

**NORTHWEST COMMUNITY
ACTION PARTNERSHIP**
Chadron, Nebraska

Independent Auditors' Report and
Financial Statements with
Supplementary Information

For the Year Ended
June 30, 2016

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Northwest Community Action Partnership
Chadron, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of Northwest Community Action Partnership (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northwest Community Action Partnership as of June 30, 2016, 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.

Other Matters

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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The combining schedule of activities (presented on pages 14-17) is prepared for 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 as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2016, on our consideration of Northwest Community Action Partnership'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 Northwest Community Action Partnership's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
October 12, 2016

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Statement of Financial Position

June 30, 2016

ASSETS

Current Assets	
Cash and Cash Equivalents	\$ 333,151.34
Grants and Contracts Receivable	146,673.78
Inventory	35,068.04
Prepaid Expenses	22,730.84
	<hr/>
Total Current Assets	537,624.00
	<hr/>
Capital Assets, net	714,958.89
Deposits	1,446.80
	<hr/>
TOTAL ASSETS	\$ 1,254,029.69
	<hr/> <hr/>

LIABILITIES AND NET ASSETS

Liabilities	
Current Liabilities	
Accounts Payable	\$ 61,150.59
Accrued Paid Time Off	53,465.61
Accrued Employee Withholdings	33,983.28
Accrued Payroll Taxes	8,168.99
Use Tax Payable	625.77
Refundable Grant Advances	41,479.96
Lease Deposits	250.00
	<hr/>
Total Current Liabilities	199,124.20
	<hr/>
TOTAL LIABILITIES	199,124.20
	<hr/>
Net Assets	
Temporarily Restricted Net Assets	142,455.58
Unrestricted Net Assets	912,449.91
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Total Net Assets	1,054,905.49
	<hr/>
TOTAL LIABILITIES AND NET ASSETS	\$ 1,254,029.69
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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, 2016

CHANGES IN NET ASSETS

Unrestricted Net Assets	
Support and Revenues	
Contributions	\$ 4,040,589.90
Other Revenue	27,488.03
Rent Revenue	3,300.00
Total Support and Revenues	<u>4,071,377.93</u>
Expenses	
Program Services	
Early Childhood	2,463,992.73
Community Services	364,204.93
Transportation Services	31,766.49
Senior Services	226,966.64
Weatherization	527,893.53
Supporting Activities	
Management and General	497,298.70
Fundraising	20,106.39
Total Expenses	<u>4,132,229.41</u>
Net Assets Released From Restrictions	
through Satisfaction of Program Restrictions	<u>9,810.16</u>
Increase (Decrease) in Unrestricted Net Assets	(51,041.32)
Temporarily Restricted Net Assets	
Contributions	7,574.79
Other Revenue	898.50
Net Assets Released From Restrictions	
Through Satisfaction of Program Restrictions	<u>(9,810.16)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>(1,336.87)</u>
Increase (Decrease) in Net Assets	(52,378.19)
Net Assets at Beginning of the Year	<u>1,107,283.68</u>
Net Assets at End of the Year	<u>\$ 1,054,905.49</u>

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, 2016

	Program Services						Supporting Activities			Total
	Early Childhood	Community Services	Transportation Services	Senior Services	Weatherization	Program Services	Total Program Services	Management and General	Fundraising	
Salaries and Fringe Benefits	\$ 1,775,785.17	\$ 145,246.42	\$ 24,873.91	\$ 73,434.34	\$ 251,423.16	\$ 2,270,763.00	\$ 2,270,763.00	\$ 319,616.95	\$ 19,050.21	\$ 2,609,430.16
Client Services	13,146.17	45,502.92	-	50,515.54	-	109,164.63	109,164.63	-	-	109,164.63
Computer Expense	1,334.08	7,189.13	-	-	-	8,523.21	8,523.21	9,033.39	-	17,556.60
Depreciation Expense	104,110.01	15.00	-	46.00	15,329.00	119,500.01	119,500.01	14,737.63	-	134,237.64
Dues and Subscriptions	18,263.38	3,289.58	95.50	1,201.08	247.00	23,096.54	23,096.54	1,110.58	-	24,207.12
Food	59,869.50	301.04	-	-	-	60,170.54	60,170.54	259.39	-	60,429.93
Interest Expense	-	-	-	-	-	-	-	120.09	-	120.09
Materials	-	-	-	-	168,585.77	168,585.77	168,585.77	3,346.72	-	171,932.49
Occupancy Cost	255,854.01	20,413.46	2,440.19	11,888.30	17,867.34	308,463.30	308,463.30	95,376.02	91.18	403,930.50
Office Cost	29,375.13	2,598.79	4.48	3,711.22	3,364.36	39,053.98	39,053.98	4,668.80	-	43,722.78
Other Expense	1,570.47	5,353.62	-	13,419.38	1,060.06	21,403.53	21,403.53	10,706.76	645.00	32,755.29
Printing and Publications	8,754.20	979.40	53.24	1,142.55	-	10,929.39	10,929.39	2,038.88	-	12,968.27
Professional Services	35,987.86	640.37	-	1,306.61	3,429.06	41,363.90	41,363.90	17,296.36	-	58,660.26
Repairs and Maintenance	31,802.64	3,585.10	2,105.81	893.61	(1,365.76)	37,021.40	37,021.40	2,893.52	-	39,914.92
Small Equipment	2,607.85	10,453.61	-	224.78	6,016.58	19,302.82	19,302.82	645.66	-	19,948.48
Supplies	47,536.06	102,114.16	42.15	58,918.43	10,540.93	219,151.73	219,151.73	9,245.47	320.00	228,717.20
Training	61,772.48	10,579.11	90.00	3,721.04	24,169.86	100,332.49	100,332.49	3,166.00	-	103,498.49
Travel	16,223.72	5,943.22	2,061.21	6,543.76	27,226.17	57,998.08	57,998.08	3,036.48	-	61,034.56
Total Expenses	\$ 2,463,992.73	\$ 364,204.93	\$ 31,766.49	\$ 226,966.64	\$ 527,893.53	\$ 3,614,824.32	\$ 3,614,824.32	\$ 497,298.70	\$ 20,106.39	\$ 4,132,229.41

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, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$	(52,378.19)
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation Expense		134,237.64
(Gain) Loss on the Disposal of Assets		(1,704.19)
(Increase) Decrease in Grants and Contracts Receivable		87,649.82
(Increase) Decrease in Prepaid Expense		39,323.42
(Increase) Decrease in Inventory		(13,238.90)
Increase (Decrease) in Accounts Payable		(27,157.22)
Increase (Decrease) in Refundable Grant Advances		34,842.15
Increase (Decrease) in Accrued Paid Time Off		1,976.75
Increase (Decrease) in Other Accrued Expenses		11,148.73

Net Cash Provided by (Used in) Operating Activities 214,700.01

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for Purchase of Capital Assets		(35,339.00)
Cash Received from the Sale of Capital Assets		7,974.99

Net Cash Provided by (Used in) Investing Activities (27,364.01)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Line of Credit		79,518.54
Principal Payments on Line of Credit		(79,518.54)

Net Cash Provided by (Used in) Financing Activities -

Net Increase (Decrease) in Cash and Cash Equivalents 187,336.00

Cash and Cash Equivalents, Beginning of the Year 145,815.34

Cash and Cash Equivalents, End of the Year \$ 333,151.34

Supplemental Information

Cash Paid During the Period for:

Interest Expense	\$	120.09
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The accompanying notes are an integral part of the financial statements.

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Notes to the Financial Statements

June 30, 2016

1. NATURE OF ACTIVITIES

Northwest Community Action Partnership (the "Organization") is a nonprofit Community Action Agency and organized exclusively for charitable purposes. Such purposes are to improve the quality of life and the economic self-sufficiency of people with low incomes and other eligible people in Box Butte, Cherry, Dawes, Sheridan, and Sioux, counties, by providing services, support, and opportunities. In addition we provide weatherization services to these following counties Banner, Cheyenne, Deuel, Garden, Kimball, Morrill, and Scotts Bluff.

The Organization provides services, assistance, and activities to aid those of low income by enlarging employment opportunities, by improving human performance, motivation, and productivity, and by bettering the conditions in which people live, learn, and work. The Organization administers the following major sources of revenue to meet the needs of the area it serves: Low-Income Home Energy Assistance Programs, Community Services Block Grant Programs, Head Start Programs, Weatherization Assistance for Low Income Persons Programs, Retired and Senior Volunteer Programs, Foster Grandparent Programs, and others. Expenses are broken down by program services. The following is a description of the program services:

Early Childhood Development – Services are provided to children from birth to age 5 and pregnant families which are low income. The program strives to strengthen families and their children through comprehensive child development plans.

Community Services – Low income clients are provided assistance with homeless prevention, education, health insurance, employment, family development, food pantry and mobile food distributions.

Weatherization Services – Services are provided to income eligible families, while helping people, changing lives, and engaging communities to alleviate poverty.

Senior Services – Program provides volunteer opportunities for seniors to support their community.

Transportation Services – Community based transportation system designed to meet the needs of residents who do not have regular access to transportation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's program policy is to prepare its financial statements on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Assets are recorded at cost when acquired, or in the case of gifts, at fair value at the date of the gift. Investments are valued at fair value for financial statement presentation.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid instruments with a maturity of three months or less when acquired.

Inventory

Inventory consists of weatherization materials held for use in the weatherization program and are valued at lower of cost or fair value, using the first-in, first-out method (FIFO).

Allowance for Doubtful Accounts

Grant and contract receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on receivables using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of others to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Capital Assets

It is the Organization's policy to capitalize costs with a useful life of more than one year and a value over \$5,000.00. Capital assets are stated at cost, if purchased, and at fair value at the date of donation, if donated. Such items acquired under grants from Federal and state sources are considered to be owned by the Organization while used in the programs for which they are purchased or in programs authorized in the future. However, the funding source has a revisionary interest in the property. The Organization has \$579,492.69 net book value, of property in which the funding sources have a revisionary interest. Capital assets purchased or donated to the Organization are depreciated based on estimated useful lives using the straight-line method as follows:

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

Net Assets

The Organization's net assets are classified as follows:

Permanently restricted net assets: Permanently restricted net assets consist of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Temporarily restricted net assets: Temporarily restricted net assets consist of those net assets whose use by the Organization has been limited by donors to later periods of time or after specified dates or to specified purposes.

Unrestricted net assets: Unrestricted net assets represent those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transaction are included as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board to meet current expenses for any purpose.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Goods/Services

The Organization receives donated goods and services as part of its Head Start and other various programs. In-kind contributions are shown both as support and expenditures in these programs, and are recorded at the fair value of the goods or services at the time of donation. Amounts included are only those allowable under generally accepted accounting principles.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the donor restrictions. If a restriction is satisfied in the same period the contribution is received, the contribution is reported as unrestricted.

Income Taxes

The Organization is exempt from Federal income taxes under IRS Code Section 501(c)3. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization had no promises to give at June 30, 2016.

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.

3. CONCENTRATION OF CREDIT RISK

At year-end, the carrying amount of the Organization's deposits was \$332,965.36. The bank balance was held at one bank resulting in a concentration of credit risk. The bank balance was \$347,001.80. Of the bank balance \$250,000.00 was covered by FDIC insurance and the balance of \$97,001.80 was unsecured at year end.

4. GRANT AND CONTRACTS RECEIVABLE, NET

Grant and contracts receivables at June 30, 2016, consisted of amounts due as follows:

Head Start Program	\$	30,697.65
Early Head Start Program		42,787.78
Transportation Program - Federal		6,355.00
Transportation Program – State		2,207.00
Navigator CAN		5,422.82
Retired and Senior Volunteer Services		1,961.45
Weatherization Assistance Program - Federal		53,954.72
Child and Adult Food Program		1,002.61
Other Receivables		<u>2,284.75</u>
	\$	<u>146,673.78</u>

All receivables at June 30, 2016, are considered collectible. Accordingly, the allowance for uncollectibility is zero.

5. INVENTORY

Inventory consisted of the following at June 30, 2016:

Weatherization Materials on Hand	\$	18,352.40
Weatherization Work in Progress		<u>16,715.64</u>
Total Inventory	\$	<u>35,068.04</u>

6. CAPITAL ASSETS, NET

Following are the changes in capital assets for the year ended June 30, 2016:

	Balance 6/30/2015	Additions	Retirements	Balance 6/30/2016
Capital Assets				
Land	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00
Buildings	629,575.00	-	-	629,575.00
Capital Improvements	654,057.81	35,339.00		689,396.81
Equipment	78,067.61			78,067.61
Vehicles	1,007,467.39		(101,434.00)	906,033.39
Total Capital Assets	<u>2,469,167.81</u>	<u>35,339.00</u>	<u>(101,434.00)</u>	<u>2,403,072.81</u>
Accumulated Depreciation				
Buildings	\$ (345,858.75)	\$ (31,478.75)		\$ (377,337.50)
Capital Improvements	(407,204.95)	(51,712.48)		(458,917.43)
Equipment	(60,526.10)	(44,999.41)		(105,525.51)
Vehicles	(835,449.68)	(6,047.00)	(95,163.20)	(746,333.48)
Total Accumulated Depreciation	<u>(1,649,039.48)</u>	<u>(134,237.64)</u>	<u>(95,163.20)</u>	<u>(1,688,113.92)</u>
Total Net Capital Assets	<u>\$ 820,128.33</u>	<u>\$ (98,898.64)</u>	<u>\$ (196,597.20)</u>	<u>\$ 714,958.89</u>

7. LINE OF CREDIT

The Organization has obtained one unsecured line of credit from Security First Bank in the amount of \$150,075.00. The purpose of the line of credit is to provide adequate cash flow for the Organization. The interest rate is 5.0% and renewable annually. The Organization paid \$120.09 in interest for the year ending June 30, 2016. The balance as of June 30, 2016, was \$0.00.

8. OPERATING LEASES

As of June 30, 2016 the Organization has entered into a number of operating leases for space, and a postage machine. Total payments for the year ended June 30, 2016 was \$31,170.40. Under the current lease agreements, the future minimum lease rentals are as follows:

2017	\$ 636.00
2018	636.00
2019	159.00

9. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets restricted to use by program are as follows:

Temporarily Restricted Net Assets:	
Parent Fund Donations	\$ 1,650.41
Head Start Donations/Other Revenue	31,376.52
Community Service	28,298.09
DOE Restricted	207.53
Senior Activities Donations	32,926.39
Feeding Hungry	<u>47,996.64</u>
Total Temporarily Restricted Net Assets	<u>\$ 142,455.58</u>

10. EMPLOYEE BENEFIT PLAN

The Organization maintains an employee benefit plan that provides the employees the choice of several benefits options. The options include Health Insurance, 403(b) and Roth Retirement, Vision, Dental, Life, Disability, AFLAC and a cafeteria plan. The plans are available to all employees .75 Full Time Equivalent (FTE) and above. The regular monthly benefit is \$375.00 per employee. Additional benefits for health insurance are paid where necessary to maintain the 9.66% ACA limit. The total employee benefits paid for the year ended June 30, 2016, was \$177,182.56.

11. COMPENSATED ABSENCES

Vacation Leave

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

<u>Service Period</u>	<u>Paid Vacation</u>
0 to 3 years	13 days
3 + years	20 days

11. COMPENSATED ABSENCES (Continued)

Part time employees earn vacation based on the previous schedule on a prorated basis, based on the number of hours worked.

Accumulation is limited to the days the employee is eligible to earn in one year.

Sick Leave

All regular full/part time hourly employees earn sick leave at a rate of 4 hours per 80 hours worked. Regular full/part time exempt employees earn sick leave at a rate of five-hundredth of a day per day worked. A total of not more than 60 days of sick leave may be carried over from one calendar year to the next. Sick leave is lost upon separation from the Organization.

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. 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.

12. IN-KIND CONTRIBUTIONS

Under the grant agreements, the Organization (grantee) receives a percentage of total estimated project funds from the Federal government. The balance of the project funds is contributed to the Organization from non-Federal sources in the form of "in-kind" contributions of services, materials or property from the Organization, delegated agencies, the community, or non-Federal governmental organizations. The services and goods donated are valued according to the grant guidelines. In-kind revenues and in-kind expenses that are allowable under generally accepted accounting principles (GAAP) have been recognized in the financial statements.

	<u>Services</u>	<u>Space</u>	<u>Goods and Travel</u>	<u>Total</u>
Head Start-15	\$ 491,859.82	\$ 178,273.50	\$ 5,415.95	\$ 675,549.27
Head Start-16	162,855.66	--	6,074.72	168,930.38
CSBG - 15	7,900.26	--	64,772.01	72,672.27
CSBG - 16	5,616.43	--	19,718.42	25,334.85
RSVP - 16	510.60	8,927.94	28,303.97	37,742.51
FGP - 16	44.60	--	27,420.77	27,465.37
Total In-Kind	<u>668,787.37</u>	<u>187,201.44</u>	<u>151,705.84</u>	<u>1,007,694.65</u>
Non-GAAP	<u>(258,925.67)</u>	<u>--</u>	<u>--</u>	<u>(258,925.67)</u>
Total GAAP In-Kind	<u>\$ 409,861.70</u>	<u>\$ 187,201.44</u>	<u>\$ 151,705.84</u>	<u>\$ 748,768.98</u>

13. LEASE INCOME

As of June 30, 2016 the Organization has entered into an operating leases for agency owned office space. Total revenue for the year ended June 30, 2016 was \$3,300.00. Under the current lease agreements all leases are on a month to month lease basis with no future minimum lease income.

14. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

15. CONCENTRATION OF RISK

Most of the Organization's revenues are in the form of grants from federal and state sources to serve specified geographical areas defined within the various grants. The Organization's ability to continue operations, if the grant programs were lost or canceled, is dependant upon the Organization's ability to generate unrestricted funds.

16. SUBSEQUENT EVENTS

The Organization evaluated events and transactions occurring subsequent to June 30, 2016 through October 12, 2016, the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Combining Schedule of Activities

For the Year Ended June 30, 2016

Program:	Head Start	Head Start	Parent Funds	Head Start Temp. Restricted	Scrap Tire Grant	Car Seat Training	FEMA 15	Community Services Block Grant	Community Services Block Grant	Community Services United Way
Year End:	11/30/2015	11/30/2016	6/30/2016	6/30/2016	6/30/2016	8/31/2015	11/30/2015	9/30/2015	9/30/2017	6/30/2016
CFDA Number:	93.600/10.558	93.600/10.558	N/A	N/A	N/A	93.994	97.024	93.569	93.569	N/A
Functional Basis Category:	Early Childhood	Early Childhood	Early Childhood	Early Childhood	Early Childhood	Early Childhood	Community Services	Community Services	Community Services	Community Services
Support and Revenues										
Contributions										
Federal Grants	\$ 911,002.44	\$ 1,167,607.91	\$ -	\$ -	\$ -	\$ 3,200.54	\$ 31,360.69	\$ 136,825.26	\$ 95,784.37	\$ -
CACFP Grants	30,888.62	53,375.52	-	-	-	-	-	-	-	-
State Grants	-	-	-	1,917.24	6,390.00	-	-	-	-	-
Local Grants	-	-	-	-	-	-	-	-	-	-
Other Local	-	-	430.14	513.00	-	-	-	-	-	3,500.00
Non Cash	675,549.27	168,930.38	-	-	-	-	-	25,334.85	72,672.27	-
Other Revenue	-	-	-	873.50	-	-	-	-	-	-
Rent Income	1,800.00	-	-	-	-	-	-	-	-	-
Allocation Revenue	-	-	-	-	-	-	-	-	-	-
Total Support and Revenues	1,619,240.33	1,389,913.81	430.14	3,303.74	6,390.00	3,200.54	31,360.69	162,160.11	168,456.64	3,500.00
Expenses										
Salaries & Fringe Benefits	553,410.97	807,891.63	-	1,055.94	3,654.13	-	-	61,444.00	34,341.60	3,102.90
Salaries & Fringe Non Cash	491,859.82	162,855.66	-	-	-	-	-	5,616.43	7,900.26	-
Allocation Cost	25,700.57	36,561.31	-	-	-	-	-	8,608.54	3,890.90	-
Client Services	5,881.72	6,624.45	480.00	160.00	-	-	31,160.35	981.92	605.75	-
Computer Expense	-	1,334.08	-	-	-	-	-	3,191.49	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	15,520.14	2,704.64	-	38.60	-	-	-	2,981.04	308.54	-
Food	26,505.56	33,222.22	117.03	24.69	-	-	-	48.24	26.44	-
Indirect Cost	130,051.40	189,854.70	-	248.14	858.72	-	-	14,439.34	8,070.27	729.18
Interest Expense	-	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	-
Occupancy Cost	36,544.59	46,842.43	-	-	73.25	-	-	12,790.74	7,863.80	-
Occupancy Cost - Non Cash	178,273.50	-	-	-	-	-	-	-	-	-
Office Cost	19,292.46	10,082.67	-	-	-	-	19.60	1,274.31	1,275.09	-
Other Expense	762.41	782.06	-	26.00	-	-	77.01	2,909.02	2,355.59	-
Printing and Publications	4,991.55	2,895.73	-	-	866.92	-	103.73	604.77	270.90	-
Professional Services	16,362.37	19,036.84	-	167.00	421.65	-	-	344.00	296.37	-
Repairs and Maintenance	48,995.36	10,896.28	-	-	-	-	-	(291.03)	3,876.13	-
Small Equipment	2,607.85	-	-	-	-	-	-	7,286.63	-	-
Supplies	13,882.24	19,846.36	341.38	253.89	25.35	3,367.95	-	5,417.44	1,848.48	-
Supplies - Non Cash	4,694.56	5,124.33	-	-	-	-	-	19,718.42	64,772.01	-
Training	37,638.21	24,134.27	-	-	-	-	-	4,546.81	6,032.30	-
Travel	6,033.64	8,273.76	-	362.92	-	-	-	3,905.02	1,280.78	-
Travel Non Cash	721.39	950.39	-	-	-	-	-	-	-	-
Transfers To/From	(489.98)	-	-	-	489.98	(167.41)	-	6,342.98	23,441.43	(332.08)
Total Expenses	1,619,240.33	1,389,913.81	938.41	2,337.18	6,390.00	3,200.54	31,360.69	162,160.11	168,456.64	3,500.00
Change in Net Assets	-	-	(508.27)	966.56	-	-	-	-	-	-
Beginning Net Assets	-	-	2,158.68	30,409.96	-	-	-	-	-	-
Ending Net Assets	-	-	1,650.41	31,376.52	-	-	-	-	-	-

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Combining Schedule of Activities
For the Year Ended June 30, 2016

Program: Year End: CFDA Number:	GED/Rescare MOU's 6/30/2016 N/A	LJHEAP-Box Fans 9/30/2015 93.568	Community Service Donations 6/30/2016 N/A	CSBG Insurance 6/30/2016 N/A	Navigator 9/15/2015 93.332	Navigator 9/1/2016 93.332	Community Reinvestment 6/30/2016 N/A	Feeding Hungry 6/30/2016 N/A	Transportation 6/30/2016 20.509	Senior Activities 6/30/2016 N/A
Functional Basis Category:										
Support and Revenues										
Contributions										
Federal Grants	\$ -	\$ 1,578.03	\$ -	\$ -	\$ 13,757.58	\$ 42,716.75	\$ -	\$ -	\$ 20,762.00	\$ -
CACFP Grants	-	-	-	-	-	-	-	-	-	-
State Grants	4,728.60	-	-	-	-	-	-	-	7,966.00	-
Local Grants	8,004.82	-	803.00	-	-	-	-	-	-	-
Other Local	-	-	3,805.14	-	-	-	-	-	-	-
Non Cash	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	1,114.00	25.00
Rent Income	-	-	-	-	-	-	-	-	-	-
Allocation Revenue	-	-	-	-	-	-	-	-	-	-
Total Support and Revenues	12,733.42	1,578.03	4,608.14	-	13,757.58	42,716.75	-	-	37,820.00	131.27
Expenses										
Salaries & Fringe Benefits	14,121.71	-	-	-	2,247.70	29,984.49	-	4.02	24,873.91	-
Salaries & Fringe Non Cash	-	-	-	-	-	-	-	-	-	-
Allocation Cost	-	-	-	-	-	1.03	-	-	-	-
Client Services	-	-	4,931.92	68.75	-	-	7,754.23	-	-	975.00
Computer Expense	-	-	-	-	3,997.64	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	-	-	-	-	-	-	-	-	95.50	-
Food	-	-	226.36	-	-	-	-	-	-	-
Indirect Cost	3,318.61	-	-	-	528.21	7,046.36	-	0.94	5,845.37	-
Interest Expense	-	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	-
Occupancy Cost	295.00	-	230.00	-	-	-	-	-	-	-
Occupancy Cost - Non Cash	-	-	-	-	-	-	-	-	2,656.67	-
Office Cost	-	-	-	-	-	-	-	-	-	-
Other Expense	-	-	-	12.00	-	29.79	-	-	4.48	19.80
Printing and Publications	-	-	-	-	-	-	-	-	53.24	-
Professional Services	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	2,105.81	-
Small Equipment	-	-	-	-	-	-	-	-	42.15	-
Supplies	-	1,578.03	65.07	-	3,166.98	4,876.09	-	-	-	-
Supplies - Non Cash	-	-	-	-	3,838.62	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	90.00	-
Travel	-	-	-	-	(21.57)	778.99	-	-	2,061.21	-
Travel Non Cash	-	-	-	-	-	-	-	-	-	-
Transfers To/From	(5,001.90)	-	-	-	-	-	(1,067.71)	-	(8.34)	-
Total Expenses	12,733.42	1,578.03	5,453.35	80.75	13,757.58	42,716.75	6,686.52	4.96	37,820.00	995.51
Change in Net Assets	-	-	(845.21)	(80.75)	-	-	(6,686.52)	(4.96)	-	(864.24)
Beginning Net Assets	-	-	29,143.30	80.75	-	-	6,686.52	48,001.60	-	33,790.63
Ending Net Assets	\$ -	\$ -	\$ 28,298.09	\$ -	\$ -	\$ -	\$ -	\$ 47,996.64	\$ -	\$ 32,926.39

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Combining Schedule of Activities
For the Year Ended June 30, 2016

Functional Basis Category:	FGP United Way		Retired Senior Volunteer Program		Foster Grandparents		DOE		S-LIHEAP		DOE - Insurance		LIHEAP		Management & General		Indirect Cost Pool		
	Program:	Year End:	Program:	Year End:	Program:	Year End:	Program:	Year End:	Program:	Year End:	Program:	Year End:	Program:	Year End:	Program:	Year End:	Program:	Year End:	
CFDA Number:	6/30/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2016	3/31/2016	3/31/2016	6/30/2016	6/30/2016	3/31/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2016	
	N/A	94,002	94,011	81,042	93,568	93,568	93,568	93,568	93,568	93,568	N/A	N/A	93,568	N/A	N/A	N/A	N/A	N/A	
Support and Revenues	Senior Services	Senior Services	Senior Services	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Weatherization	Support Services	Support Services	Support Services	Support Services	
Contributions																			
Federal Grants	\$ -	\$ 86,278.00	\$ 84,469.57	\$ 193,425.35	\$ 67,678.35	\$ 204,292.05	\$ -	\$ 91,074.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CACFP Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Grants	800.00	3,989.63	11,063.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Local	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Cash	-	37,742.51	27,465.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Support and Revenues	800.00	128,010.14	122,997.97	193,425.35	67,678.35	204,432.86	-	91,074.41	-	-	-	-	91,074.41	-	57,632.47	-	439,884.35	439,884.35	-
Expenses																			
Salaries & Fringe Benefits	-	49,362.84	23,982.30	87,365.38	27,225.84	96,132.64	-	40,699.30	-	-	-	-	-	-	3,993.47	-	327,720.16	327,720.16	-
Salaries & Fringe Non Cash	-	510.60	44.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation Cost	-	3,684.86	3,717.21	3,393.86	12.07	37.33	-	4,194.43	-	-	-	-	-	-	(90,408.17)	-	221.13	221.13	-
Client Services	800.00	6.88	48,733.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	-	618.46	582.62	222.00	-	-	-	-	-	-	-	-	-	-	25.00	-	259.39	259.39	-
Food	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indirect Cost	-	11,600.26	5,635.85	20,530.86	6,398.08	22,591.15	-	9,564.36	-	-	-	-	-	-	938.47	-	259.76	259.76	-
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120.09	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy Cost	-	2,178.78	1,560.38	58,907.91	19,847.47	64,294.97	-	25,535.42	-	-	-	-	-	-	76,307.43	-	21,038.25	21,038.25	-
Occupancy Cost - Non Cash	-	8,927.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Cost	-	3,076.49	634.02	1,911.27	69.20	1,094.66	-	289.23	-	-	-	-	-	-	(2.74)	-	4,555.10	4,555.10	-
Other Expense	-	6,347.35	7,052.23	458.74	37.81	560.81	-	2.70	-	-	-	-	-	-	8,824.64	-	486.01	486.01	-
Printing and Publications	-	963.35	179.20	329.46	1,500.00	1,599.60	-	-	-	-	-	-	-	-	1,858.86	-	180.02	180.02	-
Professional Services	-	817.16	489.45	(1,365.76)	-	-	-	-	-	-	-	-	-	-	7,542.81	-	17,296.36	17,296.36	-
Repairs and Maintenance	-	893.61	-	989.32	532.82	2,652.13	-	1,842.31	-	-	-	-	-	-	-	-	2,600.71	2,600.71	-
Small Equipment	-	224.78	-	4,411.45	596.06	3,536.63	-	1,996.79	-	-	-	-	-	-	2,113.10	-	449.99	449.99	-
Supplies	-	5,466.20	91.42	4,411.45	596.06	3,536.63	-	1,996.79	-	-	-	-	-	-	2,113.10	-	6,422.07	6,422.07	-
Supplies - Non Cash	-	28,303.97	25,056.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training	-	2,748.06	972.98	9,584.00	3,862.77	3,828.60	-	6,894.49	-	-	-	-	-	-	175.00	-	2,991.00	2,991.00	-
Travel	-	2,278.55	1,901.28	(1,327.06)	9,252.00	13,955.47	-	5,345.76	-	-	-	-	-	-	80.78	-	1,558.02	1,558.02	-
Travel Non Cash	-	-	2,363.93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers To/From	-	-	-	(1,042.95)	(3,591.79)	(12,151.83)	-	(6,430.93)	-	-	-	-	-	-	(45,342.86)	-	45,353.39	45,353.39	-
Total Expenses	800.00	128,010.14	122,997.97	193,425.35	67,678.35	204,432.86	-	91,074.41	-	-	-	-	91,074.41	-	101,069.74	-	439,884.35	439,884.35	-
Change in Net Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(43,437.27)	-	-	-	-
Beginning Net Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	954,046.33	-	-	-	-
Ending Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 910,609.06	\$ -	\$ -	\$ -	\$ -

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Combining Schedule of Activities

For the Year Ended June 30, 2016

	Northwest Improvements 6/30/2016 Year End: CFDA Number:	Sub-Total Organization Wide	Elimination Entries	Total Organization Wide
Functional Basis Category: Support Services				
Support and Revenues				
Contributions				
Federal Grants	\$ -	\$ 3,151,813.30	\$ -	\$ 3,151,813.30
CACFP Grants	-	84,264.14	-	84,264.14
State Grants	-	21,001.84	-	21,001.84
Local Grants	-	28,160.48	-	28,160.48
Other Local	666.50	49,494.95	(35,339.00)	14,155.95
Non Cash	-	1,007,694.65	(258,925.67)	748,768.98
Other Revenue	16,315.07	28,386.53	-	28,386.53
Rent Income	-	3,300.00	-	3,300.00
Allocation Revenue	-	450,102.77	(450,102.77)	-
Total Support and Revenues	16,981.57	4,824,218.66	(744,367.44)	4,079,851.22
Expenses				
Salaries & Fringe Benefits	6,953.53	2,199,568.46	-	2,199,568.46
Salaries & Fringe Non Cash	-	668,787.37	(258,925.67)	409,861.70
Allocation Cost	384.93	-	-	-
Client Services	-	109,164.63	-	109,164.63
Computer Expense	-	17,556.60	-	17,556.60
Depreciation Expense	-	134,237.64	-	134,237.64
Dues and Subscriptions	760.00	24,207.12	-	24,207.12
Food	-	60,429.93	-	60,429.93
Indirect Cost	1,634.08	439,884.35	(439,884.35)	-
Interest Expense	-	120.09	-	120.09
Materials	3,346.72	171,932.49	-	171,932.49
Occupancy Cost	38.64	226,829.10	(10,100.04)	216,729.06
Occupancy Cost - Non Cash	-	187,201.44	-	187,201.44
Office Cost	116.44	43,722.78	-	43,722.78
Other Expense	2,041.11	32,755.29	-	32,755.29
Printing and Publications	-	12,968.27	-	12,968.27
Professional Services	-	58,660.26	-	58,660.26
Repairs and Maintenance	-	75,253.92	(35,339.00)	39,914.92
Small Equipment	195.67	19,948.48	-	19,948.48
Supplies	1,030.30	81,047.07	-	81,047.07
Supplies - Non Cash	-	147,670.13	-	147,670.13
Training	-	103,498.49	-	103,498.49
Travel	1,397.68	57,117.23	(118.38)	56,998.85
Travel Non Cash	-	4,035.71	-	4,035.71
Transfers To/From	-	-	-	-
Total Expenses	17,899.10	4,876,596.85	(744,367.44)	4,132,229.41
Change in Net Assets	(917.53)	(52,378.19)	-	(52,378.19)
Beginning Net Assets	2,758.38	1,107,283.68	-	1,107,283.68
Ending Net Assets	\$ 1,840.85	\$ 1,054,905.49	\$ -	\$ 1,054,905.49

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	CFDA #	Federal Expenditures
<u>U.S. Department of Homeland Security</u>			
Direct Programs:			
Emergency Food and Shelter National Board Program	N/A	97.024	\$ 31,360.69
Total U.S. Department of Homeland Security			<u>31,360.69</u>
<u>Corporation for National and Community Service</u>			
Direct Programs:			
Retired and Senior Volunteer Program	N/A	94.002	86,278.00
Foster Grandparent Program	N/A	94.011	<u>84,469.57</u>
Total Corporation for National and Community Services			<u>170,747.57</u>
<u>U.S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start 2015	N/A	93.600	535,584.97
Head Start 2015 - Training	N/A	93.600	15,775.36
Early Head Start 2015	N/A	93.600	351,392.41
Early Head Start 2015 - Training	N/A	93.600	8,249.70
Head Start 2016	N/A	93.600	809,337.79
Head Start 2016 - Training	N/A	93.600	7,904.24
Early Head Start 2016	N/A	93.600	338,845.99
Early Head Start 2016 - Training	N/A	93.600	11,519.89
		TOTAL 93.600 (M)	<u>2,078,610.35</u>
Passed-through:			
State of Nebraska Department of Health and Human Services			
Community Services Block Grant	0G15BNECOSR	93.569	136,825.26
Community Services Block Grant	G16-B1NECOSR	93.569	<u>95,784.37</u>
		TOTAL 93.569	<u>232,609.63</u>
Nebraska Energy Office			
Low Income Home Energy Assistance Program - South	L14/15-004	93.568	204,292.05
Low Income Home Energy Assistance Program	L14/15-007	93.568	91,074.41
Low Income Home Energy Assistance Program - South	L13/14-021	93.568	67,678.35
State of Nebraska Department of Health and Human Services			
Low Income Home Energy Assistance Program - Box Fan	2015	93.568	<u>1,578.03</u>
		TOTAL 93.568	<u>364,622.84</u>
Community Action of Nebraska			
Maternal and Child Health Services Block Grant to the State	2016	93.994	3,200.54
Cooperative Agreement to Support Navigators in Federally-Facilitated and State Partnerships	1 NAVACA140141-01-00	93.332	<u>56,474.33</u>
Total U.S. Department of Health and Human Services			<u>2,735,517.69</u>
<u>U.S. Department of Energy</u>			
Passed-through:			
Nebraska Energy Office			
Weatherization Assistance Program	D15/16-014 D	81.042	<u>193,425.35</u>
Total U.S. Department of Energy			<u>193,425.35</u>

NORTHWEST COMMUNITY ACTION PARTNERSHIP

Chadron, Nebraska

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	CFDA #	Federal Expenditures
<u>U.S. Department of Transportation - Federal Transit Administration</u>			
Passed-through:			
Nebraska Department of Road and Sheridan County, Nebraska Formula Grants for Other than Urbanized Areas	RPT-C811 (215)	20.509	\$ 20,762.00
Total U.S. Department of Transportation - Federal Transit Administration			<u>20,762.00</u>
<u>U.S. Department of Agriculture</u>			
Passed-through:			
State of Nebraska Department of Education Child and Adult Care Food Program - 2015	23-1000	10.558	30,888.62
Child and Adult Care Food Program - 2016	23-1000	10.558	53,375.52
		TOTAL 10.558	<u>84,264.14</u>
Total U.S. Department of Agriculture			<u>84,264.14</u>
Total Expenditures of Federal Awards			<u>\$ 3,236,077.44</u>

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 10% de minimis cost rate, as it does not qualify.

(M) - Major Program

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

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, the financial statements of Northwest Community Action Partnership (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 12, 2016.

Internal Control over Financial Reporting

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northwest Community Action Partnership'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 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
October 12, 2016

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors
Northwest Community Action Partnership
Chadron, Nebraska

Report on Compliance for Each Major Federal Program

We have audited Northwest Community Action Partnership's compliance with the types of compliance requirements described 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, 2016. Northwest Community Action Partnership's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion Northwest Community Action Partnership complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
October 12, 2016

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2016

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

The auditors' report expresses an unmodified opinion on the financial statements of Northwest Community Action Partnership.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported
Non compliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____	Yes	_____ <u>X</u> _____	No

Federal Awards:

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported

The auditors' 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 Uniform Guidance?	_____	Yes	_____ <u>X</u> _____	No
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Identification of major programs:

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Head Start	CFDA 93.600
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The threshold for distinguishing Types A and B programs was \$750,000.00.

Auditee qualified as a low risk auditee?	_____ <u>X</u> _____	Yes	_____ _____	No
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II. FINANCIAL STATEMENT FINDINGS

NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

NORTHWEST COMMUNITY ACTION PARTNERSHIP
Chadron, Nebraska

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2016

NONE