

**PULASKI COUNTY**  
**PUBLIC HOUSING AUTHORITY**  
Richland, Missouri

HUD Project No. MO207

Independent Auditors' Report  
and Financial Statements with  
Supplementary Information

For the Year Ended December 31, 2021

**PULASKI COUNTY  
PUBLIC HOUSING AUTHORITY**  
Richland, Missouri

December 31, 2021

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# Management Discussion and Analysis

## Pulaski County Public Housing Authority

As Management of the Pulaski County Public Housing Authority we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2021.

### **FINANCIAL HIGHLIGHTS**

Total Assets of the Authority decreased \$-83,825 as of December 31, 2021, over the prior year.

An increase in Housing Assistance Subsidy contributed to an decrease of Operating Revenue of the Authority by \$ -69,336 from the prior year.

Total Operating Expenses increased \$ 79,365 including an increase in Housing Assistance payments of \$ 56,245 and an increase in administrative expenses of \$21,213.

### **OVERVIEW**

The PHA administers the Housing and Urban Development (HUD) Housing Choice Voucher Program serving a baseline of 394 households in Camden, Laclede, Miller, and Pulaski counties of rural Missouri. The purpose of this program is to assist low-income families to live in safe, decent, and affordable housing.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The Authority prepares its financial statements using proprietary fund accounting. Propriety fund accounting uses full accrual basis principals. Revenues are recognized as earned and expenditures are recorded when incurred. The Authority receives funding from numerous sources. In order to properly account for the funds and restrictions on them, our accounts are maintained in accordance with the principals of fund accounting.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely an enterprise fund which is a proprietary fund type.

The Authority's financial statements consist of two parts - management's discussion and analysis and the basic financial statements. The basic financial statements include the Authority's financial statements and notes to the financial statements.

- The financial statements provide information about the Authority's overall financial position and results from operations. These statements, which are presented on the accrual basis, consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.
- The financial statements also include a "Notes to Financial Statements" section that provides additional information that is essential to a full understanding of the data provided in the statements.

The statements report information about the Authority as a whole using accounting methods similar to those used in private sector companies. The Statement of Net Position includes all of the Authority's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position, regardless of when cash is received or paid.

The Authority's statements report the Authority's net position and how it changed. Net position, the difference between the Authority's assets and liabilities, is one way to measure the Authority's financial position.

The Authority's Financial Statements are presented to provide readers with a broad overview of the Authority's finances much the same way as a private sector business does. The Combining Schedules provide more detailed information about the Authority's most significant activities. These statements are divided into programs of related accounts that are used to maintain control over resources that have been segregated into specific activities, objectives or programs.

#### Significant Programs

The Authority has two programs that are consolidated into a single enterprise fund. The major program consists of the following:

Section 8 Housing Assistance – Vouchers – The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Housing choice vouchers are administered locally by PHAs. The PHAs receive funds from HUD to administer the voucher program. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

## AN OVERVIEW OF THE AUTHORITY WIDE FINANCIAL POSITION AND OPERATIONS

The Authority's overall financial position and operations are presented below.

	FY 2020	FY 2021
Current Assets	\$ 788,604	\$ 706,900
Capital Assets, Net of Depreciation	5,834	3,713
Total Assets	<u>\$ 794,438</u>	<u>\$ 710,613</u>
Current Liabilities	\$ 113,015	\$ 107,630
Non-Current Liabilities	-	-
Deferred Inflows of Resources	-	-
Total Liabilities	<u>113,015</u>	<u>107,630</u>
Net Position		
Net Investment in Capital Assets	5,834	3,713
Restricted for Housing Assistance Payments	162,625	3,936
Unrestricted Net Assets	<u>512,964</u>	<u>595,334</u>
Total Net Position	<u>681,423</u>	<u>602,983</u>
Total Liabilities & Net Position	<u>\$ 794,438</u>	<u>\$ 710,613</u>

### Assets:

Current Assets are \$ 706,900 for the year ended December 31, 2021, compared to Current Assets of \$ 788,604 for the year ended December 31, 2020, showing a decrease of \$-81,704. This change is mainly due to a decrease in cash.

### Liabilities:

Current Liabilities decreased for the year ended December 31, 2021 by \$ -5,385 which is attributable to a decrease in unearned revenue at December 31, 2021.

### Net Position:

The restricted portion of Net Position represents funds that are to be used for Housing Assistance Payments in the Housing Choice Program. They are not to be used for administrative expenses or any other program.

### Capital Assets:

	FY 2020	FY 2021
Furniture, Equipment & Machinery - Administration	\$ 32,889	\$ 32,889
Accumulated depreciation	<u>(27,055)</u>	<u>(29,176)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 5,834</u>	<u>\$ 3,713</u>

**Change in Net Position:**

	2020	2021	Increase (Decrease)
Operating Revenue:			
HUD PHA Housing Choice Vouchers	\$ 1,812,425	\$ 1,739,068	\$ (73,357)
Fraud Recovery	5,195	6,600	1,405
Other Revenue	644	3,260	2,616
Total Operating Revenue	<u>1,818,264</u>	<u>1,748,928</u>	<u>(69,336)</u>
Operating Expenses:			
Administrative	203,896	225,109	21,213
Tenant Services	-	-	-
Utilities	6,340	5,008	(1,332)
Maintenance and Operations	-	-	-
Insurance, Taxes, and Bad Debt	3,894	7,134	3,240
Housing Assistance	1,532,588	1,588,833	56,245
Depreciation Expense	2,122	2,121	(1)
Bad Debt Expense - Fraud	-	-	-
Total Operating Expenses	<u>1,748,840</u>	<u>1,828,205</u>	<u>79,365</u>
Operating Income (Loss)	69,424	(79,277)	(148,701)
Nonoperating Revenue (Expense)			
Interest Income	5,024	837	(4,187)
Net Nonoperating Revenue (Expense)	<u>5,024</u>	<u>837</u>	<u>(4,187)</u>
Change in Net Position	74,448	(78,440)	(152,888)
Beginning Net Position	<u>606,975</u>	<u>681,422</u>	<u>74,447</u>
Ending Net Position	<u>\$ 681,423</u>	<u>\$ 602,982</u>	<u>\$ (78,441)</u>

**Revenues:**

Operating revenue was down for 2021 for a total of \$ -69,336. The majority of this was a change in the grants received from HUD. The Authority received \$ -73,357 less in 2021 for Housing Assistance Payments and administration expense than what was received in 2020. There was also \$ 1,405 more in fraud recovery revenue and \$ 2,616 more in other revenue. Other revenue consists mainly of funds received from administrators of other housing vouchers for clients who have moved to our area, but are still recipients under their program. We then pay the rental assistance payments out of these funds.

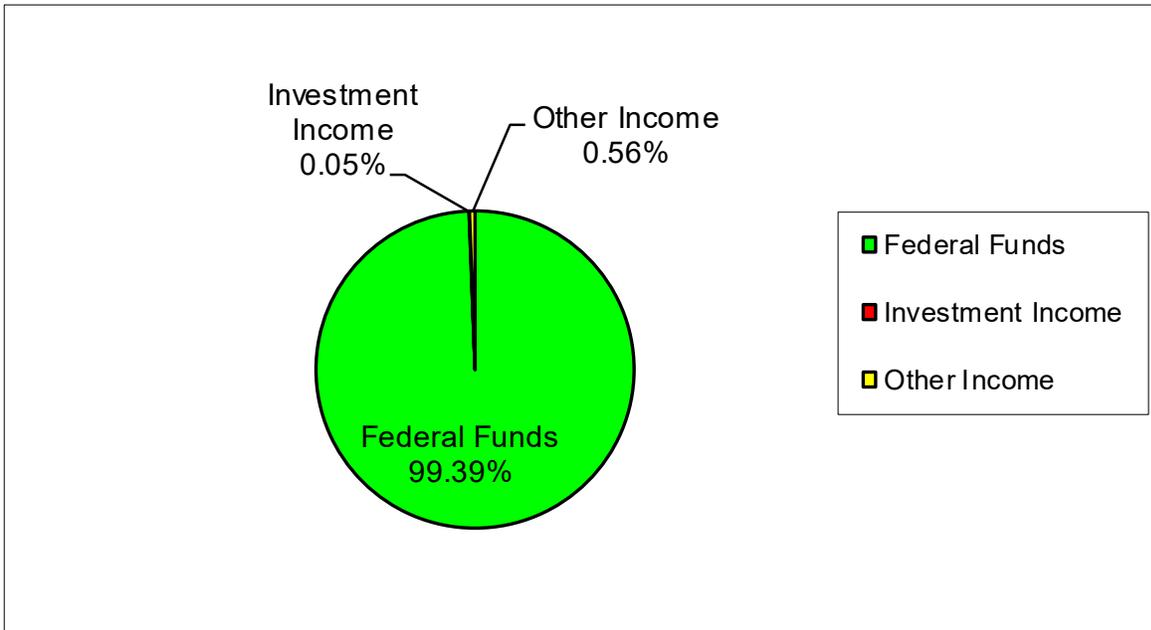
**Expenses:**

Expenses increased over the previous year by \$ 79,365. This included an increase in housing assistance payments of \$ 56,245. The remaining expenses increased by \$ 23,120 over the prior year.

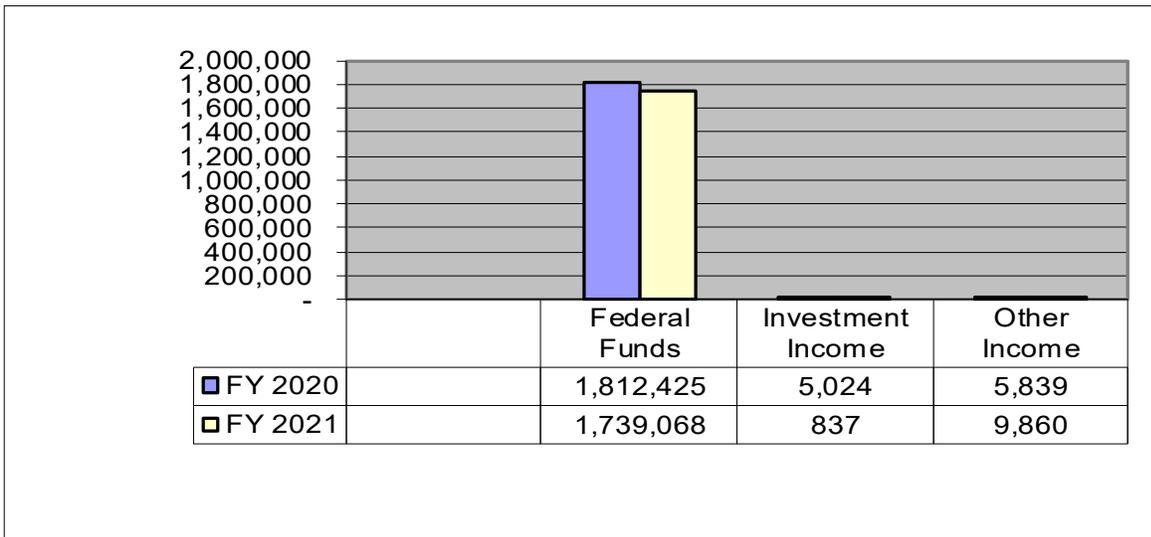
**SIGNIFICANT CHANGES IN INDIVIDUAL PROGRAMS**

No significant changes have taken place in the Housing Choice Voucher Program in the last year.

Revenue Sources 2021



Housing Authority Revenue



**POTENTIAL IMPACTS ON FINANCIAL POSITION**

The Authority receives approximately 99.39% of its funding from Federal sources. These funds are always at the discretion of the President and Congress. When looking at our overall revenue picture, Federal funding decreased from FY 2020 to FY 2021. Federal funds are expected to remain constant in FY 2022.

**COMPARISON OF BUDGETED RESULTS TO ACTUAL**

	Actual FY 2021	Budgeted FY 2021	Dif. Amount	Dif. Percent
HUD Operating Grants	\$ 1,739,068	\$ 1,739,068	\$ -	0.0%
Other Revenue	10,697	-	10,697	
Total Revenue	<u>1,749,765</u>	<u>1,739,068</u>	<u>10,697</u>	<u>0.6%</u>
Administrative	225,109	226,060	951	-0.4%
Maintenance	-	-	-	
Other	12,142	8,900	(3,242)	36.4%
Total Operating Expenses	<u>237,251</u>	<u>234,960</u>	<u>2,291</u>	<u>1.0%</u>
Housing Assistance Payments	1,588,833	1,614,103	25,270	-1.6%
Other	2,121	40	(2,081)	5202.5%
Total Expenses	<u>1,828,205</u>	<u>1,849,103</u>	<u>(20,898)</u>	<u>-1.1%</u>
Excess (Deficiency) of Total Revenue over (Under) Total Expenses	<u>\$ (78,440)</u>	<u>\$ (110,035)</u>	<u>\$ (31,595)</u>	

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Authority's accountability for all those interested. If you have additional questions regarding financial information, you can contact our office in writing at the following address:

The Pulaski County Public Housing Authority  
Attn: Finance Manager  
P.O. BOX 69  
Richland, Missouri 65556

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

**INDEPENDENT AUDITORS' REPORT**

Board of Commissioners  
Pulaski County Public Housing Authority  
Richland, Missouri

**Report on the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Pulaski County Public Housing Authority, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position Pulaski County Public Housing Authority, as of December 31, 2021, and the respective changes in financial position and 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pulaski County Public Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Pulaski County Public Housing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibility***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i-vi be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Pulaski County Public Housing Authority's basic financial statements. The accompanying financial data schedule and 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*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2022 on our consideration of Pulaski County Public Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA

August 3, 2022  
Chanute, Kansas

**PULASKI COUNTY PUBLIC HOUSING AUTHORITY**

Richland, Missouri

**HUD Project No. MO207**

STATEMENT OF NET POSITION

December 31, 2021

ASSETS

CURRENT ASSETS	
Cash - Unrestricted	\$ 615,663
Cash - Restricted	88,294
Total Cash	<u>703,957</u>
Accounts Receivable	89,269
Less: Allowance for Doubtful Accounts	(86,326)
Net Accounts Receivable	<u>2,943</u>
Total Current Assets	<u>706,900</u>
NONCURRENT ASSETS	
Capital Assets	
Furniture and Equipment - Administration	32,889
Less: Accumulated Depreciation	(29,176)
Net Capital Assets	<u>3,713</u>
TOTAL ASSETS	<u>\$ 710,613</u>

LIABILITIES AND NET POSITION

CURRENT LIABILITIES	
Accounts Payable	\$ -
Accrued Compensated Absences	6,416
Due to HUD	16,856
Refundable Grant Advance	<u>84,358</u>
Total Current Liabilities	<u>107,630</u>
NET POSITION	
Net Investment in Capital Assets	3,713
Unrestricted	595,334
Restricted For:	
Housing Choice Vouchers	<u>3,936</u>
TOTAL NET POSITION	<u>602,983</u>
DEFERRED INFLOW OF RESOURCES	<u>-</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 710,613</u>

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

**PULASKI COUNTY PUBLIC HOUSING AUTHORITY**  
Richland, Missouri  
**HUD Project No. MO207**

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
For the Year Ended December 31, 2021

OPERATING REVENUE	
Other Operating Revenue	
HUD PHA Housing Choice Vouchers	\$ 1,739,068
Fraud Recovery	6,600
Other Revenue	3,260
	1,748,928
Total Operating Revenue	
	1,748,928
OPERATING EXPENSES	
Administrative	224,655
Utilities	7,477
Insurance	4,396
Other General Expense	2,020
Housing Assistance Payments	1,587,536
Depreciation Expense	2,121
	1,828,205
Total Operating Expenses	
	1,828,205
OPERATING INCOME	(79,277)
NONOPERATING REVENUE (EXPENSE)	
Interest Income	837
	837
CHANGE IN NET POSITION	(78,440)
TOTAL NET POSITION - BEGINNING	681,423
TOTAL NET POSITION - ENDING	\$ 602,983

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

**PULASKI COUNTY PUBLIC HOUSING AUTHORITY**  
Richland, Missouri  
**HUD Project No. MO207**

STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Grants	\$ 1,732,534
Receipts from Others	9,860
Payments to Employees	(167,651)
Payments to Landlords and Tenants	(1,587,536)
Payments to Suppliers and Vendors	<u>(70,910)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(83,703)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Payments for Purchase of Capital Assets	-
Cash Received from Interest	<u>837</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>837</u>
NET INCREASE (DECREASE) IN CASH	(82,866)
CASH - BEGINNING OF YEAR	<u>786,823</u>
CASH - END OF YEAR	<u><u>\$ 703,957</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ (79,277)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation Expense	2,121
Change in assets and liabilities:	
(Increase) Decrease in Accounts Receivable	(1,162)
(Decrease) Increase Accounts Payable	-
(Decrease) Increase in Accrued Compensated Absences	(13)
(Decrease) Increase in Unearned Revenue	(5,372)
(Decrease) Increase in Deferred Inflows	-
Total Adjustments	<u>(4,426)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ (83,703)</u></u>

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

**PULASKI COUNTY  
PUBLIC HOUSING AUTHORITY**  
Richland, Missouri  
**HUD Project No. MO207**

Notes to Financial Statements  
December 31, 2021

**1. NATURE OF ORGANIZATION**

Organization and Purpose

Pulaski County Public Housing Authority (“the Authority”) is a component unit of Pulaski County, Missouri, as administered by Missouri Ozarks Community Action, Inc. (MOCA), and is a public housing authority providing housing assistance and utility assistance to individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other Federal agencies.

The Authority is governed by a Board of Commissioners consisting of county officials from each of the counties served by the HUD voucher program, personal representatives of the low-income population for those counties, and other interested citizens of those communities. Pulaski County, Missouri is the signatory commission to the HUD contracts.

MOCA serves as the administrative entity for Pulaski County Public Housing Authority. As such, all funds are held by MOCA, and financial transactions are processed through its administrative offices.

These financial statements include only the funds of the HUD Project No. MO207.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Accounting Standards Board Codifications. The reporting entity is defined as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the components unit’s board, and either a) the ability to impose the primary government’s will, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. There were no component units.

Basis of Accounting

The Authority’s financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements.

All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management a control, accountability, or other purposes.

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

Basis of Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are grants provided by federal agencies. Operating expenses for proprietary funds include the cost of housing assistance payments and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net Position (i.e., total assets net of total liabilities) are segregated into invested in capital assets, net of related debt and unrestricted components.

Cash and Cash Equivalents

For the statement of cash flows, all unrestricted investment instruments are cash equivalents.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is based upon management's evaluation of the collectability of outstanding grant receivables and other receivables at the end of the year.

Capital Assets

The Authority capitalizes all costs in excess of \$500 for property and equipment at cost. If items are donated, they are recorded at fair value at the date of donation. Renewals and betterments are capitalized as additions to the appropriate asset accounts, while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense as incurred. Donated assets are recorded at fair value at date of donation. Capital assets are depreciated using the straight-line method over the useful lives of the assets. Depreciation is provided on the straight-line method over the estimated useful lives of the respective classes of property. Estimated useful lives are as follows:

Buildings	15 to 45 Years
Furniture and Equipment	3 to 10 Years
Leasehold Improvements	15 Years

When properties are disposed of, the related cost and accumulated depreciation are removed from the account and profit or loss upon disposal is reflected in operations.

Unearned Revenue

Unearned revenue consists of amounts received HUD in advance of meeting eligibility requirements other than timing. The funding from HUD for administrative fees is based on the number of vouchers leased, which is not a timing requirement but an eligibility requirement as defined by HUD accounting briefs.

Federal Income Tax Status

The Authority is a governmental organization which is subsidized by the Federal Government. The Authority is exempt from Federal and State income tax.

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

### Net Position

The Authority's net position is classified as follows:

*Net Investment in capital assets* consists of capital assets, including restricted capital assets, reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets. If there are significant unspent proceeds from capital related debt at year-end, this component does not include the portion of the debt attributable to those proceeds. Instead, that debt is placed in the net assets component that includes the unspent proceeds.

*Restricted*- reports the component of net position with limits on their use that are externally imposed by creditors, grantors, contributors, or the laws and regulations of other governments.

*Unrestricted*- reports the component of net position 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 position arising from exchange transactions 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.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Agency's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

### Regulations of U.S. Department of Housing and Urban Development (HUD)

The public housing complex is a subsidized project and is subject to HUD regulations.

### 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **3. DEPOSITS AND INVESTMENTS**

*Custodial Credit Risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it.

At year-end the carrying amount of the Authority's deposits, including certificates of deposit, was \$703,957. The administrative entity (Missouri Ozarks Community Action, Inc.) has obtained securities pledged above FDIC coverage. The bank balance was held by one bank, resulting in a concentration of credit risk. The pledged securities are held under a tri-party custodial agreement signed by all three parties: MOCA, the pledging bank, and the independent third-party bank holding the pledged securities.

**4. RECEIVABLES, NET**

Receivables at December 31, 2021, consist of amounts due under the following:

Accounts Receivable:	
Fraud receivables	\$ 89,269
Less: Allowance for doubtful accounts	<u>(86,326)</u>
Total Receivables	<u>\$ 2,943</u>

**5. CHANGES IN CAPITAL ASSETS**

The following is a summary of the changes in capital assets for the year ended December 31, 2021:

	<u>12/31/20</u>	<u>Additions</u>	<u>Retirements</u>	<u>12/31/21</u>
Furniture & Equipment	\$ 32,889	\$ --	\$ --	\$ 32,889
Total Capital Assets	<u>32,889</u>	<u>--</u>	<u>--</u>	<u>32,889</u>
Accumulated Depreciation	<u>(27,055)</u>	<u>\$ (2,121)</u>	<u>\$ --</u>	<u>(29,176)</u>
Net Capital Assets	<u>\$ 5,834</u>			<u>\$ 3,713</u>

**6. CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS**

The Authority receives virtually all of its revenues through a contract with the Department of Housing and Urban Development. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

**7. 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 on January 1 of each year. Vacation time is earned on a graduated scale ranging from 2 to 3 hours per week based on years of service from one year to five years and over.

**7. COMPENSATED ABSENCES** (Continued)

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 Authority at 1 hour of pay for every 2 hours of sick leave in excess of 240 hours after January 1 of each year. Unused time earned for sick leave is lost if the employee is terminated for any reason.

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

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

In accordance with the above criteria, a liability for accrued vacation has been accrued in these financial statements. However, the Authority has not accrued the liability for sick pay which has been earned, but not taken by Authority employees, as the amounts cannot be reasonably determined.

**8. RESTRICTED CASH**

In accordance with HUD regulations, an amount equal to Housing Assistance Payments (HAP) equity in the Housing Choice Voucher program is considered to be restricted cash and amounts received but recorded as deferred inflows for future HAP payments. This amount may not be used for any purpose other than HAP payments.

At December 31, 2021, the amounts restricted for HAP was:

Housing Choice Voucher Program	\$ 3,937
Housing Choice Voucher CARES Program	<u>84,357</u>
	<u>\$ 88,294</u>

**9. RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The Authority manages these risks through the purchase of various insurance policies.

**10. AFFILIATED ORGANIZATIONS**

As discussed in Note 1, the Authority is administered by Missouri Ozarks Community Action, Inc. (MOCA). The Authority would be considered an affiliated organization of MOCA and is included as such in their financial statements.

**11. CONTINGENCIES**

The Authority is subject to possible examination by Federal and State authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years.

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the “COVID-19 outbreak”) and the risk to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Housing Authority’s financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Housing Authority is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2020. Our results of operations for full year 2021 may be materially adversely affected.

**12. SUBSEQUENT EVENTS**

The Authority evaluated events and transactions occurring subsequent to year-end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

## **SUPPLEMENTARY INFORMATION**

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
111 Cash - Unrestricted	\$615,662		\$615,662	\$615,662
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted	\$3,936	\$84,357	\$88,293	\$88,293
114 Cash - Tenant Security Deposits				
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$619,598	\$84,357	\$703,955	\$703,955
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants				
126.1 Allowance for Doubtful Accounts - Tenants				
126.2 Allowance for Doubtful Accounts - Other				
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery	\$89,269		\$89,269	\$89,269
128.1 Allowance for Doubtful Accounts - Fraud	-\$86,326		-\$86,326	-\$86,326
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,943	\$0	\$2,943	\$2,943
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets				
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$622,541	\$84,357	\$706,898	\$706,898
161 Land				
162 Buildings				
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration	\$32,889		\$32,889	\$32,889
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$29,176		-\$29,176	-\$29,176
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,713	\$0	\$3,713	\$3,713
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$3,713	\$0	\$3,713	\$3,713
200 Deferred Outflow of Resources				

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
290 Total Assets and Deferred Outflow of Resources	\$626,254	\$84,357	\$710,611	\$710,611
311 Bank Overdraft				
312 Accounts Payable <= 90 Days				
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable				
322 Accrued Compensated Absences - Current Portion	\$6,416		\$6,416	\$6,416
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs	\$16,856		\$16,856	\$16,856
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits				
342 Unearned Revenue		\$84,357	\$84,357	\$84,357
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$23,272	\$84,357	\$107,629	\$107,629
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0
300 Total Liabilities	\$23,272	\$84,357	\$107,629	\$107,629
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets				
511.4 Restricted Net Position	\$3,938		\$3,938	\$3,938
512.4 Unrestricted Net Position	\$599,044	\$0	\$599,044	\$599,044
513 Total Equity - Net Assets / Position	\$602,982	\$0	\$602,982	\$602,982
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$626,254	\$84,357	\$710,611	\$710,611

Pulaski County Housing Authority (MO207)

Richland, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
70300 Net Tenant Rental Revenue				
70400 Tenant Revenue - Other				
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$1,733,111	\$5,957	\$1,739,068	\$1,739,068
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted	\$837		\$837	\$837
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery	\$6,600		\$6,600	\$6,600
71500 Other Revenue	\$3,260		\$3,260	\$3,260
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$1,743,808	\$5,957	\$1,749,765	\$1,749,765
91100 Administrative Salaries	\$129,316	\$1,056	\$130,372	\$130,372
91200 Auditing Fees	\$5,400		\$5,400	\$5,400
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative	\$33,949	\$365	\$34,314	\$34,314
91600 Office Expenses	\$26,357	\$110	\$26,467	\$26,467
91700 Legal Expense				
91800 Travel	\$2,282		\$2,282	\$2,282
91810 Allocated Overhead	\$24,084	\$55	\$24,139	\$24,139
91900 Other	\$2,135		\$2,135	\$2,135
91000 Total Operating - Administrative	\$223,523	\$1,586	\$225,109	\$225,109
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other				
92500 Total Tenant Services	\$0	\$0	\$0	\$0
93100 Water				
93200 Electricity				
93300 Gas				
93400 Fuel				
93500 Labor				

Pulaski County Housing Authority (MO207)  
 Richland, MO

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
93600 Sewer				
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense	\$5,008		\$5,008	\$5,008
93000 Total Utilities	\$5,008	\$0	\$5,008	\$5,008
94100 Ordinary Maintenance and Operations - Labor				
94200 Ordinary Maintenance and Operations - Materials and Other				
94300 Ordinary Maintenance and Operations Contracts				
94500 Employee Benefit Contributions - Ordinary Maintenance				
94000 Total Maintenance	\$0	\$0	\$0	\$0
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$1,487		\$1,487	\$1,487
96120 Liability Insurance				
96130 Workmen's Compensation	\$2,940	\$24	\$2,964	\$2,964
96140 All Other Insurance	\$663		\$663	\$663
96100 Total insurance Premiums	\$5,090	\$24	\$5,114	\$5,114
96200 Other General Expenses				
96210 Compensated Absences				
96300 Payments in Lieu of Taxes				
96400 Bad debt - Tenant Rents				
96500 Bad debt - Mortgages				
96600 Bad debt - Other	\$2,020		\$2,020	\$2,020
96800 Severance Expense				
96000 Total Other General Expenses	\$2,020	\$0	\$2,020	\$2,020
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$235,641	\$1,610	\$237,251	\$237,251
97000 Excess of Operating Revenue over Operating Expenses	\$1,508,167	\$4,347	\$1,512,514	\$1,512,514
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments	\$1,583,189	\$4,347	\$1,587,536	\$1,587,536
97350 HAP Portability-In	\$1,297		\$1,297	\$1,297
97400 Depreciation Expense	\$2,121		\$2,121	\$2,121
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				

Pulaski County Housing Authority (MO207)  
 Richland, MO  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2021

	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	Total
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$1,822,248	\$5,957	\$1,828,205	\$1,828,205
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$78,440	\$0	-\$78,440	-\$78,440
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$681,422	\$0	\$681,422	\$681,422
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity	\$599,044		\$599,044	\$599,044
11180 Housing Assistance Payments Equity	\$3,938		\$3,938	\$3,938
11190 Unit Months Available	4728	0	4728	4728
11210 Number of Unit Months Leased	4295	0	4295	4295
11270 Excess Cash				
11610 Land Purchases				
11620 Building Purchases				
11630 Furniture & Equipment - Dwelling Purchases				
11640 Furniture & Equipment - Administrative Purchases				
11650 Leasehold Improvements Purchases				
11660 Infrastructure Purchases				
13510 CFFP Debt Service Payments				
13901 Replacement Housing Factor Funds				

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

**INDEPENDENT AUDITORS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES**

Board of Commissioners  
Pulaski County  
Public Housing Authority  
Richland, Missouri

We have performed the procedure described in the second paragraph of this report on whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. Pulaski County Public Housing Authority is responsible for the accuracy and completeness of the electronic submission.

Pulaski County Public Housing Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to determine whether the electronic submission of certain information agrees with the related hard copy documents within the audit reporting package. Additionally, the U.S. Department of Housing and Urban Development Real Estate Assessment Center (REAC) has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The associated findings from the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged by Pulaski County Public Housing Authority to perform this agreed-upon procedure engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Pulaski County Public Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

We were engaged to perform an audit in accordance with the audit requirements of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, for Pulaski County Public Housing Authority as of and for the year ended December 31, 2021, and have issued our reports thereon dated August 3, 2022. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated August 3, 2022, was expressed in relation to the basic financial statements of Pulaski County Public Housing Authority taken as a whole.

A copy of the reporting package required by OMB Administrative Requirements, which includes the auditors' reports, is available in its entirety from Pulaski County Public Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, PIH-REAC.

The purpose of this report on applying agreed-upon procedures is solely to describe the procedures performed on the electronic submission of the items listed in the "UFRS Rule Information" column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

August 3, 2022  
Chanute, Kansas

<b>UFRS Rule Information</b>	<b>Hard Copy Documents (s)</b>	<b>Agrees</b>
Balance Sheet, Revenue and Expense (data line items 111 to 11210)	Financial Data Templates	X
Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	X
Type of Opinion on Financial Statements and Auditor Reports (data element G5100-010)	Auditor's supplemental report on Financial Data Templates	X
Type of Opinion on Financial Data Templates (i.e., Supplemental Data) (account S3400-100)	Auditor's Supplemental Report on Financial Data Templates	X
Audit findings narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	X
General information (data element series G2000, G2100, G2200, G9000, G9100)	Schedule of Findings and Questioned Costs and Federal Awards Data	X
Financial statement report information (data element G3000-005 to G3000-080)	Schedule of Findings and Questioned Costs	X
Federal program report information (data element G4000-010 to G4000-040)	Schedule of Findings and Questioned Costs	X
Basic financial statements and auditor's reports required to be submitted electronically	Basic financial statements (inclusive of auditor's reports)	X

**PULASKI COUNTY  
PUBLIC HOUSING AUTHORITY**  
Richland, Missouri  
**HUD Project No. MO207**

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2021

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH IDENTIFYING NUMBER	FEDERAL CFDA NUMBER	PROVIDED TO SUBRECIPIENTS	DISBURSE- MENTS/ EXPENDITURES
<b><u>U.S. Department of Housing &amp; Urban Development</u></b>				
Direct Grant				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	N/A	14.871	\$ -	\$ 1,733,111
COVID-19 Section 8 Housing Choice Vouchers	N/A	14.871	-	5,957
		Total 14.871	-	1,739,068
Total U.S. Department of Housing and Urban Development			-	1,739,068
<b>TOTAL FEDERAL AWARDS</b>			<b>\$ -</b>	<b>\$ 1,739,068</b>

**NOTE A -- BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pulaski County Public Housing Authority and presents expenditures on the accrual basis of accounting, except for subsidy programs, which follows REAC PHA - Financial Accounting Brief - which defines a Federal expenditure expended for single audit purposes as when meeting eligibility requirements. The information in this schedule is presented in accordance with the Uniform Guidance.

**NOTE B --INDIRECT COST RATE**

Pulaski County Public Housing Authority did not elect to use the 10% de minimis cost rate, as it does not qualify.

**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 Commissioners  
Pulaski County  
Public Housing Authority  
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 financial statements of Pulaski County Public Housing Authority, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Pulaski County Public Housing Authority's basic financial statements, and have issued our report thereon dated August 3, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Pulaski County Public Housing Authority's internal control.

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Pulaski County Public Housing Authority'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 statements. 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

August 3, 2022  
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**

To the Board of Commissioners  
Pulaski County Public  
Housing Authority  
Richland, Missouri

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

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

We have audited the Pulaski County Public Housing Authority'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 the Pulaski County Public Housing Authority's major federal programs for the year ended December 31, 2021. Pulaski County Public Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pulaski County Public Housing Authority 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 December 31, 2021.

***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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pulaski County Public Housing Authority 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 Pulaski County Public Housing Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority'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 Pulaski County Public Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

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

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

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.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

August 3, 2022  
Chanute, Kansas



**PULASKI COUNTY PUBLIC HOUSING AUTHORITY**  
Richland, Missouri

Schedule of Findings and Questioned Costs  
(Continued)  
For the Year Ended December 31, 2021

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

None

	<u>Questioned Costs</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Section 8 Housing Choice Vouchers    CFDA 14.871	None

**PULASKI COUNTY PUBLIC HOUSING AUTHORITY**  
Richland, Missouri

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2021

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None