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June 9, 2015

Board of Directors  
Western Indiana Community Action Agency, Inc.  
705 South 5<sup>th</sup> Street  
Terre Haute, IN 47807

We have reviewed the audit report prepared by Wipfli LLP, for the period January 1, 2013 to December 31, 2013. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Western Indiana Community Action Agency, Inc., as of December 31, 2013, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

**Western Indiana Community Action  
Agency, Inc.**

Terre Haute, Indiana

Financial Statements and Supplementary Information  
Year Ended December 31, 2013

# Western Indiana Community Action Agency, Inc.

Financial Statements and Supplementary Information  
Year Ended December 31, 2013

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## Table of Contents

Independent Auditor's Report.....	1
Financial Statements	
Statement of Financial Position.....	3
Statement of Activities .....	4
Statement of Cash Flows .....	5
Notes to Financial Statements .....	6
Supplementary Information	
Schedule of Program Activity .....	11
Schedule of Expenditures of Federal and State and Local Awards and List of Programs .....	16
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters .....	19
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance .....	21
Schedule of Findings and Questioned Costs .....	23



## **Independent Auditor's Report**

Board of Directors  
Western Indiana Community Action Agency, Inc.  
Terre Haute, Indiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Western Indiana Community Action Agency, Inc., which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Western Indiana Community Action Agency, Inc. as of December 31, 2013, 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.

## Other Matters

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, the Schedule of Expenditures of Federal and State and Local Awards and List of Programs, appearing on pages 16 through 18, which includes the requirements of the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as well as the Schedule of Program Activity, appearing on pages 11 through 15, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2014, on our consideration of Western Indiana Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* in considering Western Indiana Community Action Agency, Inc.'s internal control over financial reporting and compliance.

*Wipfli LLP*

Wipfli LLP

September 9, 2014  
Madison, Wisconsin

# Western Indiana Community Action Agency, Inc.

## Statement of Financial Position

December 31, 2013

<i>Assets</i>	
Current assets:	
Cash and cash equivalents	\$ 299,270
Grants receivable	306,671
Accounts receivable	13,255
Prepaid expenses	53,346
Inventory	97,264
<b>Total current assets</b>	<b>769,806</b>
Property and equipment, net	830,599
<b>TOTAL ASSETS</b>	<b>\$ 1,600,405</b>
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Current maturities of note payable	\$ 20,239
Accounts payable	51,610
Accrued payroll and related liabilities	261,693
<b>Total current liabilities</b>	<b>333,542</b>
Long-term liabilities:	
Note payable	517,866
<b>Total liabilities</b>	<b>851,408</b>
Net assets:	
Unrestricted	743,997
Permanently restricted	5,000
<b>Total net assets</b>	<b>748,997</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,600,405</b>

See accompanying notes to financial statements.

# Western Indiana Community Action Agency, Inc.

## Statement of Activities

Year Ended December 31, 2013

	Unrestricted	Permanently Restricted	Total
Revenue and support:			
Grant revenue	\$ 6,068,853	\$ 0	\$ 6,068,853
Child care revenue	374,560	0	374,560
Other income	56,912	0	56,912
Investment income	1,287	0	1,287
In-kind revenue	26,377	0	26,377
<b>Total revenue and support</b>	<b>6,527,989</b>	<b>0</b>	<b>6,527,989</b>
Expenses:			
Program activities:			
Energy assistance	3,290,185	0	3,290,185
Child education	1,424,365	0	1,424,365
Food programs	567,476	0	567,476
Senior programs	285,826	0	285,826
Weatherization	110,006	0	110,006
Discretionary	121,025	0	121,025
Community services	322,984	0	322,984
<b>Total program expenses</b>	<b>6,121,867</b>	<b>0</b>	<b>6,121,867</b>
Supportive services:			
Management and general	401,944	0	401,944
<b>Total expenses</b>	<b>6,523,811</b>	<b>0</b>	<b>6,523,811</b>
Change in net assets	4,178	0	4,178
Net assets - Beginning of year	739,819	5,000	744,819
<b>Net assets - End of year</b>	<b>\$ 743,997</b>	<b>\$ 5,000</b>	<b>\$ 748,997</b>

See accompanying notes to financial statements.

# Western Indiana Community Action Agency, Inc.

## Statement of Cash Flows Year Ended December 31, 2013

Increase (decrease) in cash and cash equivalents:	
Cash flows from operating activities:	
Change in net assets	\$ 4,178
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	70,460
Bad debt expense	14,090
Changes in operating assets and liabilities:	
Grants receivable	181,065
Accounts receivable	3,891
Prepaid expenses	14,636
Inventory	4,665
Accounts payable	( 20,445)
Accrued payroll and related liabilities	( 14,648)
Grant funds received in advance	( 4,480)
Net cash provided by operating activities	253,412
Cash flows from investing activities:	
Capital expenditures	( 11,900)
Net cash used in investing activities	( 11,900)
Cash flows from financing activities:	
Payments on note payable	( 19,407)
Net cash used in financing activities	( 19,407)
Change in cash and cash equivalents	222,105
Cash and cash equivalents - Beginning of year	77,165
Cash and cash equivalents - End of year	\$ 299,270
<b>Schedule of other cash activity:</b>	
Interest paid	\$ 23,321

# Western Indiana Community Action Agency, Inc.

## Notes to Financial Statements

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### **Note 1            Summary of Significant Accounting Policies**

#### **Nature of Operations**

Western Indiana Community Action Agency, Inc. (WICAA) was organized as a nonprofit corporation in 1964. WICAA was formed to provide greater use of new types of services and innovative approaches in attacking the causes of poverty, so as to develop increasingly effective methods of employing available resources and to provide maximum feasible participation of the economically and mentally disadvantaged and elderly in the development and implementation of all programs and projects designed to serve this clientele. WICAA is primarily supported through federal and state government grants. Approximately 54% and 20% of WICAA's grant revenue was earned under the federal Low-Income Energy Assistance and Head Start programs, respectively.

#### **Basis of Presentation**

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

#### **Classification of Net Assets**

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of WICAA and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of WICAA and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Currently, WICAA does not have any temporarily restricted net assets.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by WICAA. Generally, the donors of these assets permit WICAA to use all or part of the income earned on any related investments for general or specific purposes.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

# Western Indiana Community Action Agency, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies (Continued)**

#### **Cash and Cash Equivalents**

WICAA considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

#### **Inventory**

Inventory, which consists of weatherization materials, is stated at the lower of cost or market on a first-in, first-out (FIFO) basis.

#### **Property and Equipment**

Property and equipment are capitalized at cost and depreciated over the estimated useful lives of the assets using the straight-line method. WICAA considers assets with a cost greater than \$5,000 and a useful life greater than one year to be capital assets.

Property and equipment purchased with grant funds are owned by WICAA while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. The disposition of property and equipment, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of property and equipment purchased with grant funds is \$229,106 at December 31, 2013.

#### **Income Taxes**

WICAA is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. WICAA is also exempt from Indiana state income tax. WICAA is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. WICAA has determined there is no amount to record as assets or liabilities related to uncertain tax positions. Federal returns for the tax years 2010 and beyond remain subject to examination by the Internal Revenue Service.

#### **In-Kind Contributions**

WICAA records in-kind contributions for space, supplies, and professional services in the statement of activities in accordance with a financial accounting standard related to the accounting for contributions received and contributions made. The standard requires that only contributions of service received that create or enhance a nonfinancial asset or require specialized skills by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of the standard are different than the in-kind requirements of several of WICAA's grant awards. WICAA received contributions of nonprofessional volunteer services during the year with a value of \$313,052 primarily for its Head Start, Retired Senior Volunteer, and Foster Grandparent programs, which are not recorded in the statement of activities.

# Western Indiana Community Action Agency, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies (Continued)**

#### **Accounts Receivable**

Accounts receivable represent amounts due from various entities for the provision of child care. Based on history of collections from the clients, all amounts have been deemed collectible and no allowance for bad debts has been established. If amounts become uncollectible, they will be written off when that determination is made.

#### **Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to WICAA that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are received.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

#### **A. Grant Awards That Are Contributions**

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance.

#### **B. Grant Awards That Are Exchange Transactions**

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Child care revenue is recognized when earned.

#### **Cost Allocation**

Joint costs are allocated to benefiting programs using various allocation methods, depending on the type of joint cost being allocated. Joint costs are those costs incurred for the common benefit of all organization programs, which cannot be readily identified with a final cost objective.

# Western Indiana Community Action Agency, Inc.

## Notes to Financial Statements

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### Note 1 Summary of Significant Accounting Policies (Continued)

#### Subsequent Events

Subsequent events have been evaluated through September 9, 2014, which is the date the financial statements were available to be issued.

### Note 2 Concentration of Credit Risk

WICAA maintains cash balances at one bank. Accounts in this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Fluctuating cash flows throughout the year may cause the balance to exceed the FDIC insurance limit. Management believes the bank has a strong credit rating and credit risk related to these deposits is minimal.

### Note 3 Grants Receivable

Grants receivable at December 31, 2013, represent amounts due from federal program funding sources in the amount of \$306,671.

### Note 4 Property and Equipment

Property and equipment is as follows:

Land	\$	40,655
Buildings and building improvements		969,049
<u>Equipment</u>		<u>816,484</u>
Subtotal		1,826,188
<u>Less - Accumulated depreciation</u>		<u>995,589</u>
<u>Property and equipment, net</u>	<u>\$</u>	<u>830,599</u>

### Note 5 Note Payable

Mortgage payable to First Financial Bank is in the amount of \$575,000 at 4.25% annual interest with monthly payments of \$3,561. The mortgage is due January 15, 2032. The mortgage is collateralized by the property acquired using the debt proceeds. The outstanding balance as of December 31, 2013, was \$538,105 of which \$20,239 was current and \$517,866 was long-term.

Future maturities are as follows:

2014	\$	20,239
2015		21,117
2016		21,972
2017		22,984
2018		23,980
<u>Thereafter</u>		<u>427,813</u>
<u>Total</u>	<u>\$</u>	<u>538,105</u>

# Western Indiana Community Action Agency, Inc.

## Notes to Financial Statements

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### Note 6 Retirement Plan

WICAA has a defined contribution retirement plan authorized under Section 403(b) of the Internal Revenue Code. The plan is open to all employees who are scheduled to work 20 or more hours per week and 1,000 hours or more per year. Following the one year anniversary date of employment by the employee, WICAA will match employee contribution to a maximum total contribution of 6% of employee's earnings. The retirement benefits are fully vested with the employee at the time of contribution. Contributions for the year ended December 31, 2013, were \$41,277.

### Note 7 Leases

WICAA is committed under several operating leases related to its centers. Rent expense for these operating leases amounted to \$52,222 for the year ended December 31, 2013. Future rental commitments under operating leases with terms of greater than one year are as follows:

2014	\$	40,499
2015		18,636
2016		18,899
2017		18,698
2018		9,153
<u>Total</u>		<u>\$ 105,885</u>

### Note 8 Permanently Restricted Net Assets

At December 31, 2013, WICAA had \$5,000 in permanently restricted net assets which represents a contribution that is to be invested by WICAA. The initial contribution is to be held in perpetuity with the income generated being used for general operations. The investment is included in cash and cash equivalents on the statement of financial position.

### Note 9 Grant Awards

At December 31, 2013, WICAA had commitments under various grants of approximately \$2,678,000. These commitments are not recognized in the accompanying financial statements as they are conditional awards.

# **Supplementary Information**

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# Western Indiana Community Action Agency, Inc.

## Schedule A-1 Schedule of Program Activity Year Ended December 31, 2013

	FEDERAL PROGRAMS						
	Department of Agriculture (USDA)						
	10.557		10.557		10.558		
	WIC	WIC	WIC	USDA WIC	Child Care	Child Care	Child Care
	Program	Program	Peer Counselor	Breastfeeding Peer	Food	Food	Food
	12/13	13/14	12/13	Counselor 13/14	12/13	12/13	13/14
	(1)	(2)	(3)	(4)	(5)	(5)	(6)
Total					Subtotal		
<b>REVENUE AND SUPPORT</b>							
Grant revenue	\$ 6,068,853	\$ 343,118	\$ 113,523	\$ 14,562	\$ 474,867	\$ 75,436	\$ 37,432
Child care revenue	374,560	0	0	0	0	0	0
Other income	56,912	0	0	0	0	0	0
Investment income	1,287	0	0	0	0	0	0
In-kind revenue	26,377	0	0	0	0	0	0
<b>Total Revenue</b>	<b>6,527,989</b>	<b>343,118</b>	<b>113,523</b>	<b>14,562</b>	<b>474,867</b>	<b>75,436</b>	<b>37,432</b>
<b>EXPENSES</b>							
Salaries and employee benefits	2,464,234	301,121	103,022	13,818	421,217	0	0
Travel	21,167	590	116	214	920	0	0
Occupancy	220,637	20,399	7,106	522	28,435	0	0
Office equipment and supplies	138,694	7,900	406	8	8,314	0	0
Program supplies	54,764	2,284	622	0	2,906	0	0
Food	133,151	0	0	0	0	75,436	37,432
Minor equipment and equipment rental	68,909	4,766	609	0	5,375	0	0
Depreciation expense	70,460	0	0	0	0	0	0
Volunteer/stipends	121,486	0	0	0	0	0	0
Other expenses	227,185	6,058	1,642	0	7,700	0	0
In-kind expense	26,377	0	0	0	0	0	0
Client assistance	2,976,747	0	0	0	0	0	0
<b>Total Expenses</b>	<b>6,523,811</b>	<b>343,118</b>	<b>113,523</b>	<b>14,562</b>	<b>474,867</b>	<b>75,436</b>	<b>37,432</b>
<b>Change in Net Assets</b>							
Net assets - Beginning of the year	4,178	0	0	0	0	0	0
<b>NET ASSETS - END OF THE YEAR</b>	<b>\$ 748,997</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report.

# Western Indiana Community Action Agency, Inc.

Schedule A-2  
 Schedule of Program Activity  
 Year Ended December 31, 2013

	FEDERAL PROGRAMS						EAP 12/13 (11)	EAP 13/14 (12)					
	USDA	Dept. of HUD	Department of Energy		DHHS								
	14,228	81,042						93,568					
	Community												
10.558	Development	Weatherization	Weatherization	Weatherization	Weatherization	81,042	EAP						
Subtotal	Block Grant	10/13	13/14	Carryover	Subtotal								
	(7)	(8)	(9)	(10)		(11)	(12)						
\$	112,868	\$	13,748	\$	51,274	\$	26,459	\$	91,481	\$	1,930,998	\$	1,016,510
Grant revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Child care revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0	0	0	0
In-kind revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>112,868</b>	<b>91,926</b>	<b>13,748</b>	<b>51,274</b>	<b>26,459</b>	<b>91,481</b>	<b>1,930,998</b>	<b>1,016,510</b>					
<b>EXPENSES</b>													
Salaries and employee benefits	0	5,150	(7,744)	37,163	18,998	48,417	141,372	62,511					
Travel	0	0	54	0	0	54	1,027	1,000					
Occupancy	0	0	(497)	2,265	1,745	3,513	15,188	5,392					
Office equipment and supplies	0	0	19,412	8,717	3,556	31,685	3,985	2,212					
Program supplies	0	99	(2)	27	0	25	6,987	1,889					
Food	112,868	0	0	0	0	0	0	0					
Minor equipment and equipment rental	0	0	(120)	1,993	829	2,702	12,177	3,417					
Depreciation expense	0	0	0	0	0	0	0	0					
Volunteer/stipends	0	0	0	0	0	0	0	0					
Other expenses	0	219	2,645	1,109	1,331	5,085	13,880	2,382					
In-kind expense	0	0	0	0	0	0	0	0					
Client assistance	0	86,458	0	0	0	0	1,736,382	937,707					
<b>Total Expenses</b>	<b>112,868</b>	<b>91,926</b>	<b>13,748</b>	<b>51,274</b>	<b>26,459</b>	<b>91,481</b>	<b>1,930,998</b>	<b>1,016,510</b>					
<b>Change in Net Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>					
Net assets - Beginning of the year	0	0	0	0	0	0	0	0					
<b>NET ASSETS - END OF THE YEAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>					

See Independent Auditor's Report.

# Western Indiana Community Action Agency, Inc.

Schedule A-3  
 Schedule of Program Activity  
 Year Ended December 31, 2013

FEDERAL PROGRAMS									
Department of Health and Human Services									
93.568			93.569			93.600			
LIHEAP 12/13 (13)	LIHEAP 13/14 (14)	93.568 Subtotal	CSBG (15)	Head Start 12/13 (16)	Head Start 13/14 (17)	93.600 Subtotal	93.600 Subtotal		
\$ 334,326	\$ 16,819	\$ 3,298,653	\$ 232,502	\$ 1,017,991	\$ 206,075	\$ 1,224,066			
0	0	0	0	0	0	0			
0	7,796	7,796	0	1,343	200	1,543			
0	0	0	0	0	0	0			
0	0	0	0	296,256	18,669	314,925			
<b>334,326</b>	<b>24,615</b>	<b>3,306,449</b>	<b>232,502</b>	<b>1,315,590</b>	<b>224,944</b>	<b>1,540,534</b>			
<b>REVENUE AND SUPPORT</b>									
Grant revenue									
Child care revenue									
Other income									
Investment income									
In-kind revenue									
<b>Total Revenue</b>									
<b>EXPENSES</b>									
Salaries and employee benefits									
Travel									
Occupancy									
Office equipment and supplies									
Program supplies									
Food									
Minor equipment and equipment rental									
Depreciation expense									
Volunteer/stipends									
Other expenses									
In-kind expense									
Client assistance									
<b>Total Expenses</b>									
Change in Net Assets									
Net assets - Beginning of the year									
<b>NET ASSETS - END OF THE YEAR</b>									

See Independent Auditor's Report.

# Western Indiana Community Action Agency, Inc.

Schedule A-4  
 Schedule of Program Activity  
 Year Ended December 31, 2013

	FEDERAL PROGRAMS						STATE AND LOCAL	
	Corporation for National and Community Service					DHS		
	94.002		94.011		97.024			
RSVP 12/13 (18)	RSVP 13/14 (19)	94.002 Subtotal	FGP (20)	EFSP (21)	Total Federal Programs	Hardest Hit Fund Program (22)	State EAP 12/13 (23)	
<b>REVENUE AND SUPPORT</b>								
Grant revenue	\$ 4,923	\$ 28,746	\$ 33,669	\$ 246,419	\$ 17,000	\$ 19,744	\$ 105,470	
Child care revenue	0	0	0	0	0	0	0	
Other income	0	0	0	0	0	0	0	
Investment income	0	0	0	0	0	0	0	
In-kind revenue	384	1,784	2,168	22,336	0	18	0	
<b>Total Revenue</b>	<b>5,307</b>	<b>30,530</b>	<b>35,837</b>	<b>268,755</b>	<b>17,000</b>	<b>19,762</b>	<b>105,470</b>	
<b>EXPENSES</b>								
Salaries and employee benefits	3,166	19,946	23,112	79,903	200	17,821	5,020	
Travel	238	1,142	1,380	11,297	0	221	0	
Occupancy	283	794	1,077	3,704	0	685	0	
Office equipment and supplies	328	1,090	1,418	1,247	0	101	0	
Program supplies	255	845	1,100	474	0	63	0	
Food	0	1,076	1,076	9,650	0	0	0	
Minor equipment and equipment rental	321	2,356	2,677	14,278	0	524	0	
Depreciation expense	0	0	0	0	0	0	0	
Volunteer/stipends	0	0	0	121,486	0	0	0	
Other expenses	48	252	300	3,432	0	347	0	
In-kind expense	384	1,784	2,168	22,336	0	0	0	
Client assistance	284	1,245	1,529	948	16,800	0	100,450	
<b>Total Expenses</b>	<b>5,307</b>	<b>30,530</b>	<b>35,837</b>	<b>268,755</b>	<b>17,000</b>	<b>19,762</b>	<b>105,470</b>	
<b>Change in Net Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Net assets - Beginning of the year	0	0	0	0	0	0	0	
<b>NET ASSETS - END OF THE YEAR</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	

See Independent Auditor's Report.

# Western Indiana Community Action Agency, Inc.

Schedule A-5  
Schedule of Program Activity  
Year Ended December 31, 2013

	STATE AND LOCAL				OTHER			DISCRETIONARY	
	State EAP 13/14 (24)	State LIHEAP 12/13 (25)	Total State and Local	Other Program Adjustments (26)	SACC (27)	Wabash Valley Community Foundation (28)	Total Program Activity	Corporate (29)	
<b>REVENUE AND SUPPORT</b>									
Grant revenue	94,290	25,748	245,252	0	0	0	6,068,703	150	
Child care revenue	0	0	0	0	320,543	0	320,543	54,017	
Other income	0	0	0	0	100	0	9,439	47,473	
Investment income	0	0	18	0	0	0	18	1,269	
In-kind revenue	0	0	0	(313,052)	0	0	26,377	0	
<b>Total Revenue</b>	<b>94,290</b>	<b>25,748</b>	<b>245,270</b>	<b>(313,052)</b>	<b>320,643</b>	<b>0</b>	<b>6,425,080</b>	<b>102,909</b>	
<b>EXPENSES</b>									
Salaries and employee benefits	0	19,390	42,231	0	203,688	0	2,449,041	15,193	
Travel	0	0	221	0	765	0	21,167	0	
Occupancy	0	1,454	2,139	0	13,349	0	204,825	15,812	
Office equipment and supplies	0	4,129	4,230	0	2,167	0	126,851	11,843	
Program supplies	0	0	63	0	7,267	0	54,721	43	
Food	0	0	0	0	13,523	0	133,062	89	
Minor equipment and equipment rental	0	0	524	(31,306)	4,775	0	71,872	(2,963)	
Depreciation expense	0	0	0	0	0	0	0	70,460	
Volunteer/stipends	0	0	0	0	0	0	121,486	0	
Other expenses	0	775	1,122	0	76,175	0	210,874	16,311	
In-kind expense	0	0	0	(313,052)	0	0	26,377	0	
Client assistance	94,290	0	194,740	0	0	0	2,974,564	2,183	
<b>Total Expenses</b>	<b>94,290</b>	<b>25,748</b>	<b>245,270</b>	<b>(344,358)</b>	<b>321,709</b>	<b>0</b>	<b>6,394,840</b>	<b>128,971</b>	
<b>Change in Net Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,306</b>	<b>(1,066)</b>	<b>0</b>	<b>30,240</b>	<b>(26,062)</b>	
Net assets - Beginning of the year	0	0	0	940,057	28,951	5,000	974,008	(229,189)	
<b>NET ASSETS - END OF THE YEAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>971,363</b>	<b>27,885</b>	<b>5,000</b>	<b>1,004,248</b>	<b>255,251</b>	

See Independent Auditor's Report.

# Western Indiana Community Action Agency, Inc.

## Schedule B-1

### Schedule of Expenditures of Federal and State and Local Awards and List of Programs Year Ended December 31, 2013

	<u>Federal Grantor/ Program Title</u>	<u>CFDA Number</u>	<u>Funding Source/ Pass-Through Entity</u>	<u>Program Year</u>	<u>Federal Expenditures</u>
<b>DEPARTMENT OF AGRICULTURE</b>					
( 1 )	Women, Infants, and Children Program - #2IN700002 (EDS #A70-3-070437)	10.557	Indiana State Department of Health	10/01/12-09/30/13	\$ 343,118 ✓
( 2 )	Women, Infants, and Children Program - #2IN700002 (EDS #A70-4-070540)		Indiana State Department of Health	10/01/13-09/30/14	113,523 ✓
( 3 )	WIC Peer Counselor #2IN700012 (EDS #A70-3-070411)		Indiana State Department of Health	10/01/12-09/30/13	14,562 ✓
( 4 )	USDA WIC Breastfeeding Peer Counselor #2IN700012 (EDS#A70-4-0740601)		Indiana State Department of Health	10/01/13-09/30/14	3,664 ✓
			<b>Total CFDA #10.557</b>		<b>474,867</b>
( 5 )	Child and Adult Care Food Program 12/13	10.558	Indiana Department of Education	10/01/12-09/30/13	75,436 ✓
( 6 )	Child and Adult Care Food Program 13/14		Indiana Department of Education	10/01/13-09/30/14	37,432 ✓
			<b>Total CFDA #10.558</b>		<b>112,868</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
( 7 )	Community Development Block Grant #DR20R-011-024	14.228	Indiana Housing and Community Development Authority	05/14/12-12/31/13	91,926 ✓
<b>DEPARTMENT OF ENERGY</b>					
( 8 )	Weatherization Assistance for Low- Income Persons - #WX-010-024	81.042	Indiana Housing and Community Development Authority	04/01/10-03/31/13	13,748 ✓
( 9 )	Weatherization Assistance for Low- Income Persons - #WX-013-024		Indiana Housing and Community Development Authority	11/01/13-03/31/14	51,274 ✓
(10)	Weatherization Assistance for Low- Income Persons - #WX-013-024-C		Indiana Housing and Community Development Authority	07/01/13-12/31/13	26,459 ✓
			<b>Total CFDA #81.042</b>		<b>91,481</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
(11)	Energy Assistance Program #LI-013-024	93.568	Indiana Housing and Community Development Authority	10/01/12-09/30/13	1,930,998 ✓
(12)	Energy Assistance Program #LI-014-024		Indiana Housing and Community Development Authority	10/01/13-09/30/14	1,016,510 ✓

# Western Indiana Community Action Agency, Inc.

Schedule B-2

Schedule of Expenditures of Federal and State and Local Awards and List of Programs

Year Ended December 31, 2013

	Federal Grantor/ Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Program Year	Federal Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>					
(13)	Low-Income Home Energy Assistance Program - #WL-013-024	93.568	Indiana Housing and Community Development Authority	10/01/12-09/30/13	334,326 ✓
(14)	Low-Income Home Energy Assistance Program - #WL-014-024		Indiana Housing and Community Development Authority	10/01/13-09/30/14	<u>16,819</u> ✓
				<b>Total CFDA #93.568</b>	<u><b>3,298,653</b></u>
(15)	Community Services Block Grant #CS-013-024	93.569	Indiana Housing and Community Development Authority	01/01/13-12/31/13	<u>232,502</u> ✓
(16)	Head Start #05CH4104/47	93.600	Department of Health and Human Services	11/01/12-10/31/13	1,017,991
(17)	Head Start #05CH4104/48		Department of Health and Human Services	11/01/13-10/31/14	<u>206,075</u>
				<b>Total CFDA #93.600</b>	<u><b>1,224,066</b></u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					
(18)	Retired and Senior Volunteer Program - #12SRNIN007	94.002	Corporation for National and Community Service	04/01/12-03/31/13	4,923
(19)	Retired and Senior Volunteer Program - #12SRNIN007		Corporation for National and Community Service	04/01/13-03/31/14	<u>28,746</u>
				<b>Total CFDA #94.002</b>	<u><b>33,669</b></u>
(20)	Foster Grandparent Program #13SFNIN002	94.011	Corporation for National and Community Service	01/01/13-12/31/13	<u>246,419</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>					
(21)	Emergency Food and Shelter Program Phase 30	97.024	Department of Homeland Security	01/01/13-07/31/13	<u>17,000</u>
<b>TOTAL FEDERAL EXPENDITURES</b>					<u><u><b>\$ 5,823,451</b></u></u>

# Western Indiana Community Action Agency, Inc.

## Schedule B-3

### Schedule of Expenditures of Federal and State and Local Awards and List of Programs Year Ended December 31, 2013

<u>Federal Grantor/ Program Title</u>	<u>CFDA Number</u>	<u>Funding Source/ Pass-Through Entity</u>	<u>Program Year</u>
<b>STATE AND LOCAL</b>			
(22) Hardest Hit Fund Volunteer Service Program - #F20-IHHF-11-0007		Office of Faith Based and Community Initiatives	04/26/11-3/31/14
(23) Indiana Home Energy Assistance Program - #IR-013-024		Indiana Housing and Community Development Authority	10/01/12-09/30/13
(24) Indiana Home Energy Assistance Program - #IR-014-024		Indiana Housing and Community Development Authority	10/01/13-09/30/14
(25) Indiana Home Energy Assistance Program - #WS-013-024		Indiana Housing and Community Development Authority	10/01/12-09/30/13
<b>OTHER</b>			
(26) Other Program Adjustments		N/A	01/01/13-12/31/13
(27) School Aged Child Care		Indiana Housing and Community Development Authority, Child Care Fees	01/01/13-12/31/13
(28) Wabash Valley Community Foundation		N/A	01/01/13-12/31/13
<b>DISCRETIONARY ACTIVITY</b>			
(29) Corporate		Donations, Interest, Energy Provider Reimbursements	01/01/13-12/31/13

#### Notes to Schedule of Expenditures of Federal Awards and Local Awards and List of Programs

##### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal and state and local awards and list of programs (the "Schedule") includes the federal grant activity of Western Indiana Community Action Agency, Inc. under programs of the federal government for the year ended December 31, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Western Indiana Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Western Indiana Community Action Agency, Inc.

##### Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.



## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters**

Board of Directors  
Western Indiana Community Action Agency, Inc.  
Terre Haute, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States 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 Western Indiana Community Action Agency, Inc., which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 9, 2014.

### **Internal Control over Financial Reporting**

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

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

Our consideration of 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 Western Indiana Community Action Agency, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. 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 Western Indiana Community Action Agency, 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 the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wipfli LLP*

Wipfli LLP

September 9, 2014  
Madison, Wisconsin



## **Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance**

Board of Directors  
Western Indiana Community Action Agency, Inc.  
Terre Haute, Indiana

### **Report on Compliance for Each Major Federal Program**

We have audited Western Indiana Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013. Western Indiana Community Action Agency, 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 for Compliance***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Western Indiana Community Action Agency, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and 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 Western Indiana Community Action Agency, 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 Western Indiana Community Action Agency, Inc.'s compliance.

## **Opinion**

In our opinion, Western Indiana Community Action Agency, 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 December 31, 2013.

## **Report on Internal Control Over Compliance**

Management of Western Indiana Community Action Agency, 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 Western Indiana Community Action Agency, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Western Indiana Community Action Agency, 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 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. 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Wipfli LLP*

Wipfli LLP

September 9, 2014  
Madison, Wisconsin

# Western Indiana Community Action Agency, Inc.

## Schedule of Findings and Questioned Costs

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### A. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the financial statements of Western Indiana Community Action Agency, Inc.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.
3. No instances of noncompliance material to the financial statements of Western Indiana Community Action Agency, Inc. were disclosed during the audit.
4. No significant deficiencies were disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance.
5. The auditor's report on compliance for the major federal award programs for Western Indiana Community Action Agency, Inc. expresses an unmodified opinion.
6. There were no audit findings relative to the major federal award programs for Western Indiana Community Action Agency, Inc.
7. The programs tested as major programs were the U.S. Department of Agriculture, CFDA #10.557 Women, Infants, and Children Program and the U.S. Department of Health and Human Services, CFDA #93.600 Head Start Program.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Western Indiana Community Action Agency, Inc. was determined to be a low-risk auditee.

# Western Indiana Community Action Agency, Inc.

## Schedule of Findings and Questioned Costs

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- B. Current Year Findings – Financial Statements Audit**  
Finding: None
- C. Current Year Findings and Questioned Costs - Major Federal Award Programs Audit**  
Questioned Costs: None  
Finding: None
- D. Prior Year Findings - Financial Statements Audit**  
Finding: None
- E. Prior Year Findings and Questioned Costs - Major Federal Award Programs Audit**  
Questioned Costs: None  
Finding: None