

**MISSOURI OZARKS  
COMMUNITY ACTION, INC.**  
Richland, Missouri

Independent Auditors' Report and  
Consolidated Financial Statements with  
Supplementary Information

For the Year Ended January 31, 2018

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
Richland, Missouri

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**JARRED, GILMORE & PHILLIPS, PA**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Missouri Ozarks Community Action, Inc.  
Richland, Missouri

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Missouri Ozarks Community Action, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of January 31, 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Missouri Ozarks Community Action, Inc. as of January 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated 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 consolidated financial statements. The combining schedule of activities (presented on pages 15-18) is prepared for additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary schedules (presented on pages 19-34) are presented for purposes of additional analysis as required by grantors and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we express no opinion on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2018, on our consideration of Missouri Ozarks Community Action, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Missouri Ozarks Community Action Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Missouri Ozarks Community Action, Inc.'s internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

September 13, 2018  
Chanute, Kansas

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Consolidated Statement of Financial Position

January 31, 2018

**ASSETS**

Current Assets	
Cash in Bank	\$ 2,148,810.41
Restricted Cash in Bank	75,000.00
Total Cash	<u>2,223,810.41</u>
Investments - Certificates of Deposit	2,169.72
Receivables, Net	427,773.19
Prepaid Expenses	47,280.67
Inventory	21,941.07
Total Current Assets	<u>2,722,975.06</u>
Capital Assets, Net	<u>762,623.58</u>
TOTAL ASSETS	<u>\$ 3,485,598.64</u>

**LIABILITIES AND NET ASSETS**

Liabilities	
Current Liabilities	
Accounts Payable	\$ 131,984.06
Accrued Payroll	143,474.12
Accrued Annual Leave	75,904.73
Accrued Payroll Withholdings	57,052.36
Refundable Grant Advances	1,018,295.35
Accrued Interest	592.28
Current Portion of Long-Term Debt	16,318.94
Total Current Liabilities	<u>1,443,621.84</u>
Long-Term Liabilities	
Notes Payable	169,461.46
Less: Current Portion	<u>(16,318.94)</u>
Total Long-Term Liabilities	<u>153,142.52</u>
TOTAL LIABILITIES	<u>1,596,764.36</u>
Net Assets	
Unrestricted Net Assets	1,058,648.56
Temporarily Restricted Net Assets	758,685.72
Permanently Restricted Net Assets	71,500.00
TOTAL NET ASSETS	<u>1,888,834.28</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,485,598.64</u>

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

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Consolidated Statement of Activities

For the Year Ended January 31, 2018

## CHANGES IN NET ASSETS

Unrestricted Net Assets	
Revenues and Gains	
Contributions	\$ 7,822,348.35
Interest Income	9,124.71
Program Income	9,125.00
Rental Income	7,413.86
Other Income	112,861.06
Total Revenues and Gains	<u>7,960,872.98</u>
Expenses	
Program Services	
Early Childhood	4,486,468.97
Energy Assistance	1,578,287.01
Community Services	779,715.04
Housing Services	1,793,725.75
Weatherization Services	460,653.38
Supporting Activities	
Management and General	614,962.56
Fundraising	30,878.35
Total Expenses	<u>9,744,691.06</u>
Net Assets Released From Restrictions	
Through Satisfaction of Program Restrictions	<u>1,709,015.60</u>
Increase (Decrease) in Unrestricted Net Assets	<u>(74,802.48)</u>
Temporarily Restricted Net Assets	
Contributions	1,546,511.00
Interest Income	4,800.30
Program Income	-
Other Income	23,092.30
Net Assets Released From Restrictions	
Through Satisfaction of Program Restrictions	<u>(1,709,015.60)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>(134,612.00)</u>
Increase (Decrease) in Net Assets	<u>(209,414.48)</u>
Net Assets - Beginning of the Year	<u>2,098,248.76</u>
Net Assets - End of the Year	<u>\$ 1,888,834.28</u>

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

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Consolidated Statement of Functional Expenses

For the Year Ended January 31, 2018

	Program Services					Supporting Activities			Total Organization Services
	Early Childhood	Energy Assistance	Community Services	Housing Services	Weatherization Services	Program Services	Management and General	Fundraising	
Personnel	\$ 3,190,339.09	\$ 232,812.63	\$ 493,002.03	\$ 145,264.53	\$ 267,255.14	\$ 4,328,673.42	\$ 441,674.65	\$ 21,681.77	\$ 4,792,029.84
Bad Debt Expense	-	-	-	10,679.00	-	10,679.00	-	-	10,679.00
Client Services	220,362.69	1,318,084.74	184,632.14	1,589,004.51	138,109.73	3,450,193.81	955.48	46.90	3,451,196.19
Depreciation Expense	60,135.76	-	3,018.51	449.80	-	63,604.07	8,214.90	1,414.47	93,832.36
General & Administrative	-	-	-	849.39	-	849.39	8,700.65	403.27	9,467.56
Insurance Expense	50,950.66	1,637.11	8,227.50	4,935.68	3,559.60	69,310.55	12,137.17	427.11	78,438.31
Occupancy	601,462.46	7,527.76	22,079.84	6,429.85	9,453.22	646,953.13	8,700.65	1,285.71	660,376.01
Office Expenses	221,898.99	15,245.71	22,011.22	31,885.15	15,392.03	306,433.10	64,257.17	3,154.38	373,844.65
Travel	93,327.22	1,090.47	35,718.62	2,395.22	8,216.63	140,748.16	49,942.28	2,451.66	193,142.10
Vehicle Expenses	47,992.10	1,888.59	11,025.18	1,832.62	18,667.03	81,405.52	266.44	13.08	81,685.04
<b>Total Expenses</b>	<b>\$ 4,486,468.97</b>	<b>\$ 1,578,287.01</b>	<b>\$ 779,715.04</b>	<b>\$ 1,793,725.75</b>	<b>\$ 460,653.38</b>	<b>\$ 9,098,850.15</b>	<b>\$ 614,962.56</b>	<b>\$ 30,878.35</b>	<b>\$ 9,744,691.06</b>

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

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Consolidated Statement of Cash Flows

For the Year Ended January 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$	(209,414.48)
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation Expense		93,832.36
(Increase) Decrease in Receivables		20,185.65
(Increase) Decrease in Prepaid Expense		8,576.33
(Increase) Decrease in Inventory		(687.04)
Increase (Decrease) in Accounts Payable		(65,109.88)
Increase (Decrease) in Accrued Payroll		48,653.15
Increase (Decrease) in Accrued Annual Leave		(1,366.44)
Increase (Decrease) in Accrued Payroll Withholdings		(11,190.91)
Increase (Decrease) in Refundable Grant Advances		(71,954.82)
Increase (Decrease) in Accrued Interest		(53.82)
		<hr/>
Net Cash Provided by (Used in) Operating Activities		(188,529.90)

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for Purchase of Capital Assets		(5,900.00)
Reinvestment of Interest from Investments		(13.53)
		<hr/>
Net Cash Provided by (Used in) Investing Activities		(5,913.53)

CASH FLOWS FROM FINANCING ACTIVITIES

Principal Payments on Notes Payable		(15,544.01)
		<hr/>
Net Cash Provided by (Used in) Financing Activities		(15,544.01)

Net Increase (Decrease) in Cash and Cash Equivalents (209,987.44)

Cash and Cash Equivalents, Beginning of the Year 

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 2,433,797.85

Cash and Cash Equivalents, End of the Year \$ 

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 2,223,810.41

**Supplemental Information:**

Cash Paid for Interest \$ 

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 8,671.99

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



## MISSOURI OZARKS COMMUNITY ACTION, INC.

Richland, Missouri

Notes to the Consolidated Financial Statements  
January 31, 2018

### 1. **NATURE OF ACTIVITIES**

Missouri Ozarks Community Action, Inc. (the "Organization") is a nonprofit organization established in 1965 which serves the economically and socially disadvantaged persons in Camden, Crawford, Gasconade, Miller, Maries, Laclede, Phelps, and Pulaski counties. The consolidated financial statements include the accounts of Missouri Ozarks Community Action, Inc. and an affiliated organization, Pulaski Housing Authority (PHA). The affiliated organization is reported separately to emphasize that it is legally separate from the Organization. PHA can sue and be sued, and can buy, sell, or lease real property. Separate audited financial statements are prepared and are available at the PHA, and can be requested from the Organization's Chief Financial Officer. Material intercompany transactions and balances have been eliminated.

The Organization provides services to stimulate a better focusing of all available local, state, federal and private resources upon the goal of enabling low income families and individuals to attain the skills, knowledge, motivations and to secure the opportunities needed for them to become more fully self sufficient. The Organization administers the following major sources of revenue to meet the needs of the area it serves: Head Start Programs, Weatherization Assistance Programs, Low-Income Home Energy Assistance Programs, Community Services Block Grant Programs, Housing Choice Vouchers Program, and others. Expenses are broken down by program services. The following is a description of the program services:

*Early Childhood* – Provides children with activities that help them grow mentally, socially, emotionally, and physically.

*Energy Assistance* – Provides utility assistance to low-income individuals to assist them with energy bills, this could be gas, electric, Propane, etc.

*Community Services* – Community services programs strive to reduce poverty and empower low-income families to become self-sufficient.

*Housing Services* – Provides rental assistance to help low-income families afford decent, safe, and sanitary rental housing.

*Weatherization Services* – Provides services to help low-income people improve residential energy efficiency.

### 2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Basis of Accounting

The Organization's program policy is to prepare its financial statements on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Assets are recorded at cost when purchased, or in the case of gifts, at fair value at the date of the gift. Investments are valued at fair value for financial statement presentation.

#### Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid instruments with a maturity of three months or less when acquired.

Allowance for Doubtful Accounts

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of their grantors to meet their obligations. Receivables are considered impaired if full payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Capital Assets

It is the Organization's policy to capitalize capital assets with a useful life of more than one year and a value over \$2,000.00. Capital assets are stated at cost, if purchased, and at fair value at the date of donation, if donated. Such items acquired under grants from Federal and state sources are considered to be owned by the Organization while used in the programs for which they are purchased or in programs authorized in the future. However, the funding source has a reversionary interest in the property. The Organization has \$432,651.45 of property in which the funding sources have a reversionary interest. Capital assets purchased or donated to the corporate account are depreciated based on estimated useful lives using the straight-line method as follows:

Equipment	3-7 Years
Vehicles	5 Years
Buildings and Improvements	15-40 Years

Net Assets

The Organization's net assets are classified as follows:

Unrestricted net assets: Unrestricted net assets represent those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transaction are included as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board to meet current expenses for any purpose.

Temporarily restricted net assets: Temporarily restricted net assets consist of those net assets whose use by the Organization has been limited by donors to later periods of time or after specified dates or to specified purposes.

Permanently restricted net assets: Permanently restricted net assets consist of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the donor restrictions. If a restriction is satisfied in the same period the contribution is received, the contribution is reported as unrestricted.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Inventory

Inventory consists of weatherization materials and work in process and are valued at cost, using the first-in, first-out method (FIFO).

Income Taxes

The Organization is exempt from Federal income taxes under IRS Code Section 501(c)3. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

In-Kind Goods/Services

The Organization receives donated goods and services as part of its Head Start program. In-kind contributions are shown both as support and expenditures in these programs, and are recorded at the fair value of the goods or services at the time of donation. Amounts included are only those allowable under generally accepted accounting principles.

Allocated Costs

The Organization allocates its expenses on a functional basis among its various programs and support activities. Expenses that can be identified with a specific program and support activity are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using various allocation methods.

**3. CONCENTRATION OF CREDIT RISK**

At year-end, the carrying amount of the Organization's deposits including certificates of deposit was \$2,223,155.13. The balance was held at two banks resulting in a concentration of credit risk. The bank balance was \$2,415,412.34. Of the bank balance, \$252,169.72 was covered by FDIC insurance, and the remaining \$2,163,242.62 was collateralized by pledged securities held under joint custody receipts by a third-party bank in the Organization's name.

**4. CERTIFICATES OF DEPOSIT**

The certificate bears interest at a rate of 0.50% and has a maturity of twelve months, with a penalty for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. At year end, cost approximates fair value.

**5. RECEIVABLES, NET**

Receivables at January 31, 2018, consist of amounts due under the following programs:

Head Start	\$ 313,692.92
CSBG	88,023.78
After Hours Childcare	10,915.35
Weatherization	2,166.00
Weatherization – Electric Coop	600.00
Weatherization - Ameren Electric	5,110.00
Weatherization – Ameren Gas	1,005.00
Weatherization – Summit Gas	563.14
HUD	83,742.39
Less Allowance for Doubtful Accounts	
HUD Fraud Recovery	<u>(78,045.39)</u>
Total Receivables, Net	<u>\$ 427,773.19</u>

**6. INVENTORY**

Inventory consists of the following at January 31, 2018:

Weatherization Materials and Work In Process	\$ 21,941.07
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**7. CAPITAL ASSETS, NET**

Following are the changes in capital assets for the year ended January 31, 2018:

	Balance 1/31/2017	Additions	Retirements	Balance 1/31/2018
Capital assets not being depreciated				
Land	\$ 97,238.68	\$ -	\$ -	\$ 97,238.68
Total capital assets not being depreciated	<u>97,238.68</u>	<u>-</u>	<u>-</u>	<u>97,238.68</u>
Other Capital Assets				
Buildings and Improvements	1,087,524.86	5,900.00	-	1,093,424.86
Equipment	553,621.13	-	-	553,621.13
Vehicles	1,274,353.40	-	-	1,274,353.40
Total Other Capital Assets	<u>2,915,499.39</u>	<u>5,900.00</u>	<u>-</u>	<u>2,921,399.39</u>
Accumulated Depreciation				
Buildings and Improvements	(553,608.70)	(36,262.85)	-	(589,871.55)
Equipment	(446,200.03)	(35,173.51)	-	(481,373.54)
Vehicles	(1,162,373.40)	(22,396.00)	-	(1,184,769.40)
Total Accumulated Depreciation	<u>(1,517,220.65)</u>	<u>(93,832.36)</u>	<u>-</u>	<u>(2,256,014.49)</u>
Capital Assets Summary				
Net Land, Buildings, and Improvements	631,154.84	(30,362.85)	-	600,791.99
Net Equipment	219,401.10	(57,569.51)	-	161,831.59
Total Net Capital Assets	<u>\$ 850,555.94</u>	<u>\$ (87,932.36)</u>	<u>\$ -</u>	<u>\$ 762,623.58</u>

**8. RESTRICTED CASH FROM USDA DEBT SERVICE RESERVE**

In accordance with the USDA Rural Development loan agreement, the Organization must make minimum contributions totaling \$625.00 per month into a debt service reserve account and a replacement and extension account until the combined balance of these accounts reaches \$75,000.00. The debt service reserve account is restricted for the purpose of principal and interest payments on the USDA Rural Development loan should the Organization be unable to make such payments from its unrestricted cash accounts. The replacement and extension account is restricted for the purpose of extraordinary maintenance or improvements to the administrative facility located in Richland, Missouri. If disbursements are made from either of these accounts, the balance must be replenished through monthly payments. The balance of these accounts at January 31, 2018, was \$141,389.17, of which \$75,000.00 was shown as Restricted Cash and the remaining \$66,389.17 was included with unrestricted cash.

**9. REFUNDABLE GRANT ADVANCES**

Refundable grant advances at January 31, 2018, consist of grant funds received in excess of expenditures in the following programs:

ECIP/LIHEAP	\$ 979,008.29
SHELTER PLUS CARE Program	8,700.00
HUD	6,538.31
HUD/MHDC Mental Health	443.00
CACFP	19,452.99
Weatherization – LiHEAP	<u>4,152.76</u>
 Total Refundable Grant Advances	 <u>\$ 1,018,295.35</u>

**10. NOTES PAYABLE**

The Organization signed an agreement dated February 12, 1997, with USDA Rural Development to assist in the building of the central office building in Richland, Missouri, which requires 372 monthly consecutive principal and interest payments at \$2,018.00 each, beginning February 12, 1998, including interest at 4.875% through December 12, 2027. The note is secured by real property located in Richland, Missouri. The balance on this note at January 31, 2018, is \$169,461.46.

The following is a summary of changes in notes payable for the year ended January 31, 2018:

	Principal January 31, <u>2017</u>	Principal Received (Paid) <u></u>	Principal January 31, <u>2018</u>	Interest Paid <u></u>
<u>Obligations:</u>				
USDA Rural				
Development	<u>\$ 185,005.47</u>	<u>\$ (15,544.01)</u>	<u>\$ 169,461.46</u>	<u>\$ 8,671.69</u>

**10. NOTES PAYABLE** (Continued)

The schedule of maturities of notes payable is as follows:

<u>Year Ending January 31:</u>	<u>Amount</u>
2019	\$ 16,318.94
2020	17,132.51
2021	17,986.62
2022	18,883.35
2023	19,824.77
2024-2027	<u>79,315.27</u>
Total	<u>\$ 169,461.46</u>

**11. OPERATING LEASES**

As of January 31, 2018, the Organization has entered into a number of operating leases for various office equipment, classroom, and office space. Total payments for the year ended January 31, 2018, were \$363,071.74. Under the current lease agreements, the future minimum lease rentals are as follows:

2019	\$ 115,360.00
2020	99,160.00
2021	76,660.00
2022	45,160.00
2023	45,160.00

**12. COMPENSATED ABSENCES**

Vacation Pay

All regular, full-time and part-time employees are eligible for vacation benefits based upon the employee’s anniversary date. Vacation time is accrued or earned based upon the employee’s length of service and on the time actually worked. No employee may carry an accrued balance of leave of more than 10 days (80 hours) from December 31 to January 1. All accrued leave in excess of 10 days will be reduced after January 1 of each year. Head Start employees must use annual leave within the school year on days regularly scheduled for work. Head Start employees may carry a balance of up to 8 hours of annual leave from May 1 to September 1 of each year. Vacation time is earned on a graduated scale based on years of service and ranges from 2 to 3 hours per week to one to five years and over.

Sick Leave

All regular, full-time and part-time employees earn paid sick leave annually. Sick leave is earned at a rate of 2 hours per week. Employees may accumulate up to a maximum of 30 days (240 hours). Sick leave accrual in excess of 30 days will be bought back by the organization at 1 hour of pay for every 2 hours of sick leave in excess of 240 hours on January 1 of each year. Unused time earned for sick leave is lost if the employee is terminated for any reason.

**12. COMPENSATED ABSENCES** (Continued)

The Organization determines a liability for compensated absences when the following conditions are met:

1. The Organization’s obligation relating to employees’ rights to receive compensation for future absences is attributable to employee services already rendered;
2. The obligation relates to rights that vest or accumulate;
3. Payment of the compensation is probable; and
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the Organization has accrued a liability for annual leave which has been earned, but not taken, by Organization employees. The Organization has not accrued a liability for sick leave earned, but not taken, by Organization employees, in accordance with guidance provided by FASB ASC 710-10-25-7, as the amounts cannot be reasonably estimated at this time.

**13. EMPLOYEE BENEFIT PLANS**

The Organization has a 403(b) plan available for its employees. An employee is eligible after one year of full-time service. The Organization contributes 3% of an eligible employee’s salary to their account. Total contributions made by the Organization into the plan on behalf of the employees for the year ended January 31, 2018, was \$87,695.11.

**14. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily Restricted Net Assets are as follows:

Community Services-Donations	
Donations with donor restrictions on use within the Community Services program.	8,876.57
HUD – Housing grant payments restricted for future New Hope Meadows Project – Net Book Value	541,165.81
Use restrictions imposed by HUD for a term of 20 years and imposed by the FHLB for 15 years from 12/21/1999	<u>208,643.34</u>
Total Temporarily Restricted Net Assets	<u>\$ 758,685.72</u>

**15. PERMANENTLY RESTRICTED NET ASSETS**

Permanently restricted net assets are as follows:  
 During the year ended January 31, 1999, the Organization received an in-kind contribution of land and a building located in Camdenton, Missouri valued at \$71,500.00. The terms upon which the land and building were donated include a restrictive covenant that states the property is to be operated exclusively and permanently as a Head Start facility in Camdenton, Missouri. Should the Organization cease to operate the property as a Head Start facility, the property shall revert to the living lineal descendants of the original donor. The Organization plans to operate the property as a Head Start facility into the foreseeable future.

**16. IN-KIND CONTRIBUTIONS**

Under the grant agreements, the Organization (grantee) receives a percentage of total estimated project funds from the Federal government. The balance of the project funds is contributed to the Organization from non-Federal sources in the form of “in-kind” contributions of services or goods from the Organization, delegated agencies, the community, or non-Federal governmental organizations. The services and goods donated are valued according to the grant guidelines. Presently, the Head Start program is the only program requiring in-kind match. The Organization only reports under the Head Start grant amounts up to the required match. In-kind revenues and in-kind expenses that are allowable under generally accepted accounting principles (GAAP) have been recognized in the Head Start programs.

Head Start	Volunteers - Parents	\$ 778,792.23
07CH010350-02-05	Volunteers – Professionals	8,781.30
	Mileage	12,664.35
	Space	92,799.40
	Materials	<u>48,015.70</u>
	Total In-Kind	941,052.98
	Non-GAAP	<u>(778,792.23)</u>
	In-Kind per GAAP	<u>\$ 162,260.75</u>

**17. CONTINGENT LIABILITIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

**18. SUBSEQUENT EVENTS**

The Organization evaluated events and transactions occurring subsequent to January 31, 2018 through September 13, 2018 the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.



## **SUPPLEMENTARY INFORMATION**

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
 Richland, Missouri  
 Combining Schedule of Activities  
 For the Year ended January 31, 2018

	Head Start & Early Head Start	CACFP	After Hours Child Care	ECIP UTILICARE	ECIP	Utilicare	AMEREN UE	AMEREN UE
Program #:	300	322	310	650	650	660	530	530
Grant Year End:	1/31/2018	9/30/2018	9/30/2018	9/30/2000	9/30/2017	9/30/2017	10/31/2017	10/31/2018
CFDA #:	93.600	10.558	N/A	93.568	93.568	N/A	N/A	N/A
<b>Revenues and Gains</b>								
Contributions								
Grant Revenue - Federal	\$ 4,332,758.69	\$ 264,387.93	\$ -	\$ -	\$ 1,149,473.51	\$ 348,436.72	\$ -	\$ -
Grant Revenue - State	-	-	-	-	-	37,106.00	-	-
Grant Revenue - Other	-	-	-	-	-	-	25,412.00	10,936.00
Local Non-Cash	941,052.98	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	25.53	-
Program Income	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-
Other Income	-	-	102,046.68	-	-	-	-	-
Pool Revenues	-	-	-	-	-	-	-	-
<b>Total Revenues and Gains</b>	<b>5,273,811.67</b>	<b>264,387.93</b>	<b>102,046.68</b>	<b>-</b>	<b>1,149,473.51</b>	<b>37,106.00</b>	<b>25,437.53</b>	<b>10,936.00</b>
<b>Expenses</b>								
Personnel	3,094,025.25	16,588.06	70,944.48	-	135,190.85	3,269.60	13,751.82	6,115.52
Personnel Non-Cash	787,573.53	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-
Client Services	-	220,362.69	-	29,500.00	982,210.19	33,395.00	7,685.88	2,835.49
Depreciation Expense	-	-	-	-	-	-	-	-
General & Administrative	-	-	-	-	-	-	-	-
Indirect Cost	417,693.42	2,239.39	9,577.50	-	18,250.77	441.40	1,856.50	825.60
Insurance Expense	50,950.66	-	-	-	-	-	355.15	-
Occupancy	481,158.20	7,912.96	23,975.70	-	4,919.98	-	681.88	254.08
Occupancy Non-Cash	92,799.40	-	-	-	-	-	-	-
Office Expenses	161,425.20	16,135.82	222.27	-	7,867.25	-	246.24	357.88
Office Expenses Non-Cash	48,015.70	-	-	-	-	-	-	-
Operating Transfer To (From)	-	-	(2,673.27)	-	-	-	4.15	(4.15)
Travel	79,777.56	885.31	-	-	1,034.47	-	-	-
Travel Non-Cash	12,664.35	-	-	-	-	-	-	-
Vehicle Expenses	47,728.40	263.70	-	-	-	-	-	-
<b>Total Expenses</b>	<b>5,273,811.67</b>	<b>264,387.93</b>	<b>102,046.68</b>	<b>29,500.00</b>	<b>1,149,473.51</b>	<b>37,106.00</b>	<b>25,437.53</b>	<b>10,936.00</b>
Excess Revenues and Gains Over (Under) Expenses	-	-	-	(29,500.00)	-	-	-	-
Net Assets, January 31, 2017	-	-	-	29,500.00	-	-	-	-
Net Assets, January 31, 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
 Richland, Missouri  
 Combining Schedule of Activities  
 For the Year ended January 31, 2018

	AMEREN UE		AMEREN UE		Community Services Block Grant		Community Services Block Grant		Other Community Service		Tran Housing		MO. Housing Trust-Community Services		SHELTER PLUS CARE PROGRAM	
	531	531	10/31/2017	10/31/2018	9/30/2017	9/30/2018	9/30/2017	9/30/2018	1/31/2018	1/31/2018	1/31/2018	1/31/2018	3/31/2011	5/31/2017	5/31/2017	5/31/2017
Program #:	531	531			600	600	600	600	690	690	250	670	700	700	700	700
Grant Year End:	10/31/2017	10/31/2018			9/30/2017	9/30/2018	9/30/2017	9/30/2018	1/31/2018	1/31/2018	1/31/2018	3/31/2011	5/31/2017	5/31/2017	5/31/2017	5/31/2017
CFDA #:	N/A	N/A			93.569	93.569	93.569	93.569	N/A	N/A	N/A	N/A	14.238	14.238	14.238	14.238
<b>Revenues and Gains</b>																
Contributions																
Grant Revenue - Federal	\$ -	\$ -	\$ -	\$ -	\$ 589,169.36	\$ 255,074.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,083.58	\$ 90,016.00	\$ -
Grant Revenue - State	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant Revenue - Other	7,266.00	2,665.00														
Local Non-Cash	-	-														
Local	-	-														
Interest Income	-	-														
Program Income	-	-														
Rental Income	-	-									7,413.86					
Other Income	-	-			2,130.00	787.00			25.00							
Pool Revenues	-	-														
<b>Total Revenues and Gains</b>	<b>7,266.00</b>	<b>2,665.00</b>	<b>591,299.36</b>	<b>255,861.75</b>	<b>591,299.36</b>	<b>255,861.75</b>	<b>255,861.75</b>	<b>255,861.75</b>	<b>25.00</b>	<b>25.00</b>	<b>7,413.86</b>	<b>-</b>	<b>38,083.58</b>	<b>90,016.00</b>	<b>90,016.00</b>	<b>90,016.00</b>
<b>Expenses</b>																
Personnel	4,486.45	1,487.37	330,734.05	162,267.98							4,063.88			2,888.54	5,036.04	
Personnel Non-Cash	-	-														
Bad Debt Expense	-	-														
Client Services	1,343.37	550.81	145,972.18	38,052.81					607.15					41,499.00	74,695.47	
Depreciation Expense	-	-														
General & Administrative	-	-														
Indirect Cost	605.69	200.80	44,649.10	21,906.19							548.62			389.96	679.86	
Insurance Expense	133.18	-	-	8,227.50							2,420.97			-	157.88	
Occupancy	251.69	94.38	17,561.22	9,035.06							1,111.10			127.33	291.76	
Occupancy Non-Cash	-	-														
Office Expenses	186.87	109.29	16,642.00	5,369.22							1,940.69			262.64	1,734.82	
Office Expenses Non-Cash	-	-														
Operating Transfer To (From)	(0.08)	0.08												(7,225.37)	7,225.37	
Travel	-	-	27,479.39	8,239.23										92.10	125.85	
Travel Non-Cash	-	-														
Vehicle Expenses	258.83	222.27	8,261.42	2,763.76										49.38	68.95	
<b>Total Expenses</b>	<b>7,266.00</b>	<b>2,665.00</b>	<b>591,299.36</b>	<b>255,861.75</b>	<b>591,299.36</b>	<b>255,861.75</b>	<b>255,861.75</b>	<b>255,861.75</b>	<b>607.15</b>	<b>607.15</b>	<b>10,085.26</b>	<b>-</b>	<b>38,083.58</b>	<b>90,016.00</b>	<b>90,016.00</b>	<b>90,016.00</b>
<b>Excess Revenues and Gains Over (Under) Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(582.15)</b>	<b>(582.15)</b>	<b>(2,671.40)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets, January 31, 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,458.72</b>	<b>9,458.72</b>	<b>53,782.22</b>	<b>0.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets, January 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,876.57</b>	<b>8,876.57</b>	<b>51,110.82</b>	<b>0.41</b>	<b>0.41</b>	<b>0.41</b>	<b>0.41</b>	<b>0.41</b>

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Combining Schedule of Activities

For the Year ended January 31, 2018

	HUD/MHDC MENTAL HEALTH	710	06/30/2018	HUD/MHDC MENTAL HEALTH	710	06/30/2018	Weatherization	500	6/30/2017	500	6/30/2018	Weatherization	500	9/30/2017	510	9/30/2018	Weatherization LIHEAP	510	9/30/2018	Weatherization LIHEAP	510	9/30/2018	WX - Summit	525	1/31/2018	WX - Electric Coop	575	1/31/2018	
Program #:	710	N/A	N/A	710	N/A	N/A	81.042	500	81.042	500	81.042	500	81.042	510	93.568	93.568	510	93.568	510	93.568	510	93.568	N/A	N/A	N/A	N/A	N/A	N/A	
Grant Year End:	06/30/2017	06/30/2018	06/30/2018	06/30/2017	06/30/2018	06/30/2018	81.042	500	81.042	500	81.042	500	81.042	510	93.568	93.568	510	93.568	510	93.568	510	93.568	N/A	N/A	N/A	N/A	N/A	N/A	
CFDA #:	N/A	N/A	N/A	81.042	81.042	81.042	81.042	500	81.042	500	81.042	500	81.042	510	93.568	93.568	510	93.568	510	93.568	510	93.568	N/A	N/A	N/A	N/A	N/A	N/A	
Revenues and Gains																													
Contributions																													
Grant Revenue - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,943.00	\$ -	\$ 116,943.00	\$ 90,295.00	\$ -	\$ 186,192.00	\$ 90,969.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Grant Revenue - State	5,173.72	4,244.70	4,244.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Grant Revenue - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Local Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Local	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income	-	-	-	-	-	-	-	34.71	-	34.71	-	-	13.33	63.76	-	-	-	-	-	-	-	-	-	-	-	-	-		
Program Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Pool Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenues and Gains	5,173.72	4,244.70	4,244.70	-	-	-	116,977.71	90,295.00	186,205.33	90,295.00	186,205.33	91,033.00	186,205.33	91,033.00	91,033.00	91,033.00	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	
Expenses																													
Personnel	-	-	-	-	-	-	62,345.38	48,121.16	97,297.91	50,547.52	4,291.71	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46	4,651.46
Personnel Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Client Services	4,816.00	4,602.42	4,602.42	-	-	-	37,603.09	22,380.86	59,330.58	16,881.53	1,544.92	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75	368.75
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General & Administrative	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Indirect Cost	-	-	-	-	-	-	8,416.66	6,496.33	13,035.00	6,924.14	579.38	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	627.95	
Insurance Expense	-	-	-	-	-	-	-	1,400.26	1,017.45	1,141.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Occupancy	-	-	-	-	-	-	1,574.40	2,640.29	4,121.16	2,014.39	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34	6.34		
Occupancy Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Office Expenses	-	-	-	-	-	-	1,312.20	2,376.76	4,580.75	6,974.32	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00	148.00		
Office Expenses Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Operating Transfer To (From)	5,623.67	(5,623.67)	(5,623.67)	(1.68)	1.68	1.52	3,222.90	1,518.56	2,913.37	(1.52)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Travel Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Vehicle Expenses	-	-	-	-	-	-	2,504.76	5,359.10	3,907.59	6,550.73	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20	301.20		
Total Expenses	10,439.67	(1,021.25)	(1,021.25)	-	-	-	116,977.71	90,295.00	186,205.33	91,033.00	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	6,459.66	
Excess Revenues and Gains Over (Under) Expenses	(5,265.95)	5,265.95	5,265.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net Assets, January 31, 2017	5,265.95	-	-	25.83	-	-	25.83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net Assets, January 31, 2018	-	\$ 5,265.95	\$ 5,265.95	\$ 25.83	\$ 25.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Combining Schedule of Activities

For the Year ended January 31, 2018

	Program #:	Agency Indirect Cost	Corporate, Non-Federal	Pulaski County Public		Generally Accepted Accounting Principles Adjustments	Inter-Company Elimination Entries	Consolidated Organization Wide Totals
				12/31/2017	12/31/2018			
	101	1/31/2018	001	Housing Authority	Housing Authority			
	N/A	N/A	N/A	14,871	14,871			
	Grant Year End:	1/31/2018	1/31/2018	12/31/2017	12/31/2018			
	CFDA #:	N/A	N/A	14,871	14,871			
<b>Revenues and Gains</b>								
<b>Contributions</b>								
Grant Revenue - Federal	\$ -	\$ -	\$ -	\$ 1,400,935.00	\$ 145,576.00	\$ -	\$ -	\$ 9,098,310.78
Grant Revenue - State	-	-	-	-	-	-	-	46,524.42
Grant Revenue - Other	-	-	-	-	-	-	-	46,279.00
Local Non-Cash	-	-	-	-	-	(778,792.23)	-	162,260.75
Local	-	-	14,924.74	-	-	(5,900.00)	-	15,484.40
Interest Income	-	-	8,987.38	4,519.52	280.78	-	-	13,925.01
Program Income	-	-	-	-	-	-	-	9,125.00
Rental Income	-	-	24,216.00	-	-	(24,216.00)	-	7,413.86
Other Income	-	-	7,897.38	21,204.30	1,863.00	-	-	135,953.36
Pool Revenues	583,185.52	-	-	-	-	(583,185.52)	-	-
Total Revenues and Gains	583,185.52	56,025.50	9,352,991.73	1,426,658.82	147,719.78	(1,392,093.75)	-	9,535,276.58
<b>Expenses</b>								
Personnel	464,722.86	(1,366.44)	-	125,137.53	8,138.54	-	-	4,783,248.54
Personnel Non-Cash	-	-	-	-	-	(778,792.23)	-	8,781.30
Bad Debt Expense	-	-	-	10,679.00	-	-	-	10,679.00
Client Services	-	1,002.38	-	1,330,545.62	132,846.00	-	-	3,451,196.19
Depreciation Expense	-	93,382.56	-	412.32	37.48	-	-	93,832.36
General & Administrative	-	8,618.17	-	701.67	147.72	-	-	9,467.56
Indirect Cost	-	-	-	16,151.12	1,841.15	(583,185.52)	-	-
Insurance Expense	3,576.43	5,551.33	-	2,252.06	104.77	-	-	78,438.31
Occupancy	15,354.09	12,122.59	-	5,435.25	719.01	(26,216.00)	-	567,576.61
Occupancy Non-Cash	-	-	-	-	-	-	-	92,799.40
Office Expenses	52,278.89	15,132.66	-	18,795.25	9,151.75	(3,900.00)	-	325,828.95
Office Expenses Non-Cash	-	-	-	-	-	-	-	48,015.70
Operating Transfer To (From)	(70,448.37)	73,121.64	-	547,016.52	(547,016.52)	-	-	-
Travel	51,701.38	692.56	-	1,906.91	270.36	-	-	180,477.75
Travel Non-Cash	-	-	-	-	-	-	-	12,664.35
Vehicle Expenses	279.52	-	-	1,400.58	313.71	-	-	81,685.04
Total Expenses	517,464.80	208,257.45	9,469,797.01	2,060,433.83	(393,446.03)	(1,392,093.75)	-	9,744,691.06
<b>Excess Revenues and Gains</b>								
Over (Under) Expenses	65,720.72	(152,231.95)	(116,805.28)	(633,775.01)	541,165.81	-	-	(209,414.48)
Net Assets, January 31, 2017	(65,720.72)	1,415,184.91	1,464,473.75	633,775.01	-	-	-	2,098,248.76
Net Assets, January 31, 2018	\$ -	\$ 1,262,952.96	\$ 1,347,668.47	\$ -	\$ 541,165.81	\$ -	\$ -	\$ 1,888,834.28

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

**COMMUNITY SERVICES BLOCK GRANT PROGRAM**

CONTRACT NUMBER: PG281700010

For the Program Period October 1, 2016 to September 30, 2017

**Schedule of Revenue and Expenses Compared with Budget**

	<u>10/1/2016</u> <u>1/31/2017</u>	<u>02/01/2017 to</u> <u>09/30/2017</u>	<u>Total</u> <u>Grant</u>
Beginning CSBG Residual Receipts			\$ -
Revenue			
Grant Revenue-CSBG	\$ 270,901	\$ 589,169	860,070
Interest	-	-	-
Other	1,498	2,130	3,628
Total Revenue	<u>272,399</u>	<u>591,299</u>	<u>863,698</u>
Expenditures			
Personnel	136,248	250,276	386,524
Fringe Benefits	43,643	80,458	124,101
Travel/Training	6,596	27,479	34,076
Vehicle Expense	2,461	8,261	10,722
Payment to/for Participants	25,105	145,972	171,078
Occupancy	9,045	17,561	26,607
Operating Expenses	17,838	16,642	34,480
Administrative Expenses	21,587	44,649	66,236
Insurance Expense	9,876	-	9,876
Leveraging - ECIP/LIHEAP	-	-	-
Leveraging - WX LIHEAP	-	-	-
Leveraging - WX Electric Coop	-	-	-
Leveraging - Other CSBG Prgms	-	-	-
Leveraging - Head Start	-	-	-
Total Expenditures	<u>272,399</u>	<u>591,299</u>	<u>863,698</u>
Revenue over(under) Expense	\$ -	\$ -	-
Ending CSBG Residuals			<u>\$ -</u>

## Missouri Ozarks Community Action, Inc.

Subgrant Number: Ameren Gas G17-10-0363-6-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2016 to October 31, 2017

**DIVISION OF ENERGY**

**Beginning Fund Balance** (funds that have been reimbursed but not expensed from the previous grant) 0.00

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 7,763.00

**Program Income** 0.00

**Total Revenue** 7,763.00

**Expenditures**

**Administration** 606.00

**Insurance** 182.00

**Financial Audit** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**Program Operations** 6,975.00

**Total Expenditures** 7,763.00

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0.00

**SUBGRANTEE**

**Beginning Fund Balance** 0.00

**Revenue**

**Grant Income** 7,763.00

**Program Income** 0.00

**Total Revenue** 7,763.00

**Expenditures**

**Administration** 606.00

**Insurance** 182.00

**Financial Audit** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**Program Operations** 6,975.00

**Total Expenditures** 7,763.00

**Ending Fund Balance** 0.00

**Ending Cash on Hand** 0.00

**Ending Inventory** 0.00

## Missouri Ozarks Community Action, Inc.

Subgrant Number: Ameren Gas G18-10-0363-7-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2017 to January 31, 2018

**DIVISION OF ENERGY**

**Beginning Fund Balance** (funds that have been reimbursed but not expensed from the previous grant) 0.00

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 2,665.00

**Program Income** 0.00

**Total Revenue** 2,665.00

**Expenditures**

**Administration** 201.00

**Insurance** 0.00

**Financial Audit** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**Program Operations** 2,464.00

**Total Expenditures** 2,665.00

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0.00

**SUBGRANTEE**

**Beginning Fund Balance** 0.00

**Revenue**

**Grant Income** 2,665.00

**Program Income** 0.00

**Total Revenue** 2,665.00

**Expenditures**

**Administration** 201.00

**Insurance** 0.00

**Financial Audit** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**Program Operations** 2,464.00

**Total Expenditures** 2,665.00

**Ending Fund Balance** 0.00

**Ending Cash on Hand** 0.00

**Ending Inventory** 0.00



## Missouri Ozarks Community Action, Inc.

Subgrant Number: Ameren Electric G17-14-0258-2-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2016 to October 31, 2017

**DIVISION OF ENERGY**

**Beginning Fund Balance** (funds that have been reimbursed but not expensed from the previous grant) 0.00

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 32,654.00

**Program Income** 0.00

**Total Revenue** 32,654.00

**Expenditures**

**Administration** 2,223.00

**Insurance** 552.00

**Financial Audit** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**Program Operations** 29,879.00

**Total Expenditures** 32,654.00

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0.00

**SUBGRANTEE**

**Beginning Fund Balance** 0.00

**Revenue**

**Grant Income** 32,654.00

**Program Income** 26.00

**Total Revenue** 32,680.00

**Expenditures**

**Administration** 2,223.00

**Insurance** 551.00

**Financial Audit** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**Program Operations** 29,906.00

**Total Expenditures** 32,680.00

**Ending Fund Balance** 0.00

**Ending Cash on Hand** 0.00

**Ending Inventory** 0.00

Missouri Ozarks Community Action, Inc.

Subgrant Number: Ameren Electric G18-14-0258-3-12

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2017 to January 31, 2018

**DIVISION OF ENERGY**

**SUBGRANTEE**

**Beginning Fund Balance** (funds that have been reimbursed but not expensed from the previous grant) 0.00

**Beginning Fund Balance** 0.00

**Revenue**

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 10,936.00

**Grant Income** 10,936.00

**Program Income** 0.00

**Program Income** 0.00

**Total Revenue** 10,936.00

**Total Revenue** 10,936.00

**Expenditures**

**Expenditures**

**Administration** 826.00

**Administration** 826.00

**Insurance** 0.00

**Insurance** 0.00

**Financial Audit** 0.00

**Financial Audit** 0.00

**Leveraging** 0.00

**Leveraging** 0.00

**T&TA** 0.00

**T&TA** 0.00

**Program Operations** 10,110.00

**Program Operations** 10,110.00

**Total Expenditures** 10,936.00

**Total Expenditures** 10,936.00

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0.00

**Ending Fund Balance** 0.00

**Ending Cash on Hand** 0.00

**Ending Inventory** 0.00

Missouri Ozarks Community Action, Inc.

Subgrant Number: DOE G-16-EE0006164-4-12

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF July 1, 2016 to June 30, 2017

**DIVISION OF ENERGY**

**SUBGRANTEE**

**Beginning Fund Balance** (funds that have been reimbursed but not expensed from the previous grant) 0.00

**Beginning Fund Balance** 0.00

**Revenue**

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 245,568.00

**Grant Income** 245,568.00

**Program Income** 0.00

**Program Income** 35.00

**Total Revenue** 245,568.00

**Total Revenue** 245,603.00

**Expenditures**

**Expenditures**

**Administration** 16,758.00

**Administration** 16,759.00

**Insurance** 1,914.00

**Insurance** 1,915.00

**Financial Audit** 0.00

**Financial Audit** 0.00

**Leveraging** 5,273.00

**Leveraging** 5,272.00

**T&TA** 14,960.00

**T&TA** 14,964.00

**Program Operations** 206,663.00

**Program Operations** 206,693.00

**Total Expenditures** 245,568.00

**Total Expenditures** 245,603.00

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0.00

**Ending Fund Balance** 0.00

**Ending Cash on Hand** 0.00

**Ending Inventory** 0.00

## Missouri Ozarks Community Action, Inc.

Subgrant Number: DOE G-17-EE0007930-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF July 1, 2017 to January 31, 2018

**DIVISION OF ENERGY**

0 **Beginning Fund Balance** (funds that have been reimbursed but not expensed from the previous grant) 0.00

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 91,488.00

**Program Income** 0.00

**Total Revenue** 91,488.00

**Expenditures**

**Administration** 6,496.00

**Insurance** 1,400.00

**Financial Audit** 0.00

**Leveraging** 186.00

**T&TA** 4,257.00

**Program Operations** 77,956.00

**Total Expenditures** 90,295.00

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 1,193.00

**SUBGRANTEE**

**Beginning Fund Balance** 0.00

**Revenue**

**Grant Income** 91,488.00

**Program Income** 0.00

**Total Revenue** 91,488.00

**Expenditures**

**Administration** 6,496.00

**Insurance** 1,400.00

**Financial Audit** 0.00

**Leveraging** 186.00

**T&TA** 4,257.00

**Program Operations** 77,956.00

**Total Expenditures** 90,295.00

**Ending Fund Balance** 0.00

**Ending Cash on Hand** 1,193.00

**Ending Inventory** 0.00

## Missouri Ozarks Community Action, Inc.

Subgrant Number: G-18-LIHEAP-18-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF October 1, 2017 to January 31, 2018

**DIVISION OF ENERGY****SUBGRANTEE**

<b>Beginning Fund Balance</b> (funds that have been reimbursed but not expensed from the previous grant)	0.00	<b>Beginning Fund Balance</b>	0.00
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
<b>Grant Income</b> (funds that have been reimbursed to the agency from DNR)	96,507.00	<b>Grant Income</b>	96,507.00
<b>Program Income</b>	0.00	<b>Program Income</b>	64.00
<b>Total Revenue</b>	96,507.00	<b>Total Revenue</b>	96,571.00
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
<b>Administration</b>	6,925.00	<b>Administration</b>	6,925.00
<b>Insurance</b>	1,247.00	<b>Insurance</b>	1,247.00
<b>Financial Audit</b>	0.00	<b>Financial Audit</b>	0.00
<b>Leveraging</b>	0.00	<b>Leveraging</b>	0.00
<b>T&amp;TA</b>	0.00	<b>T&amp;TA</b>	0.00
<b>Program Operations</b>	82,861.00	<b>Program Operations</b>	82,863.00
<b>Total Expenditures</b>	91,033.00	<b>Total Expenditures</b>	91,035.00
<b>Ending Fund Balance</b> (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures)	5,474.00	<b>Ending Fund Balance</b>	0.00
		<b>Ending Cash on Hand</b>	5,536.00
		<b>Ending Inventory</b>	0.00

## Missouri Ozarks Community Action, Inc.

Subgrant Number: G-17-LIHEAP-17-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF October 1, 2016 to September 30, 2017

**DIVISION OF ENERGY****SUBGRANTEE**

<b>Beginning Fund Balance</b> (funds that have been reimbursed but not expensed from the previous grant)	0.00	<b>Beginning Fund Balance</b>	0.00
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
<b>Grant Income</b> (funds that have been reimbursed to the agency from DNR)	326,773.00	<b>Grant Income</b>	326,773.00
<b>Program Income</b>	0.00	<b>Program Income</b>	13.33
<b>Total Revenue</b>	326,773.00	<b>Total Revenue</b>	326,786.33
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
<b>Administration</b>	22,963.00	<b>Administration</b>	22,963.00
<b>Insurance</b>	2,239.00	<b>Insurance</b>	2,239.00
<b>Financial Audit</b>	0.00	<b>Financial Audit</b>	0.00
<b>Leveraging</b>	0.00	<b>Leveraging</b>	0.00
<b>T&amp;TA</b>	5,990.00	<b>T&amp;TA</b>	5,989.00
<b>Program Operations</b>	295,581.00	<b>Program Operations</b>	295,595.33
<b>Total Expenditures</b>	326,773.00	<b>Total Expenditures</b>	326,786.33
<b>Ending Fund Balance</b> (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures)	0.00	<b>Ending Fund Balance</b>	0.00
		<b>Ending Cash on Hand</b>	0.00
		<b>Ending Inventory</b>	0.00

**MISSOURI OZARKS COMMUNITY ACTION**

Richland, Missouri

**LOW INCOME HOUSING ENERGY ASSISTANCE PROGRAM**

**CONTRACT NUMBER: ER11017011**

For the Program Period October 1, 2016 to September 30, 2017

**Schedule of Contracted Revenues and Expenses**

Revenue

Contracted Grant Revenue-LIHEAP

Special Start-up	\$	-
Current (initial + amendments)		1,282,342.48
Carryover		3,688.19

Total Contracted Grant Revenues		<u>1,286,030.67</u>
---------------------------------	--	---------------------

Expenditures

Personnel		193,283.25
Travel/Training		1,227.95
Rent/Fuel/Utilities/Insurance		10,192.47
Equipment		-
Supplies		10,392.95
Communication Services		-
Repair and Maintenance		-
Other		25,221.86
Total Administrative/ Program Services		<u>240,318.48</u>

ECIP Direct Services

Winter		694,396.19
Summer		351,316.00
Total ECIP Direct Services		<u>1,045,712.19</u>

Outreach & Education

Total Outreach & Education		<u>-</u>
Total Expenditures		<u>1,286,030.67</u>

Contracted Revenue over (under) Expenditures 0.00

Transfer from CSBG 0.00

Ending Program Balance	\$	<u><u>-</u></u>
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**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

HEAD START PROGRAM

GRANT NO. 07CH010350-02-05

For the Program Year Ended January 31, 2018

Schedule of Revenue and Expenses Compared with Budget

	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
<u>REVENUE</u>			
Grant Revenue - Head Start	\$ 4,450,062	\$ 4,332,759	\$ (117,303)
Grant Revenue - CACFP	270,000	264,388	(5,612)
Grantee's In-Kind Contributions	842,516	941,053	98,537
Donations	-	-	-
Other Income	-	-	-
Interest Income	-	-	-
Short Fall Income	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL REVENUE	5,562,578	5,538,200	(24,378)
<u>EXPENSES</u>			
Direct Costs			
Personnel	2,155,218	2,150,421	4,797
Fringe Benefits	989,072	960,192	28,880
Travel	12,894	14,696	(1,802)
Equipment	-	-	-
Supplies	136,372	143,028	(6,656)
Other	1,006,074	908,876	97,198
Indirect Costs	420,432	419,933	499
	<hr/>	<hr/>	<hr/>
Total Federal Expenses	4,720,062	4,597,147	122,915
Grantee's In-Kind Expenses			
Personnel and Supplies	842,516	941,053	(98,537)
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	5,562,578	5,538,200	24,378
	<hr/>	<hr/>	<hr/>
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -	\$ -



**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

HEAD START PROGRAM

GRANT NO. 07CH010350-02-05

For the Program Year Ended January 31, 2018

Reconciliation of Final Financial Report to Audited Financial Statements

	<u>UNOBLIGATED BALANCE OF FEDERAL FUNDS</u>
Unobligated Balance of Federal Funds on Financial Status Report	\$ 117,303.31
Adjustments: None	<u>-</u>
Balance of Grant Funds Not Received to Carryover to Program Year Ending January 31, 2016	<u>\$ 117,303.31</u>

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
Richland, Missouri

Schedule of Expenditures of Federal Awards  
For the Year Ended January 31, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Year End	Pass Through Identifying Number	CFDA #	Federal Expenditures
<b><u>U.S. Department of Health and Human Services</u></b>				
Direct Programs:				
Head Start	1/31/2018	N/A	93.600	(M) \$ 4,332,758.69
Pass-through Programs:				
State of Missouri Department of Social Services - Family Support Division				
Low-Income Home Energy Assistance Program (ECIP)	9/30/2017	ERS11017011	93.568	1,149,473.51
Low-Income Home Energy Assistance Program (ECIP)	9/30/2018	ERS11017011	93.568	348,436.72
State of Missouri Department of Natural Resources				
Weatherization Assistance for Low-Income Individuals	9/30/2017	G-17-LIHEAP-17-12	93.568	186,192.00
Weatherization Assistance for Low-Income Individuals	9/30/2018	G-18-LIHEAP-18-12	93.568	90,969.24
		Total	93.568 (M)	1,775,071.47
State of Missouri Department of Social Services - Family Support Division				
Community Services Block Grant	9/30/2017	PG281700010	93.569	589,169.36
Community Services Block Grant	9/30/2018	PG281800010	93.569	255,074.75
		Total	93.569 (M)	844,244.11
Total U.S. Department of Health and Human Services				6,952,074.27
<b><u>U.S. Department of Energy</u></b>				
Pass-through Programs				
State of Missouri Department of Natural Resources				
Weatherization Assistance for Low-Income Individuals	6/30/2017	G-16-EE00006164-4-12	81.042	116,943.00
Weatherization Assistance for Low-Income Individuals	6/30/2018	G-17-EE00007930-12	81.042	90,295.00
		Total	81.042	207,238.00
Total U.S. Department of Energy				207,238.00

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
 Richland, Missouri

Schedule of Expenditures of Federal Awards  
 For the Year Ended January 31, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Year End	Pass Through Identifying Number	CFDA #	Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>				
Passed-through:				
State of Missouri Department of Mental Health Shelter Plus Program	5/31/2017	SCR6-MO0120L7E061507	14.238	\$ 38,083.58
Shelter Plus Program	5/31/2018	SCR6-MO0120L7E061507	14.238	90,016.00
		Total	14.238	<u>128,099.58</u>
Pulaski County Public Housing Authority Section 8 Housing Choice Vouchers	12/31/2017	MO207	14.871	1,400,935.00
Section 8 Housing Choice Vouchers	12/31/2018	MO207	14.871	145,576.00
		Total	14.871 (M)	<u>1,546,511.00</u>
Total U.S. Department of Housing and Urban Development				<u>1,674,610.58</u>

**U.S. Department of Agriculture**

Passed-through:				
State of Missouri Department of Health and Senior Services Child and Adult Care Food Program	9/30/2018	ERS46110026	10.558	264,387.93
Total U.S. Department of Agriculture				<u>264,387.93</u>
Total Expenditures of Federal Awards				<u>\$ 9,098,310.78</u>

**NOTE A -- BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Missouri Ozarks Community Action, Inc. and is presented on the accrual basis of accounting, except for subsidy programs, which follows REAC PHA - Financial Accounting Brief - Accounting Issue #10, which defines a Federal expenditure expended for single audit purposes as when dollars are received. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE B --INDIRECT COST RATE**

Missouri Ozarks Community Action, Inc. did not elect to use the 10% de minimis cost rate, as it does not qualify.

(M) = Major Program

**JARRED, GILMORE & PHILLIPS, PA**  
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors  
Missouri Ozarks Community Action, Inc.  
Richland, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Missouri Ozarks Community Action, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of January 31, 2018, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 13, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Missouri Ozarks Community Action, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Missouri Ozarks Community Action, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Missouri Ozarks Community Action, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Missouri Ozarks Community Action, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

September 13, 2018  
Chanute, Kansas

**JARRED, GILMORE & PHILLIPS, PA**  
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors  
Missouri Ozarks Community Action, Inc.  
Richland, Missouri

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

We have audited Missouri Ozarks Community Action, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Missouri Ozarks Community Action, Inc.'s major federal programs for the year ended January 31, 2018. Missouri Ozarks Community Action Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Missouri Ozarks Community Action, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Missouri Ozarks Community Action, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Missouri Ozarks Community Action, Inc.'s compliance.

***Opinion on Each Major Federal Program***

In our opinion, Missouri Ozarks Community Action, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended January 31, 2018.

### **Report on Internal Control Over Compliance**

Management of Missouri Ozarks Community Action, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Missouri Ozarks Community Action, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Missouri Ozarks Community Action, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

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.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

September 13, 2018  
Chanute, Kansas

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
Richland, Missouri

Schedule of Findings and Questioned Costs  
For the Year Ended January 31, 2018

**I. SUMMARY OF AUDITORS' RESULTS**

**Financial Statements:**

The auditors' report expresses an unmodified opinion on the consolidated financial statements of Missouri Ozarks Community Action, Inc.

**Internal Control over Financial Reporting:**

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported
Non compliance or other matters required to be reported under <i>Government Auditing Standards</i> ?	_____	Yes	_____ <u>X</u> _____	No

**Federal Awards:**

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported

The auditors' report on compliance for the major federal award programs for Missouri Ozarks Community Action, Inc. expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? \_\_\_\_\_ Yes X No

Identification of major programs:

<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>	
Section 8 Housing Choice Vouchers	CFDA 14.871
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>	
Head Start	CFDA 93.600
Low-Income Home Energy Assistance Program	CFDA 93.568
Community Services Block Grant	CFDA 93.569

The threshold for distinguishing Types A and B programs was \$750,000.00.

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



**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
Richland, Missouri

Schedule of Findings and Questioned Costs  
(Continued)  
For the Year Ended January 31, 2018

**II. FINANCIAL STATEMENT FINDINGS**

None

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

**MISSOURI OZARKS COMMUNITY ACTION, INC.**  
Richland, Missouri

Summary Schedule of Prior Audit Findings  
For the Year Ended January 31, 2018

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None