

**COMMUNITY PROGRESS
COUNCIL, INC.**

FINANCIAL STATEMENTS
With Supplementary Information

YEARS ENDED JUNE 30, 2015 AND 2014



BAKER TILLY

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COMMUNITY PROGRESS COUNCIL, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Progress Council, Inc.
York, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of **Community Progress Council, Inc.** (the Council), a nonprofit organization, which comprise the Statement of Financial Position as of June 30, 2015, and the related Statements of Activities, Functional Expenses - By Natural Classifications, and Cash Flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we express no such opinion.

Auditors' Responsibility (Continued)

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Community Progress Council, Inc.** as of June 30, 2015, and the changes in its unrestricted net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying Schedules of Revenue, Expenses, and Comparison with Budget for the Case Management Program and the Homeless Assistance Program, as required by the Department of Public Welfare, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Revenue, Expenses, and Comparison with Budget are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated December 21, 2015, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the audits performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Other Matters (Continued)

Reporting on Prior Year Financial Statements

The financial statements of **Community Progress Council, Inc.** as of and for the year ended June 30, 2014 were audited by SF&Company who expressed an unmodified opinion on those statements on December 22, 2014.

Baker Tilly Viechow Krause, LLP

Harrisburg, Pennsylvania
December 21, 2015

COMMUNITY PROGRESS COUNCIL, INC.

STATEMENTS OF FINANCIAL POSITION

	June 30,	
	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 651	\$ 850
Certificates of Deposit	0	8,545
Accounts Receivable	983,818	1,185,924
Prepaid Expenses	13,833	118,029
TOTAL CURRENT ASSETS	<u>998,302</u>	<u>1,313,348</u>
PROPERTY AND EQUIPMENT - At Cost,		
Less Accumulated Depreciation	557,297	708,179
OTHER ASSETS		
Security Deposits	2,761	3,396
TOTAL ASSETS	<u>\$ 1,558,360</u>	<u>\$ 2,024,923</u>
LIABILITIES AND UNRESTRICTED NET ASSETS		
CURRENT LIABILITIES		
Line of Credit	\$ 220,853	\$ 659,898
Accounts Payable	36,267	64,503
Refundable Advances	130,489	34,537
Accrued Payroll Taxes and Employee Withholdings	188,171	141,592
Security Deposit Payable	876	876
TOTAL CURRENT LIABILITIES	<u>576,656</u>	<u>901,406</u>
UNRESTRICTED NET ASSETS	<u>981,704</u>	<u>1,123,517</u>
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	<u>\$ 1,558,360</u>	<u>\$ 2,024,923</u>

See independent auditors' report and accompanying notes.

COMMUNITY PROGRESS COUNCIL, INC.

STATEMENTS OF ACTIVITIES

	Years Ended June 30,	
	2015	2014
UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE		
Grant and Contract Revenue	\$ 10,566,714	\$ 10,157,138
Contributions	16,301	9,950
Interest Income	27	0
Other Income	186,514	177,135
In-Kind Contributions	265,519	322,517
TOTAL SUPPORT AND REVENUE	<u>11,035,075</u>	<u>10,666,740</u>
FUNCTIONAL EXPENSES		
Program and Related Services	10,344,454	9,772,018
Supporting Services - Management and General	832,434	807,931
TOTAL FUNCTIONAL EXPENSES	<u>11,176,888</u>	<u>10,579,949</u>
CHANGES IN UNRESTRICTED NET ASSETS	(141,813)	86,791
UNRESTRICTED NET ASSETS - BEGINNING	<u>1,123,517</u>	<u>1,036,726</u>
UNRESTRICTED NET ASSETS - ENDING	<u>\$ 981,704</u>	<u>\$ 1,123,517</u>

See independent auditors' report and accompanying notes.

COMMUNITY PROGRESS COUNCIL, INC.

STATEMENTS OF FUNCTIONAL EXPENSES - BY NATURAL CLASSIFICATIONS YEAR ENDED JUNE 30, 2015 WITH COMPARATIVE TOTAL FOR THE YEAR ENDED JUNE 30, 2014

	2015			2014 Total
	Program and Related Services	Management and General	Total	
FUNCTIONAL EXPENSES				
Advertising	\$ 57,552	\$ 12,216	\$ 69,768	\$ 10,379
Bank Fees	1,821	5,060	6,881	8,338
Classroom Supplies	90,134	0	90,134	51,118
Computer Software	35,649	1,933	37,582	108,168
Contracted Services	72,616	51,748	124,364	99,024
Depreciation	138,889	0	138,889	131,658
Dues and Memberships	13,520	5,884	19,404	14,443
Enrollment Costs	153,597	0	153,597	144,263
Equipment Purchases	20,482	2,800	23,282	2,722
Field Trips	1,930	0	1,930	3,220
Food	214,748	703	215,451	183,072
In-Kind Contributions	265,519	0	265,519	322,517
Insurance	63,816	11,086	74,902	68,545
Interest Expense	0	10,142	10,142	7,773
Internet	6,218	449	6,667	10,296
Legal and Professional Services	11,004	54,038	65,042	59,673
Miscellaneous Expense	7,400	2,272	9,672	17,096
Parent Activity	10,138	0	10,138	6,882
Participant Development	0	0	0	2,690
Payroll Taxes and Fringe Benefits	1,692,134	127,492	1,819,626	1,657,795
Postage	11,143	2,673	13,816	12,508
Property Taxes	19,283	50	19,333	19,283
Reference Materials	0	0	0	367
Rent Expense	315,387	13,647	329,034	318,704
Repairs and Maintenance	159,019	12,932	171,951	192,361
Reproduction Expense	11,613	2,021	13,634	21,604
Salaries and Wages	5,885,776	491,781	6,377,557	6,027,617
Specific Assistance	511,547	36	511,583	449,627
Staff Development	118,366	8,813	127,179	169,102
Subscriptions and Publications	1,462	0	1,462	644
Supplies	145,602	6,316	151,918	159,516
Telephone and Utilities	218,616	5,965	224,581	239,713
Travel and Transportation	89,473	2,377	91,850	59,231
TOTAL FUNCTIONAL EXPENSES	\$ 10,344,454	\$ 832,434	\$ 11,176,888	\$ 10,579,949

See independent auditors' report and accompanying notes.

COMMUNITY PROGRESS COUNCIL, INC.

STATEMENT OF FUNCTIONAL EXPENSES - BY NATURAL CLASSIFICATIONS YEAR ENDED JUNE 30, 2014

FUNCTIONAL EXPENSES	Program and Related Services	Management and General	Total
Advertising	\$ 5,570	\$ 4,809	\$ 10,379
Bank Fees	0	8,338	8,338
Classroom Supplies	51,118	0	51,118
Computer Software	53,990	54,178	108,168
Contracted Services	38,399	60,625	99,024
Depreciation	131,658	0	131,658
Dues and Memberships	7,014	7,429	14,443
Enrollment Costs	144,263	0	144,263
Equipment Purchases	1,482	1,240	2,722
Field Trips	3,220	0	3,220
Food	180,586	2,486	183,072
In-Kind Contributions	322,517	0	322,517
Insurance	62,083	6,462	68,545
Interest Expense	3,365	4,408	7,773
Internet	8,766	1,530	10,296
Legal and Professional Services	6,496	53,177	59,673
Miscellaneous Expense	17,096	0	17,096
Parent Activity	6,882	0	6,882
Participant Development	2,690	0	2,690
Payroll Taxes and Fringe Benefits	1,567,068	90,727	1,657,795
Postage	10,731	1,777	12,508
Property Taxes	19,283	0	19,283
Reference Materials	367	0	367
Rent Expense	293,976	24,728	318,704
Repairs and Maintenance	184,864	7,497	192,361
Reproduction Expense	17,802	3,802	21,604
Salaries and Wages	5,612,892	414,725	6,027,617
Specific Assistance	449,627	0	449,627
Staff Development	124,485	44,617	169,102
Subscriptions and Publications	644	0	644
Supplies	152,251	7,265	159,516
Telephone and Utilities	235,014	4,699	239,713
Travel and Transportation	55,819	3,412	59,231
TOTAL FUNCTIONAL EXPENSES	\$ 9,772,018	\$ 807,931	\$ 10,579,949

See independent auditors' report and accompanying notes.

COMMUNITY PROGRESS COUNCIL, INC.

STATEMENTS OF CASH FLOWS

	Years Ended	
	June 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Unrestricted Net Assets	\$ (141,813)	\$ 86,791
Adjustments to Reconcile Changes in Unrestricted Net Assets to Net Cash Provided (Used) by Operating Activities		
Depreciation	138,889	131,658
(Increase) Decrease in		
Accounts Receivable	202,106	(708,203)
Prepaid Expenses	104,196	36,842
Security Deposits	635	0
Increase (Decrease) in		
Accounts Payable	(28,236)	(1,500)
Refundable Advances	95,952	4,144
Accrued Payroll Taxes and Employee Withholdings	46,579	(34,099)
Security Deposits Payable	0	185
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	418,308	(484,182)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	0	(201,847)
Loss on Disposal of Fixed Assets	11,993	0
Maturity of Certificate of Deposit	8,545	0
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	20,538	(201,847)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES		
Changes in Line of Credit	(439,045)	659,898
NET DECREASE IN CASH AND CASH EQUIVALENTS	(199)	(26,131)
CASH AND CASH EQUIVALENTS - BEGINNING	850	26,981
CASH AND CASH EQUIVALENTS - ENDING	\$ 651	\$ 850
SUPPLEMENTAL DISCLOSURES		
Interest Paid	\$ 10,142	\$ 7,773
Noncash Transactions		
Noncash Contributions	\$ 265,519	\$ 322,517
Farmer's Market Coupons	\$ 7,835	\$ 7,825

See independent auditors' report and accompanying notes.

COMMUNITY PROGRESS COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Community Progress Council, Inc. (the Council), a nonprofit organization, was established to provide assistance to low-to-moderate income individuals and families in York County, Pennsylvania, despite their inability to pay. The Council operates a variety of programs including, but not limited to Head Start, Child Care Food Program, Senior Citizen Programs, WIC (Women, Infants, and Children), Work Ready and Subsidized Work Programs, Rental Assistance, and Outreach and Referral Programs. The Council's programs are funded by various federal, state, and local grants, allocations, and private donations.

Basis of Accounting

The accompanying financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this basis, support and revenue are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Council's financial statement presentation follows the recommendations of Accounting Standards Codification (ASC) No. 958, "*Not-for-Profit Entities*." Under ASC No. 958, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Council is required to present the Statements of Cash Flows. Under the provisions of ASC No. 958, net assets and changes therein are classified and reported, based on the existence or absence of donor-imposed stipulations.

- * ***Unrestricted Net Assets*** - Net assets that are not subject to donor-imposed stipulations. Included in unrestricted net assets for the Council are capital assets, which have some conditional stipulations due to the fact that they were originally funded by grantors.
- * ***Temporarily Restricted Net Assets*** - Net assets subject to donor-imposed stipulations that will be met either by action of the Council and/or the passage of time.
- * ***Permanently Restricted Net Assets*** - Net assets subject to permanent donor-imposed stipulations that they be maintained permanently.

At June 30, 2015 and 2014, the Council's net assets are unrestricted.

COMMUNITY PROGRESS COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and support and revenue and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents

The Council considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at outstanding balances. An allowance for doubtful accounts is established through provisions charged against revenue. Accounts deemed to be uncollectible are charged against the allowance and subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is maintained at a level considered adequate to provide for losses, which can be reasonably anticipated. Management's periodic evaluation of the adequacy of the allowance is based on past experience, aging of the receivables, adverse situations that may affect a customer's ability to pay, current economic conditions, and other relevant factors. This evaluation is inherently subjective, as it requires estimates that may be susceptible to significant change. Unpaid balances remaining after the stated payment terms are considered past due. At June 30, 2015 and 2014, management's assessment has determined that no allowance for uncollectible accounts is required.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation is provided using the straight-line method of accounting over the estimated useful lives of the assets. The Council's policy is to capitalize additions, improvements, and major renewals of \$5,000 or more. Maintenance, repairs, and minor renewals are charged against operations when incurred.

Refundable Advances

Most of the Council's grants operate on a reimbursement basis. However, a few grantors advance funds. Refundable advances consist of grant funds received in advance of incurring costs.

COMMUNITY PROGRESS COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, and other current liabilities approximate the fair value because of the short maturity of these items. Other financial instruments, for which the fair value measurement is recurring, are measured in accordance with an established hierarchy of inputs to the valuation techniques under accounting standards generally accepted in the United States of America. The methodology for establishing the fair value for the Council's investments is more fully described below.

Fair Value Measurements

ASC No. 820, "*Fair Value Measurements*," establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC No. 820 are described below:

- * **Level 1** - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Council has the ability to access.
- * **Level 2** - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, directly or indirectly, for substantially the full-term of the financial instrument.
- * **Level 3** - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Contributions

The Council accounts for contributions in accordance with the recommendations of ASC No. 958-605, "*Revenue Recognition*." All contributions are considered to be available for unrestricted use, unless explicit donor-imposed stipulations specify how the contributions must be used. Amounts designated for future periods or restricted by donor-imposed stipulations for specific purposes, are reported as temporarily restricted or permanently restricted support, which would increase those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Council reports the support as unrestricted. When a donor-imposed stipulation expires, that is, when a time restriction ends or purpose restriction is fulfilled, temporarily or permanently restricted net assets are reclassified as unrestricted net assets and reported on the Statements of Activities as net assets released from restrictions. Grant revenue, which is deemed to be an exchange transaction, is classified as unrestricted revenue or deferred revenue, as appropriate, when received or receivable.

COMMUNITY PROGRESS COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Space, Services, Materials, and Supplies

Contributed space, services, materials, and supplies are valued and recorded as in-kind contributions and expenses at the time they are received. Contributed materials are valued at their estimated fair value, professional services are valued at market value, and contributed space is recorded at the fair rental value of the space provided. Contributed professional services are recognized, if the service received either (a) creates or enhances long-lived assets or (b) requires specialized skills provided by individuals possessing those skills and would typically be purchased, if not provided by donation.

A substantial number of volunteers have made significant contributions of their time to the Council's program and supporting services, which does not meet the recognition criteria.

Allocations of Functional Expenses

The cost of providing the various program and related services and other activities are summarized on a functional basis on the Statements of Activities and Statements of Functional Expenses - By Natural Classifications. Accordingly, certain costs have been allocated among the program and related services and supporting services benefited.

Federal Income Taxes

The Council is exempt from federal income taxes as an organization described under the Internal Revenue Code (IRC) Section 501(c)(3), except for net income derived from unrelated business activities, if any. The Council has been determined not to be a private foundation. The Council's open audit periods are 2012 through 2014. ASC No. 740-10, "Income Taxes," prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose uncertain tax positions taken on its tax returns. The Council believes that it has appropriate support for tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements.

Advertising

Advertising is expensed as incurred. Advertising costs were \$69,768 and \$10,379 for the years ended June 30, 2015 and 2014, respectively.

Reclassification

Certain amounts in the 2014 financial statements have been reclassified to conform to the 2015 presentation. These reclassifications did not affect the prior year changes in unrestricted net assets.

COMMUNITY PROGRESS COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management of the Council has evaluated subsequent events through December 21, 2015, which is the date the financial statements were available to be issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

2. CONCENTRATION OF CREDIT RISK

The Council's cash balance(s) in financial institutions, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limits. Management regularly monitors the financial condition of the financial institutions, along with their cash balances, and tries to keep potential risks to a minimum. The Council has not experienced any such losses on these accounts.

3. PREPAID EXPENSES

Prepaid expenses consist of the following at June 30:

	<u>2015</u>	<u>2014</u>
Miscellaneous Prepaid Expenses	\$ 0	\$ 22,217
Prepaid Insurance	13,833	94,925
Prepaid Postage	0	887
Total Prepaid Expenses	<u>\$ 13,833</u>	<u>\$ 118,029</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	<u>Useful Lives</u>	<u>2015</u>	<u>2014</u>
Land	N/A	\$ 6,309	\$ 6,309
Land Improvements	40 Years	0	3,519
Buildings and Improvements	10 - 40 Years	328,554	651,067
Equipment	10 Years	<u>1,269,173</u>	<u>1,178,460</u>
Total Property and Equipment		1,604,036	1,839,355
Less: Accumulated Depreciation		<u>(1,046,739)</u>	<u>(1,131,176)</u>
Net Book Value		<u>\$ 557,297</u>	<u>\$ 708,179</u>

Depreciation for the years ended June 30, 2015 and 2014 was \$138,889 and \$131,658, respectively.

COMMUNITY PROGRESS COUNCIL, INC.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 AND 2014**

5. LINE OF CREDIT

The Council has a line of credit with a local lending institution, up to the maximum amount of \$900,000. The interest rate is at the bank's prime rate. At June 30, 2015 and 2014, the outstanding balances were \$220,853 and \$659,898, respectively.

6. REFUNDABLE ADVANCES

Refundable advances consist of the following at June 30:

	<u>2015</u>	<u>2014</u>
Pennsylvania Department of Public Welfare - Work Ready	\$ 1,320	\$ 15,845
United Way	11,882	0
Community Service Block Grants, Community Centers	58,417	0
Energy Assistance Programs	29,265	0
Other Deposits or Advances	29,605	18,692
Total	<u>\$ 130,489</u>	<u>\$ 34,537</u>

7. IN-KIND CONTRIBUTIONS

In-kind contributions consist of the following at June 30:

	<u>2015</u>	<u>2014</u>
Contributed Space	\$ 196,556	\$ 281,855
Contributed Professional Services	26,878	0
Contributed Materials	42,085	40,662
Total	<u>\$ 265,519</u>	<u>\$ 322,517</u>

	<u>2015</u>	<u>2014</u>
Foster Grandparent's Program	\$ 34,573	\$ 34,430
Head Start Program	230,946	288,087
Total	<u>\$ 265,519</u>	<u>\$ 322,517</u>

8. INDIRECT COST RATE

Indirect administrative costs are allocated to all programs utilizing either a provisional or predetermined rate. This rate is applied to all programs using a relevant basis of direct salaries and wages. This method of cost allocation addresses all elements of costs incurred and identifies common or shared costs, which require consistent and sound allocation in order to be equitably shared by all programs.

COMMUNITY PROGRESS COUNCIL, INC.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 AND 2014**

8. INDIRECT COST RATE (Continued)

This system does not increase common or shared costs, but provides for their identification and equitable distribution on an organizational-wide basis, rather than through the negotiation of costs as a part of individual grant and contract negotiations. The Council has negotiated a predetermined indirect cost rate of 6.6 percent. The rate was in effect until July 1, 2008, when it became a provisional rate of 7.0 percent. The rate increased to 8.0 percent of salaries and benefits beginning July 1, 2014.

	2015	2014
Total Management and General	\$ 832,434	\$ 807,931
Less: Grant Funding	(250,832)	(410,161)
Less: Contributions	0	(184)
Net Costs to be Recovered	\$ 581,602	\$ 397,586

Calculation of Salaries and Wages Base

Salaries and Wages (Includes Benefits for 6/30/2015)	\$ 8,197,183	\$ 6,027,617
Less: Administrative Wages (Includes Benefits for 6/30/2015)	(619,273)	(414,725)
Total Salaries and Wages Base	\$ 7,577,910	\$ 5,612,892

Calculation of Actual Indirect Cost Rate

Net Costs to be Recovered	\$ 581,602	\$ 397,586
Salaries and Wages Base	\$ 7,577,910	\$ 5,612,892

Indirect Cost Percentage	7.7%	7.0%
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9. PROFIT SHARING 401(K) DEFERRED CONTRIBUTION PLAN

The Council sponsors a profit sharing 401(k) deferred contribution plan. Employees that meet certain eligibility requirements are eligible to participate in the plan. Eligible employees can elect to contribute, up to the lesser of 90.0 percent of compensation or \$17,500 (\$23,000 for age fifty and older) for each of the years ended June 30, 2015 and 2014. The employer's matching contributions are 100.0 percent, up to a maximum of 3.0 percent and are fully vested after three years of service. The employer's contributions for the years ended June 30, 2015 and 2014 were \$116,265 and \$106,156, respectively.

COMMUNITY PROGRESS COUNCIL, INC.

**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 AND 2014**

10. CONTINGENT LIABILITIES

The Council participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their respective oversight agencies. The Council is potentially liable for any expenses, which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance, which would result in the disallowance of program expenses.

Under certain grant agreements, provisions exist that would require repayment to the grantor of the net book value of capital assets purchased with grant funds. These capital assets have been segregated in the Council's records. The net book value of assets purchased in this manner was \$352,634 and \$495,142 at June 30, 2015 and 2014, respectively. Repayment of these costs is not anticipated by the Council.

11. OPERATING LEASES

The Council has entered into various property and equipment lease agreements. These leases are for facilities, which have monthly rental payments ranging from \$65 to \$3,280 and involve original terms ranging from one to ten years.

Future minimum lease payments are as follows for the years ending June 30:

2016	<u>\$ 254,567</u>
2017	<u>\$ 178,107</u>
2018	<u>\$ 131,768</u>
2019	<u>\$ 104,611</u>
Thereafter	<u>\$ 110,112</u>

SUPPLEMENTARY INFORMATION

COMMUNITY PROGRESS COUNCIL, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-Through Grantor/Program Title	Pass- Through Entity ID Number	Federal CFDA Number	Grant Period Beginning/ Ending Date	Federal Expenditures
<i>U.S. Department of Agriculture</i>				
Pass-Through from Pennsylvania Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	4100067465	10.557	10/01/2014-09/30/2015	\$ 1,000,724
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	4100064620	10.557	10/01/2013-09/30/2014	336,668
Total Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)				\$ 1,337,392
WIC Farmers' Market Nutrition Program		10.572	10/01/2014-9/30/2015	\$ 7,825
Pass-Through from Pennsylvania Department of Education				
Child and Adult Care Food Program		10.558	10/01/2014-09/30/2015	\$ 253,466
Child and Adult Care Food Program		10.558	10/01/2013-09/30/2014	45,121
Total Child and Adult Care Food Program				\$ 298,587
<i>Total U.S. Department of Agriculture</i>				\$ 1,643,804
<i>U.S. Department of Housing and Urban Development</i>				
Pass-Through from City of York				
Community Development Block Grants/Entitlement Grant				
Homebuyer Assistance		14.218	01/01/2015-12/31/2015	\$ 42,238
Homebuyer Assistance		14.218	01/01/2014-12/31/2014	6,317

(Continued on Next Page)

See independent auditors' report and accompanying notes to schedules.

COMMUNITY PROGRESS COUNCIL, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-Through Grantor/Program Title	Pass- Through Entity ID Number	Federal CFDA Number	Grant Period Beginning/ Ending Date	Federal Expenditures
<i>U.S. Department of Housing and Urban Development (Continued)</i>				
Pass-Through from York County Planning Commission				
Community Development Block Grants/Entitlement Grant (Continued)				
Homebuyer Assistance		14.218	01/01/2015-12/31/2015	\$ 31,783
Homebuyer Assistance		14.218	01/01/2014-12/31/2014	13,418
Delta Outreach		14.218	01/01/2015-12/31/2015	17,419
Delta Outreach		14.218	01/01/2014-12/31/2014	4,307
Rental Assistance		14.218	01/01/2014-12/31/2014	11,654
Rental Assistance		14.218	01/01/2013-12/31/2013	39,169
Total Community Development Block Grants/Entitlement Grant				\$ 166,305
Pass-Through from York County Planning Commission				
Emergency Solutions Grant Program		14.231	01/01/2012-12/31/2012*	\$ 17,992
Emergency Solutions Grant Program		14.231	01/01/2013-12/31/2013*	9,634
Emergency Solutions Grant Program		14.231	01/01/2013-12/31/2013*	32,278
Emergency Solutions Grant Program		14.231	01/01/2014-12/31/2014	23,587
Emergency Solutions Grant Program		14.231	01/01/2012-12/31/2012*	42,311
Total Emergency Solutions Grant Program			<i>* Extended</i>	\$ 125,802
Total U.S. Department of Housing and Urban Development				\$ 292,107
<i>U.S. Department of Health and Human Services</i>				
Head Start	03CH3399/02	93.600	06/01/2015-05/31/2016	\$ 114,720
Head Start	03CH3399/01	93.600	07/01/2014-05/31/2015	3,208,251
Early Head Start	03CH3441/01	93.600	07/01/2014-05/31/2015	62,305

(Continued on Next Page)

See independent auditors' report and accompanying notes to schedules.

COMMUNITY PROGRESS COUNCIL, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-Through Grantor/Program Title	Pass- Through Entity ID Number	Federal CFDA Number	Grant Period Beginning/ Ending Date	Federal Expenditures
<i>U.S. Department of Health and Human Services (Continued)</i>				
Early Head Start	03CH2106/48	93.600	06/01/2013-06/30/2014	\$ 1,205,268
Early Head Start	03CH2106/47	93.600	06/01/2012-05/31/2013	27,951
Total Head Start/Early Head Start				\$ 4,618,495
Pass-Through Pennsylvania Department of Public Welfare				
Temporary Assistance for Needy Families - Work Ready		93.558	10/01/2014-09/30/2015	\$ 198,795
Temporary Assistance for Needy Families - Work Ready		93.558	10/01/2013-09/30/2014	70,381
Total Temporary Assistance for Needy Families				\$ 269,176
Pass-Through PA Department of Community and Economic Development				
Community Services Block Grant	C000051705	93.569	10/01/2013-09/30/2014	\$ 116,831
Community Services Block Grant				215,858
Community Services Block Grant				149,408
Community Services Block Grant	C000052450	93.569	10/01/2012-09/30/2013	250,832
Total Community Service Block Grant				\$ 732,929
Corporation for National and Community Services				
Foster Grandparent Program	10SFAPA002	94.011	04/01/2013-06/30/2016	\$ 238,160
Total U.S. Department of Health and Human Services				\$ 5,858,760
U.S. Department of Homeland Security				
Pass-Through from United Way of America	LRO#734200-007	97.024	07/01/2014-06/30/2015	\$ 21,651
Total Federal Awards Expended				\$ 7,816,322

See independent auditors' report and accompanying notes to schedules.

COMMUNITY PROGRESS COUNCIL, INC.

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

1. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal Awards include the federal grant activity of the Council and are presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*.

**2. REQUIRED INFORMATION BY THE PENNSYLVANIA DEPARTMENT OF
COMMUNITY AND ECONOMIC DEVELOPMENT (DCED)**

The presentation of federal expenditures on the Schedules of Expenditures of Federal Awards presents the expenditures, as previously explained, on the accrual basis of accounting. Under this basis, expenses are recorded when the corresponding liability occurs. The DCED requires that grants passed-through their agency be presented on a cash basis of accounting. Under this basis, the revenue and expenditures would only be recorded when received or paid. Accordingly, below are the cash-basis revenue and expenditures under CFDA Number 92.569, passed-through to the Council:

Actual Payments Received	\$ 1,009,858
Prior Year Receivable	(297,557)
Prior Year Deferred Revenue	71,210
Current Year Deferred Revenue	<u>(58,417)</u>
Total	<u>\$ 725,094</u>

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

To the Board of Directors
Community Progress Council, Inc.
York, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of **Community Progress Council, Inc.** (the Council), a nonprofit organization, which comprise the Statement of Financial Position as of June 30, 2015, and the related Statements of Activities, Functional Expenses - By Natural Classifications, and Cash Flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 21, 2015.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Council'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.

Internal Control over Financial Reporting (Continued)

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council'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 Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly Viechow Krause, LLP

York, Pennsylvania
December 21, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL
CONTROL OVER COMPLIANCE; AND REPORT ON THE
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors
Community Progress Council, Inc.
York, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited **Community Progress Council, Inc.'s** (the Council), a nonprofit organization, compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended June 30, 2015. The Council's major federal programs are identified in the summary of auditors' results section on the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Auditors' Responsibility (Continued)

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

Opinion on Each Major Federal Program

In our opinion, the Council 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 June 30, 2015.

Report on Internal Control over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of **Community Progress Council, Inc.** as of and for the year ended June 30, 2015, and have issued our report thereon, dated December 21, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying Schedules of Expenditures of Federal Awards are presented for purposes of additional analysis as required by OMB Circular A-133 and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Expenditure of Federal Awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Baker Tilly Viechow Krause, LLP

Harrisburg, Pennsylvania
December 21, 2015

COMMUNITY PROGRESS COUNCIL, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

SUMMARY OF AUDIT RESULTS

1. The *Independent Auditors' Report* expresses an unmodified opinion on the financial statements of the Council.
2. The *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* reported no significant deficiencies or material weaknesses in internal control. There were no compliance findings reported.
3. The *Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedules of Expenditures of Federal Awards Required by OMB Circular A-133* is unmodified.
4. There were no audit findings reported or disclosed, which would be required to be reported in accordance with Section 510(a) of OMB Circular A-133.
5. The *Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedules of Expenditures of Federal Awards Required by OMB Circular A-133* expresses the opinion that the Schedules of Expenditures of Federal Awards are fairly stated in all material respects.
6. The programs tested as Major Programs:

U.S. Department of Agriculture
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) -
Federal CFDA Number 10.557

U.S. Department of Health and Human Services
Head Start - Federal CFDA Number 93.600
Community Services Block Grant - Federal CFDA Number 93.569
7. The threshold for distinguishing Types A and B programs was \$300,000.
8. The Council did not qualify as a low risk auditee.

FINDINGS AND QUESTIONED COSTS IN THE YEAR ENDED JUNE 30, 2015

NONE

COMMUNITY PROGRESS COUNCIL, INC.

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2015

Finding No. 2013-01

Criteria: The financial information system needs to be properly utilized to allow for a clean cut-off at month-end and year-end dates.

Condition: The system currently in use is complex and is accommodating to a variety of programs, which extend across fiscal periods, but the proper method of performing the year-end close has not been performed by the Council's staff in a timely manner. Generally, the software consultants have been involved in this process, but it takes place several months subsequent to year-end. Further, during the subsequent period, entries can and are posted into the prior period.

Cause: Largely the cause is due to employee turnover. This system requires a significant amount of understanding of all of the Council's programs and experience and knowledge with the GMS software system. Turnover has prevented this from occurring.

Effect: Accounts were not properly closed at year-end.

Recommendation: That the Council strives to hire and retain competent fiscal individuals, while providing the training and assistance needed to work within the financial framework in place.

Auditee's Response and Corrective Action Plan: The Council agrees with the auditors' recommendation. We hired a new Chief Financial Officer (CFO) during October 2013 and will consider supplementing staff as funding allows. The CFO had eight days of intensive one-on-one training at the Council with the lead trainer from GMS Accounting Software. The current fiscal department staff is scheduled to participate in training on the software at its annual conference during May 2014. The Council will re-evaluate the modules currently in use and add others, which will enhance the fiscal control and operations

Status at Year-End 2015: Employee turnover in the fiscal department appears to have stabilized. The adjustments to close programs and post necessary receivable and deferrals were performed timely in the current year, given the size and structure of the Council. The number of adjusting journal entries at year-end June 30, 2015 was considerably less than the number that has been the case in prior years.

COMMUNITY PROGRESS COUNCIL, INC.

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2015

Finding No. 2012-01

Criteria: To accurately reflect the financial position and results of operations, all general ledger accounts should be reviewed on a monthly basis, with adjustments made as necessary. Compliance with grant terms requires that cash management controls exist to ensure that the time elapsing between the transfer of federal funds and the disbursement of those funds be minimized.

Condition: During the audit for the year ended June 30, 2012, many of the prior year adjusting entries were not reversed until May 2012 and a significant number of adjusting entries were posted as a result of the audit.

Cause: During the year ended June 30, 2012, the individual in charge with adjusting the financial statements was seriously ill and was on sick leave for several months.

Effect: Because of the lack of timeliness of journal entries made to reverse prior receivables and deferred revenue, internal financial reports were likely inaccurate. Further, the balance of grant funds would not have been properly reported, due to the fact that the receivables and revenue deferred would impact the amount of grant funds already drawn down. Because of the number of entries posted as a result of the audit, the financial statements and the grant activity may not have been properly recorded or reported.

Recommendation: Those entries made at year-end, to record receivables and deferred revenue, be promptly reversed after the audit is complete. We also recommend that two individuals share responsibility for posting and reversing journal entries, so that in the event that a position becomes vacant for a period of time, another employee is able to perform those duties. We also recommend that the adjusting journal entries be reviewed by an individual, who is independent of recording and processing financial information.

Status at Year-End 2015: This issue appears to have been largely resolved. Adjusting entries made as a result of the June 30, 2015 and 2014 audit were properly posted and reversed.

COMMUNITY PROGRESS COUNCIL, INC.

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015**

Finding No. 2011-01

Criteria: To accurately reflect the financial position and results of operations, all general ledger accounts should be reviewed on a monthly basis, with adjustments made as necessary.

Condition: During the audit for the year ended June 30, 2011, the auditors observed that material journal entries were posted to the general ledger to correct various accounts receivable, deferred revenue, payroll liability, and revenue accounts.

Effect: Because of the lack of timeliness of the material journal entries made during the audit process, the Council runs the risk that material adjustments to the general ledger could result in unrecovered and disallowed costs.

Recommendation: That procedures and controls be implemented to ascertain that the all general ledger accounts be analyzed on a monthly basis and adjusted as needed.

Status at Year-End 2015: This issue appears to have been largely resolved. Adjusting entries made as a result of the June 30, 2015 and 2014 audit were properly posted and reversed.

With respect to the audit Finding Nos. 2011-01 and 2012-01 will not be included in subsequent Schedules of Prior Findings and Questioned Costs for the reason that two years have passed since the audit report in which the findings were referenced and it appears that the issues therein disclosed have been addressed.

COMMUNITY PROGRESS COUNCIL, INC.

SCHEDULE OF REVENUE, EXPENSES, AND COMPARISON WITH BUDGET

YORK COUNTY HUMAN SERVICES DEPARTMENT - CASE MANAGEMENT PROGRAM CONTRACT NUMBER 061500-5200-358-975 PERIOD ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUE			
York County Human Services Department	\$ 112,864	\$ 112,864	\$ 0
EXPENSES			
Personnel Expenses			
Salaries	69,655	69,515	(140)
Fringe Benefits	20,357	21,143	786
Employee Training	900	371	(529)
Miscellaneous Personnel Expenses	450	0	(450)
Total Personnel Expenses	<u>91,362</u>	<u>91,029</u>	<u>(333)</u>
Operating Expenses			
Occupancy	11,025	10,248	(777)
Communication	2,722	1,663	(1,059)
Supplies	1,125	1,384	259
Staff Travel	675	342	(333)
Miscellaneous Operating Expenses	1,080	965	(115)
Indirect Costs	4,875	7,233	2,358
Total Operating Expenses	<u>21,502</u>	<u>21,835</u>	<u>333</u>
TOTAL EXPENSES	<u>112,864</u>	<u>112,864</u>	<u>0</u>
EXCESS REVENUE OVER EXPENSES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See independent auditors' report and accompanying notes.

COMMUNITY PROGRESS COUNCIL, INC.

SCHEDULE OF REVENUE, EXPENSES, AND COMPARISON WITH BUDGET

YORK COUNTY HUMAN SERVICES DEPARTMENT - HOMELESS ASSISTANCE PROGRAM CONTRACT NUMBER 061500-5200-451-978 PERIOD ENDED JUNE 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUE			
York County Human Services Department	\$ 143,449	\$ 127,759	\$ 15,690
EXPENSES			
Personnel Expenses			
Salaries	87,732	77,040	10,692
Fringe Benefits	27,402	25,339	2,063
Employee Training	1,100	454	646
Miscellaneous Personnel Expenses	550	0	550
Total Personnel Expenses	<u>116,784</u>	<u>102,833</u>	<u>13,951</u>
Operating Expenses			
Occupancy	13,475	11,584	1,891
Communication	3,528	3,054	474
Supplies	1,375	1,306	69
Staff Travel	825	758	67
Miscellaneous Operating Expenses	1,321	285	1,036
Indirect Costs	6,141	8,164	(2,023)
Total Operating Expenses	<u>26,665</u>	<u>25,151</u>	<u>1,514</u>
TOTAL EXPENSES	<u>143,449</u>	<u>127,984</u>	<u>15,465</u>
EXCESS REVENUE OVER EXPENSES	<u>\$ 0</u>	<u>\$ (225)</u>	<u>\$ 225</u>

See independent auditors' report and accompanying notes.