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October 1, 2021

Board of Directors  
Dubois-Pike-Warrick E.O.C.  
607 Third Avenue, P.O. Box 729  
Jasper, IN 47547

We have reviewed the audit report of Dubois-Pike-Warrick E.O.C., which was opined upon by Comer, Nowling and Associates, P.C., Independent Public Accountants, for the period January 1, 2019 to December 31, 2019. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Dubois-Pike-Warrick E.O.C. 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, P.C. 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

**Dubois-Pike-Warrick  
Economic Opportunity  
Committee, Inc. and  
Subsidiaries**

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

COMER  NOWLING

INDUSTRY ESTABLISHED | FOCUSED ON QUALITY

*Certified Public Accountants*

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
(Jasper, Indiana)  
FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Dubois-Pike-Warrick Economic Opportunity Committee, Inc.

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

We have audited the accompanying consolidated statements of financial position of Dubois-Pike-Warrick Economic Opportunity Committee, Inc. (d/b/a TRI-CAP Inc.) and Subsidiaries which comprise the consolidated statements of financial position as of December 31, 2019 and 2018 and the related consolidated statements of activities, 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits 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 audits 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dubois-Pike-Warrick Economic Opportunity Committee, Inc. and Subsidiaries as of December 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements 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 of 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or the consolidated 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 consolidated 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 August 11, 2020, on our consideration of Dubois-Pike-Warrick Economic Opportunity Committee, 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 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s internal control over financial reporting and compliance.

*Comer, Nowling And Associates, P.C.*

Comer, Nowling And Associates, P.C.  
Indianapolis, Indiana  
August 11, 2020

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2019 AND 2018**

<b>ASSETS</b>		<b>2019</b>	<b>2018</b>
		<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$	80,178	\$ 41,737
Certificates of deposit		50,961	50,000
Accounts receivable		4,733	1,261
Grants receivable		506,410	678,737
Prepaid expenses		11,055	39,753
Total current assets		<u>653,337</u>	<u>811,488</u>
<b>PROPERTY AND EQUIPMENT:</b>			
Property and equipment, net of accumulated depreciation and amortization		<u>7,649,920</u>	<u>5,520,990</u>
<b>OTHER ASSETS</b>			
Cash restricted		62,660	65,515
Other assets		58,817	-
Total other assets		<u>121,477</u>	<u>65,515</u>
Total assets		<u>\$ 8,424,734</u>	<u>\$ 6,397,993</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$	222,238	\$ 56,559
Deposits		7,000	7,000
Accrued payroll and payroll expenses		157,579	106,315
Line of credit		149,000	382,000
Developer loan		194,000	-
Current portion of mortgage payable		40,690	61,616
Total current liabilities		<u>770,507</u>	<u>613,490</u>
<b>LONG-TERM LIABILITIES:</b>			
Deferred development fee		208,878	-
Mortgages payable		3,738,665	2,004,301
Total long-term liabilities		<u>3,947,543</u>	<u>2,004,301</u>
Total liabilities		<u>4,718,050</u>	<u>2,617,791</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>			
Parent interest in net assets		3,656,684	3,780,202
Non-controlling interest in net assets		50,000	-
Total net assets without donor restrictions		<u>3,706,684</u>	<u>3,780,202</u>
Total liabilities and net assets		<u>\$ 8,424,734</u>	<u>\$ 6,397,993</u>

See accompanying notes to consolidated financial statements.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>REVENUES AND OTHER SUPPORT:</b>		
Government grants	\$ 4,585,021	\$ 4,304,548
Fees and program income	383,835	383,706
Medicaid income	12,302	8,251
Contributions	493,868	372,672
Fundraising income	-	62,856
Developer fees	-	18,750
Interest income	2,024	130
Other income	231,923	221,691
Total revenue and other support	<u>5,708,973</u>	<u>5,372,604</u>
Total revenue, other support and net assets released from restriction	<u>5,708,973</u>	<u>5,372,604</u>
<b>OPERATING EXPENSES:</b>		
Early childhood education	2,142,030	1,735,899
Parenting education and intervention	176,247	230,924
Community initiatives	728,256	887,301
Family planning	378,988	376,691
Breast and cervical cancer prevention	51,023	97,869
Senior citizens volunteerism	78,036	73,292
Utility assistance	1,022,322	899,060
Housing assistance	10,532	134,120
Home weatherization assistance	654,426	601,496
Emergency family services	6,042	6,353
Management and general	355,701	211,732
Subsidiary	228,988	222,985
Total operating expenses	<u>5,832,591</u>	<u>5,477,722</u>
Increase (decrease) in net assets	(123,618)	(105,118)
<b>NET ASSETS WITHOUT DONOR RESTRICTION - BEGINNING OF YEAR</b>		
	<u>3,780,202</u>	<u>3,885,320</u>
Parent interest in net assets		
Contributions / (distributions)	100	-
Total parent interest in net assets	<u>3,656,584</u>	<u>3,780,202</u>
Non-controlling interest in net assets		
Contributions / (distributions)	50,000	-
Total non-controlling interest in net assets	<u>50,000</u>	<u>-</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTION - END OF YEAR</b>		
	<u>\$ 3,706,584</u>	<u>\$ 3,780,202</u>

See accompanying notes to consolidated financial statements.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Early Childhood Education	Parenting Education & Intervention	Community Initiatives	Family Planning	Breast & Cervical Cancer Prevention	Senior Citizens Volunteerism	Utility Assistance	Housing Assistance	Home Weatherization Assistance	Emergency Family Services	Management and General	Stork Place	2019 Totals
<b>OPERATING EXPENSES</b>													
Salaries and fringe benefits	\$ 1,413,632	\$ 134,462	\$ 365,989	\$ 274,812	\$ 8,626	\$ 54,736	\$ 93,343	\$ 6,590	\$ 308,766	\$ -	\$ 125,525	\$ -	\$ 2,786,481
Insurance	22,843	1,331	1,745	18,292	112	662	657	-	31,898	-	2,928	-	80,468
Travel and transportation	36,746	9,634	22,153	2,815	221	1,856	7,723	3,594	23,090	-	2,032	-	109,864
Supplies, postage and printing	117,990	4,083	57,419	21,677	439	7,850	19,963	228	43,850	-	4,088	-	277,587
Telephone and communications	22,796	2,200	4,029	3,661	362	170	783	-	6,005	-	779	-	40,785
Training and contracted services	51,301	8,284	16,757	17,231	2,506	1,667	49,445	120	94,258	-	10,518	-	252,087
Fees, dues, interest and miscellaneous	16,804	3,949	161,312	2,994	32	717	1,435	-	8,263	262	115,904	-	311,672
Rent, utilities and maintenance	184,545	9,002	26,536	29,846	2,851	1,666	3,324	-	21,561	-	-	110,760	390,091
Client benefits	177,894	-	17,451	-	35,702	-	843,944	-	110,744	5,780	1,734	-	1,193,249
Minor equipment and depreciation	67,771	3,076	5,448	6,660	172	554	1,705	-	5,991	-	87,299	118,228	296,904
In-kind expenses	29,708	226	49,417	1,000	-	8,158	-	-	-	-	4,894	-	93,403
Total operating expenses	<u>\$ 2,142,030</u>	<u>\$ 176,247</u>	<u>\$ 728,256</u>	<u>\$ 378,988</u>	<u>\$ 51,023</u>	<u>\$ 78,036</u>	<u>\$ 1,022,322</u>	<u>\$ 10,532</u>	<u>\$ 654,426</u>	<u>\$ 6,042</u>	<u>\$ 355,701</u>	<u>\$ 228,988</u>	<u>\$ 5,832,591</u>

See accompanying notes to consolidated financial statements.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Early Childhood Education	Parenting Education & Intervention	Community Initiatives	Family Planning	Breast & Cervical Cancer Prevention	Senior Citizens Volunteerism	Utility Assistance	Housing Assistance	Home Weatherization Assistance	Emergency Family Services	Management and General	Subsidiary	2018 Totals
<b>OPERATING EXPENSES</b>													
Salaries and fringe benefits	\$ 1,158,712	\$ 178,243	\$ 292,912	\$ 263,110	\$ 10,679	\$ 48,835	\$ 86,786	\$ 981	\$ 268,986	\$ -	\$ 27,802	\$ -	\$ 2,337,046
Insurance	20,511	3,664	2,210	17,657	356	1,121	1,209	735	27,104	-	1,310	-	75,877
Travel and transportation	23,652	11,913	24,766	3,368	557	1,146	5,801	745	14,587	-	-	-	86,535
Support to programs in excess of funding	-	-	144,110	-	-	-	-	-	-	-	10,287	-	154,397
Supplies, postage and printing	85,053	3,743	39,308	18,026	635	7,074	11,397	1,332	18,247	-	-	-	184,815
Telephone and communications	18,335	2,510	3,225	4,551	452	169	723	778	5,870	-	18	-	36,631
Training and contracted services	42,619	8,518	33,211	17,330	1,711	1,001	14,747	108,831	104,315	-	15,603	-	347,886
Fees, dues, interest and miscellaneous	10,317	4,018	270,504	1,651	91	517	1,039	123	6,459	182	102,941	-	397,842
Rent, utilities and maintenance	153,369	10,327	12,959	38,023	3,776	1,487	3,286	2,250	18,052	-	-	104,756	348,285
Client benefits	103,359	4,116	22,716	2,179	79,445	6	772,395	5,647	118,832	6,171	1,625	-	1,116,491
Minor equipment and depreciation	76,625	3,872	5,534	10,796	167	540	1,677	12,698	19,044	-	52,096	118,229	301,278
In-kind expenses	43,347	-	35,846	-	-	11,396	-	-	-	-	50	-	90,639
Total operating expenses	<u>\$ 1,735,899</u>	<u>\$ 230,924</u>	<u>\$ 887,301</u>	<u>\$ 376,691</u>	<u>\$ 97,869</u>	<u>\$ 73,292</u>	<u>\$ 899,060</u>	<u>\$ 134,120</u>	<u>\$ 601,496</u>	<u>\$ 6,353</u>	<u>\$ 211,732</u>	<u>\$ 222,985</u>	<u>\$ 5,477,722</u>

See accompanying notes to consolidated financial statements.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase (decrease) in net assets	\$ (123,618)	\$ (105,118)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	292,258	295,686
Debt issuance costs	(124,004)	-
Increase (decrease) in cash from changes in:		
Accounts receivable	(3,472)	10,534
Grants receivable	172,327	(302,077)
Prepaid expenses	28,698	(28,004)
Other assets	(55,963)	(5,679)
Accounts payable	165,679	26,650
Deposits	-	(355)
Accrued payroll and payroll expenses	51,264	11,632
Deferred developer fee	208,878	-
Net cash provided by (used in) operating activities	612,047	(96,731)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of investments	(960)	-
Purchase of property and equipment	(2,421,188)	(80,329)
Proceeds from sale of property and equipment	-	6,030
Net cash provided by (used in) investing activities	(2,422,148)	(74,299)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Contributions / Distributions	50,100	(10,000)
Net increase (decrease) in line of credit	(233,000)	196,000
Proceeds from borrowing	2,083,356	-
Decrease in mortgage payable	(51,914)	(56,127)
Net cash provided by (used in) financing activities	1,848,542	129,873
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	38,441	(41,157)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	41,737	82,894
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 80,178	\$ 41,737
<b>Supplemental disclosure:</b>		
Interest paid	\$ 108,990	\$ 103,325

See accompanying notes to consolidated financial statements.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements include the accounts of Dubois-Pike-Warrick Economic Opportunity Committee, Inc., and its wholly owned subsidiary, TRI-CAP Stork Place, LLC. The statements also include the for-profit limited liability company, Wagon Works, LLC, which is wholly owned by TRI-CAP. Wagon Works, LLC serves as the general partner for Wagon Works L.P. In accordance with FASB ASC 985-810-15-4, consolidation is required for each of the previously mentioned entities and all material intercompany transactions have been eliminated in the consolidation.

**NATURE OF OPERATIONS**

Dubois-Pike-Warrick Economic Opportunity Committee, Inc. d/b/a TRI-CAP (the “Organization”) was incorporated and commenced operations as a not-for-profit organization in 1966, under the laws of the State of Indiana. The Organization is committed to helping families and children improve their quality of life in Dubois, Pike, and Warrick counties in Indiana.

TRI-CAP Stork Place, LLC, is an Indiana entity structured as a limited liability company and commenced operations in 2009. Stork Place, LLC will develop and manage senior housing apartments located in Huntingburg, Indiana and is limited to activities that fulfill the charitable purpose of the parent Organization.

In March 2018, the Organization formed Wagon Works, LLC, which is the sole member of Wagon Works, L.P. a single member LP and wholly owned subsidiary of the Organization, for the purpose of developing low-income housing units in Warrick County in Indiana. Wagon Works, LLC serves as the general partner for Wagon Works, L.P. and holds 99.99% interest.

**BASIS OF ACCOUNTING**

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

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)**

**FINANCIAL STATEMENT PRESENTATION**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Per the applicable standards, Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc. is limited by donor-imposed stipulations that either expire by passage of time, can be fulfilled and removed by actions of Dubois-Pike-Warrick Economic Opportunity Committee, 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.

The classification of net assets with donor restrictions includes grant awards as the grant funds are restricted to specific programs/expenses as defined in the awards. Also included in net assets with donor restrictions is program income that is generated as part of the grant activity.

When expenses are incurred against grant funds and related program income, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of revenue, expenses, and changes in net assets as net assets released from restriction.

The Organization does not have any net assets with donor restrictions for the years ended December 31, 2019 and 2018.

**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.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)**

**FINANCIAL STATEMENT PRESENTATION – (continued)**

**REVENUE RECOGNITION – (continued)**

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.

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 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 Statements 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**

In addition to receiving cash 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 other support by a like amount.

The Organization has recorded in-kind contributions for professional services on the Consolidated Statement of Activities as required per the FASB Accounting Standards Codification for *Accounting for Contributions Received and Contributions Made*. This standard requires that only contributions of services received that create or enhance non-financial assets or require specialized skill and would typically need to be purchased if not provided by donation be recorded. The requirements of the FASB standard are different from the in-kind requirements of the Organization's grant funding sources. The \$94,503 and \$90,659 consists of professional services, food, other goods, and building space for December 31, 2019 and 2018, respectively.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)**

**IN-KIND CONTRIBUTIONS – (continued)**

Of the \$94,503 of in-kind contributions and related expenses recorded in the Organization’s Consolidated Statement of Activities for the year ended December 31, 2019, contributed services meeting the requirements of the aforementioned standard are \$14,308. Of the \$94,503, \$37,623 was donated for the Head Start program. Additionally, during 2019, the Organization received other in-kind contributions totaling \$377,954 related to its Head Start programs, which includes services and mileage from non-professional volunteers during 2019 which are not recorded in the Consolidated Statement of Activities. The Head Start in-kind contributions totaled \$415,577, which exceeded the required match for the year ended December 31, 2019.

Of the \$90,659 of in-kind contributions and related expenses recorded in the Organization’s Consolidated Statement of Activities for the year ended December 31, 2018, contributed services meeting the requirements of the aforementioned standard are \$30,527. Of the \$90,659, \$43,347 was donated for Head Start program. Additionally, during 2018, the Organization received other in-kind contributions totaling \$454,512 related to its Head Start program, which includes services and mileage from non-professional volunteers during 2018 which are not recorded in the Consolidated Statement of Activities. The Head Start in-kind contributions totaled \$497,859, which exceeded the required match for the year ended December 31, 2018.

**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.

**GRANTS RECEIVABLE AND ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS**

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

**PROPERTY AND EQUIPMENT**

Property and equipment are stated at cost and depreciated over estimated useful lives of three to forty years using the straight-line method. The following is a summary of the lives for each class of asset:

Buildings	31.5 years
Leasehold Improvements	15 years
Equipment	3-10 years
Vehicles	5 years

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)**

**PROPERTY AND EQUIPMENT – (continued)**

Expenditures for improvements and major renewals are capitalized as property and equipment on the Organization's financial statements for physical assets with unit costs in excess of \$5,000. When property is sold, retired or otherwise disposed of, the related cost and accumulated depreciation are eliminated from the accounts and any resulting gain or loss is credited or charged to income. Expenditures for maintenance and repairs are expensed when incurred.

Long-lived assets and certain identifiable intangibles held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles 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.

**EXPENSE ALLOCATION**

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

Direct and joint costs are allocated to the benefiting programs using cost pools under the following policies and procedures:

1. Costs are allocated to all programs on an equitable basis regardless of any limits imposed by funding sources.
2. As much as possible, costs will first be charged directly to benefiting programs.
3. All remaining shared costs will be allocated on the most meaningful measures. The following bases will be used:
  - a. Facilities and related costs will be allocated based on square footage occupied.
  - b. Costs of the Human Resources Department will be allocated based on number of employees.
  - c. Fiscal and accounting-related costs will be allocated based on number of transactions.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)**

**DEBT ISSUANCE COSTS**

In accordance with generally accepted accounting principles, debt issuance costs are amortized over the life of the loan and is presented as a direct deduction from the face amount of debt on the statement of financial position. Amortization expense is reported as interest expense.

**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).

Effective for the year ended December 31, 2009, Stork Place, LLC has elected to be treated as a limited liability company for income tax purposes. Effective for the year ended December 31, 2018, Wagon Works, LLC has elected to be treated as a limited liability company for income tax purposes. Accordingly, these entities are not responsible for payment of federal income taxes, which is the responsibility of the sole limited liability company member, Dubois-Pike-Warrick Economic Opportunity Committee, Inc. As a limited liability company, Stork Place, LLC and Wagon Works LLC must report on a calendar year basis for tax purposes. As of December 31, 2019, the mission of Stork Place, LLC and Wagon Works, LLC were considered to be related to the community action mission of the Organization and therefore, no provision for unrelated business income tax has been made for federal income taxes.

The Organization files the required federal and state information returns. Whenever tax returns are filed, the filing organization must evaluate the merits of its tax positions and determine if they will be ultimately sustained. Those tax positions for the Organization include maintaining their tax-exempt status and the taxability of any unrelated business income. The Organization believes these positions are sustainable. With few exceptions, the Organization is generally no longer subject to examination by taxing authorities for years before December 31, 2016.

**RECLASSIFICATION**

Certain prior year financial information has been reclassified to conform to the current year presentation.

**SUBSEQUENT EVENTS**

Subsequent events have been evaluated through August 11, 2020, which is the date the financial statements were available to be issued.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
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**NOTE 1 – 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, 2019, and interim periods for 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 – PROPERTY AND EQUIPMENT**

The Organization’s property and equipment are as follows at December 31, 2019 and 2018:

	<u><b>2019</b></u>	<u><b>2018</b></u>
Buildings	\$ 2,343,498	\$ 2,343,498
Leasehold improvements	1,421,054	1,035,517
Equipment	561,142	561,142
Vehicles	160,060	139,060
	<u>4,485,754</u>	<u>4,079,217</u>
Accumulated depreciation	<u>(2,026,698)</u>	<u>(1,852,670)</u>
	2,459,056	2,226,547
Land	370,600	370,600
	<u><u>\$ 2,829,656</u></u>	<u><u>\$ 2,597,147</u></u>

TRI-CAP Stork Place, LLC’s property and equipment is as follows at December 31, 2019 and 2018:

	<u><b>2019</b></u>	<u><b>2018</b></u>
Buildings	\$ 3,703,118	\$ 3,703,118
Accumulated depreciation	<u>(1,032,091)</u>	<u>(913,863)</u>
	2,671,027	2,789,255
Land	134,588	134,588
	<u><u>\$ 2,805,615</u></u>	<u><u>\$ 2,923,843</u></u>

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
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**NOTE 2 – PROPERTY AND EQUIPMENT – (continued)**

Wagon Works, LP property consist of the following as of December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>	
Buildings	\$ 1,764,649	\$	-
Accumulated depreciation	-	-	-
	1,764,649	-	-
Land	250,000	-	-
	\$ 2,014,649	\$	-

Depreciation expense for the Organization amounted to \$174,029 and \$177,457 for the years ended December 31, 2019 and 2018, respectively. Depreciation expense for TRI-CAP Stork Place, LLC amounted to \$118,229 and \$118,229 for the years ended December 31, 2019 and 2018, respectively.

As of December 31, 2019, construction for Wagon Works, LP is still in progress.

**NOTE 3 – LINE OF CREDIT**

During the year ended December 31, 2010, the Organization opened a \$500,000 revolving bank line of credit with a financial institution. This line has a maturity date which has been extended through November 30, 2020.

The interest rate on the line was 5.75% and 6.25% on December 31, 2019 and 2018, respectively. The line is collateralized by substantially all of the Organization's assets and is payable at maturity. At December 31, 2019 and 2018, the outstanding line of credit balance was \$149,000 and \$382,000, respectively.

The interest rate on the line of credit is subject to change from time to time based on changes in an index which is the German American Bancorp Base Lending Rate (the "index"). The Index is not necessarily the lowest rate charged by the bank on its loans and is set by the bank in its sole discretion. The interest rate on the line is calculated using a rate equal to the index rounded up to the nearest 0.125 percent. Per the line of credit agreement, the interest rate will never be less than 5.00%.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
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**NOTE 4 – LONG-TERM DEBT**

Long-term debt consists of the following as of December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Note payable - 5.50% payable in monthly payments of \$2,693 including interest, matures January 2020, collateralized by the Organization's assets.	\$ -	\$ 33,902
Note payable - 6% (variable after 60 mos.) payments of \$2,813 including interest, matures November 2039, collateralized by Boonville facility.	367,663	-
Note payable - 4.125% payable in monthly payments of \$9,252 including interest, matures January 2054, collateralized by facility.	<u>2,004,288</u>	<u>2,032,015</u>
Total parent debt	2,371,951	2,065,917
Note payable to Paragus of \$194,000 to be paid from proceeds from AHP loan awarded to Organization	194,000	-
Construction and term loan not to exceed \$6,693,000 dated May 31, 2019, secured by first mortgage on property of Wagon Works, LLP, construction loan bears interest of LIBOR with original maturity date of November 2021 with 120 month extension available.	<u>1,531,393</u>	<u>-</u>
Total Wagon Works, LLP debt	1,725,393	-
less debt issuance costs	<u>(124,001)</u>	<u>-</u>
Total Wagon Works, LLP debt, net	<u>1,601,392</u>	<u>-</u>
Total debt, net	<u>\$ 3,973,343</u>	<u>\$ 2,065,917</u>

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
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**NOTE 4 – LONG-TERM DEBT – (continued)**

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

	Parent	Wagon Works, LP
2020	\$ 40,690	\$ 194,000
2021	41,406	1,531,393
2022	44,487	-
2023	46,405	-
2024	48,191	-
Thereafter	2,150,784	-
	\$ 2,371,963	\$ 1,725,393

**NOTE 5 – EMPLOYEE BENEFITS**

The Organization has a 401(k) plan and provides a 25% match of employee contributions up to a maximum amount of 1% of employee compensation, as defined. Employer contributions to the plan are made for all employees working twenty hours or more per week and with at least one year of service. Participant contributions may be made immediately upon employment.

Employee benefit expense under this plan was \$10,728 and \$9,835 for the years ended December 31, 2019 and 2018, respectively. As of December 31, 2019 and 2018, the Subsidiaries had no employees and therefore no employee benefit plan.

**NOTE 6 – OPERATING LEASES**

The Organization leases land and two facilities under non-cancelable operating lease arrangements. All other leases are month-to-month leases. Rental expense included in the Statement of Activities for the years ended December 31, 2019 and 2018 were approximately \$51,548 and \$53,868, respectively.

Future minimum lease payments for the long-term facility leases are as follows for the years ended December 31:

2020	\$ 52,428
2021	18,136
2022	-
2023	-
2024	-
Thereafter	-
	\$ 70,564

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**NOTE 7 – CONCENTRATION OF CREDIT RISKS**

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.

The Organization maintains cash balances at a local bank. The accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At no time throughout the year did the combined balances of these accounts exceed \$250,000.

**NOTE 8 - FORMATION OF SUBSIDIARIES**

On September 24, 2009, Dubois-Pike-Warrick Economic Opportunity Committee, Inc. formed TRI-CAP Stork Place, LLC, a Limited Liability Corporation as a wholly owned subsidiary under the laws of the State of Indiana.

Income or losses from business activity performed by TRI-CAP Stork Place, LLC and Dubois-Pike-Warrick Economic Opportunity Committee, Inc. are reflected as increases and decreases in the net assets of Stork Place, LLC in the consolidated statement of financial position. In addition, income or losses from Stork Place, LLC activity is presented in the consolidated statement of activities.

On March 19, 2018, Dubois-Pike-Warrick Economic Opportunity Committee, Inc., formed Wagon Works, LLC, an Indiana limited liability corporation as a wholly owned subsidiary under the laws of the State of Indiana.

Income or losses from business activity performed by Wagon Works, LLC and Dubois-Pike-Warrick Economic Opportunity Committee, Inc. are reflected as increases and decreases in the net assets of Wagon Works LLC in the consolidated statement of financial position. In addition, income or losses from Wagon Works activity is presented in the consolidated statement of activities.

**NOTE 9 - RELATED PARTY TRANSACTIONS**

The Organization obtains health, legal and other services as well as supplies and materials from several vendors. The family members of Board of Directors and management either are employed by the vendor or own the vendor. These relationships are disclosed on conflict of interest statements for 2019 and 2018. These vendors in aggregate were paid \$153,492 and \$133,099 for the years ended December 31, 2019 and 2018, respectively.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019 AND 2018**

**NOTE 10 – INFORMATION ABOUT LIQUIDITY**

The financial assets per the consolidated financial statements for Dubois-Pike-Warrick Economic Opportunity Committee, Inc. and Subsidiaries consist of cash, certificates of deposit, and receivables. Certain cash balances related to reserves and security deposits that are required to be set aside for Stork Place, LLC.

	<u>2019</u>	<u>2018</u>
Cash	\$ 142,838	\$ 107,252
Receivables	511,143	679,998
Certificates of Deposit	<u>50,961</u>	<u>50,000</u>
Total financial assets	<u>704,942</u>	<u>837,250</u>
Less:		
Collateral for mortgage	50,961	50,000
Restrictions on replacement reserves	55,554	54,045
Restrictions on tenant security deposits	7,001	7,001
Restrictions on operating reserves	<u>105</u>	<u>4,469</u>
Total cash restricted	<u>113,621</u>	<u>115,515</u>
Financial assets available for cash needs for general expenditures within one year	<u>\$ 591,321</u>	<u>\$ 721,735</u>

**NOTE 11 – SUBSEQUENT EVENT**

On June 29, 2020 the board approved the purchase of real estate in Newburgh Indiana in the amount of \$260,000 for the Head Start facility that was previously leased by the Organization.

## **SUPPLEMENTARY INFORMATION**



INDUSTRY ESTABLISHED | FOCUSED ON QUALITY

## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors  
Dubois-Pike-Warrick Economic Opportunity Committee, Inc.  
Jasper, IN

Our report on our audit of the consolidated financial statements of Dubois-Pike-Warrick Economic Opportunity Committee, Inc. and Subsidiaries as of December 31, 2019, and for the year then ended appears on page one. That audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information (shown on pages 21 through 26) is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

*Comer, Nowling And Associates, P.C.*

Comer, Nowling And Associates, P.C.  
Indianapolis, Indiana  
August 11, 2020

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2019 AND 2018**

	2019					2018				
	Parent	Stork Place	Wagon Works, LLC	Wagon Works, LP	Eliminating Entries	Consolidated Total	Parent	Stork Place	Eliminating Entries	Consolidated Total
<b>CURRENT ASSETS:</b>										
Cash and cash equivalents	\$ 64,548	\$ 11,852	\$ -	\$ 3,778	\$ -	\$ 80,178	\$ 34,093	\$ 7,644	\$ -	\$ 41,737
Certificates of deposit	50,961	-	-	-	-	50,961	50,000	-	-	50,000
Accounts receivable	4,733	-	-	-	-	4,733	1,261	-	-	1,261
Grants receivable	506,410	-	-	-	-	506,410	678,737	-	-	678,737
Prepaid expenses	11,055	-	-	-	-	11,055	39,753	-	-	39,753
Total current assets	<u>637,707</u>	<u>11,852</u>	<u>-</u>	<u>3,778</u>	<u>-</u>	<u>653,337</u>	<u>803,844</u>	<u>7,644</u>	<u>-</u>	<u>811,488</u>
<b>PROPERTY AND EQUIPMENT:</b>										
Property and equipment, net of accumulated depreciation and amortization	2,829,656	2,805,615	-	2,014,649	-	7,649,920	2,597,147	2,923,843	-	5,520,990
<b>OTHER ASSETS:</b>										
Cash restricted	-	62,660	-	-	-	62,660	-	65,515	-	65,515
Investment in subsidiary	2,885,794	-	100	-	(2,885,894)	-	2,997,437	-	(2,997,437)	-
Other assets	-	4,172	-	54,645	-	58,817	-	-	-	-
Total other assets	<u>2,885,794</u>	<u>66,832</u>	<u>100</u>	<u>54,645</u>	<u>(2,885,894)</u>	<u>121,477</u>	<u>2,997,437</u>	<u>65,515</u>	<u>(2,997,437)</u>	<u>65,515</u>
Total assets	<u>\$ 6,353,157</u>	<u>\$ 2,884,299</u>	<u>\$ 100</u>	<u>\$ 2,073,072</u>	<u>\$ (2,885,894)</u>	<u>\$ 8,424,734</u>	<u>\$ 6,398,428</u>	<u>\$ 2,997,002</u>	<u>\$ (2,997,437)</u>	<u>\$ 6,397,993</u>

See Independent Auditor's Report on Supplementary Information.

	LIABILITIES AND NET ASSETS									
	2019					2018				
	Parent	Stork Place	Wagon Works, LLC	Wagon Works, LP	Eliminating Entries	Consolidated Total	Parent	Stork Place	Eliminating Entries	Consolidated Total
<b>CURRENT LIABILITIES:</b>										
Accounts payable	\$ 8,030	\$ 1,506	\$ -	\$ 212,702	\$ -	\$ 222,238	\$ 53,993	\$ 2,566	\$ -	\$ 56,559
Deposits	-	7,000	-	-	-	7,000	-	7,000	-	7,000
Accrued payroll and payroll expenses	157,579	-	-	-	-	157,579	106,315	-	-	106,315
Line of credit	149,000	-	-	-	-	149,000	382,000	-	-	382,000
Developer loan	-	-	-	194,000	-	194,000	-	-	-	-
Current portion of mortgage payable	40,690	-	-	-	-	40,690	61,616	-	-	61,616
Total current liabilities	355,299	8,506	-	406,702	-	770,507	603,924	9,566	-	613,490
<b>LONG-TERM LIABILITIES:</b>										
Deferred development fee	-	-	-	208,878	-	208,878	-	-	-	-
Mortgages payable, net of debt issuance costs	2,331,273	-	-	1,407,392	-	3,738,665	2,004,301	-	-	2,004,301
Total long-term liabilities	2,331,273	-	-	1,616,270	-	3,947,543	2,004,301	-	-	2,004,301
Total liabilities	2,686,572	8,506	-	2,022,972	-	4,718,050	2,608,225	9,566	-	2,617,791
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>										
Parent interest in net assets	3,666,585	2,875,793	100	-	(2,885,794)	3,656,684	3,790,203	2,987,436	(2,997,437)	3,780,202
Non-controlling interest in net assets	-	-	-	50,100	(100)	50,000	-	-	-	-
Total net assets without donor restrictions	3,666,585	2,875,793	100	50,100	(2,885,894)	3,706,684	3,790,203	2,987,436	(2,997,437)	3,780,202
Total liabilities and net assets	\$ 6,353,157	\$ 2,884,299	\$ 100	\$ 2,073,072	\$ (2,885,894)	\$ 8,424,734	\$ 6,398,428	\$ 2,997,002	\$ (2,997,437)	\$ 6,397,993

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019					2018				
	Parent	Stork Place, LLC	Wagon Works, LLC	Wagon Works, LP	Eliminating Entries	Consolidated Total	Parent	Stork Place, LLC	Eliminating Entries	Consolidated Total
<b>Revenues and Other Support</b>										
Government grants	\$ 4,585,021	\$ -	\$ -	\$ -	\$ -	\$ 4,585,021	\$ 4,304,548	\$ -	\$ -	\$ 4,304,548
Fees and program income	383,835	-	-	-	-	383,835	383,706	-	-	383,706
Medicaid income	12,302	-	-	-	-	12,302	8,251	-	-	8,251
Contributions	493,868	-	-	-	-	493,868	372,672	-	-	372,672
Fundraising income	-	-	-	-	-	-	62,856	-	-	62,856
Developer fees	-	-	-	-	-	-	18,750	-	-	18,750
Interest income	1,991	33	-	-	-	2,024	98	32	-	130
Other income	114,611	117,312	-	-	-	231,923	107,436	114,255	-	221,691
Loss on investment in Subsidiary	(111,643)	-	-	-	111,643	-	(108,698)	-	108,698	-
Total revenue and other support	5,479,985	117,345	-	-	111,643	5,708,973	5,149,619	114,287	108,698	5,372,604
Total revenue, other support and net assets released from restriction	5,479,985	117,345	-	-	111,643	5,708,973	5,149,619	114,287	108,698	5,372,604

	2019					2018				
	Parent	Stork Place	Wagon Works, LLC	Wagon Works, LP	Eliminating Entries	Consolidated Total	Parent	Subsidiary	Eliminating Entries	Consolidated Total
<b>Operating Expenses:</b>										
Early childhood education	2,142,030	-	-	-	-	2,142,030	1,735,899	-	-	1,735,899
Parenting education and intervention	176,247	-	-	-	-	176,247	230,924	-	-	230,924
Community initiatives	728,256	-	-	-	-	728,256	887,301	-	-	887,301
Family planning	378,988	-	-	-	-	378,988	376,691	-	-	376,691
Breast and cervical cancer prevention	51,023	-	-	-	-	51,023	97,869	-	-	97,869
Senior citizens volunteerism	78,036	-	-	-	-	78,036	73,292	-	-	73,292
Utility assistance	1,022,322	-	-	-	-	1,022,322	899,060	-	-	899,060
Housing assistance	10,532	-	-	-	-	10,532	134,120	-	-	134,120
Home weatherization assistance	654,426	-	-	-	-	654,426	601,496	-	-	601,496
Emergency family services	6,042	-	-	-	-	6,042	6,353	-	-	6,353
Management and general	355,701	-	-	-	-	355,701	211,732	-	-	211,732
Subsidiary	-	228,988	-	-	-	228,988	-	222,985	-	222,985
Total operating expenses	5,603,603	228,988	-	-	-	5,832,591	5,254,737	222,985	-	5,477,722
Increase (decrease) in net assets	(123,618)	(111,643)	-	-	111,643	(123,618)	(105,118)	(108,698)	108,698	(105,118)
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS- BEGINNING OF YEAR</b>	3,790,203	2,987,436	-	-	(2,997,437)	3,780,202	3,885,321	3,106,134	(3,106,135)	3,885,320
Parent interest in net assets										
Contributions / (distributions)	-	-	100	-	-	100	10,000	(10,000)	-	-
Total parent interest in net assets	3,666,585	2,875,793	100	-	(2,885,794)	3,656,684	3,790,203	2,987,436	(2,997,437)	3,780,202
Non-controlling interest in net assets										
Contributions / (distributions)	-	-	-	50,100	(100)	50,000	-	-	-	-
Total non-controlling interest in net assets	-	-	-	50,100	(100)	50,000	-	-	-	-
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR</b>	<b>\$ 3,666,585</b>	<b>\$ 2,875,793</b>	<b>\$ 100</b>	<b>\$ 50,100</b>	<b>\$ (2,885,894)</b>	<b>\$ 3,706,684</b>	<b>\$ 3,790,203</b>	<b>\$ 2,987,436</b>	<b>\$ (2,997,437)</b>	<b>\$ 3,780,202</b>

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
AND SUBSIDIARIES  
CONSOLIDATING STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019						2018			
	Parent	Stork Place	Wagon Works, LLC	Wagon Works, LP	Eliminating Entries	Consolidated Total	Parent	Subsidiary	Eliminating Entries	Consolidated Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>										
Increase (decrease) in net assets	\$ (123,618)	\$ (111,643)	\$ -	\$ -	\$ 111,643	\$ (123,618)	\$ (105,118)	\$ (108,698)	\$ 108,698	\$ (105,118)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:										
Depreciation	174,029	118,229	-	-	-	292,258	177,457	118,229	-	295,686
Debt issuance costs	-	-	-	(124,004)	-	(124,004)	-	-	-	-
Change on investment in subsidiary	111,643	-	-	-	(111,643)	-	108,698	-	(108,698)	-
Increase (decrease) in cash from changes in:										
Accounts receivable	(3,472)	-	-	-	-	(3,472)	10,534	-	-	10,534
Grants receivable	172,327	-	-	-	-	172,327	(302,077)	-	-	(302,077)
Prepaid expenses	28,698	-	-	-	-	28,698	(28,004)	-	-	(28,004)
Other assets	-	(1,318)	-	(54,645)	-	(55,963)	-	(5,679)	-	(5,679)
Accounts payable	(45,963)	(1,060)	-	212,702	-	165,679	27,080	(430)	-	26,650
Deposits	-	-	-	-	-	-	-	(355)	-	(355)
Accrued payroll and payroll expenses	51,264	-	-	-	-	51,264	11,632	-	-	11,632
Deferred developer fee	-	-	-	208,878	-	208,878	-	-	-	-
Net cash provided by (used in) operating activities	364,908	4,208	-	242,931	-	612,047	(99,798)	3,067	-	(96,731)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>										
Investment in subsidiary	-	-	(100)	-	100	-	-	-	-	-
Purchase of investments	(960)	-	-	-	-	(960)	-	-	-	-
Purchase of property and equipment	(406,539)	-	-	(2,014,649)	-	(2,421,188)	(80,329)	-	-	(80,329)
Proceeds from the sale of property and equipment	-	-	-	-	-	-	6,030	-	-	6,030
Net cash provided by (used in) investing activities	(407,499)	-	(100)	(2,014,649)	100	(2,422,148)	(74,299)	-	-	(74,299)

See Independent Auditor's Report on Supplementary Information.

	2019					2018				
	Parent	Stork Place	Wagon Works, LLC	Wagon Works, LP	Eliminating Entries	Consolidated Total	Parent	Subsidiary	Eliminating Entries	Consolidated Total
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>										
Contributions/ Distributions	-	-	100	50,100	(100)	50,100	-	(10,000)	-	(10,000)
Net increase (decrease) in line of credit	(233,000)	-	-	-	-	(233,000)	196,000	-	-	196,000
Proceeds from notes payable	357,960	-	-	1,725,396	-	2,083,356	-	-	-	-
Payments on mortgage payable	(51,914)	-	-	-	-	(51,914)	(56,127)	-	-	(56,127)
Net cash provided by (used in) financing activities	73,046	-	100	1,775,496	(100)	1,848,542	139,873	(10,000)	-	129,873
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	30,455	4,208	-	3,778	-	38,441	(34,224)	(6,933)	-	(41,157)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	34,093	7,644	-	-	-	41,737	68,317	14,577	-	82,894
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 64,548</u>	<u>\$ 11,852</u>	<u>\$ -</u>	<u>\$ 3,778</u>	<u>\$ -</u>	<u>\$ 80,178</u>	<u>\$ 34,093</u>	<u>\$ 7,644</u>	<u>\$ -</u>	<u>\$ 41,737</u>
<b>Supplemental disclosure:</b>										
Interest paid	<u>\$ 108,990</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,990</u>	<u>\$ 103,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,325</u>

**SINGLE AUDIT SECTION**

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>FEDERAL GRANTOR AGENCY</b>	<b>Federal</b>	<b>Grant or</b>	<b>Grant</b>	<b>Federal</b>
<b>Passthrough Agency</b>	<b>CFDA</b>	<b>Identifying</b>	<b>Award</b>	<b>Expenditures</b>
<b>Program Title</b>	<b>Number</b>	<b>Number</b>	<b>(in dollars \$)</b>	
<b>U.S. Department of Agriculture</b>				
Passed through the Indiana Department of Education:				
Child and Adult Care Food Program	10.558	1190035	N/A	\$ 85,461
Child and Adult Care Food Program	10.558	1190035	N/A	48,939
				<u>134,400</u>
<b>U.S. Department of Health and Human Services</b>				
Direct Program:				
Head Start	93.600	05CH01018404	1,752,166	1,053,821
Head Start	93.600	05CH01018405	2,005,483	908,838
				<u>1,962,659</u>
Passed through the Indiana Family and Social Services Administration (IFSSA):				
Healthy Families (OFC & TANF)	93.558	A93-3013-17-HF-M0-3684	222,528	102,507
Healthy Families (OFC & TANF)	93.558	A93-3013-17-HF-M0-3684	502,562	54,470
				<u>156,977</u>
Passed through the Indiana Family Health Council:				
Family Planning Title XX	93.667	10/1/18- 9/30/2019	14,022	14,022
Family Planning - TANF	93.558	10/1/18- 9/30/2019	62,133	62,133
				<u>76,155</u>
Passed through the Substance Abuse and Mental Health Service Administration				
Drug-Free Communities (DFC) Support Program	93.276	1H79SP080149-01	125,000	62,438
Drug-Free Communities (DFC) Support Program	93.276	1H79SP080149-02	125,000	20,652
				<u>83,090</u>
Passed through the Indiana Housing Community Development Authority:				
Assets for Independence Demonstration Program	93.602	IDA012-009, IDA013-009, IDA015-009, IDA 016-009	30,875	8,976
Community Services Block Grant	93.569	CS-018-011	22,214	22,144
Community Services Block Grant	93.569	CS-019-011	195,270	195,270
				<u>217,414</u>
Energy Assistance Program	93.568	LI-019-011R	92,221	68,999
Energy Assistance Program	93.568	LI-019-011	934,568	524,862
Energy Assistance Program	93.568	LI-020-011	841,341	424,447
Low Income Home Energy Assistance Program	93.568	WL-019-011	262,432	216,620
Low Income Home Energy Assistance Program	93.568	WL-020-011	165,831	65,549
				<u>1,300,477</u>
Passed through the Indiana Family Health Council:				
Family Planning-Title X	93.217	Title X 9/1/18-3/31/19	197,762	101,576
Family Planning-Title X	93.217	Title X 4/1/19-3/31/20	266,202	157,201
				<u>258,777</u>
Total U.S. Department of Health and Human Services				<u>\$ 4,064,525</u>

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT.)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>FEDERAL GRANTOR AGENCY</b>	<b>Federal</b>	<b>Grant or</b>	<b>Grant</b>	<b>Federal</b>
<b>Passthrough Agency</b>	<b>CFDA</b>	<b>Identifying</b>	<b>Award</b>	<b>Expenditures</b>
<b>Program Title</b>	<b>Number</b>	<b>Number</b>	<b>(in dollars \$)</b>	
<b>U.S. Department of Energy:</b>				
Passed through the Indiana Housing Community Development Authority:				
Weatherization Assistance for Low-Income Persons	81.042	WX-018-011	223,764	\$ 54,037
Weatherization Assistance for Low-Income Persons	81.042	WX-019-011	237,986	155,122
				<u>209,159</u>
<b>Corporation For National And Community Service:</b>				
Direct Program				
Senior Citizens Volunteerism	94.002	15SRNIN004	49,174	45,663
Senior Citizens Volunteerism	94.002	18SRNIN003	41,674	4,270
				<u>49,933</u>
<b>U.S. Dept. of Housing and Urban Development:</b>				
Passed through the Telemon Corporation				
Comprehensive Housing Counseling Program	14.169	FY2017	10,000	563
Comprehensive Housing Counseling Program	14.169	FY2018	10,000	9,851
				<u>10,414</u>
Passed through the United Way				
Emergency Food and Shelter Program	97.024	LRO 281400-001	1,500	1,500
<b>Total Expenditures of Federal Awards</b>				<u><u>\$ 4,469,931</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 \$835,237 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**

Dubois-Pike-Warrick Economic Opportunity Committee, Inc. has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>GRANTOR AGENCY Passthrough Agency Program Title</b>	<b>Grant or Identifying Number</b>	<b>Grant Award (in dollars \$)</b>	<b>State and Local Expenditures</b>
Passed through Indiana Housing & Community Development Authority (IHCDA):			
Energy Assistance Program	IR-019-011	62,833	\$ 17,729
Low Income Home Energy Assistance Program	WS-019-011	34,016	33,490
Low Income Home Energy Assistance Program	WS-020-011	24,930	5,016
	IDA012-009, IDA013- 009, & IDA015-009, IDA 016-009, IDA018-009		
Assets for Independence Demonstration Program		47,500	<u>13,048</u>
Subtotal			<u>69,283</u>
<b>Total Expenditures of State and Local Awards</b>			<u><u>\$ 69,283</u></u>

**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
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**

There were no federal award findings for the year ended December 31, 2018.



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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  
Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, 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 August 11, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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

August 11, 2020



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

To the Board of Directors  
Dubois-Pike-Warrick Economic Opportunity Committee, Inc.

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

We have audited Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s major federal programs for the year ended December 31, 2019. Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s compliance.

***Opinion on Each Major Federal Program***

In our opinion, Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, 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 Dubois-Pike-Warrick Economic Opportunity Committee, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Comer, Nowling And Associates, P. C.*

Comer, Nowling And Associates, P.C.  
Indianapolis, Indiana  
August 11, 2020



**DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
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.