

Center for Community Action

Executive Summary

June 30, 2023

- I. **Audit Report - Unmodified Opinion dated December 7, 2023**
- II. **Cooperation of Staff - Excellent response time by everyone involved with the audit**

- III. **Financial Statements**
 - Statements of Financial Position
 - Statements of Activities

- IV. **Single Audit**

- 2023 - Federal Expenditures - \$28,484,031 (4 Major Programs)
 - Emergency Solutions Grants Program
 - Emergency Rental Assistance Program
 - Coronavirus State and Local Fiscal Recovery Funds
 - Temporary Assistance for Needy Families

- NO FINDINGS**

- 2022 - Federal Expenditures - \$36,676,635 (3 Major Programs)
 - Child Care Development Fund (CCDF) Cluster
 - Emergency Rental Assistance Program
 - Community Services Block Grant

- NO FINDINGS**

- V. **Communication With Those Charged With Governance**
- VI. **Form 990 Filing**
- VII. **Data Collection Form Submission**



CENTER FOR COMMUNITY ACTION

EVERETT, PA

SINGLE AUDIT REPORTING PACKAGE
AND
DEPARTMENT OF HUMAN SERVICES SCHEDULES AND REPORTS

JUNE 30, 2023 AND 2022

**CENTER FOR COMMUNITY ACTION
FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Center for Community Action
Everett, PA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Center for Community Action, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Center for Community Action as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center for Community Action and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center for Community Action's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center for Community Action's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center for Community Action's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the supplementary information as listed in the table of contents as required by the Pennsylvania Department of Human Services, is presented for purposes of additional analysis as 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures,

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards and the Audit Requirements of the Pennsylvania Department of Human Services

In accordance with *Government Auditing Standards* and the audit requirements of the Pennsylvania Department of Human Services, we have also issued our report dated December 7, 2023, on our consideration of the Center for Community Action'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 effectiveness of the Center for Community Action'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* and the audit requirements of the Pennsylvania Department of Human Services in considering the Center for Community Action's internal control over financial reporting and compliance.



WESSEL & COMPANY
Certified Public Accountants

December 7, 2023

CENTER FOR COMMUNITY ACTION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	2023	2022
<u>ASSETS</u>		
Current Assets		
Cash	\$ 2,983,265	\$ 9,244,383
Grants and contracts receivable	2,516,368	1,981,461
Other receivables	2,447	1,370
Inventories	49,449	52,837
Prepaid expenses	93,008	81,624
	5,644,537	11,361,675
Funded Reserve:		
Reserve account	56,077	47,912
Property and equipment, net of accumulated depreciation	1,777,755	1,767,511
Operating lease - right of use asset	470,072	-
	1,777,755	1,767,511
Total Assets	\$ 7,948,441	\$ 13,177,098
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable	\$ 1,489,854	\$ 2,610,004
Current portion of long-term debt	62,618	63,631
Accrued expenses	402,508	419,964
Deferred grant revenue	2,274,259	7,117,885
Refundable advances	704,692	495,951
Other current liabilities	24,115	17,878
Current portion of lease liability	211,412	-
	5,169,458	10,725,313
Total Current Liabilities	5,169,458	10,725,313
Long-term Liabilities		
Long-term debt, net of current portion	1,490,348	1,519,588
Operating lease liability	258,660	-
	1,749,008	1,519,588
Total long-term liabilities	1,749,008	1,519,588
Net Assets Without Donor Restrictions	1,029,975	932,197
Total Net Assets	1,029,975	932,197
Total Liabilities and Net Assets	\$ 7,948,441	\$ 13,177,098

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

CENTER FOR COMMUNITY ACTION
STATEMENTS OF ACTIVITIES
JUNE 30, 2023 AND 2022

	2023	2022
<i>Net Assets Without Donor Restrictions:</i>		
Revenues:		
Grants:		
Federal	\$ 29,213,946	\$ 36,976,635
State	4,908,063	4,390,928
Local	227,061	2,000
Contributions	53,640	36,632
Rental	227,583	232,148
Fee income - services	1,424,677	1,216,797
Interest	23,945	13,981
Miscellaneous	300	-
	<u>36,079,215</u>	<u>42,869,121</u>
Expenses:		
Program Services:		
Housing Options	\$ 4,091,185	\$ 3,831,966
Self-sufficiency	740,260	669,947
Employment	18,085,408	29,912,313
Education	9,141	10,664
Nutrition	295,502	281,592
Income management	78,819	50,411
Emergency services	8,079,349	3,892,557
Linkages	1,592,995	1,543,780
Fiscal support services	31,135	28,205
Total program services	<u>33,003,794</u>	<u>40,221,435</u>
Support Services:		
General & occupancy	210,538	178,990
Administration	2,767,105	2,289,737
Total Support Services	<u>2,977,643</u>	<u>2,468,727</u>
Total Expenses	<u>35,981,437</u>	<u>42,690,162</u>
Change in Net Assets	97,778	178,959
Net Assets at Beginning of Year	<u>932,197</u>	<u>753,238</u>
Net Assets at End of Year	<u>\$ 1,029,975</u>	<u>\$ 932,197</u>

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

CENTER FOR COMMUNITY ACTION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Program Services										Supporting Services			
	Housing Options	Self-Sufficiency	Employment	Education	Nutrition	Income Mgt	Emergency Services	Linkages	Fiscal Support Services	Total Program Services	General & Occupancy	Administration	Total Supporting Services	Total Expenses
Salaries	\$ 894,371	\$ 120,903	\$ 459,244	\$ 4,278	\$ 2,298	\$ 41,831	\$ 246,262	\$ 461,419	\$ 18,264	\$ 2,248,870	\$ -	\$ 1,447,735	\$ 1,447,735	\$ 3,696,605
Fringe Benefits	332,403	46,716	177,697	1,639	718	18,124	102,999	177,665	7,180	865,141	-	519,806	519,806	1,384,947
Total personal costs	1,226,774	167,619	636,941	5,917	3,016	59,955	349,261	639,084	25,444	3,114,011	-	1,967,541	1,967,541	5,081,552
Acquisitions	-	-	-	-	-	-	-	66,689	-	66,689	-	194	194	66,883
Advertising and Outreach	150	3	227	-	-	-	47	36,917	-	37,344	-	1,324	1,324	38,668
Computer Support & Software	26,051	1,644	17,432	-	166	1,238	10,854	45,104	-	102,489	-	62,756	62,756	165,245
Depreciation	7,656	-	-	-	-	-	-	-	-	7,656	80,400	-	80,400	88,056
Environmental Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment & tools	80,034	3,806	27,869	331	3	2,100	29,530	82,687	-	226,360	-	64,779	64,779	291,139
Insurance	32,894	294	7,752	-	49	342	4,318	8,672	-	54,321	-	27,987	27,987	82,308
Interest	-	-	-	-	-	-	-	-	-	-	63,918	4,666	68,584	68,584
Legal	-	-	-	-	-	-	-	128	-	128	-	-	-	128
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	4,905	4,905	4,905
Occupancy/Rent	79,261	1,904	42,520	-	3,287	5,337	19,530	72,496	2,726	227,061	43,718	131,238	174,956	402,017
Office Expenses	36,519	2,069	39,749	700	164	8,179	25,923	24,009	351	137,663	166	82,263	82,429	220,092
Payments to Subcontractors:														
Weatherization Contractors	2,317,976	-	-	-	-	-	-	-	-	2,317,976	-	-	-	2,317,976
Rehab Contractors	104,813	-	-	-	-	-	763	-	-	105,576	-	-	-	105,576
Daycare Service Providers	-	-	17,218,367	-	-	-	-	2,112	-	17,220,479	-	-	-	17,220,479
Transportation Service Providers	-	-	-	-	-	-	-	340,118	-	340,118	-	-	-	340,118
Food Banks	-	1,099	-	-	284,056	-	38,586	-	-	323,741	-	-	-	323,741
Housing/Shelter Services	-	548,419	-	-	-	-	7,497,580	27,663	-	8,073,662	-	-	-	8,073,662
Vehicle Services	-	-	-	-	-	-	21,855	29,834	-	51,689	-	-	-	51,689
GED Services	-	-	-	-	-	-	-	22,145	-	22,145	-	-	-	22,145
Technology Services	-	-	10,624	1,940	-	-	-	12,274	-	24,838	-	-	-	24,838
Other Services	11,037	6,920	13,811	-	-	-	54,986	100,850	-	187,604	-	291,585	291,585	479,189
Professional Services	14,056	35	15,816	-	569	-	160	6,859	176	37,671	-	19,178	19,178	56,849
Real Estate Taxes	3,606	-	-	-	-	-	-	-	-	3,606	8,199	1,083	9,282	12,888
Repairs & Maintenance	23,900	1,478	14,136	-	4,019	1,218	9,104	13,084	623	67,562	13,360	36,785	50,145	117,707
Staff Training & Development	18,512	28	19,312	-	51	-	4,938	16,291	925	60,057	-	4,584	4,584	64,641
Telephone & Internet	21,673	2,676	12,118	-	44	449	4,459	19,479	234	61,132	283	28,890	29,173	90,305
Travel	27,780	2,100	6,469	253	55	1	6,694	21,134	185	64,671	277	17,148	17,425	82,096
Vehicle Expense	58,493	166	2,265	-	23	-	761	5,366	471	67,545	217	20,199	20,416	87,961
Total Operating Expenses	2,864,411	572,641	17,448,467	3,224	292,486	18,864	7,730,088	953,911	5,691	29,889,783	210,538	799,564	1,010,102	30,899,885
Total Expenditures	\$ 4,091,185	\$ 740,260	\$ 18,085,408	\$ 9,141	\$ 295,502	\$ 78,819	\$ 8,079,349	\$ 1,592,995	\$ 31,135	\$ 33,003,794	\$ 210,538	\$ 2,767,105	\$ 2,977,643	\$ 35,981,437

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

CENTER FOR COMMUNITY ACTION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

	Program Services									Supporting Services				Total Expenses
	Housing Options	Self-Sufficiency	Employment	Education	Nutrition	Income Mgt	Emergency Services	Linkages	Fiscal Support Services	Total Program Services	General & Occupancy	Administration	Total Supporting Services	
Salaries	\$ 701,725	\$ 141,697	\$ 408,536	\$ 5,732	\$ -	\$ 25,916	\$ 127,593	\$ 398,502	\$ 18,100	\$ 1,827,801	\$ 15,561	\$ 1,141,896	\$ 1,157,457	\$ 2,985,258
Fringe Benefits	256,543	54,582	163,766	363	-	11,690	59,335	137,406	6,737	690,422	122,061	390,967	513,028	1,203,450
Total personal costs	958,268	196,279	572,302	6,095	-	37,606	186,928	535,908	24,837	2,518,223	137,622	1,532,863	1,670,485	4,188,708
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising and Outreach	764	93	783	-	-	-	3,999	19,967	89	25,695	-	1,136	1,136	26,831
Computer Support & Software	49,502	3,016	27,121	-	25	479	9,435	195,602	-	285,180	860	95,228	96,088	381,268
Depreciation	27,093	-	-	-	-	-	-	-	-	27,093	-	56,520	56,520	83,613
Environmental Assessment	1,580	-	-	-	-	-	-	-	-	1,580	-	-	-	1,580
Equipment & tools	52,868	2,033	8,688	2,987	1	20	3,467	105,330	16	175,410	5	28,370	28,375	203,785
Insurance	23,888	1,184	8,831	-	-	-	2,554	8,818	-	45,275	3,814	23,207	27,021	72,296
Interest	14,124	-	-	-	-	-	-	-	-	14,124	4,947	52,392	57,339	71,463
Legal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	7,823	215	2,991	12	1	5,669	921	19,842	348	37,822	4,131	30,731	34,862	72,684
Occupancy/Rent	104,828	4,646	28,025	-	4,800	2,766	9,917	50,942	1,637	207,561	1,073	83,522	84,595	292,156
Office Expenses	23,260	5,766	15,185	1,357	79	2,729	15,118	29,934	318	93,746	780	34,814	35,594	129,340
Payments to Subcontractors:														
Weatherization Contractors	625,048	-	-	-	-	-	-	-	-	625,048	-	-	-	625,048
Rehab Contractors	1,517,574	-	-	-	-	-	-	-	-	1,517,574	-	-	-	1,517,574
Daycare Service Providers	-	-	29,159,082	-	-	-	-	-	-	29,159,082	-	2,559	2,559	29,161,641
Transportation Service Providers	-	-	-	-	-	-	-	66,322	-	66,322	-	-	-	66,322
Food Banks	-	-	-	-	158,091	-	19,654	368	-	178,113	-	-	-	178,113
Housing/Shelter Services	139,622	355,422	-	-	118,295	-	3,629,685	-	-	4,243,024	13,293	-	13,293	4,256,317
Vehicle Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GED Services	-	-	-	-	-	-	-	22,551	-	22,551	-	-	-	22,551
Technology Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Services	68,101	95,689	56,644	-	-	576	4,476	76,643	355	302,484	1,842	270,783	272,625	575,109
Professional Services	4,675	-	8,240	-	300	-	-	28,590	-	41,805	120	16,657	16,777	58,582
Real Estate Taxes	11,652	-	-	-	-	-	-	-	-	11,652	1,048	-	1,048	12,700
Repairs & Maintenance	128,085	46	137	-	-	140	(49)	1,105	80	129,544	-	1,466	1,466	131,010
Staff Training & Development	9,384	740	4,446	-	-	-	8,867	65	65	23,502	1,231	551	1,782	25,284
Telephone & Internet	20,351	3,082	12,556	-	-	60	3,553	16,465	33	56,100	98	29,051	29,149	85,249
Travel	2,067	932	1,455	213	-	-	1,219	239,521	3	245,410	2,208	4,361	6,569	251,979
Vehicle Expense	41,409	804	5,827	-	-	366	1,680	117,005	424	167,515	5,918	25,526	31,444	198,959
Total Operating Expenses	2,873,698	473,668	29,340,011	4,569	281,592	12,805	3,705,629	1,007,872	3,368	37,703,212	41,368	756,874	798,242	38,501,454
Total Expenditures	\$ 3,831,966	\$ 669,947	\$ 29,912,313	\$ 10,664	\$ 281,592	\$ 50,411	\$ 3,892,557	\$ 1,543,780	\$ 28,205	\$ 40,221,435	\$ 178,990	\$ 2,289,737	\$ 2,468,727	\$ 42,690,162

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

CENTER FOR COMMUNITY ACTION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
Cash Flows From Operating Activities:		
Change in Net Assets	\$ 97,778	\$ 178,959
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	88,056	83,613
(Increase)/Decrease in:		
Grants and other receivable	(535,984)	(987,260)
Inventories	3,388	2,536
Prepaid expenses	(11,384)	(11,399)
Reserve account	(8,165)	(10,878)
Increase/(Decrease) in:		
Accounts payable	(1,120,150)	1,121,517
Accrued expenses	(17,456)	165,982
Deferred grant revenue	(4,843,626)	3,289,540
Refundable advances	208,741	(197,660)
Other current liabilities	6,237	2,525
	(6,132,565)	3,637,475
 Cash flows from Investing Activities		
Acquisition of fixed assets	(98,300)	(98,250)
	(98,300)	(98,250)
 Cash Flows From Financing Activities:		
Line of credit, net (payment)	-	(59,920)
Borrowings of long-term debt	49,772	60,000
Repayments of long-term debt	(80,025)	(84,941)
	(30,253)	(84,861)
 Net (Decrease)/Increase in Cash	(6,261,118)	3,454,364
 Cash - Beginning of Year	9,244,383	5,790,019
 Cash - End of Year	\$ 2,983,265	\$ 9,244,383
 Supplemental Cash Flow Information:		
Cash paid during the year for:		
Interest paid	\$ 68,584	\$ 71,463

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

CENTER FOR COMMUNITY ACTION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

NOTE 1 NATURE OF ACTIVITIES

The Center for Community Action (the Center) is a Pennsylvania nonprofit corporation. The Center is organized to provide a wide variety of services to the low- and moderate-income residents of Bedford, Fulton, Huntingdon, Somerset, Franklin, Blair, Mifflin, Juniata and Cambria Counties. These services are discussed below. During the period it has existed, the Center has operated under several former names - originally incorporated as Bedford-Fulton Housing Services, Inc. in November 1992, becoming Center for Community Services July 1, 2003, and Center for Community Action October 1, 2006.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting. The Center's financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB). The Center follows FASB Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires nonprofits to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Center's management and the Board of Directors.

Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Current accounting standards also require the Center to present certain information on a "programmatic" basis. The programmatic basis used by the Center is designed to best illustrate the full nature of the Center's activities. The programmatic focus is on what the Center does - not from where the money comes. Below are concise descriptions of the Center's programs. In order to accomplish these programs, the Center has applied for and been awarded a number of grants from various sources. Some of these grants benefit more than one of the Center's programs. They are shown here under the Program they predominantly benefit:

Housing Options - The Center provides activities designed to assist low-to-moderate income participants, including the elderly poor, to obtain and maintain adequate housing and a suitable living environment.

- Home Investment Partnerships Program
- Department of Energy Weatherization Program
- Low Income Home Energy Assistance Program
- Utility Sponsored Weatherization Programs
- CSBG - Community Services Block Grant Program
- CDBG - Community Development Block Grant Program
- USDA Housing Preservation Grant
- Emergency Solutions Grant Program

Self-Sufficiency - The Center provides comprehensive, long-term programs of family development; the purpose is to help clients achieve a set of goals resulting in greater independence and elimination of some of the causes of the client's poverty issues.

- Emergency Solutions Grant
- CSBG - Community Services Block Grant Program
- VAP - Vehicle Assistance Program
- CoC - Continuum of Care
- PHARE - PA Housing Affordability and Rehabilitation Enhancement Scholarship Program

Employment – The Center provides activities designed to assist low-to-moderate income participants, including the elderly poor, to secure and retain meaningful employment.

- ELRC - Early Learning Resource Center
- CSBG - Community Services Block Grant Program
- EARN - Career Development Program
- Work Ready Program

Income Management - The Center provides activities designed to assist low-to-moderate income participants, including the elderly poor, to make better use of available income.

- CSBG - Community Services Block Grant Program
- Rep Payee

Education - The Center provides activities designed to assist low-to-moderate income participants, including the elderly, to attain an adequate education.

- GED Testing Program Financial Literacy Program
- CSBG - Community Services Block Grant Program

Nutrition - The Center provides, on an emergency basis, supplies and services, nutritious foodstuffs, and related services as may be necessary to counteract conditions of starvation and malnutrition among the poor.

- State Food Purchase Program
- Emergency Food Assistance Program
- CSBG - Community Services Block Grant Program

Emergency Services - The Center provides activities designed to assist low-to-moderate income participants, including the elderly poor, to obtain emergency assistance to meet immediate and urgent individual and family needs.

Homeless Assistance Program
Emergency Food and Shelter Program
Emergency Rental Assistance Program
Community Services Block Grant Program

Linkages - The Center provides activities designed to assist low-income participants, including the elderly poor, to make more effective use of other programs. The Center also establishes coordination between governmental and other social services programs to assure the effective delivery of services to low-to-moderate income individuals.

CSBG - Community Services Block Grant Program
Human Services Development Fund
Medical Assistance Transportation Program
RSVP - Retired Senior Volunteer Program

Fiscal Support Services - The Center provides services to assist low-to-moderate income participants, including the elderly poor, by administering and managing subsidized housing projects.

EACH - Everett Area Community Housing

Use of Estimates

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

Cash and Cash Equivalents

The Center considers all highly liquid debt instruments with an original maturity of three (3) months or less to be cash equivalents. There were no cash equivalents as of June 30, 2023 or 2022. Cash consists of deposits at financial institutions where they are insured by the FDIC for deposits up to \$250,000. The Center's cash balances uninsured on June 30, 2023 and 2022 were \$3,138,780 and \$8,031,709, respectively. The Center has not experienced any losses in such accounts, and management believes they are not exposed to any significant credit risk related to its cash.

Inventories

Inventory consists of supplies and materials used in certain of the Center's programs (primarily weatherization) and are valued at cost using the first-in, first-out (FIFO) method. The Center does not utilize these materials and supplies in sufficient quantity to be a major component of operations.

Property and Equipment

Property and equipment is recorded at cost and is depreciated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from three to forty years. Maintenance and repair costs are charged to expense as incurred. The Center utilizes vehicles and equipment acquired with programmatic funds and, therefore, they are titled jointly with the grantor agency. Property and equipment acquired with grant funds are expensed currently in accordance with provisions of the grants.

Advertising

The Center expenses the cost of advertising as the advertising takes place. The total advertising expense was \$38,668 and \$26,831 for the years ended June 30, 2023 and 2022, respectively.

Grants and Exchange Contracts - Revenue Recognition

The Center is funded in large part through federal and state government grants and exchange contracts. Occasionally, funds are received prior to their actual expenditure. The Center records any support received prior to expenditure as deferred grant revenue until it is expended for the purpose of the grant, at which time it is recognized as revenue.

Grantor agencies reserve the right to perform audits of the grants and request return of funds for any noncompliance. No provision for possible adjustments resulting from audits has been made in the accompanying financial statements because, in the opinion of management, such adjustments, if any, would not have a material effect on the financial statements.

Contributed Nonfinancial Assets

Contributed property and equipment are recorded at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

The Center receives a significant amount of donated services from the Board of Directors and various individuals. No amounts have been recognized in the financial statements because the criteria for recognition under financial accounting standards have not been satisfied.

Compensated Absences

The vacation time that Center employees earn and utilize is tracked by the Center on a calendar year basis, being determined on January 1 of each year. A maximum of ten (10) vacation days may be carried over to the subsequent year. A liability is computed and recorded by the Center for the amount of unused vacation. As of June 30, 2023 and 2022 the total liability recorded applicable to unused vacation time was \$111,145 and \$130,873, respectively.

Income Taxes

The Center is exempt from both federal and Pennsylvania income taxes under Section 501(c)(3) of the Internal Revenue Code. Management has analyzed the tax position taken by the Center and has concluded that as of June 30, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition or disclosure in the financial statements. The Center is not aware of any activity that would jeopardize its tax-exempt status. The Center's income tax return is subject to review and examination by federal and state authorities. The Center's tax returns for the years 2020 and forward are open to examination.

Allocation of Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis on the Statement of Functional Expenses. Accordingly, certain costs have been allocated among program services and support services. Such allocations of indirect expenses are determined by management on an equitable basis. The following expenses are allocating using the time and effort method: salaries, fringe benefits, computer and software services, insurance, supplies, staff training and development, and advertising. The following expenses are allocated using the square footage method: occupancy, building maintenance and utilities.

Accounting Pronouncements Adopted

The Center elected Financial Accounting Standards Board ("FASB") "Leases (ASC Topic 842)". Under the guidance of ASC 842, the Center at the inception of the agreement assesses if an arrangement includes a lease. Right-of-use asset and liability leases are determined at the lease commencement date and is based on the present value of estimated lease payment. For leases that contained both fixed and variable lease payments and/or fixed and variable rate or index, the Center includes the fixed and variable lease payment and rates in the determination of the right-of-use asset and liability. Variable lease payments that are not based on a rate or index are expensed when incurred. The present value of estimated lease payments is determined utilizing the rate implicit in the lease agreement, if that rate can be determined. If the implicit rate cannot be determined, the present value of the estimated lease payments is determined utilizing the Center's incremental borrowing rate. The incremental borrowing rate is determined at the lease commencement date and is developed utilizing a readily available market interest rate. For leases that include renew options to extend the lease term, the Center will include the extended term of the lease if it is reasonably certain that the lease will renew. The Organization under ASC 842, elected not to recognize leases with terms or 12 months or less (short-term) on the statement of financial position for any lease class. For short-term not recorded on the statement of financial position, the lease payments are recognized in the statement of activities over a straight-line basis over the term of the lease.

Recent Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance Accounting Standards Update (ASU) 2016-13, Financial Instruments—Credit Losses (Topic 326) as amended. The ASU requires credit losses on most financial assets be carried at amortized cost and certain other instruments to be measured using an expected credit loss model. Under this model, entities will estimate credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument. The initial measurement of expected credit losses, as well as any subsequent change in the estimate of expected credit losses, is recorded as a credit loss expense (or reversal) in the current period income statement. The objective of current expected credit loss (CECL) is to provide financial statement users with an estimate of the net amount the entity expects to collect on those assets. The guidance in general ASU 2016-13 to be applied by the modified retrospective transition approach. An entity must apply the amendments through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective except for certain debt securities and purchased credit impaired assets for which a prospective transition approach is required. In November 2018, the FASB issued ASU No. 2018-19, Codification Improvements to Topic 326, Financial Instruments—Credit Losses, to mitigate transition complexity by amending the effective date of the new accounting standard for nonpublic business entities to fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. In November 2019, the FASB issued ASU No. 2019-10, Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates. This ASU delayed the effective date of Topic 326 to fiscal years beginning after December 15, 2022, including interim periods within those fiscal years for nonpublic companies. Early adoption is permitted.

NOTE 3 PROPERTY AND EQUIPMENT

Details of property and equipment as of June 30, 2023 and 2022 are as follows:

	2023	2022
Office equipment and furniture	\$ 26,155	\$ 26,155
Buildings	2,358,677	2,319,611
Vehicles	143,217	93,445
Mobile homes	64,918	64,918
Land	162,171	162,171
Construction in progress	9,460	---
	<u>2,764,598</u>	<u>2,666,300</u>
Less: accumulated depreciation	<u>(986,843)</u>	<u>(898,789)</u>
Property and equipment, net accumulated depreciation	<u>\$ 1,777,755</u>	<u>\$ 1,767,511</u>

Depreciation expense for the years ended June 30, 2023 and 2022 was \$88,056 and \$83,613, respectively.

NOTE 4 DEFERRED GRANT REVENUE

The Center records grant funds as deferred revenue when received until it is expended for the purpose of the grant, at which time it becomes unconditional and is recognized as revenue. As of June 30, 2023 and 2022, deferred grant revenue comprised of:

	<u>2023</u>	<u>2022</u>
EFSP	\$ 3,123	\$ 29,247
Early Learning Resource Center	---	2,443,727
COVID Rural Health	49,945	50,001
Community Foundation	11,475	14,364
ERAP	984,958	4,194,839
PHARE	215,057	326,126
TEFAP	37,046	26,135
Tuscarora Managed Care Alliance	32,040	11,819
Juniata River Blueprint Communities USDA	3,228	12,500
Home Broad Top	15,362	---
Whole Home Repairs	859,745	---
Veterans Trust Fund	28,327	---
First Energy – Investing with Purpose	23,953	---
Other	10,000	9,127
	<u>\$ 2,274,259</u>	<u>\$ 7,117,885</u>

NOTE 5 LINE OF CREDIT

The Center has a \$100,000 unsecured line-of-credit with Altoona First. The line-of-credit had an outstanding balance of \$0 as of June 30, 2023 and 2022. The Center's line of credit had an interest rate of 9.75% and 6.50% as of June 30, 2023 and 2022, respectively.

NOTE 6 REFUNDABLE ADVANCES

Refundable advances consist of support received from grant programs in excess of expenditures incurred. As of June 30, 2023 and 2022, refundable advances were comprised of:

	<u>2023</u>	<u>2022</u>
Medical Assistance Transportation Program	\$ 63,070	\$ 55,928
Early Learning Resource Center	32,751	68,310
Early Learning Resource Center ARPA	214,873	211,229
HOME Programs	43,840	39,006
CBO Programs	---	114,988
Workforce ARPA	127,580	---
Workforce	174,216	---
ERAP	13,500	---
Tuscarora Managed Care Alliance	34,262	---
Other <\$10,000	600	6,490
	<u>\$ 704,692</u>	<u>\$ 495,951</u>

NOTE 7 GRANTS AND CONTRACT RECEIVABLE

As of June 30, 2023 and 2022, grants and contracts receivable were comprised of:

	<u>2023</u>	<u>2022</u>
EARN	\$ 36,058	\$ 35,528
Continuum of Care	52,498	12,836
Community Care VBE	67,001	---
CBO	29,069	27,501
Department of Energy Weatherization Program	156,070	291,976
Low Income Home Energy Assistance Program	355,877	153,333
Community Services Block Grant Program	44,436	166,177
Emergency Food and Shelter Program	5,964	10,270
Early Learning Resource Center	64,747	104,308
ERAP	744,106	584,058
ITCS	24,892	37,891
HAP	38,190	22,758
Human Services Development Fund	63,000	48,875
WPP	59,741	46,863
Emergency Solutions Grant Program	290,478	116,726
Medical Assistance Transportation Program	108,850	14,410
PHARE	123,390	24,926
Wide Home	---	5,070
Social Determinants of Health Initiative	---	47,927
GPU Program	74,142	185,235
ECE	13,006	12,964
RSVP	23,119	---
SDHO	24,929	---
Workforce	80,667	---
Other <\$10,000	36,138	31,829
	<u>\$ 2,516,368</u>	<u>\$ 1,981,461</u>

NOTE 8 LONG-TERM DEBT

	<u>2023</u>	<u>2022</u>
Mortgage note with Altoona First Bank, payable in monthly installments of \$2,695, bearing interest at 4.50% through June 2040, secured by real estate at 109 Adams St Everett, PA, and 8.6394 Acres on Drive In Lane, Everett, PA.	\$ 330,365	\$ 361,531
Mortgage note with Altoona First Bank, payable in monthly installments of \$632, bearing interest at 4.85% through July 2031, secured by real estate at 109 Adams St Everett, PA, and 216 N 2 nd Street, McConnellsburg, PA and 8.6394 Acres on Drive In Lane, Everett, PA.	49,735	54,774

Note payable with Altoona First Bank, payable in monthly installments of \$695, bearing interest at 5.00% through December 2024, secured by a vehicle.	12,028	19,561
Note payable with First Commonwealth Bank, payable in monthly installments of \$785, bearing interest at 3.79% through February 2023, secured by a vehicle.	--	5,292
Note payable with First Commonwealth Bank, payable in monthly installments of \$911, bearing interest at 3.79% through February 2023, secured by a vehicle.	--	6,358
Mortgage note with USDA Rural Development, payable in monthly installments of \$6,162 including interest at 4.375% through December 2047, secured by UCC financing statements with first mortgage on the land and improvements at Drive in Lane, Everett, PA.	1,111,065	1,135,703
Note payable with Ford Motor Credit, payable in monthly installments of \$1,022 including interest at 8.39% through June 28, 2028. The note is secured by the underlying vehicle.	49,773	---
Total long-term debt	<u>1,552,966</u>	<u>1,583,219</u>
Less: current portion of long-term debt	<u>(62,618)</u>	<u>(63,631)</u>
Long-term debt, net of current portion	<u>\$1,490,348</u>	<u>\$1,519,588</u>

Maturities of long-term debt as of June 30, 2023, are as follows:

2024	\$	62,618
2025		61,831
2026		60,737
2027		63,922
2028		67,273
Thereafter		<u>1,236,585</u>
	\$	<u>1,552,966</u>

Additional stipulations of the loan agreement with USDA Rural Development require the Center to deposit \$616 into a reserve account monthly until a total of \$73,944 has been accumulated. The reserve balance as of June 30, 2023 and 2022, was \$56,077 and \$47,912, respectively. The Center is authorized to use these funds for repairs and improvements with prior approval from USDA.

NOTE 9 PENSION PLAN

Center for Community Action has established a tax-sheltered annuity pension plan under IRS Code Section 403(b) for its employees. Employer contributions of \$108,716 and \$87,815 were made to the plan for the years ended June 30, 2023 and 2022, respectively. Eligible employees have the option to contribute amounts through salary deduction.

NOTE 10 AVAILABILITY AND LIQUIDITY

The Center's financial assets available within one (1) year for general expenditures are as follows:

Cash	\$ 3,039,342
Grants and contracts receivables	2,516,368
Other receivables	2,447
Prepaid expenses	93,008
Inventory	49,449
Total financial assets available within one (1) year	<u>5,700,614</u>
Less	
Reserved amounts unavailable for general expenditures	(56,077)
Liquidity resources	
Line of credit	<u>100,000</u>
	<u>\$ 5,744,537</u>

As part of its liquidity management, the Center strives to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due.

NOTE 11 LEASES AND LEASING ARRANGEMENTS

Leases Operating Lease Right-of-Use

The Center leases certain property and vehicles under operating leases expiring at various dates through 2028. As of June 30, 2023, the Center had five (5) vehicle leases and seven (7) leases for office space and related purposes. The Center's property and vehicle leases include fixed rental payments, with various terms. Total lease expense amounted to \$255,000 for the year ended June 30, 2023.

Amounts recognized as right-of-use assets related to operating leases are included in Operating Lease Right-of-Use Assets in the Organization statement of financial position, while related lease liabilities are included in Operating Lease Liability. As of June 30, 2023, operating right-of-use assets and operating lease liabilities related to leases were as follows:

Operating Lease Right-of-Use Assets	<u>\$ 470,072</u>
Operating Lease Liabilities:	
Operating Lease liability - Current portion	\$ 211,412
Operating Lease liability	<u>258,660</u>
	<u>\$ 470,072</u>

The future payments due under operating lease liability as of June 30, 2023 are as follows:

	Principal	Interest	Total
Year Ending June 30,			
2024	\$ 211,412	\$ 21,636	\$ 233,048
2025	199,358	9,827	209,185
2026	39,820	2,374	42,194
2027	12,802	736	13,538
2028	6,680	233	6,913
Operating Lease Liability	\$ 470,072	\$ 34,806	\$ 504,878

As of June 30, 2023, the weighted-average remaining lease term for vehicle leases is 2.08 years. The weighted-average remaining lease term for office space is 2.44 years. Because we generally do not have access to the rate implicit in the lease, management utilized their incremental borrowing rate. The weighted average rate associated with operating leases as of June 30, 2023 is 6.00%.

Leasing Arrangements

The Center is a lessor for office space with expiration dates through December 2027.

The following is a schedule of estimated future minimum lease revenue:

Year Ending June 30,	
2024	\$ 51,418
2025	30,561
2026	30,141
2027	30,837
2028	15,595
	\$ 158,552

NOTE 12 COMMITMENTS AND CONTINGENCIES

Grant Programs

The Center receives both state and federal awards for specific purposes that are subject to review and audit by the grantors or their representatives. The Center is potentially liable for any expenditures which may be disallowed under the terms and conditions of these grant programs. In the opinion of management, liabilities resulting from disallowed expenditures, if any, would not be material to the accompanying financial statements.

NOTE 13 CONCENTRATIONS

The Center relies heavily on grants from federal and state agencies to fund its programs and operations. A significant reduction in the level of this support would have a material effect on the Center's programs and operations.

NOTE 14 SUBSEQUENT EVENTS

Subsequent events were considered through December 7, 2023, the date the financial statements were available to be issued. The Center for Community Action is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

**CENTER FOR COMMUNITY ACTION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(Page 1 of 3)**

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Source Code	Federal AL Number	Pass-Through Grantor's Number	Grant Period Beginning / Ending Dates	Program or Award Amount	Total Received for the year	Accrued or (Deferred) Revenue at 07/01/22	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 06/30/23	Expenditures to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE											
Passed through PA Department of Human Services:											
SNAP Cluster:											
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	I	10.561	DC22065329	7/22-6/23	N/A	\$ 1,214	\$ -	\$ 1,214	\$ 1,214	\$ -	\$ -
Passed through Southern Alleghenies Planning and Development Corporation:											
SNAP Cluster:											
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	I	10.561	23000011-00	7/22-6/23	10,723	10,223	-	10,385	10,385	162	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	I	10.561	23000006-00	7/22-6/23	4,021	3,175	-	3,175	3,175	-	-
						13,398	-	13,560	13,560	162	-
Total SNAP Cluster						14,612	-	14,774	14,774	162	-
Passed through Huntingdon County:											
Food Distribution Cluster:											
Emergency Food Assistance Program (Administrative Costs)	I	10.568	8-05-31-099	7/22-6/23	N/A	15,420	(13,025)	1,673	1,673	(26,772)	-
Emergency Food Assistance Program (Food Commodities)	I	10.569	8-05-31-099	7/22-6/23	N/A	36,896	-	36,896	36,896	-	-
Passed through Bedford County:											
Food Distribution Cluster:											
Emergency Food Assistance Program (Administrative Costs)	I	10.568	8-05-05-073	7/22-6/23	N/A	4,086	(3,620)	3,917	3,917	(3,789)	-
Emergency Food Assistance Program (Food Commodities)	I	10.569	8-05-05-073	7/22-6/23	N/A	45,819	-	45,819	45,819	-	-
Total Food Distribution Cluster						102,221	(16,645)	88,305	88,305	(30,561)	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE						116,833	(16,645)	103,079	103,079	(30,399)	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT											
Passed Through Bedford County:											
Community Development Block Grant	I	14.228	C000073472	6/21-1/23	87,944	1,995	-	4,022	4,022	2,027	-
Community Development Block Grant	I	14.228	C000073472	2/22-1/23	85,535	9,274	2,169.00	7,433	7,433	328	-
Community Development Block Grant	I	14.228	C000071548	5/20-3/23	82,167	3,732	273.00	3,459	3,459	-	-
Community Development Block Grant	I	14.228	C000076175	2/22-3/24	87,632	-	-	314	314	314	-
Community Development Block Grant	I	14.228	C000082574	11/22-1/25	88,891	-	-	108	108	108	-
Passed through Southern Alleghenies Planning and Development Corporation:											
Community Development Block Grant - CV	I	14.228	C000082609	2/22-6/23	48,000	10,781	-	14,574	14,574	3,793	-
						25,782	2,442	29,910	29,910	6,570	-
Passed Through PA Department of Community and Economic Development:											
Emergency Solutions Grant Program	I	14.231	C000080700	10/21-4/23	186,750.00	87,000	-	186,750	186,750	99,750	-
Emergency Solutions Grant Program	I	14.231	C000084240	12/22-6/24	228,250.00	-	-	70,472	70,472	70,472	-
COVID-19 Emergency Solutions Grant Program CV2	I	14.231	C000077639	2/20-8/23	263,956.00	24,241	22,650	51,570	51,570	49,979	-
Emergency Solutions Grant Program - CARES	I	14.231	C000074141	7/20-8/23	365,700.00	151,377	94,076	127,578	127,578	70,277	-
						262,618	116,726	436,370	436,370	290,478	-
Passed Through Blair County:											
Emergency Solutions Grant Program	I	14.231	C000080690	12/21-4/23	36,960	36,960	-	36,960	36,960	-	-
						36,960	-	36,960	36,960	-	-
Passed Through Bedford County:											
Home Investment Partnership Program	I	14.239	C000072821	9/19-9/22	136,072	7,025	5,071	1,954	1,954	-	-
Passed Through Fulton County:											
Home Investment Partnership Program	I	14.239	C000082703	1/22-1/26	200,000	-	-	436	436	436	-

**CENTER FOR COMMUNITY ACTION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(Page 2 of 3)**

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Source Code	Federal AL Number	Pass-Through Grantor's Number	Grant Period Beginning / Ending Dates	Program or Award Amount	Total Received for the year	Accrued or (Deferred) Revenue at 07/01/22	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 06/30/23	Expenditures to Subrecipients
Passed Through Broad Top Township:											
Home Investment Partnership Program	I	14.239	C000080365	5/21-5/25	30,000	30,000	-	14,638	14,638	(15,362)	-
						37,025	49,814	17,028	17,028	(14,926)	-
Continuum of Care Program	D	14.267	PA0661L3E092208	6/23-5/24	114,439	-	-	7,071	7,071	7,071	-
Continuum of Care Program	D	14.267	PA0661L3E092107	6/22-5/23	114,439	60,511	4,344	90,383	90,383	34,216	-
Continuum of Care Program	D	14.267	PA0813L3E092004	11/21-10/22	291,189	99,025	8,492	90,533	90,533	-	-
Continuum of Care Program	D	14.267	PA0813L3E092105	11/22-10/23	301,293	67,521	-	78,731	78,731	11,210	-
						227,057	12,836	266,718	266,718	52,497	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						589,442	181,818	786,986	786,986	334,619	-
U.S. DEPARTMENT OF THE TREASURY											
Passed through Bedford County:											
Emergency Rental Assistance Program	I	21.023	ERAP BEDFORD 05	3/21-9/22	1,482,948	-	(328,256)	328,256	328,256	-	-
Emergency Rental Assistance Program 2	I	21.023	ERAP-2 BEDFORD 05	9/21-12/25	1,980,337	(587,050)	(2,551,517)	1,164,289	1,164,289	(800,178)	-
Passed through Fulton County:											
Emergency Rental Assistance Program	I	21.023	ERAP FULTON 29	3/21-9/22	754,555	-	(136,946)	136,946	136,946	-	-
Emergency Rental Assistance Program 2	I	21.023	ERAP-2 FULTON 29	9/21-12/25	799,399	-	(782,909)	598,129	598,129	(184,780)	-
Passed through Huntingdon County:											
Emergency Rental Assistance Program	I	21.023	ERAP HUNTINGDON	3/21-9/22	2,159,459	-	(362,477)	362,477	362,477	-	-
Emergency Rental Assistance Program 2	I	21.023	ERAP-2 HUNTINGDO	9/21-12/25	1,744,882	989,791	23,897	1,228,999	1,228,999	263,105	-
Passed through Blair County:											
Emergency Rental Assistance Program 2	I	21.023	County of Blair DSS	9/21-12/25	6,516,537	3,095,362	(266,582)	3,842,944	3,842,944	481,000	-
						3,498,103	(4,404,790)	7,662,040	7,662,040	(240,853)	-
Passed Through PA Department of Community and Economic Development:											
Coronavirius State and Local Fiscal Recovery Funds	I	21.027	C000084561	12/22-12/26	372,106	372,106	-	18,488	18,488	(353,618)	-
Coronavirius State and Local Fiscal Recovery Funds	I	21.027	C000084554	12/22-12/26	200,000	200,000	-	849	849	(199,151)	-
Coronavirius State and Local Fiscal Recovery Funds	I	21.027	C000084553	12/22-12/26	307,431	307,431	-	456	456	(306,975)	-
Passed through PA Department of Human Services:											
Coronavirius State and Local Fiscal Recovery Funds	I	21.027	DC21065329	7/21-6/23	1,409,330	(127,887)	(1,537,217)	1,409,330	1,409,330	-	-
Coronavirius State and Local Fiscal Recovery Funds	I	21.027	DC22065329	7/22-6/23	N/A	2,315,872	-	2,315,872	2,315,872	-	-
Passed through Franklin County:											
Coronavirius State and Local Fiscal Recovery Funds - Impact Grant	I	21.027	N/A	3/23-12/26	50,000	12,500	-	15,725	15,725	3,225	-
						3,080,022	(1,537,217)	3,760,720	3,760,720	(856,519)	-
TOTAL U.S. DEPARTMENT OF THE TREASURY						6,578,125	(5,942,007)	11,422,760	11,422,760	(1,097,372)	-
U.S. DEPARTMENT OF ENERGY											
Passed through PA Department of Community and Economic Development:											
Weatherization Assistance for Low-Income Persons	I	81.042	C000082808	7/22-6/23	443,130	428,517	-	443,130	443,130	14,613	-
Weatherization Assistance for Low-Income Persons	I	81.042	C000082808	7/22-6/27	2,165,637	39,548	-	160,717	160,717	121,169	-
Weatherization Assistance for Low-Income Persons	I	81.042	C000082808	7/22-6/23	249,590	4,302	-	24,590	24,590	20,288	-
TOTAL U.S. DEPARTMENT OF ENERGY						472,367	-	628,437	628,437	156,070	-
U.S. DEPARTMENT OF HUMAN SERVICES											
Passed through PA Department of Human Services:											
Temporary Assistance for Needy Families	I	93.558	DC22065329	7/22-6/23	N/A	676,172	-	676,172	676,172	-	-
Passed through Southern Alleghenies Planning and Development Corporation:											
Temporary Assistance for Needy Families	I	93.558	23000007-00	7/22-6/23	336,380	297,867	-	327,507	327,507	29,640	-
Temporary Assistance for Needy Families	I	93.558	23000005-00	7/22-6/23	115,449	86,821	-	93,077	93,077	6,256	-
						1,060,860	-	1,096,756	1,096,756	35,896	-

**CENTER FOR COMMUNITY ACTION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023
(Page 3 of 3)**

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Source Code	Federal AL Number	Pass-Through Grantor's Number	Grant Period Beginning / Ending Dates	Program or Award Amount	Total Received for the year	Accrued or (Deferred) Revenue at 07/01/22	Revenue Recognized	Federal Expenditures	Accrued or (Deferred) Revenue at 06/30/23	Expenditures to Subrecipients
Passed through PA Department of Community and Economic Development:											
Low-Income Home Energy Assistance	I	93.568	C000073862	9/21-9/22	586,857.00	62,573.00	27,110	35,463	35,463	-	-
Low-Income Home Energy Assistance - ARPA	I	93.568	C000073862	10/21-9/22	11,795.00	11,795.00	11,501	294	294	-	-
Low-Income Home Energy Assistance - ARPA	I	93.568	C000073862	10/21-9/22	1,356,506.00	201,650.00	104,047	97,603	97,603	-	-
Low-Income Home Energy Assistance	I	93.568	C000073862	6/22-9/22	228,237.00	228,237.00	10,676	217,561	217,561	-	-
Low-Income Home Energy Assistance	I	93.568	C000073862	10/22-9/23	1,692,867.00	1,602,717.00	-	1,655,528	1,655,528	52,811	-
Low-Income Home Energy Assistance	I	93.568	C000073862	10/22-9/23	75,613.00	-	-	62,679	62,679	62,679	-
Low-Income Home Energy Assistance	I	93.568	C000073862	10/22-9/23	488,639.00	384,963.00	-	485,954	485,954	100,991	-
Low-Income Home Energy Assistance	I	93.568	C000073862	10/22-9/23	309,838.00	-	-	139,396	139,396	139,396	-
						2,491,935	153,334	2,694,478	2,694,478	355,877	-
Passed through PA Department of Community and Economic Development:											
Community Services Block Grant	I	93.569	C000081865	1/22-3/23	435,621.00	328,520	81,296	247,224	247,224	-	9,059
Community Services Block Grant	I	93.569	C000081865	1/23-12/23	432,431.00	159,629	-	200,515	200,515	40,886	19,159
Community Services Block Grant - Discretionary	I	93.569	C000066935	10/22-12/23	62,000.00	-	-	3,550	3,550	3,550	-
Community Services Block Grant - CARES	I	93.569	C000066935	4/20-9/22	571,277.00	199,384	43,074	156,310	156,310	-	-
						687,533	124,370	607,599	607,599	44,436	28,218
Passed through PA Department of Human Services:											
Child Care and Development Fund (CCDF) Cluster:											
Child Care and Development Block Grant	I	93.575	DC21065329	7/21-6/23	1,092,098	907,098	(185,000)	1,092,098	1,092,098	-	-
Child Care and Development Block Grant	I	93.575	DC22065329	7/22-6/23	N/A	6,182,366	-	6,182,366	6,182,366	-	-
Child Care Mandatory and Matching Funds of the CCDF	I	93.596	DC22065329	7/22-6/23	N/A	2,828,556	-	2,828,556	2,828,556	-	-
Total CCDF Cluster						9,918,020	(185,000)	10,103,020	10,103,020	-	-
Passed through PA Department of Human Services:											
Social Services Block Grant	I	93.667	DC22065329	7/22-6/23	N/A	661,690	-	661,690	661,690	-	-
Passed through Bedford County:											
Medicaid Cluster	I	93.778	N/A	7/22-6/23	233,587	179,162	-	233,587	233,587	54,425	-
TOTAL U.S. DEPARTMENT OF HUMAN SERVICES						14,999,200	92,704	15,397,130	15,397,130	490,634	28,218
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICES</u>											
Retired and Senior Volunteer Program	D	94.002	20SRAPA006	7/22-6/23	98,198	75,079	-	98,198	98,198	23,119	-
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICES						75,079	-	98,198	98,198	23,119	-
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>											
Emergency Food and Shelter Program - Phase 37 - Bedford	D	97.024	LRO 725600-011	11/21-4/23	64,029	-	(18,889)	24,853	24,853	5,964	-
Emergency Food and Shelter Program - Bedford - ARPA	D	97.024	LRO 725600-011	11/21-4/23	20,716	-	(10,359)	7,828	7,828	(2,531)	-
Emergency Food and Shelter Program - Phase 37 - Huntingdon	D	97.024	LRO 718800-005	11/21-4/23	23,622	23,622	10,270	13,352	13,352	-	-
Emergency Food and Shelter Program - Phase 38 - Huntingdon	D	97.024	LRO 718800-005	11/21-12/23	4,000	2,000	-	1,408	1,408	(592)	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY						25,622	(18,978)	47,441	47,441	2,841	-
TOTAL FEDERAL ASSISTANCE						\$ 22,856,668	\$ (5,703,108)	\$ 28,484,031	\$ 28,484,031	\$ (120,488)	\$ 28,218

Source Codes: I Indirect
D Direct

THE CENTER FOR COMMUNITY ACTION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Center for Community Action and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 MAJOR PROGRAM DETERMINATION

The requirements of the Uniform Guidance require all major programs, as determined by the auditor on a risk-based approach, be subject to specific control and/or compliance testing. In determining that at least 20% of federal expenditures were tested in accordance with single audit requirements, the following calculation was made:

Programs	AL #	Expenditures
Emergency Solutions Grants Program	14.231	\$ 473,330
Emergency Rental Assistance Program	21.023	7,662,040
Coronavirus State and Local Fiscal Recovery Funds	21.027	3,760,720
Temporary Assistance for Needy Families	93.558	1,096,756
Total federal expenditures selected for testing		\$ 12,992,846
Total federal expenditures		\$ 28,484,031
Percentage of total federal expenditures tested		<u>45.61%</u>
Percentage of total federal expenditures required to be tested		<u>20.00%</u>

NOTE 3 NONCASH AWARDS

The Center received commodities (passed through Bedford and Huntingdon County) under Temporary Emergency Food Assistance Program (TEFAP) in agreement with the PA Department of Agriculture under AL number 10.569. During the year ended June 30, 2023, the Center distributed \$82,715 in commodities as valued using guidelines provided by the Emergency Food Assistance Program.

NOTE 4 INDIRECT COSTS

The Center elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 5 AMOUNTS PASSED TO SUBRECIPIENTS

The Center for Community Action provided federal awards to certain subrecipients that administer the programs on behalf of the Center for Community Action as follows:

<u>Subrecipient/Program Title</u>	<u>Federal AL Number</u>	<u>Amount Provided</u>
Shelter Service, Inc.: Community Services Block Grant	93.569	\$ 11,330
Summit Early Learning: Community Services Block Grant	93.569	\$ 548
AMiracle4Sure: Community Services Block Grant	93.569	\$ <u>16,340</u>
Total		\$ <u><u>28,218</u></u>

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Center for Community Action
Everett, Pennsylvania

We have performed the procedures described below, which were agreed to by the Commonwealth of Pennsylvania Department of Human Services (DHS) and the Center for Community Action (the Center) solely to assist you with respect to the financial schedules and exhibits required by the DHS Single Audit Supplement, as of and for the year ended June 30, 2023. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings applicable to the ELRC Recap for the Fiscal Year 2022-2023 Supplemental Financial Schedule are as follows:

1. Verify by comparison of the amounts and the classifications to ensure that the schedules have been accurately compiled and reflect the audited books and records of the auditee and are at the requested level of detail.

The amounts reported in the supplemental financial schedules agree with the audited books and records of the Center for Community Action. The supplemental financial schedules were compiled and prepared at the requested level of detail.

2. Inquire of management regarding adjustments to revenues and/or expenditures.

There were no adjustments made to the revenues and expenditures reported on the ELRC Recap for the Fiscal Year 2022-2023 Supplemental Financial Schedule.

3. Provide a detailed listing of the necessary adjustments and/or findings affecting the schedules.

There were no adjustments or findings affecting the ELRC Recap for the Fiscal Year 2022-2023 Supplemental Financial Schedule.

The procedures and the associated findings applicable to the Reconciliation Supplemental Schedule are as follows:

1. Agree the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column to the audited Schedule of Expenditures of Federal Awards (SEFA).

The amounts reported in the "Federal Expenditures per the SEFA" column C agree to the audited Schedule of Expenditures of Federal Awards (SEFA).

2. Agree the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.

The amounts reported in the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column agree to the Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.

3. Recalculate the amounts listed under the "Difference" column and the "% Difference" column.

The amounts listed in the "Difference" column and the "% Difference" column were recalculated without exception.

4. Agree the amounts listed under the "Difference" column to the audited books and records of the Center.

The amounts reported in the "Difference" column agree to the audited books and records of the Center.

5. Agree the "Detailed Explanation of the Differences" to the audited books and records of the Center.

The statements reported in the "Detailed Explanation of the Differences" agree to the audited books and records of the Center. The differences are due to the audit confirmations reflecting cash payments versus the accrual method of accounting used to prepare the schedule of expenditures of federal awards.

6. Based on the procedures detailed in the above paragraphs (1) through (5) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules.

All adjustments and/or findings have been properly reflected in the above responses.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion or conclusion, respectively, on the supplemental financial schedules. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Center for Community Action and the Commonwealth of Pennsylvania Department of Human Services and is not intended to be and should not be used by anyone other than those specified parties.



WESSEL & COMPANY
Certified Public Accountants

December 7, 2023

ELRC CCW SERVICE RECAP WORKSHEET FOR THE FY 2022-2023

CONTRACTOR: Center for Community Action

ELRC : 6

FEDERAL ID NUMBER: 25-1791123

PREPARED BY: Amy Streightiff

CONTRACT NUMBER: DC22065329

PHONE NUMBER: (814)624-4102

	LOW INCOME CCW Service	FORMER TANF CCW Service	TANF TRAINING CCW Service	TANF WORKING CCW Service	TANF STATE MOE CCW Service	FOOD STAMPS CCW Service	Work Support CCW Service	Total CCW Service
REVENUE								
Commonwealth Funds	\$10,096,708.67	\$1,076,061.48	\$201,107.10	\$76,165.58	\$23,912.78	\$2,565.00	\$0.00	\$11,476,520.61
Interest	\$1,141.59							\$1,141.59
Audit Adjustment								\$0.00
Overpayment	\$2,048.30							\$2,048.30
Unintentional Overpayments	\$1,391.95							\$1,391.95
Recoupments								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
TOTAL REVENUE	\$10,101,290.51	\$1,076,061.48	\$201,107.10	\$76,165.58	\$23,912.78	\$2,565.00	\$0.00	\$11,481,102.45
EXPENDITURES								
Final Report Totals	\$10,154,250.98	\$1,085,836.53	\$200,879.43	\$78,230.53	\$24,165.12	\$2,487.00	\$0.00	\$11,545,849.59
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
TOTAL EXPENDITURES	\$10,154,250.98	\$1,085,836.53	\$200,879.43	\$78,230.53	\$24,165.12	\$2,487.00	\$0.00	\$11,545,849.59
SUBTOTAL-CCW	(\$52,960.47)	(\$9,775.05)	\$227.67	(\$2,064.95)	(\$252.34)	\$78.00	\$0.00	(\$64,747.14)

* If TOTAL DUE is positive, issue check to Commonwealth of PA in the amount listed. Please reference your DC number on the check. Include the check with the Recap Packet- to be received by OCDEL no later than 5:00 pm, Wednesday, September 15, 2023.

CERTIFICATION: SIGNATURE 
 NAME Amy Streightiff
 (please print)

DATE 9/13/2023

TITLE ELRC 6 Director

COMMENTS:

**CENTER FOR COMMUNITY ACTION
YEAR ENDED JUNE 30, 2023
SUPPLEMENTAL SCHEDULE
RECONCILIATION**

**Federal Awards Passed through the Pennsylvania Department of Human Services
Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply**

(A)	(B)	(C)	(D)	(E)	(F)	(G)
AL Name	AL Number	Federal Expenditures per the SEFA	Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	Difference (C-D)	% Difference (E/D)	Detailed Explanation of the Differences
SNAP Cluster	10.561	\$ 1,214	\$ 2,565	\$ (1,351)	-53%	Difference is due to accruals and timing of receipts.
Coronavirus State and Local Fiscal Recovery Funds	21.027	3,725,202	2,448,000	1,277,202	52%	Difference is due to accruals and timing of receipts.
Temporary Assistance for Needy Families	93.558	676,172	781,110	(104,938)	-13%	Difference is due to accruals and timing of receipts.
Child Care Development Block Grant (CCDF Cluster)	93.575	7,274,464	6,537,038	737,426	11%	Difference is due to accruals and timing of receipts.
Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF)	93.596	2,828,556	7,490,083	(4,661,527)	-62%	Difference is due to accruals and timing of receipts.
Social Services Block Grant	93.667	661,690	699,442	(37,752)	-5%	Difference is due to accruals and timing of receipts.
		<u>\$ 15,167,298</u>	<u>\$ 17,958,238</u>	<u>\$ (2,790,940)</u>	<u>-16%</u>	

See Independent Accountant's Report on Applying Agreed-Upon Procedures

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS AND THE AUDIT REQUIREMENTS OF THE PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES**

To the Board of Directors
Center for Community Action
Everett, Pennsylvania

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 and the audit requirements of the Pennsylvania Department of Human Services, the financial statements of the Center for Community Action (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 7, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center for Community Action'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 of the effectiveness of the Center for Community Action's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center for Community Action'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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center for Community Action's financial statements are free of 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* or the audit requirements of the Pennsylvania Department of Human Services.

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* and the audit requirements of the Pennsylvania Department of Human Services in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



WESSEL & COMPANY
Certified Public Accountants

December 7, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE AND THE AUDIT REQUIREMENTS OF THE
PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES**

To the Board of Directors
Center for Community Action
Everett, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Compliance for Each Major Federal Program

We have audited the Center for Community Action's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Pennsylvania Department of Human Services Single Audit Supplement that could have a direct and material effect on each of the Center for Community Action's major federal programs for the year ended June 30, 2023. The Center for Community Action's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Center for Community Action 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 for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center for Community Action's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the audit requirements of Pennsylvania Department of Human Services will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center for Community Action's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the audit requirements of the Pennsylvania Department of Human Services, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center for Community Action's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center for Community Action's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center for Community Action's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



WESSEL & COMPANY
Certified Public Accountants

December 7, 2023

CENTER FOR COMMUNITY ACTION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 JUNE 30, 2023

Summary of Auditor's Results

Financial Statements

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.231	Emergency Solutions Grants Program
21.023	Emergency Rental Assistance Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.558	Temporary Assistance for Needy Families

Dollar threshold to distinguish between Type A and Type B programs: \$854,521

Auditee qualified as low-risk auditee? X Yes _____ No

**THE CENTER FOR COMMUNITY ACTION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

FINDINGS – FINANCIAL STATEMENT AUDIT

NONE

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARDS PROGRAMS

NONE

**THE CENTER FOR COMMUNITY ACTION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

NONE

**COMMUNICATION WITH THOSE CHARGED
WITH GOVERNANCE**

Board of Directors
Center for Community Action
Everett, Pennsylvania

Dear Board of Directors:

We have audited the financial statements of Center for Community Action as of and for the years ended June 30, 2023 and 2022, and have issued our report thereon dated December 7, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 14, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Center for Community Action solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies and material weaknesses, material noncompliance, and other matters noted during our audit in a separate report to you dated December 7, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Center for Community Action is included in Note 2 to the financial statements. There has been one initial selection of accounting policies during 2023 for FASB Accounting Standard 842 "Leases," as described in Note 2 to the financial statements. The implementation of ASC 842 did not have an impact on previously reported amounts. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the valuation of in-kind contributions and donated property, the useful lives of fixed assets, the allocation of functional expenses, and determining lease liabilities.

We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Center for Community Action's financial statements relate to revenue recognition, and commitments and contingencies.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no known or likely uncorrected misstatements that were brought to our attention.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. See attached schedule for misstatements identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Center for Community Action's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated December 7, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with Center for Community Action, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Center for Community Action's auditors.

This report is intended solely for the information and use of the Board of Directors and management of Center for Community Action and is not intended to be and should not be used by anyone other than these specified parties.



WESSEL & COMPANY
Certified Public Accountants

December 7, 2023

Client: **Center for Community Action**
 Engagement: **2023 Binder**
 Period Ending: **6/30/2023**
 Trial Balance: **TB**
 Workpaper: **905-3-3 - Copy of Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To record fixed assets and related debt.				
1380-0000	VEHICLES	PBC	49,772.00	
2637-0000	VEHICLE LOANS PAYABLE			49,772.00
Total			49,772.00	49,772.00
Adjusting Journal Entries JE # 2				
To record additional depreciation.				
5660-9601	DEPRECIATION EXPENSE	PBC	2,252.00	
1555-0000	ACCUMULATED DEPR - FULTON BUILDING			2,252.00
Total			2,252.00	2,252.00
Adjusting Journal Entries JE # 3				
To adjust ELRC revenue and receivables.				
4000-2931	GRANT REVENUE	PBC	3,440.00	
1210-0000	RECEIVABLE FROM GRANTS			3,440.00
Total			3,440.00	3,440.00
Adjusting Journal Entries JE # 5				
To adjust accrued PTO liability				
2400-0000	ACCRUED PAYROLL	PBC	3,340.00	
5010-9901	PTO			3,340.00
Total			3,340.00	3,340.00
Adjusting Journal Entries JE # 9				
To record right of use asset and lease liability for operating leases.				
1650-0000	Right of Use Asset	H-02	470,072.00	
2650-0000	Lease Liability			470,072.00
Total			470,072.00	470,072.00
Total Adjusting Journal Entries			528,876.00	528,876.00
Total All Journal Entries			528,876.00	528,876.00