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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)

October 17, 2011

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, 2009 to December 31, 2009. 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, 2009, 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*

*2009*



29\*35 +  
789\*56 +  
210\*56 +  
89\*6  
44\*7  
558\*7

**December 31, 2009**

# Jasper County Community Services, Inc.

*Financial Statements  
and Supporting Data*

*Together with Independent Auditor's Report*

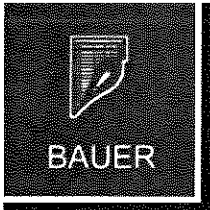


Bauer & Bauer, LLC  
40 Executive Drive, Suite C  
Carmel, IN 46032

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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 financial position of Jasper County Community Services, Inc. (a non-profit organization) as of December 31, 2009, and the related statements of activities, functional expenses, and cash flows 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.

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, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note A, some items in 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 accordance with GOVERNMENT AUDITING STANDARDS, we have also issued our report dated March 15, 2010 on our consideration of Jasper County Community Services, Inc.'s internal control over financial reporting and 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. The report is an integral part of an audit performed in accordance with GOVERNMENT AUDITING STANDARDS and should be considered in assessing the results of our audit.

*Bauer & Bauer, LLC*

*George Bauer, CPA, MBA*

Carmel, IN  
March 15, 2010



**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, 2009 and have issued our report thereon dated March 15, 2010. 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.

**Internal Control Over Financial Reporting**

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

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

**Compliance**

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 grant agreements, 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.

This report is intended solely for the information and use of management, Jasper County Community Services, Inc., others within the entity, the Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Bauer & Bauer, LLC*

*George Bauer, CPA, MBA*

Carmel, IN  
March 15, 2010

# *Jasper County Community Services, Inc.*

## *Statement of Financial Position*

### *December 31, 2009*

At December 31,	Notes	2009
<b>Assets:</b>		
<b>Current Assets</b>		
Cash and cash equivalents	A	\$ 197,549
Accounts receivable		855
Reimbursement receivables	B	110,311
<b>Total Current Assets</b>		<b>\$ 308,715</b>
<b>Plant, property and equipment:</b>		
Property and equipment (net of depreciation)	A	\$ 23,494
<b>Total Plant, property and equipment</b>		<b>\$ 23,494</b>
<b>Total Assets</b>		<b>\$ 332,209</b>
<b>Liabilities and Net Assets:</b>		
<b>Current Liabilities</b>		
Compensated absences		\$ 5,335
<b>Total Current Liabilities</b>		<b>\$ 5,335</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		\$ 326,874
<b>Total Net Assets</b>		<b>\$ 326,874</b>
<b>Total Liabilities and Net Assets</b>		<b>\$ 332,209</b>

The accompanying Independent Auditor's Report and notes are an integral part to the financial statements

# *Jasper County Community Services, Inc.*

## *Statement of Activities*

### *December 31, 2009*

For the year ending December 31,	2009
<b>Revenue:</b>	
<b>Federal Funds</b>	
Federal funds	\$ 357,696
<b>Total Federal Funds</b>	<b>\$ 357,696</b>
<b>State &amp; Local Funds</b>	
State funds	\$ 63,937
Local funds	100,000
Donations	5,776
<b>Total State &amp; Local Funds</b>	<b>\$ 169,713</b>
<b>Program Services</b>	
Program service fees	\$ 65,960
<b>Total Program Services</b>	<b>\$ 65,960</b>
<b>Other Income</b>	
Fundraising (net of expense)	\$ 388
Intest income	1,748
In-kind donations	22,415
Other income	1,215
<b>Total Other Income</b>	<b>\$ 25,766</b>
<b>Total Revenue</b>	<b>\$ 619,135</b>
<b>Expenses:</b>	
CSBG	\$ 21,396
EAP	22,514
ELD	120,233
TRN	232,540
Head Start	22,860
Gift of Warmth	5,074
Local & Other	97,178
In-kind	22,415
<b>Total Expenses</b>	<b>\$ 544,210</b>
Excess of nonfederal funds	\$ 74,925
Fund balance, December 31, 2008	251,949
<b>Fund Balance, December 31, 2009</b>	<b>\$ 326,874</b>

The accompanying Independent Auditor's Report and notes are an integral part to the financial statements

# Jasper County Community Services, Inc.

## Statement of Functional Expenses

### December 31, 2009

For the year December 31, 2009	CSBG	EAP	ELD	TRN	Head Start	Gift of Warmth	Local & Other	Total
Employee Costs:								
Salaries & wages	\$ 10,558	\$ 12,106	\$ 74,457	\$ 132,814	\$ 12,881	\$ 0	\$ 74,846	\$ 317,662
Total Employee Costs	\$ 10,558	\$ 12,106	\$ 74,457	\$ 132,814	\$ 12,881	\$ 0	\$ 74,846	\$ 317,662
Direct Expenses:								
Advertising	\$ 250	\$ 216	\$ 2,028	\$ 3,230	\$ 0	\$ 0	\$ 704	\$ 6,428
Equipment	171	171	889	105	62	0	389	1,787
Insurance	4,786	5,306	14,338	36,506	0	0	2,872	63,808
Other costs	263	351	1,053	1,786	75	0	10,938	14,466
Postage	18	136	22	1,960	0	0	219	2,355
Professional fees	1,600	500	1,000	975	0	0	0	4,075
Program expenses	0	83	1,769	0	0	0	174	2,026
Repairs & maintenance	515	448	5,172	15,701	1,590	0	3,198	26,624
Space	0	0	2,230	0	0	0	0	2,230
Supplies	762	1,275	3,198	3,177	354	0	1,678	10,444
Telephone	1,127	644	2,307	1,695	1,173	0	1,286	8,232
Travel	0	66	1,078	7,386	19	0	429	8,978
Utilities	1,346	1,212	8,651	1,245	6,706	5,074	445	24,679
Vehicle operations	0	0	2,041	25,960	0	0	0	28,001
Total Direct Expenses	\$ 10,838	\$ 10,408	\$ 45,776	\$ 99,726	\$ 9,979	\$ 5,074	\$ 22,332	\$ 204,133
Total Functional Expenses	\$ 21,396	\$ 22,514	\$ 120,233	\$ 232,540	\$ 22,860	\$ 5,074	\$ 97,178	\$ 521,795

The accompanying Independent Auditor's Report and notes are an integral part to the financial statements

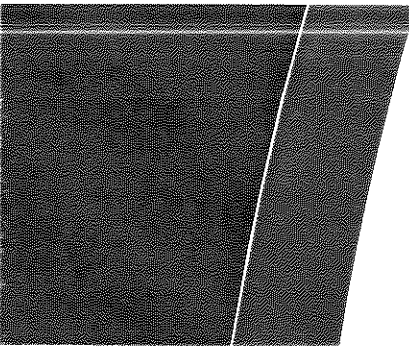
# Jasper County Community Services, Inc.

## Statement of Cash Flow

### December 31, 2009

For the year ended December 31,	Notes	2009
<b>Cash flow from operating activities:</b>		
Excess(Deficit) of Nonfederal Funds		\$ 74,925
Adjustments to reconcile excess revenue to net cash provided by operating activities:		
Depreciation and amortization		966
Other changes that (used) provided cash:		
Reimbursement receivables		(31,440)
Accounts receivable		(314)
Accounts payable		(44)
Compensated absences		5,335
<b>Net cash provided from operating activities</b>		<b>\$ 49,428</b>
<b>Cash flow from investing activities:</b>		
Payments for the purchase of property		\$ (24,460)
<b>Net cash used in investing activities</b>		<b>\$ (24,460)</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		\$ 24,968
Cash and cash equivalents at January 1,		172,581
<b>Cash and cash equivalents at December 31,</b>		<b>\$ 197,549</b>
<i>For informational purposes only</i>		
Cash paid for interest		\$ 0
Cash paid for taxes		0
Other supplemental disclosures		0

The accompanying Independent Auditor's Report and notes are an integral part to the financial statements



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

## **Notes to Financial Statements**

### **December 31, 2009**

#### **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 these significant differences.

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

The financial statement presentation does not follow FASB ASC 958, *Not-for-Profit Entities*. The Agency presents their net assets as unrestricted, instead of permanently restricted, temporarily restricted, and unrestricted.

##### **Contributions**

Some contributions are not recorded in accordance with FASB ASC 958-605, *Not-for-Profit Entities - Revenue Recognition*. Contributions are recorded when received in accordance with FASB ASC 958-605-25-2, but promises to give are recorded when received instead of when pledged. 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. records compensated absences in accordance with Family and Social Services Administration guidelines. Total unused paid time off as of December 31, 2009 is \$5,335.

##### **Equipment**

Property and equipment are long-lived assets held and used and carried at cost. Depreciation expense is calculated over the useful lives of long-lived assets using the straight-line method.

The estimated useful lives of depreciable long-lived assets are as follows:

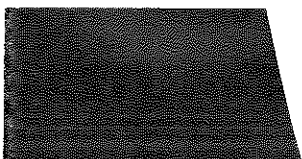
Office equipment	5 years
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Depreciation expense during the year ending December 31, 2009 is \$966

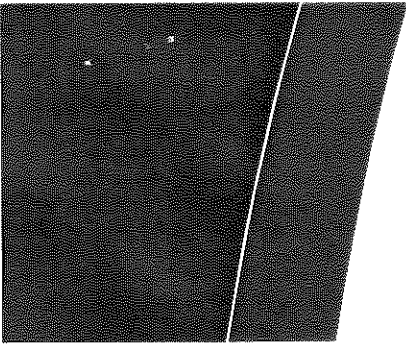
Equipment acquired in the transportation program is owned by the Indiana Department of Transportation. Its disposition, as well as the ownership of any proceeds there from, is subject to Indiana Department of Transportation regulations.

##### **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.



The accompanying Independent Auditor's Report and notes are an integral part to the financial statements



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

## **Notes to Financial Statements**

### **December 31, 2009**

#### **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**

All short-term, highly-liquid investments that are readily convertible to known amounts of cash that have an original maturity of three months or less at date of purchase are carried at fair value and considered to be cash equivalents.

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

As of December 31, 2009 the Agency was due reimbursements from program expenses incurred in the 4th quarter of 2009. The Agency submitted outstanding reimbursements but the monies are released after December 31, 2009. Total outstanding Federal and State reimbursement funds as of December 31, 2009 is \$110,311.

#### **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. In addition, there are no existing conditions, situations, or set of circumstances, of which we are aware, involving uncertainty as to possible gain or loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur in accordance with FASB ASC 450, *Contingencies*.

#### **Note D - Operating Leases**

The Company does not leases property under the terms of operating leases as set forth in FASB ASC 840-20, *Operating Leases*. The rent expense recognized for year ending December 31, 2009 is \$0.

#### **Note E - Recent Accounting Standards Adoptions**

Effective July 1, 2009, changes to the source of authoritative U.S. GAAP, the FASB *Accounting Standards Codification* (FASB Codification) was issued in FASB Statement No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles*. The FASB Codification supersedes all then-existing non-SEC accounting and reporting standards. All other non-grandfathered non-SEC accounting literature not included in the Codification will become non-authoritative. Following this Statement, the Board will not issue new standards in the form of Statements, FASB Staff Positions, or Emerging Tax Force Abstracts. Instead, it will issue Accounting Standards Updates. This is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The accompanying financial statements and notes to financial statements are issued using the FASB Codification.



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

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