

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
FINANCIAL STATEMENTS
For The Year Ended December 31, 2010**



Dave Yost • Auditor of State

Board of Directors
Miami County Community Action Council
1695 Troy Sidney Road
Troy, Ohio 45373

We have reviewed the *Independent Auditors' Report* of the Miami County Community Action Council, Miami County, prepared by Jones, Cochenour & Co., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Miami County Community Action Council is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

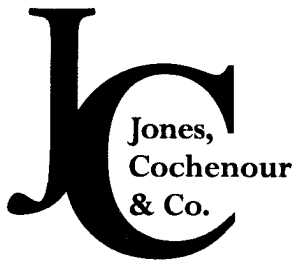
Dave Yost
Auditor of State

August 9, 2011

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Miami County Community Action Council
Troy, Ohio

We have audited the accompanying statement of net assets of Miami County Community Action Council, as of December 31, 2010 and the related statement of activities and cash flows for the year then ended. These financial statements are the responsibility of the Miami County Community Action Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miami County Community Action Council as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2011 on our consideration of Miami County Community Action Council'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Miami County Community Action Council taken as a whole. The supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Miami County Community Action Council. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

Jones, Cochenour & Co.
June 20, 2011

much more than an accounting firm

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
STATEMENT OF NET ASSETS
December 31, 2010**

ASSETS		
Cash		\$ 96,554
Accounts receivable		436,242
Inventory		21,328
Prepaid expenses		8,640
	TOTAL CURRENT ASSETS, NET	<u>562,764</u>
CAPITAL ASSETS		
Equipment		75,471
Vehicles		179,536
		<u>255,007</u>
Accumulated depreciation		(140,938)
	TOTAL CAPITAL ASSETS	<u>114,069</u>
OTHER ASSETS		
Workers' compensation deposit		679
	TOTAL ASSETS	<u>677,512</u>
LIABILITIES		
Accounts payable		60,310
Accrued compensated absences		23,720
	TOTAL CURRENT LIABILITIES	<u>84,030</u>
LONG-TERM LIABILITIES		
Compensated absences		16,656
	TOTAL LIABILITIES	<u>100,686</u>
NET ASSETS		
Unrestricted net assets		63,535
Temporarily restricted net assets		513,291
	NET ASSETS	<u><u>\$ 576,826</u></u>

See notes to financial statements

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
STATEMENT OF ACTIVITIES
Year Ended December 31, 2010**

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE:			
Management services	\$ 123,807	\$ -	\$ 123,807
Federal grants	-	2,086,052	2,086,052
Net Assets Released from Restrictions (Satisfaction of Program Restrictions)			
Federal grants	2,150,367	(2,150,367)	-
TOTAL SUPPORT AND REVENUE	2,274,174	(64,315)	2,209,859
PROGRAM EXPENSES:			
HWAP	34,694		34,694
HWAP-ARRA	1,162,895		1,162,895
HEAP	492,326		492,326
CSBG	460,452		460,452
TOTAL PROGRAM EXPENSES	2,150,367	-	2,150,367
Management, general and administrative expenses	71,246	-	71,246
TOTAL EXPENSES	2,221,613	-	2,221,613
CHANGE IN NET ASSETS	52,561	(64,315)	(11,754)
Net assets at beginning of year	10,974	577,606	588,580
NET ASSETS AT END OF YEAR	\$ 63,535	\$ 513,291	\$ 576,826

See notes to financial statements

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
STATEMENT OF CASH FLOWS
Year Ended December 31, 2010**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from governmental grants	\$ 2,012,439
Cash received from management services	123,807
Cash payments for administration	<u>(2,157,983)</u>
NET CASH (USED) BY OPERATING ACTIVITIES	(21,737)
 CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES	
Acquisition of capital assets	(2,532)
Sale of capital asset	<u>100</u>
NET CASH (USED) BY CAPITAL AND FINANCING ACTIVITIES	(2,432)
DECREASE IN CASH AND CASH EQUIVALENTS	(24,169)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>120,723</u>
CASH AND CASH EQUIVALENTS, ENDING	\$ <u>96,554</u>
 RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATING ACTIVITIES:	
Change in net assets	\$ (11,754)
Adjustments to reconcile change in net assets to net cash (used) by operating activities	
Depreciation	36,188
Loss on disposal of assets	140
(Increase) decrease in accounts receivable	(73,613)
(Increase) decrease in inventory	(4,724)
(Increase) decrease in prepaid assets	(4,766)
Increase (decrease) in accounts payable	32,482
Increase (decrease) in accrued expenses	<u>4,310</u>
NET CASH (USED) BY OPERATING ACTIVITIES	\$ <u>(21,737)</u>

See notes to financial statements

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010**

1. DESCRIPTION OF THE ENTITY

The Miami County Community Action Council (“Council”) is a nonprofit organization exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. Its mission is to develop, coordinate, and operate programs designed to combat the causes and effects of poverty in efforts to enable individuals and families to be self-sufficient.

Oversight of the Miami County Community Action Council is provided by a fifteen member board called the Board of Trustees. Five appointees from the Public Sector, five appointees from the Client Sector, and five appointees from the Private Sector compose the Board.

The Miami County Community Action Council received federal funds to administer the following programs:

1. Home Weatherization Assistance Programs (HWAP) – This program is also referred to as “Weather Assistance for Low – Income Persons Grant”. Under this program individuals and families who meet certain eligibility requirements receive assistance for weatherization to their homes.
2. Home Energy Assistance Program (HEAP) – This program, also known as “Low-Income Home Energy Assistance Grant Program” provides energy assistance to individuals and families who meet certain eligibility requirements. Under this program, payments for a portion of the energy bills received are made to the supplier on behalf of applicants.
3. Community Services Block Grant (CSBG) – This program funded through the Department of Health and Human Services assists individuals and families with information referral and case management services for those meeting certain eligibility requirements. The Program can consist of many services depending upon the work program as defined by Miami County Community Action Council.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Further, accounting requires that the financial statements reflect limitations and restrictions placed on the uses of available resources. In accordance with Financial Accounting Standards No. 117, resources and transactions are to be classified in accordance with specific activities or objectives as follows:

Unrestricted Net Assets

The Unrestricted Net Assets account for all resources over which Board officials have discretionary control for use in carrying out the operations of the Miami County Community Action Council. These unrestricted amounts are expensed in accordance with the limitations of its constitution and By-Laws.

Temporarily Restricted Net Assets

A grantor imposed restriction that permits Miami County Community Action Council to use or expense the grant as specified and is satisfied by either the passage of time or by actions of the Council or grantor.

Permanently Restricted Net Assets

A grantor imposed restriction stipulates that resources be maintained permanently but permits that organization to use up or expense part or all of the income derived from the assets. As of December 31, 2009, the Council had no permanently restricted assets.

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Other significant accounting policies under which the financial statements have been prepared are as follows:

- a. Cash and cash equivalents are demand deposits in financial institutions and petty cash. Cash equivalents are carried at the lower of cost of market.
- b. Furniture, equipment and vehicles are recorded on the basis of historical cost. The Council capitalized all equipment with a purchase price over \$1,000. Fixed assets are depreciated using the straight-line method over the estimated useful life of the asset. The building and land in use by the Council are owned and reported by Miami County.
- c. Inventory – Inventory is carried at cost and used on the first-in, first-out basis. Inventories consist primarily of weatherization materials.
- d. Compensated Absences – The liability for Compensated Absences balances are accounted for by the Miami County Community Action Council.
 - 1. Sick Leave – Regular employees accrue sick leave at the rate of one and one-fourth days per month. Accrual is unlimited and not a claim against the Agency, except an employee may be granted severance pay after one year of service based on accumulated sick leave with a 30 day maximum liability.
 - 2. Annual Leave – Regular employees accrue annual leave at the rate of one through five years of service equals ten days of earned vacation a year; six through ten years of service equals fifteen days of earned vacation a year; eleven years of service and over equals twenty-one days of earned vacation a year. Annual leave may be carried over for up to one year.
- e. Interprogram Receivables/Payables – During the course of operations, numerous short-term interprogram loans are made primarily to cover payroll and interprogram cost allocations. These transactions are not eliminated in the combined statement of financial position as of December 31, 2009.
- f. Revenue and expenditures recognition – Revenue from restricted grants from governmental agencies is recognized when the Miami County Community Action Council has incurred expenditures in compliance with the specific restriction. Grant revenues in excess of grant expenditures incurred are reported as deferred revenue. All contributions are considered to be available for unrestricted use unless specifically restricted by the grantor.

If applicable, unspent funds in closed programs are to be returned to the grantor and are shown as a liability “due to grantor” in the Statement of Financial Position and therefore, are not included as support in the Statement of Activities.

Expenditures are recognized when incurred in accordance with accounting principles generally accepted in the United States of America. Prepaid expenses arise when disbursements are made in advance of the period to be charged with the expense and are recorded as an asset until the charge can be properly recognized. Direct cost is charged to the program when incurred; indirect cost is allocated to the various programs in accordance with a cost allocation plan.

- g. Income Taxes – The Miami County Community Action Council is exempt from income taxes under 501 (c) (3) of the Internal Revenue Code. Therefore no assets, liabilities, or expenses related to federal income tax are recorded.

3. DEFICIT CASH AND NET ASSET BALANCES

The negative cash balances of the various grant programs are a result of expenditures being made prior to reimbursement from the grant agency. These deficit cash balances are covered by unrestricted interprogram loans and recorded as accounts payable.

MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

Community Services Block Grant Program expenditures	\$ 14,000
HWAP – for expenditures for the Home Weatherization Program	316,116
HEAP – for payment of Energy Assistance	<u>183,175</u>
	<u>\$ 513,291</u>

5. HOME WEATHERIZATION ASSISTANCE PROGRAM

The following is an analysis of income received from the Ohio Department of Development for the HWAP program:

Voucher Date	Voucher #	DOE ARRA CFDA #81.042	DOE CFDA #81.042	HHS ARRA CFDA #93.568	HHS CFDA #93.568	Total
1/8/2010	DEV0100091948	\$ 76,984	\$ -	\$ -	\$ -	\$ 76,984
2/9/2010	DEV0100103105	93,221	-	3,872	-	97,093
4/6/2010	DEV0100114836	-	303	-	2,452	2,755
3/14/2010	DEV0100106891	70,142	-	303	-	70,445
4/15/2010	DEV0100114180	74,832	-	-	-	74,832
4/26/2010	DEV0100117272	78,763	-	449	-	79,212
5/27/2010	DEV0100119848	64,863	-	9,072	-	73,935
7/8/2010	DEV0100121977	85,190	-	-	-	85,190
7/26/2010	DEV0100122936	82,587	-	-	-	82,587
9/8/2010	DEV0100125386	70,248	-	7,718	-	77,966
10/6/2010	DEV0100126481	115,880	-	3,637	-	119,517
11/4/2010	DEV0100127557	113,113	-	-	-	113,113
12/7/2010	DEV0100128693	99,503	-	-	-	99,503
1/6/2011	DEV0100130131	94,435	-	-	-	94,435
2/7/2011	DEV0100140071	195,683	-	-	-	195,683
		<u>1,315,444</u>	<u>303</u>	<u>25,051</u>	<u>2,452</u>	<u>1,343,250</u>
Less: Prior year receivable		<u>(170,205)</u>	<u>(303)</u>	<u>(3,872)</u>	<u>(2,452)</u>	<u>(176,832)</u>
Current year income		<u>\$ 1,145,239</u>	<u>\$ -</u>	<u>\$ 21,179</u>	<u>\$ -</u>	<u>\$ 1,166,418</u>

6. ACCOUNTS RECEIVABLE

Accounts Receivable (A/R) as of December 31, 2009, consists of the following:

Accounts	General	HWAP	HEAP	CSBG	Total
A/R Trade	\$ 4,170	\$ -	\$ -	\$ -	\$ 4,170
A/R Federal	-	290,558	62,410	71,631	424,599
A/R Interprogram	7,473	-	-	-	7,473
Total A/R	<u>\$ 11,643</u>	<u>\$ 290,558</u>	<u>\$ 62,410</u>	<u>\$ 71,631</u>	<u>\$ 436,242</u>

Of the accounts receivable from federal funds, the following is a list of contracts with amounts receivable:

Program	Contract No.	Amount
HWAP	ARRA-10-134	\$ 290,558
HEAP	11-HA-151	62,410
CSBG	1011-39	71,631
Total		<u>\$ 424,599</u>

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010**

7. EMPLOYEES' RETIREMENT SYSTEM

The Miami County Community Action Council has a Tax Deferred Savings Plan (403B) for its employees who are eligible after one (1) year's service and employees are fully vested after five (5) years of service. The Council contributes five (5) percent of the employees gross salary to the plan with the employees entitled to contribute additional amounts up to the maximum allowed by law. During the year ended December 31, 2010, the Council and the employees contributed a total of \$1,910. The value of the plan at December 31, 2010 was \$82,100.

8. RISK MANAGEMENT

The Miami County Community Action Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To reduce risk, the Miami County Community Action Council had the following business policies:

1. **Bonding – Fidelity Bonding is through the Ohio Casualty Insurance Company and consists of a blanket bond for all employees and Board officers in the amount of \$100,000 per person; \$250 deductible.**
2. **General Liability – This is a Comprehensive Business policy under Motorists Mutual Insurance Company, which includes:**
 - a. **Property – Loss or damage coverage, \$250 deductible.**
 - b. **Vehicle – Liability coverage \$1,000,000; uninsured motorist \$1,000,000; Physical damage/ Collision and Medical \$2,000; \$1,000 deductible for collision and a \$1,000 deductible for other than collision.**
 - c. **General Liability Coverage; \$3,000,000.**
3. **Workers Compensation – Employee accident coverage through the Bureau of Workers' Compensation, utilizing a group rating plan based on position and accident history.**
4. **Health Insurance – Comprehensive medical insurance is under Anthem Blue Cross Blue Shield. Deductible; individual \$1,000/\$2,500, family \$3,000/\$7,500; co-insurance: 80/20 up to \$4,000/\$5,000 individual, \$8,000/\$10,000 family, individual plan lifetime maximum benefit for all service \$5,000,000.**

9. RELATED PARTY TRANSACTION

The Miami County Community Action Council is staffed through an "Employer of Record" contract with the Miami Metropolitan Housing Authority. The Miami Metropolitan Housing Authority has a separate audit per the Department of Housing and Urban Development Guidelines. In addition, the Miami County Community Action Council makes certain inter-fund loans between programs with no payment terms associated with these advances. As of December 31, 2010, the Council was due \$8,510 from the other program the Council administers.

10. SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the basis of accounting as described in Note 2.

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010**

11. USE OF ESTIMATES

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

12. CAPITAL ASSETS

Capital Assets	<u>12/31/2009</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/2010</u>
Equipment	\$ 62,389	\$ -	\$ -	\$ 62,389
Vehicles	<u>191,286</u>	<u>2,532</u>	<u>(1,200)</u>	<u>192,618</u>
Total Capital Assets	253,675	2,532	(1,200)	255,007
Less: Accumulated depreciation				
Equipment	(57,122)	(5,470)	-	(62,592)
Vehicles	<u>(48,588)</u>	<u>(30,718)</u>	<u>960</u>	<u>(78,346)</u>
Total accumulated depreciation	(105,710)	(36,188)	960	(140,938)
Net Capital Assets	<u>\$ 147,965</u>	<u>\$ (33,656)</u>	<u>\$ (240)</u>	<u>\$ 114,069</u>

13. SUBSEQUENT EVENTS

There were no subsequent events noted through June 20, 2011, the date the financial statements were available to be issued. Any subsequent events after that date have not been evaluated.

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL COMBINING SCHEDULE OF FINANCIAL POSITION – BY PROGRAM
December 31, 2010**

ASSETS	HWAP	HEAP	CSBG	MG & A	Total
CURRENT ASSETS					
Cash	\$ (59,585)	\$ 129,088	\$ (55,400)	\$ 82,451	\$ 96,554
Accounts receivable	290,557	62,410	71,631	11,644	436,242
Inventory	21,328	-	-	-	21,328
Prepaid expenses	-	-	-	8,640	8,640
TOTAL CURRENT ASSETS	252,300	191,498	16,231	102,735	562,764
CAPITAL ASSETS					
Equipment	49,681	-	-	25,790	75,471
Vehicles	153,586	-	-	25,950	179,536
Accumulated depreciation	(90,092)	-	-	(50,846)	(140,938)
TOTAL PROPERTY AND EQUIPMENT	113,175	-	-	894	114,069
OTHER ASSETS					
Workers' Comp Deposit	-	-	-	679	679
TOTAL ASSETS	\$ 365,475	\$ 191,498	\$ 16,231	\$ 104,308	\$ 677,512
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	\$ 49,259	\$ 8,323	\$ 2,231	\$ 497	\$ 60,310
Accrued compensated absences	-	-	-	23,720	23,720
TOTAL CURRENT LIABILITIES	49,259	8,323	2,231	24,217	84,030
LONG-TERM LIABILITIES					
Accrued compensated absences	-	-	-	16,656	16,656
TOTAL LIABILITIES	49,259	8,323	2,231	40,873	100,686
NET ASSETS					
NET ASSETS					
Unrestricted net assets	-	-	-	28,841	28,841
Temporarily restricted net assets	350,810	183,175	14,000	-	547,985
TOTAL NET ASSETS	350,810	183,175	14,000	28,841	576,826
TOTAL LIABILITIES AND NET ASSETS	\$ 400,069	\$ 191,498	\$ 16,231	\$ 69,714	\$ 677,512

See Independent Auditors' Report

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL COMBINING SCHEDULE OF ACTIVITIES – BY PROGRAM
Year Ended December 31, 2010**

	<u>HWAP</u>	<u>HEAP</u>	<u>CSBG</u>	<u>MG & A</u>	<u>Total</u>
REVENUE:					
Federal grant	1,166,418	\$ 510,833	\$ 408,801	\$ -	\$ 2,086,052
Management services	-	-	-	123,807	123,807
TOTAL REVENUE	<u>1,166,418</u>	<u>510,833</u>	<u>408,801</u>	<u>123,807</u>	<u>2,209,859</u>
EXPENSES:					
Wages and benefits	527,631	163,337	179,595	15,535	886,098
Services	-	-	4,003	1,024	5,027
Materials and supplies	328,430	6,384	2,863	16,562	354,239
Contract labor	57,377	-	-	-	57,377
Emergency HEAP program	-	302,101	-	-	302,101
Rent/Utilities	1,293	1,555	713	-	3,561
Transportation	15,818	-	-	2,713	18,531
Equipment and tool expense	43,231	-	650	20,449	64,330
Training	-	1,347	-	-	1,347
Health and safety	164,667	-	-	-	164,667
Depreciation expense	1,196	-	-	34,992	36,188
Other	8,909	15,912	12,214	5,780	42,815
Insurance	13,655	-	5,004	-	18,659
Phone	688	1,690	789	8,745	11,912
Participants	-	-	254,621	-	254,621
Loss on disposal of asset	-	-	-	140	140
TOTAL EXPENSES	<u>1,162,895</u>	<u>492,326</u>	<u>460,452</u>	<u>105,940</u>	<u>2,221,613</u>
Changes in net assets	3,523	18,507	(51,651)	17,867	(11,754)
Net assets at beginning of the year	<u>347,287</u>	<u>164,668</u>	<u>65,651</u>	<u>10,974</u>	<u>588,580</u>
NET ASSETS AT END OF THE YEAR	<u>\$ 350,810</u>	<u>\$ 183,175</u>	<u>\$ 14,000</u>	<u>\$ 28,841</u>	<u>\$ 576,826</u>

See Independent Auditors' Report

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL SCHEDULE OF SUPPORT, GRANTS, REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS – HOME ENERGY ASSISTANCE PROGRAM (HEAP)
Year Ended December 31, 2010**

<u>Ohio Department of Development Grant</u>	<u>Current Fiscal Year</u>	<u>Budget</u>	<u>Variance</u>
<u>HA-151</u>			
Revenue:			
Federal Grants	\$ 190,225	\$ 214,872	\$ (24,647)
Expenses:			
Salaries	108,049	111,079	(3,030)
Fringe	55,288	57,718	(2,430)
Audit	8,896	9,600	(704)
Space	1,555	20,736	(19,181)
Equipment	6,167	6,360	(193)
Supplies	6,384	5,500	884
Travel	1,347	1,469	(122)
Phone	1,690	1,410	280
Other	849	1,000	(151)
	<u>190,225</u>	<u>214,872</u>	<u>(24,647)</u>
Government Grants Over (Under) Expenditures	-	<u>\$ -</u>	<u>\$ -</u>
Beginning Net Assets	<u>(36,001)</u>		
Ending Net Assets	<u>\$ (36,001)</u>		
<u>HE-251</u>			
Revenue:			
Federal Grants	\$ 275,791	\$ 500,000	\$ (224,209)
Expenses:			
Emergency Payments	<u>257,284</u>	<u>500,000</u>	<u>(242,716)</u>
Government Grants Over (Under) Expenditures	18,507	<u>\$ -</u>	<u>\$ 18,507</u>
Beginning Net Assets	<u>128,667</u>		
Ending Net Assets	<u>\$ 147,174</u>		
<u>HC-251</u>			
Revenue:			
Federal Grants	\$ 44,817	\$ 45,100	\$ (283)
Expenses:			
Emergency Payments	<u>44,817</u>	<u>45,100</u>	<u>(283)</u>
Government Grants Over (Under) Expenditures	-	<u>\$ -</u>	<u>\$ -</u>
Beginning Net Assets	-		
Ending Net Assets	<u>\$ -</u>		
Reconciliation of the Total HEAP Activity:			
Beginning Net Assets	\$ 164,668	\$ -	\$ 164,668
Total Federal Grants Received	510,833	-	510,833
Total Expenses	<u>(492,326)</u>	-	<u>(492,326)</u>
Ending Net Assets - Home Energy Assistance Program	<u>\$ 183,175</u>	<u>\$ -</u>	<u>\$ 183,175</u>

See Independent Auditors' Report

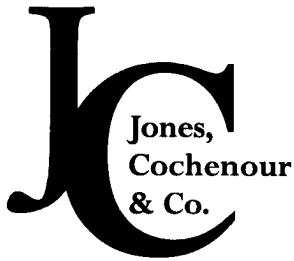
**MIAMI COUNTY COMMUNITY ACTION COUNCIL
 SUPPLEMENTAL SCHEDULE OF SUPPORT, GRANTS, REVENUES, EXPENDITURES
 AND CHANGES IN NET ASSETS – COMMUNITY SERVICES BLOCK GRANT
 Year Ended December 31, 2010**

<u>Ohio Department of Development Grant</u>	<u>Current Fiscal Year</u>	<u>Budget</u>	<u>Variance</u>
<u>1011-39</u>			
Revenue:			
Federal Grants	\$ 209,904	\$ 318,494	\$ 108,590
Expenses:			
Salaries	115,457	175,473	60,016
Fringe	54,211	75,202	20,991
Consultant	4,003	6,299	2,296
Equipment	650	650	-
Space	1,502	42,838	41,336
Supplies	2,863	-	(2,863)
Human Services Directory	11,835	11,220	(615)
Travel	-	240	240
Other	5,383	6,572	1,189
	<u>195,904</u>	<u>318,494</u>	<u>122,590</u>
Government Grants Over (Under) Expenditures	<u>14,000</u>	<u>\$ -</u>	<u>\$ (14,000)</u>
Beginning Net Assets	-		
Ending Net Assets	<u>\$ 14,000</u>		
<u>ARRA-09-939</u>			
Revenue:			
Federal Grants	\$ 198,897	\$ 265,196	\$ 66,299
Expenses:			
Salaries	7,417	7,728	311
Fringe	2,510	2,668	158
Food banks	85,000	85,000	-
Housing assistance	122,241	122,241	-
Job training	47,380	47,380	-
Other	-	179	179
	<u>264,548</u>	<u>265,196</u>	<u>648</u>
Government Grants Over (Under) Expenditures	<u>(65,651)</u>	<u>\$ -</u>	<u>\$ 65,651</u>
Beginning Net Assets	65,651		
Ending Net Assets	<u>\$ -</u>		

See Independent Auditors' Report

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2010**

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Project Number</u>	<u>Funds Received</u>	<u>Funds Expended</u>
<u>U.S. Department of Energy</u>				
Passed through:				
Ohio Department of Development				
Home Weatherization Assistance Program	81.042	ARRA-10-134	\$ 1,145,240	\$ 1,138,935
<u>U.S. Department of Health and Human Services</u>				
Passed through:				
Ohio Department of Development				
Community Service Block Grant (CSBG)	93.569	1011-39	209,904	195,903
	93.710	ARRA-09-939	198,897	264,548
Home Energy Assistance Program (HEAP)				
	93.568	11-HA-151	131,314	95,313
	93.568	10-HA-151	58,911	94,912
	93.568	10-HC-251	44,817	44,817
	93.568	11-HE-251	250,000	102,827
	93.568	10-HE-251	25,791	154,457
Home Weatherization Assistanace Program (HWAP)	93.568	ARRA-10-134	<u>21,178</u>	<u>23,961</u>
Total U.S. Department of Health and Human Services			<u>940,812</u>	<u>976,738</u>
Total All Programs			<u>\$ 2,086,052</u>	<u>\$ 2,115,673</u>



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**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
Miami County Community Action Council
Troy, Ohio

We have audited the basic financial statements of Miami County Community Action Council as of and for the year ended December 31, 2010, and have issued our report thereon dated June 20, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Miami County Community Action Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Miami County Community Action Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

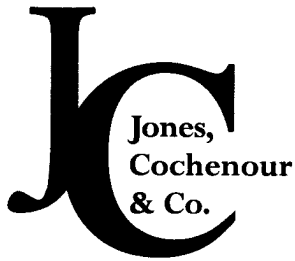
As part of obtaining reasonable assurance about whether Miami County Community Action Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have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

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This report is intended solely for the information and use of the board of directors, management, Auditor of State, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jones, Cochenour & Co.

**Jones, Cochenour & Co.
June 20, 2011**



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Directors
Miami County Community Action Council
Troy, Ohio

Compliance

We have audited Miami County Community Action Council's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Miami County Community Action Council's major federal programs for the year ended December 31, 2010. Miami County Community Action Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Miami County Community Action Council's management. Our responsibility is to express an opinion on Miami County Community Action Council's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Miami County Community Action Council'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. Our audit does not provide a legal determination of Miami County Community Action Council's compliance with those requirements.

In our opinion, Miami County Community Action Council 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 December 31, 2010.

Internal Control Over Compliance

Management of Miami County Community Action Council is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Miami County Community Action Council's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Miami County Community Action Council's internal control over compliance.

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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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the board of directors, management, Auditor of State, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Jones, Cochenour & Co.
June 20, 2011

**Summary of Auditors' Results and Schedule of Findings
OMB Circular A-133 § .505**

**Miami County Community Action Council
December 31, 2010**

1. SUMMARY OF AUDITORS' RESULTS

Financial Statements:	
Type of Financial Statement Opinion	Unqualified
At the financial statements level, were there any material weaknesses reported?	No
At the financial statements level, were there any significant deficiencies identified that are not considered material weaknesses?	No
At the financial statement level, was there any material noncompliance?	No
Federal Awards:	
Were there any material weakness in internal control over major programs identified?	No
Were there any significant deficiencies that are not considered to be material weaknesses in internal control over major programs?	No
Type of Major Programs' Compliance Opinion	Unqualified
Are there any reportable findings under § .510(a) of OMB Circular A-133?	No
Major Programs (list):	CFDA# 93.568 Low-income Home Energy Assistance CFDA# 93.568 ARRA Low-income Home Energy Assistance CFDA# 81.042 ARRA Weatherization Assistance for Low-income Persons CFDA# 93.569 Community Services Block Grant CFDA# 93.710 ARRA Community Services Block Grant
Dollar Threshold: Type A/B Programs	\$300,000
Low Risk Auditee?	Yes

**Summary of Auditors' Results and Schedule of Findings
OMB Circular A-133 § .505 - Continued**

**Miami County Community Action Council
December 31, 2010**

2. FINDINGS RELATED TO FINANCIAL STATEMENTS

There are no findings or questioned costs for the year ended December 31, 2010.

3. FINDINGS RELATED TO FEDERAL AWARDS

There are no findings or questioned costs for the year ended December 31, 2010.

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Dave Yost • Auditor of State

MIAMI COUNTY COMMUNITY ACTION COUNCIL

MIAMI COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 23, 2011**