

NORTHEAST KANSAS COMMUNITY ACTION PROGRAM, INC.
Hiawatha, Kansas

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
WITH
INDEPENDENT AUDITOR'S REPORT
Year Ended March 31, 2022

Northeast Kansas Community Action Program Inc.
Hiawatha, Kansas
CONTENTS

	<u>Page</u>
FINANCIAL	
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF ACTIVITIES	5
STATEMENT OF FUNCTIONAL EXPENSESE	6
STATEMENT OF CASH FLOWS	8
NOTES TO FINANCIAL STATEMENTS	10
SUPPLEMENTAL INFORMATION	
SCHEDULE OF FINANCIAL POSITION BY FUND	25
SCHEDULE OF ACTIVITIES BY FUND	27
CHILD AND ADULT CARE FOOD PROGRAM	
SCHEDULE OF FINANCIAL POSITION CHILD CARE	29
SCHEDULE OF ACTIVITIES FOR CHILD CARE	32
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET GRANT 07CH11099/02	35
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET GRANT 07HE00103101C5	37
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET GRANT 07HE00103101C6	38
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET CACFP P006 CTR-20/21	39
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET CACFP P006 CTR-21/22	40
COMMUNITY SERVICES BLOCK GRANT	
SCHEDULE OF FINANCIAL POSITION COMMUNITY SERVICES BLOCK GRANT	41
SCHEDULE OF ACTIVITIES FOR COMMUNITY SERVICES	44
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET 20-CSBG-05	48
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET 21-CSBG-05	49
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET KERA K00252	50
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET 20-CSBG DISC 05	51
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET 21-CSBG DISC-05	52
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET 20-CARES DISC-05	53
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET KERA II BRIDGE	54
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET 20-CARES-05	55
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET NAVIGATOR	56
HUD SECTION 8 VOUCHERS PROGRAM KS168	
SCHEDULE OF FINANCIAL POSITION HUD	57
SCHEDULE OF ACTIVITIES FOR HUD	60
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET TBRA M-18-SG-20-0170	63
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET TBRA M-20-SG-20-0170	64
SCHEDULE OF FININACIAL POSITION OTHER SERVICES	65
SCHEDULE OF ACTIVITIES FOR OTHER SERVICES	67

Northeast Kansas Community Action Program Inc.
Hiawatha, Kansas
CONTENTS

	<u>Page</u>
SCHEDULE OF FINANCIAL POSITION MANAGEMENT & GENERAL	69
SCHEDULE OF ACTIVITIES FOR MANAGEMENT & GENERAL	71
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	 74
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	77
 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 <i>GOVERNMENT AUDITING STANDARDS</i>	 79
 INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	 81
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS	 84
 STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS	 85

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northeast Kansas Community Action Program Inc.
Hiawatha, Ks.

Opinion

We have audited the accompanying financial statements of Northeast Kansas Community Action Program Inc. (a nonprofit organization) which comprise the statements of financial position as of March 31, 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Kansas Community Action Program Inc. as of March 31, 2022, and the changes in its net assets 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 Northeast Kansas Community Action Program 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 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 the 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 Northeast Kansas Community Action Program Inc.'s ability to continue as a going concern within one year after the date that the 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 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 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, 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 Northeast Kansas Community Action Program 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about northeast Kansas Community Action Program 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.

Report on Supplementary Information

Our audit was conducted for forming an opinion on the financial statements as a whole. The accompanying additional information pages 20 to 70 are presented for additional analysis and are not a required part of the basic financial statements. 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 also presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Report on Summarized Comparative Information

In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2022 on our consideration of Northeast Kansas Community Action Program Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Northeast Kansas Community Action Program Inc.'s internal control over financial reporting and compliance.

Harold K. Mayes Jr.

Harold K. Mayes Jr, CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
September 14, 2022

Northeast Kansas Community Action Program, Inc.
STATEMENT OF FINANCIAL POSITION

March 31, 2022

(with summarized financial information at March 31, 2021)

ASSETS	2022	2021
Current assets		
Cash	\$ 645,094	\$ 409,078
Investments	84,540	68,603
Grant Funds Receivable	765,420	510,466
Accounts receivable	67	16,320
Inventory	0	186
Prepaid Expenses	58,571	267,710
<i>Total current assets</i>	<u>1,553,692</u>	<u>1,272,363</u>
Fixed Assets		
Property and Equipment	3,384,136	2,857,929
Less accumulated depreciation	(1,951,917)	(2,037,497)
<i>Total property and equipment</i>	<u>1,432,219</u>	<u>820,432</u>
Other assets		
Restricted cash - FSS Participants	26,622	31,212
<i>Total assets</i>	<u>\$ 3,012,533</u>	<u>\$ 2,124,007</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts Payable	\$ 657,367	\$ 287,608
Accrued Payroll and Related Expenses	106,506	288,553
Accrued Compensated Absences	75,958	68,645
Deferred Revenue	16,349	29,255
Current portion of long-term debt	14,596	13,881
Reserve Accounts	19,332	47,604
<i>Total current liabilities</i>	<u>890,108</u>	<u>735,546</u>
Non-Current Liabilities		
FSS Escrow	26,622	31,212
Notes Payable - net of current portion of long-term debt	<u>86,752</u>	<u>101,399</u>
Total Liabilities	<u>1,003,482</u>	<u>868,157</u>
Net assets		
Without donor restriction		
Undesignated	1,474,675	861,947
Board-designated	186,160	186,160
Total Net Assets Without Donor Restrictions	<u>1,660,835</u>	<u>1,048,107</u>
With donor restriction	348,216	207,743
<i>Total net assets</i>	<u>2,009,051</u>	<u>1,255,850</u>
<i>Total liabilities and net assets</i>	<u>\$ 3,012,533</u>	<u>\$ 2,124,007</u>

The accompanying notes are an integral part of this financial statement.

Northeast Kansas Community Action Program, Inc.
STATEMENT OF ACTIVITIES
Year ended March 31, 2022
(with summarized financial information at March 31, 2021)

	Without Donor Restriction	With Donor Restriction	2022 Total	2021 Total
Revenues				
Federal Grants	\$ 8,663,696	\$ 140,473	\$ 8,804,169	\$ 8,128,504
Program Income	0	0	0	19,187
Donations	17,345	0	17,345	38,160
Other	12,234	0	12,234	96,295
In-kind contributions	546,738	0	546,738	584,315
	<u>9,240,013</u>	<u>140,473</u>	<u>9,380,486</u>	<u>8,866,461</u>
Total Revenue	<u>9,240,013</u>	<u>140,473</u>	<u>9,380,486</u>	<u>8,866,461</u>
Net assets release from restriction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>9,240,013</u>	<u>140,473</u>	<u>9,380,486</u>	<u>8,866,461</u>
Expenses				
Child Care	6,369,792	0	6,369,792	5,660,340
Community Services	926,576	0	926,576	1,099,562
Housing	1,073,529	0	1,073,529	1,102,054
Other Services	7,458	0	7,458	46,620
Total Program Services	<u>8,377,355</u>	<u>0</u>	<u>8,377,355</u>	<u>7,908,576</u>
Management and General	903,788	0	903,788	844,900
Fixed Assets	(625,719)	0	(625,719)	139,331
Total Support Expenses	<u>278,069</u>	<u>0</u>	<u>278,069</u>	<u>984,231</u>
	<u>8,655,424</u>	<u>0</u>	<u>8,655,424</u>	<u>8,892,807</u>
Total expenses	<u>8,655,424</u>	<u>0</u>	<u>8,655,424</u>	<u>8,892,807</u>
Other Revenue (Expense)				
Unrealized Gain/(Loss) on Invest.	14,789	0	14,789	31,795
Gain/(Loss) on Disposal of Assets	13,350	0	13,350	13,000
	<u>28,139</u>	<u>0</u>	<u>28,139</u>	<u>44,795</u>
Total Other Revenue/(Expense)	<u>28,139</u>	<u>0</u>	<u>28,139</u>	<u>44,795</u>
	<u>612,728</u>	<u>140,473</u>	<u>753,201</u>	<u>18,449</u>
Change in net assets	<u>612,728</u>	<u>140,473</u>	<u>753,201</u>	<u>18,449</u>
Net Assets				
Beginning of the year - restated	<u>1,048,107</u>	<u>207,743</u>	<u>1,255,850</u>	<u>1,237,401</u>
End of the year	<u>\$ 1,660,835</u>	<u>\$ 348,216</u>	<u>\$ 2,009,051</u>	<u>\$ 1,255,850</u>

The accompanying notes are an integral part of this financial statement.

Northeast Kansas Community Action Program, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended March 31, 2022
(with summarized financial information at March 31, 2021)

	Child Care	Community Services	Housing
Expenditures			
Personnel	\$ 2,889,477	\$ 307,994	\$ 137,260
Fringe Benefits	890,910	116,573	48,124
Equipment	714,889	77,247	0
Computer	15,588	3,429	311
Supplies	529,893	36,857	5,461
Rent/Utilities	177,515	20,359	2,010
Facility Repair/Maintenance	99,676	5,708	3,587
Mortgage	19,217	115	0
Professional Fees	4,545	14,550	142
Communications	124,890	21,506	4,493
Vehicle	107,565	10,622	1,395
Insurance	45,196	3,641	1,260
Travel	19,169	7,204	430
Registration	59,809	10,267	466
Tuition and Books	5,536	0	0
Depreciation	0	0	0
Interest	0	0	0
Other Operating Expenses	37,514	3,581	1,382
Support to Other Programs	0	0	0
Direct Customer Services	90,106	278,623	867,067
In-Kind Contributions	538,297	8,300	141
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	\$ 6,369,792	\$ 926,576	\$ 1,073,529
	<u> </u>	<u> </u>	<u> </u>
Indirect Expenses	754,031	97,081	24,579
	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 7,123,823</u>	<u>\$ 1,023,657</u>	<u>\$ 1,098,108</u>

The accompanying notes are an integral part of this financial statement.

Other Services	Total Programs	Management and General	Fixed Assets	Total	2021 Total
\$ 0	\$ 3,334,731	\$ 525,224	\$ 0	\$ 3,859,955	\$ 3,753,942
0	1,055,607	128,488	0	1,184,095	1,086,429
0	792,136	0	(792,136)	0	0
0	19,328	68,513	0	87,841	86,636
1,481	573,692	29,035	0	602,727	681,655
0	199,884	7,128	0	207,012	223,307
0	108,971	16,057	0	125,028	108,807
0	19,332	0	(19,332)	0	0
58	19,295	55,992	0	75,287	81,556
0	150,889	22,291	0	173,180	159,435
0	119,582	1,537	0	121,119	100,664
0	50,097	4,873	0	54,970	48,262
0	26,803	1,409	0	28,212	6,031
0	70,542	10,563	0	81,105	52,998
0	5,536	0	0	5,536	10,705
0	0	0	180,349	180,349	245,161
0	0	0	5,400	5,400	6,078
76	42,553	33,725	0	76,278	100,688
0	0	0	0	0	0
5,843	1,241,639	(1,047)	0	1,240,592	1,556,138
0	546,738	0	0	546,738	584,315
<u>\$ 7,458</u>	<u>\$ 8,377,355</u>	<u>\$ 903,788</u>	<u>\$ (625,719)</u>	<u>\$ 8,655,424</u>	<u>\$ 8,892,807</u>
<u>0</u>	<u>875,691</u>	<u>(875,691)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 7,458</u>	<u>\$ 9,253,046</u>	<u>\$ 28,097</u>	<u>\$ (625,719)</u>	<u>\$ 8,655,424</u>	<u>\$ 8,892,807</u>

The accompanying notes are an integral part of this financial statement.

Northeast Kansas Community Action Program, Inc.
STATEMENT OF CASH FLOWS
Year ended March 31, 2022
(with summarized financial information for March 31, 2021)

	<u>2022</u>	<u>2021</u>
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Cash received from grants	\$ 8,552,562	\$ 8,309,959
Cash received from program income	0	19,187
Cash received from other	12,234	87,524
Cash received from donations	17,345	38,160
Cash paid to program employees and providers	(7,518,589)	(8,346,197)
Interest expense	(5,400)	(6,078)
	<u>1,058,152</u>	<u>102,555</u>
<i>Net cash provided by (used in) operating activities</i>		
CASH FLOWS PROVIDED BY (USED IN)		
INVESTING ACTIVITIES		
(Increase) Decrease in Investments	(15,937)	0
Increase (Decrease) in Reserve Account	(28,272)	0
Gain/(Loss) on Disposal of Assets	13,350	13,000
Unrealized (Gain)/Loss on Investments	(14,789)	(14,751)
Acquisition of Property and Equipment	(767,146)	(92,576)
	<u>(812,794)</u>	<u>(94,327)</u>
<i>Net cash provided by (used in) investing activities</i>		
CASH FLOWS PROVIDED BY (USED IN)		
FINANCING ACTIVITIES		
Payments of Long-Term Debt	(13,932)	(13,254)
	<u>(13,932)</u>	<u>(13,254)</u>
<i>Net cash provided by (used in) financing activities</i>		
Net increase (decrease) in cash and cash equivalents	231,426	(5,026)
Beginning cash and cash equivalents	440,290	445,316
Ending cash and cash equivalents	\$ <u>671,716</u>	\$ <u>440,290</u>
Cash	\$ 645,094	\$ 409,078
Restricted cash	<u>26,622</u>	<u>31,212</u>
	\$ <u>671,716</u>	\$ <u>440,290</u>

The accompanying notes are an integral part of this financial statement.

Northeast Kansas Community Action Program, Inc.
STATEMENT OF CASH FLOWS

Reconciliation of change in net assets to net cash provided by operating activities

Year ended March 31, 2022

(with summarized financial information for March 31, 2021)

	<u>2022</u>	<u>2021</u>
CASH FLOWS PROVIDED IN (USED IN)		
OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 753,201	\$ 18,449
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expense	180,349	245,161
Unrealized (Gain)/Loss on Invest.	(14,789)	(31,795)
Gain/(loss) on Disposal of Assets	(13,350)	(13,000)
Changes in assets and liabilities		
(Increase) Decrease in Grants Receivable	(254,954)	152,200
(Increase) Decrease in Accounts Receivable	16,253	(8,771)
(Increase) Decrease in Inventory	186	353
(Increase) Decrease in Prepaid Expenses	209,139	(227,483)
Increase (Decrease) in Accounts Payable	369,757	(29,387)
Increase (Decrease) in Accrued Payroll	(182,047)	(35,051)
Increase (Decrease) in Accrued Liabilities	0	(284)
Increase (Decrease) in Accrued Compensated Absences	7,313	2,907
Increase (Decrease) in Deferred Revenue	(12,906)	29,256
Increase (Decrease) in Reserve Accounts	0	0
Total adjustments	<u>304,951</u>	<u>84,106</u>
NET CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES	\$ <u>1,058,152</u>	\$ <u>102,555</u>

The accompanying notes are an integral part of this financial statement.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Northeast Kansas Community Action Program, Inc. (NEKCAP or the organization) is a non-profit community service organization incorporated under the laws of the State of Kansas serving a sixteen county area. The sixteen counties include Atchison, Brown, Doniphan, Jackson, Jefferson, Jewell, Leavenworth, Marshall, Mitchell, Nemaha, Osborne, Pottawatomie, Republic, Riley, Smith and Washington. The purpose of NEKCAP is to stimulate a better focus of all available local, state, private and federal resources with the goal of enabling low-income families and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, attitudes and motivations to secure the opportunities needed for them to become self-sufficient.

NEKCAP receives grant funds and donations from the federal government, State of Kansas, county and local governments and the public sector.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Basis of Presentation

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expanded for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time-to-time.

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

Budgetary Accounting

Budgets are adopted for each grant/contract based on that grant's/contract's fiscal grant period and the specific purposes and terms of that grant/contract. Budget revisions are determined in accordance with applicable federal regulations on grant administration.

Cash Equivalents

For purposes of the Statement of Cash Flows, NEKCAP considers all instruments purchased with an original maturity of three months or less to be cash equivalents.

Investments

Investments consist entirely of equity securities with readily determinable fair values that are reported at their fair value based on quoted market prices in the statement of financial position.

Property and Equipment

NEKCAP capitalizes equipment purchases greater than \$5,000 at cost or estimated fair value, if donated. In accordance with grant agreements, the organization maintains a listing of property and equipment purchased with federal funds, recording its date of purchase, description, location, cost and source of funding used to make purchase. The grantor retains a reversionary interest in the property and equipment purchased with federal funds. The disposition of equipment and any sale proceeds are subject to grant requirements. Donated buildings are recorded at fair market value at the time of donation. Constructed buildings are recorded at cost.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Property and Equipment - Continued

NEKCAP's central office was donated in December 1986, with the stipulation that when the building is no longer needed by the organization, it will be deeded back to the donor. The building was valued at \$154,000 at the date of donation.

Property and equipment are depreciated on the straight-line basis over their estimated lives as follows:

Buildings	25-45 years
Equipment	3 years
Vehicles	5 years

Inventory

Inventory represents balances of supplies on-hand and are stated at cost, which approximates market, using the first-in/first-out (FIFO) method.

Contributions

NEKCAP recognizes the full amount of the contributions and grants received in the period that they were made as either net assets with donor restrictions or net assets without donor restrictions depending on the existence of any donor restrictions. The organization reports gifts of cash and other assets as net assets with restrictions if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, or a stipulated time restriction ends, net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The organization records donor-restricted contributions whose restrictions are met in the same reporting period as net assets without donor restrictions. The Organization records non-cash contributions at their estimated fair market value at the date of the contribution.

Grants Receivable

Grants receivable represent expenditures of grant funds that are to be reimbursed to the organization by federal and state grantor agencies. The organization considers grants receivable to be fully collectible, and therefore, no allowance for doubtful accounts is required.

Donated Use of Space, Materials and Services

Donated use of facilities is recorded as the difference in the fair market value rent and the actual rental payments made by NEKCAP in accordance with FASB ASC 958-605-25. Donated supplies are recognized at their estimated fair value. In accordance with generally accepted accounting principles, donated services are recognized at their estimated fair value when they create or enhance nonfinancial assets or they require specialized skills that would need to be purchased if they were not donated. The organization receives donated services from a variety of unpaid volunteers assisting the organization in its charitable programs, primarily the Head Start and Early Head Start programs. The value of these services that did not meet the requirements for recognition under GAAP is \$546,738 for the year ended March 31, 2022.

Advertising Costs

Advertising costs are expensed to operations when incurred. Total advertising cost for the year ended March 31, 2022 was \$1,047 and was primarily for job listings.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Cost Allocation

Joint costs are allocated to benefiting programs using various allocation methods depending on the type of joint cost being allocated. Joint costs are those costs incurred for the common benefit of all NEKCAP programs, but which cannot be readily identified. Cost allocation methods are as follows:

Personnel: Organization administrative and financial personnel (executive director, fiscal director, bookkeepers, personnel director, purchasing agent, planner and executive secretary) salaries and wages leave and fringe benefits, and related administrative expenses (audit, travel, supplies, etc.) are accumulated in the indirect cost pool. The actual indirect costs included are allocated to each program based upon direct salaries and wages including all fringe benefits of each grant or activity in accordance with the Indirect Cost Negotiation Agreement with the Department of Health and Human Services.

Central Office Facility: Space costs (maintenance costs, supplies, utilities, depreciation, etc.) are allocated based on the number of square feet of space each program occupies. Space occupied by administrative staff is allocated through the indirect cost pool described above.

Supplies: Certain supplies are inventoried and signed out to specific programs when needed. The supplies are expensed to specific programs monthly on a first-in, first-out basis. General supplies are allocated based on direct salaries and wages of each grant activity.

Copy Costs, Telephone System and Postage Meter: A record is maintained of usage (copies made, number of phones, etc.) for each program. These costs are charged to programs based on the usage during the month. Other general copy, telephone and postage costs are allocated based on direct salaries and wages of each grant activity.

Insurance: Insurance is allocated to benefiting programs depending on the type of insurance. Workers' compensation and general liability are allocated based on salaries and wages of personnel covered. Vehicle insurance is allocated based on the amount of vehicle usage by each program.

Elements of Cost	Methodology of Allocation
Equipment	Direct Cost
Computer Expense	Direct Cost
Supplies	Direct Cost
Rent and Utilities	Central Office allocation based upon square footage per fund. Other sites based upon actual usage if one program or if multiple based upon square footage and Early Head Start/Head Start portion by number of children served per fund at the site.
Facility Repairs and Maintenance	Central Office allocation based upon square footage per fund. Other sites based upon actual usage if one program or if multiple based upon square footage and Early Head Start/Head Start portion by number of children served per fund at the site.
Professional Fees	Direct Cost
Communication Expenses	Actual usage and allocated based on number of copies per fund.
Vehicle Expenses	Actual usage and allocated based on mileage usage per fund.
Insurance	Allocated based on number of employees per fund.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Cost Allocation - continued

Elements of Cost	Methodology of Allocation
Travel	Direct Cost
Registration	Direct Cost
Tuition and Books	Direct Cost
Depreciation	Direct Cost
Interest Expense	Direct Cost
Other Operating Expense	Direct Cost
Support to Other Programs	Direct Cost
Direct Customer Services	Direct Cost

Income Tax Status

NEKCAP is exempt from Federal income taxes under Section 501(c) (3) of the Internal Revenue Code and is exempt from state income taxes under the laws of the State of Kansas. The organization has not been classified as a private foundation.

As required by FASB ASC No. 740, Income Taxes, the organization evaluated its tax positions and the certainty as to whether those positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the organization's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The organization is no longer subject to United States federal or state examinations by tax authorities for the years before 2018. During the fiscal year ending March 31, 2022, the organization did not recognize any interest or penalties associated with any positions.

Concentration of Risk

The organization is supported primarily through grants from federal, state, and local governments. Historically, a few major granters, including the U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development, provide significant portions of grants. It is always considered reasonably possible that grantors or donors might be lost in the near term. In addition, NEKCAP's ability to generate resources via grants is primarily dependent upon the economic health and prosperity of the Federal government and to a much smaller extent upon the prosperity and health of the State of Kansas. As a result, there is the potential that an economic downturn or changes in federal and state policy or priorities could result in a decrease in contributions and grants. This in turn could potentially negatively affect the Organization's ability to provide the same level of high quality service that NEKCAP currently provide to its program participants.

Use of 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.

Change in Net Assets from Operations

NEKCAP's change in net assets from operations includes revenues and expenses directly related to carrying out the organization's mission. Unrealized gains, losses, and dividend revenue on investments are considered non-operating.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 2 - LIQUIDITY AND AVAILABILITY

NEKCAP is substantially supported by donor-restricted grants and to a lesser extent, some unrestricted grants. Because a donor's restriction requires resources to be used in a particular manner or in a future period, NEKCAP must maintain sufficient resources to meet those requirements. Thus, financial assets may not be available for general expenditure within one year. As part of NEKCAP's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. NEKCAP maintains its funds in FDIC insured accounts and amounts in excess of FDIC insurance are collateralized by pledged securities held under joint custody receipts issued by the Federal Reserve Bank in NEKCAP's name (See Note 3 - Deposits). NEKCAP operates primarily on three types of grants: 1) reimbursement-type grants where the expenditures are reimbursed within a short time of disbursement by drawing down funds to meet current disbursement needs; 2) reimbursement-type grants where the expenditures are reimbursed within a short time of filing a disbursement/reimbursement request; and 3) front-loaded grants that advance all or a portion of grant funding. Additionally, the NEKCAP's Multi-County Board of Directors has established a reserve of \$186,160 (See Note 11 - Board-Designated Net Assets). This is a board-designated reserve with the objective of setting funds aside to be drawn upon by the NEKCAP Multi-County Board of Directors in the event of organizational financial distress. The reserves balance is available to draw upon to temporarily fund current operational needs until reimbursement is received by funding sources. This ensures that the agency is not using funds from one federal funding source to pay for operations of another federal funding source. In addition, NEKCAP maintains a short-term investment with a value of \$84,540 as of March 31, 2022 (See Note 4- Investments) that could be liquidated by the NEKCAP Multi-County Board of Directors to fund operations, if the need arises.

The following reflects NEKCAP's financial assets as of the Statement of Financial Position date reduced by amounts not available for general use because of contractual or donor-imposed restrictions' within one year of the Statement of Financial Position date. Amounts not available include amounts set aside for board-designated reserves as needed for providing future programs and services.

Total Current Assets	\$	1,553,692
Less:		
Prepaid Expenses		(58,571)
Inventory		<u>0</u>
Current Financial Assets		1,495,121
Less:		
Board-designated funds		<u>(186,160)</u>
Financial Assets available to meet cash needs for general expenditure within 1 year	\$	<u><u>1,308,961</u></u>

NOTE 3 - DEPOSITS

As of March 31, 2022, the carrying amount of NEKCAP's deposits including restricted cash balances was \$671,716. The bank balance was \$1,078,732 as of March 31, 2022. The difference between carrying amount and bank balance is outstanding deposits and checks. Of the bank balance for March 31, 2022, \$507,332 was covered by FDIC insurance and \$571,400 was collateralized by pledged securities held under joint custody receipts issued by the Federal Reserve Bank in the organization's name.

The U.S. Department of Housing and Urban Development has a program in which persons receiving rent subsidies can save the difference between the original rent subsidy and the change in that subsidy as their personal income increases. These savings are maintained by NEKCAP until these persons have met the time requirement. The funds are then remitted to the qualified individual. The funds are in a separate bank account and amounted to \$26,622 as of March 31, 2022.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 3 – DEPOSITS - continued

As a condition of the ALJ Center notes payable as listed in Note 6, management was required to establish a separate cash account into which monthly payments are deposited. The bank then withdraws these deposits to make the note payments. The bank requires a balance be maintained in the account of \$7,332 as of March 31, 2022, which will be applied to the final payment.

NOTE 4 - INVESTMENTS

At March 31, 2022, the value of the organization's investments consisted of the following:

	2022
Equity Securities	\$ <u>84,540</u>

Investments are valued using Level 1 inputs, which means the investments are valued at quoted market values per the stock exchange.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of March 31:

	2022
Central Office Building and Equipment	\$ 284,978
ALJ Center	790,355
Equipment - Federal	<u>2,308,803</u>
Total Property and Equipment	3,384,136
Less: Accumulated Depreciation	<u>(1,951,917)</u>
Net Property and Equipment	\$ <u>1,432,219</u>

Depreciation expense during the year ended March 31, 2022 was \$180,349.

NOTE 6 - PREPAID EXPENSES

Prepaid expenses consist of the following as of March 31:

	2022
Prepaid Insurance	\$ 8,432
Prepaid Postage	3,461
Other Prepaid Expenses	<u>46,678</u>
Total Prepaid Expenses	\$ <u>58,571</u>

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 7 – NOTES PAYABLE

Notes payable consisted of the following at March 31, 2022:

Note Payable to Farmers Home Administration	
ALJ Center loan: 5% interest, monthly	
installments of \$1,611, due 7/20/2030	\$ <u>101,348</u>
 Total Notes Payables	 \$ 101,348
 Less Current Portion	 <u>14,596</u>
 Long-Term Notes Payable	 \$ <u><u>86,752</u></u>

Interest expense paid for years ended March 31, 2022 was \$6,078.

During fiscal year 2017, the organization decided to accelerate the repayment of the above loan by making payments of \$2,691 per month, although the terms of the loan did not change. As of April 2019, the organization decided to make only the required minimum payment of \$1,611 each month. The loan now has an anticipated maturity date of April 2028. The future payments schedule below reflects the required minimum monthly payments. As of March 31, 2022, notes payable mature as follows:

Year Ended March 31:

2023	\$ 14,596
2024	15,343
2025	16,128
2026	16,953
2027	17,820
Thereafter	<u>20,508</u>
 Total	 \$ <u><u>101,348</u></u>

NOTE 8 - RESERVE ACCOUNTS

The organization has established a reserve of funds as required by the terms of a Loan Resolution Security Agreement with the U.S. Department of Agriculture for a loan to construct the ALJ Center Head Start facility. These reserve funds may be used for paying the costs of repairs to the facility or making extensions or improvements to the facility. The value of the reserve funds was required to be \$19,332 as of March 31, 2022.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 9 - COMPENSATED ABSENCES

Holidays – Holidays are recognized as non-workdays for employees. NEKCAP provides regular non-exempt employees the benefit of paid holidays as described below in Table 1.0 and approved annually by the NEKCAP Multi-County Board of Directors. Exempt employees typically receive their full salary for any week in which a holiday is observed if they perform any work during that week. A recognized holiday that falls on Saturday will be observed on the preceding Friday. A recognized holiday that falls on Sunday will be observed on the following Monday. Holiday pay is calculated based on the employee's regular hourly rate multiplied by the number of hours the employee was regularly scheduled to work that day. If an employee was not scheduled to work, no holiday pay will be awarded. If a holiday falls during an employee's scheduled annual leave, discretionary leave, or sick leave, holiday pay will be provided for the holiday. Paid holidays will not be counted as hours worked in the calculation of determining overtime. Holidays are not paid out upon termination or resignation. The liability for Holidays as of March 31, 2022, was \$0.

Table 1.0 NEKCAP Recognized Holidays:

NEKCAP Recognized Holidays
New Year's Day
Martin Luther King, Jr. Day
Presidents' Day
Good Friday
Memorial Day
Juneteenth Day
Independence Day
Labor Day
Veteran's Day
Indigenous People's Day (Formerly Columbus Day)
Thanksgiving Day
Day after Thanksgiving Day
Christmas Day

Annual Leave - Regular 12-month schedule employees of NEKCAP are entitled to paid Annual Leave based on years of service as described below in Table 1.1. The leave is posted to the leave balance at the end of each pay period.

Table 1.1 8 hour a day employee accrues annual leave based on the following schedule:

Completed Years of Service	Paid Annual Leave
Date of hire thru 4 years	.046270 per eligible hour
5 – 9 Years	.057730 per eligible hour
10 – 14 Years	.069330 per eligible hour
15 Years or More	.092400 per eligible hour

Annual Leave may accumulate up to a total of 192 hours. If the employee's benefit reaches this maximum, further Annual Leave will not accrue until the employee has reduced the balance below the limit. Employees begin to accrue Annual Leave upon hire but cannot use it until successful completion of half (90 days) of their Introductory Period. All Annual Leave must be used before an employee can use unpaid leave. Annual Leave will not continue to accrue during any significant unpaid leave of absence, except a military leave of absence. Employees must utilize accrued Annual Leave during any FMLA leave to provide income during what would otherwise be unpaid leave. Non-exempt employees may take accrued Annual Leave in half-hour increments. Exempt employees may only use Annual Leave in full-day increments. Annual Leave taken is not considered hours worked in the calculation of overtime.

Unused Annual Leave is forfeited when an employee is terminated or gives less than two weeks' notice of resignation. However, employees who are laid off for economic reasons, or who resign with at least two weeks advance written notice, will receive the balance of any accrued and unused Annual Leave up to 90 hours at the time of the work separation. Any accrued, but unused, Annual Leave balance of up to 90 hours will be paid out at the time of transfer from a twelve-month position receiving Annual Leave to a position receiving discretionary leave.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 9 - COMPENSATED ABSENCES- continued

In no case, even if the above eligibility requirements are satisfied, however, will payment be made for Annual Leave not yet accrued. The liability for Annual Leave as of March 31, 2022, was \$75,958.

Discretionary Leave - 9-month, 10-month, or 11-month schedule employees of NEKCAP are entitled to paid Discretionary Leave, which is not available to 12-month employees. Eligible employees accrue Discretionary Leave based on the employee's initial hire date, regular schedule, and length of serve/hours worked as described below in Table 1.2. The leave is divided in half and then is front-loaded to the leave balance on September 1st and January 1st. Discretionary Leave will not roll over from each school calendar year and is not paid out upon resignation or termination. Discretionary Leave will reset annually on September 1 when new balances are front loaded for the new school year. All staff receiving (Discretionary Leave) will receive the week from Christmas through New Year's Day as a paid week off as Holiday pay.

Table 1.2 9-month, 10-month, and 11-month employee Discretionary Leave Schedule:

Years of Service	9-Month	10-Month	11-Month
Date of hire thru 2 years	27 hours	30 hours	33 hours
3 – 6 Years	36 hours	40 hours	44 hours
7 – 10 Years	45 hours	50 hours	55 hours
10 Years or More	54 hours	60 hours	66 hours

New employees will receive a pro-rated amount of Discretionary Leave based upon hire date and may use it upon completion of 90-days of employment. Employee must use all Discretionary Leave before unpaid leave, except in the case of Short-Term Disability and FMLA related absences. Discretionary Leave may not be used to extend termination/resignation dates.

Any unused Discretionary Leave will be forfeited prior to separation and will not be paid at the time the employee's employment ceases. Unused Discretionary Leave will not transfer or be paid out when employee's transfer from a discretionary position to a position accruing Annual Leave. Discretionary Leave taken is not considered hours worked in the calculation of overtime. The liability for Discretionary Leave as of March 31, 2022, was \$0.

Sick Leave/Personal Leave – It is important to NEKCAP for employees to be healthy both mentally and physically. Working with at-risk and vulnerable populations can create opportunities for burnout and compassion fatigue as well as physical illness from long hours and/or dedication to jobs. It is employee's responsibility to determine whether they can perform their assigned duties with physical wellness and mental clarity. All regular full-time and regular part-time employees are also entitled to paid Sick Leave and will accrue sick leave at the rate of one day per month based on their scheduled work hours, which is equivalent to a rate of .046270 per eligible hour. The leave is posted to the leave balance at the end of each pay period. All accrued Sick Leave must be used before any unpaid leave.

Full-time, regular employees may use up to three (3) days of accrued Sick Leave each fiscal year as personal leave. Personal Leave may be granted for any reason deemed important to the employee. If an employee decides to use a day of Sick Leave as a day of Personal Leave, the day will be deducted from his/her Sick Leave balance. Personal Leave does not accumulate from one fiscal year to the next fiscal year. Only three (3) days of Sick Leave can be used as Personal Leave in any fiscal year. If an employee does not use Personal Leave, the Sick Leave will remain as accrued Sick Leave.

Accrued Sick Leave may be used when a person is unable to perform his/her assigned duties because of illness or injury. This could include appointments with physicians, dentists, or other recognized practitioners, or exposure of other staff to a communicable disease, or for a serious illness, disability, or injury of a family member. Non-exempt employees may take accrued sick leave in half-hour increments. Exempt employees may only use accrued Sick Leave in full-day increments. Sick Leave will not continue to accrue during any significant unpaid leave of absence, except a military leave of absence. Employees receiving workers' compensation benefits are not entitled to use accrued sick leave. Sick Leave may accumulate up to a total of 150 hours. If the employee's benefit reaches this maximum, further Sick Leave will not accrue until the employee has reduced the balance below the limit. Employees

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 9 - COMPENSATED ABSENCES - continued

can utilize accrued Sick Leave for the employee's own serious health condition or that of a covered family member or military service member. If an employee has disability insurance, the employee would be required to use Sick Leave only for the first week. This will provide income during what would otherwise be unpaid leave under FMLA. Accrued and unused Sick Leave will not be paid out upon termination. Sick Leave is not considered hours worked in the calculation of overtime. The liability for Sick Leave as of March 31, 2022, was \$0.

Administrative Leave – NEKCAP values the safety of staff. The Executive Director may choose to close offices and pay affected staff through Administrative Leave due to weather conditions or other unforeseen circumstances. Administrative Leave is not granted for those staff who have been approved and are currently teleworking. Only staff associated with an affected location will be allowed to use Administrative Leave. Staff at affected sites who are already on another form of leave (Discretionary, Annual, Sick, Unpaid, Military, or FMLA) will not be eligible for Administrative Leave. Staff choosing to work at a closed site will not receive Administrative Leave. The liability for Administrative Leave as of March 31, 2022, was \$0.

Extended Unpaid Leaves of Absence – The policy of NEKCAP is to grant Extended Unpaid Leaves of Absence under certain circumstances as defined in the employee handbook. Requests must be in writing to the Executive Director and the Director of Human Resources. Unpaid leave is only approved for a thirty-day period, and then it must be reviewed and renewed. NEKCAP has complete discretion to approve or deny any requests for, or extensions of unpaid leave. The maximum unpaid leave for an employee will be six months. The liability for Extended Unpaid Leaves of Absence as of March 31, 2022, was \$0.

Military Leaves of Absence – The policy of NEKCAP is to grant unpaid Military Leave of Absence and reemployment rights to employees with military obligations in accordance with all applicable laws. Employees required to be absent from employment for the purposes of military service, training, and/or examination, will be eligible for a Military Leave of Absence. NEKCAP will comply with all federal and state laws regarding the re-employment of employees who serve in the Uniformed Services. The liability for Military Leaves of Absence as of March 31, 2022, was \$0.

Jury Duty/Subpoenas – The policy of NEKCAP is to accommodate all employees who are called to serve on jury duty or required to testify as a subpoenaed witness in a judicial proceeding related to NEKCAP business. All regular full-time and regular part-time employees are eligible for Jury Duty Leave pay for up to fifteen (15) days. Additional days off will be granted without pay. Due to the minimal amount received for performing Jury Duty and the cost/burden of tracking such a small amount, employees may keep the Jury Duty check pay received from the Courts as an incentive to complete their civic duty. Jury Duty Leave is not considered hours worked for the calculation of overtime. Employees will receive pay when subpoenaed as a witness in NEKCAP related matters. Employees will not receive pay when subpoenaed as a witness in non-NEKCAP related matters; but may use other types of leave. The liability for Jury Duty/Subpoenas Leave as of March 31, 2022, was \$0.

Bereavement Leave – NEKCAP provides regular full-time and regular part-time employees who must be off work during a period of bereavement, as defined by policy. When an employee loses an immediate family member, the company provides up to three (3) days of paid time off. NEKCAP provides one day of paid time off in the case of an extended family member's death. There is no use of Annual or Discretionary Leave required. Annual or Discretionary Leave may be used, if desired, if more than the allotted time is required. Immediate family member is defined as:

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 9 - COMPENSATED ABSENCES - continued

Table 1.3 NEKCAP immediate family member defined:

NEKCAP Immediate Family Member Defined
Spouse or partner in a civil union recognized by state law
Domestic partner or partner in a committed, personal relationship
Biological, adoptive, foster or stepparent
Biological, adoptive, foster or stepchild
Biological, adoptive, foster or stepsibling
Father-in-law, Mother-in-law
Brother-in-law, Sister-in-law
Son-in-law, Daughter-in-law
Grandparent
Grandchild

Extended family member is defined as:

Table 1.4 NEKCAP extended family member defined:

NEKCAP Extended Family Member Defined
Biological, adoptive, foster or step Aunt or Uncle
Biological, adoptive, foster or step Nieces or Nephews
Biological, adoptive, foster or step First Cousins
Grandparents-in-law

The liability for Bereavement Leave as of March 31, 2022, was \$0.

The liability in total for all Compensated Absences as of March 31, 2022, was \$75,958.

NOTE 10 - OPERATING LEASES

NEK-CAP, Inc. has operating leases for classroom and office space for Head Start Programs. The rental agreements vary in length of time and are renewable. It is NEK-CAP's intention to continue renewing these leases indefinitely. The rental agreements contain provisions for rent and/or utility reimbursement. They also generally contain the federally required escape clause for contracts over \$10,000 and an escape clause for convenience by paying a month's rent as penalty and appropriate notice. Rent/Utility expense for the years ended March 31, 2022 was \$199,885. Operating leases for the next five years are as follows and taking into account subsequent event lease changes:

Year Ended March 31:		
2023	\$	170,340
2024		175,340
2025		170,780
2026		170,780
2027		170,780

NOTE 11 - BOARD-DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS

The organization has \$186,160 in the General Fund remaining from CHDO housing programs which were discontinued several years ago. The Board established a reserve using these remaining funds which will be used for future purposes at the discretion of the Board.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets were restricted for the following purposes at March 31:

Subject to expenditure for specified purpose	
Child Care	\$ 30,178
Community Services	261,220
Housing	40,782
Other	<u>16,036</u>
Total Net Assets With Donor Restrictions	\$ <u>348,216</u>

NOTE 13 - EMPLOYEE BENEFIT PLANS

NEKCAP has a deferred compensation arrangement in which all employees who are at least 21 years of age with a minimum of one year of service are eligible to participate. The voluntary salary reduction amount may not exceed the maximum percentage of a participant's compensation allowable by Internal Revenue Code Section 401(k). Employer matching contributions are made equal to 50% of a participant's salary reduction up to 8% of a participant's compensation. The related program cost is recorded as an expense when incurred. A participant's salary deferrals and employer matching contributions are 100% vested upon the participant's entrance into the plan. NEKCAP's matching contribution for the years ended March 31, 2022 was \$52,036.

NEKCAP has a plan, which qualifies as a cafeteria plan under Section 125 of the Internal Revenue Code of 1954, as amended. The plan is open to employees whose employment is at least 1,000 hours per year and who have completed at least 30 days of service. The purpose of the plan is to provide employees a choice between cash and benefits under the dependent care assistance plan and medical care plans maintained by the organization.

NOTE 14 - CONTINGENCIES

NEKCAP participates in Federal and state programs that are fully or partially funded by grants received from governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor agency. If expenditures are disallowed due to noncompliance with grant program regulations, the organization may be required to reimburse the grantor agency. As of March 31, 2022, significant amounts of program expenditures have not been audited by grantor agencies, but the NEKCAP believes that disallowed expenditures, if any, based upon subsequent audits by the grantor agencies will not have a material effect on any of the individual funds or the overall financial position of the organization.

NOTE 15 - FAIR VALUE OF FINANCIAL INSTRUMENTS

Generally accepted accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques that measure fair market value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements).

NEKCAP uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

1. *Cash and cash equivalents* - The carrying amount approximates fair value because of the short maturity of those instruments.
2. *Investments* - The carrying value reflects the fair value of the equity shares as traded on financial markets.
3. *Accounts receivable* - The carrying value of accounts receivable approximates fair value due to their short-term nature and the fact they have been collectible historically.
4. *Accounts payable* - The carrying value of accounts payable approximates fair value due to the short-term nature of the obligations.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 15 - FAIR VALUE OF FINANCIAL INSTRUMENTS - continued

5. *Accrued expenses* - The carrying value of accrued expenses approximates fair value due to the short-term nature of the obligations.

6. *Long-term debt* - The fair value of the NEKCAP's long-term debt approximates fair value due to the fact the entity is current and the remaining life of the debt does not justify a re-negotiation of the terms of the debt.

NOTE 16 - PRIOR-YEAR SUMMARIZED INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended March 31 of the prior year, from which the summarized information was derived.

NOTE 17 - SUBSEQUENT EVENTS

NEK-CAP, Inc. evaluated subsequent events through September 13, 2022, the date the financial statements were available to be issued. The following represent new additional grants received by NEK-CAP, Inc. between April 1, 2022, and September 13, 2022, that are outside normal funding streams:

- Effective August 1, 2022, the lease with the City of Horton for the South Brown Head Start Center was entered into for the period August 1, 2022, to July 31, 2027, and able to renew on an annual basis thereafter at the same terms. The lease amount increased from \$750 per month to \$1,300 per month.
- Effective August 1, 2022, the lease with the Lansing Business Center, LLC for the Leavenworth Head Start Center was amended for the period August 1, 2022, to March 31, 2024, and returning to the original renewal terms thereafter. The purpose of the amendment was to provide additional suitable paved parking for the convenience of the program to provide additional parking spaces for staff and parents. The lease amount increased from \$4,000 per month to \$4,700 per month during this period. Thereafter, NEK-CAP, Inc. can renew for the period 4/1/2024-3/31/2029 at \$4,320 per month and for the period 4/1/2029-3/31/2034 at \$4,752 per month.
- Effective July 1, 2022, the lease with Mount St. Scholastica, Inc. for the Atchison Head Start Center was entered into for the period July 1, 2022, to June 30, 2023, and able to renew on an annual basis thereafter. The lease amount stayed the same at \$3,050 a month for September to May and \$2,100 a month from June to August.
- Effective with the employee benefit year beginning on September 1, 2022, NEK-CAP, Inc.'s Multi-County Board of Director's has elected to have a third-party company, NueSynergy, manage the organizations cafeteria plan under Section 125 as defined in Note 13 – Employee Benefits.
- NEK-CAP, Inc. signed a memorandum of understanding with the University of Kansas to work together in support of a COVID-19 vaccination and community engagement project entitled "Communities Organizing to Promote Equity (COPE)" project supported by the Kansas Department of Health and Environment. As part of this agreement, NEK-CAP, Inc. will receive \$500 a month and will use this to provide direct services through the Community Services Block Grant (CSBG).
- Early Head Start/Head Start Grant (07CH011099/03) was approved for a liquidation extension until 12/31/2022 and may be extended further. This was due to the supply and chip shortage that is causing significant manufacturing delays in vehicle and school bus deliveries. The program currently has six (6) 14-passenger school buses on back order and is in constant contact with the manufacturer and Region VII Head Start (R7HS). This issue is affecting many Head Start organizations. NEK-CAP, Inc. was recently notified that the price of these buses is being increased by \$12,600 per vehicle with a likely delivery date in the May

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2022

NOTE 17 - SUBSEQUENT EVENTS - continued

- to June 2023 timeframe and is in discussions with R7HS and the Office of Head Start in how to best handle this issue. There are several options available and under consideration by all parties.
- Early Head Start/Head Start Grant (07CH011099/04) was awarded an additional \$156,723.00 in COLA and Quality Improvement funding effective 4/1/2022-3/31/2023. This is a permanent funding increase. Non-Federal match was waived for the current grant year.
- Thrive Allen County Navigator Grant Sub award (NEK-CAP, Inc. Navigators) of \$45,000 to provide staff certified as navigators to educate consumers on products, services, and eligibility in the federally facilitated marketplace. This program is now called Kansas Cares by Thrive Allen County. This fund was renewed for an additional year from 8/27/2022-8/26/2023.
- Kansas Emergency Rental Assistance (KERA) Reimbursement Sub-award one-time COVID ERA funding will not be renewed and will end on 8/31/2022. It is anticipated that KHRC will continue to assist existing clients to the end of the current calendar year.
- Kansas Emergency Rental Assistance Bridge to Housing Stability (KERA II - BHS) This one-time COVID ERA sub award was reduced to \$23,650 due to a change in scope by KHRC and the depletion of funds due to high need faster than anticipated at the state level. Excess unearned funds of \$193,461.02 were returned by NEK-CAP, Inc. to KHRC on July 21, 2022, so that they could be redeployed to provide direct assistance to those in need at the state level.

SUPPLEMENTAL INFORMATION

Northeast Kansas Community Action Program, Inc.

Schedule 1

SCHEDULE OF FINANCIAL POSITION BY FUND

Year Ended March 31, 2022

ASSETS	Child Care	Community Services	Housing
Current assets			
Cash	\$ 19,048	\$ 241,472	\$ 14,687
Investments	0	0	0
Grant Funds Receivable	675,440	55,104	34,876
Accounts Receivable	0	0	0
Inventory	0	0	0
Prepaid Expenses	13,333	0	11,311
<i>Total current assets</i>	<u>707,821</u>	<u>296,576</u>	<u>60,874</u>
Fixed Assets			
Property and Equipment	0	0	0
Less accumulated depreciation	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Fixed Assets</i>	<u>0</u>	<u>0</u>	<u>0</u>
Other assets			
Restricted cash - FSS Participation	0	0	26,622
<i>Total assets</i>	<u><u>\$ 707,821</u></u>	<u><u>\$ 296,576</u></u>	<u><u>\$ 87,496</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts Payable	\$ 596,186	\$ 15,934	\$ 863
Accrued Payroll and Related Expenses	81,457	8,754	2,880
Accrued Compensated Absences	0	0	0
Deferred Revenue			16,349
Current Portion of Long-Term Debt	0	0	0
Reserve Accounts	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total current liabilities</i>	<u>677,643</u>	<u>24,688</u>	<u>20,092</u>
Non-Current Liabilities			
FSS Escrow	<u>0</u>	<u>0</u>	<u>26,622</u>
Notes Payable - net of current portion	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>677,643</u>	<u>24,688</u>	<u>46,714</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	10,668	0
Board-designated	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Assets Without donor restriction	<u>0</u>	<u>10,668</u>	<u>0</u>
Net Assets With Donor Restrictions	<u>30,178</u>	<u>261,220</u>	<u>40,782</u>
<i>Total net assets</i>	<u>30,178</u>	<u>271,888</u>	<u>40,782</u>
<i>Total liabilities and net assets</i>	<u><u>\$ 707,821</u></u>	<u><u>\$ 296,576</u></u>	<u><u>\$ 87,496</u></u>

See Independent Auditor's Report.

Other Services	Management and General	Total
\$ 69,577	\$ 300,310	\$ 645,094
84,540	0	84,540
0	0	765,420
4	63	67
0	0	0
0	33,927	58,571
<u>154,121</u>	<u>334,300</u>	<u>1,553,692</u>
0	3,384,136	3,384,136
0	(1,951,917)	(1,951,917)
<u>0</u>	<u>1,432,219</u>	<u>1,432,219</u>
0	0	26,622
<u>\$ 154,121</u>	<u>\$ 1,766,519</u>	<u>\$ 3,012,533</u>
\$ 186	\$ 44,198	\$ 657,367
0	13,415	106,506
0	75,958	75,958
0	0	16,349
0	14,596	14,596
0	19,332	19,332
<u>186</u>	<u>167,499</u>	<u>890,108</u>
0	0	26,622
0	86,752	86,752
<u>186</u>	<u>254,251</u>	<u>1,003,482</u>
137,899	1,326,108	1,474,675
0	186,160	186,160
<u>137,899</u>	<u>1,512,268</u>	<u>1,660,835</u>
16,036	0	348,216
<u>153,935</u>	<u>1,512,268</u>	<u>2,009,051</u>
<u>\$ 154,121</u>	<u>\$ 1,766,519</u>	<u>\$ 3,012,533</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 2

SCHEDULE OF ACTIVITIES BY FUND

Year Ended March 31, 2022

	Child Care	Community Services	Housing
Revenues			
Federal Grants	\$ 6,554,942	\$ 1,168,496	\$ 1,080,731
Program Income	0	0	0
Other	0	97	7,100
Donations	1,737	12,150	0
Total revenues	<u>6,556,679</u>	<u>1,180,743</u>	<u>1,087,831</u>
In-Kind Contributions	1,097,044	11,957	221
Less In-Kind not in accordance with GAAP	<u>(558,747)</u>	<u>(3,657)</u>	<u>(80)</u>
GAAP Recognized In-Kind	<u>538,297</u>	<u>8,300</u>	<u>141</u>
 Total revenues and recognized In-Kind	 <u>7,094,976</u>	 <u>1,189,043</u>	 <u>1,087,972</u>
 Expenditures			
Personnel	2,889,477	307,994	137,260
Fringe Benefits	890,910	116,573	48,124
Equipment	714,889	77,247	0
Computer	15,588	3,429	311
Supplies	529,893	36,857	5,461
Rent/Utilities	177,515	20,359	2,010
Facility Repair/Maintenance	99,676	5,708	3,587
Mortgage	19,217	115	0
Professional Fees	4,545	14,550	142
Communications	124,890	21,506	4,493
Vehicle	107,565	10,622	1,395
Insurance	45,196	3,641	1,260
Travel	19,169	7,204	430
Registration	59,809	10,267	466
Tuition and Books	5,536	0	0
Depreciation	0	0	0
Interest	0	0	0
Other Operating Expenses	37,514	3,581	1,382
Direct Customer Services	90,106	278,623	867,067
Total expenses	<u>5,831,495</u>	<u>918,276</u>	<u>1,073,388</u>
In-Kind Expenses	1,097,044	11,957	221
Less In-Kind not in accordance with GAAP	<u>(558,747)</u>	<u>(3,657)</u>	<u>(80)</u>
GAAP Recognized In-Kind	<u>538,297</u>	<u>8,300</u>	<u>141</u>
Total expenses and recognized In-Kind	<u>6,369,792</u>	<u>926,576</u>	<u>1,073,529</u>
Indirect Expenses	754,032	97,080	24,578
Total expenditures	<u>7,123,824</u>	<u>1,023,656</u>	<u>1,098,107</u>
Other Revenue (Expenses)			
Unrealized Gain/Loss) on Investments	0	0	0
Gain (Loss) on Disposal of Assets	13,350	0	0
Total other Revenue (Expenses)	<u>13,350</u>	<u>0</u>	<u>0</u>
CHANGE IN NET ASSETS	<u>(15,498)</u>	<u>165,387</u>	<u>(10,135)</u>
BEGINNING NET ASSETS	<u>45,676</u>	<u>106,501</u>	<u>50,917</u>
ENDING NET ASSETS	\$ <u>30,178</u>	\$ <u>271,888</u>	\$ <u>40,782</u>

See Independent Auditor's Report

Other Services	Management & General	Fixed Assets	Total
\$ 0	\$ 0	0	\$ 8,804,169
0	0	0	0
1,514	3,523	0	12,234
3,458	0	0	17,345
4,972	3,523	0	8,833,748
0	18,080	0	1,127,302
0	(18,080)	0	(580,564)
0	0	0	546,738
4,972	3,523	0	9,380,486
0	525,224	0	3,859,955
0	128,488	0	1,184,095
0	0	(792,136)	0
0	68,513	0	87,841
1,481	29,035	0	602,727
0	7,128	0	207,012
0	16,057	0	125,028
0	0	(19,332)	0
0	55,992	0	75,229
0	22,291	0	173,180
0	1,537	0	121,119
0	4,873	0	54,970
0	1,409	0	28,212
0	10,563	0	81,105
0	0	0	5,536
0	0	180,349	180,349
0	0	5,400	5,400
134	33,725	0	76,336
5,843	(1,047)	0	1,240,592
7,458	903,788	(625,719)	8,108,686
0	18,080	0	1,127,302
0	(18,080)	0	(580,564)
0	0	0	546,738
7,458	903,788	(625,719)	8,655,424
0	(875,690)	0	0
7,458	28,098	(625,719)	8,655,424
14,789	0	0	14,789
0	0	0	13,350
14,789	0	0	28,139
12,303	(28,098)	625,719	753,201
141,632	218,972	692,152	1,255,850
\$ 153,935	\$ 190,874	\$ 1,317,871	\$ 2,009,051

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 3

SCHEDULE OF FINANCIAL POSITION CHILD CARE

March 31, 2022

	Fund 3200 Federal Head Start Pre- School	Fund 3201 Federal Early Head Start	Fund 3205 Federal Head Start Training
ASSETS			
Current assets			
Cash	\$ 64,757	\$ (61,825)	\$ (3,168)
Grant Funds Receivable	411,523	197,464	0
Prepaid Expenses	<u>5,426</u>	<u>3,647</u>	<u>3,168</u>
<i>Total current assets</i>	<u>481,706</u>	<u>139,286</u>	<u>0</u>
<i>Total assets</i>	<u><u>\$ 481,706</u></u>	<u><u>\$ 139,286</u></u>	<u><u>\$ 0</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 416,670	\$ 124,042	\$ 0
Accrued Payroll and Related Expenses	<u>65,036</u>	<u>15,244</u>	<u>0</u>
<i>Total current liabilities</i>	<u>481,706</u>	<u>139,286</u>	<u>0</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board-designated	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Assets Without donor restriction	0	0	0
Net Assets With Donor Restrictions	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total net assets</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total liabilities and net assets</i>	<u><u>\$ 481,706</u></u>	<u><u>\$ 139,286</u></u>	<u><u>\$ 0</u></u>

See Independent Auditor's Report.

Fund 3206 Federal Early Head Start Training	Fund 3208 Federal Head Start CRRSA COVID-19	Fund 3209 Federal Head Start ARP COVID-19	Fund 3220 Child/Adult Care Food Program
\$ (1,092)	\$ 0	\$ (6,019)	\$ 20,083
0	32,241	17,306	16,906
<u>1,092</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	32,241	11,287	36,989
<u>\$ 0</u>	<u>\$ 32,241</u>	<u>\$ 11,287</u>	<u>\$ 36,989</u>
\$ 0	\$ 32,241	\$ 10,110	\$ 13,083
<u>0</u>	<u>0</u>	<u>1,177</u>	<u>0</u>
0	32,241	11,287	13,083
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>23,906</u>
0	0	0	23,906
<u>\$ 0</u>	<u>\$ 32,241</u>	<u>\$ 11,287</u>	<u>\$ 36,989</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 3

SCHEDULE OF FINANCIAL POSITION CHILD CARE

March 31, 2022

	Fund 3291 Early Care Non-Federal	Fund 3262 Head Start Care Conference	Total
ASSETS			
Current assets			
Cash	\$ 4,314	\$ 1,998	\$ 19,048
Grant Funds Receivable	0	0	675,440
Prepaid Expenses	0	0	13,333
<i>Total current assets</i>	<u>4,314</u>	<u>1,998</u>	<u>707,821</u>
<i>Total assets</i>	<u>\$ 4,314</u>	<u>\$ 1,998</u>	<u>\$ 707,821</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 40	\$ 0	\$ 596,186
Accrued Payroll and Related Expenses	0	0	81,457
<i>Total current liabilities</i>	<u>40</u>	<u>0</u>	<u>677,643</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board-designated	0	0	0
Total Net Assets Without donor restriction	0	0	0
Net Assets With Donor Restrictions	<u>4,274</u>	<u>1,998</u>	<u>30,178</u>
<i>Total net assets</i>	<u>4,274</u>	<u>1,998</u>	<u>30,178</u>
<i>Total liabilities and net assets</i>	<u>\$ 4,314</u>	<u>\$ 1,998</u>	<u>\$ 707,821</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 4

SCHEDULE OF ACTIVITIES FOR CHILD CARE

Year Ended March 31, 2022

	Fund 3200 Federal Head Start Pre School	Fund 3201 Federal Early Head Start	Fund 3205 Federal Head Start Training
REVENUE			
Federal Revenue	\$ 4,651,996	\$ 1,421,837	\$ 43,044
Program Income	11,350	2,000	0
Donations	0	0	0
In-kind Contributions	<u>657,986</u>	<u>439,058</u>	<u>0</u>
TOTAL REVENUE	<u>5,321,332</u>	<u>1,862,895</u>	<u>43,044</u>
EXPENSES			
Personnel	2,133,784	672,623	0
Fringe Benefits	664,986	199,332	0
Travel	2,057	1,328	9,492
Equipment	506,036	190,428	0
Supplies	247,688	48,091	0
Other	550,556	138,116	33,552
Indirect Costs	558,239	173,919	0
In-Kind Expenses*	<u>657,986</u>	<u>439,058</u>	<u>0</u>
TOTAL EXPENSES	<u>5,321,332</u>	<u>1,862,895</u>	<u>43,044</u>
CHANGES IN NET ASSETS	0	0	0
BEGINNING NET ASSETS	<u>0</u>	<u>0</u>	<u>0</u>
ENDING NET ASSETS	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

See Independent Auditor's Report.

Fund 3206 Federal Early Head Start Training	Fund 3208 Federal Head Start CRRSA COVID-19	Fund 3209 Federal Head start ARP COVID-19	Fund 3220 Child/Adult Care Food Program 20
\$ 29,667	\$ 113,972	\$ 145,798	\$ 43,084
0	0	0	0
0	0	0	0
0	0	0	0
<u>29,667</u>	<u>113,972</u>	<u>145,798</u>	<u>43,084</u>
0	0	83,070	0
0	0	26,592	0
6,292	0	0	0
0	0	0	0
166	73,690	13,491	58,695
23,209	40,282	771	237
0	0	21,874	0
0	0	0	0
<u>29,667</u>	<u>113,972</u>	<u>145,798</u>	<u>58,932</u>
0	0	0	(15,848)
0	0	0	15,848
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 4

SCHEDULE OF ACTIVITIES FOR CHILD CARE
Year Ended March 31, 2022

	Fund 3220 Child/Adult Care Food Program 21	Fund 3261 Early Care Non-federal	Fund 3262 Head Start Care Conference	Total
REVENUE				
Federal Revenue	\$ 105,544	\$ 0	\$ 0	\$ 6,554,942
Program Income	0	0	0	13,350
Donations	0	937	800	1,737
In-kind Contributions	0	0	0	1,097,044
TOTAL REVENUE	<u>105,544</u>	<u>937</u>	<u>800</u>	<u>7,667,073</u>
EXPENSES				
Personnel	0	0	0	2,889,477
Fringe Benefits	0	0	0	890,910
Travel	0	0	0	19,169
Equipment	0	18,425	0	714,889
Supplies	87,638	205	229	529,893
Other	29	405	0	787,157
Indirect Costs	0	0	0	754,032
In-Kind Expenses*	0	0	0	1,097,044
TOTAL EXPENSES	<u>87,667</u>	<u>19,035</u>	<u>229</u>	<u>7,682,571</u>
CHANGES IN NET ASSETS	17,877	(18,098)	571	(15,498)
BEGINNING NET ASSETS	<u>6,029</u>	<u>22,372</u>	<u>1,427</u>	<u>45,676</u>
ENDING NET ASSETS	\$ <u><u>23,906</u></u>	\$ <u><u>4,274</u></u>	\$ <u><u>1,998</u></u>	\$ <u><u>30,178</u></u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 5

FEDERAL HEAD START/EARLY HEAD START GRANT 07CH011099/02 SCHEDULE OF REVENUES AND EXPENSES COMAPRED TO BUDGET TWELVE MONTHS ENDED MARCH 31, 2022

	Fund 3200 Federal Head Start Pre School	Fund 3201 Federal Early Head Start	Fund 3205 Federal Head Start Training
REVENUE			
Federal Revenue	\$ 4,651,996	\$ 1,421,837	\$ 43,044
Program Income			
(Additive Method**)	11,350	2,000	0
In-Kind Contributions	657,986	439,058	0
TOTAL REVENUE	\$ 5,321,332	\$ 1,862,895	\$ 43,044
EXPENSES			
Personnel	\$ 2,133,784	\$ 672,623	\$ 0
Fringe Benefits	664,986	199,332	0
Travel	2,057	1,328	9,492
Equipment	506,036	190,428	0
Supplies	247,688	48,091	0
Other	550,556	138,116	33,552
Indirect Costs	558,239	173,919	0
In-Kind Expenses*	657,986	439,058	0
TOTAL EXPENSES	\$ 5,321,332	\$ 1,862,895	\$ 43,044

Detail of Expenditures by CAN Number:

CAN NO.

1-G074120

1-G074121

1-G074122

Expenses paid by Program Income (Additive Method**)

In-Kind Expenses (Required*)

In-Kind Expenses (Excess Over Required)

TOTAL EXPENSES

*Head Start requires a 20% In-Kind match of actual federal expenses unless a waiver is approved. A waiver for In-kind was approved as well as some automatic waivers due to Covid, so the required amount was \$943,933.

**Program Income increases the program budget and is used to pay expenses prior to federal dollars being used.

Note: A liquidation extension was granted until 12/31/2022 and can be extended longer due to the supply shortage affecting chip manufacturing, buses, cars, and other areas of the economy beyond the agencies control.

Fund 3206 Federal Early Head Start Training				Total Actual	Budget	Variance (Over)/Under
\$	29,667	\$	6,146,544	\$	6,216,504	\$ 69,960
	0		13,350		0	(13,350)
	0		1,097,044		943,933	(153,111)
\$	29,667	\$	7,256,938	\$	7,160,437	\$ (96,501)
\$	0	\$	2,806,407	\$	2,838,491	\$ 32,084
	0		864,318		791,140	(73,178)
	6,292		19,169		41,585	22,416
	0		696,464		708,000	11,536
	166		295,945		396,442	100,497
	23,209		745,433		744,031	(1,402)
	0		732,158		696,815	(35,343)
	0		1,097,044		943,933	(153,111)
\$	29,667	\$	7,256,938	\$	7,160,437	\$ (96,501)
		\$	43,044	\$	43,044	\$ 0
			29,667		29,667	0
			6,073,683		6,143,793	70,110
			13,500		0	(13,500)
			943,933		943,933	0
			153,111		0	(153,111)
		\$	7,256,938	\$	7,160,437	\$ (96,501)

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 6A

FEDERAL HEAD START CRRSA GRANT 07HE00103101C5
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
 TWELVE MONTHS ENDED MARCH 31, 2022
 OF A TWENTY-FOUR MONTH GRANT ENDING ON MARCH 31, 2023

	Fund 3208 Federal Head Start CRRSA COVID-19	Total Actual	Budget	Variance (Over)/Under
REVENUE				
Federal Revenue	\$ 113,972	\$ 113,972	\$ 119,786	\$ 5,814
TOTAL REVENUE	\$ 113,972	\$ 113,972	\$ 119,786	\$ 5,814
EXPENSES				
Supplies	\$ 73,690	\$ 73,690	\$ 60,000	\$ (13,690)
Other	40,282	40,282	59,786	19,504
TOTAL EXPENSES	\$ 113,972	\$ 113,972	\$ 119,786	\$ 5,814

Detail of Expenditures by CAN Number:

CAN NO.

1-G071100	\$ 113,972	\$ 119,786	\$ 5,814
Expenses paid by Program Income (Additive Method**)	0	0	0
TOTAL EXPENSES	\$ 113,972	\$ 119,786	\$ 5,814

* There was no In-Kind required for this grant.

**Program Income increases the program budget and is used to pay expenses prior to federal dollars being used.

Northeast Kansas Community Action Program, Inc.

Schedule 6B

**FEDERAL HEAD START ARP GRANT 07HE00103101C6
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TWELVE MONTHS ENDED MARCH 31, 2022
OF A TWENTY-FOUR MONTH GRANT ENDING ON MARCH 31, 2023**

	Fund 3209 Federal Head Start ARP COVID-19	Total Actual	Budget	Variance (Over)/Under
REVENUE				
Federal Revenue	\$ 145,798	\$ 145,798	\$ 476,207	\$ 330,409
TOTAL REVENUE	\$ 145,798	\$ 145,798	\$ 476,207	\$ 330,409
EXPENSES				
Personnel	\$ 83,070	\$ 83,070	\$ 286,172	\$ 203,102
Fringe Benefits	26,592	26,592	73,101	46,509
Supplies	13,491	13,491	37,918	24,427
Other	771	771	10,000	9,229
Indirect Costs	21,874	21,874	69,016	47,142
TOTAL EXPENSES	\$ 145,798	\$ 145,798	\$ 476,207	\$ 330,409
Detail of Expenditures by CAN Number:				
<u>CAN NO.</u>				
1-G071200		\$ 145,798	\$ 476,207	\$ 330,409
Expenses paid by Program Income (Additive Method**)		0	0	0
TOTAL EXPENSES		\$ 145,798	\$ 476,207	\$ 330,409

* There was no In-Kind required for this grant.

**Program Income increases the program budget and is used to pay expenses prior to federal dollars being used.

Northeast Kansas Community Action Program, Inc.

Schedule 7

**CHILD AND ADULT CARE FOOD PROGRAM (CACFP) - P0006-CTR-2020/2021
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TWELVE MONTHS ENDED SEPTEMBER 30, 2021**

	Fund 3220	Fund 3220	Fund 3220		
	Previous Six	Current Six	Total		
	Month	Month	Twelve		
	Period	Period	Month		
	10/1/2020-	4/1/2021-	10/1/2020-		
	3/31/2021	9/30/2021	9/30/2021	Budget	Variance
					(Over)/Under
REVENUE					
Federal Revenue	\$ 74,585	\$ 43,084	\$ 117,669	\$ 147,431	\$ 29,762
Unearned Federal Revenue	(15,848)	15,848	0	0	0
TOTAL REVENUE	<u>\$ 58,737</u>	<u>\$ 58,932</u>	<u>\$ 117,669</u>	<u>\$ 147,431</u>	<u>\$ 29,762</u>
EXPENSES					
Supplies/Food Service					
Equipment Repair or	\$ 58,737	\$ 58,932	\$ 117,669	\$ 147,431	\$ 29,762
TOTAL EXPENSES	<u>\$ 58,737</u>	<u>\$ 58,932</u>	<u>\$ 117,669</u>	<u>\$ 147,431</u>	<u>\$ 29,762</u>

NOTES:

Grant period runs from October 1, 2020 to September 30, 2021.

In-Kind revenue and expenses are not included in this schedule as it is not required as part of the grant.

The COVID-19 Pandemic affected the number of meals served during the fiscal year.

Northeast Kansas Community Action Program, Inc.

Schedule 8

CHILD AND ADULT CARE FOOD PROGRAM (CACFP) - P0006-CTR-2021/2022
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SIX MONTHS ENDED MARCH 31, 2022

	Fund 3220 Current Six Month Period 10/1/2021- 3/31/2022	Budget	Variance (Over)/Under
REVENUE			
Federal Revenue	\$ 105,544	\$ 191,594	\$ 86,050
Unearned Federal Revenue	<u>(17,877)</u>	<u>0</u>	<u>17,877</u>
TOTAL REVENUE	<u>\$ 87,667</u>	<u>\$ 191,594</u>	<u>\$ 103,927</u>
EXPENSES			
Supplies/Food Service Equipment			
Equipment Repair or Additions	<u>\$ 87,667</u>	<u>\$ 191,594</u>	<u>\$ 103,927</u>
TOTAL EXPENSES	<u>\$ 87,667</u>	<u>\$ 191,594</u>	<u>\$ 103,927</u>

NOTES:

Grant period runs from October 1, 2021 to September 30, 2022.

In-Kind revenue and expenses are not included in this schedule as it is not required as part of the grant.

The COVID-19 Pandemic affected the number of meals served during the fiscal year.

Northeast Kansas Community Action Program, Inc.

Schedule 9

SCHEDULE OF FINANCIAL POSITION COMMUNITY SERVICES

March 31, 2021

	Fund 3100 Community Services Block Grant	Fund 3101 KERA Grant	Fund 3103 CSBG Discretionary Media Grant - 21
ASSETS			
Current assets			
Cash	\$ 34,888	\$ (6,634)	\$ 6,174
Accounts Receivable	33,273	7,825	1,667
Prepaid Expenses	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total current assets</i>	<u>68,161</u>	<u>1,191</u>	<u>7,841</u>
<i>Total assets</i>	<u><u>\$ 68,161</u></u>	<u><u>\$ 1,191</u></u>	<u><u>\$ 7,841</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 3,062	\$ 0	\$ 7,160
Accrued Payroll and Related Expenses	<u>6,526</u>	<u>1,191</u>	<u>0</u>
<i>Total current liabilities</i>	<u>9,588</u>	<u>1,191</u>	<u>7,160</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board-designated	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Assets Without donor restrictions	0	0	0
Net Assets With Donor Restrictions	<u>58,573</u>	<u>0</u>	<u>681</u>
<i>Total net assets</i>	<u>58,573</u>	<u>0</u>	<u>681</u>
<i>Total liabilities and net assets</i>	<u><u>\$ 68,161</u></u>	<u><u>\$ 1,191</u></u>	<u><u>\$ 7,841</u></u>

See Independent Auditor's Report.

Fund 3105 KERA II Bridge to Housing Stability Grant - 21	Fund 3106 CSBG Cares Act Covid-19	Fund 3119 Thrive Navigator Grant	Fund 3120 Employment Related Services	Fund 3124 United Way MS & PT & RL & WA Counties
\$ 202,916	\$ 1,968	\$ (9,282)	\$ 774	\$ 4,868
0	0	12,339	0	0
0	0	0	0	0
202,916	1,968	3,057	774	4,868
\$ 202,916	\$ 1,968	\$ 3,057	\$ 774	\$ 4,868
\$ 3,556	\$ 0	\$ 2,156	\$ 0	\$ 0
136	0	901	0	0
3,692	0	3,057	0	0
0	0	0	0	4,868
0	0	0	0	0
0	0	0	0	4,868
199,224	1,968	0	774	0
199,224	1,968	0	774	4,868
\$ 202,916	\$ 1,968	\$ 3,057	\$ 774	\$ 4,868

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 9

SCHEDULE OF FINANCIAL POSITION COMMUNITY SERVICES

March 31, 2021

	Fund 3125 United Way Jackson County	Fund 3151 United Way Atchison	Fund 3161 Community Services Non Federal	Total
ASSETS				
Current assets				
Cash	\$ 3,604	\$ 2,191	\$ 5	\$ 241,472
Accounts Receivable	0	0	0	55,104
Prepaid Expenses	0	0	0	0
<i>Total current assets</i>	<u>3,604</u>	<u>2,191</u>	<u>5</u>	<u>296,576</u>
<i>Total assets</i>	<u>\$ 3,604</u>	<u>\$ 2,191</u>	<u>\$ 5</u>	<u>\$ 296,576</u>
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable	0	\$ 0	\$ 0	\$ 15,934
Accrued Payroll and Related Expenses	0	0	0	8,754
<i>Total current liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,688</u>
Net assets				
Net Assets Without Donor Restrictions				
Undesignated	3,604	2,191	5	10,668
Board-designated	0	0	0	0
Total Net Assets Without donor restrictions	<u>3,604</u>	<u>2,191</u>	<u>5</u>	<u>10,668</u>
Net Assets With Donor Restrictions	0	0	0	261,220
<i>Total net assets</i>	<u>3,604</u>	<u>2,191</u>	<u>5</u>	<u>271,888</u>
<i>Total liabilities and net assets</i>	<u>\$ 3,604</u>	<u>\$ 2,191</u>	<u>\$ 5</u>	<u>\$ 296,576</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 10

SCHEDULE OF ACTIVITIES FOR COMMUNITY SERVICES

Year Ended March 31, 2022

	Fund 3100 Community Services Block Grant - 20	Fund 3100 Community Services Block Grant - 21	Fund 3101 KERA Grant	Fund 3102 CSBG Discretionary Admin Grant - 21
REVENUE				
Federal Revenue	\$ 76,101	\$ 573,723	\$ 53,960	\$ 17,092
Donations	0	0	0	0
Other	0	0	0	0
In-kind Contributions	<u>0</u>	<u>11,957</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>76,101</u>	<u>585,680</u>	<u>53,960</u>	<u>17,092</u>
EXPENSES				
Personnel	23,553	330,584	40,709	0
Non-Personnel	94,445	102,698	9,180	17,092
Administration:				
Fair Share	4,524	66,111	4,071	0
Shortfall	2,236	15,757	0	0
In-Kind Contributions	<u>0</u>	<u>11,957</u>	<u>0</u>	<u>0</u>
TOTAL EXPENSES	<u>124,758</u>	<u>527,107</u>	<u>53,960</u>	<u>17,092</u>
CHANGES IN NET ASSETS	(48,657)	58,573	0	0
BEGINNING NET ASSETS	<u>48,657</u>	<u>0</u>	<u>0</u>	<u>0</u>
ENDING NET ASSETS	\$ <u><u>0</u></u>	\$ <u><u>58,573</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>

See Independent Auditor's Report.

Fund 3103 CSBG Discretionary Media Grant - 21	Fund 3104 CSBG Discretionary Poverty Simulation Kits Grant - 21	Fund 3105 KERA II Bridge to Housing Stability Grant - 21	Fund 3106 CSBG CARES Act Covid-19	Fund 3119 Thrive Navigator Grant - 21
\$ 15,001	\$ 7,500	\$ 216,963	\$ 173,317	\$ 34,839
0	0	0	0	0
0	0	97	0	0
0	0	0	0	0
15,001	7,500	217,060	173,317	34,839
0	0	2,624	3,474	23,623
14,320	7,500	14,691	210,153	8,049
0	0	521	693	3,167
0	0	0	0	0
0	0	0	0	0
14,320	7,500	17,836	214,320	34,839
681	0	199,224	(41,003)	0
0	0	0	42,971	0
\$ 681	\$ 0	\$ 199,224	\$ 1,968	\$ 0

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

SCHEDULE OF ACTIVITIES FOR COMMUNITY SERVICES

Year Ended March 31, 2022

	Fund 3120 Employment Related Services	Fund 3124 United Way MS & PT & RL \$ WA Counties	Fund 3125 United Way Jackson County	Fund 3126 Ruth & Roger Wolf Charitable Trust
REVENUE				
Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Donations	0	4,350	3,300	0
Other	0	0	0	
In-kind Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>0</u>	<u>4,350</u>	<u>3,300</u>	<u>0</u>
EXPENSES				
Personnel	0	0	0	0
Non-Personnel	0	6,112	2,875	1,206
Administration:				
Fair Share	0	0	0	0
Shortfall	0	0	0	0
In-Kind Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENSES	<u>0</u>	<u>6,112</u>	<u>2,875</u>	<u>1,206</u>
CHANGES IN NET ASSETS	0	(1,762)	425	(1,206)
BEGINNING NET ASSETS	<u>774</u>	<u>6,630</u>	<u>3,179</u>	<u>1,206</u>
ENDING NET ASSETS	\$ <u><u>774</u></u>	\$ <u><u>4,868</u></u>	\$ <u><u>3,604</u></u>	\$ <u><u>0</u></u>

See Independent Auditor's Report.

Schedule 10

Fund 3151 United Way Atchison County	Fund 3161 Community Services Non Federal	Fund 3162 PAYCOR Non-federal	Total
\$ 0	\$ 0	\$ 0	\$ 1,168,496
4,500	0	0	12,150
0	0	0	97
0	0	0	11,957
4,500	0	0	1,192,700
0	0	0	424,567
5,157	186	45	493,709
0	0	0	79,087
0	0	0	17,993
0	0	0	11,957
5,157	186	45	1,027,313
(657)	(186)	(45)	165,387
2,848	191	45	106,501
\$ 2,191	\$ 5	\$ 0	\$ 271,888

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 11

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE 20 CSBG 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2022**

		Fund 3100				
	Prior	Current			Variance	
REVENUE	Year	Year	Actual	Budget	(Over)/Under	
Federal Revenue	\$ 493,125	\$ 76,101	\$ 569,226	\$ 569,226	\$ 0	
Unearned Federal Rev.	(48,657)	48,657	0	0	0	
Program Income (Additive Method**)	<u>1,730</u>	<u>0</u>	<u>1,730</u>	<u>0</u>	<u>(1,730)</u>	
TOTAL REVENUE	<u><u>\$ 446,198</u></u>	<u><u>\$ 124,758</u></u>	<u><u>\$ 570,956</u></u>	<u><u>\$ 569,226</u></u>	<u><u>\$ (1,730)</u></u>	
EXPENSES						
Personnel	\$ 279,916	\$ 23,553	\$ 303,469	\$ 302,584	\$ (885)	
Non-Personnel	101,187	94,445	195,632	195,064	(568)	
Administration:						
Fair Share	56,449	4,524	60,973	62,514	1,541	
Shortfall	<u>8,647</u>	<u>2,236</u>	<u>10,883</u>	<u>9,064</u>	<u>(1,819)</u>	
TOTAL EXPENSES	<u><u>\$ 446,199</u></u>	<u><u>\$ 124,758</u></u>	<u><u>\$ 570,957</u></u>	<u><u>\$ 569,226</u></u>	<u><u>\$ (1,731)</u></u>	

NOTES:

Expenses include \$1,730 in program income due to sale of vehicles and will be expensed in accordance with the addition.

Grant period runs from April 1, 2020 to September 30, 2021.

In-Kind revenue and expenses are not included in this schedule as it is not a required part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 12

SUPPLEMENTAL CSBG PROGRAM SCHEDULE 21 CSBG 05 SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET TWELVE MONTHS ENDED MARCH 31, 2022

	Fund 3100		Variance
	Actual	Budget	(Over)/Under
REVENUE			
Federal Revenue	\$ 573,723	\$ 573,723	\$ 0
Unearned Federal Revenue	(58,573)	0	58,573
Program Income (Additive Method**)	0	0	0
TOTAL REVENUE	<u>\$ 515,150</u>	<u>\$ 573,723</u>	<u>\$ 58,573</u>
EXPENSES			
Personnel	\$ 330,584	\$ 405,685	\$ 75,101
Non-Personnel	102,698	79,612	(23,086)
Administration:	0		
Fair Share	66,111	77,932	11,821
Shortfall	15,757	10,494	(5,263)
TOTAL EXPENSES	<u>\$ 515,150</u>	<u>\$ 573,723</u>	<u>\$ 58,573</u>

NOTES:

Grant period runs from April 1, 2020 to September 30, 2021.

In-Kind revenue and expenses are not included in this schedule as it is not required as part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13A

**SUPPLEMENTAL KERA REIMBURSEMENT PROGRAM SCHEDULE K900252
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
THIRTEEN MONTHS ENDED MARCH 31, 2022**

	Fund 3100		Fund 3100			
	Prior		Current			Variance
REVENUE	Year		Year	Actual	Budget	(Over)/Under
Federal Revenue	\$ 306	\$	\$ 53,960	\$ 54,266	\$ 151,862	\$ 97,596
TOTAL REVENUE	\$ 306	\$	\$ 53,960	\$ 54,266	\$ 151,862	\$ 97,596
EXPENSES						
Personnel	\$ 278	\$	\$ 40,709	\$ 40,987	\$ 112,035	\$ 71,048
Non-Personnel	0		9,180	9,180	28,623	19,443
Administration:						
Fair Share	28		4,071	4,099	11,204	7,105
TOTAL EXPENSES	\$ 306	\$	\$ 53,960	\$ 54,266	\$ 151,862	\$ 97,596

NOTES:

This reimbursement grant is in partnership under an MOU with Kansas Housing Resources Corporation. Not all of the budgeted funds will be expensed by the end of the program as this was a pandemic relief program through the Department of the Treasury. Staff are assisting KERA clients with enrollment and the budget was an estimate of likely costs to

provide assistance to Kansan's in our service area in accessing these resources. It was anticipated that the KERA program would run through 2025; but funding at the State level is being spent faster than anticipated due to the high need.

Reimbursement Grant period runs from March 15, 2021 to September 30, 2022.

In-Kind revenue and expenses are not included in this schedule as it is not a required part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13B

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE 20 CSBG ADMIN DISC 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TWO MONTHS ENDED SEPTEMBER 30, 2021**

	Fund 3102		Variance
	<u>Actual</u>	<u>Budget</u>	<u>(Over)/Under</u>
Revenues			
Federal Revenue	\$ 17,092	\$ 17,092	\$ 0
Program Income	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>\$ 17,092</u>	<u>\$ 17,092</u>	<u>\$ 0</u>
Expenditures			
Personnel	\$ 0	\$ 0	\$ 0
Non-Personnel	17,092	17,092	0
Administration:			
Fair Share	0	0	0
Shortfall	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENSES	<u>\$ 17,092</u>	<u>\$ 17,092</u>	<u>\$ 0</u>

NOTES

Grant period runs from August 1, 2021 to September 30, 2021.

In-Kind revenue and expenses are not included in this schedule as it is not a required part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13C

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE 21 CSBG DISC 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
EIGHT MONTHS ENDED MARCH 31, 2022**

	Fund 3103		Variance
	Actual	Budget	(Over)/Under
Revenues			
Federal Revenue	\$ 15,001	\$ 20,000	\$ 4,999
Unearned Federal Revenue	(681)	0	681
Program Income	0	0	0
TOTAL REVENUE	\$ 14,320	\$ 20,000	\$ 5,680
Expenditures			
Personnel	\$ 0	\$ 0	\$ 0
Non-Personnel	14,320	20,000	5,680
Administration:			
Fair Share	0	0	0
Shortfall	0	0	0
TOTAL EXPENSES	\$ 14,320	\$ 20,000	\$ 5,680

NOTES

Grant period runs from August 1, 2021 to September 30, 2022.

In-Kind revenue and expenses are not included in this schedule as it is not a required part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13D

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE 20 CARES ADMIN DISC 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
EIGHT MONTHS ENDED MARCH 31, 2022**

	Fund 3104		Variance
	Actual	Budget	(Over)/Under
Revenues			
Federal Revenue	\$ 7,500	\$ 7,500	\$ 0
Unearned Federal Revenue	0	0	0
Program Income	0	0	0
TOTAL REVENUE	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 0</u>
Expenditures			
Personnel	\$ 0	\$ 0	\$ 0
Non-Personnel	7,500	7,500	0
Administration:			
Fair Share	0	0	0
Shortfall	0	0	0
TOTAL EXPENSES	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 0</u>

NOTES

Grant period runs from August 1, 2021 to September 30, 2022.

In-Kind revenue and expenses are not included in this schedule as it is not a required part part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13E

**SUPPLEMENTAL KERA II BRIDGE TO HOUSING STABILITY PROGRAM
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SIX MONTHS ENDED MARCH 31, 2022**

	Fund 3105		Variance
	Actual	Budget	(Over)/Under
Revenues			
Federal Revenue	\$ 216,963	\$ 23,650	\$ (193,313)
Unearned Federal Revenue	(199,224)	0	199,224
Program Income	<u>97</u>	<u>0</u>	<u>(97)</u>
TOTAL REVENUE	<u><u>\$ 17,836</u></u>	<u><u>\$ 23,650</u></u>	<u><u>\$ 5,814</u></u>
Expenditures			
Personnel	\$ 2,624	\$ 3,156	\$ 532
Non-Personnel	14,691	19,937	5,246
Administration:			
Fair Share	521	557	36
Shortfall	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENSES	<u><u>\$ 17,836</u></u>	<u><u>\$ 23,650</u></u>	<u><u>\$ 5,814</u></u>

NOTES

Grant period runs from October 1, 2001 to September 30, 2022.

This reimbursement grant is in partnership with Kansas Housing Resources Corporation. This is a pandemic relief program under ERA through the Department of the Treasury. Staff are assisting clients with remaining housed and the budget was an estimate of likely costs to provide assistance to Kansan's in our service area in accessing these resources. It was anticipated that the BHS program would run through 2025; but funding at the State level is being spent faster than anticipated due to the high need. The budget was subsequently amended and is reflected in these updated budget amounts. Unearned funds were returned in July 2022 to assist additional clients at the State level.

In-Kind revenue and expenses are not included in this schedule as it is not a required part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13F

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE 20 CARES 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SIXTEEN MONTHS ENDED MARCH 31, 2022**

	Fund 3106 Prior	Fund 3106 Current	Fund 3106 Actual	Budget	Variance (Over)/Under
REVENUE	Year	Year	Actual	Budget	(Over)/Under
Federal Revenue	\$ 598,664	\$ 173,317	\$ 771,981	\$ 771,981	\$ 0
Unearned Federal Rev.	(42,971)	41,003	(1,968)	0	1,968
Program Income (Additive Method**)	2,750	0	2,750	0	(2,750)
TOTAL REVENUE	\$ 558,443	\$ 214,320	\$ 772,763	\$ 771,981	\$ (782)
EXPENSES					
Personnel	\$ 22,547	\$ 3,474	\$ 26,021	\$ 27,031	\$ 1,010
Non-Personnel	531,384	210,153	741,537	739,607	(1,930)
Administration:					
Fair Share	4,512	693	5,205	5,343	138
Shortfall	0	0	0	0	0
TOTAL EXPENSES	\$ 558,443	\$ 214,320	\$ 772,763	\$ 771,981	\$ (782)

NOTES:

Expenses include \$2,750 in program income due to KEPP (Kansas Eviction Prevention Program) payments and will be expensed in accordance with the addition principle to the federal budget of \$771,981 of the grant budget.

Grant period runs from June 1, 2020 to September 30, 2022.

In-Kind revenue and expenses are not included in this schedule as it is not a required part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13G

**SUPPLEMENTAL NAVIGATOR PROGRAM SCHEDULE
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SEVEN MONTHS ENDED MARCH 31, 2022**

	Fund 3119 Actual	Budget	Variance (Over)/Under
Revenues			
Federal Revenue	\$ 34,839	\$ 45,000	\$ 10,161
Unearned Federal Revenue	0	0	0
Program Income	0	0	0
TOTAL REVENUE	\$ 34,839	\$ 45,000	\$ 10,161
Expenditures			
Personnel	\$ 23,623	\$ 31,115	\$ 7,492
Non-Personnel	8,049	10,116	2,067
Administration:			
Fair Share	3,167	3,769	602
Shortfall	0	0	0
TOTAL EXPENSES	\$ 34,839	\$ 45,000	\$ 10,161

NOTES

Grant period runs from August 27, 2021 to August 26, 2022.

This new grant is in partnership with Thrive Allen County, Inc.. This is a grant through the Center for Medicare and Medicaid Services (CMS) within the Department of Health and Human Services to support Navigators in Federally facilitated Marketplaces.

In-Kind revenue and expenses are not included in this schedule as it is not a required part part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 14

SCHEDULE OF FINANCIAL POSITION HUD

March 31, 2022

	Fund 3300 Section 8 Housing Choice Vouchers	Fund 3310 Tenant Based Rental Assistance	Fund 3330 Family Self Sufficient Program
ASSETS			
Current Assets:			
Cash	\$ 59,574	\$ (6,837)	\$ (5,018)
Grant Funds Receivable	0	7,856	6,025
Prepaid Expenses	0	0	0
<i>Total current assets</i>	59,574	1,019	1,007
Other assets			
Restricted Cash - FSS Participation	0	0	0
<i>Total assets</i>	\$ 59,574	\$ 1,019	\$ 1,007
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 863	\$ 0	\$ 0
Accrued Payroll and Related Expenses	1,729	0	1,007
Deferred Revenue	16,349	0	0
<i>Total current liabilities</i>	18,941	0	1,007
Non-Current Liabilities:			
FSS Escrow	0	0	0
<i>Total non-current liabilities</i>	0	0	0
<i>Total liabilities</i>	18,941	0	1,007
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board Designated	0	0	0
Total Net Assets Without donor restrictic	0	0	0
Net Assets With Donor Restrictions	40,633	1,019	0
<i>Total net assets</i>	40,633	1,019	0
<i>Total liabilities and net assets</i>	\$ 59,574	\$ 1,019	\$ 1,007

See Independent Auditor's Report

Fund 3331 FSS Escrow Account	Fund 3340 HUD Continuum of Care Program HAP	Fund 3341 HUD Continuum of Care Program Admin.	Fund 3342 HUD Continuum of Care Program Admin.
\$ 0	\$ (16,244)	\$ (1,826)	\$ (82)
0	4,063	1,970	82
0	11,311	0	0
0	(870)	144	0
26,622	0	0	0
\$ 26,622	\$ (870)	\$ 144	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0
0	0	144	0
0	0	0	0
0	0	144	0
26,622	0	0	0
26,622	0	0	0
26,622	0	144	0
0	0	0	0
0	0	0	0
0	(870)	0	0
0	(870)	0	0
\$ 26,622	\$ (870)	\$ 144	\$ 0

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 14

SCHEDULE OF FINANCIAL POSITION HUD

March 31, 2022

	Fund 3127 Emergency Solutions Grant Homeless Prevention	Fund 3128 Emergency Solutions Grant Rapid Rehouse Rehousing	Total
ASSETS			
Current Assets:			
Cash	\$ (9,455)	\$ (5,425)	\$ 14,687
Accounts Receivable	9,455	5,425	34,876
Prepaid Expenses & Other	<u>0</u>	<u>0</u>	<u>11,311</u>
<i>Total current assets</i>	0	0	60,874
Other assets			
Restricted cash - FSS Participation	<u>0</u>	<u>0</u>	<u>26,622</u>
<i>Total assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 87,496</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 0	\$ 0	\$ 863
Accrued Payroll	0	0	2,880
Deferred Revenue	<u>0</u>	<u>0</u>	<u>16,349</u>
<i>Total current liabilities</i>	<u>0</u>	<u>0</u>	<u>20,092</u>
Non-Current Liabilities:			
FSS Escrow	<u>0</u>	<u>0</u>	<u>26,622</u>
<i>Total non-current liabilities</i>	<u>0</u>	<u>0</u>	<u>26,622</u>
<i>Total liabilities</i>	<u>0</u>	<u>0</u>	<u>46,714</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board-designated	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Assets Without donor restriction	0	0	0
Net Assets With Donor Restrictions	<u>0</u>	<u>0</u>	<u>40,782</u>
<i>Total net assets</i>	<u>0</u>	<u>0</u>	<u>40,782</u>
<i>Total liabilities and net assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 87,496</u>

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 15

SCHEDULE OF ACTIVITIES FOR HUD

Year Ended March 31, 2022

	Fund 3300 Section 8 Housing Choice Vouchers	Fund 3310 Tenant Based Rental Assistance	Fund 3330 Family Self Sufficient Program
REVENUE			
Federal Revenue	\$ 627,032	\$ 113,375	\$ 56,540
Less deferred amount	2,949	0	0
Other Income	7,100	0	0
In-Kind*	0	0	0
TOTAL REVENUE	637,081	113,375	56,540
EXPENSES			
Operating:			
Administrative	12,682	191	0
Tenant Services	72,678	9,052	56,411
Utilities	2,010	0	0
Insurance	1,113	35	0
Maintenance	3,703	0	0
General	213	0	0
Indirect Costs	14,562	1,805	0
Total Operating	106,961	11,083	56,411
Direct Client Assistance	540,384	102,292	0
In-Kind*	0	0	0
TOTAL EXPENSES	647,345	113,375	56,411
CHANGE IN NET ASSETS	(10,264)	0	129
BEGINNING NET ASSETS	50,897	1,019	(129)
ENDING NET ASSETS	\$ 40,633	\$ 1,019	\$ 0

See Independent Auditor's Report

Fund 3340 HUD Continuum of Care Program HAP	Fund 3341 HUD Continuum of Care Program Admin.	Fund 342 HUD Continuum of Care Program Support Services	Fund 3127 Emergency Solutions Grant Homeless Prevent
\$ 156,089	\$ 14,812	\$ 1,218	\$ 50,835
0	0	0	0
0	0	0	0
221	0	0	0
156,310	14,812	1,218	50,835
0	744	0	7,122
3,261	11,261	0	0
0	0	0	0
0	571	0	0
0	0	0	0
0	0	0	0
11	2,236	0	1,345
3,272	14,812	0	8,467
152,817	0	1,218	42,368
221	0	0	0
156,310	14,812	1,218	50,835
0	0	0	0
(870)	0	0	0
\$ (870)	\$ 0	\$ 0	\$ 0

Northeast Kansas Community Action Program, Inc.

Schedule 15

SCHEDULE OF ACTIVITIES FOR HUD

Year Ended March 31, 2022

REVENUE	Fund 3128 Emergency Solutions Grant Rapid Rehousing	Fund 3129 Fund 3129 Emergency Solutions Grant HMS	Total
Federal Revenue	\$ 57,867	\$ 14	\$ 1,077,782
Less deferred amount	0	0	2,949
Other Income	0	0	7,100
In-Kind*	0	0	221
TOTAL REVENUE	57,867	14	1,088,052
EXPENSES			
Operating:			
Administrative	25,261	12	46,012
Tenant Services	0	0	152,663
Utilities	0	0	2,010
Insurance	0	0	1,719
Maintenance	0	0	3,703
General	0	0	213
Indirect Costs	4,617	2	24,578
Total Operating	29,878	14	230,898
Direct Client Assistance	27,989	0	867,068
In-Kind*	0	0	221
TOTAL EXPENSES	57,867	14	1,098,187
CHANGE IN NET ASSETS	0	0	(10,135)
BEGINNING NET ASSETS	0	0	50,917
ENDING NET ASSETS	\$ 0	\$ 0	\$ 40,782

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 16

**NEK-CAP, INC. HOME INVESTMENT PARTNERSHIP PROGRAM
TENANT BASED RENTAL ASSISTANCE - M-18-SG-20-0170
GRANT PERIOD NOVEMBER 15, 2018 TO JANUARY 31, 2022
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
THIRTY-SIX MONTHS ENDED JANUARY 31, 2022**

	Fund 3310 Previous 29 Month Period 11/15/2018- 3/31/2021	Fund 3310 Current 9 Month Period 4/1/2021- 1/31/2022	Fund 3310 Total 38 Month Period 4/1/2021- 1/31/2022	Budget	Variance (Over)/Under
REVENUE					
Federal Revenue	\$ 231,200	\$ 99,739	\$ 330,939	\$ 321,000	\$ (9,939)
Unearned Federal Rev.	(9,939)	0	(9,939)	0	9,939
TOTAL REVENUE	\$ 221,261	\$ 99,739	\$ 321,000	\$ 321,000	\$ 0
EXPENSES					
Administrative:					
Personnel					
& Fringe Benefits	\$ 8,434	\$ 8,752	\$ 17,186	\$ 17,335	\$ 149
Other Admin. Exp.	417	30	447	0	(447)
Indirect Costs	1,685	1,682	3,367	3,665	298
Total Admin. Expenses	10,536	10,464	21,000	21,000	0
Direct Customer Ser.	210,725	89,275	300,000	300,000	0
TOTAL EXPENSES	\$ 221,261	\$ 99,739	\$ 321,000	\$ 321,000	\$ 0

NOTES:

Grant period runs from November 15, 2018 to January 31, 2022. This grant was extended by KHRC to January 31, 2022 from the normal end date of November 1, 2021.

In-Kind revenue and expenses are not included in this schedule as it is not required as part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 17

**NEK-CAP, INC. HOME INVESTMENT PARTNERSHIP PROGRAM
TENANT BASED RENTAL ASSISTANCE - M-20-SG-20-0170
GRANT PERIOD NOVEMBER 1, 2020 TO NOVEMBER 1, 2023
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SEVENTEEN MONTHS ENDED MARCH 31, 2022**

	Fund 3310 Previous 5 Month Period 11/15/2020- 3/31/2021	Fund 3310 Current 12 Month Period 4/1/2021- 3/31/2022	Fund 3310 Total 17 Month Period 11/1/2020- 3/31/2022	Budget	Variance (Over)/Under
REVENUE					
Federal Revenue	\$ 0	\$ 13,636	\$ 13,636	\$ 321,000	\$ 307,364
Unearned Federal Rev.	0	0	0	0	0
TOTAL REVENUE	\$ 0	\$ 13,636	\$ 13,636	\$ 321,000	\$ 307,364
EXPENSES					
Administrative:					
Personnel					
& Fringe Benefits	\$ 0	\$ 299	\$ 299	\$ 16,282	\$ 15,983
Other Admin. Exp.	0	197	197	1,590	1,393
Indirect Costs	0	123	123	3,128	3,005
Total Admin. Exp.	0	619	619	21,000	20,381
Direct Customer Ser.	48,932	13,017	13,017	300,000	286,983
TOTAL EXPENSES	\$ 48,932	\$ 13,636	\$ 13,636	\$ 321,000	\$ 307,364

NOTES:

Grant period runs from November 1, 2020 to November 1, 2023.

In-Kind revenue and expenses are not included in this schedule as it is not required as part of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 18

SCHEDULE OF FINANCIAL POSITION OTHER SERVICES

March 31, 2022

	Fund 3611 Atchison County Non-federal	Fund 3622 Brown County Non-federal	Fund 3631 Doniphan County Non-federal
ASSETS			
Current Assets:			
Cash	\$ 8,760	\$ 0	\$ (369)
Investments	0	2,174	1,321
Accounts Receivable	0	0	0
Prepaid Expenses	0	0	0
	<u>8,760</u>	<u>2,174</u>	<u>952</u>
<i>Total current assets</i>			
	<u>8,760</u>	<u>2,174</u>	<u>952</u>
<i>Total assets</i>	\$ <u><u>8,760</u></u>	\$ <u><u>2,174</u></u>	\$ <u><u>952</u></u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 0	\$ 0	\$ 0
Reserve Accounts	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total current liabilities</i>			
	<u>0</u>	<u>0</u>	<u>0</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board Designated	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Assets Without donor restriction	0	0	0
Net Assets With Donor Restrictions	8,760	2,174	952
	<u>8,760</u>	<u>2,174</u>	<u>952</u>
<i>Total net assets</i>			
	<u>8,760</u>	<u>2,174</u>	<u>952</u>
<i>Total liabilities and net assets</i>	\$ <u><u>8,760</u></u>	\$ <u><u>2,174</u></u>	\$ <u><u>952</u></u>

See Independent Auditor's Report

Fund 3641 Jackson County Non-federal	Fund 3671 Marshall County Non-federal	Fund 3682 Nemaha County Non-federal	Fund 3901 Agency Non-Federal	Total
\$ 2,996	\$ 0	\$ 1,336	56,854	\$ 69,577
0	0	0	81,045	84,540
0	0	0	4	4
0	0	0	0	0
2,996	0	1,336	137,903	154,121
\$ 2,996	\$ 0	\$ 1,336	137,903	\$ 154,121
\$ 0	\$ 0	\$ 182	4	\$ 186
0	0	0	0	0
0	0	182	4	186
0	0	0	137,899	137,899
0	0	0	0	0
0	0	0	137,899	137,899
2,996	0	1,154	0	16,036
2,996	0	1,154	137,899	153,935
\$ 2,996	\$ 0	\$ 1,336	137,903	\$ 154,121

Northeast Kansas Community Action Program, Inc.

Schedule 19

SCHEDULE OF ACTIVITIES FOR OTHER SERVICES

Year Ended March 31, 2021

	Fund 3611 Atchison County Non-federal	Fund 3622 Brown County Non-federal	Fund 3631 Doniphan County Non-federal
REVENUE			
Federal Grants	\$ 0	\$ 0	\$ 0
Donations	200	1,203	74
Other	0	36	25
Gain (loss) on investments	0	(55)	(5)
	<hr/>	<hr/>	<hr/>
TOTAL REVENUE	200	1,184	94
	<hr/>	<hr/>	<hr/>
EXPENSES			
Supplies	0	0	0
Facility Repair/Maintenance	0	0	0
Communications	0	0	0
Other	6	30	28
Direct Customer Services	2,804	0	501
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	2,810	30	529
	<hr/>	<hr/>	<hr/>
CHANGE IN NET ASSETS	(2,610)	1,154	(435)
	<hr/>	<hr/>	<hr/>
BEGINNING NET ASSETS	11,370	1,020	1,387
	<hr/>	<hr/>	<hr/>
ENDING NET ASSETS	\$ 8,760	\$ 2,174	\$ 952
	<hr/>	<hr/>	<hr/>

See Independent Auditor's Report

Fund 3641 Jackson County Non-federal	Fund 3671 Marshall County Non-federal	Fund 3682 Nemaha County Non-federal	Fund 3901 Agency Non-Federal	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,621	0	0	360	3,458
0	0	0	1,453	1,514
0	0	0	14,849	14,789
<u>1,621</u>	<u>0</u>	<u>0</u>	<u>16,662</u>	<u>19,761</u>
0	0	276	1,205	1,481
0	0	0	0	0
0	0	0	0	0
0	0	0	70	134
251	0	581	1,706	5,843
<u>251</u>	<u>0</u>	<u>857</u>	<u>2,981</u>	<u>7,458</u>
1,370	0	(857)	13,681	12,303
<u>1,626</u>	<u>0</u>	<u>2,011</u>	<u>124,218</u>	<u>141,632</u>
\$ <u><u>2,996</u></u>	\$ <u><u>0</u></u>	\$ <u><u>1,154</u></u>	\$ <u><u>137,899</u></u>	\$ <u><u>153,935</u></u>

Northeast Kansas Community Action Program, Inc.

Schedule 20

SCHEDULE OF FINANCIAL POSITION MANAGEMENT & GENERAL

March 31, 2022

ASSETS	Fund 3900 General	Fund 9000 Indirect Cost Pool	Fund 9001 Indirect Cost Pool Entry
Current Assets:			
Cash	\$ 268,256	\$ (3,291,240)	\$ 3,321,797
Accounts Receivable	63	0	0
Inventory	0	0	0
Prepaid Expenses	8,432	22,034	0
<i>Total current assets</i>	<u>276,751</u>	<u>(3,269,206)</u>	<u>3,321,797</u>
Fixed Assets:			
Property and Equipment	3,384,136	0	0
Less accumulated depreciation	<u>(1,951,917)</u>	<u>0</u>	<u>0</u>
<i>Total Fixed Assets</i>	<u>1,432,219</u>	<u>0</u>	<u>0</u>
<i>Total assets</i>	<u><u>\$ 1,708,970</u></u>	<u><u>\$ (3,269,206)</u></u>	<u><u>\$ 3,321,797</u></u>
 LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 0	\$ 39,240	\$ 0
Accrued Payroll and Related Expenses	0	13,415	0
Accrued Compensated Absences	75,958	0	0
Reserve Accounts	19,332	0	0
Current portion of long-term debt	14,596	0	0
<i>Total current liabilities</i>	<u>109,886</u>	<u>52,655</u>	<u>0</u>
Notes Payable	86,752	0	0
<i>Total Liabilities</i>	<u>196,638</u>	<u>52,655</u>	<u>0</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	1,326,172	(3,321,861)	3,321,797
Board Designated	186,160	0	0
Total Net Assets Without donor restriction	1,512,332	(3,321,861)	3,321,797
Net Assets With Donor Restrictions	0	0	0
<i>Total net assets</i>	<u>1,512,332</u>	<u>(3,321,861)</u>	<u>3,321,797</u>
<i>Total liabilities and net assets</i>	<u><u>\$ 1,708,970</u></u>	<u><u>\$ (3,269,206)</u></u>	<u><u>\$ 3,321,797</u></u>

See Independent Auditor's Report

Fund 9300 Postage Cost Pool	Fund 9400 Copy Cost Pool	Fund 9401 Copy Cost Pool Entry	Fund 9600 Shared Vehicle Cost	Fund 9601 Shared Vehicle Cost Entry	Total
\$ (3,461)	\$ (2,859)	\$ 2,859	\$ (339,812)	\$ 344,770	\$ 300,310
0	0	0	0	0	63
0	0	0	0	0	0
3,461	0	0	0	0	33,927
0	(2,859)	2,859	(339,812)	344,770	334,300
0	0	0	0	0	3,384,136
0	0	0	0	0	(1,951,917)
0	0	0	0	0	1,432,219
\$ 0	\$ (2,859)	\$ 2,859	\$ (339,812)	\$ 344,770	\$ 1,766,519
\$ 0	\$ 0	\$ 0	\$ 4,958	\$ 0	\$ 44,198
0	0	0	0	0	13,415
0	0	0	0	0	75,958
0	0	0	0	0	19,332
0	0	0	0	0	14,596
0	0	0	4,958	0	167,499
0	0	0	0	0	86,752
0	0	0	4,958	0	254,251
0	(2,859)	2,859	(344,770)	344,770	1,326,108
0	0	0	0	0	186,160
0	(2,859)	2,859	(344,770)	344,770	1,512,268
0	0	0	0	0	0
0	(2,859)	2,859	(344,770)	344,770	1,512,268
\$ 0	\$ (2,859)	\$ 2,859	\$ (339,812)	\$ 344,770	\$ 1,766,519

Northeast Kansas Community Action Program, Inc.

Schedule 21

SCHEDULE OF ACTIVITIES FOR MANAGEMENT & GENERAL

Year Ended March 31, 2022

	Fund 3900 General	Fund 9000 Indirect Cost Pool	Total Management & General
REVENUE			
Federal Grants	\$ 0	\$ 0	\$ 0
Other	3,523	0	3,523
In-kind Contributions*	0	18,080	18,080
Gain (loss) on equip disposals	0	0	0
TOTAL REVENUE	<u>3,523</u>	<u>18,080</u>	<u>21,603</u>
EXPENSES			
Personnel	0	525,224	525,224
Fringe Benefits	0	128,488	128,488
Equipment	0	0	0
Computer	0	68,513	68,513
Supplies	434	28,601	29,035
Rent/Utilities	0	7,128	7,128
Facility Repair/Maintenance	0	16,057	16,057
Mortgage	0	0	0
Professional Fees	50	55,942	55,992
Communications	0	22,291	22,291
Vehicle	0	1,537	1,537
Insurance	0	4,873	4,873
Travel	0	1,409	1,409
Registration	0	10,563	10,563
Tuition and Books	0	0	0
Depreciation	0	0	0
Interest	0	0	0
Other	28,660	5,065	33,725
Direct Customer Services	(1,047)	0	(1,047)
In-kind Expenses	0	18,080	18,080
TOTAL EXPENSES	<u>28,097</u>	<u>893,771</u>	<u>921,868</u>
CHANGE IN NET ASSETS	(24,574)	(875,691)	(900,265)
BEGINNING NET ASSETS	<u>219,035</u>	<u>(2,446,170)</u>	<u>(2,227,135)</u>
ENDING NET ASSETS	\$ <u><u>194,461</u></u>	\$ <u><u>(3,321,861)</u></u>	\$ <u><u>(3,127,400)</u></u>

See Independent Auditor's Report

Fund 9001 Indirect Cost Pool Entry	Fund 9400 Copy Cost Pool	Fund 9401 Copy Cost Pool Entry	Fund 9600 Shared Vehicle Cost
\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0
(18,080)	0	0	0
0	0	0	0
(18,080)	0	0	0
(525,224)	0	0	0
(128,488)	0	0	0
0	0	0	0
(68,513)	0	0	0
(28,601)	481	(481)	0
(7,128)	0	0	0
(16,057)	0	0	0
0	0	0	0
(55,942)	0	0	0
(22,291)	0	0	0
(1,537)	0	0	55,996
(4,873)	0	0	29,064
(1,409)	0	0	0
(10,562)	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
(5,065)	0	0	0
0	0	0	0
(18,080)	0	0	0
(893,770)	481	(481)	85,060
875,690	(481)	481	(85,060)
2,446,107	(2,378)	2,378	(259,710)
\$ 3,321,797	\$ (2,859)	\$ 2,859	\$ (344,770)

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 21

SCHEDULE OF ACTIVITIES FOR MANAGEMENT & GENERAL

Year Ended March 31, 2022

	Fund 9601		Net
	Shared Vehicle	Fixed	Management
	Cost Entry	Assets	& General
REVENUE			
Federal Grants	\$ 0	\$ 0	\$ 0
Other	0	0	3,523
In-kind Contributions	0	0	0
Gain (loss) on equip disposals	0	0	0
TOTAL REVENUE	<u>0</u>	<u>0</u>	<u>3,523</u>
EXPENSES			
Personnel	0	0	0
Fringe Benefits	0	0	0
Equipment	0	(792,136)	(792,136)
Computer	0	0	0
Supplies	0	0	434
Rent/Utilities	0	0	0
Facility Repair/Maintenance	0	0	0
Mortgage	0	(19,332)	(19,332)
Professional Fees	0	0	50
Communications	0	0	0
Vehicle	(55,996)	0	0
Insurance	(29,064)	0	0
Travel	0	0	0
Registration	0	0	1
Tuition and Books	0	0	0
Depreciation	0	180,349	180,349
Interest	0	5,400	5,400
Other	0	0	28,660
Direct Customer Services	0	0	(1,047)
In-kind Expenses	0	0	0
TOTAL EXPENSES	<u>(85,060)</u>	<u>(625,719)</u>	<u>(597,621)</u>
CHANGE IN NET ASSETS	85,060	625,719	601,144
BEGINNING NET ASSETS	<u>259,710</u>	<u>692,152</u>	<u>911,124</u>
ENDING NET ASSETS	\$ <u>344,770</u>	\$ <u>1,317,871</u>	\$ <u>1,512,268</u>

See Independent Auditor's Report

NORTHEAST KANSAS COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended March 31, 2022

Federal CFDA Number	Identifying Number	Federal Grants	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed through Kansas Department of Education:			
10.558	P0006-CTR-2020/2021	\$ 43,084	\$ 58,932
	P0006-CTR-2021/2022	105,544	87,667
	Total U.S. Department of Agriculture	148,628	146,599
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Kansas Housing Resources Corporation:			
14.231	ESG CV-FFY2020	46,197	46,197
	ESG CV-FFY2020	56,942	56,942
	ESG CV-FFY2020	14	14
	ESG-FFY2021	4,638	4,638
	ESG-FFY2021	925	925
	Total	108,716	108,716
Passed through Kansas Housing Resources Corporation:			
14.239	M-18-SG-20-0170	99,739	99,739
	M-120-SG-20-170	13,636	13,636
	Total	113,375	113,375
Direct Program:			
14.267	KS0057L7P071808	69,292	69,292
	KS0057L7P072011	102,826	102,826
	Total	172,118	172,118
14.871	Section 8 - Housing Choice Vouchers (Housing Voucher Cluster)	\$ 627,032	\$ 647,345

The accompanying notes are an integral part of this statement.

NORTHEAST KANSAS COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED MARCH 31, 2022

Federal CFDA Number	Identifying Number	Federal Grants	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Program:			
14.896	Family Self-Sufficiency Program	\$ 40,793	\$ 40,664
	Family Self-Sufficiency Program	15,747	15,747
	Total	56,540	56,411
	Total U.S. Department of Housing and Urban Development	1,077,781	1,097,965
U.S. DEPARTMENT OF THE TREASURY			
Passed through Kansas Housing Resources Corporation:			
21.023	Emergency Rental Assistance Program	53,960	53,960
	Bridge to Housing Stability Program**	216,963	17,836
	Total U.S. Department of the Treasury	270,923	71,796
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass through Thrive Allen County:			
93.332	Kansas Cares Navigator Grant	34,839	34,839
Passed through Kansas Housing Resources Corporation:			
93.569	Community Services Block Grant	76,101	124,758
	Community Services Block Grant	573,723	527,107
	Community Services Block Grant	17,092	17,092
	Community Services Block Grant	15,001	14,320
	Community Services Block Grant	7,500	7,500
	Community Services Block Grant	173,317	214,320
	Total	862,734	905,097

The accompanying notes are an integral part of this statement.

NORTHEAST KANSAS COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2022

<u>Federal CFDA Number</u>		<u>Identifying Number</u>	<u>Federal Grants</u>	<u>Federal Expenditures</u>
	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
	Direct Program:			
93.600	Head Start	07CH011099/02	\$ 4,651,996	\$ 4,651,996
	Early Head Start	07CH011099/02	1,421,837	1,421,837
	Head Start CARES	07HE00103101C5	113,972	113,972
	Early Head Start CARES	07HE00103101C6	145,798	145,798
	Head Start Training	07CH011099/02	43,044	43,044
	Early Head Start Training	07CH011099/02	29,667	29,667
		Total	6,406,314	6,406,314
	Total U.S. Department of Health and Human Services		7,303,887	7,346,250
	Total Expenditures of Federal Awards		\$ 8,801,219	\$ 8,662,610

* Note: CACFP grant is a reimbursement program and revenue over expenses are carried forward to the next program year and can be expensed in that program year.

** Note: These grant funds were advanced based upon the original scope of the grant award. The majority of these funds were returned in July 2022 in the amount of \$193,461.02, so that they could be used to assist more clients directly by Kansas Housing Resources Corporation.

Northeast Kansas Community Action Program, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended March 31, 2022

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Northeast Kansas Community Action Program, Inc. under programs of the federal government for the year ended March 31, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a select portion of the operations of Northeast Kansas Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets of cash flows of Northeast Kansas Community Action Program, Inc.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, Cost Principles for Non Profit Organizations, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowed or are limited as to reimbursement. The Organization has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE C. NON-CASH ASSISTANCE, INSURANCE AND LOANS

Northeast Kansas Community Action Program, Inc. did not receive or expend any Federal awards in the form of noncash assistance, insurance, loans or loan guarantees for the year ended March 31, 2022.

NOTE C. SUB-GRANTEES

There were no federal funds passed through to sub-recipients during the fiscal year.

SPECIAL REPORTS

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
Northeast Kansas Community Action Program Inc.
Hiawatha, Ks.

We have audited, 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, the financial statements of Northeast Kansas Community Action Program Inc. as of and for the year ended March 31, 2022, and the related notes to the financial statements, which comprise the Northeast Kansas Community Action Program Inc.'s financial statements, and have issued our report thereon dated September 14, 2022.

Report Internal Control over Financial Reporting

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

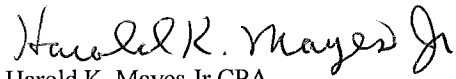
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we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

Report Compliance and Other Matters

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

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Harold K. Mayes Jr CPA

Agler & Gaeddert, Chartered

Ottawa, Kansas

September 14, 2022

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

Board of Directors
Northeast Kansas Community Action Program Inc.
Hiawatha, Ks.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program Inc.'s major federal programs for the year ended March 31, 2022. Northeast Kansas Community Action Program 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, Northeast Kansas Community Action Program 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 March 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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 Northeast Kansas Community Action Program 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.

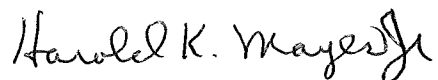
Report on Internal Control over Compliance

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.

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.

A handwritten signature in black ink, reading "Harold K. Mayes Jr." with a stylized flourish at the end.

Harold K . Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
September 14, 2022

Northeast Kansas Community Action Program, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended March 31, 2022

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statement audited was prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

No

Significant deficiencies identified not considered to be material weaknesses:

None reported

Noncompliance material to financial statements noted?

No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

No

Significant deficiencies identified not considered to be material weaknesses:

None noted

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal awards

No

Identification of major programs:

<u>CFDA Number's</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount</u>
Head Start		
93.600	Head Start	\$ 4,651,996
93.600	Early Head Start	1,421,837
93.600	Head Start CARES	113,972
93.600	Early Head Start CARES	145,798
93.600	Head Start Training	43,044
93.600	Early Head Start Training	29,667
		<u>6,406,314</u>
14.871	Section 8 - Housing Choice Vouchers	<u>647,345</u>
	Total	<u>7,053,659</u>
Dollar threshold used to distinguish between Type A and Type B programs		\$ <u>750,000</u>
Auditee qualified as a low-risk auditee?		Yes

Northeast Kansas Community Action Program, Inc.

STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended March 31, 2022

Section II - Financial Statement Findings:	No matters reported
Section III - Federal Award Findings and Questioned costs	No matters reported