

NORTHEAST KANSAS COMMUNITY ACTION PROGRAM, INC.
Hiawatha, Kansas

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
WITH
INDEPENDENT AUDITOR'S REPORT
Year Ended March 31, 2023

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	36
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	38
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	39
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	40
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	41
COMMUNITY SERVICES BLOCK GRANT	
SCHEDULE OF FINANCIAL POSITION COMMUNITY SERVICES BLOCK GRANT	42
SCHEDULE OF ACTIVITIES FOR COMMUNITY SERVICES	46
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	50
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	51
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	52
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	53
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	54
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	55
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	56
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	57
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	58
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	59
HUD SECTION 8 VOUCHERS PROGRAM KS168	
SCHEDULE OF FINANCIAL POSITION HUD	60
SCHEDULE OF ACTIVITIES FOR HUD	63
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	66
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET	67
SCHEDULE OF FININACIAL POSITION OTHER SERVICES	68
SCHEDULE OF ACTIVITIES FOR OTHER SERVICES	70

Northeast Kansas Community Action Program Inc.
Hiawatha, Kansas
CONTENTS

	<u>Page</u>
SCHEDULE OF FINANCIAL POSITION MANAGEMENT & GENERAL	72
SCHEDULE OF ACTIVITIES FOR MANAGEMENT & GENERAL	74
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	77
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	80
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>	82
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	84
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	87
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS	88

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, 2023, 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, 2023, 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, 2023 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, 2023 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, 2023

Northeast Kansas Community Action Program, Inc.
STATEMENT OF FINANCIAL POSITION
March 31, 2023
(with summarized financial information at March 31, 2022)

ASSETS	<u>2023</u>	<u>2022</u>
Current assets		
Cash	\$ 330,599	\$ 645,094
Investments	83,862	84,540
Grant Funds Receivable	633,075	765,420
Accounts receivable	757	67
Prepaid Expenses	<u>115,514</u>	<u>58,571</u>
<i>Total current assets</i>	<u>1,163,807</u>	<u>1,553,692</u>
Fixed Assets		
Property and Equipment	3,200,290	3,384,136
Less accumulated depreciation	<u>(2,236,631)</u>	<u>(1,951,917)</u>
<i>Total property and equipment</i>	<u>963,659</u>	<u>1,432,219</u>
Other assets		
Restricted cash - FSS Participants	25,540	26,622
<i>Total assets</i>	<u>\$ 2,153,006</u>	<u>\$ 3,012,533</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts Payable	\$ 486,950	\$ 657,367
Accrued Payroll and Related Expenses	116,407	106,506
Accrued Compensated Absences	114,595	75,958
Deferred Revenue	0	16,349
Reserve Accounts	19,332	19,332
Current portion of long-term debt	<u>15,345</u>	<u>14,596</u>
<i>Total current liabilities</i>	752,629	890,108
Non-Current Liabilities		
FSS Escrow	25,540	26,622
Notes Payable - net of current portion of long-term debt	<u>71,359</u>	<u>86,752</u>
Total Liabilities	<u>849,528</u>	<u>1,003,482</u>
Net assets		
Without donor restriction		
Undesignated	1,013,781	1,474,675
Board-designated	<u>178,160</u>	<u>186,160</u>
Total Net Assets Without Donor Restrictions	1,191,941	1,660,835
With donor restriction	<u>111,537</u>	<u>348,216</u>
<i>Total net assets</i>	<u>1,303,478</u>	<u>2,009,051</u>
<i>Total liabilities and net assets</i>	<u>\$ 2,153,006</u>	<u>\$ 3,012,533</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, 2023

(with summarized financial information at March 31, 2022)

	Without Donor Restriction	With Donor Restriction	2023 Total	2022 Total
Revenues				
Federal Grants	\$ 7,518,682	\$ 92,060	\$ 7,610,742	\$ 8,804,169
Program Income	9,500	0	9,500	0
Donations	11,524	20,493	32,017	17,345
Other	2,859	0	2,859	12,234
In-kind contributions	555,389	0	555,389	546,738
	<u>8,097,954</u>	<u>112,553</u>	<u>8,210,507</u>	<u>9,380,486</u>
Total Revenue				
	<u>8,097,954</u>	<u>112,553</u>	<u>8,210,507</u>	<u>9,380,486</u>
Net assets release from restriction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	<u>8,097,954</u>	<u>112,553</u>	<u>8,210,507</u>	<u>9,380,486</u>
Expenses				
Child Care	5,721,388	0	5,721,388	6,369,792
Community Services	660,158	0	660,158	926,576
Housing	1,103,809	0	1,103,809	1,073,529
Other Services	21,049	0	21,049	7,458
Total Program Services	<u>7,506,404</u>	<u>0</u>	<u>7,506,404</u>	<u>8,377,355</u>
Management and General	947,940	0	947,940	903,788
Fixed Assets	453,917	0	453,917	(625,719)
Total Support Expenses	<u>1,401,857</u>	<u>0</u>	<u>1,401,857</u>	<u>278,069</u>
Total expenses	<u>8,908,261</u>	<u>0</u>	<u>8,908,261</u>	<u>8,655,424</u>
Other Revenue (Expense)				
Unrealized Gain/(Loss) on Invest.	531	0	531	14,789
Gain/(Loss) on Disposal of Assets	<u>(8,350)</u>	<u>0</u>	<u>(8,350)</u>	<u>13,350</u>
Total Other Revenue/(Expense)	<u>(7,819)</u>	<u>0</u>	<u>(7,819)</u>	<u>28,139</u>
Change in net assets	<u>(818,126)</u>	<u>112,553</u>	<u>(705,573)</u>	<u>753,201</u>
Net Assets				
Beginning of the year - restated	<u>1,660,835</u>	<u>348,216</u>	<u>2,009,051</u>	<u>1,255,850</u>
End of the year	<u>\$ 842,709</u>	<u>\$ 460,769</u>	<u>\$ 1,303,478</u>	<u>\$ 2,009,051</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, 2023

(with summarized financial information at March 31, 2022)

	Child Care	Community Services	Housing
	<u> </u>	<u> </u>	<u> </u>
Expenditures			
Personnel	\$ 2,912,742	\$ 370,045	\$ 125,832
Fringe Benefits	754,894	101,868	39,728
Equipment	(261,073)	0	0
Computer	67,289	9,017	1,861
Supplies	589,987	11,504	3,893
Rent/Utilities	191,604	24,302	2,528
Facility Repair/Maintenance	440,441	3,434	1,348
Mortgage	19,235	97	0
Professional Fees	7,625	7,655	278
Communications	114,393	14,975	4,061
Vehicle	134,421	7,026	1,512
Insurance	51,069	4,184	1,295
Travel	58,843	10,647	5,172
Registration	71,840	2,258	2,458
Tuition and Books	1,008	0	0
Depreciation	0	0	0
Interest	0	0	0
Other Operating Expenses	21,119	13,548	373
Direct Customer Services	13,478	56,794	913,358
In-Kind Contributions	532,473	22,804	112
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	\$ <u>5,721,388</u>	\$ <u>660,158</u>	\$ <u>1,103,809</u>
Indirect Expenses	<u>807,022</u>	<u>117,913</u>	<u>22,410</u>
Total Expenditures	\$ <u><u>6,528,410</u></u>	\$ <u><u>778,071</u></u>	\$ <u><u>1,126,219</u></u>

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

	Other Services	Total Programs	Management and General	Fixed Assets	Total	2022 Total
\$	2,707	\$ 3,411,326	\$ 602,832	\$ 0	\$ 4,014,158	\$ 3,859,955
	274	896,764	136,505	0	1,033,269	1,184,095
	0	(261,073)	0	256,980	(4,093)	0
	837	79,004	69,714	0	148,718	87,841
	1,209	606,593	29,321	0	635,914	602,727
	0	218,434	9,105	0	227,539	207,012
	0	445,223	6,974	0	452,197	125,028
	0	19,332	0	(19,332)	0	0
	71	15,629	35,770	0	51,399	75,287
	0	133,429	17,234	0	150,663	173,180
	0	142,959	2,296	0	145,255	121,119
	0	56,548	3,653	0	60,201	54,970
	0	74,662	18,264	0	92,926	28,212
	0	76,556	4,630	0	81,186	81,105
	0	1,008	0	0	1,008	5,536
	0	0	0	211,581	211,581	180,349
	0	0	0	4,688	4,688	5,400
	1,427	36,467	11,642	0	48,109	76,278
	14,524	998,154	0	0	998,154	1,240,592
	0	555,389	0	0	555,389	546,738
\$	<u>21,049</u>	<u>\$ 7,506,404</u>	<u>\$ 947,940</u>	<u>\$ 453,917</u>	<u>\$ 8,908,261</u>	<u>\$ 8,655,424</u>
	595	947,940	(947,940)	0	0	0
\$	<u><u>21,644</u></u>	<u><u>\$ 8,454,344</u></u>	<u><u>0</u></u>	<u><u>\$ 453,917</u></u>	<u><u>\$ 8,908,261</u></u>	<u><u>\$ 8,655,424</u></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, 2023
(with summarized financial information for March 31, 2022)

	2023	2022
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Cash received from grants	\$ 7,726,058	\$ 8,552,562
Cash received from program income	9,500	0
Cash received from other	2,859	12,234
Cash received from donations	32,017	17,345
Cash paid to program employees and providers	(8,315,615)	(7,518,589)
Interest expense	(4,688)	(5,400)
	<u>(549,869)</u>	<u>1,058,152</u>
<i>Net cash provided by (used in) operating activities</i>		
 CASH FLOWS PROVIDED BY (USED IN)		
INVESTING ACTIVITIES		
(Increase) Decrease in Investments	(678)	(15,937)
Increase (Decrease) in Reserve Account	(1,082)	(28,272)
Gain/(Loss) on Disposal of Assets	504,545	13,350
Unrealized (Gain)/Loss on Investments	531	(14,789)
Acquisition of Property and Equipment	(254,380)	(767,146)
	<u>248,936</u>	<u>(812,794)</u>
<i>Net cash provided by (used in) investing activities</i>		
 CASH FLOWS PROVIDED BY (USED IN)		
FINANCING ACTIVITIES		
Payments of Long-Term Debt	(14,644)	(13,932)
	<u>(14,644)</u>	<u>(13,932)</u>
<i>Net cash provided by (used in) financing activities</i>		
 Net increase (decrease) in cash and cash equivalents	 (315,577)	 231,426
 Beginning cash and cash equivalents	 671,716	 440,290
 Ending cash and cash equivalents	 \$ 356,139	 \$ 671,716
 Cash	 \$ 330,599	 \$ 645,094
Restricted cash	25,540	26,622
	<u>\$ 356,139</u>	<u>\$ 671,716</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, 2023
(with summarized financial information for March 31, 2022)

	2023	2022
CASH FLOWS PROVIDED IN (USED IN)		
OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (705,753)	\$ 753,201
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expense	211,581	180,349
Unrealized (Gain)/Loss on Invest.	(531)	(14,789)
Gain/(loss) on Disposal of Assets	8,350	(13,350)
Changes in assets and liabilities		
(Increase) Decrease in Grants Receivable	132,345	(254,954)
(Increase) Decrease in Accounts Receivable	(690)	16,253
(Increase) Decrease in Inventory	0	186
(Increase) Decrease in Prepaid Expenses	(56,943)	209,139
Increase (Decrease) in Accounts Payable	(171,145)	369,757
Increase (Decrease) in Accrued Payroll	10,629	(182,047)
Increase (Decrease) in Accrued Compensated Absences	38,637	7,313
Increase (Decrease) in Deferred Revenue	(16,349)	(12,906)
Increase (Decrease) in Reserve Accounts	0	0
Total adjustments	155,884	304,951
NET CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES	\$ (549,869)	\$ 1,058,152

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

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Northeast Kansas Community Action Program, Inc. (NEK-CAP Inc.) 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.

NEK-CAP Inc. 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, NEK-CAP Inc. 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 granter 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, 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Property and Equipment - Continued

NEK-CAP Inc'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 (if any) 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 granter 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 NEK-CAP Inc. 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 \$767,964 for the year ended March 31, 2023.

Total value of donated space, material and services for grant purposes:	\$	1,344,345
Less: value of these services that did not meet the requiremenrts of recognition under GAAP:		<u>(788,956)</u>
Total vlaue of donated space, materila and services recognized under GAAP:	\$	<u><u>555,389</u></u>

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Advertising Costs

Advertising costs are expensed to operations when incurred. Total advertising cost for the year ended March 31, 2023 was \$9,779 and was primarily for job listings and program outreach.

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 NEK-CAP Inc. 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.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Cost Allocation - continued

Elements of Cost	Methodology of Allocation
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.
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

NEK-CAP inc. 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 2019. During the fiscal year ending March 31, 2023, 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, NEK-CAP Inc'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 NEK-CAP Inc. 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.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - Continued

Change in Net Assets from Operations

NEK-CAP Inc'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.

NOTE 2 - LIQUIDITY AND AVAILABILITY

NEK-CAP Inc. 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, NEK-CAP Inc. must maintain sufficient resources to meet those requirements. Thus, financial assets may not be available for general expenditure within one year. As part of NEK-CAP Inc'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. NEK-CAP Inc. 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 NEK-CAP Inc's name (See Note 3 - Deposits). NEK-CAP Inc. 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 NEK-CAP Inc'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 NEK-CAP Inc. 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, NEK-CAP Inc. maintains a short-term investment with a value of \$83,862 as of March 31, 2023 (See Note 4- Investments) that could be liquidated by the NEK-CAP Inc. Multi-County Board of Directors to fund operations, if the need arises.

The following reflects NEK-CAP Inc'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	\$	1,163,807
Less:		
Prepaid Expenses		(115,514)
Inventory		<u>0</u>
Current Financial Assets		1,048,293
Less:		
Board-designated funds		<u>(178,160)</u>
Financial Assets available to meet cash needs for general expenditure within 1 year	\$	<u><u>870,133</u></u>

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 3 - DEPOSITS

As of March 31, 2023, the carrying amount of NEK-CAP Inc's deposits including restricted cash balances was \$356,139. The bank balance was \$517,178 as of March 31, 2023. The difference between carrying amount and bank balance is outstanding deposits and checks. Of the bank balance for March 31, 2023, \$349,638 was covered by FDIC insurance and \$167,540 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 NEK-CAP Inc. 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 \$25,540 as of March 31, 2023.

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 \$7,339 as of March 31, 2023, which will be applied to the final payment.

NOTE 4 - INVESTMENTS

At March 31, 2023, the value of the organization's investments consisted of the following:

	<u>2022</u>
Equity Securities	\$ <u>83,862</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:

	<u>2022</u>
Central Office Building and Equipment	\$ 274,548
ALJ Center	790,355
Equipment - Federal	<u>2,135,387</u>
Total Property and Equipment	3,200,290
Less: Accumulted Depreciation	<u>(2,236,631)</u>
Net Property and Equipment	\$ <u>963,659</u>

Depreciation expense during the year ended March 31, 2023 was \$211,581.

Of special note, Fiscal year end property and equipment includes changes resulting from the subsequent event to cancel the buses the agency had ordered as part of the Head Start Grant 07CH011099/03 with the associated trade-ins that was placed on the books on March 31, 2022. This resulted in a change on March 31, 2023, of decreasing Equipment Federal by \$257,204 (Cancel buses - \$387,870 less cancelled trade-ins - \$130,666) and increasing accumulated depreciation by \$130,666 (cancelled trade-ins). This also resulted in a reduction in Accounts Receivable of \$8,350 for the cancellation of the trade-ins.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 6 - PREPAID EXPENSES

Prepaid expenses consist of the following as of March 31:

		<u>2022</u>
Prepaid Insurance	\$	10,980
Prepaid Postage		4,917
Other Prepaid Expenses		<u>99,617</u>
 Total Prepaid Expenses	 \$	 <u><u>115,514</u></u>

NOTE 7 – NOTES PAYABLE

Notes payable consisted of the following at March 31, 2023:

Note Payable to Farmers Home Administration ALJ Center loan: 5% interest, monthly installments of \$1,611, due 7/20/2030	\$	<u>86,704</u>
 Total Notes Payables	 \$	 86,704
 Less Current Portion		 <u>15,345</u>
 Long-Term Notes Payable	 \$	 <u><u>71,359</u></u>
 Year Ended March 31:		
2023	\$	15,345
2024		16,130
2025		16,956
2026		17,823
2027		18,735
Thereafter		<u>1,715</u>
Total	\$	<u><u>86,704</u></u>

Interest expense paid for years ended March 31, 2023 was \$4,688.

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, 2023, notes payable mature as follows:

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

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, 2023.

NOTE 9 - COMPENSATED ABSENCES

Holidays – Holidays are recognized as non-workdays for employees. NEK-CAP Inc. provides regular non-exempt employees the benefit of paid holidays as described below in Table 1.0 and approved annually by the NEK-CAP Inc. 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, 2023, was \$0.

Table 1.0 NEK-CAP Inc. 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 NEK-CAP Inc. 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.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 9 - COMPENSATED ABSENCES- continued

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. In no case, even if the above eligibility requirements are satisfied, however, will payment be made for Annual Leave not yet accrued. On July 22, 2022, the NEK-CAP, Inc. Multi-County Board of Directors eliminated Discretionary Leave for regular part-time employees and made them eligible for Annual Leave. This is the reason for an increase in the liability for Annual Leave. The liability for Annual Leave as of March 31, 2023, was \$114,595.

Sick Leave/Personal Leave – It is important to NEK-CAP Inc, 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 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, 2023, was \$0.

Administrative Leave – NEK-CAP Inc. 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, 2023, was \$0.

Extended Unpaid Leaves of Absence – The policy of NEK-CAP Inc. 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, 2023, was \$0.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 9 - COMPENSATED ABSENCES – continued

Military Leaves of Absence – The policy of NEK-CAP Inc. 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. NEK-CAP Inc. 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, 2023, was \$0.

Jury Duty/Subpoenas – The policy of NEK-CAP Inc. 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 NEK-CAP Inc. 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-NEK-CAP Inc. related matters; but may use other types of leave. The liability for Jury Duty/Subpoenas Leave as of March 31, 2023, was \$0.

Bereavement Leave – NEK-CAP Inc. 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. NEK-CAP Inc. provides one (1) 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:

Table 1.3 NEK-CAP Inc. 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 NEK-CAP Inc. 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, 2023, was \$0.

The liability in total for all Compensated Absences as of March 31, 2023, was \$114,595.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

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 Inc'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, 2023 was \$218,163. 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

These lease are only tentative leases and subject to continued funding by the federal government which is only available based upon grant awards which are required to be renewed annually. Therefore NEK-CAP, Inc. has determined these lease are legally only available for 12 months and thus under ASC 842 qualify for reporting as operating leases.

NOTE 11 - BOARD-DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS

The organization has \$178,160 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. Of the prior year amount totaling \$186,160, the Board approved using \$8,000 from the Board designated net-assets without donor restrictions for stay incentives, taxes, and benefits for CSBG staff that could not receive this incentive from their grant due to funding and grant restrictions. The Board approved this action on November 17, 2022, at their regularly scheduled meeting.

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	\$	17,858
Community Services		26,949
Housing		56,139
Other		<u>11,607</u>
Total Net Assets With Donor Restrictions	\$	<u><u>112,553</u></u>

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 13 - EMPLOYEE BENEFIT PLANS

NEK-CAP, Inc. 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, 2023 was \$51,387.

NEK-CAP, Inc. 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 NEK-CAP Inc.

NOTE 14 - CONTINGENCIES

NEK-CAP Inc. 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, 2023, significant amounts of program expenditures have not been audited by grantor agencies, but the NEK-CAP Inc. 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).

NEK-CAP Inc. 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.
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 NEK-CAP' Inc'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.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 16 – IN-KIND

Type of Donation	Donation Value By Funds	Allowed by GAAP	Not Allowed by GAAP	GAAP Valuation
Program Volunteers	\$ 698,651	No	\$ (698,651)	\$ 0
Governance Volunteers	7,469	No	(7,469)	0
Professional Services	3,251	Yes	0	3,251
FMV Space Donated	507,055	Yes	0	507,055
Supplies - Donated	36,477	Yes	0	36,477
Other - Misc.	82,836	No	(82,836)	0
Other - Travel	8,606	Yes	0	8,606
Total	\$ 1,344,345		\$ (788,956)	\$ 555,389

NOTE 17 - RESTATEMENT

NEK-CAP Inc. has no restatement to report for the fiscal year ending March 31, 2023.

NOTE 18 – 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 19 - SUBSEQUENT EVENTS

NEK-CAP, Inc. evaluated subsequent events through September 01, 2023, the date the financial statements were available to be issued. The following represent new additional grants received by NEK-CAP, Inc. between April 1, 2023, and September 1, 2023, that are outside normal funding streams:

- Effective May 18, 2023, NEK-CAP, Inc.'s Multi-County Board of Directors updated the NEK-CAP, Inc. Employee Handbook's Education Assistance Policy. This essentially for Head Start programs due to additional program funding and the need for additional professional development allows an additional \$500 per semester (Total \$1,000 per semester) for the cost of tuition related to the pursuit of a degree or certificate that would be applicable to positions within NEK-CAP, Inc. Head Start programs. All other programs remain at the \$500 per semester for the cost of tuition related to the pursuit of a degree or certificate that would be applicable to all other positions within NEK-CAP, Inc.
- Effective July 1, 2023, the lease with CHM Property Solutions, LLC for the NEK-CAP, Inc. Westmoreland Outreach Center at 312 Main St. Westmoreland, KS was cancelled per the terms of the lease agreement.
- Effective July 1, 2023, a lease with KRC Resource Group LLC was entered into as a month-to-month lease at \$110 per month for NEK-CAP, Inc. Westmoreland Outreach Center at 208 N. 1st St., unit 3A, Westmoreland, KS.
- Effective July 1, 2023, the lease with Mount St. Scholastica, Inc. for the NEK-CAP, Inc. Atchison Head Start Center was entered into for the period July 1, 2023, to June 30, 2024, and able to renew on an annual basis thereafter. The lease amount stayed the same at \$3,150 a month for September to May and \$2,200 a month from June to August.

Northeast Kansas Community Action Program, Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

NOTE 19 - SUBSEQUENT EVENTS - CONTINUED

- Effective August 1, 2023, the lease with Pony Express Partnership for Children for the NEK-CAP, Inc. Marysville Head Start Center and Outreach Center was amended, since the NEK-CAP, Inc. Head Start Center will be moving to Wamego, KS to \$300 for the remainder of the lease agreement for the NEK-CAP, Inc. Marysville Outreach Center.
- Effective July 1, 2023, NEK-CAP, Inc. entered a lease with First Baptist Church of Wamego for operating a NEK-CAP, Inc. Head Start Center at 1911 Grandview Dr., Wamego, KS. The lease amount is \$2,000 per month August to May and \$1,000 per month from June to July. The lease period is July 1, 2023, through June 30, 2029.
- NEK-CAP, Inc. 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 was extended to December 31, 2023, and will end on that date. 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) had an approved liquidation extension until 7/31/2023 and would have sought one for 07CH011099/04 for six (6) 14-passenger school buses on back order. NEK-CAP, Inc. Head Start leadership in consultation with the NEK-CAP, Inc. Multi-County Board of Directors, NEK-CAP, Inc. Policy Council, and Region VII Head Start (R7HS) made a strategic planning decision to cancel the six (6) 14-passenger school buses and reexamine its transportation policy going forward. The manufacturer was contacted and released the agency from the purchase order without penalty or fee. All financials have been adjusted to reflect this change.
- Early Head Start/Head Start Grant (07CH011099/05) was awarded an additional \$466,867.00 in COLA and Quality Improvement funding effective 4/1/2023-3/31/2024. This is a permanent funding increase. Non-Federal match was waived for the current grant year.
- In August of 2023, NEK-CAP, Inc. received a discretionary grant award for Kansas Housing Resources Corporation for obtaining a new database system to replace our current CAP60 database. The amount of the funding was \$25,850 and includes training funding.
- September 2023, NEK-CAP, Inc. was selected as the newest Kansas Weatherization Assistance Program Agency (KWAP) to serve eight (8) Northeast Kansas Counties. Annual revenues once training of staff is completed and the initial period(s) is expected to be approximately \$895,991. There is the possibility of some 5-year funds as part of the infrastructure bill that the agency could receive once training is completed.

SUPPLEMENTAL INFORMATION

Northeast Kansas Community Action Program, Inc.

Schedule 1

SCHEDULE OF FINANCIAL POSITION BY FUND

Year Ended March 31, 2023

ASSETS	Child Care	Community Services	Housing
Current assets			
Cash	\$ (91,650)	\$ 29,255	\$ 2,867
Investments	0	0	0
Grant Funds Receivable	573,555	5,239	54,281
Accounts Receivable	0	0	0
Prepaid Expenses	48,231	6,853	3,416
<i>Total current assets</i>	<u>530,136</u>	<u>41,347</u>	<u>60,564</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	25,540
<i>Total assets</i>	<u>\$ 530,136</u>	<u>\$ 41,347</u>	<u>\$ 86,104</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts Payable	\$ 427,105	\$ 4,658	\$ 1,202
Accrued Payroll and Related Expenses	85,173	10,535	3,223
Accrued Compensated Absences	0	0	0
Reserve Account	0	0	0
Current Portion of Long-Term Debt	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total current liabilities</i>	<u>512,278</u>	<u>15,193</u>	<u>4,425</u>
Non-Current Liabilities			
FSS Escrow	<u>0</u>	<u>0</u>	<u>25,540</u>
Notes Payable - net of current portion	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>512,278</u>	<u>15,193</u>	<u>29,965</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	(796)	0
Board-designated	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Assets Without donor restriction	<u>0</u>	<u>(796)</u>	<u>0</u>
Net Assets With Donor Restrictions	<u>17,858</u>	<u>26,950</u>	<u>56,139</u>
<i>Total net assets</i>	<u>17,858</u>	<u>26,154</u>	<u>56,139</u>
<i>Total liabilities and net assets</i>	<u>\$ 530,136</u>	<u>\$ 41,347</u>	<u>\$ 86,104</u>

See Independent Auditor's Report.

<u>Other Services</u>	<u>Management and General</u>	<u>Total</u>
\$ 60,513	\$ 329,614	\$ 330,599
83,862	0	83,862
0	0	633,075
702	55	757
0	57,014	115,514
<u>145,077</u>	<u>386,683</u>	<u>1,163,807</u>
0	3,200,290	3,200,290
0	(2,236,631)	(2,236,631)
0	963,659	963,659
0	0	25,540
<u>\$ 145,077</u>	<u>\$ 1,350,342</u>	<u>\$ 2,153,006</u>
\$ 523	\$ 53,462	\$ 486,950
0	17,476	116,407
0	114,595	114,595
0	19,332	19,332
0	15,345	15,345
<u>523</u>	<u>220,210</u>	<u>752,629</u>
0	0	25,540
0	71,359	71,359
<u>523</u>	<u>291,569</u>	<u>849,528</u>
133,964	880,613	1,013,781
0	178,160	178,160
<u>133,964</u>	<u>1,058,773</u>	<u>1,191,941</u>
10,590	0	111,537
<u>144,554</u>	<u>1,058,773</u>	<u>1,303,478</u>
<u>\$ 145,077</u>	<u>\$ 1,350,342</u>	<u>\$ 2,153,006</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 2

SCHEDULE OF ACTIVITIES BY FUND

Year Ended March 31, 2023

Revenues	Child Care	Community Services	Housing
Federal Grants	\$ 5,981,207	\$ 488,083	\$ 1,141,452
Program Income	3,500	6,000	0
Donations	7,260	15,400	0
Other	0	50	12
Total revenues	<u>5,991,967</u>	<u>509,533</u>	<u>1,141,464</u>
In-Kind Contributions	1,295,506	27,735	112
Less In-Kind not in accordance with GAAP	(763,033)	(4,931)	0
GAAP Recognized In-Kind	<u>532,473</u>	<u>22,804</u>	<u>112</u>
Total revenues and recognized In-Kind	<u>6,524,440</u>	<u>532,337</u>	<u>1,141,576</u>
Expenditures			
Personnel	2,912,742	370,045	125,832
Fringe Benefits	754,894	101,868	39,728
Equipment	(261,073)	0	0
Computer	67,289	9,017	1,861
Supplies	589,987	11,504	3,893
Rent/Utilities	191,604	24,302	2,528
Facility Repair/Maintenance	440,441	3,434	1,348
Mortgage	19,235	97	0
Professional Fees	7,625	7,655	278
Communications	114,393	14,975	4,061
Vehicle	134,421	7,026	1,512
Insurance	51,069	4,184	1,295
Travel	58,843	10,647	5,172
Registration	71,840	2,258	2,458
Tuition and Books	1,008	0	0
Depreciation	0	0	0
Interest	0	0	0
Other Operating Expenses	21,119	13,548	373
Direct Customer Services	<u>13,478</u>	<u>56,794</u>	<u>913,358</u>
Total expenses	<u>5,188,915</u>	<u>637,354</u>	<u>1,103,697</u>
In-Kind Expenses	1,295,506	27,735	112
Less In-Kind not in accordance with GAAP	(763,033)	(4,931)	0
GAAP Recognized In-Kind	<u>532,473</u>	<u>22,804</u>	<u>112</u>
Total expenses and recognized In-Kind	<u>5,721,388</u>	<u>660,158</u>	<u>1,103,809</u>
Indirect Expenses	<u>807,022</u>	<u>117,913</u>	<u>22,410</u>
Total expenditures	<u>6,528,410</u>	<u>778,071</u>	<u>1,126,219</u>
Other Revenue (Expenses)			
Unrealized Gain/Loss) on Investments	0	0	0
Gain (Loss) on Disposal of Assets	(8,350)	0	0
Total other Revenue (Expenses)	<u>(8,350)</u>	<u>0</u>	<u>0</u>
CHANGE IN NET ASSETS	<u>(12,320)</u>	<u>(245,734)</u>	<u>15,357</u>
BEGINNING NET ASSETS	<u>30,178</u>	<u>271,888</u>	<u>40,782</u>
ENDING NET ASSETS	<u>\$ 17,858</u>	<u>\$ 26,154</u>	<u>\$ 56,139</u>

See Independent Auditor's Report

Other Services	Management & General	Fixed Assets	Total
\$ 0	\$ 0	0	\$ 7,610,742
0	0	0	9,500
9,357	0	0	32,017
2,375	422	0	2,859
<u>11,732</u>	<u>422</u>	<u>0</u>	<u>7,655,118</u>
0	20,992	0	1,344,345
0	(20,992)	0	(788,956)
0	0	0	555,389
<u>11,732</u>	<u>422</u>	<u>0</u>	<u>8,210,507</u>
2,707	602,832	0	4,014,158
274	136,505	0	1,033,269
0	0	256,980	(4,093)
837	69,714	0	148,718
1,209	29,321	0	635,914
0	9,105	0	227,539
0	6,974	0	452,197
0	0	(19,332)	0
71	35,770	0	51,399
0	17,234	0	150,663
0	2,296	0	145,255
0	3,653	0	60,201
0	18,264	0	92,926
0	4,630	0	81,186
0	0	0	1,008
0	0	211,581	211,581
0	0	4,688	4,688
1,427	11,642	0	48,109
<u>14,524</u>	<u>0</u>	<u>0</u>	<u>998,154</u>
<u>21,049</u>	<u>947,940</u>	<u>453,917</u>	<u>8,352,872</u>
0	20,992	0	1,344,345
0	(20,992)	0	(788,956)
0	0	0	555,389
<u>21,049</u>	<u>947,940</u>	<u>453,917</u>	<u>8,908,261</u>
595	(947,940)	0	0
<u>21,644</u>	<u>0</u>	<u>453,917</u>	<u>8,908,261</u>
531	0	0	531
0	0	0	(8,350)
<u>531</u>	<u>0</u>	<u>0</u>	<u>(7,819)</u>
(9,381)	422	(453,917)	(705,573)
<u>153,935</u>	<u>194,461</u>	<u>1,317,807</u>	<u>2,009,051</u>
\$ <u>144,554</u>	\$ <u>194,883</u>	\$ <u>863,890</u>	\$ <u>1,303,478</u>

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 3

SCHEDULE OF FINANCIAL POSITION CHILD CARE

March 31, 2023

	Fund 3200 Federal Head Start Pre- School	Fund 3201 Federal Early Head Start	Fund 3205 Federal Head Start Training
ASSETS			
Current assets			
Cash	\$ (69,025)	\$ (40,621)	\$ (2,713)
Grant Funds Receivable	383,987	78,836	22
Prepaid Expenses	28,953	10,497	2,691
<i>Total current assets</i>	<u>343,915</u>	<u>48,712</u>	<u>0</u>
<i>Total assets</i>	<u>\$ 343,915</u>	<u>\$ 48,712</u>	<u>\$ 0</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 275,193	\$ 32,262	\$ 0
Accrued Payroll and Related Expenses	68,722	16,450	0
<i>Total current liabilities</i>	<u>343,915</u>	<u>48,712</u>	<u>0</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	0	0	0
<i>Total net assets</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total liabilities and net assets</i>	<u>\$ 343,915</u>	<u>\$ 48,712</u>	<u>\$ 0</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
\$ (1,824)	\$ 464	\$ 7,623	\$ 5,967
15	303	93,433	16,959
1,809	0	4,281	0
0	767	105,337	22,926
<u>\$ 0</u>	<u>\$ 767</u>	<u>\$ 105,337</u>	<u>\$ 22,926</u>
\$ 0	\$ 767	\$ 105,336	\$ 13,180
0	0	1	0
0	767	105,337	13,180
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	9,746
0	0	0	9,746
<u>\$ 0</u>	<u>\$ 767</u>	<u>\$ 105,337</u>	<u>\$ 22,926</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 3

SCHEDULE OF FINANCIAL POSITION CHILD CARE

March 31, 2023

ASSETS	Fund 3261 Early Care Non-Federal	Fund 3262 Head Start Care Conference	Total
Current assets			
Cash	\$ 7,336	\$ 1,143	\$ (91,650)
Grant Funds Receivable	0	0	573,555
Prepaid Expenses	0	0	48,231
<i>Total current assets</i>	<u>7,336</u>	<u>1,143</u>	<u>530,136</u>
<i>Total assets</i>	<u>\$ 7,336</u>	<u>\$ 1,143</u>	<u>\$ 530,136</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 367	\$ 0	\$ 427,105
Accrued Payroll and Related Expenses	0	0	85,173
<i>Total current liabilities</i>	<u>367</u>	<u>0</u>	<u>512,278</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	6,969	1,143	17,858
<i>Total net assets</i>	<u>6,969</u>	<u>1,143</u>	<u>17,858</u>
<i>Total liabilities and net assets</i>	<u>\$ 7,336</u>	<u>\$ 1,143</u>	<u>\$ 530,136</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 4

SCHEDULE OF ACTIVITIES FOR CHILD CARE

Year Ended March 31, 2023

	Fund 3200 Federal Head Start Pre School 21	Fund 3201 Federal Early Head Start 21	Fund 3200 Federal Head Start Pre School 22
REVENUE			
Federal Revenue	\$ (372,038)	\$ 18	\$ 4,630,780
Program Income	(8,350)	0	3,500
Donations	0	0	0
In-kind Contributions	0	0	902,017
TOTAL REVENUE	<u>(380,388)</u>	<u>18</u>	<u>5,536,297</u>
EXPENSES			
Personnel	0	0	2,205,566
Fringe Benefits	0	0	585,663
Travel	0	0	20,493
Equipment	(380,694)	0	80,331
Supplies	306	18	304,715
Other	0	0	823,337
Indirect Costs	0	0	614,175
In-Kind Expenses*	0	0	902,017
TOTAL EXPENSES	<u>(380,388)</u>	<u>18</u>	<u>5,536,297</u>
CHANGES IN NET ASSETS	0	0	0
BEGINNING NET ASSETS	<u>0</u>	<u>0</u>	<u>0</u>
ENDING NET ASSETS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditor's Report.

Fund 3201 Federal Early Head Start 22	Fund 3205 Federal Head Start Training	Fund 3206 Federal Early Head Start Training	Fund 3208 Federal Head Start CRRSA COVID-19
\$ 1,158,691	\$ 43,044	\$ 29,667	\$ 5,815
0	0	0	0
0	0	0	0
393,489	0	0	0
<u>1,552,180</u>	<u>43,044</u>	<u>29,667</u>	<u>5,815</u>
632,706	0	0	0
151,460	0	0	0
10,771	20,301	7,278	0
0	0	0	0
51,967	332	223	5,815
139,241	22,411	22,166	0
172,546	0	0	0
393,489	0	0	0
<u>1,552,180</u>	<u>43,044</u>	<u>29,667</u>	<u>5,815</u>
0	0	0	0
0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Northeast Kansas Community Action Program, Inc.

Schedule 4

SCHEDULE OF ACTIVITIES FOR CHILD CARE
Year Ended March 31, 2023

	Fund 3209 Federal Head start ARP COVID-19	Fund 3220 Child/Adult Care Food Program 21	Fund 3220 Child/Adult Care Food Program 22	Fund 3261 Early Care Non-federal 22
REVENUE				
Federal Revenue	\$ 330,409	\$ 28,021	\$ 126,800	\$ 0
Program Income	0	0	0	0
Donations	0	0	0	7,235
In-kind Contributions	0	0	0	0
TOTAL REVENUE	<u>330,409</u>	<u>28,021</u>	<u>126,800</u>	<u>7,235</u>
EXPENSES				
Personnel	74,470	0	0	0
Fringe Benefits	17,771	0	0	0
Travel	0	0	0	0
Equipment	39,290	0	0	0
Supplies	59,231	44,228	121,514	783
Other	119,346	2,614	625	3,782
Indirect Costs	20,301	0	0	0
In-Kind Expenses*	0	0	0	0
TOTAL EXPENSES	<u>330,409</u>	<u>46,842</u>	<u>122,139</u>	<u>4,565</u>
CHANGES IN NET ASSETS	0	(18,821)	4,661	2,670
BEGINNING NET ASSETS	<u>0</u>	<u>18,821</u>	<u>5,085</u>	<u>4,274</u>
ENDING NET ASSETS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,746</u>	<u>\$ 6,944</u>

See Independent Auditor's Report.

	Fund 3261 Early Care Non-federal 23	Fund 3262 Head Start Care Conference	Total
\$	0	\$ 0	\$ 5,981,207
	0	0	(4,850)
	25	0	7,260
	0	0	1,295,506
	<u>25</u>	<u>0</u>	<u>7,279,123</u>
	0	0	2,912,742
	0	0	754,894
	0	0	58,843
	0	0	(261,073)
	0	855	589,987
	0	0	1,133,522
	0	0	807,022
	0	0	1,295,506
	<u>0</u>	<u>855</u>	<u>7,291,443</u>
	25	(855)	(12,320)
	0	1,998	30,178
\$	<u>25</u>	<u>\$ 1,143</u>	<u>\$ 17,858</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 5

**FEDERAL HEAD START/EARLY HEAD START GRANT 07CH011099-04-06
SCHEDULE OF REVENUES AND EXPENSES COMAPRED TO BUDGET
TWELVE MONTHS ENDED MARCH 31, 2023**

	Fund 3200	Fund 3201	Fund 3205
	Federal	Federal	Federal
	Head Start	Early Head	Head Start
	Pre School	Start	Training
	<u> </u>	<u> </u>	<u> </u>
REVENUE			
Federal Revenue	\$ 4,630,780	\$ 1,158,691	\$ 43,044
Program Income (Additive Method**)	3,500	0	0
In-Kind Contributions	<u>902,017</u>	<u>393,489</u>	<u>0</u>
TOTAL REVENUE	<u><u>\$ 5,536,297</u></u>	<u><u>\$ 1,552,180</u></u>	<u><u>\$ 43,044</u></u>
EXPENSES			
Personnel	\$ 2,205,566	\$ 632,706	\$ 0
Fringe Benefits	585,663	151,460	0
Travel	20,493	10,771	20,301
Equipment	80,331	0	0
Supplies	304,715	51,967	332
Other	823,337	139,241	22,411
Indirect Costs	614,175	172,546	0
In-Kind Expenses*	<u>902,017</u>	<u>393,489</u>	<u>0</u>
TOTAL EXPENSES	<u><u>\$ 5,536,297</u></u>	<u><u>\$ 1,552,180</u></u>	<u><u>\$ 43,044</u></u>

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 \$911,327.

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

Fund 3206			
Federal			
Early Head			
Start			
Training			
	Total		Variance
	Actual	Budget	(Over)/Under
\$ 29,667	\$ 5,862,182	\$ 6,319,302	\$ 457,120
0	3,500	0	(3,500)
0	1,295,506	911,327	(384,179)
<u>\$ 29,667</u>	<u>\$ 7,161,188</u>	<u>\$ 7,230,629</u>	<u>\$ 69,441</u>
\$ 0	\$ 2,838,272	\$ 3,148,369	\$ 310,097
0	737,123	977,704	240,581
7,278	58,843	41,585	(17,258)
0	80,331	167,574	87,243
223	357,237	299,312	(57,925)
22,166	1,007,155	859,544	(147,611)
0	786,721	825,214	38,493
0	1,295,506	911,327	(384,179)
<u>\$ 29,667</u>	<u>\$ 7,161,188</u>	<u>\$ 7,230,629</u>	<u>\$ 69,441</u>
\$	43,044	\$ 43,044	\$ 0
	29,667	29,667	0
	5,789,471	6,246,591	457,120
	3,500	0	(3,500)
	911,327	911,327	0
	384,179	0	(384,179)
<u>\$</u>	<u>7,161,188</u>	<u>\$ 7,230,629</u>	<u>\$ 69,441</u>

Northeast Kansas Community Action Program, Inc.

Schedule 6A

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

	Fund 3208 Federal Head Start Pre School CRRSA 12 Months ended 3/31/22	Fund 3208 Federal Head Start Pre School CRRSA 12 Months ended 3/31/23	Total Actual	Budget	(Over)/Under (Over)/Under
REVENUE					
Federal Revenue	\$ 113,972	\$ 5,814	119,786	\$ 119,786	\$ 0
Program Income (Additive Method**)	0	0	0	0	0
In-Kind Contributions*	0	0	0	0	0
TOTAL REVENUE	\$ 113,972	\$ 5,814	119,786	\$ 119,786	\$ 0
EXPENSES					
Personnel	\$ 0	\$ 0	0	\$ 0	\$ 0
Fringe Benefits	0	0	0	0	0
Equipment	0	0	0	0	0
Supplies	73,690	5,814	79,504	60,000	(19,504)
Other	40,282	0	40,282	59,786	19,504
Indirect Costs	0	0	0	0	0
In-Kind Expenses*	0	0	0	0	0
TOTAL EXPENSES	\$ 113,972	\$ 5,814	119,786	\$ 119,786	\$ 0

Detail of Expenditures by CAN Number:

<u>CAN NO.</u>					
1-G071100			\$ 119,786	\$ 119,786	\$ 0
Expenses paid by Program Income (Additive Method**)			0	0	0
TOTAL EXPENSES			\$ 119,786	\$ 119,786	\$ 0

* 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 CRRSA GRANT 07HE00103101C6
 SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
 TWENTY-FOUR MONTHS ENDED MARCH 31, 2023

	Fund 3209 Federal Head Start Pre School ARP 12 Months ended 3/31/22	Fund 3209 Federal Head Start Pre School CRRSA 12 Months ended 3/31/23	Total Actual	Budget	(Over)/Under (Over)/Under
REVENUE					
Federal Revenue	\$ 145,798	\$ 330,409	476,207	\$ 476,207	\$ 0
Program Income (Additive Method**)	0	0	0	0	0
In-Kind Contributions*	0	0	0	0	0
TOTAL REVENUE	\$ 145,798	\$ 330,409	476,207	\$ 476,207	\$ 0
EXPENSES					
Personnel	\$ 83,070	\$ 74,470	157,540	\$ 286,172	\$ 128,632
Fringe Benefits	26,592	17,771	44,363	73,101	28,738
Travel	0	0	0	0	0
Equipment	0	39,290	39,290	0	(39,290)
Supplies	13,491	59,231	72,722	37,918	(34,804)
Other	771	119,346	120,117	10,000	(110,117)
Indirect Costs	21,874	20,301	42,175	69,016	26,841
In-Kind Expenses*	0	0	0	0	0
TOTAL EXPENSES	\$ 145,798	\$ 330,409	476,207	\$ 476,207	\$ 0

Detail of Expenditures by CAN Number:

<u>CAN NO.</u>					
1-G071200			\$ 476,207	\$ 476,207	\$ 0
Expenses paid by Program Income (Additive Method**)			0	0	0
TOTAL EXPENSES			\$ 476,207	\$ 476,207	\$ 0

* 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-2021/2022

SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET

TWELVE MONTHS ENDED SEPTEMBER 30, 2022

	Fund 3220	Fund 3220	Fund 3220		
	Previous Six	Current Six	Total Twelve		
	Month	Month	Month		
	Period	Period	Period		
	10/1/2021-	4/1/2022-	10/1/2021-		
	3/31/2022	9/30/2022	9/30/2022	Budget	Variance (Over)/Under
REVENUE					
Federal Revenue	\$ 105,544	\$ 28,021	\$ 133,565	\$ 191,594	\$ 58,029
Unearned Fed Revenue	(17,877)	18,821	944	0	(944)
TOTAL REVENUE	<u>\$ 87,667</u>	<u>\$ 46,842</u>	<u>\$ 134,509</u>	<u>\$ 191,594</u>	<u>\$ 58,029</u>
EXPENSES					
Supplies/Food Service or Equipment Repair	\$ 87,667	\$ 46,842	\$ 134,509	\$ 191,594	\$ 57,085
TOTAL EXPENSES	<u>\$ 87,667</u>	<u>\$ 46,842</u>	<u>\$ 134,509</u>	<u>\$ 191,594</u>	<u>\$ 57,085</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 8

CHILD AND ADULT CARE FOOD PROGRAM (CACFP) - P0006-CTR-2022/2023

SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET

SIX MONTHS ENDED MARCH 31, 2023

	Fund 3220		
	Current Six		
	Month Period		
	10/1/2022-	Budget	Variance
	3/31/2023		(Over)/Under
	<u> </u>	<u> </u>	<u> </u>
REVENUE			
Federal Revenue	\$ 126,800	\$ 209,634	\$ 82,834
Unearned Federal Revenue	(4,661)	0	4,661
	<u> </u>	<u> </u>	<u> </u>
TOTAL REVENUE	<u>\$ 122,139</u>	<u>\$ 209,634</u>	<u>\$ 87,495</u>
EXPENSES			
Repair or Additions			
Equipment Repair or Additions	\$ 122,139	\$ 209,634	\$ 87,495
	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENSES	<u>\$ 122,139</u>	<u>\$ 209,634</u>	<u>\$ 87,495</u>

NOTES:

Grant period runs from October 1, 2022 to September 30, 2023.

In-Kind revenue and expenses are not included in this schedule as it is not required as part of this 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, 2023

	Fund 3100 Community Services Block Grant	Fund 3101 KERA Grant	Fund 3103 CSBG Discretionary Media Grant - 21
ASSETS			
Current assets			
Cash	\$ 29,935	\$ (569)	\$ 0
Accounts Receivable	162	0	0
Prepaid Expenses	6,212	597	0
	<hr/>	<hr/>	<hr/>
<i>Total current assets</i>	36,309	28	0
	<hr/>	<hr/>	<hr/>
<i>Total assets</i>	\$ 36,309	\$ 28	\$ 0
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 4,658	\$ 0	\$ 0
Accrued Payroll and Related Expenses	10,475	28	0
	<hr/>	<hr/>	<hr/>
<i>Total current liabilities</i>	15,133	28	0
	<hr/>	<hr/>	<hr/>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board-designated	0	0	0
	<hr/>	<hr/>	<hr/>
Total Net Assets Without donor restrictions	0	0	0
Net Assets With Donor Restrictions	21,176	0	0
	<hr/>	<hr/>	<hr/>
<i>Total net assets</i>	21,176	0	0
	<hr/>	<hr/>	<hr/>
<i>Total liabilities and net assets</i>	\$ 36,309	\$ 28	\$ 0
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See Independent Auditor's Report.

Fund 3104 CSBG Discretionary Poverty Stimulation Grant - 23	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
\$ 0	\$ (44)	\$ 0	\$ 11	\$ 774
5,000	0	0	0	0
0	44	0	0	0
5,000	0	0	11	774
<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11</u>	<u>\$ 774</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	11	0
0	0	0	11	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
5,000	0	0	0	774
5,000	0	0	0	774
<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11</u>	<u>\$ 774</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 9

SCHEDULE OF FINANCIAL POSITION COMMUNITY SERVICES

March 31, 2023

ASSETS	Fund 3124 United Way MS & PT & RL & WA Counties	Fund 3125 United Way Jackson County	Fund 3150 Increase the Reach
Current assets			
Cash	\$ (803)	\$ 2,541	\$ (56)
Accounts Receivable	0	0	77
Prepaid Expenses	0	0	0
<i>Total current assets</i>	<u>(803)</u>	<u>2,541</u>	<u>21</u>
<i>Total assets</i>	<u>\$ (803)</u>	<u>\$ 2,541</u>	<u>\$ 21</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$ 0	\$ 0	\$ 0
Accrued Payroll and Related Expenses	0	0	21
<i>Total current liabilities</i>	<u>0</u>	<u>0</u>	<u>21</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	(803)	2,541	0
Board-designated	0	0	0
Total Net Assets Without donor restrictions	0	0	0
Net Assets With Donor Restrictions	0	0	0
<i>Total net assets</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total liabilities and net assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 21</u>

See Independent Auditor's Report.

Fund 3151 United Way Atchison	Fund 3161 Community Services Non Federal	Total
\$ (2,539)	\$ 5	\$ 29,255
0	0	5,239
0	0	6,853
<u>(2,539)</u>	<u>5</u>	<u>41,347</u>
<u>(2,539)</u> \$	<u>5</u> \$	<u>41,347</u>
0 \$	0 \$	4,658
0	0	10,535
<u>0</u>	<u>0</u>	<u>15,193</u>
(2,539)	5	(796)
0	0	0
<u>(2,539)</u>	<u>5</u>	<u>(796)</u>
0	0	26,950
<u>(2,539)</u>	<u>5</u>	<u>26,154</u>
<u>(2,539)</u> \$	<u>5</u> \$	<u>41,347</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 10

SCHEDULE OF ACTIVITIES FOR COMMUNITY SERVICES

Year Ended March 31, 2023

	Fund 3100 Community Services Block Grant - 21	Fund 3100 Community Services Block Grant - 22	Fund 3101 KERA Grant	Fund 3103 CSBG Discretionary Media Grant - 21
REVENUE				
Federal Revenue	\$ 0	\$ 621,004	\$ 33,244	\$ 4,999
Program Income	0	6,000	0	0
Donations	0	0	0	0
Other	0	0	0	0
In-kind Contributions	0	27,735	0	0
TOTAL REVENUE	<u>0</u>	<u>654,739</u>	<u>33,244</u>	<u>4,999</u>
EXPENSES				
Personnel	47,079	385,770	30,222	0
Non-Personnel	854	117,358	0	5,680
Administration:				
Fair Share	9,416	85,827	3,022	0
Shortfall	1,224	16,873	0	0
In-Kind Contributions	0	27,735	0	0
TOTAL EXPENSES	<u>58,573</u>	<u>633,563</u>	<u>33,244</u>	<u>5,680</u>
CHANGES IN NET ASSETS	(58,573)	21,176	0	(681)
BEGINNING NET ASSETS	<u>58,573</u>	<u>0</u>	<u>0</u>	<u>681</u>
ENDING NET ASSETS	<u>\$ 0</u>	<u>\$ 21,176</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditor's Report.

Fund 3104 CSBG Discretionary Poverty Simulation Kits Grant - 22	Fund 3105 KERA II Bridge to Housing Stability Grant - 21	Fund 3106 CSBG CARES Act Covid-19	Fund 3119 Thrive Navigator Grant - 21	Fund 3119 Thrive Navigator Grant - 22
\$ 5,000	\$ (193,461)	0	\$ 2,693	\$ 14,528
0	0	0	0	0
0	0	0	0	0
0	50	0	0	0
0	0	0	0	0
<u>5,000</u>	<u>(193,411)</u>	<u>0</u>	<u>2,693</u>	<u>14,528</u>
0	532	0	2,158	6,089
0	5,245	1,968	535	7,221
0	36	0	0	1,218
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>5,813</u>	<u>1,968</u>	<u>2,693</u>	<u>14,528</u>
5,000	(199,224)	(1,968)	0	0
0	199,224	1,968	0	0
<u>\$ 5,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 10

SCHEDULE OF ACTIVITIES FOR COMMUNITY SERVICES
Year Ended March 31, 2023

	Fund 3120 Employment Related Services	Fund 3124 United Way MS & PT & RL \$ WA Counties	Fund 3125 United Way Jackson County	Fund 3150 Increase the Reach
REVENUE				
Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 76
Program Income	0	0	0	0
Donations	0	6,100	3,300	0
Other	0	0	0	0
In-kind Contributions	0	0	0	0
TOTAL REVENUE	<u>0</u>	<u>6,100</u>	<u>3,300</u>	<u>76</u>
EXPENSES				
Personnel	0	0	0	63
Non-Personnel	0	11,771	4,363	0
Administration:				
Fair Share	0	0	0	13
Shortfall	0	0	0	0
In-Kind Contributions	0	0	0	0
TOTAL EXPENSES	<u>0</u>	<u>11,771</u>	<u>4,363</u>	<u>76</u>
CHANGES IN NET ASSETS	0	(5,671)	(1,063)	0
BEGINNING NET ASSETS	<u>774</u>	<u>4,868</u>	<u>3,604</u>	<u>0</u>
ENDING NET ASSETS	<u>\$ 774</u>	<u>\$ (803)</u>	<u>\$ 2,541</u>	<u>\$ 0</u>

See Independent Auditor's Report.

Fund 3151 United Way Atchison County	Fund 3161 Community Services Non Federal	Total
\$ 0	\$ 0	\$ 488,083
0	0	6,000
6,000	0	15,400
0	0	50
0	0	27,735
<u>6,000</u>	<u>0</u>	<u>537,268</u>
0	0	471,913
10,730	0	165,725
0	0	99,532
0	0	18,097
0	0	27,735
<u>10,730</u>	<u>0</u>	<u>783,002</u>
(4,730)	0	(245,734)
<u>2,191</u>	<u>5</u>	<u>271,888</u>
<u>\$ (2,539)</u>	<u>\$ 5</u>	<u>\$ 26,154</u>

See Independent Auditor's Report.

Northeast Kansas Community Action Program, Inc.

Schedule 11

SUPPLEMENTAL CSBG PROGRAM SCHEDULE 21 CSBG 05
 SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
 EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2022

REVENUE	Fund 3100				Variance (Over)/Under
	Prior Year	Current Year	Actual	Budget	
Federal Revenue	\$ 573,723	\$ 0	\$ 573,723	\$ 573,723	\$ 0
Unearned Federal Rev. Program Income (Additive Method**)	(58,573)	58,573	0	0	0
	0	0	0	0	0
TOTAL REVENUE	\$ 515,150	\$ 58,573	\$ 573,723	\$ 573,723	\$ 0
EXPENSES					
Personnel	\$ 330,584	\$ 47,079	\$ 377,663	\$ 405,685	\$ 28,022
Non-Personnel	102,698	854	103,552	79,612	(23,940)
Administration:					
Fair Share	66,111	9,416	75,527	77,932	2,405
Shortfall	15,757	1,224	16,981	10,494	(6,487)
TOTAL EXPENSES	\$ 515,150	\$ 58,573	\$ 573,723	\$ 573,723	\$ 0

NOTES:

Grant period runs from April 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 12

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE CSBG 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TWELVE MONTHS ENDED MARCH 31, 2023**

	Fund 3100		Variance
REVENUE	Actual	Budget	(Over)/Under
Federal Revenue	\$ 621,004	\$ 621,004	\$ 0
Unearned Federal Revenue	(21,176)	0	21,176
Program Income (Additive Method**)	0	0	0
In-Kind Contributions	<u>27,735</u>	<u>0</u>	<u>(27,735)</u>
TOTAL REVENUE	\$ <u>627,563</u>	\$ <u>621,004</u>	\$ <u>21,176</u>
EXPENSES			
Personnel	\$ 385,770	\$ 403,907	\$ 18,137
Non-Personnel	117,358	111,156	(6,202)
Administration:			
Fair Share	85,827	80,781	(5,046)
Shortfall	16,873	25,160	8,287
In-Kind Expenses	<u>27,735</u>	<u>0</u>	<u>(27,735)</u>
TOTAL EXPENSES	\$ <u>633,563</u>	\$ <u>621,004</u>	\$ <u>15,176</u>

NOTES:

Expenses include \$6,000 in program income from KU COPE grant and will be expensed in accordance with the addition principle to the federal budget of \$621,004 of the grant budget and used for direct client services.

Grant period runs from April 1, 2022 to September 30, 2023.

Northeast Kansas Community Action Program, Inc.

Schedule 13A

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

	Fund 3101 Prior Year	Fund 3101 Current Year	Actual	Budget	Variance (Over)/Under
REVENUE					
Federal Revenue	\$ 54,266	\$ 33,244	\$ 87,510	\$ 151,862	\$ 64,352
TOTAL REVENUE	<u>\$ 54,266</u>	<u>\$ 33,244</u>	<u>\$ 87,510</u>	<u>\$ 151,862</u>	<u>\$ 64,352</u>
EXPENSES					
Personnel	\$ 40,987	\$ 30,222	\$ 71,209	\$ 112,035	\$ 40,826
Non-Personnel	9,180	0	9,180	28,623	19,443
Administration: Fair Share	4,099	3,022	7,121	11,204	4,083
TOTAL EXPENSES	<u>\$ 54,266</u>	<u>\$ 33,244</u>	<u>\$ 87,510</u>	<u>\$ 151,862</u>	<u>\$ 64,352</u>

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 CSBG DISC 05
 SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
 FOURTEEN MONTHS ENDED SEPTEMBER 30, 2022

	Fund 3103	Fund 3103			Variance
	Prior	Current	Actual	Budget	(Over)/Under
	Year	Year			
Revenues					
Federal Revenue	\$ 15,001	\$ 4,999	\$ 20,000	\$ 20,000	\$ 0
Unearned Fed Rev.	(681)	681	0		0
(Additive Method**)	0	0	0		0
TOTAL REVENUE	\$ 14,320	\$ 5,680	\$ 20,000	\$ 20,000	\$ 0
Expenditures					
Personnel	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Non-Personnel	14,320	5,680	20,000	20,000	0
Administration:					
Fair Share	0	0	0	0	0
Shortfall	0	0	0	0	0
TOTAL EXPENSES	\$ 14,320	\$ 5,680	\$ 20,000	\$ 20,000	\$ 0

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 13C

**SUPPLEMENTAL CSBG PROGRAM CSBG ADMIN 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
ONE MONTH ENDED MARCH 31, 2023**

	Fund 3104		Variance
	Actual	Budget	(Over)/Under
Revenues			
Federal Revenue	\$ 5,000	\$ 12,000	\$ 7,000
Unearned Federal Revenue (Additive Method**)	(5,000)	0	5,000
	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>\$ 0</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>
Expenditures			
Personnel	\$ 0	\$ 0	\$ 0
Non-Personnel	0	12,000	12,000
Administration:			
Fair Share	0	0	0
Shortfall	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENSES	<u>\$ 0</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>

NOTES

Grant period runs from August 31, 2022 to September 30, 2023.

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 KERA II BRIDGE TO HOUSING STABILITY PROGRAM
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TEN MONTHS ENDED JULY 31, 2022

Revenues	Fund 3105	Fund 3105	Actual	Budget	Variance (Over)/Under
	Prior Year	Current Year			
Federal Revenue	\$ 216,963	\$ (193,461)	\$ 23,502	\$ 23,650	\$ 148
Unearned Fed Rev. (Additive Method**)	(199,224)	199,224	0	0	0
	98	50	148	0	(148)
TOTAL REVENUE	\$ 17,837	\$ 5,813	\$ 23,650	\$ 23,650	\$ 0
Expenditures					
Personnel	\$ 2,624	\$ 532	\$ 3,156	\$ 3,156	\$ 0
Non-Personnel	14,692	5,245	19,937	19,937	0
Administration:					
Fair Share	521	36	557	557	0
Shortfall	0	0	0	0	0
TOTAL EXPENSES	\$ 17,837	\$ 5,813	\$ 23,650	\$ 23,650	\$ 0

NOTES

Grant period runs from October 1, 2021 to July 31, 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 Kansans 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 13E

**SUPPLEMENTAL CSBG PROGRAM SCHEDULE CARES 05
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TWENTY-EIGHT MONTHS ENDED SEPTEMBER 30, 2022**

	Fund 3106 Prior Year	Fund 3106 Current Year	Fund 3106 Actual	Budget	Variance (Over)/Under
REVENUE					
Federal Revenue	\$ 771,981	\$ 0	\$ 771,981	\$ 771,981	\$ 0
Unearned Federal Rev. Program Income (Additive Method**)	(1,968)	1,968	0	0	0
	2,750	0	2,750	0	(2,750)
TOTAL REVENUE	<u>\$ 772,763</u>	<u>\$ 1,968</u>	<u>\$ 774,731</u>	<u>\$ 771,981</u>	<u>\$ (2,750)</u>
EXPENSES					
Personnel	\$ 26,021	\$ 0	\$ 26,021	\$ 27,031	\$ 1,010
Non-Personnel	741,537	1,968	743,505	739,607	(3,898)
Administration:					
Fair Share	5,205	0	5,205	5,343	138
Shortfall	0	0	0	0	0
TOTAL EXPENSES	<u>\$ 772,763</u>	<u>\$ 1,968</u>	<u>\$ 774,731</u>	<u>\$ 771,981</u>	<u>\$ (2,750)</u>

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 13F

SUPPLEMENTAL NAVIGATOR PROGRAM
 SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
 TWELVE MONTHS ENDED AUGUST 26, 2022

	Fund 3119 Prior Year	Fund 3119 Current Year	Fund 3119 Actual	Budget	Variance (Over)/Under
Revenues					
Federal Revenue	\$ 34,839	\$ 2,693	\$ 37,532	\$ 45,000	\$ 7,468
Unearned Fed Rev. (Additive Method**)	0	0	0	0	0
	0	0	0	0	0
TOTAL REVENUE	<u>\$ 34,839</u>	<u>\$ 2,693</u>	<u>\$ 37,532</u>	<u>\$ 45,000</u>	<u>\$ 7,468</u>
Expenditures					
Personnel	\$ 23,623	\$ 2,158	\$ 25,781	\$ 31,115	\$ 5,334
Non-Personnel	8,049	535	8,584	10,116	1,532
Administration:			0		
Fair Share	3,167	0	3,167	3,769	602
Shortfall	0	0	0	0	0
TOTAL EXPENSES	<u>\$ 34,839</u>	<u>\$ 2,693</u>	<u>\$ 37,532</u>	<u>\$ 45,000</u>	<u>\$ 7,468</u>

NOTES

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

This 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 of the grant.

Northeast Kansas Community Action Program, Inc.

Schedule 13G

**SUPPLEMENTAL NAVIGATOR PROGRAM
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SIX MONTHS ENDED FEBRUARY 28, 2023**

Revenues	Fund 3119 Actual	Budget	Variance (Over)/Under
Federal Revenue	\$ 14,528	\$ 45,000	\$ 30,472
Unearned Fed Rev.	0	0	0
(Additive Method**)	0	0	0
TOTAL REVENUE	\$ 14,528	\$ 45,000	\$ 30,472
Expenditures			
Personnel	\$ 6,089	\$ 31,115	\$ 25,026
Non-Personnel	7,221	10,116	2,895
Administration:			
Fair Share	1,218	3,769	2,551
Shortfall	0	0	0
TOTAL EXPENSES	\$ 14,528	\$ 45,000	\$ 30,472

NOTES

Grant period runs from August 27, 2022 to February 28, 2023. Grant cancelled February 28, 2023. authorized to carry over to the current year remaining funds prior year.

This 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. Grant ended at the end of February 2023.

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 13H

INCREASE THE REACH
 SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
 ONE MONTH ENDED MARCH 31, 2023

Revenues	Fund 3119 Actual	Budget	Variance (Over)/Under
Federal Revenue	\$ 76	\$ 211,302	\$ 211,226
Unearned Fed Rev. (Additive Method**)	0	0	0
	0	0	0
TOTAL REVENUE	\$ 76	\$ 211,302	\$ 211,226
Expenditures			
Personnel	\$ 63	\$ 92,910	\$ 92,847
Non-Personnel	0	99,810	99,810
Administration:			
Fair Share	14	18,582	18,568
Shortfall	0	0	0
TOTAL EXPENSES	\$ 77	\$ 211,302	\$ 211,225

NOTES

Grant period runs from March 1, 2023 to December 31, 2023.

This grant is a one-time grant subaward from Wichita State University through KDHE (Kansas Department of Health & Environment), the Centers for Disease Control, and the U.S. Department of Health & Human Services.

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 14

SCHEDULE OF FINANCIAL POSITION HUD

March 31, 2023

	Fund 3300	Fund 3310	Fund 3330
	Section 8	Tenant	Family
	Housing	Based Rental	Self
	Choice	Assistance	Sufficient
ASSETS	Vouchers		Program
Current Assets:			
Cash	\$ 52,615	\$ 8,182	\$ (13,751)
Grant Funds Receivable	5,362	0	13,656
Prepaid Expenses	1,854	76	922
<i>Total current assets</i>	<u>59,831</u>	<u>8,258</u>	<u>827</u>
Other assets			
Restricted Cash - FSS Participation	0	0	0
<i>Total assets</i>	<u>\$ 59,831</u>	<u>\$ 8,258</u>	<u>\$ 827</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 8,841	\$ 0	\$ 0
Accrued Payroll and Related Expenses	1,455	784	827
Deferred Revenue	0	0	0
<i>Total current liabilities</i>	<u>10,296</u>	<u>784</u>	<u>827</u>
Non-Current Liabilities:			
FSS Escrow	0	0	0
<i>Total non-current liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total liabilities</i>	<u>10,296</u>	<u>784</u>	<u>827</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	49,535	7,474	0
<i>Total net assets</i>	<u>49,535</u>	<u>7,474</u>	<u>0</u>
<i>Total liabilities and net assets</i>	<u>\$ 59,831</u>	<u>\$ 8,258</u>	<u>\$ 827</u>

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.	Fund 3127 Emergency Solutions Grant Homeless Prevention
\$ 0	\$ (24,673)	\$ (1,538)	\$ 0	\$ (9,624)
0	15,514	1,083	0	9,624
0	0	534	0	0
0	(9,159)	79	0	0
25,540	0	0	0	0
\$ 25,540	\$ (9,159)	\$ 79	\$ 0	\$ 0
\$ 0	\$ (8,367)	\$ 0	\$ 0	\$ 0
0	78	79	0	0
0	0	0	0	0
0	(8,289)	79	0	0
25,540	0	0	0	0
25,540	0	0	0	0
25,540	(8,289)	79	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	(870)	0	0	0
0	(870)	0	0	0
\$ 25,540	\$ (9,159)	\$ 79	\$ 0	\$ 0

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 14

SCHEDULE OF FINANCIAL POSITION HUD

March 31, 2023

ASSETS	Fund 3128	Fund 3129	Total
	Emergency Solutions Grant Rapid Rehouse Rehousing	Emergency Shelter Grant Rapid Rehouse Rehousing	
Current Assets:			
Cash	\$ (7,754)	\$ (590)	\$ 2,867
Accounts Receivable	8,482	560	54,281
Prepaid Expenses & Other	0	30	3,416
<i>Total current assets</i>	<u>728</u>	<u>0</u>	<u>60,564</u>
Other assets			
Restricted cash - FSS Participation	0	0	25,540
<i>Total assets</i>	<u>\$ 728</u>	<u>\$ 0</u>	<u>\$ 86,104</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 728	\$ 0	\$ 1,202
Accrued Payroll	0	0	3,223
Deferred Revenue	0	0	0
<i>Total current liabilities</i>	<u>728</u>	<u>0</u>	<u>4,425</u>
Non-Current Liabilities:			
FSS Escrow	0	0	25,540
<i>Total non-current liabilities</i>	<u>0</u>	<u>0</u>	<u>25,540</u>
<i>Total liabilities</i>	<u>728</u>	<u>0</u>	<u>29,965</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	0	0	56,139
<i>Total net assets</i>	<u>0</u>	<u>0</u>	<u>56,139</u>
<i>Total liabilities and net assets</i>	<u>\$ 728</u>	<u>\$ 0</u>	<u>\$ 86,104</u>

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 15

SCHEDULE OF ACTIVITIES FOR HUD
Year Ended March 31, 2023

	Fund 3300 Section 8 Housing Choice Vouchers	Fund 3310 Tenant Based Rental Assistance	Fund 3330 Family Self Sufficient Program	Fund 3340 HUD Continuum of Care Program HAP
REVENUE				
Federal Revenue	\$ 663,851	\$ 187,810	\$ 70,200	\$ 160,158
Less deferred amount	0	0	0	0
Other Income	12	0	0	0
In-Kind*	0	0	0	112
TOTAL REVENUE	663,863	187,810	70,200	160,270
EXPENSES				
Operating:				
Administrative	12,942	236	6,539	0
Tenant Services	75,032	11,483	63,478	6,533
Utilities	2,528	0	0	0
Insurance	1,036	133	183	46
Maintenance	1,348	0	0	0
General	278	0	0	0
Indirect Costs	16,558	2,538	0	1,448
Total Operating	109,722	14,390	70,200	8,027
Direct Client Assistance	545,239	166,965	0	152,131
In-Kind*	0	0	0	112
TOTAL EXPENSES	654,961	181,355	70,200	160,270
CHANGE IN NET ASSETS	8,902	6,455	0	0
BEGINNING NET ASSETS	40,633	1,019	0	(870)
ENDING NET ASSETS	\$ 49,535	\$ 7,474	\$ 0	\$ (870)

See Independent Auditor's Report

Fund 3341 HUD Continuum of Care Program Admin.	Fund 3342 HUD Continuum of Care Program Support Services	Fund 3127 Emergency Solutions Grant Homeless Prevent	Fund 3128 Emergency Solutions Grant Rapid Rehousing
\$ 9,746	\$ 1,822	\$ 25,293	\$ 22,012
0	0	0	0
0	0	0	0
0	0	0	0
<hr/> 9,746	<hr/> 1,822	<hr/> 25,293	<hr/> 22,012
452	48	0	0
7,296	787	0	0
0	0	0	0
390	0	0	0
0	0	0	0
0	0	0	0
1,608	157	0	0
<hr/> 9,746	<hr/> 992	<hr/> 0	<hr/> 0
0	830	25,293	22,012
0	0	0	0
<hr/> 9,746	<hr/> 1,822	<hr/> 25,293	<hr/> 22,012
0	0	0	0
0	0	0	0
<hr/> <hr/> \$ 0	<hr/> <hr/> \$ 0	<hr/> <hr/> \$ 0	<hr/> <hr/> \$ 0

Northeast Kansas Community Action Program, Inc.

Schedule 15

SCHEDULE OF ACTIVITIES FOR HUD

Year Ended March 31, 2023

	Fund 3129 Emergency Solutions Grant HMS	Total
REVENUE		
Federal Revenue	\$ 560	\$ 1,141,452
Less deferred amount	0	0
Other Income	0	12
In-Kind*	0	112
TOTAL REVENUE	560	1,141,576
EXPENSES		
Operating:		
Administrative	0	20,217
Tenant Services	456	165,065
Utilities	0	2,528
Insurance	3	1,791
Maintenance	0	1,348
General	0	278
Indirect Costs	101	22,410
Total Operating	560	213,637
Direct Client Assistance	0	912,470
In-Kind*	0	112
TOTAL EXPENSES	560	1,126,219
CHANGE IN NET ASSETS	0	15,357
BEGINNING NET ASSETS	0	40,782
ENDING NET ASSETS	\$ 0	\$ 56,139

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 16

NEK-CAP, INC. HOUSING CHOICE VOUCHERS PROGRAM
KS168

GRANT PERIOD APRIL 1, 2022 TO MARCH 31, 2023

SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
TWELVE MONTHS ENDED MARCH 31, 2023

	Current	Budget	Variance (Over)/Under
REVENUE			
Federal Revenue	\$ 642,140	\$ 808,343	\$ 166,203
Unearned Federal Rev.	21,711	0	(21,711)
Other Income	12	0	(12)
TOTAL REVENUE	<u>\$ 663,863</u>	<u>\$ 808,343</u>	<u>\$ 144,480</u>
EXPENSES			
Operating:			
Administrative:	\$ 12,942	\$ 14,758	\$ 1,816
Tenant Services	75,032	101,034	# 26,002
Utilities	2,528	3,320	792
Insurance	1,036	1,486	450
Maintenance	1,348	2,315	967
General	278	300	22
Indirect Costs	16,558	18,250	1,692
Total Operating Expenses	109,722	141,463	31,741
Direct Customer Services	545,239	666,880	121,641
TOTAL EXPENSES	<u>\$ 654,961</u>	<u>\$ 808,343</u>	<u>\$ 153,382</u>

NOTES:

Grant period runs from April 1, 2022 to March 31, 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 17

**NEK-CAP, INC. HOME INVESTMENT PARTNERSHIP PROGRAM
TENANT BASED RENTAL ASSISTANCE - M-20-SG-20-0170
GRANT PERIOD NOVEMBER 15, 2020 TO NOVEMBER 1, 2023
SCHEDULE OF REVENUES AND EXPENSES COMPARED TO BUDGET
SEVENTEEN MONTHS ENDED MARCH 31, 2023**

	Fund 3310 Previous 17 Month Period 11/15/2020- 3/31/2022	Fund 3310 Current 12 Month Period 4/1/2021- 3/31/2023	Fund 3310 Total 29 Month Period 11/15/2020- 3/31/2023	Budget	Variance (Over)/Under
REVENUE					
Federal Revenue	\$ 13,636	\$ 187,810	\$ 201,446	\$ 321,000	\$ 119,554
Unearned Federal Rev.	0	0	0	0	0
Other Income	0	0	0	0	0
TOTAL REVENUE	<u>\$ 13,636</u>	<u>\$ 187,810</u>	<u>\$ 0</u>	<u>\$ 321,000</u>	<u>\$ 119,554</u>
EXPENSES					
Operating:					
Administrative:	\$ 202	\$ 236	\$ 438	\$ 960	\$ 522
Tenant Services	296	11,483	11,779	16,205	4,426
Utilities	0	0	0	0	0
Insurance	25	133	158	157	(1)
Maintenance	0	0	0	0	0
General	173	0	173	550	377
Indirect Costs	123	2,538	2,661	3,128	467
Total Operating Expenses	819	14,390	15,209	21,000	5,791
Direct Customer Services	12,817	166,965	179,782	300,000	120,218
TOTAL EXPENSES	<u>\$ 13,636</u>	<u>\$ 181,355</u>	<u>\$ 194,991</u>	<u>\$ 321,000</u>	<u>\$ 126,009</u>

NOTES:

Grant period runs from November 15, 2020 to November 1, 2023.

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

Northeast Kansas Community Action Program, Inc.

Schedule 18

SCHEDULE OF FINANCIAL POSITION OTHER SERVICES

March 31, 2023

	Fund 3611	Fund 3622	Fund 3623
	Atchison	Brown	Brown Co.
	County	County	Student
ASSETS	Non-federal	Non-federal	Champions
Current Assets:			
Cash	\$ 233	\$ 226	\$ 3,319
Investments	0	0	912
Accounts Receivable	0	0	0
Prepaid Expenses	0	0	0
<i>Total current assets</i>	<u>233</u>	<u>226</u>	<u>4,231</u>
<i>Total assets</i>	<u>\$ 233</u>	<u>\$ 226</u>	<u>\$ 4,231</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 0	\$ 0	\$ 523
Reserve Accounts	0	0	0
<i>Total current liabilities</i>	<u>0</u>	<u>0</u>	<u>523</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	0	0	0
Board Designated	0	0	0
Total Net Assets Without donor restriction	<u>0</u>	<u>0</u>	<u>0</u>
Net Assets With Donor Restrictions	<u>233</u>	<u>226</u>	<u>3,708</u>
<i>Total net assets</i>	<u>233</u>	<u>226</u>	<u>3,708</u>
<i>Total liabilities and net assets</i>	<u>\$ 233</u>	<u>\$ 226</u>	<u>\$ 4,231</u>

Fund 3631 Doniphan County Non- federal	Fund 3641 Jackson County Non- federal	Fund 3671 Marshall County Non- federal	Fund 3682 Nemaha County Non- federal	Fund 3692 Pottawatomie County Non- federal	Fund 3901 Agency Non- federal	Total
\$ 2,431	\$ 4,109	\$ (250)	\$ (603)	\$ (165)	\$ 51,213	\$ 60,513
901	0	0	0	0	82,049	83,862
0	0	0	0	0	702	702
0	0	0	0	0	0	0
<u>3,332</u>	<u>4,109</u>	<u>(250)</u>	<u>(603)</u>	<u>(165)</u>	<u>133,964</u>	<u>145,077</u>
<u>\$ 3,332</u>	<u>\$ 4,109</u>	<u>\$ (250)</u>	<u>\$ (603)</u>	<u>\$ (165)</u>	<u>\$ 133,964</u>	<u>\$ 145,077</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 523
0	0	0	0	0	0	0
0	0	0	0	0	0	523
0	0	0	0	0	133,964	133,964
0	0	0	0	0	0	0
0	0	0	0	0	133,964	133,964
3,332	4,109	(250)	(603)	(165)	0	10,590
<u>3,332</u>	<u>4,109</u>	<u>(250)</u>	<u>(603)</u>	<u>(165)</u>	<u>133,964</u>	<u>144,554</u>
<u>\$ 3,332</u>	<u>\$ 4,109</u>	<u>\$ (250)</u>	<u>\$ (603)</u>	<u>\$ (165)</u>	<u>\$ 133,964</u>	<u>\$ 145,077</u>

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 19

SCHEDULE OF ACTIVITIES FOR OTHER SERVICES

Year Ended March 31, 2023

	Fund 3611 Atchison County Non-federal	Fund 3622 Brown County Non-federal	Fund 3623 Brown Co. Student Champions	Fund 3631 Doniphan County Non-federal
REVENUE				
Federal Grants	\$ 0	\$ 0	\$ 0	\$ 0
Donations	2,150	226	2,484	2,386
Other	0	0	298	94
Gain (loss) on investments	0	0	(395)	(79)
TOTAL REVENUE	<u>2,150</u>	<u>226</u>	<u>2,387</u>	<u>2,401</u>
EXPENSES				
Personnel	0	0	0	0
Supplies	0	0	0	0
Facility Repair/Maintenance	0	0	0	0
Communications	0	0	0	0
Other	5	0	49	21
Direct Customer Services	10,672	0	804	0
Indirect Cost	0	0	0	0
TOTAL EXPENSES	<u>10,677</u>	<u>0</u>	<u>853</u>	<u>21</u>
CHANGE IN NET ASSETS	(8,527)	226	1,534	2,380
BEGINNING NET ASSETS	<u>8,760</u>	<u>0</u>	<u>2,174</u>	<u>952</u>
ENDING NET ASSETS	<u>\$ 233</u>	<u>\$ 226</u>	<u>\$ 3,708</u>	<u>\$ 3,332</u>

Fund 3641 Jackson County Non-federal	Fund 3671 Marshall County Non-federal	Fund 3682 Nemaha County Non-federal	Fund 3692 Pottawatomie County Non-federal	Fund 3901 Agency Non-Federal	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
1,540	0	0	0	571	9,357
0	0	0	0	1,983	2,375
0	0	0	0	1,005	531
<u>1,540</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,559</u>	<u>12,263</u>
0	0	0	0	2,981	2,981
0	0	0	0	2,046	2,046
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	186	261
427	250	1,757	165	1,686	15,761
0	0	0	0	595	595
<u>427</u>	<u>250</u>	<u>1,757</u>	<u>165</u>	<u>7,494</u>	<u>21,644</u>
1,113	(250)	(1,757)	(165)	(3,935)	(9,381)
2,996	0	1,154	0	137,899	153,935
<u>\$ 4,109</u>	<u>\$ (250)</u>	<u>\$ (603)</u>	<u>\$ (165)</u>	<u>\$ 133,964</u>	<u>\$ 144,554</u>

Northeast Kansas Community Action Program, Inc.

Schedule 20

SCHEDULE OF FINANCIAL POSITION MANAGEMENT & GENERAL

March 31, 2023

ASSETS	Fund 3900 General	Fund 9000 Indirect Cost Pool	Fund 9001 Indirect Cost Pool Entry
Current Assets:			
Cash	\$ 309,323	\$ (4,248,544)	\$ 4,269,737
Accounts Receivable	55	0	0
Inventory	0	0	0
Prepaid Expenses	22,790	29,306	0
<i>Total current assets</i>	<u>332,168</u>	<u>(4,219,238)</u>	<u>4,269,737</u>
Fixed Assets:			
Property and Equipment	3,200,290	0	0
Less accumulated depreciation	(2,236,631)	0	0
<i>Total Fixed Assets</i>	<u>963,659</u>	<u>0</u>	<u>0</u>
<i>Total assets</i>	<u>\$ 1,295,827</u>	<u>\$ (4,219,238)</u>	<u>\$ 4,269,737</u>
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	\$ 16,359	\$ 33,087	\$ 0
Accrued Payroll and Related Expenses	0	17,476	0
Accrued Compensated Absences	114,595	0	0
Reserve Accounts	19,332	0	0
Current portion of long-term debt	15,345	0	0
<i>Total current liabilities</i>	<u>165,631</u>	<u>50,563</u>	<u>0</u>
Notes Payable	71,359	0	0
<i>Total Liabilities</i>	<u>236,990</u>	<u>50,563</u>	<u>0</u>
Net assets			
Net Assets Without Donor Restrictions			
Undesignated	880,677	(4,269,801)	4,269,737
Board Designated	178,160	0	0
Total Net Assets Without donor restriction	<u>1,058,837</u>	<u>(4,269,801)</u>	<u>4,269,737</u>
Net Assets With Donor Restrictions	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total net assets</i>	<u>1,058,837</u>	<u>(4,269,801)</u>	<u>4,269,737</u>
<i>Total liabilities and net assets</i>	<u>\$ 1,295,827</u>	<u>\$ (4,219,238)</u>	<u>\$ 4,269,737</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
\$ (4,918)	\$ (2,859)	\$ 2,859	\$ (448,989)	\$ 453,005	\$ 329,614
0	0	0	0	0	55
0	0	0	0	0	0
4,918	0	0	0	0	57,014
<u>0</u>	<u>(2,859)</u>	<u>2,859</u>	<u>(448,989)</u>	<u>453,005</u>	<u>386,683</u>
0	0	0	0	0	3,200,290
0	0	0	0	0	(2,236,631)
0	0	0	0	0	963,659
<u>\$ 0</u>	<u>\$ (2,859)</u>	<u>\$ 2,859</u>	<u>\$ (448,989)</u>	<u>\$ 453,005</u>	<u>\$ 1,350,342</u>
\$ 0	\$ 0	\$ 0	\$ 4,016	\$ 0	\$ 53,462
0	0	0	0	0	17,476
0	0	0	0	0	114,595
0	0	0	0	0	19,332
0	0	0	0	0	15,345
<u>0</u>	<u>0</u>	<u>0</u>	<u>4,016</u>	<u>0</u>	<u>220,210</u>
0	0	0	0	0	71,359
<u>0</u>	<u>0</u>	<u>0</u>	<u>4,016</u>	<u>0</u>	<u>291,569</u>
0	(2,859)	2,859	(453,005)	453,005	880,613
0	0	0	0	0	178,160
0	(2,859)	2,859	(453,005)	453,005	1,058,773
0	0	0	0	0	0
<u>0</u>	<u>(2,859)</u>	<u>2,859</u>	<u>(453,005)</u>	<u>453,005</u>	<u>1,058,773</u>
<u>\$ 0</u>	<u>\$ (2,859)</u>	<u>\$ 2,859</u>	<u>\$ (448,989)</u>	<u>\$ 453,005</u>	<u>\$ 1,350,342</u>

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 21

SCHEDULE OF ACTIVITIES FOR MANAGEMENT & GENERAL

Year Ended March 31, 2023

	Fund 3900 General	Fund 9000 Indirect Cost Pool	Total Management & General
REVENUE			
Federal Grants	\$ 0	\$ 0	0
Other	422	0	422
In-kind Contributions*	0	20,992	20,992
Gain (loss) on equip disposals	0	0	0
TOTAL REVENUE	<u>422</u>	<u>20,992</u>	<u>21,414</u>
EXPENSES			
Personnel	0	602,832	602,832
Fringe Benefits	0	136,505	136,505
Equipment	0	0	0
Computer	0	69,714	69,714
Supplies	0	29,321	29,321
Rent/Utilities	0	9,105	9,105
Facility Repair/Maintenance	0	6,974	6,974
Mortgage	0	0	0
Professional Fees	0	35,770	35,770
Communications	0	17,234	17,234
Vehicle	0	2,296	2,296
Insurance	0	3,653	3,653
Travel	0	18,264	18,264
Registration	0	4,630	4,630
Tuition and Books	0	0	0
Depreciation	0	0	0
Interest	0	0	0
Other	0	11,642	11,642
Direct Customer Services	0	0	0
In-kind Expenses	0	20,992	20,992
TOTAL EXPENSES	<u>0</u>	<u>968,932</u>	<u>968,932</u>
CHANGE IN NET ASSETS	422	(947,940)	(947,518)
BEGINNING NET ASSETS	<u>194,461</u>	<u>(3,321,861)</u>	<u>(3,127,400)</u>
ENDING NET ASSETS	<u>\$ 194,883</u>	<u>\$ (4,269,801)</u>	<u>\$ (4,074,918)</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	Fund 9601 Shared Vehicle Cost Entry
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
(20,992)	0	0	0	0
0	0	0	0	0
<u>(20,992)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(602,832)	0	0	0	0
(136,505)	0	0	0	0
0	0	0	0	0
(69,714)	0	0	0	0
(29,321)	0	0	189	(189)
(9,105)	0	0	0	0
(6,974)	0	0	0	0
0	0	0	0	0
(35,770)	0	0	0	0
(17,234)	0	0	0	0
(2,296)	0	0	108,046	(108,046)
(3,653)	0	0	0	0
(18,264)	0	0	0	0
(4,630)	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
(11,642)	0	0	0	0
0	0	0	0	0
(20,992)	0	0	0	0
<u>(968,932)</u>	<u>0</u>	<u>0</u>	<u>108,235</u>	<u>(108,235)</u>
947,940	0	0	(108,235)	108,235
3,321,797	(2,859)	2,859	(344,770)	344,770
<u>\$ 4,269,737</u>	<u>\$ (2,859)</u>	<u>\$ 2,859</u>	<u>\$ (453,005)</u>	<u>\$ 453,005</u>

See Independent Auditor's Report

Northeast Kansas Community Action Program, Inc.

Schedule 21

SCHEDULE OF ACTIVITIES FOR MANAGEMENT & GENERAL

Year Ended March 31, 2022

	Fixed Assets	Net Management & General
REVENUE		
Federal Grants	\$ 0	\$ 0
Other	0	422
In-kind Contributions	0	0
Gain (loss) on equip disposals	0	0
TOTAL REVENUE	<u>0</u>	<u>422</u>
 EXPENSES		
Personnel	0	0
Fringe Benefits	0	0
Equipment	256,980	256,980
Computer	0	0
Supplies	0	0
Rent/Utilities	0	0
Facility Repair/Maintenance	0	0
Mortgage	(19,332)	(19,332)
Professional Fees	0	0
Communications	0	0
Vehicle	0	0
Insurance	0	0
Travel	0	0
Registration	0	0
Tuition and Books	0	0
Depreciation	211,581	211,581
Interest	4,687	4,687
Other	0	0
Direct Customer Services	0	0
In-kind Expenses	0	0
TOTAL EXPENSES	<u>453,916</u>	<u>453,916</u>
 CHANGE IN NET ASSETS	(453,916)	(453,916)
BEGINNING NET ASSETS	<u>1,317,871</u>	<u>1,512,268</u>
 ENDING NET ASSETS	<u>\$ 863,955</u>	<u>\$ 1,058,774</u>

See Independent Auditor's Report

NORTHEAST KANSAS COMMUNITY ACTION PROGRAM, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended March 31, 2023

Federal CFDA Number	Identifying Number	Federal Grants	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed through Kansas Department of Education:			
10.558	P0006-CTR-2021/2022	\$ 28,021	\$ 46,842
	P0006-CTR-2022/2023	126,800	122,139
	Total U.S. Department of Agriculture	154,821	168,981
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through Kansas Housing Resources Corporation:			
14.231	ESG CV-FFY2020	17	17
	ESG CV-FFY2020	(728)	(728)
	ESG-FFY2021	11,362	11,362
	ESG-FFY2021	14,075	14,075
	ESG-FFY2022	13,914	13,914
	ESG-FFY2022	8,665	8,665
	ESG-FFY2022	560	560
	Total	47,865	47,865
14.239	M-20-SG-20-0170	187,810	181,355
	Total	187,810	181,355
14.267	KS0057L7P072011	78,018	78,018
	KS0057L7P072112	93,708	93,708
	Total	171,726	171,726
14.871	KS168	663,851	654,949
14.896	FSS23KS4985-01-00	56,544	56,544
	FSS22KS4642-01-00	13,656	13,656
	Total	70,200	70,200
	Total U.S. Department of Housing and Urban Development	1,141,452	1,126,095

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, 2023

Federal CFDA Number	Identifying Number	Federal Grants	Federal Expenditures
U.S. DEPARTMENT OF THE TREASURY			
Passed through Kansas Housing Resources Corporation:			
21.023	KERA-K900252	\$ 33,244	\$ 33,244
	ERA0032	(193,461)	5,763
	Total	(160,217)	39,007
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Pass through Wichita State University/KDHE/CDC:			
93.268	NEK-CAP/R53008	76	76
	Total	76	76
Pass through Thrive Allen County:			
93.332	NEK-CAP/Navigator 2021	2,693	2,693
	NEK-CAP/Navigator 2022	14,528	14,528
	Total	17,221	17,221
Passed through Kansas Housing Resources Corporation:			
93.569	21 CSBG 05	0	58,573
	22 CSBG 05	621,004	605,828
	21 CSBG DISC 05A	4,999	5,680
	22 CSBG DISC 05B	5,000	0
	20 CARES 05	0	1,968
	Total	631,003	672,049

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, 2023

**Federal CFDA
Number**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES - continued

Federal CFDA Number	Direct Program:	07CH011099/03	\$	(372,038)	\$	(372,038)
93.600	Head Start***	07CH011099/03		18		18
	Early Head Start***	07CH011099/03		4,630,780		4,630,780
	Head Start	07CH011099/04		1,158,691		1,158,691
	Early Head Start	07CH011099/04		5,815		5,815
	Head Start CRRSA	07HE00103101C5		330,409		330,409
	Early Head Start ARP	07HE00103101C6		43,044		43,044
	Head Start Training	07CH011099/04		29,667		29,667
	Early Head Start Training	07CH011099/04				
	Total			5,826,386		5,826,386
	Total U.S. Department of Health and Human Services			6,474,686		6,515,732
	Total Expenditures of Federal Awards			\$ 7,610,742		\$ 7,849,815

* 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.

*** Note: Authorized Liquidation Extension. Buses cancelled and grant closed out.

Northeast Kansas Community Action Program, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended March 31, 2023

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, 2023. 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, 2023.

NOTE D. INDIRECT COST RATES

The Organization has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance

NOTE E. 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, 2023, 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, 2023.

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.

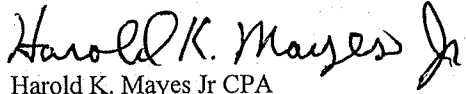
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we 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, 2023

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, 2023. 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, 2023.

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.

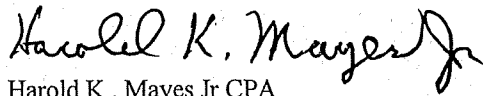
Report on Internal Control over Compliance

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.



Harold K. Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
September 14, 2023

Northeast Kansas Community Action Program, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended March 31, 2023

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>
93.600	Head Start	\$ 6,515,732
93.569	Community Services Block Grant	<u>672,049</u>
	Total	<u>7,187,781</u>

Dollar threshold used to distinguish between Type A and Type B programs \$ 750,000

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, 2023

Section II - Financial Statement Findings:

No matters reported

Section III - Federal Award Findings and Questioned costs

No matters reported