

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

Independent Auditor's Report and  
Consolidated Financial Statements with  
Supplementary Information

For the Years Ended January 31, 2024 and 2023

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

For the Years Ended January 31, 2024 and 2023

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

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Missouri Ozarks Community Action, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of January 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Missouri Ozarks Community Action, Inc. as of January 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits 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 Consolidated Financial Statements section of our report. We are required to be independent of Missouri Ozarks Community Action, Inc. 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 opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Missouri Ozarks Community Action, Inc.'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Missouri Ozarks Community Action, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 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 (CFR) 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 20-24) 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 25-32) 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 July 31, 2024, 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 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 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

July 31, 2024  
Chanute, Kansas

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

## Consolidated Statements of Financial Position

January 31, 2024 and 2023

	<b>ASSETS</b>	
	2024	2023
Current Assets		
Cash in Bank	\$ 4,129,198.79	\$ 6,587,828.66
Restricted Cash in Bank	75,000.00	75,000.00
Total Cash	<u>4,204,198.79</u>	<u>6,662,828.66</u>
Certificates of Deposit	2,266.89	2,252.53
Receivables, Net	504,371.81	453,565.14
Prepaid Expenses	79,669.33	67,882.67
Inventory	38,168.23	54,959.46
Total Current Assets	<u>4,828,675.05</u>	<u>7,241,488.46</u>
Capital Assets, Net	814,757.41	976,862.73
Right to Use Assets, Net	<u>286,866.05</u>	<u>394,338.31</u>
TOTAL ASSETS	<u>\$ 5,930,298.51</u>	<u>\$ 8,612,689.50</u>
	<b>LIABILITIES AND NET ASSETS</b>	
Liabilities		
Current Liabilities		
Accounts Payable	\$ 91,618.40	\$ 193,601.13
Accrued Payroll	136,291.27	114,976.85
Accrued Annual Leave	118,088.22	107,048.64
Accrued Payroll Withholdings	129,503.22	141,862.58
Refundable Grant Advances	2,895,458.12	5,226,305.98
Accrued Interest	202.80	273.00
Current Portion of Long-Term Debt	129,845.02	144,538.14
Total Current Liabilities	<u>3,501,007.05</u>	<u>5,928,606.32</u>
Long-Term Liabilities		
Notes Payable	58,502.17	79,315.27
Right to Use Liability	287,192.01	392,989.08
Less: Current Portion	<u>(129,845.02)</u>	<u>(144,538.14)</u>
Total Long-Term Liabilities	<u>215,849.16</u>	<u>327,766.21</u>
TOTAL LIABILITIES	<u>3,716,856.21</u>	<u>6,256,372.53</u>
Net Assets		
Without Donor Restrictions	1,247,020.57	1,427,154.83
With Donor Restrictions	<u>966,421.73</u>	<u>929,162.14</u>
TOTAL NET ASSETS	<u>2,213,442.30</u>	<u>2,356,316.97</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,930,298.51</u>	<u>\$ 8,612,689.50</u>

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

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

## Consolidated Statements of Activities

For the Years Ended January 31, 2024 and 2023

## CHANGES IN NET ASSETS

Changes in Net Assets without Donor Restrictions:	2024	2023
Support and Revenues		
Contributions	\$ 11,266,823.80	\$ 11,054,176.52
Contributions- Non-Cash	130,608.18	141,341.94
Interest Income	22,163.12	5,079.11
Program Income	230,612.93	11,575.00
Rental Income	17,008.00	13,565.00
Other Income	4,845.40	127,074.63
Total Support and Revenues without Donor Restrictions	<u>11,672,061.43</u>	<u>11,352,812.20</u>
Expenses		
Program Services		
Early Childhood	5,799,764.70	5,685,989.54
Energy Assistance	3,109,719.38	2,486,355.79
Community Services	898,733.79	1,095,444.36
Housing Services	1,979,498.30	1,966,667.20
Weatherization Services	1,164,415.96	1,073,469.29
Supporting Activities		
Management and General	860,317.52	786,343.36
Fundraising	45,583.12	43,156.59
Total Expenses	<u>13,858,032.77</u>	<u>13,137,426.13</u>
Net Assets Released From Restrictions		
Through Satisfaction of Program Restrictions	<u>2,005,837.08</u>	<u>1,905,737.80</u>
Increase (Decrease) in Net Assets without Donor Restrictions	<u>(180,134.26)</u>	<u>121,123.87</u>
Changes in Net Assets with Donor Restrictions:		
Contributions	2,008,480.00	1,948,880.00
Interest Income	27,050.58	4,812.64
Other Income	7,566.09	35,752.71
Net Assets Released From Restrictions		
Through Satisfaction of Program Restrictions	<u>(2,005,837.08)</u>	<u>(1,905,737.80)</u>
Increase (Decrease) in Net Assets with Donor Restrictions	<u>37,259.59</u>	<u>83,707.55</u>
Increase (Decrease) in Net Assets	<u>(142,874.67)</u>	<u>204,831.42</u>
Net Assets - Beginning of the Year	<u>2,356,316.97</u>	<u>2,151,485.55</u>
Net Assets - End of the Year	<u>\$ 2,213,442.30</u>	<u>\$ 2,356,316.97</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, 2024

	Program Services					Total Program Services	Supporting Activities		Total Organization Services
	Early Childhood	Energy Assistance	Community Services	Housing Services	Weatherization Services		Management and General	Fundraising	
Personnel	\$ 4,207,312.68	\$ 300,164.56	\$ 576,454.19	\$ 206,665.58	\$ 555,963.32	\$ 5,846,560.33	\$ 711,608.35	\$ 37,337.00	\$ 6,595,505.68
Amortization	-	-	-	-	-	-	6,189.36	-	6,189.36
Bad Debt Expense	-	-	-	561.00	-	561.00	-	-	561.00
Client Services	347,544.70	2,770,250.47	150,992.17	1,699,350.67	504,861.48	5,472,999.49	137.96	7.24	5,473,144.69
Depreciation Expense	53,821.53	-	56,898.00	13,334.95	21,746.21	145,800.69	15,491.80	812.83	162,105.32
Interest Expense	-	-	-	-	-	-	3,332.70	-	3,332.70
Insurance Expense	40,306.96	3,253.14	21,324.23	7,300.12	8,083.38	80,267.83	(6,430.78)	281.02	74,118.07
Occupancy	681,739.68	10,627.19	25,755.93	9,073.00	18,301.17	745,496.97	7,190.99	702.05	753,390.01
Office Expenses	279,731.73	23,794.99	23,111.10	38,228.10	14,853.19	379,719.11	109,170.92	5,728.03	494,618.06
Travel	102,555.20	982.08	34,254.13	2,828.50	6,508.86	147,128.77	13,626.22	714.95	161,469.94
Vehicle Expenses	86,752.22	646.95	9,944.04	2,156.38	34,098.35	133,597.94	-	-	133,597.94
<b>Total Expenses</b>	<b>\$ 5,799,764.70</b>	<b>\$ 3,109,719.38</b>	<b>\$ 898,733.79</b>	<b>\$ 1,979,498.30</b>	<b>\$ 1,164,415.96</b>	<b>\$ 12,952,132.13</b>	<b>\$ 860,317.52</b>	<b>\$ 45,583.12</b>	<b>\$ 13,858,032.77</b>

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, 2023

	Program Services						Supporting Activities		Total Organization Services
	Early Childhood	Energy Assistance	Community Services	Housing Services	Weatherization Services	Total Program Services	Management and General	Fundraising	
Personnel	\$ 4,078,831.65	\$ 220,894.86	\$ 437,865.83	\$ 264,768.37	\$ 497,825.70	\$ 5,500,186.41	\$ 661,892.88	\$ 36,550.80	\$ 6,198,630.09
Amortization Expense	-	-	-	-	-	-	4,947.68	-	4,947.68
Bad Debt Expense	-	-	-	2,029.00	-	2,029.00	-	-	2,029.00
Client Services	288,831.94	2,223,991.88	484,359.49	1,628,663.11	432,610.34	5,058,456.76	-	-	5,058,456.76
Depreciation Expense	21,450.88	-	57,323.36	14,042.12	21,746.21	114,562.57	16,187.46	893.90	131,643.93
Interest Expense	-	-	-	-	-	-	4,613.04	-	4,613.04
Insurance Expense	37,459.01	2,667.74	21,098.88	6,754.49	3,119.96	71,100.08	(4,733.53)	-	66,366.55
Occupancy	716,723.49	11,361.90	24,498.36	5,696.22	17,794.80	776,074.77	15,010.42	828.90	791,914.09
Office Expenses	398,918.61	25,149.41	32,355.52	40,887.46	51,196.64	548,507.64	76,593.26	4,229.60	629,330.50
Travel	61,473.21	2,124.44	20,157.83	1,040.25	19,816.50	104,612.23	11,832.15	653.39	117,097.77
Vehicle Expenses	82,300.75	165.56	17,785.09	2,786.18	29,359.14	132,396.72	-	-	132,396.72
<b>Total Expenses</b>	<b>\$ 5,685,989.54</b>	<b>\$ 2,486,355.79</b>	<b>\$ 1,095,444.36</b>	<b>\$ 1,966,667.20</b>	<b>\$ 1,073,469.29</b>	<b>\$ 12,307,926.18</b>	<b>\$ 786,343.36</b>	<b>\$ 43,156.59</b>	<b>\$ 13,137,426.13</b>

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

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Consolidated Statements of Cash Flows

For the Years Ended January 31, 2024 and 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (142,874.67)	\$ 204,831.42
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation Expense	162,105.32	131,643.93
Amortization of ROU Assets	6,189.36	4,947.68
(Increase) Decrease in Receivables	(50,806.67)	(16,601.47)
(Increase) Decrease in Prepaid Expense	(11,786.66)	(10,384.67)
(Increase) Decrease in Inventory	16,791.23	15,427.41
Increase (Decrease) in Accounts Payable	(100,575.13)	27,174.87
Increase (Decrease) in Accrued Payroll	21,314.42	40,055.18
Increase (Decrease) in Accrued Annual Leave	11,039.58	11,833.99
Increase (Decrease) in Accrued Payroll Withholdings	(12,359.36)	47,410.15
Increase (Decrease) in Refundable Grant Advances	(2,330,847.86)	3,541,828.24
Increase (Decrease) in Accrued Interest	(79.47)	(66.82)
Net Cash Provided by (Used in) Operating Activities	<u>(2,431,889.91)</u>	<u>3,998,099.91</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for Purchase of Capital Assets	-	(221,811.95)
Reinvestment of Interest from Investments	(14.36)	(3.79)
Net Cash Provided by (Used in) Investing Activities	<u>(14.36)</u>	<u>(221,815.74)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments on Notes Payable	(20,813.10)	(19,824.77)
Principal Payments on Lease Payable	(5,912.50)	-
Net Cash Provided by (Used in) Financing Activities	<u>(26,725.60)</u>	<u>(19,824.77)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,458,629.87)	3,756,459.40
Cash and Cash Equivalents, Beginning of the Year	<u>6,662,828.66</u>	<u>2,906,369.26</u>
Cash and Cash Equivalents, End of the Year	<u>\$ 4,204,198.79</u>	<u>\$ 6,662,828.66</u>
<b>Supplemental Information:</b>		
Cash Paid for Interest	\$ 3,402.90	\$ 4,391.23
ROU Assets Obtained in Exchange for New Operating Leases	10,789.39	465,942.59
ROU Assets Obtained in Exchange for New Finance Leases	-	28,122.87

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

## MISSOURI OZARKS COMMUNITY ACTION, INC.

Richland, Missouri

### Notes to the Consolidated Financial Statement

#### 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 policy is to prepare its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, Missouri Ozarks Community Action, Inc.'s net assets and changes thereto are classified and reported as follows:

Net assets without donor restrictions – consists of amounts that are available for use in carrying out the activities of Missouri Ozarks Community Action, Inc. and are not subject to donor-imposed restrictions.

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

### Basis of Accounting (Continued)

Net assets with donor restrictions – Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

### 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.

### Liquidity

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

### 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.

### Inventory

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

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

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 \$5,000.00. 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. 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

Leases

The Organization has established a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Leases with a term of less than 12 months will not record a right of use asset and lease liability.

The Organization leases buildings. The determination of whether an arrangement is a lease is made at the lease's inception. Under Topic 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Lease assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Lease assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable. Since most of the Organization's leases do not provide an implicit rate, to determine the present value of lease payments, management uses a risk-free rate based on the information available at lease commencement. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Operating lease assets also include any lease payments made and exclude any lease incentives. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

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

### Revenue Recognition

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increases that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

Contributions may be considered conditional or non-conditional. A conditional contribution exists if a) one or more barrier exists and b) the right to receive or retain payment or delivery of the promised asset depends on meeting those barriers. In cases of ambiguous donor stipulations or stipulations that are not clearly unconditional are presumed to be conditional.

Conditional contributions are recognized when conditions have been substantially met or waived by the donor. Non-conditional contributions are recognized when received or right to receive is obtained through documentation.

Grant revenue may be considered a contribution, entirely an exchange transaction, or a combination of the two. If a grant is considered a contribution, it is recognized as described in the above paragraph. If a grant is considered an exchange transaction, it falls under the guidance of Topic 606 and additional steps are taken to ensure correct recording of revenue. The performance obligation is satisfied when the services outlined in the grant contract are rendered.

A portion of our revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when we have incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

### Non Cash Contributions

Contributed personnel services are recognized and recorded at fair value only to the extent they create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations. Contributed goods are recognized at fair value on the date received.

### 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).

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

Allocated Costs

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

- 1) Personnel is based on functions performed by staff.
- 2) Travel is based on program/service which directly benefits by such travel costs and/or percentages derived from staffing allocations.
- 3) Occupancy costs are based primarily on utilization.
- 4) Phone is based primarily on number of lines and history of long distance charges.
- 5) Printing/Supplies are based primarily on utilization.

**3. CONCENTRATION OF CREDIT RISK**

At January 31, 2024, the carrying amount of the Organization's deposits including certificates of deposit was \$4,203,790.68. The balance was held at two banks resulting in a concentration of credit risk. The bank balance was \$4,631,184.61. Of the bank balance, \$252,266.89 was covered by FDIC insurance, and the remaining \$4,378,917.72 was collateralized by pledged securities held under joint custody receipts by a third-party bank in the Organization's name.

At January 31, 2023, the carrying amount of the Organization's deposits including certificates of deposit was \$6,662,506.19. The balance was held at two banks resulting in a concentration of credit risk. The bank balance was \$6,801,460.82. Of the bank balance, \$252,252.53 was covered by FDIC insurance, and the remaining \$6,549,208.29 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 0.97% 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 consist of amounts due under the following programs:

	2024	2023
Head Start	\$ 278,723.89	\$ 205,868.21
CACFP	30,180.02	31,415.04
CSBG	86,147.30	82,116.71
CS Other	7,000.00	0.00
Agency Indirect Cost	23.60	512.00
MHDC	0.00	7,110.18
Weatherization	22,705.00	30,631.00
Weatherization – Electric Coop	1,400.00	2,800.00
Weatherization –Bi-Partisan Infrastructure	51,477.00	52,254.00
Weatherization Summit Gas	3,908.00	0.00

**5. RECEIVABLES, NET** (Continued)

	2024	2023
Weatherization – ARPA B4 Care	\$ 352.00	\$ 34,433.00
Weatherization LIHEAP	13,820.00	0.00
Weatherization LIHEAP Emergency	7,599.00	0.00
HUD	<u>1,036.00</u>	<u>6,425.00</u>
Total Receivables, Net	<u>\$ 504,371.81</u>	<u>\$ 453,565.14</u>

The Organization uses the allowance method to account for uncollectible accounts receivable. Receivables are presented net of an allowance for uncollectible accounts of \$88,381.00 and \$88,355.00 at January 31, 2024 and 2023, respectively.

**6. INVENTORY**

Inventory consists of the following:

	2024	2023
Weatherization Materials and Work In Process	\$ 38,168.23	\$ 54,959.46

**7. CAPITAL ASSETS, NET**

Following are the changes in capital assets for the year ended January 31, 2024:

	Balance 1/31/2023	Additions	Retirements	Balance 1/31/2024
Capital assets not being depreciated				
Land	\$ 117,238.68	\$ -	\$ -	\$ 117,238.68
Total capital assets not being depreciated	<u>117,238.68</u>	<u>-</u>	<u>-</u>	<u>117,238.68</u>
Other Capital Assets				
Buildings and Improvements	1,119,771.65	-	-	1,119,771.65
Equipment	429,533.04	-	-	429,533.04
Vehicles	1,474,893.04	-	-	1,474,893.04
Total Other Capital Assets	<u>3,024,197.73</u>	<u>-</u>	<u>-</u>	<u>3,024,197.73</u>
Accumulated Depreciation				
Buildings and Improvements	(743,527.54)	(34,765.39)	-	(778,292.93)
Equipment	(411,383.38)	(8,531.02)	-	(419,914.40)
Vehicles	(1,009,662.76)	(118,808.91)	-	(1,128,471.67)
Total Accumulated Depreciation	<u>(2,164,573.68)</u>	<u>(162,105.32)</u>	<u>-</u>	<u>(2,326,679.00)</u>
Capital Assets Summary				
Net Land, Buildings, and Improvements	493,482.79	(34,765.39)	-	458,717.40
Net Equipment & Vehicles	483,379.94	(127,339.93)	-	356,040.01
Total Net Capital Assets	<u>\$ 976,862.73</u>	<u>\$ (162,105.32)</u>	<u>\$ -</u>	<u>\$ 814,757.41</u>

**7. CAPITAL ASSETS, NET** (Continued)

Following are the changes in capital assets for the year ended January 31, 2023:

	Balance 1/31/2022	Additions	Retirements	Balance 1/31/2023
Capital assets not being depreciated				
Land	\$ 117,238.68	\$ -	\$ -	\$ 117,238.68
Total capital assets not being depreciated	117,238.68	-	-	117,238.68
Other Capital Assets				
Buildings and Improvements	1,097,225.60	26,247.95	(3,701.90)	1,119,771.65
Equipment	494,436.71	-	(64,903.67)	429,533.04
Vehicles	1,279,329.04	195,564.00	-	1,474,893.04
Total Other Capital Assets	2,870,991.35	221,811.95	(68,605.57)	3,024,197.73
Accumulated Depreciation				
Buildings and Improvements	(711,264.16)	(35,965.28)	3,701.90	(743,527.54)
Equipment	(466,615.65)	(9,671.40)	64,903.67	(411,383.38)
Vehicles	(923,655.51)	(86,007.25)	-	(1,009,662.76)
Total Accumulated Depreciation	(2,101,535.32)	(131,643.93)	68,605.57	(2,164,573.68)
Capital Assets Summary				
Net Land, Buildings, and Improvements	646,193.62	(9,717.33)	-	493,482.79
Net Equipment & Vehicles	240,501.09	99,885.35	-	483,379.94
Total Net Capital Assets	\$ 886,694.71	\$ 90,168.02	\$ -	\$ 976,862.73

**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, 2024, was \$137,883.64, of which \$75,000.00 was shown as Restricted Cash and the remaining was included with unrestricted cash.

**9. REFUNDABLE GRANT ADVANCES**

Refundable grant advances consist of grant funds received in excess of expenditures in the following programs:

	2024	2023
ECIP/LIHEAP 21	\$ 1,369,816.67	\$ 1,638,667.55
ECIP/ARPA	1,438,622.24	3,337,155.68
LIHWAP	7,206.50	62,955.40
WZN – Ameren Gas	56,700.80	45,806.57
WZN – Ameren Electric	23,111.91	39,789.34
After Hours Childcare	0.00	101,931.44
Total Refundable Grant Advances	\$ 2,895,458.12	\$ 5,226,305.98

## 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 following is a summary of changes in notes payable:

<u>Obligations:</u>	<u>Principal January 31, 2023</u>	<u>Principal Received (Paid)</u>	<u>Principal January 31, 2024</u>	<u>Interest Paid</u>
USDA Rural Development	<u>\$ 79,315.27</u>	<u>\$ (20,813.10)</u>	<u>\$ 58,502.17</u>	<u>\$ 3,402.90</u>
<u>Obligations:</u>	<u>Principal January 31, 2022</u>	<u>Principal Received (Paid)</u>	<u>Principal January 31, 2023</u>	<u>Interest Paid</u>
USDA Rural Development	<u>\$ 99,140.04</u>	<u>\$ (19,824.77)</u>	<u>\$ 79,315.27</u>	<u>\$ 4,391.23</u>

The schedule of maturities of notes payable is as follows:

<u>Year Ending January 31:</u>	<u>Amount</u>
2025	\$ 21,850.73
2026	22,940.08
2027	<u>13,711.36</u>
Total	<u>\$ 58,502.17</u>

## 11. LEASES

The Organization has obligations as a lessee for office space and classroom space with initial noncancelable terms in excess of one year. The Organization classified these leases as operating leases or financing leases. These leases generally contain renewal options for periods ranging from two to five years. Because the Organization is not reasonably certain to exercise these renewal options, the optional periods are not included in determining the lease term, and associated payments under these renewal options are excluded from lease payments. The Organization's leases do not include termination options for either party to the lease or restrictive financial or other covenants. Payments due under the lease contracts include fixed payments plus, for many of the Organization's leases, variable payments. The Organization's office space leases require it to make variable payments for the Organization's proportionate share of the building's property taxes, insurance, and common area maintenance. These variable lease payments are not included in lease payments used to determine lease liability and are recognized as variable costs when incurred.

### Lease Expense

Finance Lease Expense	
Amortization of ROU assets	\$ 6,189.36
Interest on lease liabilities	439.79
Operating Lease Expense	<u>119,996.43</u>
Total Lease Expense	<u>\$ 126,625.58</u>

### Other Information

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from finance leases (interest)	\$ 449.06

## 11. LEASES (Continued)

Financing cash flows from finance leases (principal)	\$	5,912.50
Operating cash for from operating leases		118,588.83
ROU Assets obtained in exchange for new finance lease liabilities		0.00
ROU Assets obtained in exchange for new operating lease liabilities		10,789.39

Other information related to leases is as follows:

Lease term (in years) and discount rate:		
Weighted-average remaining lease term, finance leases		3.03
Weighted-average remaining lease term, operating leases		2.92
Weighted-average discount rate, finance leases		2.17%
Weighted-average discount rate, operating leases		2.50%

Right to Use Assets		
Beginning ROU, Net	\$	394,338.31
Additions of ROU Assets		10,789.39
Less Accumulated Amortization		<u>(118,261.65)</u>
Ending ROU, Net		<u>\$ 286,866.05</u>

The maturities of lease liabilities as of January 31, 2024 were as follows:

	Finance	Operating
Year ending January,		
2025	\$ 6,361.56	\$ 107,104.32
2026	6,361.56	83,096.32
2027	4,913.32	65,130.32
2028	<u>1,008.42</u>	<u>23,106.80</u>
Total lease payments	18,644.86	278,437.76
Less: Present Value Discount	<u>(642.00)</u>	<u>(9,248.61)</u>
Long Term Lease Liability	<u>\$ 18,002.86</u>	<u>\$ 269,189.15</u>

## 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, 2024 and 2023, was \$122,801.68 and \$113,331.94, respectively.

**14. NET ASSETS**

Net assets without donor restrictions

At January 31, 2024 and 2023, all unrestricted net assets are undesignated as to their use.

Net assets with donor restrictions

Donation balances received & restricted to use within the following programs:

	2024	2023
Community Service Donations	\$ 75,466.59	\$ 69,015.56
Pulaski County Public Housing Authority	753,835.68	711,106.48
New Hope Meadows – Net Book Value	<u>137,119.46</u>	<u>149,040.10</u>
Total Net Assets with Donor Restrictions	<u>\$ 966,421.73</u>	<u>\$ 929,162.14</u>

**15. LIQUIDITY**

The Organization regularly monitors liquidity required to meet its operating needs and other commitments. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, certain certificates of deposits, and certain receivables.

For purposes of analyzing resources available to meet general expenditures over a one year period, the Organization considers conduct of services undertaken to support program activities to be general expenditures.

**15. LIQUIDITY** (Continued)

In addition to financial assets available to meet general expenditures over the next year, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by resources restricted by grantors or donors. Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following.

	2024	2023
Cash and Cash Equivalents	\$ 4,129,198.79	\$ 6,587,828.66
Investments	2,266.89	2,252.53
Accounts Receivable, Net	504,371.81	453,565.14
Less: Cash Received with Donor Restrictions	(829,302.27)	(780,122.04)
Less: Cash Received by Grants in Advance	<u>(2,895,458.12)</u>	<u>(5,226,305.98)</u>
Total Liquidity Available for Current Needs	<u>\$ 911,077.10</u>	<u>\$ 1,037,218.31</u>

**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.

	2024	2023
Head Start		
Volunteers – Parents	\$ 927,689.53	\$ 1,224,564.93
Mileage	7,674.48	3,077.12
Space	<u>122,933.70</u>	<u>138,264.82</u>
Total In-Kind	1,058,297.71	1,365,906.87
Non-GAAP	<u>(927,689.53)</u>	<u>(1,224,564.93)</u>
In-Kind per GAAP	<u>\$ 130,608.18</u>	<u>\$ 141,341.94</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, 2024 through July 31, 2024 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, 2024

	Head Start & Early Head Start	CACFP	After Hours Child Care	ECIP	ECIP	ECIP ARPA	LIHWAP
Program #:	300	322	310	620	620	650	660
Grant Year End:	1/31/2024	9/30/2024	9/30/2024	9/30/2023	9/30/2024	9/30/2024	3/31/2024
CFDA #:	93.600	10.558	N/A	93.568	93.568	93.568	93.568
Support and Revenues							
Contributions							
Grant Revenue - Federal	\$ 5,593,102.00	\$ 366,995.44	\$ -	\$ 1,138,142.00	\$ 7,952.48	\$ 1,935,328.45	\$ 37,284.73
Grant Revenue - Other	-	-	-	-	-	-	-
Local Non-Cash	1,058,297.71	-	-	-	-	-	-
Local	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
Program Income	-	-	224,312.93	-	-	-	-
Rental Income	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-
Pool Revenues	-	-	-	-	-	-	-
Total Support and Revenues	6,651,399.71	366,995.44	224,312.93	1,138,142.00	7,952.48	1,935,328.45	37,284.73
Expenses							
Personnel	4,130,233.54	92.92	76,986.22	-	3,129.24	261,156.86	30,472.97
Personnel Non-Cash	927,689.53	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-
Client Services	-	347,544.70	-	1,138,142.00	-	1,603,286.00	-
Depreciation Expense	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Indirect Cost	594,753.64	13.38	11,086.02	-	450.61	37,606.60	4,388.12
Insurance Expense	40,306.96	-	-	-	-	3,253.14	-
Occupancy	545,651.27	7,572.71	7,965.80	-	649.06	10,324.96	1,071.03
Occupancy Non-Cash	122,933.70	-	-	-	-	-	-
Office Expenses	141,978.52	14,348.57	123,404.64	-	3,723.57	18,718.81	1,352.61
Operating Transfer To (From)	(35,625.41)	(3,536.05)	-	-	-	-	-
Travel	93,132.01	959.21	789.50	-	-	982.08	-
Travel Non-Cash	7,674.48	-	-	-	-	-	-
Vehicle Expenses	82,671.47	-	4,080.75	-	-	-	-
Total Expenses	6,651,399.71	366,995.44	224,312.93	1,138,142.00	7,952.48	1,935,328.45	37,284.73
Excess Support and Revenues Over (Under) Expenses	-	-	-	-	-	-	-
Net Assets, January 31, 2023	-	-	-	-	-	-	-
Net Assets, January 31, 2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Combining Schedule of Activities

For the Year Ended January 31, 2024

	AMEREN UE Directly from Ameren Elec	AMEREN UE Directly from Ameren Gas	Community Services Block Grant	Community Services Block Grant	Other Community Service	Tran Housing	MHDC - SAFHR
Program #:	530	531	600	600	690	250	670/673
Grant Year End:	1/31	1/31	5/25/2023	9/30/2024	1/31	1/31	9/30/2025
CFDA #:	N/A	N/A	93.569	93.569	N/A	N/A	N/A
Support and Revenues							
Contributions							
Grant Revenue - Federal	\$ -	\$ -	\$ 478,017.62	\$ 435,382.01	\$ -	\$ -	\$ -
Grant Revenue - Other	35,427.43	355.77	-	-	-	-	-
Local Non-Cash	-	-	-	-	-	-	-
Local	-	-	-	-	21,535.00	-	-
Interest Income	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	17,008.00	-
Other Income	-	-	-	-	-	-	-
Pool Revenues	-	-	-	-	-	-	-
Total Support and Revenues	35,427.43	355.77	478,017.62	435,382.01	21,535.00	17,008.00	-
Expenses							
Personnel	5,144.76	260.73	327,238.83	249,215.36	-	1,833.51	-
Personnel Non-Cash	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-
Client Services	28,822.47	-	58,346.68	81,061.52	11,583.97	-	-
Depreciation Expense	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Indirect Cost	740.85	37.55	47,122.40	35,887.01	-	264.03	-
Insurance Expense	-	-	-	21,324.23	-	4,830.48	-
Occupancy	72.40	57.49	15,801.46	13,592.87	-	2,748.68	-
Occupancy Non-Cash	-	-	-	-	-	-	-
Office Expenses	-	-	6,009.78	17,101.32	-	10,082.83	-
Operating Transfer To (From)	-	-	-	-	-	-	-
Travel	-	-	18,856.83	11,897.30	3,500.00	-	-
Travel Non-Cash	-	-	-	-	-	-	-
Vehicle Expenses	646.95	-	4,641.64	5,302.40	-	-	-
Total Expenses	35,427.43	355.77	478,017.62	435,382.01	15,083.97	19,759.53	-
Excess Support and Revenues							
Over (Under) Expenses	-	-	-	-	6,451.03	(2,751.53)	-
Net Assets, January 31, 2023	-	-	-	-	69,015.56	41,541.38	186.66
Net Assets, January 31, 2024	\$ -	\$ -	\$ -	\$ -	\$ 75,466.59	\$ 38,789.85	\$ 186.66

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Combining Schedule of Activities

For the Year Ended January 31, 2024

	HUD/MHDC MENTAL HEALTH	Weatherization	Weatherization	Weatherization LIHEAP	Weatherization LIHEAP EMERGENCY	Weatherization LIHEAP ARPA	Weatherization BIL
Program #:	710	500	500	510	515	520	570
Grant Year End:	1/31	6/30/2023	6/31/2024	9/30/2024	8/30/2024	5/31/2024	6/30/2027
CFDA #:	N/A	81.042	81.042	93.568	93.568	93.568	81.042
Support and Revenues							
Contributions							
Grant Revenue - Federal	\$ -	\$ 78,622.00	\$ 132,250.00	\$ 343,128.00	\$ 113,145.00	\$ 80,731.00	\$ 458,058.00
Grant Revenue - Other	-	-	-	-	-	-	-
Local Non-Cash	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-
Pool Revenues	-	-	-	-	-	-	-
Total Support and Revenues	-	78,622.00	132,250.00	343,128.00	113,145.00	80,731.00	458,058.00
Expenses							
Personnel	-	42,555.90	63,267.55	160,406.88	52,027.88	41,865.69	188,824.98
Personnel Non-Cash	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-
Client Services	-	23,217.88	49,525.50	132,513.38	52,301.27	24,582.08	214,308.66
Depreciation Expense	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
Indirect Cost	-	6,128.07	9,110.53	23,098.63	7,492.05	6,028.70	27,190.80
Insurance Expense	-	-	-	-	-	3,229.23	4,854.15
Occupancy	-	2,161.09	3,000.56	6,707.67	-	312.32	7,206.38
Occupancy Non-Cash	-	-	-	-	-	-	-
Office Expenses	-	758.75	1,298.05	4,289.10	283.50	3,592.64	3,624.65
Operating Transfer To (From)	-	(0.22)	0.49	0.34	(0.35)	0.82	0.29
Travel	-	1,865.65	-	3,433.49	-	-	1,209.72
Travel Non-Cash	-	-	-	-	-	-	-
Vehicle Expenses	-	1,934.94	6,047.32	12,989.32	1,040.65	1,119.54	10,838.17
Total Expenses	-	78,622.06	132,250.00	343,438.81	113,145.00	80,731.02	458,057.80
Excess Support and Revenues							
Over (Under) Expenses	-	(0.06)	-	(310.81)	-	(0.02)	0.20
Net Assets, January 31, 2023	5,265.95	0.06	-	310.81	-	0.02	(0.20)
Net Assets, January 31, 2024	\$ 5,265.95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Combining Schedule of Activities

For the Year Ended January 31, 2024

	WX - Summit	WX - Electric Coop	Agency Indirect Cost	Corporate, Non-Federal		Pulaski County Public Housing Authority	Pulaski County Public Housing Authority
Program #:	525	575	101	001			
Grant Year End:	1/31	1/31	1/31	1/31	Organization Wide	12/31/2023	12/31/2024
CFDA #:	N/A	N/A	N/A	N/A	Sub-Totals	14.871	14.871
Support and Revenues							
Contributions							
Grant Revenue - Federal	\$ -	\$ -	\$ -	\$ -	\$ 11,198,138.73	\$ 1,816,081.00	\$ 170,864.00
Grant Revenue - Other	-	-	-	-	35,783.20	-	-
Local Non-Cash	-	-	-	-	1,058,297.71	-	-
Local	9,967.97	-	-	22,933.90	54,436.87	-	-
Interest Income	-	-	-	22,163.12	22,163.12	23,701.80	3,348.78
Program Income	-	6,300.00	-	-	230,612.93	-	-
Rental Income	-	-	-	24,216.00	41,224.00	-	-
Other Income	-	-	-	4,845.40	4,845.40	6,459.09	1,107.00
Pool Revenues	-	-	841,904.90	-	841,904.90	-	-
Total Support and Revenues	9,967.97	6,300.00	841,904.90	74,158.42	13,487,406.86	1,846,241.89	175,319.78
Expenses							
Personnel	1,363.88	5,650.56	737,905.77	11,039.58	6,390,673.61	186,793.77	18,038.30
Personnel Non-Cash	-	-	-	-	927,689.53	-	-
Bad Debt Expense	-	-	-	-	-	561.00	-
Client Services	8,412.71	-	-	145.20	3,773,794.02	1,551,116.22	148,234.45
Depreciation Expense	-	-	-	160,691.01	160,691.01	1,414.31	-
Interest Expense	-	-	-	3,332.70	3,332.70	-	-
Indirect Cost	196.40	813.68	-	-	812,409.07	26,068.46	3,427.37
Insurance Expense	-	-	5,636.90	(11,786.66)	71,648.43	2,469.64	-
Occupancy	-	-	15,373.67	13,013.45	653,282.87	6,882.39	696.41
Occupancy Non-Cash	-	-	-	-	122,933.70	-	-
Office Expenses	-	1,006.50	71,767.89	43,131.06	466,472.79	24,526.76	3,618.51
Operating Transfer To (From)	-	-	-	39,160.09	-	752,623.83	(752,623.83)
Travel	-	-	11,220.67	3,120.50	150,966.96	2,828.50	-
Travel Non-Cash	-	-	-	-	7,674.48	-	-
Vehicle Expenses	-	128.41	-	-	131,441.56	2,063.49	92.89
Total Expenses	9,972.99	7,599.15	841,904.90	261,846.93	13,673,010.73	2,557,348.37	(578,515.90)
Excess Support and Revenues							
Over (Under) Expenses	(5.02)	(1,299.15)	-	(187,688.51)	(185,603.87)	(711,106.48)	753,835.68
Net Assets, January 31, 2023	5.02	22,049.49	-	1,506,835.74	1,645,210.49	711,106.48	-
Net Assets, January 31, 2024	\$ -	\$ 20,750.34	\$ -	\$ 1,319,147.23	\$ 1,459,606.62	\$ -	\$ 753,835.68

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Combining Schedule of Activities

For the Year Ended January 31, 2024

	Inter-Company	Consolidated
Program #:	Elimination	Organization Wide
Grant Year End:	Entries	Totals
CFDA #:	<u>                    </u>	<u>                    </u>
Support and Revenues		
Contributions		
Grant Revenue - Federal	\$ -	\$ 13,185,083.73
Grant Revenue - Other	-	35,783.20
Local Non-Cash	(927,689.53)	130,608.18
Local	-	54,436.87
Interest Income	-	49,213.70
Program Income	-	230,612.93
Rental Income	(24,216.00)	17,008.00
Other Income	-	12,411.49
Pool Revenues	(841,904.90)	-
Total Support and Revenues	<u>(1,793,810.43)</u>	<u>13,715,158.10</u>
Expenses		
Personnel	-	6,595,505.68
Personnel Non-Cash	(927,689.53)	-
Bad Debt Expense	-	561.00
Client Services	-	5,473,144.69
Depreciation Expense	-	162,105.32
Interest Expense	-	3,332.70
Indirect Cost	(841,904.90)	-
Insurance Expense	-	74,118.07
Occupancy	(24,216.00)	636,645.67
Occupancy Non-Cash	-	122,933.70
Office Expenses	-	494,618.06
Operating Transfer To (From)	-	-
Travel	-	153,795.46
Travel Non-Cash	-	7,674.48
Vehicle Expenses	-	133,597.94
Total Expenses	<u>(1,793,810.43)</u>	<u>13,858,032.77</u>
Excess Support and Revenues		
Over (Under) Expenses	-	(142,874.67)
Net Assets, January 31, 2023	<u>-</u>	<u>2,356,316.97</u>
Net Assets, January 31, 2024	<u>\$ -</u>	<u>\$ 2,213,442.30</u>

## Missouri Ozarks Community Action, Inc.

Subgrant Number: DOE G-22-EE0009912-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF July 1, 2022 to June 30, 2023

**DIVISION OF ENERGY**

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

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 195,214

**Program Income** 0

**Total Revenue** 195,214

**Expenditures**

**Administration** 15,550

**Insurance** 2,713

**Financial Audit** 0

**Leveraging** 0

**T&TA** 8,974

**Program Operations** 167,977

**Total Expenditures** 195,214

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0

**SUBGRANTEE**

**Beginning Fund Balance** 0

**Revenue**

**Grant Income** 195,214

**Program Income** 0

**Total Revenue** 195,214

**Expenditures**

**Administration** 15,550

**Insurance** 2,713

**Financial Audit** 0

**Leveraging** 0

**T&TA** 8,974

**Program Operations** 167,977

**Total Expenditures** 195,214

**Ending Fund Balance** 0

**Ending Cash on Hand** 0

**Ending Inventory** 0

Missouri Ozarks Community Action, Inc.

Subgrant Number: DOE G-23-EE0009912-2-12

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF July 1, 2023 to January 31, 2024

**DIVISION OF ENERGY**

**SUBGRANTEE**

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

**Beginning Fund Balance** 0

**Revenue**

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 132,250

**Grant Income** 132,250

**Program Income** 0

**Program Income** 0

**Total Revenue** 132,250

**Total Revenue** 132,250

**Expenditures**

**Expenditures**

**Administration** 9,109

**Administration** 9,109

**Insurance** 0

**Insurance** 0

**Financial Audit** 0

**Financial Audit** 0

**Leveraging** 0

**Leveraging** 0

**T&TA** 386

**T&TA** 386

**Program Operations** 122,755

**Program Operations** 122,755

**Total Expenditures** 132,250

**Total Expenditures** 132,250

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0

**Ending Fund Balance** 0

**Ending Cash on Hand** 0

**Ending Inventory** 0

Missouri Ozarks Community Action, Inc.

Subgrant Number: G-23-LIHEAP-23-12

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF October 1, 2022 to January 31, 2024

**DIVISION OF ENERGY**

**SUBGRANTEE**

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

**Beginning Fund Balance** 0

**Revenue**

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 343,128

**Grant Income** 343,128

**Program Income** 0

**Program Income** 0

**Total Revenue** 343,128

**Total Revenue** 343,128

**Expenditures**

**Expenditures**

**Administration** 22,787

**Administration** 22,787

**Insurance** 0

**Insurance** 0

**Financial Audit** 0

**Financial Audit** 0

**Leveraging** 0

**Leveraging** 0

**T&TA** 12,422

**T&TA** 12,422

**Program Operations** 307,919

**Program Operations** 307,919

**Total Expenditures** 343,128

**Total Expenditures** 343,128

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0

**Ending Fund Balance** 0

**Ending Cash on Hand** 0

**Ending Inventory** 0

## Missouri Ozarks Community Action, Inc.

Subgrant Number: G-23-LIHEAP EMER-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF June 01,2023 to January 31, 2024

**DIVISION OF ENERGY**

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

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 113,145

**Program Income** 0

**Total Revenue** 113,145

**Expenditures**

**Administration** 7,493

**Insurance** 0

**Financial Audit** 0

**Leveraging** 0

**T&TA** 0

**Program Operations** 105,652

**Total Expenditures** 113,145

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0

**SUBGRANTEE**

**Beginning Fund Balance** 0

**Revenue**

**Grant Income** 113,145

**Program Income** 0

**Total Revenue** 113,145

**Expenditures**

**Administration** 7,493

**Insurance** 0

**Financial Audit** 0

**Leveraging** 0

**T&TA** 0

**Program Operations** 105,652

**Total Expenditures** 113,145

**Ending Fund Balance** 0

**Ending Cash on Hand** 0

**Ending Inventory** 0

## Missouri Ozarks Community Action, Inc.

Subgrant Number: LIHEAP ARPA G-22-LIHEAP-ARPA-12

## RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF May 1, 2022 to January 31, 2024

**DIVISION OF ENERGY**

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

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 454,580

**Program Income** 0

**Total Revenue** 454,580

**Expenditures**

**Administration** 28,371

**Insurance** 3,636

**Financial Audit** 0

**Leveraging** 0

**T&TA** 832

**Program Operations** 421,741

**Total Expenditures** 454,580

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0

**SUBGRANTEE**

**Beginning Fund Balance** 0

**Revenue**

**Grant Income** 454,580

**Program Income** 0

**Total Revenue** 454,580

**Expenditures**

**Administration** 28,371

**Insurance** 3,636

**Financial Audit** 0

**Leveraging** 0

**T&TA** 832

**Program Operations** 421,741

**Total Expenditures** 454,580

**Ending Fund Balance** 0

**Ending Cash on Hand** 0

**Ending Inventory** 0

Missouri Ozarks Community Action, Inc.

Subgrant Number: BIL G-22-EE0009997-12

RECONCILIATION OF REVENUES AND EXPENSES  
FOR THE PERIOD OF June 1, 2022 to January 31, 2023

**DIVISION OF ENERGY**

**SUBGRANTEE**

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

**Beginning Fund Balance** 0

**Revenue**

**Revenue**

**Grant Income** (funds that have been reimbursed to the agency from DNR) 581,021

**Grant Income** 581,021

**Program Income** 0

**Program Income** 0

**Total Revenue** 581,021

**Total Revenue** 581,021

**Expenditures**

**Expenditures**

**Administration** 32,921

**Administration** 32,921

**Insurance** 4,854

**Insurance** 4,854

**Financial Audit** 0

**Financial Audit** 0

**Leveraging** 0

**Leveraging** 0

**T&TA** 0

**T&TA** 0

**Program Operations** 543,246

**Program Operations** 543,246

**Total Expenditures** 581,021

**Total Expenditures** 581,021

**Ending Fund Balance** (this is the sum of the Beginning Fund Balance + Grant Income + Program Income - minus total Expenitures) 0

**Ending Fund Balance** 0

**Ending Cash on Hand** 0

**Ending Inventory** 0

**MISSOURI OZARKS COMMUNITY ACTION**

Richland, Missouri

**LOW INCOME HOUSING ENERGY ASSISTANCE PROGRAM**

**CONTRACT NUMBER: ER11023011**

For the Program Period October 1, 2022 to October 31, 2023

**Schedule of Contracted Revenues and Expenses**

Revenue	
Contracted Grant Revenue-LIHEAP	
Special Start-up	\$ -
Current (initial + amendments)	1,138,142.00
Carryover	-
	<hr/>
Total Contracted Grant Revenues	1,138,142.00
	<hr/>
Expenditures	
Personnel	-
Travel/Training	-
Rent/Fuel/Utilities/Insurance	-
Equipment	-
Supplies	-
Communication Services	-
Repair and Maintenance	-
Other	-
Total Administrative/ Program Services	-
	<hr/>
ECIP Direct Services	
Winter	-
Summer	1,138,142.00
Total ECIP Direct Services	1,138,142.00
	<hr/>
Outreach & Education	-
	<hr/>
Total Outreach & Education	-
Total Expenditures	1,138,142.00
	<hr/>
Contracted Revenue over (under) Expenditures	-
Transfer from CSBG	-
	<hr/>
Ending Program Balance	\$ -
	<hr/> <hr/>

**MISSOURI OZARKS COMMUNITY ACTION**  
 Richland, Missouri  
 COMMUNITY SERVICES BLOCK GRANT (CSBG)  
 CONTRACT NUMBER: PG282200010

For the Program Period October 1, 2022 to September 30, 2023  
 Schedule of Contracted Revenues and Expenses

Revenue	
Contracted Grant Revenue-CSBG	
FFY 2022 Allocation/Base Contract -	\$ 888,301.00
	-
	-
Total Contracted Grant Revenues	888,301.00
Expenditures	
Indirect	85,745.89
Personnel	597,762.56
Travel/Training	39,146.95
Rent/Space	4,826.60
Insurance	19,660.88
Supplies	13,944.36
Utilities/Communications	25,339.05
Contract/Consulting	5,723.55
Vehicle Expense	2,394.52
Other	233.67
Direct Client Services/Program Expenses	93,522.97
Total Contracted Grant Expenditures	888,301.00
Contracted Revenue over (under) Expenditures	
	-
Ending CSBG Residuals	
	\$ -

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Schedule of Expenditures of Federal Awards

For the Year Ended January 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Pass Through Identifying Number	CFDA #	Provided to Subrecipients	Federal Expenditures
<b><u>U.S. Department of Health and Human Services</u></b>				
Direct Programs:				
Head Start Cluster				
Head Start	N/A	93.600	\$ -	\$ 5,593,102.00
Pass-through Programs:				
State of Missouri Department of Social Services - Family Support Division				
Low-Income Home Energy Assistance Program (ECIP)	ER11021011	93.568	-	1,138,142.00
Low-Income Home Energy Assistance Program (ECIP)	ER11023011	93.568	-	7,952.48
COVID19 -Low-Income Home Energy Assistance Program (ARPA)	ER11021011	93.568	-	1,935,328.45
COVID19 -Low-Income Home Water Assistance Program (ARPA)	ER11022W011	93.568	-	37,284.73
State of Missouri Department of Natural Resources				
Weatherization Assistance for Low-Income Individuals	G-23-LIHEAP-23-12	93.568	-	343,128.00
Weatherization Assistance for Low-Income Individuals - Emerg.	G-23-LIHEAP-EMER-12	93.568	-	113,145.00
COVID19 -Weatherization Assistance for Low-Income Individuals	G-22-LIHEAP-ARPA-12	93.568	-	80,731.00
		Total 93.568	-	3,655,711.66
State of Missouri Department of Social Services - Family Support Division				
Community Services Block Grant	PG282200010	93.569	-	478,017.62
Community Services Block Grant	PG282300010	93.569	-	435,382.01
		Total 93.569	-	913,399.63
Total U.S. Department of Health and Human Services			-	10,162,213.29
<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	G-22-EE0009912-12	81.042	-	78,622.00
Weatherization Assistance for Low-Income Individuals	G-23-EE0009912-2-12	81.042	-	132,250.00
Weatherization Assistance for Low-Income Individuals - BIL	G-22-EE000997-12	81.042	-	458,058.00
		Total 81.042	-	668,930.00
Total U.S. Department of Energy			-	668,930.00

**MISSOURI OZARKS COMMUNITY ACTION, INC.**

Richland, Missouri

Schedule of Expenditures of Federal Awards

For the Year Ended January 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Pass Through Identifying Number	CFDA #	Provided to Subrecipients	Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>				
Direct Programs:				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	MO207	14.871	\$ -	\$ 1,986,945.00
Total U.S. Department of Housing and Urban Development			-	1,986,945.00
<b><u>U.S. Department of Agriculture</u></b>				
Passed-through:				
State of Missouri Department of Health and Senior Services				
Child and Adult Care Food Program	ERS46110026	10.558	-	366,995.44
Total U.S. Department of Agriculture			-	366,995.44
Total Expenditures of Federal Awards			\$ -	\$ 13,185,083.73

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.

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

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

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 statements of financial position as of January 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated July 31, 2024.

**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) as a basis for designing 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 consolidated 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 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

July 31, 2024  
Chanute, Kansas

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

**INDEPENDENT AUDITOR'S 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

**Opinion on Each Major Federal Program**

We have audited Missouri Ozarks Community Action, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Missouri Ozarks Community Action, Inc.'s major federal programs for the year ended January 31, 2024. Missouri Ozarks Community Action, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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, 2024.

**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 Missouri Ozarks Community Action, Inc. 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 Missouri Ozarks Community Action, Inc.'s compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

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

**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

Chanute, Kansas  
July 31, 2024

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

Schedule of Findings and Questioned Costs  
For the Year Ended January 31, 2024

**I. SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

The auditor's 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 auditor's 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 2 CFR 200.516(a)?	_____	Yes	_____ <u>X</u> _____	No
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Identification of major programs:

**U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Community Services Block Grant	CFDA 93.569
Low-Income Home Energy Assistance Program	CFDA 93.568

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

Auditee qualified as a low risk auditee?	_____ <u>X</u> _____	Yes	_____	No
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**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, 2024

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None