUNITY ACTION CORPORATION

STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2017

ASSETS

Current assets:		
Cash		\$ 4,568,719
Grant funds receivable		1,414,340
Other accounts receivable, net		72,173
Other assets		5,357
Inventory		<u>244,931</u>
Total current assets		6,305,520
Property and equipment, net		<u>2,192,135</u>
		<u>\$ 8,497,655</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable		\$ 1,355,433
Payroll taxes and benefits payable		70,387
Accrued annual leave		215,678
Other liabilities		27,372
Current portion notes payable		8,890
Deferred grant revenue		<u>2,650,759</u>
Total current liabilities		4,328,519
Long-term notes payable		<u>124,389</u>
Total liabilities		4,452,908
Net assets:		
Unrestricted	\$ 3,995,145	
Temporarily restricted	<u>49,602</u>	<u>4,044,747</u>
		<u>\$ 8,497,655</u>

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

OZARKS AREA COMMUNITY ACTION CORPORATION

STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Revenues:			
Federal grants	\$ 21,655,386	\$ -	\$ 21,655,386
Other grants	668,574	-	668,574
Fee income	893,627	-	893,627
Interest income	38,373	-	38,373
In-kind	583,674	-	583,674
Donations	708,719	7,458	716,177
Other income	<u>486,997</u>	<u>-</u>	<u>486,997</u>
Total revenues	25,035,350	7,458	25,042,808
Net assets released from restrictions	<u>7,739</u>	<u>(7,739)</u>	<u>-</u>
	<u>25,043,089</u>	<u>(281)</u>	<u>25,042,808</u>
Expenditures:			
Program services:			
Head Start	12,438,391	-	12,438,391
LIHEAP	2,349,788	-	2,349,788
Housing Assistance	2,434,691	-	2,434,691
CSGB	1,675,216	-	1,675,216
Weatherization	1,400,395	-	1,400,395
Family Planning	699,626	-	699,626
Foster Grandparents	407,928	-	407,928
Other assistance programs	<u>2,206,274</u>	<u>-</u>	<u>2,206,274</u>
	<u>23,612,309</u>	<u>-</u>	<u>23,612,309</u>
Supporting services:			
Management and general expense	892,529	-	892,529
Fundraising expenses	<u>199,717</u>	<u>-</u>	<u>199,717</u>
	<u>1,092,246</u>	<u>-</u>	<u>1,092,246</u>
Total expenditures	<u>24,704,555</u>	<u>-</u>	<u>24,704,555</u>
Changes in net assets before other income	338,534	(281)	338,253
Other income:			
Bad debt recovery	<u>1,385</u>	<u>-</u>	<u>1,385</u>
Change in net assets after other income	339,919	(281)	339,638
Net assets, beginning of year	3,654,449	49,883	3,704,332
Prior period adjustment	<u>777</u>	<u>-</u>	<u>777</u>
Net assets, end of year	<u>\$ 3,995,145</u>	<u>\$ 49,602</u>	<u>\$ 4,044,747</u>

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

OZARKS AREA COMMUNITY ACTION CORPORATION

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2017

Cash flows from operating activities:	
Change in net assets	\$ 339,638
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	376,138
Gain on disposal of property and equipment	(3,561)
(Increase) decrease in assets:	
Grant funds receivable	39,095
Other accounts receivable	(53,118)
Inventory	(32,086)
Other assets	163,196
Increase (decrease) in liabilities:	
Accounts payable	(18,911)
Payroll taxes and benefits payable	(23,788)
Deferred grant revenue	1,293,631
Accrued annual leave	10,949
Other liabilities	<u>(4,995)</u>
Net cash provided by operating activities	<u>2,086,188</u>
Cash flows from investing activities:	
Purchase of property and equipment	(799,061)
Proceeds from sale of property and equipment	<u>11,166</u>
Net cash used in investing activities	<u>(787,895)</u>
Cash flows from financing activities:	
Payments on long-term debt	<u>(4,778)</u>
Net increase in cash	1,293,515
Cash, beginning of year	<u>3,275,204</u>
Cash, end of year	<u>\$ 4,568,719</u>
Supplemental disclosure of cash flow information:	
Cash paid during the year for:	
Interest	<u>\$ 3,021</u>

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

OZARKS AREA COMMUNITY ACTION CORPORATION

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

1. Summary of significant accounting policies

Nature of activities

Ozarks Area Community Action Corporation (OACAC) is a not-for-profit corporation established in 1965 for the purpose of alleviating the causes and conditions of poverty in a ten county area of Southwest Missouri. Administrative offices of OACAC are located in Springfield, Missouri. OACAC provides various programs operated through federal, state and other grants, including the following:

Head Start  
LIHEAP  
Housing Assistance  
Community Services Block Grant  
Weatherization  
Family Planning  
Foster Grandparents

Over the period of their existence, OACAC has served low-income individuals in the following counties:

Barry	Christian	Taney
Polk	Lawrence	Greene
Dade	Stone	Webster
Dallas		

Basis of accounting

Revenues and expenditures are recognized on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned. Expenditures under the accrual basis of accounting are recorded when the liability is incurred.

Financial statement presentation

In accordance with FASB Accounting Standards Codification 958-216-45, the Agency is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

Unrestricted net assets ó Net assets that are not subject to funding source or donor imposed stipulations.



1. Summary of significant accounting policies (continued)

Financial statement presentation (continued)

Temporarily restricted net assets ó Net assets subject to funding source or donor imposed restrictions that may or will be met, either by actions of the Agency and/or the passage of time. When a restriction expires or is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At September 30, 2017, OACAC had temporarily restricted net assets of \$7,096 from donations to a mental health fund for Head Start children, \$18,168 for energy services, \$6,930 from donations to the Head Start I CAN program, \$15,000 for the Agency endowment, and \$2,408 remaining on donations to the neighborhood centers.

Permanently restricted net assets ó Net assets subject to donor restrictions that they be maintained permanently by the Agency. OACAC had no such funds during the year ended September 30, 2017.

OACAC has adopted a policy of recording those donations whose restriction is met in the same accounting period as unrestricted support.

Combining statements

Accounting information of the various agency and grant programs has been combined into the formal financial statements, including the statement of financial position, as well as the statement of activities, as listed in the table of contents. Details of the financial statements by program are included in the supplementary information. A description of each category is as follows:

State and other ó This schedule accounts for all funds over which the board of directors of OACAC has discretionary control, as well as state grants and contracts. Some funds grouped in this schedule did receive minimal federal grants in the current year.

Federal ó This schedule accounts for all funds received from federal grantor sources. Amounts received in this particular fund must be spent in accordance with budgets approved by the funding sources. This schedule is further divided between major programs and nonmajor programs. Some funds in this schedule also received state grants in the current year.

Fiscal Agent ó Dallas County PHA - OACAC is fiscal agent for the Dallas County PHA. As such, the assets, liabilities, revenues and expenditures for the period October 1, 2016 through September 30, 2017 are included in a separate column of OACAC's combining financial statements. However, due to statutory requirements for a separate single audit of PHA funds, the financial information of the Dallas County PHA is included for financial statement purposes only.

1. Summary of significant accounting policies (continued)

Income taxes

Ozarks Area Community Action Corporation is a nonprofit organization exempt from income taxes under Internal Revenue Code Section 501(c)(3) and a similar section of state law. However, the Organization is subject to federal income tax on any unrelated business taxable income.

The Organization adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FASB ASC 740-10), effective January 1, 2009. Under the interpretation, the Organization would record a liability for uncertain tax positions when it is probable that a tax position would not be upheld under examination and the amount can be reasonably estimated. The Organization, with advice from their CPA as needed, continually evaluates expiring statutes of limitations, changes in tax law and new authoritative rulings in determining if there are unreasonable tax positions subject to the provisions of FASB Interpretation No. 48 when preparing their annual 990. At September 30, 2017, the Organization has determined that there were no unreasonable tax positions whereby a liability would need to be recorded.

The federal 990s of the Organization for 2017, 2016, and 2015 are subject to examination by the respective taxing authorities, generally for three years after they were filed.

Inventory

Inventory as listed in the financial statements consists of weatherization materials held by the Weatherization program and pharmaceutical supplies held by the Family Planning program. Materials and supplies in these two programs are valued at cost.

Compensated absences

Sick and annual leave are accumulated on a monthly basis according to agency policies. Sick leave cannot be taken as cash upon termination; therefore the Agency records no liability for amounts that could be used under agency sick leave policies.

Annual leave in the amount of 200 hours can be carried over to the following year, with 160 total hours payable upon termination of employment or upon relocation to another OACAC program. Liability for unpaid annual leave has been accrued as an agency liability.

Indirect costs

OACAC maintains an indirect cost rate with the Department of Health and Human Services. Administrative costs are allocated to the various programs based upon that rate.

Cash and cash equivalents

For purposes of the statement of cash flows, OACAC considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

1. Summary of significant accounting policies (continued)

Estimates

Preparation of financial statements on conformity with accounting principles generally accepted in the United States of America requires the use of certain estimates. Actual results may vary from these estimates.

Donated services and materials

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. For the year ended September 30, 2017, \$583,674 of contributed professional services and in-kind contributions related to the Head Start, Family Planning and Foster Grandparents programs were reflected in the financial statements. Other services with an estimated fair value of \$2,951,949, which have not been included in the financial statements because they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America, were contributed by parents and others to the Head Start Program.

OACAC also receives donated services in the form of volunteer hours at the various neighborhood centers, as well as other programs of the Agency. The valuation of volunteer hours is indeterminable; therefore no entries were made to the financial statements.

The neighborhood centers receive donated materials to be sold or given away through the neighborhood center thrift shops. These donated items are not recorded in the financial statements of the Agency due to the difficulty in placing an appropriate value on these materials.

Other accounts receivable

Other accounts receivable consist of amounts due from other organizations for services performed within the year ended September 30, 2017. OACAC's policy on other accounts receivable is that fees are due from clients when services are rendered; however, unsecured credit is occasionally extended to clients.

Grant funds receivable

Grant funds receivable consists of amounts due on grants and contracts from federal, state and other funding and pass-through agencies. The grants and contracts are generally paid on an expense reimbursement or units of service basis. The receivable is due upon the Agency's submission of a request for reimbursement. Funding agencies generally pay within 30 days.

2. Property and equipment

Property and equipment are stated at cost and are depreciated over their estimated useful lives. Depreciation is calculated on the straight-line method. Depreciation expense for the year ended September 30, 2017 was \$376,138.

Summary of property and equipment at September 30, 2017 is as follows:

Land	\$ 9,134
Leasehold improvements	1,284,186
Buildings	555,422
Vehicles, furniture and equipment	<u>4,546,340</u>
	6,395,082
Less accumulated depreciation	<u>(4,202,947)</u>
	<u>\$ 2,192,135</u>

OACAC's policy is to capitalize all fixed assets costing more than \$5,000.

The Federal Head Start property and equipment was acquired with funds received from the Department of Health and Human Services (HHS). Under terms of the grant agreement, the property and equipment may revert to HHS if it is no longer used in the Agency's Head Start program. Additionally, proceeds from the sale of Head Start property and equipment is to be deposited and used in the Head Start program.

3. Notes payable

At September 30, 2017, notes payable of OACAC consists of the following individual items, as outlined below:

City of Springfield, Missouri, originated October 14, 1998, in the amount of \$55,544. Of that total, \$26,272 is payable with monthly payments of \$173 at 5% interest over 240 months, with the first payment due May 1, 1999. The balance is deferred 240 months at 0% interest, payable in full. Upon transfer, sale or refinancing, the entire principal of the loan and all accrued interest becomes immediately due and payable. This loan is collateralized by property located at 819 E. Garfield, Springfield, Missouri. \$ 31,583

City of Springfield, Missouri, originated November 22, 2010, in the amount of \$42,270. Of that total, \$16,135 is payable with monthly payments of \$128 at 5% interest over 180 months, with the first payment due December 1, 2010. The balance is deferred 180 months at 0% interest, payable in full. Upon transfer, sale or refinancing, the entire principal of the loan and all accrued interest becomes immediately due and payable. This loan is collateralized by property located at 604 N. Weaver, Springfield, Missouri. 36,510

Total forward \$ 68,093

3. Notes payable (continued)

Total forward	\$ 68,093
Guaranty Bank, originated November 17, 2016, in the amount of \$35,000 with 120 monthly payments of \$355 each, with interest at 4%. This loan is collateralized by property located at 940 W. Harrison, Springfield, Missouri.	32,593
Guaranty Bank, originated November 17, 2016, in the amount of \$35,000 with 120 monthly payments of \$355 each, with interest at 4%. This loan is collateralized by property located at 630 S. Missouri, Springfield, Missouri.	<u>32,593</u>
	133,279
Less current portion	<u>(8,890)</u>
	<u>\$ 124,389</u>

Maturities of the long-term debt as outlined above are as follows:

<u>Year ending</u> <u>September 30,</u>	
2018	\$ 8,890
2019	7,376
2020	36,961
2021	8,014
2022	7,286
Thereafter	<u>64,752</u>
	<u>\$ 133,279</u>

Total interest expense for the year on the above debt was \$3,021.

OACAC leases the property under the above notes payable to tenants under operating leases with terms of twelve months. Cost of the rental property is \$413,896 and accumulated depreciation at September 30, 2017 is \$318,013. Rental income from the property during the year ended September 30, 2017 was \$24,844 and is included under the caption "fee income" in the accompanying statement of activities.

4. Deferred grant revenue

Deferred revenue amounts listed on the statement of financial position represent grant or other funds, which are available for use in future periods, but remain as yet unearned by the Agency. Revenue recognition will occur as qualifying expenditures are made.

5. Operating leases

OACAC has entered into operating leases with various individuals and organizations to provide locations for Head Start classrooms, Administrative offices, and Neighborhood Center offices. All lease agreements are negotiated at arm's length and in accordance with OACAC's conflict of interest policy. The long-term operating leases have various terms.

The minimum lease payments under these leases are as follows:

Year ending  
September 30,

2018	\$ 1,233,572
2019	817,944
2020	792,797
2021	422,810
2022	299,509
Thereafter	<u>639,164</u>
	<u>\$ 4,205,796</u>

The total amount of rent expense under these operating lease for the year ended September 30, 2017 was \$1,388,465.

6. Concentration of credit risk

OACAC maintained balances in excess of \$250,000 at Guaranty Bank at September 30, 2017. FDIC insurance covers the first \$250,000 in deposits at Guaranty Bank. The balance in excess of the FDIC coverage is swept into the Demand Deposit Marketplace program where OACAC receives full FDIC coverage on all deposits.

7. Grant contingencies

OACAC receives a large portion of its funding through various federal and state grants for specific purposes that are subject to audit by grantor agencies. Compliance audits conducted by those agencies in the future could lead to disallowed costs relating to the current period; however OACAC expects such amounts, if any, to be immaterial. In addition, budget cuts at the federal and state government level could lead to reduced funding for the programs OACAC provides.

8. Related party transactions

During the period under audit, transactions were consummated with various individuals related to the Agency. These transactions are initiated in accordance with OACAC's conflict of interest policy.

<u>Related party ó relationship</u>	<u>Amount</u>
Employees ó repairs and maintenance	\$ 6,248
Relatives of employees ó child care services	45,809
Relatives of employees ó repairs and maintenance	<u>12,625</u>
	<u>\$ 64,682</u>

9. Housing Projects

During 2017, OACAC submitted an application to the Missouri Housing and Development Commission requesting the award of Missouri Affordable Housing Assistance Program tax credits to Ridgecrest Estates, L.P. and related entities (the Partnership) in consideration of a \$500,000 donation from the Partnership in order to provide private rental assistance to the projects qualified residents. The Partnership shall pay an annual administrative fee to OACAC in the amount of \$4,000 as compensation for administration of the rental assistance program.

Also in 2017, a separate application was filed with the Missouri Housing and Development Commission requesting the award of Missouri Affordable Housing Assistance Program tax credits to an individual in consideration of a \$498,800 donation to rehabilitate a rental housing project in Pulaski County, Missouri (Pointe Lookout). The individual will pay a fee to OACAC in the amount of \$10,000 as compensation for participation in the project.

10. Retirement plan

OACAC has adopted a defined contribution retirement plan in accordance with Internal Revenue Code Sec. 403(b). The plan includes all permanent employees with at least two years of service. If the employee elects to participate in the tax sheltered annuity portion of this retirement, an additional matching contribution is made by OACAC. The maximum additional contribution by OACAC is 3%. Total amount paid into the retirement plan by the Agency for the year ended September 30, 2017 was \$82,712.

11. Subsequent events

The Organization has evaluated subsequent events through March 9, 2018, the date which the financial statements were available to be issued. There were no significant events noted that did not exist at the date of the consolidated statement of financial position but arose subsequent to that date.

SUPPLEMENTARY INFORMATION



## COMBINING STATEMENTS

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2017

	<u>Federal</u>	<u>State and Other</u>	<u>Dallas County PHA</u>	<u>Eliminations</u>	<u>Totals</u>
<b><u>ASSETS</u></b>					
Current assets:					
Cash	\$ 153,829	\$ 4,020,436	\$ 394,454	\$ -	\$ 4,568,719
Grant funds receivable	1,414,340	-	-	-	1,414,340
Other accounts receivable, net	14,916	55,328	1,929	-	72,173
Due from other funds	2,477,052	37,204	-	(2,514,256)	-
Other assets	1,650	3,435	272	-	5,357
Inventory	243,631	1,300	-	-	244,931
	<u>4,305,418</u>	<u>4,117,703</u>	<u>396,655</u>	<u>(2,514,256)</u>	<u>6,305,520</u>
Total current assets					
Property and equipment, net	<u>1,998,831</u>	<u>193,304</u>	<u>-</u>	<u>-</u>	<u>2,192,135</u>
	<u>\$ 6,304,249</u>	<u>\$ 4,311,007</u>	<u>\$ 396,655</u>	<u>\$ (2,514,256)</u>	<u>\$ 8,497,655</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>					
Current liabilities:					
Accounts payable	\$ 1,198,614	\$ 116,339	\$ 40,480	\$ -	\$ 1,355,433
Payroll taxes and benefits payable	-	70,387	-	-	70,387
Accrued annual leave	-	209,848	5,830	-	215,678
Other liabilities	23,025	3,436	911	-	27,372
Due to other funds	455,064	2,057,633	1,559	(2,514,256)	-
Current portion notes payable	-	8,890	-	-	8,890
Deferred grant revenue	2,549,544	100,705	510	-	2,650,759
	<u>4,226,247</u>	<u>2,567,238</u>	<u>49,290</u>	<u>(2,514,256)</u>	<u>4,328,519</u>
Total current liabilities					
Long-term notes payable, less current portion	<u>-</u>	<u>124,389</u>	<u>-</u>	<u>-</u>	<u>124,389</u>
Total liabilities	<u>4,226,247</u>	<u>2,691,627</u>	<u>49,290</u>	<u>(2,514,256)</u>	<u>4,452,908</u>
Net assets:					
Unrestricted	2,071,072	1,576,708	347,365	-	3,995,145
Temporarily restricted	<u>6,930</u>	<u>42,672</u>	<u>-</u>	<u>-</u>	<u>49,602</u>
	<u>2,078,002</u>	<u>1,619,380</u>	<u>347,365</u>	<u>-</u>	<u>4,044,747</u>
	<u>\$ 6,304,249</u>	<u>\$ 4,311,007</u>	<u>\$ 396,655</u>	<u>\$ (2,514,256)</u>	<u>\$ 8,497,655</u>

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2017

	<u>Federal</u>	<u>State and Other</u>	<u>Dallas County PHA</u>	<u>Totals</u>
Revenues:				
Federal grants	\$ 19,362,932	\$ -	\$ 2,292,454	\$ 21,655,386
Other grants	109,697	558,427	450	668,574
Fee income	804,908	88,719	-	893,627
Interest income	1,435	33,771	3,167	38,373
In-kind	583,674	-	-	583,674
Donations	15,010	701,167	-	716,177
Other income	<u>102,043</u>	<u>189,095</u>	<u>195,859</u>	<u>486,997</u>
	<u>20,979,699</u>	<u>1,571,179</u>	<u>2,491,930</u>	<u>25,042,808</u>
Expenditures:				
Salaries and related costs	11,459,548	112,858	197,766	11,770,172
Contract services	449,160	504,944	13,780	967,884
Travel	271,216	708	4,572	276,496
Payments to/for participants	2,561,088	886,045	1,970,161	5,417,294
Occupancy	1,743,387	36,224	13,936	1,793,547
Operating expenses	2,054,323	138,305	31,400	2,224,028
Administrative and indirect costs	1,063,767	10,183	18,296	1,092,246
In-kind	583,674	-	-	583,674
Portable voucher payments	-	-	203,076	203,076
Depreciation	<u>323,390</u>	<u>52,748</u>	<u>-</u>	<u>376,138</u>
	<u>20,509,553</u>	<u>1,742,015</u>	<u>2,452,987</u>	<u>24,704,555</u>
Change in net assets before other income	470,146	(170,836)	38,943	338,253
Other income:				
Fraud and bad debt recovery, net of bad debt expense	-	-	1,385	1,385
Net assets, beginning of year	1,611,783	1,785,512	307,037	3,704,332
Prior period adjustment	<u>(3,927)</u>	<u>4,704</u>	<u>-</u>	<u>777</u>
Net assets, end of year	<u>\$ 2,078,002</u>	<u>\$ 1,619,380</u>	<u>\$ 347,365</u>	<u>\$ 4,044,747</u>

FEDERAL

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF FINANCIAL POSITION  
FEDERAL PROGRAMS

SEPTEMBER 30, 2017

	<u>Head Start</u>	<u>LIHEAP</u>	<u>Non-Major</u>	<u>Totals</u>
<b><u>ASSETS</u></b>				
Current assets:				
Cash	\$ 775	\$ -	\$ 153,054	\$ 153,829
Grant funds receivable	1,008,093	-	406,247	1,414,340
Other accounts receivables, net	7,330	-	7,586	14,916
Due from other funds	-	2,441,898	35,154	2,477,052
Other assets	-	-	1,650	1,650
Inventory	-	-	243,631	243,631
	<u>1,016,198</u>	<u>2,441,898</u>	<u>847,322</u>	<u>4,305,418</u>
Total current assets				
Property and equipment, net	<u>1,950,601</u>	<u>5,052</u>	<u>43,178</u>	<u>1,998,831</u>
	<u>\$ 2,966,799</u>	<u>\$ 2,446,950</u>	<u>\$ 890,500</u>	<u>\$ 6,304,249</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>				
Current liabilities:				
Accounts payable	\$ 913,437	\$ 84,040	\$ 201,137	\$ 1,198,614
Other liabilities	-	-	23,025	23,025
Due to other funds	102,761	-	352,303	455,064
Deferred grant revenue	-	2,357,858	191,686	2,549,544
	<u>1,016,198</u>	<u>2,441,898</u>	<u>768,151</u>	<u>4,226,247</u>
Total current liabilities				
Net assets:				
Unrestricted	1,950,601	5,052	115,419	2,071,072
Temporarily restricted	-	-	6,930	6,930
	<u>1,950,601</u>	<u>5,052</u>	<u>122,349</u>	<u>2,078,002</u>
	<u>\$ 2,966,799</u>	<u>\$ 2,446,950</u>	<u>\$ 890,500</u>	<u>\$ 6,304,249</u>

COMBINING STATEMENT OF FINANCIAL POSITION  
FEDERAL NON-MAJOR PROGRAMS

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF FINANCIAL POSITION  
FEDERAL NON-MAJOR PROGRAMS

SEPTEMBER 30, 2017

	<u>USDA</u>	<u>Weather- ization</u>	<u>CSBG</u>	<u>Foster Grandparents</u>
<u>ASSETS</u>				
Current assets:				
Cash	\$ -	\$ 1,221	\$ -	\$ 38,067
Grant funds receivable	68,465	15,694	305,838	16,250
Other accounts receivables, net	-	5,089	-	2,438
Due from other funds	-	-	-	450
Other assets	-	1,650	-	-
Inventory	-	<u>235,603</u>	-	-
Total current assets	68,465	259,257	305,838	57,205
Property and equipment, net	<u>-</u>	<u>12,835</u>	<u>30,343</u>	<u>-</u>
	<u>\$ 68,465</u>	<u>\$ 272,092</u>	<u>\$ 336,181</u>	<u>\$ 57,205</u>
<u>LIABILITIES AND NET ASSETS</u>				
Current liabilities:				
Accounts payable	\$ 68,465	\$ 82,819	\$ -	\$ 22,625
Other liabilities	-	-	-	-
Due to other funds	-	38,502	312,030	-
Deferred grant revenue	-	<u>122,720</u>	-	-
Total current liabilities	<u>68,465</u>	<u>244,041</u>	<u>312,030</u>	<u>22,625</u>
Net assets:				
Unrestricted	-	28,051	24,151	34,580
Temporarily restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>28,051</u>	<u>24,151</u>	<u>34,580</u>
	<u>\$ 68,465</u>	<u>\$ 272,092</u>	<u>\$ 336,181</u>	<u>\$ 57,205</u>

<u>Family Planning</u>	<u>Shelter Plus Care ó DMH</u>	<u>Emergency Food and Shelter</u>	<u>Head Start I Can</u>	<u>Head Start Eat Smart</u>	<u>Totals</u>
\$ 69,116	\$ 36,316	\$ -	\$ 7,533	\$ 801	\$ 153,054
-	-	-	-	-	406,247
-	59	-	-	-	7,586
-	-	34,704	-	-	35,154
-	-	-	-	-	1,650
<u>8,028</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,631</u>
77,144	36,375	34,704	7,533	801	847,322
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,178</u>
<u>\$ 77,144</u>	<u>\$ 36,375</u>	<u>\$ 34,704</u>	<u>\$ 7,533</u>	<u>\$ 801</u>	<u>\$ 890,500</u>
\$ 23,891	\$ 1,322	\$ 2,015	\$ -	\$ -	\$ 201,137
-	23,025	-	-	-	23,025
1,771	-	-	-	-	352,303
<u>36,277</u>	<u>-</u>	<u>32,689</u>	<u>-</u>	<u>-</u>	<u>191,686</u>
<u>61,939</u>	<u>24,347</u>	<u>34,704</u>	<u>-</u>	<u>-</u>	<u>768,151</u>
15,205	12,028	-	603	801	115,419
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,930</u>	<u>-</u>	<u>6,930</u>
<u>15,205</u>	<u>12,028</u>	<u>-</u>	<u>7,533</u>	<u>801</u>	<u>122,349</u>
<u>\$ 77,144</u>	<u>\$ 36,375</u>	<u>\$ 34,704</u>	<u>\$ 7,533</u>	<u>\$ 801</u>	<u>\$ 890,500</u>



OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF ACTIVITIES ó FEDERAL

YEAR ENDED SEPTEMBER 30, 2017

	<u>Major Programs</u>	<u>Non-major Programs</u>	<u>Totals</u>
<b>Revenues:</b>			
Federal grants	\$ 14,540,920	\$ 4,822,012	\$ 19,362,932
Other grants	12,812	96,885	109,697
Fee income	616,937	187,971	804,908
Interest income	-	1,435	1,435
In-kind	268,066	315,608	583,674
Donations	-	15,010	15,010
Other income	<u>70,716</u>	<u>31,327</u>	<u>102,043</u>
 Total revenues	 <u>15,509,451</u>	 <u>5,470,248</u>	 <u>20,979,699</u>
<b>Expenditures:</b>			
Salaries and related costs	8,832,902	2,626,646	11,459,548
Contract services	216,657	232,503	449,160
Travel	215,595	55,621	271,216
Payments to/for participants	1,908,435	652,653	2,561,088
Occupancy	1,496,310	247,077	1,743,387
Operating expenses	949,504	1,104,819	2,054,323
Administrative and indirect costs	820,177	243,590	1,063,767
In-kind	268,066	315,608	583,674
Depreciation	<u>308,804</u>	<u>14,586</u>	<u>323,390</u>
 Total expenditures	 <u>15,016,450</u>	 <u>5,493,103</u>	 <u>20,509,553</u>
 Changes in net assets	 493,001	 (22,855)	 470,146
 Prior period adjustment	 -	 (3,927)	 (3,927)
 Net assets, beginning of year	 <u>1,462,652</u>	 <u>149,131</u>	 <u>1,611,783</u>
 Net assets, end of year	 <u>\$ 1,955,653</u>	 <u>\$ 122,349</u>	 <u>\$ 2,078,002</u>

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF ACTIVITIES  
FEDERAL MAJOR PROGRAMS

YEAR ENDED SEPTEMBER 30, 2017

	<u>Head Start</u>	<u>LIHEAP</u>	<u>Totals</u>
Revenues:			
Federal grants	\$ 12,156,565	\$ 2,384,355	\$ 14,540,920
Other grants	12,812	-	12,812
Fee income	616,937	-	616,937
In-kind	268,066	-	268,066
Other income	<u>70,716</u>	<u>-</u>	<u>70,716</u>
Total revenues	<u>13,125,096</u>	<u>2,384,355</u>	<u>15,509,451</u>
Expenditures:			
Salaries and related costs	8,446,556	386,346	8,832,902
Contract services	209,618	7,039	216,657
Travel	215,405	190	215,595
Payments to/for participants	8,576	1,899,859	1,908,435
Occupancy	1,469,742	26,568	1,496,310
Operating expenses	920,981	28,523	949,504
Administrative and indirect costs	784,347	35,830	820,177
In-kind	268,066	-	268,066
Depreciation	<u>307,541</u>	<u>1,263</u>	<u>308,804</u>
Total expenditures	<u>12,630,832</u>	<u>2,385,618</u>	<u>15,016,450</u>
Changes in net assets	494,264	(1,263)	493,001
Net assets, beginning of year	<u>1,456,337</u>	<u>6,315</u>	<u>1,462,652</u>
Net assets, end of year	<u>\$ 1,950,601</u>	<u>\$ 5,052</u>	<u>\$ 1,955,653</u>

COMBINING STATEMENT OF ACTIVITIES  
FEDERAL NON-MAJOR PROGRAMS

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF ACTIVITIES  
FEDERAL NON-MAJOR PROGRAMS

YEAR ENDED SEPTEMBER 30, 2017

	<u>USDA</u>	<u>Weather- ization</u>	<u>CSBG</u>	<u>Foster Grandparents</u>	<u>Family Planning</u>	<u>Shelter Plus Care ó DMH</u>
<b>Revenues:</b>						
Federal grants	\$ 591,906	\$ 1,291,389	\$ 1,793,509	\$ 275,442	\$ 389,971	\$ 287,281
Other grants	-	74,979	583	21,323	-	-
Fee income	-	95,458	-	-	92,513	-
Interest income	-	500	-	367	434	134
In-kind	-	-	-	93,256	222,352	-
Donations	-	-	-	15,000	10	-
Other income	-	-	-	-	31,327	-
	<u>591,906</u>	<u>1,462,326</u>	<u>1,794,092</u>	<u>405,388</u>	<u>736,607</u>	<u>287,415</u>
<b>Expenditures:</b>						
Salaries and related costs	-	811,508	1,398,890	84,853	313,429	17,966
Contract services	-	97,448	-	871	45,661	644
Travel	-	29,806	23,166	1,109	1,533	7
Payments to/for participants	-	-	5,819	217,451	62,534	262,214
Occupancy	-	45,294	169,482	6,316	24,721	1,264
Operating expenses	591,906	406,669	69,943	4,072	29,396	2,833
Administrative and indirect costs	-	75,259	129,732	7,869	29,067	1,663
In-kind	-	-	-	93,256	222,352	-
Depreciation	-	6,670	7,916	-	-	-
	<u>591,906</u>	<u>1,472,654</u>	<u>1,804,948</u>	<u>415,797</u>	<u>728,693</u>	<u>286,591</u>
Changes in net assets	-	(10,328)	(10,856)	(10,409)	7,914	824
Prior period adjustment	-	-	-	-	-	(3,927)
Net assets, beginning of year	<u>-</u>	<u>38,379</u>	<u>35,007</u>	<u>44,989</u>	<u>7,291</u>	<u>15,131</u>
Net asset, end of year	<u>\$ -</u>	<u>\$ 28,051</u>	<u>\$ 24,151</u>	<u>\$ 34,580</u>	<u>\$ 15,205</u>	<u>\$ 12,028</u>

<u>Emergency Food &amp; Shelter</u>	<u>Emergency Solutions Grant</u>	<u>MHDC Home Repair (HERO)</u>	<u>Head Start I Can</u>	<u>Head Start Eat Smart</u>	<u>Totals</u>
\$ 96,860	\$ 7,775	\$ 87,879	\$ -	\$ -	\$ 4,822,012
-	-	-	-	-	96,885
-	-	-	-	-	187,971
-	-	-	-	-	1,435
-	-	-	-	-	315,608
-	-	-	-	-	15,010
-	-	-	-	-	<u>31,327</u>
<u>96,860</u>	<u>7,775</u>	<u>87,879</u>	<u>-</u>	<u>-</u>	<u>5,470,248</u>
-	-	-	-	-	2,626,646
-	-	87,879	-	-	232,503
-	-	-	-	-	55,621
96,860	7,775	-	-	-	652,653
-	-	-	-	-	247,077
-	-	-	-	-	1,104,819
-	-	-	-	-	243,590
-	-	-	-	-	315,608
-	-	-	-	-	<u>14,586</u>
<u>96,860</u>	<u>7,775</u>	<u>87,879</u>	<u>-</u>	<u>-</u>	<u>5,493,103</u>
-	-	-	-	-	(22,855)
-	-	-	-	-	(3,927)
-	-	-	<u>7,533</u>	<u>801</u>	<u>149,131</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,533</u>	<u>\$ 801</u>	<u>\$ 122,349</u>

STATE AND OTHER

COMBINING STATEMENT OF FINANCIAL POSITION  
STATE AND OTHER

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF FINANCIAL POSITION  
STATE AND OTHER

SEPTEMBER 30, 2017

	Head Start Center Funds	Agency Weatherization Program	Neighborhood Centers	Agency Funds
<u>ASSETS</u>				
Current assets:				
Cash	\$ 288,828	\$ 95,574	\$ 199,975	\$ 2,995,256
Other accounts receivables, net	-	3,300	-	52,028
Due from other funds	-	36,797	-	-
Other assets	-	-	-	3,435
Inventory	-	1,300	-	-
	<u>288,828</u>	<u>136,971</u>	<u>199,975</u>	<u>3,050,719</u>
Total current assets				
Property and equipment, net	<u>39,975</u>	<u>95,883</u>	<u>-</u>	<u>57,446</u>
	<u>\$ 328,803</u>	<u>\$ 232,854</u>	<u>\$ 199,975</u>	<u>\$ 3,108,165</u>
<u>LIABILITIES AND NET ASSETS</u>				
Current liabilities:				
Accounts payable	\$ 598	\$ 4,698	\$ -	\$ 108,658
Payroll taxes and benefits payable	-	-	-	70,387
Accrued annual leave	-	-	-	209,848
Other liabilities	-	-	-	-
Due to other funds	20,914	-	-	2,030,764
Current portion notes payable	-	8,890	-	-
Deferred grant revenue	<u>60,000</u>	<u>37,696</u>	<u>-</u>	<u>-</u>
Total current liabilities	81,512	51,284	-	2,419,657
Long-term notes payable, less current portion	<u>-</u>	<u>124,389</u>	<u>-</u>	<u>-</u>
	<u>81,512</u>	<u>175,673</u>	<u>-</u>	<u>2,419,657</u>
Net assets:				
Unrestricted	240,195	57,181	197,567	655,340
Temporarily restricted	<u>7,096</u>	<u>-</u>	<u>2,408</u>	<u>33,168</u>
	<u>247,291</u>	<u>57,181</u>	<u>199,975</u>	<u>688,508</u>
	<u>\$ 328,803</u>	<u>\$ 232,854</u>	<u>\$ 199,975</u>	<u>\$ 3,108,165</u>



<u>DMH ó RAP</u>	<u>Project Share</u>	<u>Senior Citizens Tax Fund</u>	<u>ECIP Utilicare</u>	<u>AHAP Taney County</u>	<u>MHDC Disaster Relief</u>	<u>Total</u>
\$ 23,665	\$ 38,153	\$ 33,929	\$ -	\$ 342,454	\$ 2,602	\$ 4,020,436
-	-	-	-	-	-	55,328
-	-	-	326	-	81	37,204
-	-	-	-	-	-	3,435
-	-	-	-	-	-	1,300
23,665	38,153	33,929	326	342,54	2,683	4,117,703
-	-	-	-	-	-	193,304
<u>\$ 23,665</u>	<u>\$ 38,153</u>	<u>\$ 33,929</u>	<u>\$ 326</u>	<u>\$ 342,454</u>	<u>\$ 2,683</u>	<u>\$ 4,311,007</u>

\$ 2,385	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,339
-	-	-	-	-	-	70,387
-	-	-	-	-	-	209,848
3,436	-	-	-	-	-	3,436
-	-	-	-	5,955	-	2,057,633
-	-	-	-	-	-	8,890
-	-	-	326	-	2,683	100,705
5,821	-	-	326	5,955	2,683	2,567,238
-	-	-	-	-	-	124,389
5,821	-	-	326	5,955	2,683	2,691,627
17,844	38,153	33,929	-	336,499	-	1,576,708
-	-	-	-	-	-	42,672
17,844	38,153	33,929	-	336,499	-	1,619,380
<u>\$ 23,665</u>	<u>\$ 38,153</u>	<u>\$ 33,929</u>	<u>\$ 326</u>	<u>\$ 342,454</u>	<u>\$ 2,683</u>	<u>\$ 4,311,007</u>

COMBINING STATEMENT OF ACTIVITIES  
STATE AND OTHER

OZARKS AREA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF ACTIVITIES  
STATE AND OTHER

YEAR ENDED SEPTEMBER 30, 2017

	Head Start Center Funds	Agency Weatherization Program	Neighborhood Centers	Agency Funds	DMH ó RAP
Revenues:					
Other grants	\$ -	\$ 15,304	\$ 9,952	\$ 1,058	\$ -
Fee income	-	27,500	-	-	57,219
Interest income	2,373	743	71	26,658	24
Donations	15,847	-	57,033	32,090	-
Other income	1,506	24,844	159,656	3,089	-
	<u>19,726</u>	<u>68,391</u>	<u>226,712</u>	<u>62,895</u>	<u>57,243</u>
Expenditures:					
Salaries and related costs	-	18,495	38,608	14,787	3,246
Contract services	3,055	12,966	-	-	123
Travel	-	281	27	299	2
Payments to/for participants	289	-	107,099	5,259	53,028
Occupancy	-	20,377	14,103	1,455	229
Operating expenses	9,338	33,612	75,082	19,170	521
Administrative and indirect costs	-	1,979	3,580	819	306
Depreciation	28,600	20,395	-	3,753	-
	<u>41,282</u>	<u>108,105</u>	<u>238,499</u>	<u>45,542</u>	<u>57,455</u>
Changes in net assets	(21,556)	(39,714)	(11,787)	17,353	(212)
Net assets, beginning of year	268,847	96,895	211,762	672,155	13,352
Prior period adjustment	-	-	-	-	4,704
Net assets, end of year	<u>\$ 247,291</u>	<u>\$ 57,181</u>	<u>\$ 199,975</u>	<u>\$ 688,508</u>	<u>\$ 17,844</u>

<u>Project Share</u>	<u>Senior Citizens Tax Fund</u>	<u>DED Utilicare</u>	<u>ECIP Utilicare</u>	<u>AHAP Taney County</u>	<u>Pulaski County</u>	<u>MHDC State Disaster Grant</u>	<u>Total</u>
\$ -	\$ 120,358	\$ 531	\$ 403,826	\$ -	\$ -	\$ 7,398	\$ 558,427
-	-	-	-	4,000	-	-	88,719
271	-	-	-	3,631	-	-	33,771
107,397	-	-	-	-	488,800	-	701,167
-	-	-	-	-	-	-	189,095
<u>107,668</u>	<u>120,358</u>	<u>531</u>	<u>403,826</u>	<u>7,631</u>	<u>488,800</u>	<u>7,398</u>	<u>1,571,179</u>
-	901	-	36,821	-	-	-	112,858
-	-	-	-	-	488,800	-	504,944
-	-	99	-	-	-	-	708
100,216	125,262	-	363,590	123,904	-	7,398	886,045
-	60	-	-	-	-	-	36,224
-	150	432	-	-	-	-	138,305
-	84	-	3,415	-	-	-	10,183
-	-	-	-	-	-	-	52,748
<u>100,216</u>	<u>126,457</u>	<u>531</u>	<u>403,826</u>	<u>123,904</u>	<u>488,800</u>	<u>7,398</u>	<u>1,742,015</u>
7,452	(6,099)	-	-	(116,273)	-	-	(170,836)
30,701	40,028	-	-	452,772	-	-	1,785,512
-	-	-	-	-	-	-	4,704
<u>\$ 38,153</u>	<u>\$ 33,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,499</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,619,380</u>

PROGRAM SCHEDULES

OZARKS AREA COMMUNITY ACTION CORPORATION

SUPPLEMENTAL CSBG PROGRAM SCHEDULE

YEAR ENDED SEPTEMBER 30, 2017

Revenues:		
Federal grants		\$ 1,793,509
Expenditures:		
Salaries and related costs	\$ 1,398,890	
Travel	23,166	
Payments to/for participants	2,021	
Occupancy	169,482	
Operating expense	70,218	
Administrative expense	<u>129,732</u>	<u>1,793,509</u>
Change in net assets		-
Net assets, beginning of year		<u>-</u>
Net assets, end of year		<u>\$ -</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM  
 GRANT NUMBER ER11017016

SUPPLEMENTAL SCHEDULE OF REVENUE AND EXPENSES

PROGRAM PERIOD OCTOBER 1, 2016 TO SEPTEMBER 30, 2017

Revenue:

Grant revenue ó LIHEAP:

Current (initial + amendments)	\$ 2,382,606
Prior year refunds	<u>1,749</u>

2,384,355

Expenditures:

Administrative/program services:

Personnel	\$ 393,385	
Travel/training	191	
Rent/fuel/utilities	23,329	
Supplies	25,559	
Communication services	2,385	
Repairs and maintenance	3,265	
Other	<u>36,382</u>	

Total administrative/program services	<u>484,496</u>	
---------------------------------------	----------------	--

ECIP direct services:

Winter	1,194,704	
Summer	<u>705,155</u>	

Total ECIP direct services	<u>1,899,859</u>	<u>2,384,355</u>
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Ending program balance	\$ <u><u>          -</u></u>
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OZARKS AREA COMMUNITY ACTION CORPORATION

SUPPLEMENTAL FAMILY PLANNING SCHEDULE

YEAR ENDED SEPTEMBER 30, 2017

Missouri Department of Health  
Comprehensive Family Planning Services

Based on our testing of expenditures, we include the following assurances:

1. We note no funds expended for the purpose of performing, assisting or encouraging abortion.
2. We note no funds expended, directly or indirectly, to subsidize abortion services or administrative expenses.



OZARKS AREA COMMUNITY ACTION CORPORATION  
 WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
 SUBGRANT NUMBER G-16-EE0006164-4-17

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017

ENERGY CENTER

SUBGRANTEE

Beginning fund balance	\$ _____ -	Beginning fund balance	\$ _____ -
Revenue:		Revenue:	
Grant income	568,964	Grant income	568,964
Carry over funds	-	Carry over funds	-
Program income	<u>          -</u>	Program income	<u>          -</u>
Total revenue	<u>      568,964</u>	Total revenue	<u>      568,964</u>
Expenditures:		Expenditures:	
Administration	34,133	Administration	34,133
Program operations	494,067	Program operations	484,067
Insurance	7,037	Insurance	7,037
T&TA	17,431	T&TA	17,431
Other	<u>      26,296</u>	Other	<u>      26,296</u>
Total expenditures	<u>      568,964</u>	Total expenditures	<u>      568,964</u>
Ending fund balance	<u>          \$ -</u>	Ending fund balance	<u>          \$ -</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
SUBGRANT NUMBER G-16-EE0006164-4-17

SCHEDULE B

FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017

Beginning agency fund balance	\$ _____ -
Grant revenue	568,964
Program income	-
Less expenditures	<u>568,964</u>
Agency ending fund balance	<u><u>\$ _____ -</u></u>
Ending cash on hand	<u><u>\$ _____ -</u></u>
Ending inventory	<u><u>\$ _____ -</u></u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
 WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
 SUBGRANT NUMBER G-17-EE0007930-17

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD JULY 1, 2017 TO SEPTEMBER 30, 2017

ENERGY CENTER

SUBGRANTEE

Beginning fund balance	\$ _____ -	Beginning fund balance	\$ _____ -
Revenue:		Revenue:	
Grant income	104,018	Grant income	104,018
Carry over funds	-	Carry over funds	-
Program income	<u>          -</u>	Program income	<u>          -</u>
Total revenue	<u>104,018</u>	Total revenue	<u>104,018</u>
Expenditures:		Expenditures:	
Administration	3,846	Administration	3,846
Program operations	62,630	Program operations	62,630
Insurance	153	Insurance	153
T&TA	-	T&TA	-
Other	<u>          -</u>	Other	<u>          -</u>
Total expenditures	<u>66,629</u>	Total expenditures	<u>66,629</u>
Ending fund balance	<u>\$ 37,389</u>	Ending fund balance	<u>\$ 37,389</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
SUBGRANT NUMBER G-17-EE0007930-17

SCHEDULE B

FOR THE PERIOD JULY 1, 2017 TO SEPTEMBER 30, 2017

Beginning agency fund balance	\$ _____ -
Grant revenue	104,018
Program income	-
Less expenditures	<u>66,629</u>
Agency ending fund balance	<u>\$ 37,389</u>
Ending cash on hand	<u>\$ 37,389</u>
Ending inventory	<u>\$ _____ -</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
 WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
 SUBGRANT NUMBER G-17-LIHEAP-17-17

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017

ENERGY CENTER

SUBGRANTEE

Beginning fund balance	\$ _____ -	Beginning fund balance	\$ _____ -
Revenue:		Revenue:	
Grant income	740,159	Grant income	740,159
Carry over funds	-	Carry over funds	-
Program income	<u>          -</u>	Program income	<u>          -</u>
Total revenue	<u>      740,159</u>	Total revenue	<u>      740,159</u>
Expenditures:		Expenditures:	
Administration	37,008	Administration	37,008
Program operations	688,803	Program operations	688,803
Insurance	2,815	Insurance	2,815
T&TA	11,533	T&TA	11,533
Other	<u>          -</u>	Other	<u>          -</u>
Total expenditures	<u>      740,159</u>	Total expenditures	<u>      740,159</u>
Ending fund balance	<u>          \$ -</u>	Ending fund balance	<u>          \$ -</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
SUBGRANT NUMBER G-17-LIHEAP-17-17

SCHEDULE B

FOR THE PERIOD OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017

Beginning agency fund balance	\$ _____ -
Grant revenue	740,159
Program income	-
Less expenditures	<u>740,159</u>
Agency ending fund balance	\$ _____ -
Ending cash on hand	\$ _____ -
Ending inventory	\$ _____ -

OZARKS AREA COMMUNITY ACTION CORPORATION  
 WEATHERIZATION PROGRAM 6 INTERIM REPORT  
 SUBGRANT NUMBER G-16-Utilicare-16B-17

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD JULY 1, 2016 THROUGH JANUARY 31, 2017

ENERGY CENTER

SUBGRANTEE

Beginning fund balance	\$ _____ -	Beginning fund balance	\$ _____ -
Revenue:		Revenue:	
Grant income	43,387	Grant income	43,387
Carry over funds	-	Carry over funds	-
Program income	<u>          -</u>	Program income	<u>          -</u>
Total revenue	<u>          43,387</u>	Total revenue	<u>          43,387</u>
Expenditures:		Expenditures:	
Administration	4,339	Administration	4,339
Program operations	35,879	Program operations	35,879
Insurance	1,000	Insurance	1,000
T&TA	2,169	T&TA	2,169
Other	<u>          -</u>	Other	<u>          -</u>
Total expenditures	<u>          43,387</u>	Total expenditures	<u>          43,387</u>
Ending fund balance	<u>          \$ _____ -</u>	Ending fund balance	<u>          \$ _____ -</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
WEATHERIZATION PROGRAM ó DOE GRANT ONLY INTERIM REPORT  
SUBGRANT NUMBER G-16-Utilicare-16B-17

SCHEDULE B

FOR THE PERIOD JULY 1, 2016 THROUGH JANUARY 31, 2017

Beginning agency fund balance	\$ <u>          -</u>
Grant revenue	43,387
Program income	-
Less expenditures	<u>43,387</u>
Agency ending fund balance	\$ <u>          -</u>
Ending cash on hand	\$ <u>          -</u>
Ending inventory	\$ <u>          -</u>



OZARKS AREA COMMUNITY ACTION CORPORATION  
HEAD START

RECONCILIATION OF PROGRAM YEARS

SEPTEMBER 30, 2017

	Grant # 07CH010221-02-00			Grant #07CH010221- 03-00	2017 Fiscal Year
	9-1-16 / 9-30-16	10-1-16 / 8-31-17	Grant Total	9-1-17 / 9-30-17	Total
<b>Revenues:</b>					
Head Start grant	\$ 1,024,711	\$ 11,158,937	\$ 12,183,648	\$ 997,628	\$ 12,156,565
USDA program	62,827	523,441	586,268	68,465	591,906
Other grants	-	10,982	10,982	1,830	12,812
Fee income	40,549	570,842	611,391	46,095	616,937
Other income	1,675	70,438	72,113	278	70,716
In-kind	137,646	3,008,921	3,146,567	211,094	3,220,015
	<u>1,267,408</u>	<u>15,343,561</u>	<u>16,610,969</u>	<u>1,325,390</u>	<u>16,668,951</u>
<b>Expenditures:</b>					
Training and Technical Assistance (CAN #5-G074121)					
Salaries	2,605	32,331	34,936	457	32,788
Fringe	362	437	799	60	497
Travel	380	12,196	12,576	21	12,217
Supplies	-	107	107	-	107
Contractual	75	2,320	2,395	-	2,320
Other	1,501	496	1,997	-	496
	<u>4,923</u>	<u>47,887</u>	<u>52,810</u>	<u>538</u>	<u>48,425</u>
Indirect costs	<u>285</u>	<u>3,039</u>	<u>3,324</u>	<u>-</u>	<u>3,039</u>
	<u>5,208</u>	<u>50,926</u>	<u>56,134</u>	<u>538</u>	<u>51,464</u>
Training and Technical Assistance (CAN #G-074120)					
Salaries	12,359	47,267	59,626	4,103	51,370
Fringe	1,972	7,137	9,109	571	7,708
Travel	1,708	11,602	13,310	789	12,391
Supplies	3	94	97	-	94
Contractual	-	988	988	-	988
Other	2,050	8,410	10,460	-	8,410
	<u>18,092</u>	<u>75,498</u>	<u>93,590</u>	<u>5,463</u>	<u>80,961</u>
Indirect costs	<u>1,374</u>	<u>5,045</u>	<u>6,419</u>	<u>434</u>	<u>5,479</u>
	<u>19,466</u>	<u>80,543</u>	<u>100,009</u>	<u>5,897</u>	<u>86,440</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
HEAD START

RECONCILIATION OF PROGRAM YEARS  
(CONTINUED)

SEPTEMBER 30, 2017

	Grant # 07CH010221-02-00			Grant #07CH010221- 03-00	2017 Fiscal Year Total
	9-1-16 / 9-30-16	10-1-16 / 8-31-17	Grant Total	9-1-17 / 9-30-17	
Full Year Head Start ó Part Day and Handicapped (CAN #G-074122)					
Salaries	\$ 435,136	\$ 4,168,830	\$ 4,603,966	\$ 438,217	\$ 4,607,047
Fringe	114,763	1,220,922	1,335,685	114,149	1,335,071
Travel	9,287	117,769	127,056	9,710	127,479
Equipment	-	569,014	569,014	-	569,014
Supplies	28,136	287,891	316,027	24,906	312,797
Contractual	1,875	32,373	34,248	3,032	35,405
Other	<u>130,109</u>	<u>1,541,387</u>	<u>1,671,496</u>	<u>121,835</u>	<u>1,663,222</u>
	719,306	7,938,186	8,657,492	711,849	8,650,035
Indirect costs	<u>52,715</u>	<u>500,499</u>	<u>553,214</u>	<u>51,293</u>	<u>551,792</u>
	<u>772,021</u>	<u>8,438,685</u>	<u>9,210,706</u>	<u>763,142</u>	<u>9,201,827</u>
Early Head Start (CAN #G-074125)					
Salaries	137,881	1,736,332	1,874,213	156,287	1,892,619
Fringe	32,702	479,472	512,174	39,984	519,456
Travel	3,836	58,479	62,315	4,837	63,316
Equipment	-	59,866	59,866	-	59,866
Supplies	34,927	190,302	225,229	6,805	197,107
Contractual	18,462	157,656	176,118	13,250	170,906
Other	<u>26,074</u>	<u>353,175</u>	<u>379,249</u>	<u>36,817</u>	<u>389,992</u>
	253,882	3,035,282	3,289,164	257,980	3,293,262
Indirect costs	<u>16,358</u>	<u>205,763</u>	<u>222,121</u>	<u>18,274</u>	<u>224,037</u>
	<u>270,240</u>	<u>3,241,045</u>	<u>3,511,285</u>	<u>276,254</u>	<u>3,517,299</u>
In-kind expense (see note below)	<u>137,646</u>	<u>3,008,921</u>	<u>3,146,567</u>	<u>211,094</u>	<u>3,220,015</u>
USDA	<u>62,827</u>	<u>523,441</u>	<u>586,268</u>	<u>68,465</u>	<u>591,906</u>
Total program expenditures	<u>1,267,408</u>	<u>15,343,561</u>	<u>16,610,969</u>	<u>1,325,390</u>	<u>16,668,951</u>
Change in net assets	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

DIFFERENCES COMPARED TO OVERALL STATEMENTS

1. This in-kind represents the amount reported internally that is required by the funding source, and does not match financial statements in accordance with accounting principles generally accepted in the United States of America.
2. Depreciation is not included in total program expenditures as it is not considered a program expenditure by the funding source.

OZARKS AREA COMMUNITY ACTION CORPORATION  
FAMILY PLANNING

RECONCILIATION OF PROGRAM YEARS

SEPTEMBER 30, 2017

	October 1, 2016 - March 30, 2017		April 1, 2017 - September 30, 2017		Totals
	Federal	Match	Federal	Match	(Memorandum Only)
Revenues:					
Federal grants	\$ 209,651	\$ -	\$ 180,320	\$ -	\$ 389,971
Fee income	-	46,088	-	46,425	92,513
Interest income	-	160	-	274	434
In-kind	-	111,152	-	111,200	222,352
Other income	-	17,418	-	13,919	31,337
	<u>209,651</u>	<u>174,818</u>	<u>180,320</u>	<u>171,818</u>	<u>736,607</u>
Expenditures:					
Salaries	141,311	12,344	146,250	13,524	313,429
Contract services	22,463	2,714	20,475	9	45,661
Travel	-	366	-	1,167	1,533
Occupancy	-	12,402	-	12,319	24,721
Operating expenses	45,877	26,658	13,595	5,800	91,930
Administrative expenses	-	14,874	-	14,193	29,067
In-kind	-	111,152	-	111,200	222,352
	<u>209,651</u>	<u>180,510</u>	<u>180,320</u>	<u>158,212</u>	<u>728,693</u>
Change in net assets	-	(5,692)	-	13,606	7,914
Net assets, beginning of year	-	-	-	7,291	7,291
Reclassification of net assets	-	5,692	-	(5,692)	-
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,205</u>	<u>\$ 15,205</u>

OZARKS AREA COMMUNITY ACTION CORPORATION  
FOSTER GRANDPARENTS

RECONCILIATION OF PROGRAM YEARS

SEPTEMBER 30, 2017

	October 1, 2016 - March 31, 2017		April 1, 2017 - September 30, 2017		Totals (Memorandum Only)
	Federal	Match	Federal	Match	
Revenues:					
Federal grants	\$ 135,679	\$ -	\$ 139,763	\$ -	\$ 275,442
Other grants	-	7,187	-	14,136	21,323
Interest income	-	196	-	171	367
In-kind	-	14,803	-	78,453	93,256
Donations	-	15,000	-	-	15,000
	<u>135,679</u>	<u>37,186</u>	<u>139,763</u>	<u>92,760</u>	<u>405,388</u>
Expenditures:					
Salaries	26,721	18,295	39,837	-	84,853
Contract services	217	-	654	-	871
Travel	398	-	711	-	1,109
Payments to/for participants	101,739	25,955	89,757	-	217,451
Occupancy	2,516	546	3,254	-	6,316
Operating expenses	1,501	606	1,964	-	4,071
Administrative expenses	2,587	1,771	3,586	(74)	7,870
In-kind	-	14,803	-	78,453	93,256
	<u>135,679</u>	<u>61,976</u>	<u>139,763</u>	<u>78,379</u>	<u>415,797</u>
Change in net assets	-	(24,790)	-	14,381	(10,409)
Net assets, beginning of year	-	-	-	44,989	44,989
Reclassification of net assets	-	24,790	-	(24,790)	-
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,580</u>	<u>\$ 34,580</u>

COMPLIANCE AND INTERNAL CONTROLS

OZARKS AREA COMMUNITY ACTION CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED SEPTEMBER 30, 2017

	Grant Award Number	Federal CFDA Number	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services:</u>			
Head Start Cluster:			
Direct program:			
Head Start Program	07CH010221-02-01/	93.600	\$ 8,848,401
Early Head Start Program	07CH010221-03-00	93.600	3,308,164
Total Head Start Cluster			12,156,565
Passed through Missouri State Department of Social Services:			
Community Services Block Grant	PG281300014	93.569	1,793,509
Low-Income Housing Energy Assistance	ER11017016	93.568	2,384,355
Passed through Missouri Family Health Council:			
Family Planning (Services)	None	93.217	389,971
Passed through Missouri Department of Economic Development:			
Weatherization Assistance for Low-Income Persons	G-17-LIHEAP-17-17	93.568	740,159
Total Department of Health and Human Services			17,464,559
<u>U.S. Department of Agriculture:</u>			
Passed through Missouri Department of Health:			
Child and Adult Care Food Program	ERS46-0857	10.558	591,906
Passed through Missouri Department of Social Services:			
Emergency Food Assistance Program (Food Commodities)	None	10.569	23,160
Total Department of Agriculture			615,066
<u>U.S. Department of Energy:</u>			
Weatherization Cluster:			
Passed through Missouri Department of Economic Development:			
Weatherization Assistance for Low-Income Persons	G-16-EE0006164-4-17	81.042	435,619
Weatherization Assistance for Low-Income Persons	G-17-EE0007930-17	81.042	83,296
Total Department of Energy			518,915

OZARKS AREA COMMUNITY ACTION CORPORATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(CONTINUED)

YEAR ENDED SEPTEMBER 30, 2017

	<u>Grant Award Number</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Passed through Department of Mental Health:			
Shelter Plus Care	MO 0083L7P061609/ MO 0026L7P001609	14.238	\$ 286,457
Passed through Missouri Housing Development Commission:			
Home Investment Partnership Act (HERO)	2017-HERO-004- Home Repair	14.239	87,879
Passed through the City of Springfield, Missouri:			
Emergency Solutions Grant	2016-0603	14.231	7,775
Passed through the City of Springfield, Missouri:			
Community Development Block Grant	2016-0576	14.219	<u>32,315</u>
Total Department of Housing and Urban Development			<u>414,426</u>
<u>U.S. Department of Homeland Security:</u>			
Direct Program:			
Emergency Food and Shelter	5280-00 5336-00 5354-00 5392-00 5452-00 5494-00 5498-00 5269-16	97.024	<u>96,860</u>
<u>Corporation for National and Community Service:</u>			
Direct Program:			
Foster Grandparents Program	2016-OPE1-P71-OPO- 22415-4101	94.011	<u>275,442</u>
			<u>\$ 19,385,268</u>

See the accompanying notes to schedule of expenditures of federal awards.

OZARKS AREA COMMUNITY ACTION CORPORATION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2017

Basis of presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Ozarks Area Community Action Corporation and is presented on the modified accrual basis of accounting. The modification to the accrual basis of accounting is that property and equipment are recorded as expenditures in the year purchased according to grant requirements. The information in this schedule is presented in accordance with the requirements of the 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.

Dallas County Public Housing Authority

The financial statements of Ozarks Area Community Action Corporation include the operations of the Dallas County Public Housing Authority, which received \$2,292,454 in federal awards that have not been included in the accompanying schedule for the year ended September 30, 2017. The federal expenditures of the Dallas County Public Housing Authority are not included due to the fact that Ozarks Area Community Action Corporation acted only as the fiscal agent for this organization. The Dallas County Public Housing Authority is required by statute to have a separate single audit on its fiscal year of June 30. A separate single audit for year ended June 30, 2017 has been completed and reported separately and is not included within the accompanying schedule.

TEFAP Program

During the year ended September 30, 2017, Ozarks Area Community Action Corporation distributed commodities with a total value of \$23,160. The amount distributed is not reflected in Ozarks Area Community Action Corporation's statement of financial position, statement of activities, or statement of cash flows, but is included in the schedule of expenditures of federal awards.

Indirect Cost Rate

OACAC maintains an indirect cost rate with the Department of Health and Human Services and is not eligible to use the 10 percent de minimus indirect cost rate.



**ROBERTS, McKENZIE, MANGAN & CUMMINGS**

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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

Board of Directors  
Ozarks Area Community Action Corporation  
Springfield, Missouri

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 Ozarks Area Community Action Corporation (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2017, and the related consolidated statement 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 March 9, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Ozarks Area Community Action Corporation'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 Ozarks Area Community Action Corporation'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 Ozarks Area Community Action Corporation'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.

*Roberts, McKenzie, Mangan & Cummings*

Springfield, Missouri  
March 9, 2018

**ROBERTS, MCKENZIE, MANGAN & CUMMINGS**

*A Professional Corporation*

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE

Board of Directors

Ozarks Area Community Action Corporation

Springfield, Missouri

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

We have audited Ozarks Area Community Action Corporation'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 Ozarks Area Community Action Corporation's major federal programs for the year ended September 30, 2017. Ozarks Area Community Action Corporation'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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Ozarks Area Community Action Corporation'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 2, *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 Ozarks Area Community Action Corporation'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 Ozarks Area Community Action Corporation's compliance.

## Opinion on Each Major Federal Program

In our opinion, Ozarks Area Community Action Corporation 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 September 30, 2017.

## Report on Internal Control Over Compliance

Management of Ozarks Area Community Action Corporation 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 Ozarks Area Community Action Corporation'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 Ozarks Area Community Action Corporation'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 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.

*Roberts, McKenzie, Mangan & Cummings*

Springfield, Missouri  
March 9, 2018

OZARKS AREA COMMUNITY ACTION CORPORATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS ó FEDERAL PROGRAMS  
YEAR ENDED SEPTEMBER 30, 2017

**Section I – Summary of Auditors’ Results**

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  

Yes       No
- Significant deficiencies identified that are not considered to be material weaknesses?  

Yes       None reported
- Noncompliance material to financial statements noted?  

Yes       No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?  

Yes       No
- Significant deficiencies identified that are not considered to be material weakness(es)?  

Yes       None reported

Type of auditor’s report issued on compliance for major programs: Unmodified.

Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)?

Yes       No

OZARKS AREA COMMUNITY ACTION CORPORATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS ó FEDERAL PROGRAMS  
(CONTINUED)

YEAR ENDED SEPTEMBER 30, 2017

Identification of major programs:

CFDA Number(s)

93.600

Head Start Cluster

93.568

Low-Income Housing Energy Assistance

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

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

**Section II – Financial Statement Findings**

There were no findings or significant deficiencies for the year ended September 30, 2017.

**Section III – Federal Award Findings and Questioned Costs**

There were no findings or significant deficiencies for the year ended September 30, 2017.

OZARKS AREA COMMUNITY ACTION CORPORATION  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2017

There were no findings for the year ended September 30, 2016.