

***Community Action Agency of Oklahoma City &
Oklahoma/Canadian Counties, Inc.***
Oklahoma City, Oklahoma

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION***

For the Year Ended March 31, 2022

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Certified Public Accountants

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COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

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March 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.

Opinion

We have audited the accompanying financial statements of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. as of March 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards and the Uniform Guidance

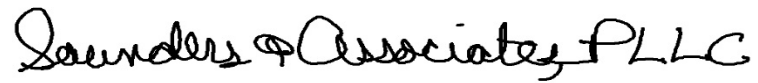
In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2022 on our consideration of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control over financial reporting and on our test of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control over financial reporting and compliance.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the financial statements. In addition, the accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in black ink that reads "Saunders & Associates PLLC". The signature is written in a cursive, flowing style.

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

October 14, 2022

FINANCIAL STATEMENTS

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATEMENT OF FINANCIAL POSITION

March 31, 2022

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 1,725,449
Investments	277,553
Grants & Contracts Receivable	2,011,749
Notes Receivable - Current Portion	114,666
Inventories	50,964
Prepaid Expenses	22,139
Total Current Assets	<u>4,202,520</u>

NonCurrent Assets:

Notes Receivable, Net of Allowance	559,340
Deposits	7,590
Capital Assets, Net	<u>2,306,685</u>
Total NonCurrent Assets	<u>2,873,615</u>

TOTAL ASSETS \$ 7,076,135

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable and Accrued Expenses	\$ 1,259,128
Deferred Revenue	206,437
Total Current Liabilities	<u>1,465,565</u>

NonCurrent Liabilities:

Accrued Compensated Absences	699,648
Total NonCurrent Liabilities	<u>699,648</u>
Total Liabilities	<u>2,165,213</u>

Net Assets:

Without Donor Restrictions	2,274,747
With Donor Restrictions	<u>2,636,175</u>
Total Net Assets	<u>4,910,922</u>

TOTAL LIABILITIES AND NET ASSETS \$ 7,076,135

* See accompanying notes.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>REVENUES</u>			
Federal/State Grants/Contracts	\$ 17,094,810	\$ 64,514	\$ 17,159,324
Donations	0	2,411	2,411
Rentals, Program Fees and Local Contracts	677,193	12,820	690,013
Interest	682	32,973	33,655
Miscellaneous	27,151	0	27,151
Match Revenues	2,645,583	0	2,645,583
Gain (Loss) on Disposition of Assets	0	0	0
Net Assets Released From Restrictions:			
Satisfaction of Program Requirements	107,516	(107,516)	0
Expiration of Time Restrictions	113,817	(113,817)	0
Total Revenues	<u>20,666,752</u>	<u>(108,615)</u>	<u>20,558,137</u>
<u>EXPENSES</u>			
Program Services:			
Head Start and Daycare	15,056,852	0	15,056,852
Community Services	2,409,406	0	2,409,406
Emergency Food and Shelter	357,812	0	357,812
Housing and Weatherization	1,690,202	0	1,690,202
Senior Transportation Services	145,731	0	145,731
Economic Development	102,960	0	102,960
Substance Abuse	111,045	0	111,045
Total Program Services	<u>19,874,008</u>	<u>0</u>	<u>19,874,008</u>
Supporting Services:			
General and Administrative	1,359,180	0	1,359,180
Total Expenses	<u>21,233,188</u>	<u>0</u>	<u>21,233,188</u>
Change in Net Assets	(566,436)	(108,615)	(675,051)
Net Assets, March 31, 2021	<u>2,841,183</u>	<u>2,744,790</u>	<u>5,585,973</u>
NET ASSETS, MARCH 31, 2022	<u>\$ 2,274,747</u>	<u>\$ 2,636,175</u>	<u>\$ 4,910,922</u>

* See accompanying notes.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended March 31, 2022

	Program Services		
	Head Start and Daycare	Community Services	Emergency Food and Shelter
EXPENSES:			
Salaries and Wages	\$ 7,093,845	\$ 935,899	\$ 9,120
Fringe Benefits	2,006,455	223,399	3,672
Space Costs	216,241	56,847	0
Telephone and Utilities	286,235	56,484	1,170
Maintenance and Repairs	918,800	83,305	0
Equipment	(53,235)	(2,085)	0
Travel	23,761	7,721	0
Supplies and Materials	335,842	22,891	0
Food	538,891	1,646	0
Direct Services	1,403	362,741	343,850
Insurance	150,766	42,934	0
Contractual/Professional	128,089	98,306	0
Training	49,306	2,625	0
Pass-Through	640,899	53,818	0
Donation	0	0	0
Other Costs	18,098	314,451	0
Depreciation	67,589	136,708	0
Bad Debt	0	0	0
Match Expense - Pass-Through	0	0	0
Match Expense	2,633,867	11,716	0
TOTAL EXPENSES	<u>\$ 15,056,852</u>	<u>\$ 2,409,406</u>	<u>\$ 357,812</u>

* See accompanying notes.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended March 31, 2022

	Program Services		
	Housing and Weatherization	Senior Transportation Services	Economic Development
EXPENSES:			
Salaries and Wages	\$ 542,036	\$ 70,096	\$ 68,192
Fringe Benefits	210,783	15,872	26,648
Space Costs	0	0	0
Telephone and Utilities	11,026	0	0
Maintenance and Repairs	76,007	20,176	3,056
Equipment	6,244	0	0
Travel	341	0	69
Supplies and Materials	259,846	0	3,460
Food	0	0	0
Direct Services	200,096	0	0
Insurance	29,866	13,049	0
Contractual/Professional	186,835	2,429	628
Training	175	0	593
Pass-Through	0	0	0
Donation	0	0	0
Other Costs	122,445	30	314
Depreciation	39,012	24,079	0
Bad Debt	5,490	0	0
Match Expense - Pass-Through	0	0	0
Match Expense	0	0	0
TOTAL EXPENSES	<u>\$ 1,690,202</u>	<u>\$ 145,731</u>	<u>\$ 102,960</u>

* See accompanying notes.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended March 31, 2022

	<u>Program Services</u>		<u>Supporting Services</u>	
	<u>Substance Abuse</u>	<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
EXPENSES:				
Salaries and Wages	\$ 77,767	\$ 8,796,955	\$ 831,260	\$ 9,628,215
Fringe Benefits	15,963	2,502,792	171,286	2,674,078
Space Costs	0	273,088	0	273,088
Telephone and Utilities	4,343	359,258	71,405	430,663
Maintenance and Repairs	1,317	1,102,661	41,786	1,144,447
Equipment	2,230	(46,846)	7,216	(39,630)
Travel	4,509	36,401	0	36,401
Supplies and Materials	885	622,924	25,959	648,883
Food	0	540,537	0	540,537
Direct Services	0	908,090	0	908,090
Insurance	148	236,763	28,081	264,844
Contractual/Professional	0	416,287	61,658	477,945
Training	0	52,699	250	52,949
Pass-Through	0	694,717	0	694,717
Donation	0	0	0	0
Other Costs	3,883	459,221	120,279	579,500
Depreciation	0	267,388	0	267,388
Bad Debt	0	5,490	0	5,490
Match Expense - Pass-Through	0	0	0	0
Match Expense	0	2,645,583	0	2,645,583
TOTAL EXPENSES	<u>\$ 111,045</u>	<u>\$ 19,874,008</u>	<u>\$ 1,359,180</u>	<u>\$ 21,233,188</u>

* See accompanying notes.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Provided (Used) by Operating Activities:	
Change in Net Assets	\$ (675,051)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided (Used) by Operating Activities:	
Depreciation	267,388
Gain (Loss) on Disposition of Assets	0
Bad Debts on Notes Receivable	(7,382)
(Increase) Decrease in Grants/Contracts Receivable	(527,808)
(Increase) Decrease in Inventories	(5,325)
(Increase) Decrease in Prepaid Expenses	(5,926)
(Increase) Decrease in Deposits	(912)
Increase (Decrease) in Accounts Payable and Accrued Expenses	(73,365)
Increase (Decrease) in Deferred Revenue	107,295
Increase (Decrease) in Accrued Compensated Absences	<u>(4,026)</u>
Net Cash Provided (Used) by Operating Activities	<u>(925,112)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

(Purchase)/Sale of Investments	(339)
Receipts on Notes Receivable	152,699
Payments for New Loans Made	(163,237)
Acquisition of Property and Equipment	(91,364)
Proceeds from Disposition of Property and Equipment	<u>0</u>
Net Cash Provided (Used) by Investing Activities	<u>(102,241)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Net Cash Provided (Used) by Financing Activities	<u>0</u>
Net Increase (Decrease) in Cash	(1,027,353)
Cash Balance, March 31, 2021	<u>2,752,802</u>
CASH BALANCE, MARCH 31, 2022	<u>\$ 1,725,449</u>

* See accompanying notes.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 1: NATURE OF ACTIVITIES

Established in 1965, the Agency operated as a Community Action Development Committee. The Agency became incorporated in February 16, 1966 under the name of Community Action Program of Oklahoma City and County, Inc. In 1983, the Agency assumed responsibility for community action efforts in Canadian County and was re-designated the Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. (CAAOKC) as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code. CAAOKC's mission is to promote the self-sufficiency of the socially, economically, and culturally disadvantaged citizens of Oklahoma and Canadian Counties and to eliminate the paradox of poverty among these citizens by opening to everyone the opportunity to work; to live in decency, dignity, and worth; and to secure the opportunities needed to become fully self-sufficient. CAAOKC reaches out to the diverse residents of Oklahoma and Canadian counties in Oklahoma with a wide range of programs and initiatives to help individuals and families achieve self-sufficiency and a better quality of life by helping people help themselves. CAAOKC receives federal and state grants and contracts, as well as other program revenues, as funding to provide these services.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – CAAOKC uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when a liability is incurred, i.e. grant revenues are recognized when program requirements or restrictions are satisfied, or when related expenditures are incurred. A receivable represents that portion of grant and contract revenues which CAAOKC has earned and/or requested, but not received. Expenses incurred but not paid at year end are represented by a liability on the statement of financial position. Grant funds received but not yet expended are recorded as deferred revenue, while other revenues are recognized when received or earned. Net assets represent the cumulative excess of revenues recognized over expenses incurred. Net assets with donor restrictions are subject to recall or re-obligation at the discretion of granting agencies or being carried over to subsequent program years.

Financial Statement Presentation – The organization is required to report information regarding its financial position and activities according to two classes of net assets; net assets with donor restrictions and net assets without donor restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Net Assets Without Donor Restrictions – Net assets not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Recognition of Grantor Restrictions – Revenues that are restricted by a grantor/donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the revenues are received. All other donor restricted revenues are reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Use of Estimates – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, and net assets, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents – For purposes of the statement of cash flows, CAAOKC considers all highly liquid investments available for current use with an initial maturity of three (3) months or less to be cash equivalents.

Capital Assets – CAAOKC capitalizes property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost, while donations of property and equipment are recorded as contributions at their estimated fair market value. Assets purchased with grant funds with explicit restrictions regarding their use are recorded as temporarily restricted. These assets are reclassified to net assets without restrictions as the value of the asset is depreciated or used. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five (5) to twenty-five (25) years as follows:

<u>Type of Asset</u>	<u>Years</u>
Buildings and Improvements	25
Equipment and Furniture	5
Vehicles	5-12

Inventories – Inventories consist of consumable office supplies and postage, and weatherization materials, and are reported at cost which approximates current market.

Cost Allocation - Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are compensation and benefits, which are allocated on the basis of time and effort; occupancy costs, which are allocated on a square footage basis; supplies, postage and copy machines, which are allocated based on actual usage; insurance, which is allocated based on number of employees assigned to relevant grants; and audit costs, which are allocated based on expenditures per program.

Match Revenues and Expenses – Certain grants require cash and/or in-kind matching funds. CAAOKC utilizes the fair market value of office space, furniture and equipment, and donated professional services as in-kind expenses. Matching funds are included in both revenues and expenses.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Tax Status – CAAOKC qualifies as an organization exempt from income taxes under Section 501(c)(3) of the *Internal Revenue Code* and is subject to a tax on income from any unrelated business, as defined by section 509(a)(1) of the Code. CAAOKC currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

CAAOKC has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more-likely-than-not be sustained upon examinations by taxing authorities. CAAOKC has analyzed tax positions taken for filing with the Internal Revenue Service and the State of Oklahoma. CAAOKC believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on CAAOKC's financial condition, results of operations, or cash flows. Accordingly, CAAOKC has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at March 31, 2022.

Federal and state income tax statutes dictate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, the CAAOKC has no open examinations with the Internal Revenue Service or the Oklahoma Tax Commission.

Program Services - CAAOKC operates a variety of program services which are primarily funded by federal and state grants and contracts.

The following program services are provided and administered by CAAOKC.

Head Start and Daycare – Administers federal and state grants for head start pre-school program, child and adult care food program, and daycare.

Community Services – Administers federal and state grants for various programs for senior citizens, the homeless populace, and neighborhood needs to promote the self-sufficiency of individuals and our communities.

Emergency Food and Shelter – Administers federal and state grants for emergency food and shelter programs for low income individuals and families.

Housing and Weatherization – Administers federal and state grants and contracts for first-time home-buyer assistance, repairs, and other housing programs, rentals, and weatherization of homes for low income individuals and families.

Senior Transportation Services – Provides transit services for senior residents via contracts with the City of Oklahoma City.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Economic Development – Provides and administers loans to small businesses from federal, state, and local grants and contracts promoting the establishment of entrepreneurial business activities through Small Business Loans and Individual Development Accounts.

Substance Abuse – Provides counseling and in-house treatment services for individuals with substance abuse problems. These programs were discontinued during the fiscal year ending March 31, 2022.

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. Deposits, Investments, and Collateral

Deposits – As of March 31, 2022 the carrying amounts of CAAOKC’s deposits was \$1,725,449. Deposits are maintained at financial institutions insured by Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC).

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the entity’s deposits may not be returned to it. Bank balances at year-end are categorized as follows to give an indication of the level of risk assumed by CAAOKC.

Unreconciled

<u>Category</u>	<u>Carrying Amount</u>
1) Insured or collateralized with securities held by the organization or by its agent in the organization’s name	\$ 633,021
2) Collateralized with securities held by the pledging financial institution’s trust department.	1,313,084
3) Uncollateralized	<u>129,252</u>
TOTAL	<u>\$ 2,075,357</u>

Investments – CAAOKC maintains investments in certificates of deposit in local financial institutions. The organization does not have a formal investment policy. Investments are carried at cost which approximates fair value. Investments maintained by CAAOKC as of March 31, 2022 were as follows:

	<u>Maturity</u>	
Certificate of Deposit	02/09/2022	\$ 210,411
Certificate of Deposit	08/10/2023	<u>67,142</u>
		<u>\$ 277,553</u>

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 3: DETAILED NOTES ON ALL FUNDS, CONTINUED

B: Liquidity and Availability of Financial Assets

The following reflects CAAOKC's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Donor-restricted resources are available to support general expenditures to the extent that restrictions on those resources will be met by conducting the normal activities of CAAOKC's programs in the coming year. CAAOKC's cash management policies adhere to federal regulations prohibiting accumulation of unobligated excess cash.

Financial Assets at year-end	\$ 4,688,757
Less those unavailable for general expenditures within one year, due to:	
Contractual or Donor-Imposed Restrictions:	
Notes Receivable due in more than one year	(559,340)
Cash Restricted for Loan Programs	<u>(1,044,030)</u>
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$ 3,085,387</u>

C. Receivables

Grants/Contracts – CAAOKC submits requests for advance and/or reimbursement to grantor and pass-through agencies for grant funds. All receivables are considered collectible.

Notes – Notes receivable include loans made through the Green Loan Program to individuals to assist with weatherizing their homes; small business loans through the SCSBG Revenue Loan and Enterprise Community Loan Programs to small businesses and individuals. Each program is administered as a revolving loan program whereby repayments received on the loans are used to re-loan to other business and individuals. An allowance for doubtful accounts was calculated to include all loans in default or those which the entity had filed for bankruptcy. Interest on loans is recognized over the term of the loan and is calculated using the simple-interest method on principal amounts outstanding. Interest received was \$34,269 for the year ended March 31, 2022.

Activity for notes receivable for the year ended March 31, 2022 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Write-offs</u>	<u>Retirements</u>	<u>Ending Balance</u>
Notes Receivable:					
Green Loans	\$ 109,677	\$ 0	\$(6,780)	\$(50,074)	\$ 52,823
Enterprise Community Loans	<u>560,571</u>	<u>163,237</u>	<u>0</u>	<u>(102,625)</u>	<u>621,183</u>
	<u>670,248</u>	<u>163,237</u>	<u>(6,780)</u>	<u>(152,699)</u>	<u>674,006</u>
Allowance for Doubtful Accounts	<u>(14,162)</u>	<u>7,382</u>	<u>6,780</u>	<u>0</u>	<u>(0)</u>
Notes Receivables, Net	<u>\$ 656,086</u>	<u>\$ 170,619</u>	<u>\$ 0</u>	<u>\$(152,699)</u>	<u>\$ 674,006</u>

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 3: DETAILED NOTES ON ALL FUNDS, CONTINUED

CAAOKC also acts as an administrative pass-through conduit for the City of Oklahoma City for its HUD Section 108 loans. Loan funds are received from the City of Oklahoma City and disbursed to the recipients by CAAOKC. Principal and interest payments are received by CAAOKC on the loans and forwarded on to the City of Oklahoma City. CAAOKC does not retain any of the loan proceeds or repayments and has no liability for any unpaid loan balances. As such, the loan balances are not reported in the accompanying financial statements. The balance and activity on the one (1) outstanding loan for the year ended March 31, 2022 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Section 108 Loans	\$ <u>1,329,968</u>	\$ <u>0</u>	\$ <u>(57,179)</u>	\$ <u>1,272,789</u>

D. Net Assets With Donor Restrictions

Net assets with donor restrictions at March 31, 2022 were as follows:

Head Start	\$ 201,171
Community Services	22,850
Emergency Food & Shelter	1,547
Housing & Weatherization	1,008,054
Senior Transportation Services	68,438
Economic Development	1,413,244
Substance Abuse	<u>(79,129)</u>
Total	<u>\$ 2,636,175</u>

Primary components of these restrictions related to property and equipment purchased with funds derived from grant resources, and notes receivable/loan funds.

E. Capital Assets

CAAOKC's investment in capital assets as of March 31, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital Assets:				
Land	\$ 320,293	\$ 0	\$ 0	\$ 320,293
Work in Progress	0	0	0	0
Buildings and Improvements	3,906,876	0	0	3,906,876
Equipment	2,055,329	91,364	(17,861)	2,128,832
Vehicles	<u>870,864</u>	<u>0</u>	<u>0</u>	<u>870,864</u>
Total Capital Assets	<u>7,153,362</u>	<u>91,364</u>	<u>(17,861)</u>	<u>7,226,865</u>

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 3: DETAILED NOTES ON ALL FUNDS, CONTINUED

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Accumulated Depreciation:				
Buildings and Improvements	(2,056,417)	(142,901)	0	(2,199,318)
Equipment	(1,871,196)	(88,790)	17,861	(1,942,125)
Vehicles	(743,040)	(35,697)	<u>0</u>	(778,737)
Total Accumulated Depreciation	(4,670,653)	(267,388)	<u>17,861</u>	(4,920,180)
Net Capital Assets	<u>\$ 2,482,709</u>	<u>\$(176,024)</u>	<u>\$ 0</u>	<u>\$ 2,306,685</u>

Work in progress consists of homes, including rehab cost to be used for rental.

The majority of CAAOKC's capital assets have been acquired with grant funds. Such assets may be restricted as to use or other limitations such as dispositions of the property. The net book value of such capital assets is reported as net assets with donor restrictions and disclosed in Note 3D.

F. Lease Commitments

CAAOKC has various operating leases (cancelable and non-cancelable) for space that expire at various dates through January 4, 2027. Those leases generally are renewed annually and require payment of all executory costs such as taxes, maintenance and insurance. Rental expense for all leases aggregated \$348,565 for the year ended March 31, 2022.

Future minimum lease payments under non-cancelable operating leases as of March 31, 2022, are as follows:

<u>Year Ending March 31,</u>	
2023	\$ 78,545
2024	58,145
2025	58,145
2026	58,145
2027	4,845
Thereafter	0

G. Compensated Absences

Full time employees with three (3) years or less continual service, earn annual leave at a rate of 9 hours per month (or 108 hours/year). Full time employees with over three (3) years or more of continual service, earn annual leave at a rate of 13 hours per month (or 156 hours/year). Part-time employees accrue vacation leave pro-rated in accordance with the percentage of time they are appointed to work.

<u>Years of Service</u>	<u>Hours Earned</u>
<3	108
>3	156

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 3: DETAILED NOTES ON ALL FUNDS, CONTINUED

G. Compensated Absences, continued

Upon termination, an employee is paid for accrued leave up to a maximum of 270 hours. The liability for accrued compensated absences, as of March 31, 2022 was 699,648.

Full-time employees earn sick leave at a rate of nine (9) hours per month to a maximum accrual of 1,050 hours. Accrued sick leave is not paid upon termination.

H. Match Contributions

CAAOKC received in-kind contributions to be used as match on several programs including professional services, use of space, equipment, and supplies. The fair value of these in-kind contributions were determined as follows:

- Professional Services – actual fee or rate normally charged for medical and dental services by the practitioner.
- Space – average fair rental value of the space as determined for like-kind properties in that area.
- Equipment/Other – actual retail cost value of the item.

The fair market values of these in-kind contributions are summarized as follows:

	<u>Professional Services</u>	<u>Space</u>	<u>Equipment/ Other</u>	<u>Totals</u>
<u>Program Services:</u>				
Head Start and Daycare	\$ 6,562	\$ 2,237,364	\$ 389,941	\$ 2,633,867
Community Services	0	0	11,716	11,716
Housing and Weatherization	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals	<u>\$ 6,562</u>	<u>\$ 2,237,364</u>	<u>\$ 401,657</u>	<u>\$ 2,645,583</u>

Head Start also had additional contributed services of \$814,281 which were non-professional services and, as such, are not included in the accompanying statement of activities as match revenues or expenses.

Banked Match

To meet requirements of various HOME program contracts, CAAOKC has accumulated expenses that are considered eligible for matching funds. Total banked match at March 31, 2022 was as follows:

Banked Match, Beginning	\$ 2,203,339
Contributed	0
Applied	<u>(0)</u>
Banked Match, Ending	<u>\$ 2,203,339</u>

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 4: OTHER INFORMATION

A. Employee Pension Plan

Plan Description

On April 1, 1998, CAAOKC adopted a pension plan for its employees that work twenty (20) hours or more in the form of a tax-sheltered annuity plan (the Plan) in accordance with Section 403(b) of the *Internal Revenue Code*.

Employees are eligible to contribute immediately and receive the employer's match upon completion of six month probationary period and attainment of age 21. Participants contribute at least 1% of compensation up to an annual maximum of \$17,500, and CAAOKC matches the participant's contribution up to 3% of compensation. Participants vest immediately in employee contributions and vest 20% per year in employer contributions starting after the first year of participation, as shown in the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
<1	0
1	20
2	40
3	60
4	80
5 or more	100

Funding Policy – CAAOKC's eligible participants' compensation for the fiscal year ended March 31, 2022 was approximately \$9,667,615. Contributions of \$201,047 for CAAOKC and \$343,894 for the employees, for the year ended March 31, 2022 were accrued and/or withheld.

B. Employee Benefits Plan

Flexible Benefits – Effective February 1, 2002, CAAOKC established a flexible benefits plan for its employees, which provides coverage for various health and welfare insurance benefits. The cost of the flexible benefits plan is paid by employees.

C. Contingent Liabilities

In the normal course of operations, CAAOKC participates in a number of federal and state assisted grant programs and contracts. These programs are subject to audit by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Presently, CAAOKC has no such requests pending, and in the opinion of management, any such amounts would not be considered material.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

NOTE 4: OTHER INFORMATION, CONTINUED

D. Economic Dependency

CAAOKC receives a significant portion of its revenue from funds provided through federal and state grants. The grant amounts are appropriated each year at the federal and/or state level, the amount of the funds the organization receives could be reduced significantly and have adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds CAAOKC will receive in the next fiscal year.

E. Concentrations

At March 31, 2022, 59% of CAAOKC's total employees are eligible for membership in the American Federation of State, County, and Municipal Employees Union, Local 2406 (AFL-CIO), with 7% of CAAOKC's total employees being members of the AFL-CIO. The agreement allows for renegotiation of economic items annually and non-economic items bi-annually.

F. Evaluation of Subsequent Events

CAAOKC has evaluated subsequent events through October 14, 2022, the date which the financial statements were available to be issued.

Saunders & Associates, PLLC

Certified Public Accountants

630 East 17th Street * P. O. Box 1406 * Ada, Oklahoma 74820 * (580) 332-8548 * FAX: (580) 332-2272

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

Board of Directors

Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. (a non-profit organization), which comprise the statement of financial position as of March 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 14, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control.

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

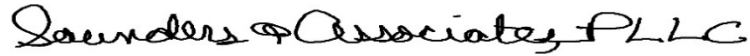
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in black ink that reads "Saunders & Associates, PLLC". The signature is written in a cursive, flowing style.

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

October 14, 2022

Saunders & Associates, PLLC

Certified Public Accountants

630 East 17th Street * P. O. Box 1406 * Ada, Oklahoma 74820 * (580) 332-8548 * FAX: (580) 332-2272

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

Board of Directors

Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.

Report on Compliance for Each Major Program

We have audited Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'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 Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s major federal programs for the year ended March 31, 2022. Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'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 Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'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 Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2022.

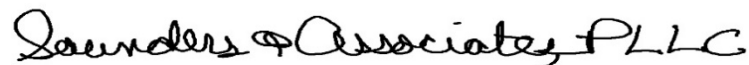
Report on Internal Control Over Compliance

Management of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. 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 Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a 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 Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc.'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.

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.



SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

October 14, 2022

SUPPLEMENTAL INFORMATION

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended March 31, 2022

Federal Grantor/Pass-Through Grantor Program Title	Pass Through Entity Identifying Number	CFDA Number	Additional Award Identification	Pass-Through Grantor's Number	Pass-Through Subrecipients	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Direct Program:						
Head Start Cluster:						
Head Start		93.600		06CH011443/02	\$ 640,899	\$ 11,262,892
Head Start (ARP)		93.600	COVID-19	06HE000100/01	0	586,118
Head Start (COVID)		93.600	COVID-19	06HE000100/01	0	70,614
Total 93.600					<u>640,899</u>	<u>11,919,624</u>
Total Head Start Cluster					<u>640,899</u>	<u>11,919,624</u>
Pass-Through Oklahoma Department of Mental Health:	N/A					
Block Grants for Prevention and Treatment of Substance Abuse		93.959		FY 20-21	0	65,614
Total 93.959					<u>0</u>	<u>65,614</u>
Pass-Through Oklahoma Department of Commerce:	74282765					
Community Services Block Grant		93.569		18482 CSBG 22	0	569
Community Services Block Grant		93.569		17984 CSBG 20	0	2,822
Community Services Block Grant		93.569		18384 CSBG 21	0	2,822
Community Services Block Grant		93.569		18495 CSBG 22	0	386,316
Community Services Block Grant		93.569		18138 CSBG 21	0	1,338,604
Community Services Block Grant		93.569	COVID-19	17812 CSBG CR 20	0	468,880
Total 93.569					<u>0</u>	<u>2,200,013</u>
Pass-Through Oklahoma Department of Commerce:	74282765					
Low-Income Home Energy Assistance Program (LIHEAP)		93.568		18176 DHS 20	0	228,684
Low-Income Home Energy Assistance Program (LIHEAP)		93.568		17672 DHS 19	0	125,544
Total 93.568					<u>0</u>	<u>354,228</u>
Total U.S. Department of Health and Human Services					<u>640,899</u>	<u>14,539,479</u>
U.S. DEPARTMENT OF AGRICULTURE						
Pass-Through Oklahoma Department of Education:	N/A					
Child and Adult Care Food Program		10.558		DC-55-073	0	586,947
Child and Adult Care Food Program		10.558	COVID-19	DC-55-073	0	30,301
Total 10.558					<u>0</u>	<u>617,248</u>
Total U.S. Department of Agriculture					<u>0</u>	<u>617,248</u>
U.S. DEPARTMENT OF ENERGY						
Pass-Through City of Oklahoma City, Oklahoma:	N/A					
ARRA - Energy Efficiency & Conservation Block Grant Program		81.128		Green Loans	0	109,677
ARRA - Energy Efficiency & Conservation Block Grant Program		81.128		DE-0000920	0	10,000
Total 81.128					<u>0</u>	<u>119,677</u>
Pass-Through Oklahoma Department of Commerce:	74282765					
Weatherization Assistance for Low-Income Persons		81.042		18187 DOE 21	0	267,069
Total 81.042					<u>0</u>	<u>267,069</u>
Total U.S. Department of Energy					<u>0</u>	<u>386,746</u>

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended March 31, 2022

Federal Grantor/Pass-Through Grantor Program Title	Pass Through Entity Identifying Number	CFDA Number	Additional Award Identification	Pass-Through Grantor's Number	Pass-Through Subrecipients	Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY						
Pass-Through Emergency Food and Shelter Local Board for Oklahoma:	N/A					
Emergency Food and Shelter Program		97.024		37-6896-00	0	9,593
Total 97.024					0	9,593
Total U.S. Department of Homeland Security					0	9,593
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Direct Program:						
Housing Counseling Program		14.169		HC21-0821-009	0	2,060
Housing Counseling Program		14.169		HC20-0821-005	0	7,622
Total 14.169					0	9,682
Community Development Block Grants/Entitlement Grants Cluster:						
Pass-Through City of Oklahoma City, Oklahoma:	N/A					
Community Development Block Grant - Small Business Assistance		14.218		SB 21-22	0	30,109
Community Development Block Grant - Small Business Assistance		14.218		SB 20-21	0	9,514
Community Development Block Grant		14.218		HR 21-22	0	482,233
Community Development Block Grant		14.218		HR 20-21	0	175,937
Community Development Block Grant		14.218	COVID-19	CV 21-22	0	20,952
Community Development Block Grant		14.218	COVID-19	CV 20-22	0	277,320
Pass-Through City of Midwest City, Oklahoma:	N/A					
Community Development Block Grant		14.218	COVID-19	CV 20-21	0	48,777
Total 14.218					0	1,044,842
Total Community Development Block Grants/Entitlement Grants Cluster					0	1,044,842
Pass-Through Oklahoma Housing Finance Agency:						
HOME Investments Partnership Program		14.239		1638 HOME 20	0	74,995
HOME Investments Partnership Program		14.239		1690 HOME 21	0	26,949
Total 14.239					0	101,944
Total U.S. Department of Housing and Urban Development					0	1,156,468
TOTAL EXPENDITURES OF FEDERAL AWARDS					\$ 640,899	\$ 16,709,534

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended March 31, 2022

NOTE 1: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Action Agency of Oklahoma City & Oklahoma/Canadian Counties, Inc. (CAAOKC), and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, "*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*" (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the organization.

NOTE 2: EXPENDITURES

Expenditures represent current year federal grant/contract portion only.

NOTE 3: NONCASH AWARDS

CAAOKC had the following loan balances outstanding at March 31, 2022:

U.S. Department of Energy		
Pass-Through City of Oklahoma City		
ARRA – Energy Efficiency and Conservation		
Block Grant Program – Green Loans	81.128	\$ <u>52,823</u>

NOTE 4: INDIRECT COSTS

CAAOKC has elected not to use the 10 percent de minimis indirect cost rate as allowed under the *Uniform Guidance*.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY
& OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

SCHEDULE OF EXPENDITURES OF STATE AWARDS AND LOCAL FUNDS

For the Year Ended March 31, 2022

State Grantor/ Program Title	Pass-Through Grantor's Number	Expenditures
STATE PROGRAMS		
OKLAHOMA DEPARTMENT OF COMMERCE		
State Appropriated Funds for Community Action Agencies	17894 SAF/CAA HS 21	\$ 95,157
State Appropriated Funds for Community Action Agencies	18279 SAF/CAA HS 22	171,705
State Appropriated Funds for Community Action Agencies	17888 SAF/CAA 21	20,554
State Appropriated Funds for Community Action Agencies	18243 SAF/CAA 22	38,254
Prescription Drug Program	17959 PDP 21	30,534
Prescription Drug Program	18365 PDP 22	94,311
OKLAHOMA DEPARTMENT OF MENTAL HEALTH		
Alcohol and Drug Abuse Program	FY 20-21	33,801
COMMUNITY ENHANCEMENT CORPORATION		
Sober Living	FY 20-21	<u>8,451</u>
TOTAL EXPENDITURES OF STATE AWARDS		<u>\$ 492,767</u>
LOCAL FUNDS		
State Appropriated Funds, Cash Match		\$ 0
State Appropriated Funds, InKind Match		\$ 0
Head Start, 06CH011443/02, InKind		\$ 3,448,148

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

STATUS OF PRIOR AUDIT FINDINGS

March 31, 2022

Section II – Financial Statement Findings and Questioned Costs:

2021-001 – RECOGNITION OF PAYROLL COSTS TO APPROPRIATE PERIOD

Condition: During the 2020-2021 fiscal year CAA/OKC switched from a monthly payroll processing schedule to a bi-weekly payroll schedule. This change resulted in a need to record accruals to recognize payroll costs in the proper period. However, subsequent to this change, wages have been recorded in the general ledger in the period paid versus the period earned. This resulted in no recognition of payroll liability and related expenses in the financial statements for the portion of wages earned during March 2021 but not paid until April 2021. As part of the audit process, the lack of a payroll accrual was identified, discussed with CAA/OKC, and an adjustment was made to recognize the payroll liability (\$364,602) and related salaries and fringe expenses as of March 31, 2021.

Current Status: This finding can be cleared.

Section III – Federal Awards Findings and Questioned Costs:

None reported.

COMMUNITY ACTION AGENCY OF OKLAHOMA CITY &
OKLAHOMA/CANADIAN COUNTIES, INC.
Oklahoma City, Oklahoma

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended March 31, 2022

Section I – Summary of Auditor’s Results

Financial Statements:

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes No

Noncompliance material to financial statements noted? Yes No

Federal Awards:

Internal Control Over Major Programs:

Material weakness(es) identified? Yes No

Significant deficiencies identified not considered to be material weakness(es)? Yes None Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?
 Yes No

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

Auditee qualified as low-risk auditee? Yes No

Identification of Major Programs:

Federal

CFDA #
93.600
93.568

PROGRAM TITLE

Head Start
Low-Income Home Energy Assistance Program

Section II – Financial Statement Findings and Questioned Costs:

None reported.

Section III – Federal Awards Findings and Questioned Costs:

None reported.