



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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October 7, 2022

Board of Directors  
Ohio Valley Opportunities, Inc.  
P.O. Box 625  
Madison, IN 47250

We have reviewed the audit report of Ohio Valley Opportunities, Inc., which was opined upon by Comer, Nowling and Associates, PC, Independent Public Accountants, for the period January 1, 2021 to December 31, 2021. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of Ohio Valley Opportunities, Inc. as of December 31, 2021 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 cursive script that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

**Ohio Valley  
Opportunities, Inc. and  
Subsidiaries**

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**Consolidated Financial Statements  
For the Years Ended  
December 31, 2021 and 2020  
(With Single Audit Section)**

COMER  NOWLING

INDUSTRY ESTABLISHED | FOCUSED ON QUALITY

*Certified Public Accountants*

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES  
FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Ohio Valley Opportunities, Inc. and Subsidiaries  
Madison, Indiana

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

#### *Opinion*

We have audited the accompanying consolidated financial statements Ohio Valley Opportunities, Inc. (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, 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.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Ohio Valley Opportunities, Inc. as of December 31, 2021 and 2020, 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.

We did not audit the financial statements of SVC Apartments, L.P., which statements reflect total assets of \$1,746,811 and \$1,826,630 as of December 31, 2021 and 2020, respectively, and total support and revenues of \$205,880 and \$198,797 for the years then ended, respectively. We did not audit the financial statements of Valley Court Apartments of North Vernon, which statements reflect total assets of \$1,266,744 and \$1,260,321 as of December 31, 2021 and 2020, respectively, and total support and revenue of \$184,468 and \$178,582 for the years then ended, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for SVC Apartments, L.P. and Valley Court Apartments at North Vernon are based solely on the reports of the other auditors.

#### *Basis for Opinion*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ohio Valley Opportunities, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ohio Valley Opportunities, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ohio Valley Opportunities, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ohio Valley Opportunities, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations 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. 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 schedule of expenditures of federal awards 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 May 13, 2022 on our consideration of the Ohio Valley Opportunities, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Ohio Valley Opportunities, Inc.'s 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 the Ohio Valley Opportunities, Inc.'s internal control over financial reporting and compliance.

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

Comer, Nowling And Associates, P.C.

Indianapolis, Indiana

May 13, 2022

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2021 AND 2020**

**ASSETS**

	<u>2021</u>	<u>2020</u>
<b>CURRENT ASSETS:</b>		
Cash operating	\$ 124,780	\$ 322,112
Cash security deposits	19,545	19,136
Cash reserve for replacement and escrows	108,192	68,782
Cash operating reserve	18,793	36,116
Grants receivable	431,611	141,244
Accounts receivable	23,027	27,907
Inventory	1,157	1,157
Prepaid expenses	25,750	53,743
	<u>752,855</u>	<u>670,197</u>
<b>LONG-TERM ASSETS</b>		
Property and equipment, net of accumulated depreciation	4,999,807	5,149,790
Other assets	7,351	-
	<u>5,007,158</u>	<u>5,149,790</u>
	<u>\$ 5,760,013</u>	<u>\$ 5,819,987</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 54,328	\$ 17,494
Accrued salaries and wages	84,340	99,555
Accrued vacation payable	76,600	100,567
Accrued interest payable	997	95
Accrued real estate taxes	14,868	14,855
Security deposits	22,270	21,160
Prepaid rent	320	7
Other accrued liabilities	42,602	32,918
Current portion of long-term debt	28,798	26,748
	<u>325,123</u>	<u>313,399</u>
<b>LONG-TERM LIABILITIES</b>		
Long-term debt, net of current portion	1,166,302	1,194,480
	<u>1,166,302</u>	<u>1,194,480</u>
Total liabilities	<u>1,491,425</u>	<u>1,507,879</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	4,268,588	4,312,108
	<u>4,268,588</u>	<u>4,312,108</u>
Total liabilities and net assets	<u>\$ 5,760,013</u>	<u>\$ 5,819,987</u>

See accompanying notes to consolidated financial statements.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>REVENUE AND SUPPORT</b>		
Grant revenue	\$ 8,253,960	\$ 7,136,324
Food supply revenue	122,191	89,889
Local support	83,333	59,760
In-kind revenue	209,931	265,243
Rental income	387,716	382,747
Donations	41,096	20,962
Other income	24,771	16,657
Interest income	34,023	34,047
	<hr/>	<hr/>
Total revenue and support	9,157,021	8,005,629
<b>OPERATING EXPENSES</b>		
Head Start	2,590,373	2,883,647
Section 8 Housing	1,900,810	1,708,665
Apple Blossom Court Apartments	22,244	24,601
Casa Amiga	22,537	22,637
Weatherization	683,265	531,233
Energy Assistance	3,097,704	2,280,101
Subsidiaries	487,137	427,270
Other programs	73,795	50,374
Management and general	322,676	144,943
	<hr/>	<hr/>
Total operating expenses	9,200,541	8,073,471
Increase (decrease) in net assets	(43,520)	(67,842)
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR</b>	4,312,108	4,401,836
Distributions	<hr/> -	<hr/> (21,712)
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR</b>	<hr/> \$ 4,268,588	<hr/> \$ 4,312,108

See accompanying notes to consolidated financial statements.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Head Start	Section 8 Housing	Apple Blossom Court Apartments	Casa Amiga	Weatherization	Energy Assistance	Total Services	Management and General	SVCA	Valley Court Apartments of North Vernon	Other	2021 Total
<b>OPERATING EXPENSES</b>												
Salaries and wages	\$ 1,248,833	\$ 115,060	\$ 4,684	\$ 12,300	\$ 156,957	\$ 158,682	\$ 1,696,516	\$ 139,158	\$ 13,049	\$ 21,697	\$ 4,311	\$ 1,874,731
Employee benefits	433,164	45,445	798	1,251	55,574	54,989	591,221	42,727	5,244	644	(10)	639,826
Occupancy	106,594	1,344	3,103	4,200	10,934	2,687	128,862	537	27,642	39,489	2,744	199,274
Telephone	23,455	3,994	-	509	6,641	7,531	42,130	925	-	-	-	43,055
Postage and office supplies	1,364	4,670	355	33	867	7,578	14,867	604	8,891	-	-	24,362
Contracted services	35,518	31,656	4,188	1,950	390,939	77,555	541,806	22,277	17,868	7,227	33,033	622,211
Materials and supplies	212,475	8,487	6,255	438	19,257	40,030	286,942	68,671	82,506	25,110	8,324	471,553
Travel and transportation	3,166	458	-	-	4,687	56	8,367	29	-	-	-	8,396
Training	49,905	968	-	124	10,812	1,519	63,328	4,974	-	-	2,894	71,196
Other costs	48,535	5,196	2,861	699	14,010	65,460	136,761	1,519	28,886	33,106	4,105	204,377
Specific assistance	115,798	1,674,253	-	-	-	2,668,860	4,458,911	30,000	-	-	267	4,489,178
Interest expense	-	-	-	-	-	-	-	-	57,770	12,183	17,765	87,718
Bad debt	-	-	-	-	-	-	-	-	1,742	-	-	1,742
Depreciation	101,635	9,279	-	1,033	12,587	12,757	137,291	11,255	69,449	34,634	362	252,991
In-kind expenses	209,931	-	-	-	-	-	209,931	-	-	-	-	209,931
Total operating expenses	<u>\$ 2,590,373</u>	<u>\$ 1,900,810</u>	<u>\$ 22,244</u>	<u>\$ 22,537</u>	<u>\$ 683,265</u>	<u>\$ 3,097,704</u>	<u>\$ 8,316,933</u>	<u>\$ 322,676</u>	<u>\$ 313,047</u>	<u>\$ 174,090</u>	<u>\$ 73,795</u>	<u>\$ 9,200,541</u>

See accompanying notes to consolidated financial statements.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FUNTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Head Start	Section 8 Housing	Apple Blossom Court Apartments	Casa Amiga	Weatherization	Energy Assistance	Total Services	Management and General	SVCA	Valley Court Apartments of North Vernon	Other	2020 Total
<b>OPERATING EXPENSES</b>												
Salaries and wages	\$ 1,508,455	\$ 107,831	\$ 3,493	\$ 11,450	\$ 144,233	\$ 137,012	\$ 1,912,474	\$ 89,245	\$ 11,628	\$ 29,389	\$ 1,207	\$ 2,043,943
Employee benefits	497,368	35,775	637	1,062	49,679	45,298	629,819	28,342	4,673	1,704	(19)	664,519
Occupancy	116,293	1,697	2,534	4,200	12,265	3,392	140,381	680	26,222	39,600	4,253	211,136
Telephone	19,635	3,122	-	1,367	4,614	6,348	35,086	677	-	-	-	35,763
Postage and office supplies	2,591	3,378	360	-	389	14,098	20,816	87	8,701	-	-	29,604
Contracted services	19,984	33,653	2,440	1,200	274,104	36,066	367,447	8,988	19,847	4,724	23,607	424,613
Materials and supplies	139,730	11,493	12,471	906	13,996	41,782	220,378	6,665	30,479	13,265	451	271,238
Travel and transportation	3,903	224	-	-	2,961	100	7,188	4	-	-	-	7,192
Training	31,866	686	-	-	3,384	767	36,703	549	-	-	28	37,280
Other costs	30,177	4,447	2,666	1,339	11,590	28,630	78,849	1,032	29,874	25,185	3,249	138,189
Specific assistance	101,797	1,495,879	-	-	-	1,953,292	3,550,968	-	-	-	-	3,550,968
Interest expense	-	-	-	-	-	-	-	-	58,554	12,664	17,481	88,699
Depreciation	146,605	10,480	-	1,113	14,018	13,316	185,532	8,674	76,127	34,634	117	305,084
In-kind expenses	265,243	-	-	-	-	-	265,243	-	-	-	-	265,243
Total operating expenses	<u>\$ 2,883,647</u>	<u>\$ 1,708,665</u>	<u>\$ 24,601</u>	<u>\$ 22,637</u>	<u>\$ 531,233</u>	<u>\$ 2,280,101</u>	<u>\$ 7,450,884</u>	<u>\$ 144,943</u>	<u>\$ 266,105</u>	<u>\$ 161,165</u>	<u>\$ 50,374</u>	<u>\$ 8,073,471</u>

See accompanying notes to consolidated financial statements.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase (decrease) in net assets	\$ (43,520)	\$ (67,842)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	252,991	305,083
Gain on sale of fixed assets	-	(7,000)
Increase (decrease) in cash from changes in:		
Grants receivable	(290,367)	23,900
Accounts and interest receivable	5,821	10,330
Prepaid expenses	20,642	(16,592)
Accounts payable and accrued expenses	(2,374)	42,982
Security deposits - liability	1,110	1,740
Prepaid rent	313	(5)
Other accrued liabilities	9,684	(12,501)
Net cash provided by (used in) operating activities	<u>(45,700)</u>	<u>280,095</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	(103,008)	(80,861)
Proceeds from sale of fixed assets	-	7,000
Expenditures on rental property, net of related payables	-	(27,945)
Net cash provided by (used in) investing activities	<u>(103,008)</u>	<u>(101,806)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments against mortgage	(16,879)	(60,742)
Principal payments on long-term debt	(9,249)	-
Distributions	-	(21,710)
Net cash provided by (used in) financing activities	<u>(26,128)</u>	<u>(82,452)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(174,836)	95,837
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>446,146</u>	<u>350,309</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 271,310</u>	<u>\$ 446,146</u>
<b>Supplemental disclosures of Cash Flow Information</b>		
Cash paid during the year for interest	<u>\$ 54,830</u>	<u>\$ 56,071</u>
Cash paid during the year for interest subsidy	<u>\$ 32,179</u>	<u>\$ 32,477</u>

See accompanying notes to consolidated financial statements.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

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

**PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements include the accounts of Ohio Valley Opportunities, Inc. (the “Organization”), who owns Valley Court Apartments of North Vernon and SVC Apartments. In accordance with generally accepted accounting principles, consolidation is required for each of the previously mentioned entities and all material intercompany transactions have been eliminated in the consolidation.

**NATURE OF OPERATIONS**

Ohio Valley Opportunities, Inc. (the “Organization”), is a not-for-profit corporation which administers various programs substantially funded by the Federal government and the State of Indiana. These funds are used to provide for the planning and development of programs that intervene at critical points in poverty that will enable families and individuals to become more self-sufficient. The grants that the Organization administers to accomplish this purpose primarily are Energy Assistance, Weatherization, Low-Income Housing, and Head Start.

**BASIS OF ACCOUNTING**

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

**RECLASSIFICATIONS**

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

**FINANCIAL STATEMENT PRESENTATION**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board. Per the applicable standards, Ohio Valley Opportunities, 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 Ohio Valley Opportunities, 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 Ohio Valley Opportunities, Inc. is limited by donor-imposed stipulations that either expire by passage of time, can be fulfilled and removed by actions of Ohio Valley Opportunities, Inc. pursuant to those stipulations, or net assets that must be held in perpetuity.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

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

**FINANCIAL STATEMENT PRESENTATION – (continued)**

*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 Organization did not have any net assets with donor restrictions as of December 31, 2021 and 2020.

**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. With few exceptions, the Organization is no longer subject to examination by taxing authorities for the years before 2018.

**REVENUE RECOGNITION**

The Organization receives conditional grants from the State of Indiana (State) and the federal government to carry out certain program activities. The grants are received under contracts which require the Organization to submit to the State appropriate records of services provided to eligible individuals. Revenue earned under cost-reimbursement awards from governmental agencies 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 and contract revenues are recognized as revenue at a point in time when the services are substantially performed. Fees received in advance of substantial performance are reported as liabilities. The Subsidiaries recognize rent revenue monthly as it is earned and billed.

The Organization reports grants and contributions 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. However, contributions received with donor-imposed restrictions in which the restrictions are satisfied in the same reporting period are reported as support without donor restrictions.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

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

**REVENUE RECOGNITION – (continued)**

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Amortization of the discounts is included in contributions revenue. Conditional promises to give are not recognized as revenue until the conditions are substantially met.

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 the same amount.

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.

No amounts have been reflected in the financial statements for unskilled donated services. The Organization pays for most services that require specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs, solicitations, and various committee assignments.

**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.

**CASH AND CASH EQUIVALENTS**

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. During the years ended December 31, 2021 and 2020, the Organization did not have cash equivalents.

**ACCOUNTS RECEIVABLE**

Grant and other receivables are amounts due from various governmental and state funding sources and other customers. There is no allowance for doubtful accounts balance as of December 31, 2021 and 2020.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

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

**INVENTORY**

Materials and supplies purchased throughout the year are charged to expense as the cost is incurred. Any items remaining on hand at year end are recognized as inventory in the financial statements at their actual cost.

**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. The following is a summary of the lives for each class of asset:

Building and improvements	5 - 50 years
Equipment and vehicles	5 years

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.

**ALLOCATION OF COST**

The Organization allocates joint costs to beneficiary programs based on various allocation methods, depending on the type of joint cost being allocated. Joint costs are those costs incurred for the common benefit of all agency programs, which cannot be readily identified with a final cost objective. The underlying methodology for the allocation of general and administrative costs is assigned time.

**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, 2021, and interim periods for years beginning after December 15, 2022. 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.

**SUBSEQUENT EVENTS**

Subsequent events have been evaluated through May 13, 2022, which is the date the financial statements were available to be issued.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 2 – RESTRICTED CASH**

*Reserve for Replacement*

Under a regulatory agreement, the Entities are required to set aside amounts for the replacement of property and other expenditures as approved by HUD for certain HUD funded projects. These restricted deposits are held in a separate account and generally are not available for operating purposes. The balance in the reserve for replacement totaled \$108,192 and \$68,782 at December 31, 2021 and 2020, respectively.

*Operating Reserves*

The operating reserve held by SVCA was originally funded in an amount equal to \$62,000. The operating reserve is to be maintained through the tax credit compliance period. The balance in the operating reserve account was \$18,793 and \$36,116 at December 31, 2021 and 2020, respectively.

**NOTE 3 – GRANTS RECEIVABLE**

The Organization’s grant receivables consisted of the following as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Federal Programs (Direct and pass-through)	\$ 431,611	\$ 141,244
Total	<u>\$ 431,611</u>	<u>\$ 141,244</u>

**NOTE 4 – PROPERTY AND EQUIPMENT**

The Organization’s property and equipment for the years ended December 31, 2021 and 2020 (restated) are as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 653,251	\$ 653,251
Building and improvements	7,942,935	7,839,927
Equipment and vehicles	726,564	726,564
	<u>9,322,750</u>	<u>9,219,742</u>
Accumulated depreciation	<u>(4,322,943)</u>	<u>(4,069,952)</u>
	<u>\$ 4,999,807</u>	<u>\$ 5,149,790</u>

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 4 – PROPERTY AND EQUIPMENT – (continued)**

In 2020, management changed their estimate of useful lives for certain assets. This change resulted in an increase of \$35,929 and \$71,751 in depreciation, respectively, during the years ended December 31, 2021 and 2020. Depreciation expense during the years ended December 31, 2021 and 2020 was \$252,991 and \$305,083, respectively.

**NOTE 5 – NOTES RECEIVABLE FROM RELATED PARTIES**

Notes receivable as of December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Note 1 - AHP	\$ 280,000	\$ 280,000
Note 2 - HOME	400,000	400,000
	<u>680,000</u>	<u>680,000</u>
Less: current portion	<u>-</u>	<u>-</u>
Notes receivable - related parties	680,000	680,000
Elimination of interfund receivable	<u>(680,000)</u>	<u>(680,000)</u>
Total notes receivable	<u>\$ -</u>	<u>\$ -</u>

Note 1 – AHP

OVO provided \$280,000 to SVCA, L.P. on July 27, 2005 under the Affordable Housing Program (AHP). The note required interest to be accrued at a rate of 5% per annum, compounded annually. Accrued interest is to be paid annually to the extent of available cash flow, as defined in the agreement. Accrued interest at December 31, 2021 and 2020 was \$227,507 and \$213,507, respectively. The note is due December 31, 2035. This note balance has been eliminated in consolidation.

Note 2 – HOME

OVO provided \$395,000 to SVCA, L.P. during 2005 and an additional \$5,000 during 2006, under the Home Investment Partnership Program (HOME). The note requires interest to be accrued at the rate of 5% per annum, compounded annually. Accrued interest is to be paid annually to the extent of available cash flow, as defined in the agreement. Accrued interest at December 31, 2021 and 2020 was \$324,840 and \$304,840, respectively. The note is due June 30, 2026. This note balance has been eliminated in consolidation.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 6 – DEVELOPMENT FEE RECEIVABLE**

In a prior year, OVO earned a development fee of \$410,000 for its services in connection with the development of the SVCA, L.P. project. OVO received \$-0- and \$26,508 as of December 31, 2021 and 2020, respectively. The remaining \$68,301 is recorded as a receivable at December 31, 2021. Management believes that the entire amount will be collected and therefore, no allowance has been recorded. This receivable has been eliminated in consolidation.

**NOTE 7 – CONTINGENT OBLIGATION**

In prior years, OVO received funds from the Indiana Housing and Finance Authority totaling \$400,000. These proceeds were reflected in the consolidated Statement of Activities as grant revenue in the year the funds were received. However, OVO is required to fulfill certain requirements and maintain the operations of an apartment complex through June 2026; otherwise, these funds may be required to be repaid. It is management’s intent to comply with the provisions of this agreement.

**NOTE 8 – LONG TERM DEBT**

As of December 31, 2021 and 2020, the Organization’s long term debt consisted of the following:

	<u>2021</u>	<u>2020</u>
Mortgage payable to Rural Housing Service, payable in monthly installments of \$638, including interest at 6.875% adjusted to approximately 1% through subsidy allowance by Rural Housing Service and a balloon payment, maturing March 2031, secured by the apartment complex located in North Vernon, Indiana.	\$ 269,241	\$ 272,016
Mortgage payable to Rural Housing Service, payable in monthly installments of \$933, including interest at 7.375% adjusted to approximately 1% through subsidy allowance by Rural Housing Service and a balloon payment, due September 2031, secured by the apartment complex located in North Vernon, Indiana.	396,974	400,839
Note payable to Scott County Bank, payable in monthly installments of \$2,310, including interest at 4.5%, maturing September 10, 2031, secured by separate real estate.	240,749	250,988

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 8 – LONG TERM DEBT – (continued)**

Mortgage payable to First Financial Bank, payable in monthly installments of \$2,752 including interest at 8%, maturing April 2026, secured by certain real estate investments.	288,136	297,385
Sub-total	1,195,100	1,221,228
Less: current portion	28,798	26,748
Long-term debt	\$1,166,302	\$1,194,480

Interest expense amounted to \$87,718 and \$88,699 for the years ended December 31, 2021 and 2020, respectively.

Maturities of long-term debt for the next five years and thereafter are as follows:

2022	\$ 28,798
2023	31,005
2024	33,380
2025	35,939
2026	37,695
Thereafter	1,028,283
Total	\$ 1,195,100

**NOTE 9 – CONCENTRATION OF CREDIT RISK**

Approximately 94% and 90% of the Organization’s support and revenue was provided by federal grants for the years ended December 31, 2021 and 2020, respectively.

The Organization’s cash and cash equivalents are on deposit with one financial institution having branches in the local area. Each account is insured by the FDIC for up to \$250,000 for the years ended December 31, 2021 and 2020. At various times throughout the year, the Organization may have maintained balances in excess of the insured limits. The Organization’s uninsured balance was \$-0- and \$62,041 as of December 31, 2021 and 2020, respectively.

**NOTE 10 – PENSION PLAN**

OVO has a defined contribution retirement plan covering all of its employees who meet certain guidelines as to age and years of service. Under the Plan, OVO contributes approximately 5% of the employees’ wages. The amount contributed to the Plan by OVO was \$50,726 and \$48,036 for the years ended December 31, 2021 and 2020 respectively.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 11 – IN-KIND CONTRIBUTIONS**

The Organization has recorded in-kind contributions for professional services on the 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 table below details the in-kind contributions for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Head Start in-kind:		
Professional services	\$ 77,647	\$ 113,757
Facilities	117,965	124,429
Mileage	2,276	3,119
Donations	<u>12,043</u>	<u>23,938</u>
Total in-kind reported in financial statements	209,931	265,243
Head Start volunteer services	<u>8,562</u>	<u>14,842</u>
Total in-kind for all programs	<u>\$ 218,493</u>	<u>\$ 280,085</u>

**NOTE 12 – INFORMATION ABOUT LIQUIDITY**

The financial assets per the consolidated financial statements for Ohio Valley Opportunities, Inc. and Subsidiaries consist of cash and receivables. As discussed in Note 2 certain cash balances related to replacement and operating reserves are required to be set aside for Valley Court, ABC and SVC apartments. In addition, security deposits from tenants are also segregated from operating cash.

	<u>2021</u>	<u>2020</u>
Cash	\$ 271,310	\$ 446,146
Grants receivable	431,611	141,244
Accounts receivable	<u>23,027</u>	<u>27,907</u>
Total financial assets	725,948	615,297
Less:		
Cash for reserves, escrows and security deposits	<u>146,530</u>	<u>124,034</u>
Financial assets available for operations within the next year	<u>\$ 872,478</u>	<u>\$ 739,331</u>

## **SUPPLEMENTARY INFORMATION**



## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors  
Ohio Valley Opportunities, Inc. and Subsidiaries  
Madison, Indiana

We have audited of the consolidated financial statements of Ohio Valley Opportunities, Inc. and Subsidiaries as of and for the years ended December 31, 2021 and 2020, and our report thereon dated May 13, 2022, which expressed an unmodified opinion on those consolidated financial states, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information (shown on pages 19 through 24) 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 consolidated 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. We did not audit the financial statements of SVC Apartments, L.P., which statements reflect total assets of \$1,746,811 and \$1,826,630 as of December 31, 2021 and 2020, respectively, and total support and revenues of \$205,880 and \$198,797 for the years then ended, respectively. We did not audit the financial statements of Valley Court Apartments of North Vernon, which statements reflect total assets of \$1,266,744 and \$1,260,321 as of December 31, 2021 and 2020, respectively, and total support and revenue of \$184,468 and \$178,582 for the years then ended, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for SVC Apartments, L.P. and Valley Court Apartments at North Vernon are based solely on the reports of the other auditors. 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.  
May 13, 2022

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2021**

**ASSETS**

	<u>OVO, Inc.</u>	<u>Valley Court</u>	<u>ABC Apartments</u>	<u>SVC Apartments</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
<b>CURRENT ASSETS</b>						
Cash operating	\$ 80,473	\$ 16,622	\$ 1,042	\$ 26,643	\$ -	\$ 124,780
Cash - security deposits	-	9,350	695	9,500	-	19,545
Cash - reserve for replacement and escrows	-	80,090	2,606	25,496	-	108,192
Cash - operating reserve	-	-	-	18,793	-	18,793
Grants receivable	431,611	-	-	-	-	431,611
Accounts receivable	7,873	10,291	4,863	-	-	23,027
Inventory	1,157	-	-	-	-	1,157
Prepaid expenses	18,019	7,731	-	-	-	25,750
Total current assets	<u>539,133</u>	<u>124,084</u>	<u>9,206</u>	<u>80,432</u>	<u>-</u>	<u>752,855</u>
<b>LONG-TERM ASSETS</b>						
Property plant and equipment - net	2,198,119	1,142,660	-	1,659,028	-	4,999,807
Interest receivable	551,406	-	-	-	(551,406)	-
Investment in related parties	-	-	-	-	-	-
Notes receivable	680,000	-	-	-	(680,000)	-
Development fee receivable and other assets	68,301	-	-	7,351	(68,301)	7,351
Total long-term assets	<u>3,497,826</u>	<u>1,142,660</u>	<u>-</u>	<u>1,666,379</u>	<u>(1,299,707)</u>	<u>5,007,158</u>
Total assets	<u>\$ 4,036,959</u>	<u>\$ 1,266,744</u>	<u>\$ 9,206</u>	<u>\$ 1,746,811</u>	<u>\$ (1,299,707)</u>	<u>\$ 5,760,013</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable	\$ 40,585	\$ 5,527	\$ 2,203	\$ 6,013	\$ -	\$ 54,328
Accrued salaries and wages	84,340	-	-	-	-	84,340
Accrued vacation payable	76,600	-	-	-	-	76,600
Accrued interest payable	-	997	-	551,406	(551,406)	997
Accrued real estate taxes	-	-	-	14,868	-	14,868
Security deposits	1,675	9,350	1,045	10,200	-	22,270
Prepaid rent	-	320	-	-	-	320
Developer fees payable	-	-	-	68,301	(68,301)	-
Other current liabilities	42,602	-	-	-	-	42,602
Current portion of long-term liabilities	11,207	7,133	-	10,458	-	28,798
Total current liabilities	<u>257,009</u>	<u>23,327</u>	<u>3,248</u>	<u>661,246</u>	<u>(619,707)</u>	<u>325,123</u>
<b>LONG-TERM LIABILITIES</b>						
Long-term debt net of current portion	229,542	659,082	-	957,678	(680,000)	1,166,302
Total liabilities	<u>486,551</u>	<u>682,409</u>	<u>3,248</u>	<u>1,618,924</u>	<u>(1,299,707)</u>	<u>1,491,425</u>
<b>NET ASSETS</b>						
Net assets without donor restrictions	3,550,408	584,335	5,958	127,887	-	4,268,588
Total net assets	<u>3,550,408</u>	<u>584,335</u>	<u>5,958</u>	<u>127,887</u>	<u>-</u>	<u>4,268,588</u>
Total liabilities and net assets	<u>\$ 4,036,959</u>	<u>\$ 1,266,744</u>	<u>\$ 9,206</u>	<u>\$ 1,746,811</u>	<u>\$ (1,299,707)</u>	<u>\$ 5,760,013</u>

See independent auditor's report on supplementary information.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2020**

**ASSETS**

	<u>OVO, Inc.</u>	<u>Valley Court</u>	<u>ABC Apartments</u>	<u>SVC Apartments</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
<b>CURRENT ASSETS</b>						
Cash	\$ 277,899	\$ 28,984	\$ 4,693	\$ 10,536	\$ -	\$ 322,112
Cash - security deposits	-	9,240	695	9,201	-	19,136
Cash - reserve for replacement and escrows	-	25,082	1,400	42,300	-	68,782
Cash - operating reserve	-	-	-	36,116	-	36,116
Grants receivable	141,244	-	-	-	-	141,244
Accounts receivable	15,017	12,359	531	-	-	27,907
Inventory	1,157	-	-	-	-	1,157
Prepaid expenses	46,381	7,362	-	-	-	53,743
Total current assets	<u>481,698</u>	<u>83,027</u>	<u>7,319</u>	<u>98,153</u>	<u>-</u>	<u>670,197</u>
<b>LONG-TERM ASSETS</b>						
Property plant and equipment - net	2,244,019	1,177,294	-	1,728,477	-	5,149,790
Interest receivable, net	518,347	-	-	-	(518,347)	-
Investment in related parties	-	-	-	-	-	-
Notes receivable	680,000	-	-	-	(680,000)	-
Development fee receivable and other assets	68,301	-	-	-	(68,301)	-
Total long-term assets	<u>3,510,667</u>	<u>1,177,294</u>	<u>-</u>	<u>1,728,477</u>	<u>(1,266,648)</u>	<u>5,149,790</u>
Total assets	<u>\$ 3,992,365</u>	<u>\$ 1,260,321</u>	<u>\$ 7,319</u>	<u>\$ 1,826,630</u>	<u>\$ (1,266,648)</u>	<u>\$ 5,819,987</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts payable	\$ 9,199	\$ 3,226	\$ 640	\$ 4,429	\$ -	\$ 17,494
Accrued salaries and wages	99,555	-	-	-	-	99,555
Accrued vacation payable	100,567	-	-	-	-	100,567
Accrued interest payable	-	1,036	-	517,406	(518,347)	95
Accrued real estate taxes	-	-	-	14,855	-	14,855
Security deposits	1,675	9,240	1,045	9,200	-	21,160
Prepaid rent	-	7	-	-	-	7
Developer fees payable	-	-	-	68,301	(68,301)	-
Other current liabilities	32,918	-	-	-	-	32,918
Current portion of long-term liabilities	10,451	6,641	-	9,656	-	26,748
Total current liabilities	<u>254,365</u>	<u>20,150</u>	<u>1,685</u>	<u>623,847</u>	<u>(586,648)</u>	<u>313,399</u>
<b>LONG-TERM LIABILITIES</b>						
Long-term debt net of current portion	240,537	666,214	-	967,729	(680,000)	1,194,480
Total liabilities	<u>494,902</u>	<u>686,364</u>	<u>1,685</u>	<u>1,591,576</u>	<u>(1,266,648)</u>	<u>1,507,879</u>
<b>NET ASSETS</b>						
Net assets without donor restrictions	3,497,463	573,957	5,634	235,054	-	4,312,108
Total net assets	<u>3,497,463</u>	<u>573,957</u>	<u>5,634</u>	<u>235,054</u>	<u>-</u>	<u>4,312,108</u>
Total liabilities and net assets	<u>\$ 3,992,365</u>	<u>\$ 1,260,321</u>	<u>\$ 7,319</u>	<u>\$ 1,826,630</u>	<u>\$ (1,266,648)</u>	<u>\$ 5,819,987</u>

See independent auditor's report on supplementary information.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>OVO, Inc.</u>	<u>Valley Court</u>	<u>ABC Apartments</u>	<u>SVC Apartments</u>	<u>Consolidate d Total</u>
<b>REVENUES AND OTHER SUPPORT</b>					
Grant revenue	\$ 8,253,960	\$ -	\$ -	\$ -	\$ 8,253,960
Food supply revenue	122,191	-	-	-	122,191
Local support	83,333	-	-	-	83,333
In-kind revenue	209,931	-	-	-	209,931
Rental income	-	170,955	20,693	196,068	387,716
Donations	41,096	-	-	-	41,096
Other income	(406)	13,508	1,875	9,794	24,771
Interest income	34,000	5	-	18	34,023
Total revenue and other support	<u>8,744,105</u>	<u>184,468</u>	<u>22,568</u>	<u>205,880</u>	<u>9,157,021</u>
<b>OPERATING EXPENSES</b>					
Headstart	2,590,373	-	-	-	2,590,373
Section 8 Housing	1,900,810	-	-	-	1,900,810
Apple Blossom Court Apartments	-	-	22,244	-	22,244
Casa Amiga	22,537	-	-	-	22,537
Weatherization	683,265	-	-	-	683,265
Energy Assistance	3,097,704	-	-	-	3,097,704
Management and general	322,676	-	-	-	322,676
Subsidiaries	-	174,090	-	313,047	487,137
Other Programs	73,795	-	-	-	73,795
Total operating expenses	<u>8,691,160</u>	<u>174,090</u>	<u>22,244</u>	<u>313,047</u>	<u>9,200,541</u>
Net increase (decrease) in net assets	52,945	10,378	324	(107,167)	(43,520)
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS AT BEGINNING OF YEAR</b>					
	<u>3,497,463</u>	<u>573,957</u>	<u>5,634</u>	<u>235,054</u>	<u>4,312,108</u>
Distributions	-	-	-	-	-
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS AT END OF YEAR</b>					
	<u>\$ 3,550,408</u>	<u>\$ 584,335</u>	<u>\$ 5,958</u>	<u>\$ 127,887</u>	<u>\$ 4,268,588</u>

See independent auditor's report on supplementary information.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>OVO, Inc.</u>	<u>Valley Court</u>	<u>ABC Apartments</u>	<u>SVC Apartments</u>	<u>Consolidated Total</u>
<b>REVENUES AND OTHER SUPPORT</b>					
Grant revenue	\$ 7,136,324	\$ -	\$ -	\$ -	\$ 7,136,324
Food supply revenue	89,889	-	-	-	89,889
Local support	59,760	-	-	-	59,760
In-kind revenue	265,243	-	-	-	265,243
Rental income	-	170,418	17,452	194,877	382,747
Donations	20,962	-	-	-	20,962
Other income	4,120	8,150	500	3,887	16,657
Interest income	34,000	14	-	33	34,047
	<u>7,610,298</u>	<u>178,582</u>	<u>17,952</u>	<u>198,797</u>	<u>8,005,629</u>
<b>OPERATING EXPENSES</b>					
Headstart	2,883,647	-	-	-	2,883,647
Section 8 Housing	1,708,665	-	-	-	1,708,665
Apple Blossom Court Apartments	-	-	24,601	-	24,601
Casa Amiga	22,637	-	-	-	22,637
Weatherization	531,233	-	-	-	531,233
Energy Assistance	2,280,101	-	-	-	2,280,101
Management and general	144,943	-	-	-	144,943
Subsidiaries	-	161,165	-	266,105	427,270
Other Programs	50,374	-	-	-	50,374
	<u>7,621,600</u>	<u>161,165</u>	<u>24,601</u>	<u>266,105</u>	<u>8,073,471</u>
Net increase (decrease) in net assets	(11,302)	17,417	(6,649)	(67,308)	(67,842)
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS AT BEGINNING OF YEAR</b>					
	<u>3,508,939</u>	<u>556,540</u>	<u>12,283</u>	<u>324,074</u>	<u>4,401,836</u>
Distributions	-	-	-	(21,712)	(21,712)
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS AT END OF YEAR</b>					
	<u>\$ 3,497,463</u>	<u>\$ 573,957</u>	<u>\$ 5,634</u>	<u>\$ 235,054</u>	<u>\$ 4,312,108</u>

See independent auditor's report on supplementary information.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>OVO, Inc.</u>	<u>Valley Court</u>	<u>ABC Apartments</u>	<u>SVC Apartments</u>	<u>2021 Consolidate d Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Increase (decrease) in net assets	\$ 52,945	\$ 10,378	\$ 324	\$ (107,167)	\$ (43,520)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:					
Depreciation	148,908	34,634	-	69,449	252,991
Increase (decrease) in cash from changes in:					
Grants receivable	(290,367)	-	-	-	(290,367)
Interest receivable	(33,059)	-	-	34,000	941
Accounts receivable	7,144	2,068	(4,332)	-	4,880
Prepaid expenses and other assets	28,362	(369)	-	(7,351)	20,642
Accounts payable	31,386	2,301	1,563	1,584	36,834
Accrued expenses	(39,182)	(39)	-	13	(39,208)
Security deposits - liability	-	110	-	1,000	1,110
Prepaid rent	-	313	-	-	313
Other accrued liabilities	9,684	-	-	-	9,684
Net cash provided by (used in) operating activities	<u>(84,179)</u>	<u>49,396</u>	<u>(2,445)</u>	<u>(8,472)</u>	<u>(45,700)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of fixed assets	<u>(103,008)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(103,008)</u>
Net cash provided by (used in) investing activities	<u>(103,008)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(103,008)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Principal payments against mortgage	(10,239)	(6,640)	-	-	(16,879)
Principal payments on long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,249)</u>	<u>(9,249)</u>
Net cash provided by (used in) financing activities	<u>(10,239)</u>	<u>(6,640)</u>	<u>-</u>	<u>(9,249)</u>	<u>(26,128)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(197,426)</u>	<u>42,756</u>	<u>(2,445)</u>	<u>(17,721)</u>	<u>(174,836)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>277,899</u>	<u>63,306</u>	<u>6,788</u>	<u>98,153</u>	<u>446,146</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 80,473</u>	<u>\$ 106,062</u>	<u>\$ 4,343</u>	<u>\$ 80,432</u>	<u>\$ 271,310</u>
<b>Supplemental disclosures of Cash Flow Information</b>					
Cash paid during the year for interest	<u>\$ 18,838</u>	<u>\$ 12,222</u>	<u>\$ -</u>	<u>\$ 23,770</u>	<u>\$ 54,830</u>
Cash paid during the year for interest subsidy	<u>\$ -</u>	<u>\$ 32,179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,179</u>

See independent auditor's report on supplementary information.

**OHIO VALLEY OPPORTUNITIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>OVO, Inc.</u>	<u>Valley Court</u>	<u>ABC Apartments</u>	<u>SVC Apartments</u>	<u>Consolidated Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Increase (decrease) in net assets	\$ (11,302)	\$ 17,417	\$ (6,649)	\$ (67,308)	\$ (67,842)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:					
Depreciation	194,322	34,634	-	76,127	305,083
Gain on Sale of fixed assets	(7,000)	-	-	-	(7,000)
Increase (decrease) in cash from changes in:					
Grants receivable	23,900	-	-	-	23,900
Interest receivable	(34,000)	-	-	34,000	-
Accounts receivable	11,487	(701)	(531)	75	10,330
Prepaid expenses	(11,600)	(4,992)	-	-	(16,592)
Development fee receivable	26,508	-	-	(26,508)	-
Accounts payable	2,874	(4,400)	(147)	(4,025)	(5,698)
Accrued expenses	48,864	(1,583)	-	1,399	48,680
Security deposits - liability	-	890	700	150	1,740
Prepaid rent	-	(5)	-	-	(5)
Other accrued liabilities	(12,501)	-	-	-	(12,501)
Net cash provided by (used in) operating activities	<u>231,552</u>	<u>41,260</u>	<u>(6,627)</u>	<u>13,910</u>	<u>280,095</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of fixed assets	(80,861)	-	-	-	(80,861)
Proceeds from sale of fixed assets	7,000	-	-	-	7,000
Withdrawal from replacement reserve	-	-	-	-	-
Expenditures on rental property, net of related payables	-	-	-	(27,945)	(27,945)
Net cash provided by (used in) investing activities	<u>(73,861)</u>	<u>-</u>	<u>-</u>	<u>(27,945)</u>	<u>(101,806)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Principal payments against mortgage	(46,094)	(6,183)	-	(8,465)	(60,742)
Distributions	-	-	-	(21,710)	(21,710)
Net cash provided by (used in) financing activities	<u>(46,094)</u>	<u>(6,183)</u>	<u>-</u>	<u>(30,175)</u>	<u>(82,452)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>111,597</b>	<b>35,077</b>	<b>(6,627)</b>	<b>(44,210)</b>	<b>95,837</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>166,302</b>	<b>28,229</b>	<b>13,415</b>	<b>142,363</b>	<b>350,309</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 277,899</b>	<b>\$ 63,306</b>	<b>\$ 6,788</b>	<b>\$ 98,153</b>	<b>\$ 446,146</b>
<b>Supplemental disclosures of Cash Flow Information</b>					
Cash paid during the year for interest	\$ 18,838	\$ 12,679	\$ -	\$ 24,554	\$ 56,071
Cash paid during the year for interest subsidy	\$ -	\$ 32,477	\$ -	\$ -	\$ 32,477

See independent auditor's report on supplementary information.

## **SINGLE AUDIT SECTION**

**OHIO VALLEY OPPORTUNITIES, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Identifying Number</u>	<u>Grant Awards (in dollars \$)</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Health and Human Services</b>				
Direct Program:				
Head Start	93.600	05CH011855-01-03	2,259,238	\$ 1,862,095
Head Start	93.600	05CH011855-02-00	2,259,238	305,057
Head Start COVID	93.600	05HE00045401C5	57,786	57,786
Head Start COVID	93.600	05HE00045401C6	229,728	65,777
				<u>2,290,715</u>
Passed through the Indiana Housing and Community Development Authority:				
Community Services Block Grant	93.569	CS-2019-019-CO	132,759	132,759
Community Services Block Grant	93.569	CS-2021-019	220,124	66,018
Community Services Block Grant COVID	93.569	CS-CV-20-019	294,419	111,016
Community Services Block Grant	93.569	CS-020-019-D	20,000	2,000
Low-Income Home Energy Assistance	93.568	LI-021-019	1,913,030	910,759
Low-Income Home Energy Assistance COVID	93.568	LI-ARPA-021-019	1,639,475	1,514,342
Low-Income Home Energy Assistance COVID	93.568	LI-CV-020-019	432,684	373,486
Low-Income Home Energy Assistance	93.568	LI-022-019	1,929,113	262,828
Low-Income Home Energy Assistance COVID	93.568	WAT-ARPA-022-	144,201	12,977
Low-Income Home Energy Assistance	93.568	WL-021-019	253,475	230,486
Low-Income Home Energy Assistance COVID	93.568	ARPA-WA-021-0019	386,104	82,257
				<u>3,698,928</u>
Pass-through State of Indiana Department of Education:				
Child Care and Development Block Grant CRRSA	93.575	n/a	n/a	9,032
<b>Total Department of Health and Human Services</b>				<u>5,998,675</u>
<b>U.S. Department of Energy</b>				
Passed through the Indiana Housing and Community Development Authority:				
Weatherization Assistance for Low-Income Persons	81.042	WX-020-019	282,007	113,941
Weatherization Assistance for Low-Income Persons	81.042	WX-021-019	326,975	217,766
				<u>331,707</u>
<b>U.S. Department of Agriculture</b>				
Passed through the Indiana Department of Education				
Child and Adult Care Food Program CARES	10.558	139-0058	n/a	18,984
Child and Adult Care Food Program	10.558	139-0058	n/a	95,074
				<u>114,058</u>
<b>U.S. Department of Housing and Urban Development</b>				
Passed through the Indiana Housing and Community Development Authority:				
Section 8 Housing	14.871	HCV-0200-012		1,892,459
<b>Total Expenditures of Federal Awards</b>				<u>\$ 8,336,899</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**OHIO VALLEY OPPORTUNITIES, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Ohio Valley Opportunities, 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 of Expenditures of Federal Awards 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 \$2,657,329 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, 2021.

**Note 4 – Indirect Cost Rate**

Ohio Valley Opportunities, Inc. has elected not to use the 10% de minimis indirect cost rate allowed under *Uniform Guidance*.

**OHIO VALLEY OPPORTUNITIES, INC.  
 SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Grant or Identifying Number</u>	<u>Grant Awards (in dollars \$)</u>	<u>State and Local Expenditures</u>
Passed through the Indiana Housing and Community Development Authority: LIHEAP Weatherization	WS-021-019	8,182	\$ <u>8,182</u>
<b>Total Expenditures of State and Local Awards</b>			<b>\$ <u><u>8,182</u></u></b>

**OHIO VALLEY OPPORTUNITIES, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Section II –Financial Statement Findings**

There were no financial statement findings for the year ended December 31, 2020.

**Section III –Federal Awards Findings and Questioned Costs**

There were no federal awards findings for the year ended December 31, 2020.



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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  
Ohio Valley Opportunities, Inc.  
Madison, Indiana

We have audited, 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, the consolidated financial statements of the Ohio Valley Opportunities, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon May 13, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Ohio Valley Opportunities, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 the Ohio Valley Opportunities, 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 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 or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Ohio Valley Opportunities, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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

May 13, 2022



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**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  
Ohio Valley Opportunities, Inc.  
Madison, Indiana

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

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

We have audited Ohio Valley Opportunities, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Ohio Valley Opportunities, Inc.'s major federal programs for the year ended December 31, 2021. Ohio Valley Opportunities, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Ohio Valley Opportunities, 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, 2021.

***Basis for Opinion on Each Major Federal Program***

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 Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Ohio Valley Opportunities, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Ohio Valley Opportunities, Inc.'s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Ohio Valley Opportunities, Inc.'s federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Ohio Valley Opportunities, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Ohio Valley Opportunities, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Ohio Valley Opportunities, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Ohio Valley Opportunities, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Ohio Valley Opportunities, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

May 13, 2022

**OHIO VALLEY OPPORTUNITIES, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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

Program tested as major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.871	U.S. Dept. of Housing and Urban Development – Housing Voucher Cluster
81.042	U.S. Dept. of Energy – Weatherization Assistance for Low-Income Persons

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

Auditee qualified as low risk auditee? Yes  No

**OHIO VALLEY OPPORTUNITIES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**Section II – Financial Statement Findings**

There were no financial statement findings for the year ended December 31, 2021.

**Section III – Federal Award Findings and Questioned Costs**

There were no federal award findings for the year ended December 31, 2021.