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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

March 29, 2021

Board of Directors
Interlocal Community Action Program, Inc.
615 W. State Road 38
New Castle, IN 47362

We have reviewed the audit report of Interlocal Community Action Program, Inc., which was opined upon by Comer, Nowling and Associates, PC, Independent Public Accountants, for the period January 1, 2019 to December 31, 2019. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Interlocal Community Action Program, Inc. as of December 31, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Comer, Nowling and Associates, PC prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

The audit report is filed with this letter in our office as a matter of public record.

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

**Interlocal Community Action
Program, Inc.**



**Financial Statements
For The Years Ended
December 31, 2019 and 2018
(With Single Audit Section)**

COMER  NOWLING

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Certified Public Accountants

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
FINANCIAL STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Interlocal Community Action Program, Inc.
New Castle, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of Interlocal Community Action Program, Inc. (a nonprofit organization), which comprise of the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 of America; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 Interlocal Community Action Program, Inc. as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements of Interlocal Community Action Program, Inc. as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures for state and local awards, as required by the Indiana State Board of Accounts, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2020 on our consideration of Interlocal Community Action Program, 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 or on compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.
Indianapolis, Indiana
July 20, 2020

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

ASSETS		2019	2018
		<u> </u>	<u> </u>
CURRENT ASSETS:			
Cash	\$	741,973	\$ 643,597
Grants receivable		864,602	882,955
Prepaid expenses		21,166	23,907
Inventory		6,570	5,563
Total current assets		<u>1,635,202</u>	<u>1,556,022</u>
FIXED ASSETS (net of accumulated depreciation)		<u>830,129</u>	<u>879,466</u>
Total assets	\$	<u><u>2,465,331</u></u>	\$ <u><u>2,435,488</u></u>
 LIABILITIES AND UNRESTRICTED NET ASSETS 			
CURRENT LIABILITIES:			
Accounts payable	\$	80,069	\$ 91,317
Accrued salaries and taxes		96,196	85,672
Accrued PTO		83,739	77,690
Other accrued expenses		3,800	3,800
Current portion of long-term debt		19,089	117,989
Total current liabilities		<u>282,893</u>	<u>376,468</u>
LONG-TERM DEBT:			
Notes payable less current portion		<u>85,267</u>	<u>-</u>
NET ASSETS:			
Without donor restriction		1,980,231	1,967,225
With donor restriction		116,940	91,795
Total net assets		<u>2,097,171</u>	<u>2,059,020</u>
Total liabilities and net assets	\$	<u><u>2,465,331</u></u>	\$ <u><u>2,435,488</u></u>

See accompanying notes to financial statements.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2019</u>	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2018</u>
REVENUE AND OTHER SUPPORT						
Grant and contract income	\$ 14,653,877	\$ 55,550	\$ 14,709,427	\$ 19,034,369	\$ 52,905	\$ 19,087,274
Interest income	3,669	-	3,669	21	-	21
Miscellaneous income	156,416	-	156,416	118,103	-	118,103
In-kind revenue	201,828	-	201,828	214,750	-	214,750
Total revenue and other support before net assets released from restrictions	15,015,790	55,550	15,071,340	19,367,243	52,905	19,420,148
Net assets released from restrictions	30,405	(30,405)	-	-	-	-
Total revenue and other support	<u>15,046,195</u>	<u>25,145</u>	<u>15,071,340</u>	<u>19,367,243</u>	<u>52,905</u>	<u>19,420,148</u>
EXPENSES						
Head Start	2,616,894	-	2,616,894	2,478,603	-	2,478,603
Energy Assistance	8,524,718	-	8,524,718	13,231,308	-	13,231,308
Health Services	495,622	-	495,622	396,043	-	396,043
Weatherization	1,019,069	-	1,019,069	960,389	-	960,389
Housing	1,162,682	-	1,162,682	1,122,488	-	1,122,488
Senior Services	426,223	-	426,223	401,075	-	401,075
Other Programs	262,419	-	262,419	196,001	-	196,001
Administrative and general	525,562	-	525,562	573,485	-	573,485
Total expenses	<u>15,033,189</u>	<u>-</u>	<u>15,033,189</u>	<u>19,359,392</u>	<u>-</u>	<u>19,359,392</u>
NET INCREASE IN NET ASSETS	<u>13,006</u>	<u>25,145</u>	<u>38,151</u>	<u>7,851</u>	<u>52,905</u>	<u>60,756</u>
NET ASSETS - BEGINNING OF YEAR	<u>1,967,225</u>	<u>91,795</u>	<u>2,059,020</u>	<u>1,959,374</u>	<u>38,890</u>	<u>1,998,264</u>
NET ASSETS - END OF YEAR	<u>\$ 1,980,231</u>	<u>\$ 116,940</u>	<u>\$ 2,097,171</u>	<u>\$ 1,967,225</u>	<u>\$ 91,795</u>	<u>\$ 2,059,020</u>

See accompanying notes to financial statements

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Head Start	Energy Assistance	Health Services	Weatherization	Housing	Senior Services	Other Programs	Total Services	Management and General	2019 Totals
EXPENSES										
Personnel	\$ 1,803,758	\$ 629,718	\$ 361,769	\$ 492,477	\$ 105,822	\$ 143,992	\$ 138,407	\$ 3,675,943	\$ 239,837	\$ 3,915,780
Occupancy	79,689	63,807	45,634	22,504	22,256	7,346	10,681	251,917	52,677	304,594
Telephone/postage	17,717	33,188	5,884	4,557	4,088	3,719	3,575	72,728	11,352	84,080
Contractual/professional	68,758	26,049	9,368	5,627	3,881	2,911	1,868	118,462	70,089	188,551
Materials/supplies	128,623	22,415	46,565	18,539	10,112	15,803	13,174	255,231	9,393	264,624
Equipment purchases/maintenance	-	164	6,221	65,037	10,023	613	14,309	96,367	994	97,361
Travel	69,892	4,849	5,141	17,992	4,057	7,160	5,147	114,238	14,973	129,211
Insurance	9,981	3,554	558	34,641	4,922	1,348	114	55,118	6,726	61,844
Employee development	1,037	5,575	569	6,954	1,496	10,587	591	26,809	7,355	34,164
Client assistance	228,714	7,728,613	102	347,799	987,814	-	45,066	9,338,108	68,049	9,406,157
Stipends	-	-	-	-	-	156,163	-	156,163	-	156,163
Printing	6,297	4,272	955	1,770	318	1,325	534	15,471	8,068	23,539
Miscellaneous expenses	60,120	2,514	12,856	1,172	7,893	14,236	24,730	123,521	120,450	243,971
Depreciation expense	-	-	-	-	-	-	-	-	76,648	76,648
In-kind expense	142,308	-	-	-	-	61,020	-	203,328	-	203,328
Interest expense	-	-	-	-	-	-	4,223	4,223	-	4,223
Total expenses reported by function before allocated costs adjustments	<u>2,616,894</u>	<u>8,524,718</u>	<u>495,622</u>	<u>1,019,069</u>	<u>1,162,682</u>	<u>426,223</u>	<u>262,419</u>	<u>14,507,627</u>	<u>686,611</u>	<u>15,194,238</u>
Allocated costs to programs:										
Occupancy	-	-	-	-	-	-	-	-	(103,936)	(103,936)
Printing	-	-	-	-	-	-	-	-	(10,551)	(10,551)
Data processing	-	-	-	-	-	-	-	-	(25,955)	(25,955)
Automation	-	-	-	-	-	-	-	-	(20,607)	(20,607)
Total expenses reported by function after allocated costs adjustments	<u>\$ 2,616,894</u>	<u>\$ 8,524,718</u>	<u>\$ 495,622</u>	<u>\$ 1,019,069</u>	<u>\$ 1,162,682</u>	<u>\$ 426,223</u>	<u>\$ 262,419</u>	<u>\$ 14,507,627</u>	<u>\$ 525,562</u>	<u>\$ 15,033,189</u>

See accompanying notes to financial statements.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Head Start	Energy Assistance	Health Services	Weatherization	Housing	Senior Services	Other Programs	Total Services	Management and General	2018 Totals
EXPENSES										
Personnel	\$ 1,597,173	\$ 608,979	\$ 300,188	\$ 497,745	\$ 102,581	\$ 133,820	\$ 122,168	\$ 3,362,654	\$ 242,141	\$ 3,604,795
Occupancy	84,398	66,686	26,899	23,427	19,679	7,070	9,730	237,889	47,379	285,268
Telephone/postage	18,196	39,240	5,538	4,388	3,953	4,470	1,970	77,755	15,554	93,309
Contractual/professional	68,484	35,118	5,378	7,060	3,434	5,454	1,663	126,591	85,994	212,585
Materials/supplies	202,935	106,582	34,242	6,866	5,058	11,441	11,421	378,545	7,301	385,846
Equipment purchases/maintenance	-	42	9	61,807	4,531	921	1,559	68,869	513	69,382
Travel	61,049	7,189	5,995	22,520	4,736	8,779	3,243	113,511	14,312	127,823
Insurance	11,064	3,405	496	25,760	5,468	1,504	274	47,971	6,866	54,837
Employee development	3,451	3,651	1,354	1,846	1,629	10,884	837	23,652	8,028	31,680
Client assistance	236,606	12,353,984	102	308,193	960,535	253	11,031	13,870,704	123,230	13,993,934
Stipends	-	-	-	-	-	160,310	-	160,310	-	160,310
Printing	4,184	5,728	762	744	213	2,913	393	14,937	18,164	33,101
Miscellaneous expenses	20,411	704	15,080	33	10,671	7,206	26,839	80,944	97,465	178,409
Depreciation expense	-	-	-	-	-	-	-	-	77,765	77,765
In-kind expense	170,652	-	-	-	-	46,050	-	216,702	-	216,702
Interest expense	-	-	-	-	-	-	4,873	4,873	-	4,873
Total expenses reported by function before allocated costs adjustments	<u>2,478,603</u>	<u>13,231,308</u>	<u>396,043</u>	<u>960,389</u>	<u>1,122,488</u>	<u>401,075</u>	<u>196,001</u>	<u>18,785,907</u>	<u>744,712</u>	<u>19,530,619</u>
Allocated costs to programs:										
Occupancy	-	-	-	-	-	-	-	-	(103,774)	(103,774)
Printing	-	-	-	-	-	-	-	-	(15,096)	(15,096)
Data processing	-	-	-	-	-	-	-	-	(29,219)	(29,219)
Automation	-	-	-	-	-	-	-	-	(23,138)	(23,138)
Total expenses reported by function after allocated costs adjustments	<u>\$ 2,478,603</u>	<u>\$ 13,231,308</u>	<u>\$ 396,043</u>	<u>\$ 960,389</u>	<u>\$ 1,122,488</u>	<u>\$ 401,075</u>	<u>\$ 196,001</u>	<u>\$ 18,785,907</u>	<u>\$ 573,485</u>	<u>\$ 19,359,392</u>

See accompanying notes to financial statements.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2019</u>	<u>2018</u>
Change in net assets	\$ 38,151	\$ 60,756
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	76,648	77,765
Increase (decrease) in cash from changes in:		
Grants receivable	18,353	(75,490)
Prepaid expenses	2,741	(3,371)
Inventory	(1,007)	1,873
Accounts payable	(11,248)	30,072
Accrued salaries and taxes	10,524	16,947
Accrued vacation	6,049	25,018
Other accrued expenses	-	2,100
Net cash provided by (used in) operating activities	<u>139,320</u>	<u>135,670</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on long-term debt	<u>(13,633)</u>	<u>(17,439)</u>
Net cash provided by (used in) financing activities	<u>(13,633)</u>	<u>(17,439)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>(27,311)</u>	<u>(35,107)</u>
Net cash provided by (used in) investing activities	<u>(27,311)</u>	<u>(35,107)</u>
NET INCREASE (DECREASE) IN CASH	98,376	83,124
CASH, BEGINNING OF YEAR	<u>643,597</u>	<u>560,473</u>
CASH, END OF YEAR	<u><u>\$ 741,973</u></u>	<u><u>\$ 643,597</u></u>
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the year for interest	<u><u>\$ 4,223</u></u>	<u><u>\$ 4,873</u></u>

See accompanying notes to financial statements.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Interlocal Community Action Program, Inc. (the “Organization”), a Community Action Agency, was established in 1965, as an Indiana not-for-profit corporation to serve the residents of Delaware, Fayette, Hancock, Henry, Madison, Rush and Wayne counties in Indiana. The headquarters of the Organization is located in New Castle, Indiana. The Organization is governed by a volunteer board of directors composed of representatives of the low-income community, representatives of local organizations, and County Commissioners or their representatives from each county. Advisory and policy councils serve to guide the various programs administered by the Organization. The primary goal of Interlocal Community Action Program, Inc. is to provide the planning and development of programs that will intervene at critical points in the cause of poverty and will enable families and individuals to become more self-sufficient. The Organization provides continuing research related to the problems of poverty and provides coordination for community efforts focused on poverty and community development. Programs and services offered by the Organization provide opportunities for almost all age groups, particularly those who are low-income and meet program guidelines.

BASIS OF ACCOUNTING

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

INCOME TAX STATUS

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The Organization recognizes a tax benefit only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit will be recorded. Those tax positions include the Organization maintaining their tax-exempt status and the taxability of any unrelated business income. With few exceptions, the Organization is generally no longer subject to examination by taxing authorities for years before December 31, 2016.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

FINANCIAL STATEMENT PRESENTATION

The Organization implemented ASU No. 2016-14 for the year ended December 31, 2018 and reclassified December 31, 2018 financial statements for comparative purposes. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Per the applicable standards, Interlocal Community Action Program, Inc. is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the net asset classes follows:

Net assets without donor restrictions represent the portion of net assets of Interlocal Community Action Program, Inc. that is not subject to donor-imposed restrictions. Net assets without donor restrictions include expendable funds available for the support of the Organization. Board designated net assets are net assets without donor restrictions with self-imposed designations by action of the governing board.

Net assets with donor restrictions represent contributions and other inflows of assets whose use by Interlocal Community Action Program, Inc. is limited by donor-imposed stipulations that either expire by passage of time, can be fulfilled and removed by actions of Interlocal Community Action Program, Inc. pursuant to those stipulations, or net assets that must be held in perpetuity.

Net assets with donor restrictions also include, pursuant to Indiana law, cumulative appreciation and reinvested gains on net assets with donor restrictions that are held in perpetuity, which have not been appropriated by the Board of Directors.

REVENUE RECOGNITION

The majority of the Organization's revenue is earned under cost-reimbursement awards from governmental agencies. Revenues are recognized under such awards when costs allowable under the terms of the awards are incurred. Advances received in excess of allowable costs are reported as liabilities. Fees for services are recognized as revenue when the services are substantially performed. Fees received in advance of substantial performance are reported as liabilities. Deposits received from customers prior to the date of the performance of services are recorded as deferred revenue.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as net assets without donor restrictions.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

REVENUE RECOGNITION – (continued)

Fees for rent and other contract revenues are recognized at a point in time. Rents are due at the beginning of the month and are considered earned by month's end. No prepaid rents were deferred from revenue recognition as of December 31, 2019 and 2018.

GOVERNMENT GRANTS

Support funded by grants is recognized as the Organization performs the contracted services under grant agreements. Grant revenue is recognized as earned as the eligible expenses are incurred. Grant expenditures are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required. Amounts required prior to expenditures being incurred are reflected as refundable advances on the Statement of Financial Position.

CONTRIBUTED SERVICES

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance non-financial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

IN-KIND CONTRIBUTIONS

The Organization receives in-kind contributions from various donors. It is the policy of the Organization to record the estimated fair market value of certain in-kind donations as an expense in its financial statements, and similarly increase revenue and support by the same amount. For the years ended December 31, 2019 and 2018, this adjustment amounted to \$201,828 and \$214,750, and is included in revenue and support on the Statements of Activities and Changes in Net Assets.

The Organization has recorded in-kind contribution for professional services on the Statement of Activities and Changes in Net Assets. The Organization is required by Generally Accepted Accounting Principles to only report contributions of services received that create or enhance a non-financial 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. These requirements are different from the in-kind requirements of the Organization's grant funding sources.

During the years December 31, 2019 and 2018, the Organization also received other in-kind contribution totaling \$426,960 and \$379,886, respectively, related to its Head Start program which includes services from non-professional volunteers during 2019, which are not recorded in the Statement of Activities and Changes in Net Assets.

CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

GRANTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

The grants receivable represent amounts the agency has filed claims for the year end and were awaiting payment. A substantial majority of receivables are due from government sources. The amount deemed uncollectible is zero. Therefore, no allowance is considered necessary.

INVENTORIES

Inventories, which consist primarily of supplies to be used for programs, are valued at the lower of cost or market. Cost is determined on the first-in, first-out method. Donated items are recorded at estimated fair value at the date of donation.

PROPERTY AND EQUIPMENT

The Organization follows the practice of capitalizing all expenditures in excess of \$5,000 for property and equipment at cost; the fair value of donated fixed assets is similarly capitalized. Depreciation is provided using the straight-line method over estimated useful lives of five to forty years. The following is a summary of the lives for each class of asset:

Buildings	40 Years
Building Components	40 Years
Building Improvements	10-40 Years
Vehicles and equipment	5-10 Years

For the years ended December 31, 2019 and 2018, depreciation expense totaled \$76,648 and \$77,765.

ACCOUNTING FOR IMPAIRMENT

Accounting for the Impairment or Disposal of Long-Lived Assets guidance requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. This guidance has not materially affected the Organization's net change in unrestricted net assets, statement of financial position or statement of cash flows.

USE OF ESTIMATES

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

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

COST ALLOCATION

The Organization allocates costs to benefiting programs using various allocation methods, depending on the type of cost being allocated. Allocated costs are those costs incurred for the common benefit of all agency programs, which cannot be readily identified with a final cost objective. The Organization's cost allocation methods are as follows:

Personnel: Agency personnel with multiple program duties (Executive Director, Fiscal Officer, financial assistants, etc.) record the time they spend working on specific programs on their time sheets. The time specifically identifiable to a particular program is charged to that program. The time spent on general agency matters is charged to programs using a percentage based on the direct labor charged to programs.

Supplies: All supplies are inventoried and signed out to specific programs when needed. The supplies are expensed to specific programs monthly on a first-in, first-out basis.

Occupancy Costs: Space costs (maintenance costs, supplies, depreciation, etc.) are allocated based on the number of square feet of space each program occupies. Space occupied by administrative staff is allocated based upon the allocation of the administrative staff's time.

Copy Costs: A record is maintained of copies made for each program. Copy costs are charged monthly to programs based upon the number of copies made.

Insurance: Insurance is allocated to benefiting programs depending on the equipment, space or number of employees covered by the insurance.

Other Joint Costs: Other joint costs (telephone, computer usage, etc.) are allocated to agency programs based upon usage by each program.

SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 20, 2020, which is the date the financial statements were available to be issued.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

RECENT ACCOUNTING PRONOUNCEMENTS

Leases

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2020. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the impact the adoption of this guidance will have on the financial statements.

NOTE 2 – CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at various financial institutions, where deposits are FDIC insured up to \$250,000. The uninsured balance in the Organization’s bank account was \$221,739 and \$409,858, respectively, at December 31, 2019 and 2018.

Financial awards from federal, state and local governmental entities in the form of grants are subject to financial and compliance audits by funding agencies. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	<u>2019</u>	<u>2018</u>
Land	\$ 50,000	\$ 50,000
Buildings	729,176	729,176
Equipment	783,539	756,228
Rose Court Land	29,000	29,000
Rose Court Building	1,201,858	1,201,858
Rose Court Equipment	872	872
	<u>2,794,445</u>	<u>2,767,134</u>
Less: accumulated depreciation	<u>(1,964,316)</u>	<u>(1,887,668)</u>
	<u>\$ 830,129</u>	<u>\$ 879,466</u>

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 4 – DEBT

During 2014 the Organization obtained an \$185,000 note loan from Star Financial Bank. The interest rate was 3.77% with monthly payments of principal and interest at \$1,859. The note matured November 1, 2019. The Organization refinanced the loan December 2019. The interest rate is 4.45% with monthly payments of principal and interest at \$1,946. The new note now matures December 1, 2024. The note is secured by real estate. The loan balance as of December 31, 2019 was \$104,356.

The future maturities of long-term debt are as follows for the years ended December 31:

<u>Year</u>	<u>Amount</u>
2020	\$ 19,089
2021	19,956
2022	20,863
2023	21,810
2024	22,638
Thereafter	-
	\$ 104,356

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consists of the following for the years ended December 31:

	<u>2019</u>	<u>2018</u>
BEED Funds	\$ 38,890	\$ 38,890
Energy Education	78,050	52,905
	\$ 116,940	\$ 91,795

NOTE 6 – RETIREMENT PLAN

Interlocal Community Action Program, Inc. maintains a Section 401(k) Plan for their employees, who work at least 20 hours per week. Employees can generally defer a portion of their gross salary into the plan. The employer made contributions to the plan of \$74,364 and \$67,226, respectively, for the years ended December 31, 2019 and 2018.

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 7 – COMMITMENTS AND CONTINGENCIES

In prior years, the Organization received a grant related to its low-income tax credit partnership. This grant was received in 2000 from the Indiana Housing Finance Authority (IHFA) under the HOME Investment Partnership Program (HOME) in the amount of \$360,000. The IHFA HOME grant has compliance commitments for 30 years. Failure to meet the requirements under this grant for the specified time period could result in an obligation to repay the grant to the grantor.

NOTE 8 – INFORMATION ON LIQUIDITY

The financial assets per the financial statements for Interlocal Community Action Program, Inc. consist of cash and grants receivable. Certain assets subject to donor restrictions are not available for general expenditure. The Organization has no board designated net assets.

	2019	2018
Cash	\$ 741,973	\$ 643,597
Grants receivable	864,602	882,955
Total financial assets	1,606,575	1,526,552
Less assets with donor restrictions	(116,940)	(91,795)
Financial assets available for cash needs for general expenditures within one year	\$ 1,489,635	\$ 1,434,757

SINGLE AUDIT SECTION

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

FEDERAL GRANTOR AGENCY Pass-Through Agency Program Title	Federal CFDA Number	Grant or Identifying Number	Grant Award (dollars \$)	Federal Expenditures
U.S. Department of Agriculture				
Passed through the Indiana State Department of Health:				
Women Infants and Children	10.557	40010557WICAD19	445,532	\$ 320,915
Women Infants and Children	10.557	40010557WPCG019	23,702	15,080
Women Infants and Children	10.557	40010557WICAD20	450,484	102,809
Women Infants and Children	10.557	40010557WPCG020	23,516	5,942
				<u>444,746</u>
Passed through the Indiana Department of Education:				
Child and Adult Care Food Program	10.558	1330052	N/A	<u>208,569</u>
Total Department of Agriculture				<u>653,315</u>
U.S. Department of Housing and Urban Development				
Passed through the Indiana Housing & Community Development Authority:				
Section 8 Housing Choice Vouchers	14.871	N/A	N/A	<u>1,090,662</u>
Passed through the Indiana Community Action Association:				
CDBG Supplemental Disaster Appropriation II	14.228	LCAP-018-014	300,000	<u>40,841</u>
Total Department of Housing and Urban Development				<u>1,131,503</u>
U.S. Department of Energy				
Passed through the Indiana Housing & Community Development Authority:				
Weatherization Assistance for Low-income Persons	81.042	WX-018-014	342,596	173,118
Weatherization Assistance for Low-income Persons	81.042	WX-019-014	457,874	290,962
				<u>464,080</u>
U.S. Department of Health and Human Services				
Direct Program:				
Head Start	93.600	05CH8437-04	2,155,586	470,957
Head Start	93.600	05CH8437-05	2,193,264	1,807,272
				<u>2,278,229</u>
Passed through the Indiana Housing & Community Development Authority:				
Low-income Home Energy Assistance	93.568	LI-019-014	7,225,737	3,547,165
Low-income Home Energy Assistance	93.568	LI-020-014	6,922,836	4,031,886
Low-income Home Energy Assistance	93.568	LI-019-014-R	721,483	721,450
Low-income Home Energy Assistance	93.568	WL-019-014	489,403	403,799
Low-income Home Energy Assistance	93.568	WL-020-014	394,591	59,576
Community Services Block Grant	93.569	CS-019-014	556,123	182,843
Community Services Block Grant	93.569	CS-018-CO-014	401,232	395,541
				<u>9,342,260</u>
Total Department of Health and Human Services				<u>11,620,489</u>
Corporation for National and Community Service				
Direct Program:				
Retired and Senior Volunteer Program	94.002	18SR201356-1	40,000	8,782
Retired and Senior Volunteer Program	94.002	18SR201356-2	47,500	25,794
Foster Grandparent Program	94.011	16SFNIN001	320,143	42,429
Foster Grandparent Program	94.011	19SF210755-1	265,392	215,693
				<u>292,698</u>
Total Expenditures of Federal Awards				<u>\$ 14,162,085</u>

INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Interlocal Community Action Program, Inc. and is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 – Energy Assistance Payments

The Energy Assistance Payments expenditures under CFDA Number 93.568 include \$7,528,474 of energy assistance payments that were disbursed by the Indiana Housing and Community Development Authority on behalf of the Organization during the year ended December 31, 2019.

Note 4 – Indirect Cost Rate

Interlocal Community Action Program, Inc. has elected not to use the 10% indirect cost rate allowed under Uniform Guidance.

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

GRANTOR AGENCY			
Pass-Through Agency	Grant or	Grant	State and
Program Title	Identifying	Awards	Local
Program Title	Number	(dollars \$)	Expenditures
Passed through the Indiana Housing & Community Development Authority:			
Low-income Home Energy Assistance	IR-019-014	504,122	199,025
Low-income Home Energy Assistance	WS-019-014	60,019	39,194
Low-income Home Energy Assistance	WS-020-014	44,689	1,006
Individual Development Account Program	IDA019-014	50,000	-
Total Expenditures of State and Local Awards			\$ 239,225

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Section II – Financial Statement Findings

There were no financial statement findings for the year ended December 31, 2018.

Section III – Federal Award Findings and Questioned Costs

**FA-2018-001: Incorrect benefit matrix scoring and computation of EAP benefits
Low-Income Housing Energy Assistance Program – CFDA 93.568**

Condition: During the audit of the Low-Income Energy Assistance Program client files, we examined forty (40) files and noted the benefit matrix was incorrectly completed based on the information provided for five clients.

Criteria: Per the Indiana Low-Income Home Energy Assistance Program operations manual the EAP assistance is computed based on a scoring mechanism based on household information, poverty level determination, type of dwelling, fuel source, at risk factors, and other guidelines.

Cause: Information obtained by clients was not accurately entered into the benefit matrix by intake coordinators. Errors included the following:

- Error 1 – Benefit matrix did not include at-risk points for disability
- Error 2 – Benefit matrix claimed zero income incorrectly
- Error 3 – Benefit matrix over reported income for client
- Error 4 – Benefit matrix noted dwelling as apartment rather than mobile home and did not include at-risk points for disability
- Error 5 – Benefit matrix included at-risk points but there was no documentation in file of qualification

Effect: EAP benefits were computed incorrectly due to the errors on the matrix resulting in either the overpayment or underpayment of benefits for the client. Underpayment/(overpayment) of benefits as follows:

Error 1	\$ 75
Error 2	(50)
Error 3	100
Error 4	50
Error 5	<u>(75)</u>
Net	<u>\$ 100</u>

Recommendation: Intake coordinators may need additional training on the importance of accurately completing the benefit matrix.

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Section III – Federal Award Findings and Questioned Costs – (continued)

**FA-2018-001: Incorrect benefit matrix scoring and computation of EAP benefits
Low Income Housing Energy Assistance Program – CFDA 93.568 – (continued)**

Views of Responsible Officials and Planned Corrective Actions: Interlocal Community Action Program, Inc. agrees with the finding and plans to tailor both staff orientation and training to place additional emphasis on accurate completion of files.

Current Status: Interlocal Community Action Program, Inc. has placed additional emphasis on accurate completion of files in staff orientation and training.



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**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***

To the Board of Directors
Interlocal Community Action Program, 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 Interlocal Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and changes in net assets, 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 July 20, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Interlocal Community Action Program, 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 Interlocal Community Action Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the organization'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 organization'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 Interlocal Community Action Program, 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 the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.

Indianapolis, Indiana

July 20, 2020



INDUSTRY ESTABLISHED | FOCUSED ON QUALITY

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

To the Board of Directors
Interlocal Community Action Program, Inc.

Report on Compliance for Each Major Federal Program

We have audited Interlocal Community Action Program, 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 Interlocal Community Action Program, Inc.'s major federal programs for the year ended December 31, 2019. Interlocal Community Action Program, 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 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 Interlocal Community Action Program, 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 (CFR) 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 Interlocal Community Action Program, 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 Interlocal Community Action Program, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Interlocal Community Action Program, 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, 2019.

Report on Internal Control over Compliance

Management of Interlocal Community Action Program, 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 Interlocal Community Action Program, 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 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 Interlocal Community Action Program, 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. 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.

Comer, Nowling And Associates, P.C.

Comer, Nowling And Associates, P.C.
Indianapolis, Indiana
July 20, 2020

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

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? 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? Yes No

Type of auditor’s report issued: Unmodified

Any audit findings disclosed required to be reported in Accordance with 2 CFR section 200.516(a) Yes No

Programs tested as major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	U.S. Dept. of Health and Human Services – Head Start
93.569	U.S. Dept. of Health and Human Services – Community Services Block Grant
14.228	U.S. Dept. of Housing and Urban Development – Section 8 Housing Choice Vouchers

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

Auditee qualified as low-risk auditee? Yes No

**INTERLOCAL COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2019**

Section II – Financial Statement Findings

There were no financial statement findings for the year ended December 31, 2019.

Section III – Federal Award Findings and Questioned Costs

There were no federal award findings for the year ended December 31, 2019.