

Community Action Agency of St. Louis County, Inc.

St. Louis, Missouri

Financial Statements and Supplementary Information

Year Ended September 30, 2018

Community Action Agency of St. Louis County, Inc.

Financial Statements and Supplementary Information
Year Ended September 30, 2018

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Independent Auditor's Report

Board of Directors
Community Action Agency of St. Louis County, Inc.
St. Louis, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action Agency of St. Louis County, Inc., which comprise the statement of financial position as of September 30, 2018, 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; 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 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 Community Action Agency of St. Louis County, Inc. as of September 30, 2018, 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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of program activity, Schedules A-1 to A-5, schedule of expenditures of federal awards and list of programs, Schedules B-1 to B-2, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Schedule C-1, D-1 to D-5, and E are presented for purposes of additional analysis, and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the statement of financial position of Community Action Agency of St. Louis County, Inc. as of September 30, 2017, and the related statements of activities and cash flows for the year then ended (not presented herein), and we expressed an unmodified opinion on those financial statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The prior year expenses on the supplementary schedule D-1, are presented for purposes of additional analysis. Such information is the responsibility of management and the prior year expenses were derived from and relate directly to the underlying accounting and other records used to prepare the September 30, 2017, financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 prior year expenses included on the supplementary schedule D-1 are fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2019, on our consideration of Community Action Agency of St. Louis County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Community Action Agency of St. Louis County, Inc.'s 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 Agency of St. Louis County, Inc.'s internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP

April 8, 2019
Madison, Wisconsin

Community Action Agency of St. Louis County, Inc.

Statement of Financial Position September 30, 2018

<i>Assets</i>	
Current assets:	
Cash	\$ 1,838,713
Grants receivable	647,462
Loans receivable	8,693
Prepaid expenses and other current assets	95,131
<hr/>	
Total current assets	2,589,999
<hr/>	
Property and equipment, net	563,424
<hr/>	
TOTAL ASSETS	\$ 3,153,423
<hr/>	
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Accounts payable	\$ 301,422
Accrued payroll and related	217,170
Grant funds received in advance	163,154
<hr/>	
Total current liabilities	681,746
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Net assets:	
Unrestricted	2,331,615
Temporarily restricted	140,062
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Total net assets	2,471,677
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TOTAL LIABILITIES AND NET ASSETS	\$ 3,153,423
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Community Action Agency of St. Louis County, Inc.

Statement of Activities

Year Ended September 30, 2018

	Unrestricted	Temporarily Restricted	Total
Public support and revenue:			
Grant revenue	\$ 8,731,602	\$ 0	\$ 8,731,602
Donations	53,560	0	53,560
Interest income	3,055	0	3,055
Other income	67,416	0	67,416
Total public support and revenue	8,855,633	0	8,855,633
Expenses:			
Program services:			
Weatherization	2,319,755	0	2,319,755
Energy assistance	4,359,700	0	4,359,700
Community services	1,653,596	0	1,653,596
Housing/rental assistance	13,351	0	13,351
Total program services	8,346,402	0	8,346,402
Supporting services:			
Management and general	512,274	0	512,274
Fund raising	8,788	0	8,788
Total supporting services	521,062	0	521,062
Total expenses	8,867,464	0	8,867,464
Change in net assets	(11,831)	0	(11,831)
Net assets - Beginning of year	2,343,446	140,062	2,483,508
Net assets - End of year	\$ 2,331,615	\$ 140,062	\$ 2,471,677

See accompanying notes to financial statements.

Community Action Agency of St. Louis County, Inc.

Statement of Cash Flows

Year Ended September 30, 2018

Increase (decrease) in cash:	
Cash flows from operating activities:	
Change in net assets	(\$ 11,831)
<hr/>	
Adjustments to reconcile change in net assets to to net cash provided by operating activities:	
Depreciation	29,758
Changes in operating assets and liabilities:	
Grants receivable	252,322
Prepaid expenses and other current assets	16,716
Accounts payable	39,363
Accrued payroll and related	(46,475)
Grant funds received in advance	(5,387)
<hr/>	
Net cash provided by operating activities	274,466
<hr/>	
Cash flows from investing activities:	
Redemption of certificate of deposits	254,161
Proceeds from repayments of loans receivable	1,457
Issuance of loans receivable	(10,150)
<hr/>	
Net cash provided by investing activities	245,468
<hr/>	
Net change in cash	519,934
Cash - Beginning of year	1,318,779
<hr/>	
Cash - End of year	\$ 1,838,713

Community Action Agency of St. Louis County, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Community Action Agency of St. Louis County, Inc. (CAASTLC) was organized as a nonprofit corporation in 1969. CAASTLC was formed to develop and provide various community services to assist low-income residents and residents in crisis of St. Louis County. The services include home weatherization and utility assistance. Block grant funds are utilized to eliminate the causes and consequences of poverty.

Basis of Presentation

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Classification of Net Assets

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of CAASTLC and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations and donor-imposed stipulations that are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of CAASTLC and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by CAASTLC. Generally, the donors of these assets permit CAASTLC to use all or part of the income earned on any related investments for general or specific purposes. Currently, CAASTLC does not have any permanently restricted net assets.

Use of Estimates

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

Loans Receivable

CAASTLC operates a loan program that provides loans up to \$1,000 to employees and employees of partner organizations. The loans to the employees and employees of partner organizations have a \$20 administrative fee associated with them and are to be repaid over a time of up to 12 months and have an interest rate of 18%. At September 30, 2018, the loan loss reserve for CAASTLC was \$0. Loans are reviewed monthly to determine their risk, and loans that have become riskier over time through delinquency or external factors have their loan loss reserve elevated above its current level. If an amount becomes delinquent after all collection efforts have failed, the account will be written off against this loan loss reserve.

Community Action Agency of St. Louis County, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. CAASTLC capitalizes property and equipment purchased with a cost greater than \$5,000 and a useful life of more than one year. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. If there are no donor restrictions regarding how long a donated asset must be maintained, CAASTLC reports expirations of donor restrictions when the donated assets are placed in service.

Property and equipment purchased with grant funds are owned by CAASTLC while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of property and equipment purchased with grant funds is \$229,730. These assets are included in the property and equipment shown on the statement of financial position.

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to CAASTLC that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of activities as released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards That Are Contributions

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance.

B. Grant Awards That Are Exchange Transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Joint Costs

Joint costs are allocated to benefiting programs using various allocation methods depending on the type of joint costs being allocated. Joint costs are those costs incurred for the common benefit of all programs that cannot be readily identified with a final cost objective.

Community Action Agency of St. Louis County, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-14 (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities (“Update”). The Update reduces the number of net asset classes from three to two, those with donor restrictions and those without, requires all nonprofits to report expenses by nature and function and improves information presented in financial statements and notes that is useful in assessing a not-for-profit’s liquidity, financial performance, and cash flows. The amendments in this Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Early application of the amendments in this Update is permitted. CAASTLC has not elected to early implement the amendments.

In May 2014, the FASB issued ASU No. 2014-09, Revenue From Contracts With Customers (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB Accounting Standards Codification (ASC) Topic 605, Revenue Recognition, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2018. CAASTLC is currently evaluating the impact of the provisions of ASC 606.

On June 21, 2018, the FASB issued ASU 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The Amendments in this Update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions, and determining whether a transaction is conditional. The amendments in this Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2018, and for interim periods within fiscal years beginning after December 15, 2019, for transactions in which the entity serves as the resource recipient. Early application of the amendments in this Update is permitted. CAASTLC has not elected to early implement the amendments.

Income Taxes

CAASTLC has been granted exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from Missouri state tax as well.

CAASTLC assesses whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. CAASTLC has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

Community Action Agency of St. Louis County, Inc.

Notes to Financial Statements

Note 2: Concentration of Credit Risk

CAASTLC maintains cash balances at two financial institutions. Balances in the bank accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times during the year, balances in these accounts may exceed the insurance limits. Management believes these financial institutions have strong credit ratings and the credit risk related to these deposits is minimal. CAASTLC has daily sweep agreements with one of the financial institutions to sweep funds in excess of a predetermined amount into investment securities owned by the same financial institution. The swept funds are treated by the bank as deposits and are covered by FDIC insurance to the maximum provided by law.

Note 3: Grants Receivable

The following summarizes CAASTLC's grants receivable:

Federal programs	\$ 642,511
State and local programs	4,951
<u>Total</u>	<u>\$ 647,462</u>

Note 4: Loans Receivable

CAASTLC operates programs that provide loans to employees of CAASTLC and employees of partner organizations. The assistance is provided in the form of various installment loans, which are unsecured. Loan funds repaid are made available to loan to other eligible participants.

Community Loan Center	\$ 8,693
<u>Less: Allowance for loans receivable</u>	<u>(0)</u>
<u>Total loans receivable</u>	<u>\$ 8,693</u>
Loans receivable – Current	8,693
<u>Loans receivable – Long-term</u>	<u>0</u>
<u>Total loans receivable</u>	<u>\$ 8,693</u>

Revolving loan classifications at September 30, 2018 consist of the following:

Consumer loans – CAASTLC employees	\$ 6,799
Consumer loans – Partner organizations	1,894
<u>Allowance for loan losses – Consumer loans</u>	<u>(0)</u>
<u>Loans receivable, net</u>	<u>\$ 8,693</u>

Community Action Agency of St. Louis County, Inc.

Notes to Financial Statements

Note 4: Loans Receivable (Continued)

Detailed analysis of loans evaluated for impairment as of September 30, 2018, is as follows:

	Consumer Loans	Totals
Related Allowance for Loan Losses:		
Individually evaluated for impairment	\$ 0	\$ 0
Collectively evaluated for impairment	8,693	8,693
<u>Totals</u>	<u>\$ 8,693</u>	<u>\$ 8,693</u>

CAASTLC regularly evaluates attributes of loans to determine the appropriateness of the allowance for loan losses. Loans are generally evaluated based on whether or not the loan is performing according to the contractual terms of the loan.

Information regarding the credit quality indicators most closely monitored by class of loan as of September 30, 2018, is as follows:

	Performing	Nonperforming	Totals
Business development and consumer loans credit exposure:			
Consumer loans – CAASTLC employees	\$ 6,799	\$ 0	\$ 6,799
Consumer loans – Partner organizations	1,894	0	1,894
<u>Totals</u>	<u>\$ 8,693</u>	<u>\$ 0</u>	<u>\$ 8,693</u>

Note 5: Property and Equipment

The following summarizes CAASTLC's property and equipment:

Land	\$ 131,000
Buildings	802,160
Land improvements	61,932
Furniture and equipment	122,859
Vehicles	266,653
Computers, software and equipment	116,068
Subtotal	1,500,672
Accumulated depreciation	(937,248)
<u>Property and equipment, net</u>	<u>\$ 563,424</u>

Note 6: Temporarily Restricted Net Assets

Temporarily restricted net assets consist of an Individual Development Accounts (IDA) donation in the amount of \$16,000 and other energy program funds of \$124,062 for the year ending September 30, 2018. The IDA donation is a gift restricted for use in matching CAASTLC's clients' contributions to their own IDA accounts with a goal of acquiring assets. The other energy funds are restricted for use in energy programs.

Community Action Agency of St. Louis County, Inc.

Notes to Financial Statements

Note 7: Concentrations

CAASTLC is heavily dependent upon the funding it receives from the Missouri Department of Social Services and the Missouri Department of Natural Resources for operation of three main programs. For the year ended September 30, 2018, approximately 91% of its total revenue came from these sources. If these funds were to be discontinued, CAASTLC's activities would be severely curtailed and would require an elimination of services.

Note 8: Retirement Plan

CAASTLC has a defined contribution retirement savings plan under Section 401(k) of the Internal Revenue Code. The plan covers all employees who meet certain eligibility requirements. The employer's contribution is up to 25% of the first 6% of compensation deposited as elective contributions. CAASTLC's contribution to the plan was \$12,295 for the year ended September 30, 2018.

Note 9: Grant Awards

As of September 30, 2018, CAASTLC had received commitments for future funding under various grant awards of approximately \$481,000. These commitments are not recognized in the accompanying financial statements as they are conditional awards.

Note 10: Subsequent Events

Subsequent events have been evaluated through April 8, 2019, which is the date the financial statements were available to be issued.

CAASTLC signed a line of credit agreement for \$1,250,000 in January 2019, which matures in January 2020. There is an interest rate of 5.50% as of the date of issuance. The line of credit is secured by certain assets of CAASTLC.

Supplementary Information

Community Action Agency of St. Louis County, Inc.

Schedule A-1
 Schedule of Program Activity
 Year Ended September 30, 2018

	FEDERAL PROGRAMS						
	USDA	HUD		Department of Energy			
	10.569	14.169	14.218	81.042			
	Emergency Food Assistance (1)	Housing Counseling Grant HC170821003 (2)	CDBG Florissant (3)	Weatherization G-18-EE0007930-2-11 (4)	Weatherization G-17-EE0007930-11 (5)	81.042 Subtotal	
TOTAL							
REVENUE							
Grant revenue	\$ 8,731,602	\$ 97,342	\$ 17,117	\$ 5,181	\$ 234,471	\$ 359,311	\$ 593,782
Donations	53,560	0	0	0	0	0	0
Investment income	3,055	0	0	0	0	0	0
Other income	67,416	0	0	3,670	0	0	0
Total Revenue	8,855,633	97,342	17,117	8,851	234,471	359,311	593,782
EXPENSES							
Personnel	2,293,406	0	13,053	0	61,354	175,105	236,459
Fringe benefits	556,326	0	2,435	0	21,222	39,798	61,020
Other employee costs	28,155	0	0	0	1,655	3,261	4,916
Outside professional services	131,036	0	0	0	3,849	8,904	12,753
Public relations	9,647	0	0	0	548	265	813
Travel	27,037	0	288	0	588	2,872	3,460
Supplies	130,855	0	0	0	5,052	14,611	19,663
Communications	50,900	0	24	0	2,448	2,951	5,399
Occupancy costs	114,729	0	0	0	3,688	6,652	10,340
Vehicle costs	31,633	0	0	0	1,393	4,068	5,461
Insurance	59,221	0	0	0	1,820	3,890	5,710
Equipment repair and maintenance	128,777	0	0	0	3,104	2,131	5,235
Client assistance	5,276,328	97,342	0	8,851	116,101	81,826	197,927
Other costs	29,414	0	0	0	1,101	897	1,998
Administrative allocation	0	9,734	1,579	885	22,306	34,723	57,029
Transfers	0	(9,734)	(262)	(885)	(11,758)	(22,643)	(34,401)
Total Expenses	8,867,464	97,342	17,117	8,851	234,471	359,311	593,782
Change in Net Assets	(11,831)	0	0	0	0	0	0
Net assets - Beginning of year	2,483,508	0	0	0	0	0	0
NET ASSETS - End of year	\$ 2,471,677	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Community Action Agency of St. Louis County, Inc.

Schedule A-2
 Schedule of Program Activity
 Year Ended September 30, 2018

	FEDERAL PROGRAMS				STATE AND LOCAL PROGRAMS		
	Dept of Health and Human Services				DHS	Total Federal Programs	MO American Water Help
	93.568		93.569		97.024		
	LIHEAP Weatherization G-18-LIHEAP-18-11 (6)	LIHEAP 2017 #ERS11017010 (7)	93.568 Subtotal	CSBG PG281700003 (8)	Emergency Food and Shelter (9)		(10)
REVENUE							
Grant revenue	\$ 956,018	\$ 3,946,411	\$ 4,902,429	\$ 1,656,981	\$ 46,500	\$ 7,319,332	\$ 76,269
Donations	0	0	0	3,090	0	3,090	0
Investment income	0	0	0	0	0	0	0
Other income	0	0	0	23,098	0	26,768	0
Total Revenue	956,018	3,946,411	4,902,429	1,683,169	46,500	7,349,190	76,269
EXPENSES							
Personnel	158,107	371,797	529,904	853,539	470	1,633,425	0
Fringe benefits	50,242	77,530	127,772	255,033	50	446,310	0
Other employee costs	3,370	3,197	6,567	13,627	0	25,110	0
Outside professional services	10,394	18,560	28,954	71,066	0	112,773	0
Public relations	2,150	789	2,939	3,368	0	7,120	0
Travel	3,477	2,732	6,209	15,536	0	25,493	0
Supplies	6,896	9,976	16,872	45,371	5,000	86,906	0
Communications	4,854	13,688	18,542	20,650	0	44,615	0
Occupancy costs	8,890	21,571	30,461	61,557	0	102,358	0
Vehicle costs	5,562	1,249	6,811	11,841	0	24,113	0
Insurance	8,986	6,125	15,111	30,548	0	51,369	0
Equipment repair and maintenance	3,066	32,579	35,645	42,166	0	83,046	0
Client assistance	641,033	3,328,596	3,969,629	8,659	41,225	4,323,633	69,994
Other costs	1,188	1,857	3,045	4,021	0	9,064	0
Administrative allocation	90,821	389,025	479,846	142,832	4,675	696,580	7,000
Transfers	(43,018)	(332,860)	(375,878)	103,355	(4,920)	(322,725)	(725)
Total Expenses	956,018	3,946,411	4,902,429	1,683,169	46,500	7,349,190	76,269
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Community Action Agency of St. Louis County, Inc.

Schedule A-3
 Schedule of Program Activity
 Year Ended September 30, 2018

STATE AND LOCAL PROGRAMS							
	17-18 Laclede Gas - WX G-18-10-0171-7-11 (11)	17-18 Ameren UE - WX G-18-14-0258-3-11 (12)	17-18 Utilicare Program ER11017010 (13)	IDA Donations (14)	CAASTLC Greeniverty (15)	MHDC Disaster Relief Program (16)	Emergency Food Program (17)
REVENUE							
Grant revenue	\$ 506,988	\$ 369,763	\$ 300	\$ 0	\$ 0	\$ 47,950	\$ 0
Donations	0	0	0	0	0	0	41,480
Investment income	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
Total Revenue	506,988	369,763	300	0	0	47,950	41,480
EXPENSES							
Personnel	49,150	42,495	0	0	0	23,508	0
Fringe benefits	19,802	14,632	0	0	0	7,908	0
Other employee costs	1,746	1,064	0	0	0	0	0
Outside professional services	8,696	5,928	0	0	0	0	112
Public relations	899	619	0	0	0	0	0
Travel	758	239	0	0	0	0	0
Supplies	9,807	3,635	0	0	0	0	1,998
Communications	2,367	1,797	0	0	0	21	0
Occupancy costs	6,760	4,681	0	0	0	0	0
Vehicle costs	3,535	2,661	0	0	0	0	385
Insurance	4,658	3,194	0	0	0	0	0
Equipment repair and maintenance	2,219	1,363	0	0	0	0	763
Client assistance	370,496	269,495	300	0	0	13,130	37,217
Other costs	750	644	0	0	0	0	0
Administrative allocation	48,164	35,245	30	0	0	4,456	4,048
Transfers	(22,819)	(17,929)	(30)	0	0	(1,073)	(3,043)
Total Expenses	506,988	369,763	300	0	0	47,950	41,480
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	16,000	1,694	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 16,000	\$ 1,694	\$ 0	\$ 0

Community Action Agency of St. Louis County, Inc.

Schedule A-4
 Schedule of Program Activity
 Year Ended September 30, 2018

STATE AND LOCAL PROGRAMS

	Other Energy Programs (18)	FHLB (19)	Housing (20)	MFH-CAC (21)	Teen Farmer Program (22)	St. Louis County (23)	Community Loan Center (24)
REVENUE							
Grant revenue	\$ 0	\$ 184,947	\$ 1,000	\$ 220,103	\$ 0	\$ 4,950	\$ 0
Donations	0	0	125	0	0	0	0
Investment income	0	0	0	0	0	0	0
Other income	16,765	0	11,000	0	9,646	0	295
Total Revenue	16,765	184,947	12,125	220,103	9,646	4,950	295
EXPENSES							
Personnel	0	0	0	129,613	7,098	0	96
Fringe benefits	0	0	0	17,728	1,421	0	11
Other employee costs	0	0	0	265	0	0	0
Outside professional services	0	0	110	2,168	830	0	0
Public relations	0	0	0	1,009	0	0	0
Travel	0	0	0	284	45	0	0
Supplies	0	1,623	6,136	10,152	419	0	1,175
Communications	0	0	62	1,618	21	0	0
Occupancy costs	0	0	0	0	0	0	0
Vehicle costs	0	0	0	232	674	0	0
Insurance	0	0	0	0	0	0	0
Equipment repair and maintenance	0	1	188	4,818	0	0	0
Client assistance	19,133	163,545	0	0	370	4,500	0
Other costs	0	0	0	0	0	0	0
Administrative allocation	1,913	16,517	650	16,788	1,088	450	128
Transfers	(4,281)	3,261	4,979	35,428	(2,320)	0	(1,115)
Total Expenses	16,765	184,947	12,125	220,103	9,646	4,950	295
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	124,062	0	0	0	0	0	0
NET ASSETS - End of year	\$ 124,062	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Community Action Agency of St. Louis County, Inc.

Schedule A-5
 Schedule of Program Activity
 Year Ended September 30, 2018

AGENCY ADMINISTRATION						
Total State and Local Programs	Agency Administration and Finance (25)	Fund-Raising (26)	Warehouse (27)	Grant Funded Equipment (28)	Corporate (29)	Total Agency Administration
REVENUE						
Grant revenue	\$ 1,412,270	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Donations	41,605	0	8,865	0	0	8,865
Investment income	0	3,055	0	0	0	3,055
Other income	37,706	2,906	36	0	0	2,942
Total Revenue	1,491,581	5,961	8,901	0	0	14,862
EXPENSES						
Personnel	251,960	407,906	115	0	0	408,021
Fringe benefits	61,502	48,501	13	0	0	48,514
Other employee costs	3,075	(30)	0	0	0	(30)
Outside professional services	17,844	419	0	0	0	419
Public relations	2,527	0	0	0	0	0
Travel	1,326	218	0	0	0	218
Supplies	34,945	0	8,632	0	372	9,004
Communications	5,886	399	0	0	0	399
Occupancy costs	11,441	0	0	930	0	930
Vehicle costs	7,487	33	0	0	0	33
Insurance	7,852	0	0	0	0	0
Equipment repair and maintenance	9,352	30,083	0	6,296	0	36,379
Client assistance	948,180	0	0	0	4,515	4,515
Other costs	1,394	18,423	28	0	505	18,956
Administrative allocation	136,477	(832,696)	256	(617)	0	(833,057)
Transfers	(9,667)	332,705	0	(313)	0	332,392
Total Expenses	1,491,581	5,961	9,044	0	6,296	26,693
Change in Net Assets	0	0	(143)	0	(6,296)	(5,392)
Net assets - Beginning of year	141,756	2,119,391	47,419	(61,084)	236,026	0
NET ASSETS - End of year	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)
	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)
	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)
	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)
	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)
	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)
	\$ 141,756	\$ 2,119,391	\$ 47,276	(\$ 61,084)	\$ 229,730	(\$ 5,392)

Community Action Agency of St. Louis County, Inc.

Schedule B-1

Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

<u>Federal Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Funding Source/ Pass-Through Entity</u>	<u>Program Period</u>	<u>Federal Expenditures</u>
DEPARTMENT OF AGRICULTURE (DOA)				
Food Distribution Cluster				
(1) Emergency Food Assistance Program	10.569	St. Louis Area Foodbank	10/01/17 - 09/30/18	<u>97,342</u>
Total Expenditures Food Distribution Cluster				<u>97,342</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)				
(2) Housing Counseling Assistance Program	14.169	Dept. of Housing and Urban Development	10/01/16 - 03/31/18	<u>17,117</u>
Entitlement Grants Cluster				
(3) CDBG Florissant	14.218	City of Florissant	10/01/17 - 09/30/18	<u>5,181</u>
Total Expenditures Entitlement Grants Cluster				<u>5,181</u>
DEPARTMENT OF ENERGY (DOE)				
(4) Weatherization Assistance for Low-Income Persons G-18-EE0007930-2-11	81.042	Missouri Dept. of Natural Resources	07/01/18 - 06/30/19	234,471
(5) Weatherization Assistance for Low-Income Persons G-17-EE0007930-11		Missouri Dept. of Natural Resources	07/01/17 - 06/30/18	<u>359,311</u>
Total Expenditures CFDA 81.042				<u>593,782</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS)				
(6) LIHEAP Weatherization G-18-LIHEAP-18-11	93.568	Missouri Dept. of Social Services	10/01/17 - 09/30/18	956,018
(7) LIHEAP Energy Crisis Intervention Program (ECIP) 2018 #ERS11017010		Missouri Dept. of Social Services	10/01/17 - 09/30/18	<u>3,946,411</u>
Total Expenditures CFDA 93.568				<u>4,902,429</u>
(8) Community Services Block Grant PG281700003	93.569	Missouri Dept. of Social Services	10/01/17 - 09/30/18	<u>1,656,981</u>
Total Expenditures CFDA 93.569				<u>1,656,981</u>
DEPARTMENT OF HOMELAND SECURITY (DHS)				
(9) Emergency Food and Shelter	97.024	United Way of Greater St. Louis	10/01/16 - 09/30/18	<u>46,500</u>
TOTAL FEDERAL EXPENDITURES				<u><u>\$ 7,319,332</u></u>

Community Action Agency of St. Louis County, Inc.

Schedule B-2

Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

Federal Grantor/Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Program Period
STATE AND LOCAL PROGRAMS			
(10) MO American Water Help		Missouri American Water	10/01/17 - 09/30/18
(11) Laclede Gas Weatherization G-18-10-0171-7-11		Missouri Dept. of Natural Resources	11/01/17 - 10/31/18
(12) Ameren Weatherization G-18-14-0258-3-11		Missouri Dept. of Natural Resources	11/01/17 - 10/31/18
(13) Utilicare Program ER11017010		Missouri Dept. of Social Services	10/01/17 - 09/30/18
(14) IDA Donations		Private Donations	10/01/17 - 09/30/18
(15) CAASTLC Greenivity		Administrative Prog - Going Green General Revenue	10/01/17 - 09/30/18
(16) MHDC Disaster Relief Program		Missouri Housing Development Commission	10/01/17 - 09/30/18
(17) Emergency Food Program		St. Louis Area Food Bank	10/01/17 - 09/30/18
(18) Other Energy Programs		Misc. Income Activities	10/01/17 - 09/30/18
(19) FHLB		Federal Home Loan Bank of Des Moines	11/11/15 - 11/11/17
(20) Housing		St Louis County	10/01/17 - 09/30/18
(21) MFH-CAC 16-0265-COV-16 18-0117-COV-18		Missouri Foundation for Health	08/01/16 - 07/31/18 08/01/18 - 07/31/19
(22) Teen Farmer Program		Deaconess Foundation	11/01/17 - 05/31/18
(23) St. Louis County		St. Louis County	10/01/17 - 09/30/18
(24) Community Loan Center		Misc. Income Activities	10/01/17 - 09/30/18
AGENCY ADMINISTRATION			
(25) Agency Administration and Finance		Discretionary Interest, Misc. Income Activities	10/01/17 - 09/30/18
(26) Fund-Raising		Corporate Fund-Raising	10/01/17 - 09/30/18
(27) Warehouse		Misc. Income Activities	10/01/17 - 09/30/18
(28) Grant Funded Equipment		Various Agencies	10/01/17 - 09/30/18
(29) Corporate		Misc. Income Activities	10/01/17 - 09/30/18

Notes to Schedule of Expenditures of Federal Awards and List of Programs

Note 1 - Basis of Presentation

The Schedule of Expenditures of Federal Awards and List of Programs (the "Schedule") includes the federal grant activity of Community Action Agency of St. Louis County, Inc. under programs of the federal government for the year ended September 30, 2018. 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). Because the schedule presents only a selected portion of the operations of Community Action Agency of St. Louis County, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Community Action Agency of St. Louis County, Inc.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Subrecipients

No federal grant awards were passed through to subrecipients during the year ended September 30, 2018.

Note 4 - Indirect Cost Rate

Community Action Agency of St. Louis County, Inc. has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Community Action Agency of St. Louis County, Inc.

DSS Subgrant No. PG281700003 CSBG

Schedule C-1
Supplemental CSBG Program Schedule
Year Ended September 30, 2018

Beginning net assets	\$ 2,151,706
Revenue	1,656,981
Expenses	1,656,981
Subtotal	0
Unexpended balance	2,151,706
Ending net assets	\$ 2,151,706

Note to the Reconciliation of Revenue and Expenses

The information in this schedule is presented in accordance with the requirements the Missouri Department of Social Services. Therefore, some amounts presented in, or used in the preparation of, the basic financial statements may differ from amounts on this schedule. The net assets are classified as unrestricted for financial reporting purposes.

Subgrantee Name CAASTLC
 Subgrant Number G-17-EE0007930-11

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF July 1, 2017 TO June 30, 2018

(NOTE: Use the appropriate dates for beginning and ending grant periods if the grant did not begin July 1 or if the grant did not end June 30.)

Provide the following information for the WAP Program Year (July 1 to June 30 or applicable grant start and end dates. For multi-year grants the end date should be the agency fiscal year end date if the grant period had not ended during the agency audit period.)

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) 0

Beginning Fund Balance 0

Revenue

Revenue

Grant Income (funds that have been reimbursed to the agency from DED/DE) 499,575

Grant Income 499,575

Program Income 0

Program Income 0

Total Revenue 499,575

Total Revenue 499,575

Expenditures

Expenditures

Administration 23,789

Administration 23,789

Insurance 5,244

Insurance 5,244

Financial Audit 2,770

Financial Audit 2,770

Leveraging 0

Leveraging 0

T&TA 159

T&TA 159

Program Operations 467,613

Program Operations 467,613

Total Expenditures 499,575

Total Expenditures 499,575

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income – minus total Expenditures) 0

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

Note: The Division of Energy and Subgrantee figures must be in agreement. If not, the difference must be corrected before the schedule can be accepted.

Subgrantee Name CAASTLC
 Subgrant Number G-18-EE0007930-2-11

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF July 1, 2018 TO September 30, 2018

(NOTE: Use the appropriate dates for beginning and ending grant periods if the grant did not begin July 1 or if the grant did not end June 30.)

Provide the following information for the WAP Program Year (July 1 to June 30 or applicable grant start and end dates. For multi-year grants the end date should be the agency fiscal year end date if the grant period had not ended during the agency audit period.)

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) 0

Beginning Fund Balance 0

Revenue

Revenue

Grant Income (funds that have been reimbursed to the agency from DED/DE) 234,471

Grant Income 234,471

Program Income 0

Program Income 0

Total Revenue 234,471

Total Revenue 234,471

Expenditures

Expenditures

Administration 11,291

Administration 11,291

Insurance 889

Insurance 889

Financial Audit 1,099

Financial Audit 1,099

Leveraging 0

Leveraging 0

T&TA 0

T&TA 0

Program Operations 221,192

Program Operations 221,192

Total Expenditures 234,471

Total Expenditures 234,471

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income – minus total Expenditures) 0

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

Note: The Division of Energy and Subgrantee figures must be in agreement. If not, the difference must be corrected before the schedule can be accepted.

Subgrantee Name CAASTLC
 Subgrant Number G-18-10-0171-7-11

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2017 TO September 30, 2018

(NOTE: Use the appropriate dates for beginning and ending grant periods if the grant did not begin July 1 or if the grant did not end June 30.)

Provide the following information for the WAP Program Year (July 1 to June 30 or applicable grant start and end dates. For multi-year grants the end date should be the agency fiscal year end date if the grant period had not ended during the agency audit period.)

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) 0

Beginning Fund Balance 0

Revenue

Revenue

Grant Income (funds that have been reimbursed to the agency from DED/DE) 506,988

Grant Income 506,988

Program Income 0

Program Income 0

Total Revenue 506,988

Total Revenue 506,988

Expenditures

Expenditures

Administration 25,349

Administration 25,349

Insurance 3,047

Insurance 3,047

Financial Audit 2,788

Financial Audit 2,788

Leveraging 0

Leveraging 0

T&TA 0

T&TA 0

Program Operations 475,804

Program Operations 475,804

Total Expenditures 506,988

Total Expenditures 506,988

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income – minus total Expenditures) 0

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

Note: The Division of Energy and Subgrantee figures must be in agreement. If not, the difference must be corrected before the schedule can be accepted.

Subgrantee Name CAASTLC
 Subgrant Number G-18-14-0258-3-11

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2017 TO September 30, 2018

(NOTE: Use the appropriate dates for beginning and ending grant periods if the grant did not begin July 1 or if the grant did not end June 30.)

Provide the following information for the WAP Program Year (July 1 to June 30 or applicable grant start and end dates. For multi-year grants the end date should be the agency fiscal year end date if the grant period had not ended during the agency audit period.)

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) 0

Beginning Fund Balance 0

Revenue

Revenue

Grant Income (funds that have been reimbursed to the agency from DED/DE) 369,763

Grant Income 369,763

Program Income 0

Program Income 0

Total Revenue 369,763

Total Revenue 369,763

Expenditures

Expenditures

Administration 17,316

Administration 17,316

Insurance 2,002

Insurance 2,002

Financial Audit 2,527

Financial Audit 2,527

Leveraging 0

Leveraging 0

T&TA 0

T&TA 0

Program Operations 347,918

Program Operations 347,918

Total Expenditures 369,763

Total Expenditures 369,763

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income – minus total Expenditures) 0

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

Note: The Division of Energy and Subgrantee figures must be in agreement. If not, the difference must be corrected before the schedule can be accepted.

Subgrantee Name CAASTLC
 Subgrant Number G-18-LIHEAP-18-11

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF October 1, 2017 TO September 30, 2018

(NOTE: Use the appropriate dates for beginning and ending grant periods if the grant did not begin July 1 or if the grant did not end June 30.)

Provide the following information for the WAP Program Year (July 1 to June 30 or applicable grant start and end dates. For multi-year grants the end date should be the agency fiscal year end date if the grant period had not ended during the agency audit period.)

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance (funds that have been reimbursed but not expensed from the previous grant) 0

Beginning Fund Balance 0

Revenue

Revenue

Grant Income (funds that have been reimbursed to the agency from DED/DE) 956,018

Grant Income 956,018

Program Income 0

Program Income 0

Total Revenue 956,018

Total Revenue 956,018

Expenditures

Expenditures

Administration 47,801

Administration 47,801

Insurance 5,720

Insurance 5,720

Financial Audit 2,721

Financial Audit 2,721

Leveraging 0

Leveraging 0

T&TA 1,407

T&TA 1,407

Program Operations 898,369

Program Operations 898,369

Total Expenditures 956,018

Total Expenditures 956,018

Ending Fund Balance (this is the sum of the Beginning Fund Balance + Grant Income + Program Income – minus total Expenditures) 0

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

Note: The Division of Energy and Subgrantee figures must be in agreement. If not, the difference must be corrected before the schedule can be accepted.

Community Action Agency of St. Louis County, Inc.

Schedule E

Schedule of Revenue and Expenses - Audited

Low Income Home Energy Assistance Program - ECIP

For the Period October 1, 2017 to September 30, 2018

Revenue/Contracted Amount	Budget	Actuals Per	Actuals Per
Allocated Award Amount - LIHEAP	Amount	Program Grant	Audited Statements
			GAAP Basis
Special Start-up	\$ 0	\$ 0	\$ 0
Current (initial + amendments)	3,946,580	3,946,411	3,946,411
Interest/Donations	0	0	0
Other-Carryovers	0	0	0
Total Revenue	3,946,580	3,946,411	3,946,411
Expenditures			
Administrative/Program Services			
Indirect costs	56,165	56,165	389,025
Personnel	355,841	371,797	374,994
Employee benefits	93,573	77,530	77,530
Program expenses	0	0	789
Contract and consulting	33,600	36,111	18,560
Travel	5,600	2,741	2,732
Training	2,500	1,526	0
Rent/Space	1,335	1,300	0
Occupancy	6,500	6,377	21,571
Insurance	6,800	6,123	6,125
Office supplies (under 5,000)	43,000	45,547	9,976
Equipment	0	0	0
Communication services	12,400	12,357	13,688
Repair & maintenance	0	0	33,828
Other	501	242	1,857
Total Administrative/Program Services	617,815	617,815	950,675
ECIP Direct Services			
Winter	2,544,508	1,975,747	1,975,747
Summer	732,328	1,342,780	1,342,780
Emergency services allocation	51,929	10,069	10,069
Total ECIP Direct Services	3,328,765	3,328,596	3,328,596
Outreach & Education			
Other	0	0	0
Total Outreach & Education	0	0	0
Total Expenditures	3,946,580	3,946,411	4,279,271
Revenue over (under) Expenditures	0	0	(332,860)
Transfer	0	0	332,860
Ending Program Balance	\$ 0	\$ 0	\$ 0



Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Board of Directors
Community Action Agency of St. Louis County, Inc.
St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States 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 Agency of St. Louis County, Inc., which comprise the statement of financial position as of September 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 8, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Action Agency of St. Louis County, Inc.’s internal control over financial reporting (“internal control”) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Agency of St. Louis County, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Agency of St. Louis County, Inc.’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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Agency of St. Louis County, 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 Community Action Agency of St. Louis County, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Agency of St. Louis County, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

April 8, 2019
Madison, Wisconsin

Independent Auditor’s Report on Compliance for the Major Federal Program and on Internal Control Over Compliance

Board of Directors
Community Action Agency of St. Louis County, Inc.
St. Louis, Missouri

Report on Compliance for the Major Federal Program

We have audited Community Action Agency of St. Louis County, Inc.'s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended September 30, 2018. Community Action Agency of St. Louis County, Inc.’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility for Compliance

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 Community Action Agency of St. Louis County, Inc.'s major federal program 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action Agency of St. Louis County, 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 the major federal program. However, our audit does not provide legal determination on Community Action Agency of St. Louis County, Inc.'s compliance.

Opinion

In our opinion, Community Action Agency of St. Louis County, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2018.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on the major federal program is not modified with respect to this matter.

Community Action Agency of St. Louis County, Inc.'s response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Community Action Agency of St. Louis County, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Community Action Agency of St. Louis County, 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 Agency of St. Louis County, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action Agency of St. Louis County, 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 program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2018-001, that we consider to be a significant deficiency.

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.



Wipfli LLP

April 8, 2019
Madison, Wisconsin

Community Action Agency of St. Louis County, Inc.

Schedule of Findings and Questioned Costs

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	Yes
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)]?	Yes
Identification of major federal program:	
<u>Name of Federal Major Program or Cluster</u>	<u>CFDA No.</u>
Low Income Home Energy Assistance Program	93.568
Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None

Community Action Agency of St. Louis County, Inc.

Schedule of Findings and Questioned Costs

Section III - Federal Award Findings and Questioned Costs

Finding 2018-001: Timely Payments to Vendors

<u>Grant</u>	<u>Funding Source</u>	<u>Grant Period</u>
Department of Health and Human Services - CFDA #93.568 Low Income Home Energy Assistance Program	Missouri Department Of Social Services	10/01/17-09/30/18

Questioned Costs: None

Condition: During our audit, Wipfli tested 25 participant files and their associated disbursements related to this grant award. Of the 25 disbursements, two were not paid within 45 days of the date of crisis. An additional selection of ten participants were tested with four of the files not being paid timely to the vendor. All transactions tested were for services provided that are allowable to be charged to the grant award.

Criteria: A requirement of the LIHEAP manual from the State of Missouri Department of Social Services Family Support Division indicates that payments must be issued no later than 45 calendar days after an eligible household applied for assistance or 45 days from the date of crisis if it differs from and occurs later than the application date.

Cause: CAASTLC lacked adequate fiscal oversight to ensure all vendors were paid consistently within 45 days.

Effect: As a result of the compliance matter identified in the condition paragraph, a significant deficiency exists in CAASTLC's compliance of the major program.

Recommendation: We recommend that CAASTLC review their procedures for monitoring outstanding invoices so that vendors can be consistently paid within 45 days of the date of crisis or application date.

View of responsible officials: Management agrees with the assessment and has committed to a corrective action plan.

Section IV - Summary Schedule of Prior Year Findings

None

Corrective Action Plan for Current Year Findings

Finding 2018-001: Timely Payments to Vendors

Corrective Action Plan

Vendor payments will be tracked and monitored using DocuWare and MIS tools on a weekly basis by the Director of Program Administration, the Energy Assistance Supervisor and the Service Integration Coordinator to make sure all payments are made within the allotted time frame. The results of the weekly review will be reported to the Chief Financial Officer. Pledges will be entered in MIS by energy staff on a weekly basis, monitored by the Energy Assistance Coordinator. Pledges from MIS will be batched and paid weekly by the Service Integration Coordinator.

Person(s) Responsible: Mark Kurtz, CFO 
Georgie Donahue, Director of Program Administration
Pat Bulejski, Service integration Coordinator
Karen Wilson, Energy Assistance Coordinator

Timing for Implementation: Immediate, ongoing.