NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

Independent Auditor's Report and
Financial Statements with
Supplementary Information
For the Year Ended
June 30, 2025

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northwest Community Action Partnership
Chadron, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Northwest Community Action Partnership (the Organization), which comprise the statement of financial position as of June 30, 2025 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Northwest Community Action Partnership as of June 30, 2025 and the changes in its net assets and its 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and combining schedule of activities (presented on pages 19-21) are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the schedule of expenditures of federal awards and combining schedule of activities are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2025 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
October 9, 2025

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Statement of Financial Position

June 30, 2025

ASSETS

Current Assets		
Cash and Cash Equivalents	$	521,344.82
Grants and Contracts Receivable		265,194.50
Inventory		134,519.29
Prepaid Expenses		48,304.79
Total Current Assets		969,363.40
Capital Assets, net		801,701.86
Right-of-Use Assets, net		22,720.11
Deposits		2,821.80
TOTAL ASSETS	$	1,796,607.17

LIABILITIES AND NET ASSETS

Liabilities		
Current Liabilities		
Accounts Payable	$	46,176.90
Accrued Paid Time Off		93,813.20
Accrued Employee Withholdings		34,121.56
Accrued Payroll Taxes		29,270.72
Refundable Grant Advances		18,547.81
Current Portion of Lease Payable		18,458.26
Total Current Liabilities		240,388.45
Long-Term Liabilities		
Lease Payable		23,953.09
Less: Current Portion		(18,458.26)
Total Long-Term Liabilities		5,494.83
TOTAL LIABILITIES		245,883.28
Net Assets		
With Donor Restrictions		226,966.39
Without Donor Restrictions		1,323,757.50
Total Net Assets		1,550,723.89
TOTAL LIABILITIES AND NET ASSETS	$	1,796,607.17

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

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Statement of Activities

For the Year Ended June 30, 2025

CHANGES IN NET ASSETS		
Changes in Net Assets Without Donor Restrictions		
Support and Revenues		
Contributions	$	5,232,095.32
Contributions Non Cash		1,000,491.36
Other Revenue		3,839.06
Total Support and Revenues		6,236,425.74
Expenses		
Program Services		
Early Childhood Development		3,946,692.36
Community Services		524,129.04
Senior Services		111,576.41
Weatherization Services		856,995.91
Supporting Activities		
Management and General		709,484.56
Fundraising		34,824.96
Total Expenses		6,183,703.24
Net Assets Released From Restrictions		
through Satisfaction of Program Restrictions		39,666.84
Increase (Decrease) in Net Assets without		
Donor Restrictions		92,389.34
Net Assets with Donor Restrictions		
Contributions		10,152.04
Net Assets Released From Restrictions		
Through Satisfaction of Program Restrictions		(39,666.84)
Increase (Decrease) in Net Assets with		
Donor Restrictions		(29,514.80)
Increase (Decrease) in Net Assets		62,874.54
Net Assets at Beginning of the Year		1,487,849.35
Net Assets at End of the Year	$	1,550,723.89

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

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Statement of Functional Expenses

For the Year Ended June 30, 2025

	Program Services					Supporting Activities		
	Early Childhood Development	Community Services	Senior Services	Weatherization Services	Total Program Services	Management and General	Fundraising	Total Organization Services
Salaries and Fringe Benefits	$ 2,863,437.87	$ 184,860.90	$ 75,672.08	$ 439,306.21	$ 3,563,277.06	$ 464,738.33	$ 33,813.78	$ 4,061,829.17
Amortization Expense	-	-	-	-	-	635.64	-	635.64
Client Services	33,759.06	102,964.35	425.00	-	137,148.41	7,765.67	-	144,914.08
Computer Expense	67,329.23	4,716.59	875.30	3,310.00	76,231.12	64,968.51	-	141,199.63
Depreciation Expense	79,880.12	10,449.42	201.89	28,785.86	119,317.29	19,603.43	-	138,920.72
Dues and Subscriptions	8,569.94	4,317.35	30.50	1,732.96	14,650.75	1,099.63	-	15,750.38
Food	78,299.16	20.92	5.14	18.00	78,343.22	488.78	-	78,832.00
Interest Expense	-	-	-	-	-	72.38	-	72.38
Materials	-	-	-	247,336.17	247,336.17	-	-	247,336.17
Occupancy Cost	279,905.38	43,954.15	9,184.13	33,575.19	366,618.85	90,780.23	91.18	457,490.26
Office Cost	11,328.40	6,132.45	2,155.47	7,116.11	26,732.43	5,828.62	220.00	32,781.05
Other Expense	8,112.03	2,996.61	6,298.73	4,217.18	21,624.55	6,336.33	-	27,960.88
Printing and Publications	5,806.27	311.13	45.60	3,781.85	9,944.85	6,766.31	-	16,711.16
Professional Services	74,472.27	-	-	-	74,472.27	20,438.00	-	94,910.27
Repairs and Maintenance	113,567.70	4,288.82	1.73	1,484.12	119,342.37	13,942.04	-	133,284.41
Small Equipment	-	-	-	26,412.70	26,412.70	-	-	26,412.70
Supplies	212,602.84	147,891.71	15,765.70	12,963.78	389,224.03	3,747.41	700.00	393,671.44
Training	79,877.76	6,543.83	43.66	3,819.21	90,284.46	1,627.16	-	91,911.62
Travel	29,744.33	4,680.81	871.48	43,136.57	78,433.19	646.09	-	79,079.28
Total Expenses	$ 3,946,692.36	$ 524,129.04	$ 111,576.41	$ 856,995.91	$ 5,439,393.72	$ 709,484.56	$ 34,824.96	$ 6,183,703.24

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

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Statement of Cash Flows

For the Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$	62,874.54
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation Expense		138,920.72
Lease Amortization		635.64
(Increase) Decrease in Grants and Contracts Receivable		75,766.40
(Increase) Decrease in Prepaid Expense		(16,241.01)
(Increase) Decrease in Inventory		36,804.37
Increase (Decrease) in Accounts Payable		4,373.43
Increase (Decrease) in Refundable Grant Advances		(33,598.66)
Increase (Decrease) in Accrued Paid Time Off		750.51
Increase (Decrease) in Other Accrued Expenses		(14,879.06)
Net Cash Provided by (Used in) Operating Activities		255,406.88
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Purchase of Capital Assets		(230,081.22)
Net Cash Provided by (Used in) Investing Activities		(230,081.22)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Lease Payable		642.02
Net Cash Provided by (Used in) Financing Activities		642.02
Net Increase (Decrease) in Cash and Cash Equivalents		25,967.68
Cash and Cash Equivalents, Beginning of the Year		495,377.14
Cash and Cash Equivalents, End of the Year	$	521,344.82

Supplemental Information

Cash Paid During the Period for:		
Interest Expense	$	53.20

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

1. NATURE OF ACTIVITIES

Northwest Community Action Partnership (the "Organization") is a nonprofit Community Action Agency and organized exclusively for charitable purposes. The Organization's mission is to improve the quality of life and promote economic self-sufficiency for individuals and families with low incomes and other eligible populations residing in Box Butte, Cherry, Dawes, Sheridan, and Sioux Counties in Nebraska. In addition, the Organization provides weatherization services to residents of Banner, Cheyenne, Deuel, Garden, Kimball, Morrill, and Scotts Bluff Counties.

The Organization works to empower individuals and strengthen communities by providing programs and services that expand employment opportunities, enhance human performance and motivation, and improve the living, learning, and working conditions of those it serves. Major program activities include the administration of federal, state, and local grants such as the Low-Income Home Energy Assistance Program, Community Services Block Grant Program, Head Start Program, Weatherization Assistance Program, Retired and Senior Volunteer Program, and other community-based initiatives.

Expenses are classified by program service areas that reflect the Organization's commitment to addressing poverty and promoting self-sufficiency through education, energy assistance, volunteer engagement, and community development. The following is a description of the program services:

Early Childhood Development – Provides services to children from birth to age five and to pregnant families who meet income eligibility requirements. The program strives to strengthen families and support children's growth and development through comprehensive early education, health, and family engagement initiatives.
Community Services – Assists low-income individuals and families through programs focused on homelessness prevention, education, health insurance enrollment, employment readiness, family development, food pantry support, and mobile food distribution.
Weatherization Services – Provides energy-efficiency improvements to income-eligible households, helping to reduce energy costs and improve living conditions while furthering the Organization's mission of helping people, changing lives, and engaging communities to alleviate poverty.
Senior Services – Offers volunteer opportunities for seniors and other community members to contribute their time and skills in support of community programs and local needs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions.

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

Basis of Presentation

The Organization's net assets and changes thereto are classified and reported as follows:

Net assets without donor restrictions – consists of amounts that are available for use in carrying out the activities of The Organization and are not subject to donor-imposed restrictions.

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

Liquidity

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

Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The carrying values of these instruments approximate their fair values due to the short maturities involved.

Inventory

Inventory consists primarily of weatherization materials held for use in the Organization's Weatherization Program. Inventory is stated at the lower of cost or net realizable value, determined using the first-in, first-out (FIFO) method. Cost is based on purchase price and includes materials and supplies purchased for program use.

Allowance for Doubtful Accounts

Grants and accounts receivable are reported at net realizable value. An allowance for doubtful accounts is established when management determines collection is uncertain.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

It is the Organization's policy to capitalize property and equipment acquisitions with an individual cost of $5,000.00 or more and an estimated useful life of greater than one year. Capital assets are recorded at cost if purchased, or at estimated fair value at the date of donation if contributed. Assets acquired with federal or state grant funds are considered to be owned by the Organization while used in the programs for which they were purchased, or in other programs as authorized in the future. However, the funding sources retain a reversionary interest in such assets as defined by the grant agreements. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Equipment	5-7 Years
Vehicles	5 Years
Capital Improvements	10-15 Years
Buildings	20 Years

Leases

The Organization accounts for leases in accordance with FASB ASC 842, Leases. Right-of-use ("ROU") assets and related lease liabilities are recognized for all leases with terms greater than 12 months. Leases are classified as either finance or operating, with classification affecting the timing of expense recognition. Short-term leases with terms of 12 months or less are excluded from recognition on the statement of financial position.

Lease assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. ROU assets and liabilities are measured at the present value of lease payments over the lease term, using the implicit rate when readily determinable or otherwise a risk-free rate. Lease expense for operating leases is recognized on a straight-line basis over the lease term.

The Organization has elected certain practical expedients under ASC 842, including the short-term lease exemption and the election not to separate lease and nonlease components.

Allocated Costs

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

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

The Organization maintains a negotiated indirect cost rate agreement (NICRA) with the U.S. Department of Health and Human Services. The approved predetermined rate for the fiscal year ended June 30, 2025, was 21.20% of direct salaries and wages including all fringe benefits. The rate is applied to all applicable federal and non-federal awards to recover allowable administrative and facility costs. The Organization reviews the indirect cost allocation annually and submits rate adjustments to the cognizant agency as required.

2. **<u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>** (Continued)

<u>Revenue Recognition</u>
The Organization follows FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*, and ASC 606, *Revenue from Contracts with Customers*, as applicable.

Contributions-Contributions are recognized when received or unconditionally promised. Contributions are considered available for use without donor restriction unless specifically restricted by the donor. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (i.e., when a time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional Contributions-Conditional contributions, which include donor stipulations that represent a barrier that must be overcome and a right of return of assets (or release of a donor's obligation to transfer assets), are not recognized as revenue until the conditions have been substantially met or explicitly waived by the donor.

Grants and Contracts-Grants and contracts may be accounted for as contributions, exchange transactions, or a combination thereof, depending on the underlying terms. If the grant is determined to be a contribution, revenue is recognized consistent with the contribution policies above. If the grant is determined to be an exchange transaction, it is accounted for under ASC 606.

Cost-Reimbursable Agreements-A significant portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants. These agreements are conditioned upon the incurrence of allowable qualifying expenses and/or other performance requirements. Revenue is recognized when qualifying expenses are incurred or performance obligations are satisfied in accordance with the terms of the agreement. Amounts received in advance of incurring qualifying expenditures are recorded as refundable advances in the statement of financial position.

<u>Non Cash Contributions</u>
Donated goods are recorded at fair value on the date of donation. Contributed services are recognized as revenue if they create or enhance nonfinancial assets or require specialized skills that would typically need to be purchased if not provided by donation.

<u>Income Taxes</u>
The Organization is exempt from Federal income taxes under IRS Code Section 501(c)3. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization follows FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, and management has determined there are no material uncertain tax positions.

3. CONCENTRATION OF CREDIT RISK

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

For the year ended June 30, 2025, the carrying amount of the Organization's deposits was $520,093.60. The bank balance was held at one bank resulting in a concentration of credit risk. The bank balance was $554,716.53, of the bank balance $37,233.52 was covered by FDIC insurance and $517,483.01 was secured with a repurchase agreement at year end.

4. GRANT AND CONTRACTS RECEIVABLE, NET

Grant and contracts receivables at June 30, 2025, consisted of amounts due as follows:

Head Start Program	$ 14,219.77
Early Head Start Program	7,441.63
Community Services Block Grant	25,791.17
Federal Emergency Management Agency	2,612.14
Low Income Housing Energy Assistance Program	11,543.15
DOE	174,931.94
BIL DOE	3,385.69
NHAP Panhandle	15,477.21
NHAP Cherry	7,862.85
Rural Set Aside	1,928.95
Total Grants and Contracts Receivable	$ 265,194.50

Accounts receivable are stated at unpaid balances. A majority of accounts receivable at June 30, 2025, are due from federal and state government agencies or their pass-through entities. Historically, the Organization has collected substantially all such amounts, and management evaluates the collectability of receivables based on historical experience, grantor relationships, and other relevant factors. Based on this evaluation, management considers all receivables to be fully collectible at June 30, 2025, and therefore no allowance for doubtful accounts has been recorded.

5. INVENTORY

Inventory consisted of the following at June 30, 2025:

Weatherization Materials on Hand	$ 97,373.29
Food Pantry	25,670.40
Diaper Bank	11,475.60
Total Inventory	$ 134,519.29

6. CAPITAL ASSETS, NET

Following are the changes in capital assets for the year ended June 30, 2025:

	Balance 6/30/2024	Additions	Retirements	Balance 6/30/2025
Capital Assets				
Capital Assets Not Being Depreciated				
Land	$ 100,000.00	$ -	$ -	$ 100,000.00
Other Capital Assets				
Buildings	666,344.74	-	-	666,344.74
Capital Improvements	941,779.75	92,543.80	-	1,034,323.55
Equipment	228,986.48	85,465.03	-	314,451.51
Vehicles	1,201,381.77	52,072.39	11,450.00	1,242,004.16
Total Capital Assets	3,138,492.74	230,081.22	11,450.00	3,357,123.96
Accumulated Depreciation				
Buildings	(615,760.00)	(7,695.50)	-	(623,455.50)
Capital Improvements	(637,472.66)	(33,609.32)	-	(671,081.98)
Equipment	(133,284.32)	(34,415.99)	-	(167,700.31)
Vehicles	(1,041,434.40)	(63,199.91)	(11,450.00)	(1,093,184.31)
Total Accumulated Depreciation	(2,427,951.38)	(138,920.72)	(11,450.00)	(2,555,422.10)
Total Net Capital Assets	$ 710,541.36	$ 91,160.50	$ -	$ 801,701.86

7. LINE OF CREDIT

The Organization maintains an unsecured line of credit with Security First Bank with a maximum borrowing capacity of $150,000.00, maturing March 15, 2026. The line of credit is used to provide short-term financing to support operating cash flow needs. The line bears interest at a rate of 7.50% and is renewable annually. The line is unsecured and renewable annually at the bank’s discretion.

There was no outstanding balance on the line of credit as of June 30, 2025. No interest expense was incurred during the year ended June 30, 2025.

8. LEASES

The Organization has obligations as a lessee for office space, classroom space, and copiers with initial non-cancelable terms in excess of one year. These leases are classified as either operating or finance leases. Many of the Organization’s leases include renewal options ranging from two to five years; however, since management is not reasonably certain to exercise these options, they are excluded from the lease term and related lease liabilities. Short-term leases with terms of 12 months or less are not recorded as right-of-use assets or lease liabilities.

The Organization’s leases do not include termination options for either party or restrictive financial or other covenants. Lease payments include fixed amounts and, for certain office leases, variable payments related to the Organization’s proportionate share of property taxes, insurance, and common area maintenance. Variable lease payments are not included in the measurement of lease liabilities and are recognized as expense in the period incurred.

8. <u>LEASES</u> (Continued)

Right-of-use assets as presented separately on the statement of financial position as a long term asset and lease liabilities are presented separately on the statement of financial position as current and long-term lease liabilities.

Lease Expense	
Finance lease expense	
Amortization of ROU assets	$ 635.64
Interest on lease liabilities	53.20
Operating lease expense	32,550.87
Short-term lease expense	21,603.56
Total Lease Expense	$ 54,843.27

Other Information	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from finance leases (interest)	$ 54.82
Financing cash flows from finance leases (principal)	642.02
Operating cash from operating leases	32,143.40
ROU Assets obtained in exchange for new finance lease liabilities	0.00
ROU Assets obtained in exchange for new operating lease liabilities	0.00

Other information related to leases is as follows:	
Lease term (in years) and discount rate:	
Weighted-average remaining lease term, finance leases	2.25
Weighted-average remaining lease term, operating leases	1.21
Weighted-average discount rate, finance leases	3.03%
Weighted-average discount rate, operating leases	4.32%

Right-of-use Assets	
Beginning ROU, Net	$ 54,382.04
Additions of ROU Assets	0.00
Less Accumulated Amortization	(31,661.93)
Ending ROU, Net	$ 22,720.11

The maturities of lease liabilities as of June 30, 2025 were as follows:

	Finance	Operating
Year ending June 30,		
2026	$ 696.84	$ 18,320.00
2027	696.84	4,720.00
2028	116.14	0.00
Total lease payments	1,509.82	23,040.00
Less: interest	(46.56)	(550.17)
Present value of lease liabilities	1,463.26	22,489.83
Less: current maturities	(663.41)	(17,794.85)
Long Term Lease Liability	$ 799.85	$ 4,694.98

9. NET ASSETS

Net assets without donor restrictions
At June 30, 2025, all unrestricted net assets are undesignated as to their purpose.

Net assets with donor restrictions
The Organization does not maintain any donor-restricted net assets that are required to be held in perpetuity. All restricted balances at June 30, 2025, are purpose-restricted and are expected to be used in future periods for the specified program activities within the following programs:

Parent Fund Donations	$ 4,025.41
Head Start Donations/Other Revenue	71,639.29
Community Service Donations	94,085.07
DOE Restricted	283.10
Senior Activities Donations	8,936.88
Feeding Hungry	47,996.64
Total Net Assets with Donor Restrictions	$ 226,966.39

10. LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other commitments. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and certain receivables. In addition to financial assets available for general use, the Organization maintains a $150,000.00 revolving line of credit to cover temporary cash flow gaps caused by timing differences in grant reimbursements.

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

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

Cash and Cash Equivalents	$ 521,344.82
Accounts Receivable, Net	265,194.50
Less: Refundable Grant Advances	(18,547.81)
Less: Cash Received with Donor Restrictions	(226,966.39)
Net Liquidity	$ 541,025.12

11. EMPLOYEE BENEFIT PLAN

The Organization maintains an employee benefit plan offering eligible employees a variety of benefit options, including health insurance, dental and vision coverage, a flexible spending plan, and retirement savings plans. The retirement options include both traditional 401(k) and Roth 401(k) plans.

Employees who are 0.75 Full-Time Equivalent (FTE) or greater are eligible to participate in the benefit plans in accordance with plan provisions. The Organization contributes toward employee health insurance premiums to ensure compliance with the affordability standards established under the Affordable Care Act (ACA).

Employer contributions to defined contribution plans and benefit plan costs are recognized as expenses when incurred. The total employee benefits paid for the year ended June 30, 2025 was $252,676.46.

12. COMPENSATED ABSENCES

Vacation and Sick Leave

All regular, full-time employees earn vacation bi-weekly, based on the following schedule:

Service Period	Paid Vacation
0 to 3 years	13 days
3 + years	19.5 days

Part-time employees earn vacation leave on a prorated basis according to the number of hours worked. Vacation leave may be accumulated up to the equivalent of one year's accrual. Unused vacation leave is generally payable to employees upon termination of employment.

All regular full-time and part-time hourly employees earn sick leave at a rate of four hours per 80 hours worked. Regular full-time and part-time exempt employees earn sick leave at a rate of five-hundredths of a day per day worked. Employees may accumulate up to 60 days of sick leave, which is not payable upon separation from employment.

Vacation benefits expected to be paid in subsequent periods are accrued as earned. Sick leave benefits are recognized as expense when incurred.

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

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

In accordance with the above criteria, the Organization has accrued a liability for vacation pay which has been earned, but not taken, by Organization employees. This liability is recorded within accrued expenses in the accompanying statement of financial position. The Organization has not accrued a liability for sick leave earned, but not taken, by Organization employees, in accordance with guidance provided by FASB ASC 710-10-25-7, as the amounts cannot be reasonably estimated at this time.

13. IN-KIND CONTRIBUTIONS

The Organization receives contributions of goods and services from various donors, community partners, and volunteers to support program operations, primarily in connection with the Head Start program's non-Federal match requirement. Contributed services and goods are utilized in program operations, primarily for early childhood education and family support, and were not subject to donor restrictions. In-kind contributions recognized as revenue and the corresponding expense in the statements of activities totaled $1,000,491.36 in 2025.

These amounts consist primarily of:

- Donated facilities: Classroom and office space provided by community partners, valued at estimated fair rental rates for comparable properties, based on independent market data.

- Donated professional services: Specialized volunteer services, such as health screenings, legal consultation, and professional training, valued at the standard hourly rates for such services.

- Donated goods: Educational supplies, food, and other items used in program activities, valued at estimated wholesale cost or fair market value at the date of donation.

The Organization does not record the value of contributed services that do not require specialized skills, such as general volunteer time, in accordance with U.S. generally accepted accounting principles (GAAP). In-kind contributions recognized for the Head Start program are summarized as follows:

	Goods and Services	Occupancy	Travel	Total
Head Start - 24	$ 686,905.07	$ 185,027.00	$ 2,436.65	$ 874,368.72
Head Start - 25	188,745.53	0.00	6,728.09	195,473.62
CSBG - 24	32,856.97	0.00	0.00	32,856.97
CSBG - 25	126,890.40	0.00	0.00	126,890.40
Diaper Bank	475.00	0.00	0.00	475.00
RSVP - 25	15,716.86	7,342.50	0.00	23,059.36
Total In-Kind	1,051,589.83	192,369.50	9,164.74	1,253,124.07
Non-GAAP	(252,632.71)	0.00	0.00	(252,632.71)
Total GAAP In-Kind	$ 798,957.12	$ 192,369.50	$ 9,164.74	$1,000,491.36

14. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Such audits could result in disallowances of expenditures. The ultimate costs of any such disallowances cannot be reasonably determined at this time. However, management believes that any such adjustments, if required, would not have a material effect on the financial statements.

15. CONCENTRATION OF RISK

The Organization receives substantial revenue in the form of Federal and State grants. The loss or material reduction of these programs could have a significant adverse impact on operations.

In addition, a majority of the Organization's receivables are from governmental sources. Management believes this concentration does not expose the Organization to significant credit risk, as substantially all such receivables have historically been collected.

16. RELATED PARTY TRANSACTIONS

The Organization's Board of Directors and management are required to annually disclose potential conflicts of interest. For the year ended June 30, 2025, there were no related-party transactions or arrangements requiring disclosure under ASC 850-10.

17. SUBSEQUENT EVENTS

The Organization evaluated events and transactions occurring subsequent to June 30, 2025 through October 9, 2025, the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no non-recognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska
Combining Schedule of Activities
For the Year Ended June 30, 2025

Program:	Head Start	Head Start	Parent Funds	Head Start Donations	ESG - Homeless	FEMA	Community Services Block Grant	Community Services Block Grant	Community Services Medica/Sandhills Townhomes
Year End:	11/30/2024	11/30/2025	6/30/2025	6/30/2025	6/30/2025	6/30/2025	9/30/2024	9/30/2025	6/30/2025
Assistance Listing #:	93.600/10.558	93.600/10.558	N/A	N/A	14.231	97.024	93.569	93.569	N/A
Functional Basis Category:	Early Childhood	Early Childhood	Early Childhood	Early Childhood	Community Services	Community Services	Community Services	Community Services	Community Services
Support and Revenues									
Contributions									
Federal Grants	$ 1,768,839.98	$ 1,867,534.11	$ -	$ -	$ 30,719.76	$ 24,249.90	$ 96,520.81	$ 156,781.53	$ -
CACFP Grants	25,916.05	46,830.30	-	-	-	-	-	-	-
State Grants	-	-	-	-	93,824.73	-	-	-	-
Local Grants	-	3,500.00	-	-	-	-	-	-	18,710.90
Other Local	-	-	405.20	347.00	-	-	-	-	10,000.00
Non Cash	874,368.72	195,473.62	-	-	-	-	32,856.97	126,890.40	-
Other Revenue	-	-	-	-	-	-	-	-	-
Allocation Revenue	-	-	-	-	-	-	-	-	-
Total Support and Revenues	2,669,124.75	2,113,338.03	405.20	347.00	124,544.49	24,249.90	129,377.78	283,671.93	28,710.90
Expenses									
Salaries & Fringe Benefits	990,137.30	1,248,755.71	-	-	57,252.97	-	44,606.54	81,618.21	1,383.18
Salaries & Fringe Non Cash	672,908.08	186,674.15	-	-	-	-	5,794.80	11,800.54	-
Allocation Cost	31,701.35	49,148.18	-	-	-	-	2,781.56	6,658.32	-
Client Services	14,371.23	18,623.51	71.02	693.30	55,524.56	24,249.90	9,066.31	4,333.52	3,873.86
Computer Expense	21,170.88	46,158.35	-	-	-	-	1,852.41	2,864.18	-
Depreciation Expense	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	5,866.66	2,703.28	-	-	-	-	2,601.11	1,716.24	-
Food	34,478.08	43,296.66	47.90	476.52	-	-	20.92	-	-
Indirect Cost	209,908.63	264,736.18	-	-	12,135.90	-	9,456.57	17,303.07	293.23
Materials	-	-	-	-	-	-	-	-	-
Occupancy Cost	41,546.95	53,331.43	-	-	-	-	14,710.06	28,727.64	-
Occupancy Cost - Non Cash	185,027.00	-	-	-	-	-	-	-	-
Office Cost	5,659.82	5,138.94	-	529.64	-	-	769.76	5,169.70	-
Other Expense	5,322.45	2,789.58	-	-	-	-	889.41	2,080.91	-
Printing and Publications	4,201.99	1,604.28	-	-	-	-	58.50	210.60	42.03
Professional Services	29,372.00	45,100.27	-	-	-	-	-	-	-
Repairs and Maintenance	93,641.61	55,487.77	-	-	-	-	1,083.14	3,205.68	-
Small Equipment	90,803.64	-	-	-	-	-	-	-	-
Supplies	148,325.64	46,330.72	1,250.34	627.77	-	-	-	-	-
Supplies - Non Cash	13,996.99	2,071.38	-	-	-	-	27,062.17	115,089.86	-
Training	56,257.76	23,620.00	-	-	-	-	5,649.83	894.00	-
Travel	11,990.04	8,539.55	-	50.00	-	-	2,974.69	1,630.52	-
Travel Non Cash	2,436.65	6,728.09	-	-	-	-	-	-	-
Transfers To/From	-	-	-	-	(368.94)	-	-	368.94	-
Total Expenses	2,669,124.75	2,110,838.03	1,369.26	2,377.23	124,544.49	24,249.90	129,377.78	283,671.93	5,592.30
Change in Net Assets	-	2,500.00	(964.06)	(2,030.23)	-	-	-	-	23,118.60
Ending Net Assets	-	-	4,989.47	73,669.52	-	-	-	-	-
Ending Net Assets	$ -	$ 2,500.00	$ 4,025.41	$ 71,639.29	$ -	$ -	$ -	$ -	$ 23,118.60

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Combining Schedule of Activities

For the Year Ended June 30, 2025

Program:	GED/Snow Redfern/NCFF	Community Service Donations	Diaper Bank/CSBG Ins.	Feeding Hungry	Senior Activities	Retired Senior Volunteer Program	BIL - DOE	DOE	LiHEAP
Year End:	6/30/2025	6/30/2025	6/30/2025	6/30/2025	6/30/2025	6/30/2025	6/30/2027	6/30/2025	6/30/2025
Assistance Listing #:	N/A	N/A	N/A	N/A	N/A	94.002	81.042	81.042	93.568
Functional Basis Category:	Community Services	Community Services	Community Services	Community Services	Senior Services	Senior Services	Weatherization	Weatherization	Weatherization
Support and Revenues									
Contributions									
Federal Grants	$ -	$ -	$ -	$ -	$ -	$ 60,606.86	$ 117,277.11	$ 332,182.18	$ 528,889.65
CACFP Grants	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-
Local Grants	6,228.68	-	-	-	-	12,350.00	-	-	-
Other Local	-	6,225.05	500.00	-	2,674.79	11,266.54	-	-	-
Non Cash	-	-	475.00	-	-	23,059.36	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
Allocation Revenue	-	-	-	-	-	-	-	-	-
Total Support and Revenues	6,228.68	6,225.05	975.00	-	2,674.79	107,282.76	117,277.11	332,182.18	528,889.65
Expenses									
Salaries & Fringe Benefits	-	-	-	-	11,219.98	64,452.10	31,759.61	170,431.88	237,114.72
Salaries & Fringe Non Cash	-	-	-	-	-	-	-	-	-
Allocation Cost	-	-	-	-	1,250.60	8,047.00	2,499.09	1,829.96	2,484.25
Client Services	864.06	5,052.14	-	-	425.00	-	-	-	-
Computer Expense	-	-	-	-	278.96	596.34	486.53	1,983.40	840.07
Depreciation Expense	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	30.50	-	503.10	814.86	415.00
Food	-	-	-	-	-	5.14	12.86	5.14	-
Indirect Cost	-	-	-	-	2,378.64	13,663.88	6,733.05	36,131.70	50,268.55
Materials	-	-	-	-	-	-	6,770.05	60,984.05	179,582.07
Occupancy Cost	-	516.45	-	-	282.63	1,559.00	11,817.38	13,171.38	8,586.43
Occupancy Cost - Non Cash	-	-	-	-	-	7,342.50	-	-	-
Office Cost	-	192.99	-	-	793.03	1,362.44	696.42	4,380.54	2,039.15
Other Expense	-	26.29	-	-	1,114.78	5,183.95	1,620.49	1,832.46	764.23
Printing and Publications	-	-	-	-	-	45.60	1,012.68	1,624.71	1,144.46
Professional Services	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	1.73	-	(3,393.99)	3,897.88	980.23
Small Equipment	-	-	-	-	-	-	53,486.17	21,134.62	3,864.30
Supplies	4,976.58	-	288.10	-	-	48.84	2,581.40	7,137.03	3,245.35
Supplies - Non Cash	-	-	475.00	-	-	15,716.86	-	-	-
Training	-	-	-	-	20.57	23.09	2,283.80	258.21	1,277.20
Travel	-	75.60	-	-	52.55	818.93	(1,591.53)	6,564.36	38,163.74
Travel Non Cash	-	-	-	-	-	-	-	-	-
Transfers To/From	-	-	-	-	11,594.86	(11,582.91)	-	-	(1,880.10)
Total Expenses	5,840.64	5,863.47	763.10	-	29,443.83	107,282.76	117,277.11	332,182.18	528,889.65
Change in Net Assets	388.04	361.58	211.90	-	(26,769.04)	-	-	-	-
Ending Net Assets	(1,193.90)	93,723.49	(361.95)	47,996.64	35,705.92	-	-	-	-
Ending Net Assets	$ (805.86)	$ 94,085.07	$ (150.05)	$ 47,996.64	$ 8,936.88	$ -	$ -	$ -	$ -

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Combining Schedule of Activities

For the Year Ended June 30, 2025

Program:	DOE -Misc	Management & General	Indirect Cost Pool	Northwest Improvements	Sub-Total Organization Wide	Elimination Entries	Total Organization Wide
Year End:	6/30/2025	6/30/2025	6/30/2025	6/30/2025			
Assistance Listing #:	N/A	93.747	N/A	N/A			
Functional Basis Category:	Weatherization	Support Services	Support Services	Support Services			
Support and Revenues							
Contributions							
Federal Grants	$ -	$ -	$ -	$ -	$ 4,983,601.89	$ -	$ 4,983,601.89
CACFP Grants	-	-	-	-	72,746.35	-	72,746.35
State Grants	-	-	-	-	93,824.73	-	93,824.73
Local Grants	-	-	-	-	40,789.58	-	40,789.58
Other Local	-	233,863.24	-	100.00	265,381.82	(214,097.01)	51,284.81
Non Cash	-	-	-	-	1,253,124.07	(252,632.71)	1,000,491.36
Other Revenue	-	3,839.06	-	-	3,839.06	-	3,839.06
Allocation Revenue	-	6,382.61	624,518.52	-	630,901.13	(630,901.13)	-
Total Support and Revenues	-	244,084.91	624,518.52	100.00	7,344,208.63	(1,097,630.85)	6,246,577.78
Expenses							
Salaries & Fringe Benefits	-	7,356.84	491,194.98	0.29	3,437,284.31	-	3,437,284.31
Salaries & Fringe Non Cash	-	-	-	-	877,177.57	(252,632.71)	624,544.86
Allocation Cost	-	(106,517.10)	116.79	-	-	-	-
Client Services	-	7,765.67	-	-	144,914.08	-	144,914.08
Computer Expense	-	854.04	64,114.47	-	141,199.63	-	141,199.63
Depreciation Expense	-	138,920.72	-	-	138,920.72	-	138,920.72
Dues and Subscriptions	-	104.72	994.91	-	15,750.38	-	15,750.38
Food	-	473.35	15.43	-	78,832.00	-	78,832.00
Indirect Cost	-	1,349.95	159.11	0.06	624,518.52	(624,518.52)	-
Materials	-	-	-	-	247,336.17	-	247,336.17
Occupancy Cost	-	83,978.93	13,983.11	-	272,211.39	(6,382.61)	265,828.78
Occupancy Cost - Non Cash	-	-	-	-	192,369.50	-	192,369.50
Office Cost	-	855.14	5,193.48	-	32,781.05	-	32,781.05
Other Expense	-	4,618.27	1,640.21	77.85	27,960.88	-	27,960.88
Printing and Publications	-	4,173.93	2,592.38	-	16,711.16	-	16,711.16
Professional Services	-	-	20,438.00	-	94,910.27	-	94,910.27
Repairs and Maintenance	-	35,719.35	3,421.15	-	194,044.55	(60,760.14)	133,284.41
Small Equipment	-	10,460.84	-	-	179,749.57	(153,336.87)	26,412.70
Supplies	-	2,879.61	1,567.80	-	219,259.18	-	219,259.18
Supplies - Non Cash	-	-	-	-	174,412.26	-	174,412.26
Training	-	-	1,627.16	-	91,911.62	-	91,911.62
Travel	-	13.30	632.79	-	69,914.54	-	69,914.54
Travel Non Cash	-	-	-	-	9,164.74	-	9,164.74
Transfers To/From	-	-		1,868.15	-	-	-
Total Expenses	-	193,007.56	607,691.77	1,946.35	7,281,334.09	(1,097,630.85)	6,183,703.24
Change in Net Assets	-	51,077.35	16,826.75	(1,846.35)	62,874.54	-	62,874.54
Ending Net Assets	283.10	1,201,524.50	34,834.77	(3,322.21)	1,487,849.35	-	1,487,849.35
Ending Net Assets	$ 283.10	$ 1,252,601.85	$ 51,661.52	$ (5,168.56)	$ 1,550,723.89	$ -	$ 1,550,723.89

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Assistance Listing #	Provided to Subrecipients	Federal Expenditures
U.S. Department of Homeland Security				
Direct Programs:				
Emergency Food and Shelter National Board Program	N/A	97.024	$ -	$ 8,362.14
COVID19 - Emergency Food and Shelter National Board Program	N/A	97.024	-	15,887.76
		Total 97.024	-	24,249.90
Total U.S. Department of Homeland Security			-	24,249.90
Corporation for National and Community Service				
Direct Programs:				
Retired and Senior Volunteer Program - 2025	N/A	94.002	-	60,606.86
Total Corporation for National and Community Service			-	60,606.86
U.S. Department of Health and Human Services				
Direct Programs:				
Head Start Cluster:				
Head Start	N/A	93.600	-	3,636,374.09
Passed-through:				
State of Nebraska Department of Health and Human Services				
Community Services Block Grant - 2024	2301NECOSR	93.569	-	96,520.81
Community Services Block Grant - 2025	2401NECOSR	93.569	-	156,781.53
		TOTAL 93.569	-	253,302.34
Nebraska Energy Office				
Low Income Home Energy Assistance Program	24/25-006 L	93.568	-	528,889.65
Total U.S. Department of Health and Human Services			-	4,418,566.08

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Assistance Listing #	Provided to Subrecipients	Federal Expenditures
U.S. Department of Energy				
Passed-through:				
Nebraska Energy Office				
Weatherization Assistance Program	24/25-006 D	81.042	$ -	$ 332,182.18
COVID19- Weatherization Assistance Program - BIL	22/26-06 B	81.042	-	117,277.11
		TOTAL 81.042	-	449,459.29
Total U.S. Department of Energy			-	449,459.29
U.S. Department of Agriculture				
Passed-through:				
State of Nebraska Department of Education				
Child and Adult Care Food Program	24-1000	10.558	-	72,746.35
Total U.S. Department of Agriculture			-	72,746.35
U.S. Department of Housing and Urban Development				
Passed-through:				
Nebraska Department of Health and Human Services				
Emergency Shelter Grants	E-23-DC-31-0001	14.231	-	30,719.76
Total U.S. Department of Housing and Urban Development			-	30,719.76
Total Expenditures of Federal Awards			$ -	$ 5,056,348.24

NOTE A -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Northwest Community Action Partnership and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

NOTE B -- INDIRECT COST RATE

Northwest Community Action Partnership did not elect to use the de minimis cost rate, the Organization does have a negotiated indirect cost rate agreement (NICRA)

NOTE C -- PROVIDED TO SUBRECIPIENTS

Northwest Community Action Partnership did not provide any funds to subrecipients during the year ended June 30, 2025.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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*

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northwest Community Action Partnership
Chadron, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Northwest Community Action Partnership (the Organization), as of and for the year ended June 30, 2025 and the related notes to the financial statements, and have issued our report thereon dated October 9, 2025.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
October 9, 2025

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northwest Community Action Partnership
Chadron, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northwest Community Action Partnership'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 Northwest Community Action Partnership's major federal programs for the year ended June 30, 2025. Northwest Community Action Partnership'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, Northwest Community Action Partnership complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Northwest Community Action Partnership 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 Northwest Community Action Partnership'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 Northwest Community Action Partnership'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 Northwest Community Action Partnership'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 GAAS, *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 Northwest Community Action Partnership's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Northwest Community Action Partnership'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 Northwest Community Action Partnership'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 Northwest Community Action Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of This Report

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

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
October 9, 2025

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:
The auditor's report expresses an unmodified opinion on the financial statements of Northwest Community Action Partnership.

Internal Control over Financial Reporting:

Material weakness(es) identified?	___	Yes	X	No
Significant deficiency(ies) identified?	___	Yes	X	None Reported
Non compliance or other matters required to be reported under *Government Auditing Standards*	___	Yes	X	No

Federal Awards:
Internal control over major programs:

Material weakness(es) identified?	___	Yes	X	No
Significant deficiency(ies) identified?	___	Yes	X	None Reported

The auditor's report on compliance for the major federal award programs for Northwest Community Action Partnership expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___	Yes	X	No

Identification of major programs:

U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES

Head Start Cluster	Assistance Listing # 93.600
Community Services Block Grant	Assistance Listing # 93.569

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

Auditee qualified as a low risk auditee?	X	Yes	___	No

II. FINANCIAL STATEMENT FINDINGS

NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2025

NONE