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B34519

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

June 17, 2009

Board of Directors  
Jasper County Community Services, Inc.  
967 Leopold St.  
Rensselaer, IN 47978

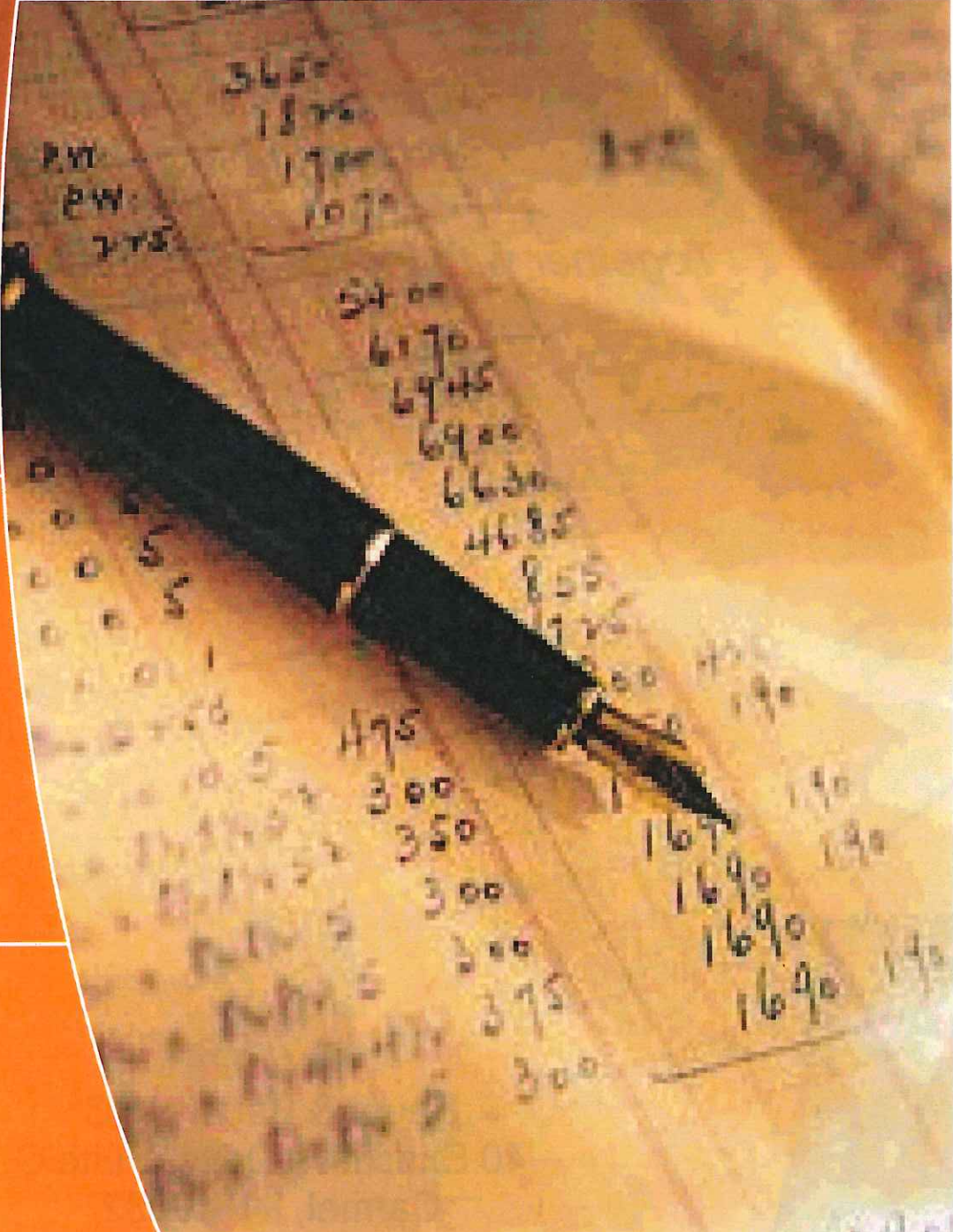
We have reviewed the audit report prepared by Bauer & Bauer, LLC, Independent Public Accountants, for the period January 1, 2008 to December 31, 2008. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Jasper County Community Services, Inc., as of December 31, 2008, 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.

STATE BOARD OF ACCOUNTS



# JASPER COUNTY COMMUNITY SERVICES, Inc.



**Annual  
Audit  
Report**

**2008**

*December 31, 2008*

**Jasper County Community  
Services, Inc.**

*Financial Statements  
and Supporting Data*

*Together with Independent Auditor's Report*



**BAUER**

**Bauer & Bauer, LLC**  
**40 Executive Drive, Suite C**  
**Carmel, IN 46032**

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**Bauer & Bauer, LLC**  
*Certified Public Accountants*

## Independent Auditor's Report

To the Board of Directors' of  
Jasper County Community Services, Inc.

We have audited the accompanying statement of assets, liabilities, and fund balance-statutory basis of Jasper County Community Services, Inc. (a non-profit organization) as of December 31, 2008, and the related statements of revenue, expenses and changes in fund balance-statutory basis and cash flows-statutory basis for the year then ended. These financial statements are the responsibility of Jasper County Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described in **Note A**, these financial statements were prepared in conformity with the accounting principles prescribed by the Indiana Family and Social Services Administration, which is a comprehensive basis of accounting other than generally accepted accounting principles. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jasper County Community Services, Inc. as of December 31, 2008 and the results of its operations and cash flows for the year then ended, in conformity with accounting principles in **Note A**.

In accordance with GOVERNMENT AUDITING STANDARDS, we have issued our report dated January 21, 2009 on our consideration of Jasper County Community Services, Inc.'s internal control over the financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Carmel, IN  
January 21, 2009



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**Bauer & Bauer, LLC**

*Certified Public Accountants*

**Independent Auditor's Report on Compliance and on Internal Control  
Over Financial Reporting Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

To the Board of Directors of  
Jasper County Community Services, Inc.

We have audited the financial statements of Jasper County Community Services, Inc. (a non-profit organization) as of and for the year ended December 31, 2008 and have issued our report thereon dated January 21, 2009. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in GOVERNMENT AUDITING STANDARDS issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Jasper County Community Services, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Carmel, IN  
January 21, 2009

# Jasper County Community Services, Inc.

## Statement of Financial Position

### December 31, 2008

For the year ended December 31,	Notes	2008
<b>Assets:</b>		
<b>Current Assets</b>		
Cash and cash equivalents		\$ 172,581
Accounts receivable		541
Reimbursement receivables	B	78,871
<b>Total Current Assets</b>		<b>\$ 251,993</b>
<b>Total Assets</b>		<b>\$ 251,993</b>
<b>Liabilities and Net Assets:</b>		
<b>Current Liabilities</b>		
Accounts payable		\$ 44
<b>Total Current Liabilities</b>		<b>\$ 44</b>
<b>Non-Current Liabilities</b>		
Non-Current debt		\$ 0
<b>Total Non-Current Liabilities</b>		<b>\$ 0</b>
<b>Net Assets</b>		
Unrestricted - current		\$ 251,949
<b>Total Net Assets</b>		<b>\$ 251,949</b>
<b>Total Liabilities and Net Assets</b>		<b>\$ 251,993</b>

The accompanying notes are an integral part to the financial statements

# *Jasper County Community Services, Inc.*

## *Statement of Activities*

### *December 31, 2008*

At December 31,	2008
<b>Revenue:</b>	
<b>Federal Funds</b>	
Federal funds	\$ 279,845
<b>Total Federal Funds</b>	\$ 279,845
<b>State &amp; Local Funds</b>	
State funds	\$ 63,268
Local funds	102,482
Donations	12,763
<b>Total State &amp; Local Funds</b>	\$ 178,513
<b>Program Services</b>	
Program service fees	\$ 69,639
<b>Total Program Services</b>	\$ 69,639
<b>Other Income</b>	
Fundraising (net of expense)	\$ 699
Intest income	898
In-kind donations	21,528
Other income	2,578
<b>Total Other Income</b>	\$ 25,703
<b>Total Revenue</b>	\$ 553,700
<b>Expenses:</b>	
CSBG	\$ 18,506
EAP	18,995
ELD	129,703
TRN	245,639
Head Start	23,652
Gift of Warmth	2,240
Local	86,708
In-kind	21,528
<b>Total Expenses</b>	\$ 546,971
Excess of nonfederal funds	\$ 6,729
Fund balance, December 31, 2007	245,220
<b>Fund Balance, December 31, 2008</b>	<b>\$ 251,949</b>

The accompanying notes are an integral part to the financial statements

# Jasper County Community Services, Inc.

## Statement of Functional Expenses

### December 31, 2008

For the year	December 31, 2008	CSBG	EAP	ELD	TRN	Head Start	Gift of Warmth	Local	Total
<b>Employee Costs:</b>									
Salaries & wages	\$ 8,488	\$ 10,446	\$ 82,870	\$ 123,313	\$ 13,560	\$ 0	\$ 56,311	\$ 294,988	
<b>Total Employee Costs</b>	\$ 8,488	\$ 10,446	\$ 82,870	\$ 123,313	\$ 13,560	\$ 0	\$ 56,311	\$ 294,988	
<b>Direct Expenses:</b>									
Advertising	\$ 40	\$ 44	\$ 1,014	\$ 3,130	\$ 0	\$ 0	\$ 1,592	\$ 5,820	
Equipment	0	0	514	1,724	0	0	11,487	13,725	
Insurance	4,782	4,511	13,347	39,905	0	0	2,322	64,867	
Other costs	343	256	3,555	1,148	305	78	2,137	7,822	
Postage	193	803	471	2,020	0	0	174	3,661	
Professional fees	1,400	400	900	800	0	0	0	3,500	
Program expenses	0	0	1,471	0	0	0	7,081	8,552	
Repairs & maintenance	232	232	5,571	21,092	1,232	0	2,827	31,186	
Space	198	0	2,840	304	424	0	94	3,860	
Supplies	737	728	2,934	2,512	128	0	586	7,625	
Telephone	1,146	713	2,777	2,619	1,107	0	441	8,803	
Travel	53	53	1,917	5,421	0	0	1,094	8,538	
Utilities	894	809	7,859	1,135	6,896	2,162	528	20,283	
Vehicle operations	0	0	1,663	40,516	0	0	34	42,213	
<b>Total Direct Expenses</b>	\$ 10,018	\$ 8,549	\$ 46,833	\$ 122,326	\$ 10,092	\$ 2,240	\$ 30,397	\$ 230,455	
<b>Total Functional Expenses</b>	\$ 18,506	\$ 18,995	\$ 129,703	\$ 245,639	\$ 23,652	\$ 2,240	\$ 86,708	\$ 525,443	

The accompanying notes are an integral part to the financial statements

# Jasper County Community Services, Inc.

## Statement of Cash Flow

### December 31, 2008

For the year ended December 31,	Notes	2008
<b>Cash flow from operating activities:</b>		
Excess(Deficit) of Nonfederal Funds		\$ 6,729
<b>Adjustments to reconcile excess revenue to net cash provided by operating activities:</b>		
<b>Other changes that (used) provided cash:</b>		
Reimbursement receivables		(11,597)
Accounts receivable		(541)
Accounts payable		(6,644)
<b>Net cash provided from operating activities</b>		<b>\$ (12,053)</b>
<b>Cash flow from investing activities:</b>		
Payments for the purchase of property		\$ 0
<b>Net cash used in investing activities</b>		<b>\$ 0</b>
<b>Cash flow from financing activities:</b>		
Payments to settle debt		\$ 0
<b>Net cash used in financing activities</b>		<b>\$ 0</b>
Net change in cash and cash equivalents		\$ (12,053)
Cash and cash equivalents at January 1,		184,634
<b>Cash and cash equivalents at December 31,</b>		<b>\$ 172,581</b>
<hr/>		
Interest expense		\$ 0
Income tax paid		0

The accompanying notes are an integral part to the financial statements



# **Jasper County Community Services, Inc.**

## **Notes to Financial Statements**

### **December 31, 2008**

#### **Note A - Significant Accounting Policies**

##### **Program Services**

Jasper County Community Service, Inc. ("the Agency") is a non-profit corporation, whose primary purpose is to enhance the quality of life by meeting the needs of the people of Jasper County. The objective of the Agency is to procure all available resources to enable low-income and disadvantaged families and individuals of all ages, including minority persons to attain skills, knowledge and opportunities needed to become self-sufficient to the fullest extent possible. The Agency's services include information and referral, transportation, elderly care, and child-care services.

##### **Basis of Accounting**

The accompanying financial statements have been prepared in conformity with State of Indiana Family and Social Services Administration accounting procedures. The basis of accounting utilized in the preparation of these financial statements differs from generally accepted accounting principles. The following information summarizes the significant differences:

##### **Basis of Presentation**

The financial statement presentation does not follow the Statement of Financial Accounting Standards (SFAS) No. 117 of the American Institute of Certified Public Accountants. The Agency presents their assets, liabilities, and activities as unrestricted.

##### **Contributions**

Contributions are not recorded in accordance with Statement of Financial Accounting Standards (SFAS) No. 116 of the American Institute of Certified Public Accountants. Contributions are recorded when received, instead of when the promise to give is made. Contributions are considered to be unrestricted unless specifically restricted by the donor.

##### **Inventory**

Minor materials and supplies are charged to expense during the period of purchase. As a result, no inventory is recognized for these items in the financial statements.

##### **Compensated Absences**

Jasper County Community Services, Inc. does not record compensated absences in accordance with Family and Social Services Agency on Aging and Administration guidelines.

##### **Equipment**

Jasper County Community Services, Inc. does not own any equipment. They utilize equipment from another non-profit agency. Therefore, there is no line item for fixed assets or depreciation.

The equipment acquired in the transportation program is owned by the Indiana Department of Transportation. Its disposition, as well as the ownership of any proceeds there from, is subject to Indiana Department of Transportation regulations.

The accompanying notes are an integral part to the financial statements



# **Jasper County Community Services, Inc.**

## **Notes to Financial Statements**

### **December 31, 2008**

#### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### **Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with State of Indiana Family and Social Services Administration accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

#### **Income Taxes**

The organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Therefore, no Federal or State income tax provision or liability is included in these financial statements.

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

For the purpose of the statement of cash flows, the Agency considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

#### **Note B - Reimbursement Receivable**

As of December 31, 2008 the Agency was due reimbursements from program expenses incurred in the 4th quarter of 2008. The Agency submitted outstanding reimbursements but the monies are not released until January, 2009. Total outstanding Federal and State reimbursement funds as of December 31, 2008 is 78,871.

#### **Note C - Contingencies**

There are no matters of pending or threatened litigation, claim or assessments, of which we are aware, either as to the Company, or its principal.



**Bauer & Bauer, LLC**  
**40 Executive Drive, Suite C**  
**Carmel, IN 46032**

**Prepared by Bauer & Bauer, LLC**  
**Printed by Bauer & Bauer, LLC**  
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