

COMMUNITY ACTION OF LARAMIE COUNTY

Financial Statements As Of June 30, 2022 and 2021

Single Audit
As of June 30, 2022

Together With Independent Auditors' Report

JDS professional
group
certified public accountants, consultants and advisors

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Community Action of Laramie County:

Opinion

We have audited the accompanying financial statements of Community Action of Laramie County (the "Organization") (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and the changes in net assets and its cash flows for the year 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 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Community Action of Laramie County as of June 30, 2021, were audited by other auditors whose report dated April 11, 2023, expressed an unmodified opinion on those statements.

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.

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Independent Auditors' Report (Continued)

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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Organization'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 Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate to 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 expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

JDS Professional Group

February 7, 2024

COMMUNITY ACTION OF LARAMIE COUNTY

Statements Of Financial Position
As Of June 30, 2022 and 2021

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ASSETS

	<u>2022</u>	<u>2021</u>
Current Assets:		
Cash and cash equivalents	\$ 498,248	\$ 819,695
Grant receivables	402,861	301,453
Accounts receivable	14,894	4,991
Prepaid expenses	14,612	12,269
Total Current Assets	<u>930,615</u>	<u>1,138,408</u>
Non-Current Assets:		
Property and equipment, net	<u>788,819</u>	<u>854,891</u>
TOTAL ASSETS	<u>\$ 1,719,434</u>	<u>\$1,993,299</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Account payable	\$ 17,939	\$ 185,130
Accrued expenses	147,924	147,618
Note payable - current portion	13,708	13,560
Refundable advances	170,397	219,604
Total Current Liabilities	<u>349,968</u>	<u>565,912</u>
Non-Current Liabilities:		
Note payable, less current portion	<u>247,746</u>	<u>261,454</u>
Total Liabilities	<u>597,714</u>	<u>827,366</u>
Net Assets:		
Net assets without donor restrictions	<u>1,121,720</u>	<u>1,165,933</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,719,434</u>	<u>\$1,993,299</u>

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

COMMUNITY ACTION OF LARAMIE COUNTY

Statements Of Activities

For The Years Ended June 30, 2022 And 2021

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	<u>2022</u>	<u>2021</u>
Support And Revenue:		
Government grants	\$ 2,418,327	\$2,909,554
Rental income	99,364	84,968
Contributions	30,559	21,690
Contributions of nonfinancial assets	40,390	54,255
Gain on sale of assets	1,500	7,800
Other income	61,918	102,996
Total Support And Revenue	<u>2,652,058</u>	<u>3,181,263</u>
Expenses:		
Program Services	2,312,533	2,084,902
Supporting Services -		
General administration	349,147	455,539
Fundraising	34,591	54,428
Total Expenses	<u>2,696,271</u>	<u>2,594,869</u>
CHANGE IN NET ASSETS FROM OPERATIONS	(44,213)	586,394
Non-Operating:		
Disposal of operations (Headstart program)		(960,430)
Total change in net assets	(44,213)	(374,036)
Net Assets, Beginning of Year	<u>1,165,933</u>	<u>1,539,969</u>
NET ASSETS, END OF YEAR	<u><u>\$ 1,121,720</u></u>	<u><u>\$1,165,933</u></u>

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

COMMUNITY ACTION OF LARAMIE COUNTY

Statement Of Functional Expenses
For The Year Ended June 30, 2022

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	Program Services	General Administrative	Fundraising	2022 Total
Advertising	\$ 10,053	\$ 646	\$ 3,839	\$ 14,538
Contract services	384,311	36,077	3,925	424,313
Dues and subscriptions	22,086	8,885		30,971
Emergency assistance	442,811	362		443,173
Employee benefits	141,278	19,445	1,618	162,341
Equipment costs	23,689	2,282	375	26,346
Insurance - professional	25,235	11,958	728	37,921
Interest expense	72	323		395
Meetings	818	1,272	1,796	3,886
Miscellaneous expense	19,532	20,290	7,846	47,668
Payroll taxes	114,242	15,757	1,313	131,312
Printing and postage	4,732	1,481	1,631	7,844
Rent	92,505	34,214		126,719
Repairs and maintenance	12,306	4,551		16,857
Salaries and wages	808,030	111,452	9,288	928,770
Supplies	43,461	3,076	1,993	48,530
Training	32,340	8,838	42	41,220
Travel	29,371	10,298	197	39,866
Utilities and telephone	31,477	30,502		61,979
Depreciation	74,184	27,438		101,622
Total expenses	\$ 2,312,533	\$ 349,147	\$ 34,591	\$ 2,696,271

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

COMMUNITY ACTION OF LARAMIE COUNTYStatement Of Functional Expenses
For The Year Ended June 30, 2021

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	<u>Program Services</u>	<u>General Administrative</u>	<u>Fundraising</u>	<u>2021 Total</u>
Advertising	\$ 3,000	\$ 248	\$ 4,242	\$ 7,490
Contract services	304,069	82,959	3,618	390,646
Dues and subscriptions	9,152	9,838		18,990
Emergency assistance	375,798	365	2,320	378,483
Employee benefits	44,082	60,041	5,344	109,467
Equipment costs	120,662	23,256	3,201	147,119
Insurance - professional	2,522	20,141	736	23,399
Interest expense		472		472
Meetings	988	1,456	20	2,464
Miscellaneous expense	100,942	16,306	14,634	131,882
Payroll taxes	103,568	5,292	2,061	110,921
Printing and postage	986	823	4	1,813
Rent	99,008	24,992		124,000
Repairs and maintenance	7,591	7,859		15,450
Salaries and wages	771,332	55,301	13,996	840,629
Supplies	53,345	7,046	4,191	64,582
Training	8,079	5,327		13,406
Travel	498	3,906		4,404
Utilities and telephone	41,522	33,841	2	75,365
Vehicle expense	37,758	3,465	59	41,282
Depreciation		92,605		92,605
Total expenses	<u>\$ 2,084,902</u>	<u>\$ 455,539</u>	<u>\$ 54,428</u>	<u>\$ 2,594,869</u>

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

COMMUNITY ACTION OF LARAMIE COUNTY

Statements Of Cash Flows
For The Years Ended June 30, 2022 and 2021

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	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets from operations	\$ (44,213)	\$ 586,394
Adjustments to reconcile change in net assets from operations to net cash provided by operating activities:		
Depreciation and amortization expenses	101,622	92,605
(Gain) loss on sale of property and equipment	(1,500)	(7,800)
Changes in operating assets and liabilities -		
(Increase) in grant receivables	(101,408)	(43,155)
(Increase) decrease in accounts receivable	(9,903)	20,925
(Increase) decrease in prepayments	(2,343)	48,975
(Decrease) increase account payable	(167,191)	91,375
(Decrease) increase in accrued expenses	305	(61,284)
Increase in security deposit		144
Increase in deferred revenue		195,607
(Decrease) in refundable advances	(49,207)	(479,949)
Net cash (used in) provided by operating activities	<u>(273,838)</u>	<u>443,837</u>
Cash flows from investing activities:		
Proceeds on sales of property and equipment		1,000
Purchase of property and equipment	(34,049)	(68,469)
Payments for disposal of operations		(282,811)
Net cash (used in) investing activities	<u>(34,049)</u>	<u>(350,280)</u>
Cash flows from financing activities:		
Payments on loan payable	(13,560)	(13,411)
Net cash (used in) financing activities	<u>(13,560)</u>	<u>(13,411)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(321,447)	80,146
Cash and Cash Equivalents, Beginning Of Year	<u>819,695</u>	<u>739,549</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 498,248</u>	<u>\$ 819,695</u>

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

COMMUNITY ACTION OF LARAMIE COUNTY

Notes To Financial Statements
For The Years Ended June 30, 2022 and 2021

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(1) Nature Of Organization

The Community Action of Laramie County (the "Organization") is a nonprofit corporation that involves the community in assessing the local needs and attacking the causes of poverty. The four pillars of the Organization are to promote self-sufficiency housing, early childhood education, improve social services, and engage the public sector. The Organization operates primarily in the Cheyenne, Wyoming area.

The Organization offers a broad array of programs and services all designed to help people and change live. The Organization administered the following community based projects during the years ended June 30, 2022 and 2021:

Health Care for the Homeless (HCH): This program provides comprehensive primary health care for the homeless in Cheyenne. Services include medical consultation, evaluation and treatment, prescription assistance, laboratory, X-rays, limited dental and visual services, mental health and substance abuse counseling, and transportation in coordination with health care appointments.

Self-sufficiency: This program provides financial assistance to low-income individuals and families in emergency situation. The goal of the program is to enable individuals to become self-sufficient. The program provides qualified individuals with housing, or with short-term monetary assistance for deposits, rent, fuel, or other needs. Grant funds are used primarily for emergency assistance situations; therefore, the type of assistance that can be provided is governed by the grant received. The Organization owns apartment complexes and homes for qualified low-income clients. The Organization also owns an apartment complex to house homeless veterans as part of the VA Grant and Per Diem program. Rental income received is included in program income on the statement of activities and changes in net assets. The duration of use of these properties by the client is limited to two years, during which time the Organization provides case management to help the clients become self-sufficient.

Kinship Support Services: This program assists grandparents over the age of 55 who are raising their grandchildren. The program provides support groups, monthly respite, and assistance with guardianships and other issues unique to these individuals.

Cheyenne Farmer's Market: The event begins in August and runs through the beginning of October. The market, which is held on Saturdays only, features farmers and vendors with fresh fruits and vegetables, honey, breads, pastries, and cheeses. The Organization receives a commission from these vendors based on sales.

(2) **Summary Of Significant Accounting Policies**

Method Of Accounting

The financial statements of the Organization have been prepared on the accrual basis in accordance with the accounting principles generally accepted in the United States of America

Basis Of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and with donor restrictions as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates, and those differences could be material.

Cash And Cash Equivalents

For purposes of reporting cash flows, the Organization considers money market funds to be cash equivalents. The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which periodically exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents.

COMMUNITY ACTION OF LARAMIE COUNTY

Notes To Financial Statements (Continued)

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	<u>2022</u>	<u>2021</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 395</u>	<u>\$ 484</u>

Non-cash transactions:

During the year, the Organization transferred all Headstart related assets to another community action organization. The net value of items donated was \$891,961. This value has been accounted for as a discontinuance of operations as the Organization will no longer run a Headstart program.

Government Grants Receivable

Government grants receivable include amounts owed from the federal government for amounts owed on grants. No allowance for uncollectible receivables is considered necessary based on management's assessment of the account.

Accounts Receivable

Accounts receivable consists of balances from services provided to customers. Management provides for probable uncollectible amounts through a provision of bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of June 30, 2022 and 2021, all receivables were considered collectible.

Receivable balances were as follows:

July 1, 2020	\$ 25,916
June 30, 2021	4,991
June 30, 2022	14,894

Property And Equipment

Property, improvements, and equipment is capitalized at cost or fair value at the date of gift and depreciated by the straight-line method over estimated useful lives of 5 to 7 years.

Measure Of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non operating activities. Operating activities consists of those items attributable to the Organization's ongoing program services. Nonoperating activities are limited to activities considered to be of a more unusual or nonrecurring nature.

Revenue And Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, or an unconditional promise to give is received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at net present value if expected to be collected in more than one year. The Organization did not have any unconditional promises to give as of June 30, 2022 and 2021.

The majority of the Organization's revenue is derived from cost-reimbursable federal, state and local grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization was awarded cost-reimbursable grants of \$1,015,317 that have not been recognized as of June 30, 2022, because qualifying expenditures have not yet been incurred.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Certain donated services, goods, and facilities that meet the criteria for recognition, are reflected in the financial statements at their estimated fair market value at the time of the donation. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Rental income is recognized as amounts become due. Rental payments received in advance are deferred until earned. All leases between the Organization and the tenants of the property are operating leases.

Methods Used For Allocation Of Expenses From Management and General Activities

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Such expenses include salaries and wages, payroll taxes, and health insurance. These expenses are allocated on the basis of estimates of time and effort. Rent, repairs and maintenance, and depreciation are allocated based on square-footage.

Advertising

Advertising costs are expensed as incurred.

Reclassifications

Certain amounts have been reclassified in the prior year for comparative purposes.

Subsequent Events

The Organization has performed an evaluation of subsequent events through February 7, 2024, which is the date the financial statements were available to be issued, and has considered any relevant matters in the preparation of the financial statements and footnotes.

(3) Income Taxes

The Organization has previously received notice from the Internal Revenue Service of exemption from income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A). Accordingly, the accompanying financial statements contain no provision for income taxes.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

COMMUNITY ACTION OF LARAMIE COUNTY

Notes To Financial Statements (Continued)

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The Organization is no longer subject to U.S. federal tax audits on its Form 990 by taxing authorities for years ending prior to June 30, 2019. The years subsequent to this year contain matters that could be subject to differing interpretations of applicable tax laws and regulations. Although the outcome of tax audits is uncertain, the Organization believes no issues would arise.

(4) Support from Governmental Units and Concentration of Credit Risk

The Organization received 74% of its funding from the U.S. Department of Health and Human Services either directly or pass-through from the State of Wyoming during the years ended June 30, 2022 and 2021, respectively. A significant reduction in the level of this support, if this were to occur, would have a substantial effect on the Organization's programs and activities.

The Organization's cash demand deposits are held at financial institutions at which deposits are insured up to \$250,000 by the FDIC. As of June 30, 2022, the Organization's deposits exceeded the FDIC limit by approximately \$142,000.

(5) Liquidity And Availability Of Financial Assets

The Organization's financial assets available within one year of the statement of financial position date for general expenditure as of June 30, 2022 and 2021, are as follows:

	2022	2021
Cash and cash equivalents	\$ 498,248	\$ 819,695
Grant receivables	402,861	301,453
Accounts receivable	14,894	4,991
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 916,003</u>	<u>\$ 1,126,139</u>

COMMUNITY ACTION OF LARAMIE COUNTY

(6) Property And Equipment

Property and equipment as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 255,593	\$ 220,043
Vehicles	433,735	433,735
Buildings and improvements	1,285,648	1,285,648
Land	64,011	64,011
Subtotal	<u>2,038,987</u>	<u>2,003,437</u>
Less: accumulated depreciation	(1,250,168)	(1,148,546)
Property and equipment, net	<u>\$ 788,819</u>	<u>\$ 854,891</u>

(7) Refundable Advance - Paycheck Protection Program

On June 30, 2020, the Organization qualified for and received a refundable advance pursuant to the Paycheck Protection Program (“PPP”), a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender, for an aggregate amount of \$479,949. The advance was forgiven during the year ended June 30, 2021, and is reflected in government grants on the statement of activities.

(8) Long-Term Notes Payable and Line of Credit

Long-term notes payable consisted of the following as of June 30:

	<u>2022</u>	<u>2021</u>
Note payable to Wyoming Community Development Authority (WCDA); monthly payment interest at 2% with monthly payments of \$551; matures December 2023; secured by property. Note includes a deferred portion of \$24,360 with interest at 3% which is forgivable if the original note does not default.	\$ 34,346	\$ 40,462
Note payable to WCDA; interest at 2%; monthly payments of \$81; matures December 2023; secured by property.	1,373	1,901

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Note payable to WCDA; interest at 1%; monthly payments of \$43; matures June 2035; secured by property. Note includes a deferred portion of \$87,400 with interest at 3% which is forgivable if the original note does not default.	90,704	91,820
Note payable to WCDA; interest at 0%; monthly payments of \$483; matures June 2030; secured by property. Note includes a deferred portion of \$60,600 with interest at 3% which is forgivable if the original note does not default.	135,031	140,831
Total long-term notes payable	261,454	275,014
Less current portion	(13,708)	(13,560)
Total long-term portion	\$ 247,746	\$ 261,454

Long-term debt maturities for years ending June 30 are as follows:

2023	\$ 13,708
2024	10,220
2025	6,292
2026	6,296
2027	6,301
Thereafter	218,637
Total lease payments	\$ 261,454

Line Of Credit

The Organization maintains a line of credit with ANB Bank. The line is for \$185,000 with an interest rate of 5.5%. The line matures in July 2022. There were no draws against the line of credit during the year ended June 30, 2022. As of the date of this report, the line had been renewed again.

(9) Pension Plan

The Organization sponsors a defined contributions 401(k) plan. Eligibility for participation in the plan is limited to part-time and full-time, regular employees who exceed 1,000 hours per year, are over 17 years old and have been employed for a minimum of one year of service. The Organization matches employee contributions up to 3%. However, the retirement plan

COMMUNITY ACTION OF LARAMIE COUNTY

contributions were suspended in November 2018. During March of 2022, retirement plan contributions resumed. Retirement plan expenses for the year ended June 30, 2022 and 2021 totaled \$504 and \$0, respectively.

(10) **Commitments And Contingencies**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In that event, the Organization may be required to refund amounts to the federal government.

(11) **Exit From Headstart Services**

The Organization ran a Headstart program from many years. During fiscal year 2021, it became apparent that the needs of those receiving benefits from this program would be better serviced through another Headstart Agency, and therefore all Headstart related assets were transferred to a new servicer and all services and individuals were transferred. The total value of assets transferred and transfer costs, net of depreciation, was \$960,430.

(12) **Operating Leases**

The Organization leases office, program facilities and motor vehicles under operating leases that generally have terms from one to five years with the largest, office rental, maturing in 2025. Monthly rental cost varies between \$1,400 to \$6,200. Rental and lease expenses for the years ended June 30, 2022 and 2021, was \$126,719 and \$124,000, respectively.

Total minimum lease payments as of June 30, 2022, are as follows:

<u>June 30,</u>	
2023	\$ 122,420
2024	112,920
2025	58,590
Total lease payments	<u>\$ 293,930</u>

(13) **Contributed Nonfinancial Assets**

Donated goods and services as of June 30, 2022 and 2021, consisted of the following:

	2022	2021
Supplies	\$ 7,162	\$ 45
Professional services	33,228	54,210
Total of contributions of nonfinancial assets	<u>\$ 40,390</u>	<u>\$ 54,255</u>

During the fiscal years ended June 30, 2022 and 2021, all gifts-in-kind were utilized to carry out the mission of the Organization. The supplies and professional services were valued and reported at the estimated fair value in the financial statements based on current rates for similar services or actual cost to purchase.

During the year ended June 30, 2022, in-kind services had \$36,497 reflected in program expenses, \$2,115 reflected in general and administrative expenses and \$1,778 in fundraising.

All gifts-in-kind received by the Organization for the fiscal years ended June 30, 2022 and 2021, were considered without donor restrictions and able to be used by the Organization as determined by the board of directors and management.

(14) **New Accounting Pronouncements**

In December of 2018, FASB issued ASU No. 2018-20, *Leases*. ASU 2018-20 requires the Organization to recognize all leased assets as assets on the balance sheet with a corresponding liability resulting in a gross up of the balance sheet. Entities will also be required to present additional disclosure as to the nature and extent of leasing activities. The requirement of this statement are effective for the Organization’s fiscal year ended June 30, 2023. The Organization has not evaluated the impact of this statement.

COMMUNITY ACTION OF LARAMIE COUNTY

Supplemental Schedule Of Expenditures Of Federal Awards
For The Year Ended June 30, 2022

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Federal Grantor/Pass-through Grantor and Program Title	Assistance Listing Number	Contract Number	Total Expended
U. S. Department Of Health and Human Services -			
Health Center Program Cluster:			
Health Center Program (Community Health Centers, Migrant Health Centers, Healthcare for the Homeless, and Public Housing Primary Care)	93.224	H80CS00042-20-00	\$ 532,806
Health Center Program - COVID-19	93.224	H8DCS35862-01-00	50,261
Health Center Program - COVID-19	93.224	H8FC540471-01-00	235,681
Total Health Center Program Cluster			<u>818,748</u>
Pass-through Program From:			
Wyoming Department of Health - Community Services Block Grant **	93.569	None	1,036,199
National Family Caregiver Support, Title III, Part E	93.052	None	68,660
Opioid STR	93.788	193651	7,398
			<u>1,112,257</u>
Total U. S. Department Of Health and Human Services			<u>1,931,005</u>
U. S. Department Of Veteran's Affairs -			
VA Homeless Providers Grant and Per Diem Program	64.024	CALC887-0040-442-BH-17-0	141,067
Total U. S. Department Of Veteran's Affairs			<u>141,067</u>
U. S. Department Of Treasury -			
Pass-through Program From:			
State of Wyoming Department of Family Services - Emergency Rental Assistance Program	21.023	VC77533	189,485
Pass-through Program From:			
Laramie County - Coronavirus State And Local Fiscal Recovery Funds - COVID-19	21.027	TLVTFZVQJWJ4	6,194
Total U. S. Department Of Treasury			<u>195,679</u>
TOTAL			<u><u>\$ 2,267,751</u></u>

** Major program

The accompanying notes are an integral part of this schedule.

COMMUNITY ACTION OF LARAMIE COUNTY

Notes To Supplemental Schedule Of Expenditures Of Federal Awards
For The Year Ended June 30, 2022

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(1) Method of Accounting

The schedule of expenditures of federal awards has been prepared on an accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and also presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule of expenditures of federal awards presents only a selected portion of the operations of the Organization, it is not intended to, and does not present, the financial position, changes in net assets, or cash flows of the Organization.

The Organization has elected not to use a *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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

To the Board of Directors of
Community Action of Laramie County:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Community Action of Laramie County (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, 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 February 7, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

Members:

American Institute of Certified Public Accountants • Colorado Society of Certified Public Accountants
10303 E. Dry Creek Road, Suite 400 • Englewood, CO 80112 • 303 771 0123 • 303 771 0078 fax

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Independent Auditors' Report ,Continued

Report on Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Organization'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 financial statement. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 2022-01 and 2022-02.

The Organization's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 result of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

JDS Professional Group

February 7, 2024

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

To the Board of Directors of
Community Action of Laramie County:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action of Laramie County (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2022. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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 programs for the year ended June 30, 2022.

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; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 Organization's compliance with the compliance requirements referred to above.

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Independent Auditors' Report, Continued

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 Organization's federal programs.

Auditors' 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 Organization'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*, and the Uniform Guidance 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 Organization'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*, and the Uniform Guidance, 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 Organization'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 Organization'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 Organization's internal control over compliance. Accordingly, no such opinion is expressed.

Independent Auditors' Report, Continued

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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies

Independent Auditors' Report, Continued

in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 to be significant deficiencies.

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. Accordingly, this report is not suitable for any other purpose.

JDS Professional Group

February 7, 2024

COMMUNITY ACTION OF LARAMIE COUNTY

Schedule Of Findings And Questioned Costs
For The Year Ended June 30, 2022

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes X no

Significant deficiency(s) identified
that are not considered to be material
weakness(es)? ___ yes X none reported

Noncompliance material to financial
statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(s) identified
that are not considered to be material
weakness(es)? X yes ___ no

Type of auditors' report issued on
compliance for major programs: Unmodified

Any audit findings disclosed that are
required to be reported in accordance
with Uniform Guidance 2 CFR §200.516(a)? ___ yes X no

COMMUNITY ACTION OF LARAMIE COUNTY

Schedule Of Findings And Questioned Costs (Continued)
For The Year Ended June 30, 2022

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Identification of major programs:

<u>Assistance Listing Or Other Identifying Number</u>	<u>Name Of Federal Program</u>
93.569	Community Services Block Grant

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

Auditee qualified as low-risk auditee? yes X no

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

Finding 2022-001: U.S. Department of Health and Human Services - Community Services Block Grant - Assistance Listing No. 93.569.

Eligibility, Significant Deficiency

Criteria: 2 CFR 200 requires proper eligibility documentation on recipients to be received and retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.

Condition: Proper documentation was not maintained for three recipients tested.

Effect: Inability to test the recipients income to see if they were eligible for payments.

Questioned Costs: None.

Cause: During our testing of eligibility, we noted three out of the twenty-five recipients tested did not have proper documentation proving they were eligible to receive payments.

COMMUNITY ACTION OF LARAMIE COUNTY

Schedule Of Findings And Questioned Costs (Continued)
For The Year Ended June 30, 2022

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Recommendation: We recommend that the Organization review its procedures to ensure proper documentation is received and maintained on recipient files to ensure eligibility.

Response: Documentation is now in place to ensure the eligibility for current and future clients. A system is in place to track the documentation. During FY2022, the agency had turnovers in the Case Manager department in which procedures were missed and/or not documented. Files are reviewed quarterly to ensure proper due diligence by the Program Director and/or their designee.

Finding 2022-002: U.S. Department of Health and Human Services - Community Services Block Grant - Assistance Listing No. 93.569.

Reporting, Significant Deficiency

Criteria: As required by the Federal Register notice dated June 26, 2007, auditees are required to submit a completed Form SF-SAC, along with one complete reporting package, to the Federal Audit Clearinghouse on/before the earlier of 30 days after receipt of the auditor's report or nine months after the end of the audit period.

Condition: An SF-SAC report was not timely filed.

Effect: The Organization is at risk of jeopardizing the continued funding provided by federal agencies.

Recommendation: We recommend that the Organization institute processes to ensure reporting requirement are addressed and complied with.

Status: We noted a similar finding in 2021.

Response: The delay in our FY2022 audit being completed in a timely manner was due to the FY2020 audit delay, which involved the Office of Head Start issuing a letter releasing the match for the periods of the fiscal year 2019/20. Once we received the results from FY2020 Audit, we immediately started work on FY2021. We are completing FY2022 and are back on track to file FY2023 promptly.

COMMUNITY ACTION OF LARAMIE COUNTY

Summary Schedule of Prior Audit Findings
For The Year Ended June 30, 2022

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Finding 2021-001: U.S. Department of Health and Human Services - Health Center Program Cluster and Community Services Block Grant - Assistance Listing No. 93.224 and 93.569.

Reporting, Significant Deficiency

Condition: An SF-SAC report was not timely filed.

Recommendation: We recommend that the Organization train employees and institute processes to ensure reporting requirement are addressed and complied with.

Status: We noted a similar finding in 2022.



CORRECTIVE ACTION PLAN

Cognizant or Oversight Agency for Audit,

Community Action of Laramie County respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit Period: Year Ended June 30, 2022

The findings from the June 30, 2022, Schedule of Findings and Questioned Costs are summarized below. The findings are numbered consistently with the numbers assigned in the schedule.

Federal Award Findings and Questioned Costs

Finding 2022-001: U.S. Department of Health and Human Services - Community Services Block Grant - Assistance Listing No. 93.569.

Eligibility, Significant Deficiency

Auditor Recommendation: We recommend that the Organization review its procedures to ensure proper documentation is received and maintained on recipient files to ensure eligibility.

Corrective Action: Documentation is now in place to ensure the eligibility for current and future clients. A system is in place to track the documentation. During FY2022, the agency had turnovers in the Case Manager department in which procedures were missed and/or not documented. Files are reviewed quarterly to ensure proper due diligence by the Program Director and/or their designee.

Responsible Party: Eric Walsh, Program Director, Social Services

Anticipated Completion Date: 10/01/2023 (Has been identified and corrected prior to findings)

Finding 2022-002: U.S. Department of Health and Human Services - Community Services Block Grant - Assistance Listing No. 93.569.

Reporting, Significant Deficiency

Auditor Recommendation: We recommend that the Organization institute processes to ensure reporting requirement are addressed and complied with.

HELPING LARAMIE COUNTY. HELPING EACH OTHER.



Corrective Action: The delay in our FY2022 audit being completed in a timely manner was due to the FY2020 audit delay, which involved the Office of Head Start issuing a letter releasing the match for the periods of the fiscal year 2019/20. Once we received the results from FY2020 Audit, we immediately started work on FY2021. We are completing FY2022 and are back on track to file FY2023 promptly.

Responsible Party: CJ Luce, CFO

Anticipated Completion Date: March 2024

Responsible Contact:	Name	Timothy Ernst, CEO
	Phone number	307.635.9291
	Email address	tim@calc.net

Sincerely,

 Timothy Ernst, CEO