

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
FINANCIAL STATEMENTS
For The Year Ended December 31, 2008**



Mary Taylor, CPA
Auditor of State

Board of Trustees
Miami County Community Action Council
1695 Troy Sidney Road
Troy, Ohio 45373

We have reviewed the *Independent Auditors' Report* of the Miami County Community Action Council, prepared by Jones, Cochenour & Co., for the audit period January 1, 2008 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Miami County Community Action Council is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

September 2, 2009

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MIAMI COUNTY COMMUNITY ACTION COUNCIL
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Miami County Community Action Council
Troy, Ohio

We have audited the accompanying statements of net assets of Miami County Community Action Council, as of December 31, 2008 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Miami County Community Action Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miami County Community Action Council as of December 31, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2009 on our consideration of Miami County Community Action Council'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Miami County Community Action Council taken as a whole. The supplementary schedules shown on pages 10 - 13 are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Miami County Community Action Council. The accompanying schedule of expenditures of federal awards shown on page 14 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

Jones, Cochenour & Co.
June 29, 2009

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**MIAMI COUNTY COMMUNITY ACTION COUNCIL
STATEMENT OF NET ASSETS
December 31, 2008**

ASSETS		
Cash		\$ 47,354
Accounts receivable		225,904
Prepaid expenses		<u>3,902</u>
	TOTAL CURRENT ASSETS, NET	<u>277,160</u>
CAPITAL ASSETS		
Furniture and fixtures		48,636
Automobiles		<u>43,130</u>
		91,766
Accumulated depreciation		<u>(85,768)</u>
	TOTAL CAPITAL ASSETS	5,998
OTHER ASSETS		
Workers' compensation deposit		<u>679</u>
	TOTAL ASSETS	283,837
LIABILITIES		
Accounts payable		14,630
Accrued compensated absences		<u>19,796</u>
	TOTAL CURRENT LIABILITIES	34,426
LONG-TERM LIABILITIES		
Compensated absences		<u>15,555</u>
	TOTAL LIABILITIES	<u>49,981</u>
NET ASSETS		
Unrestricted net assets		9,430
Temporarily restricted net assets		<u>224,426</u>
	NET ASSETS	<u><u>\$ 233,856</u></u>

See notes to financial statements

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
STATEMENT OF ACTIVITIES
Year Ended December 31, 2008**

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE:			
Management services	\$ 67,483	\$ -	\$ 67,483
Federal grants	-	859,267	859,267
Net Assets Released from Restrictions (Satisfaction of Program Restrictions)			
Federal grants	815,922	(815,922)	-
TOTAL SUPPORT AND REVENUE	883,405	43,345	926,750
PROGRAM EXPENSES:			
HWAP	276,660	-	276,660
HEAP	403,594	-	403,594
CSBG	135,668	-	135,668
TOTAL PROGRAM EXPENSES	815,922	-	815,922
Management, general and administrative expenses	92,716	-	92,716
TOTAL EXPENSES	908,638	-	908,638
INCREASE (DECREASE) IN NET ASSETS	(25,233)	43,345	18,112
Net assets at beginning of year	34,663	181,081	215,744
NET ASSETS AT END OF YEAR	\$ 9,430	\$ 224,426	\$ 233,856

See notes to financial statements

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
STATEMENT OF CASH FLOWS
Year Ended December 31, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from governmental grants	\$ 781,661
Cash received from management services	66,151
Cash payments for administration	<u>(905,442)</u>
NET CASH (USED) BY OPERATING ACTIVITIES	(57,630)
 DECREASE IN CASH AND CASH EQUIVALENTS	 (57,630)
 CASH AND CASH EQUIVALENTS, BEGINNING	 <u>104,984</u>
CASH AND CASH EQUIVALENTS, ENDING	<u><u>\$ 47,354</u></u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH (USED) BY OPERATING ACTIVITIES:	
Change in net assets	\$ 18,112
Adjustments to reconcile change in net assets to net cash (used) by operating activities	
Depreciation	3,052
(Increase) decrease in accounts receivable	(78,940)
(Increase) decrease in prepaid assets	321
Increase (decrease) in accounts payable	(3,615)
Increase (decrease) in accrued expenses	<u>3,440</u>
NET CASH (USED) BY OPERATING ACTIVITIES	<u><u>\$ (57,630)</u></u>

See notes to financial statements

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2008**

1. DESCRIPTION OF THE ENTITY

The Miami County Community Action Council (“Council”) is a nonprofit organization exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. Its mission is to develop, coordinate, and operate programs designed to combat the causes and effects of poverty in efforts to enable individuals and families to be self-sufficient.

Oversight of the Miami County Community Action Council is provided by a fifteen member board called the Board of Trustees. Five appointees from the Public Sector, five appointees from the Client Sector, and five appointees from the Private Sector compose the Board.

The Miami County Community Action Council received federal funds to administer the following programs:

1. **Home Weatherization Assistance Programs (HWAP)** – This program is also referred to as “Weather Assistance for Low – Income Persons Grant”. Under this program individuals and families who meet certain eligibility requirements receive assistance for weatherization to their homes.
2. **Home Energy Assistance Program (HEAP)** – This program, also known as “Low-Income Home Energy Assistance Grant Program” provides energy assistance to individuals and families who meet certain eligibility requirements. Under this program, payments for a portion of the energy bills received are made to the supplier on behalf of applicants.
3. **Community Services Block Grant (CSBG)** – This program funded through the Department of Health and Human Services assists individuals and families with information referral and case management services for those meeting certain eligibility requirements. The Program can consist of many services depending upon the work program as defined by Miami County Community Action Council.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Further, accounting requires that the financial statements reflect limitations and restrictions placed on the uses of available resources. In accordance with Financial Accounting Standards No. 117, resources and transactions are to be classified in accordance with specific activities or objectives as follows:

Unrestricted Net Assets

The Unrestricted Net Assets account for all resources over which Board officials have discretionary control for use in carrying out the operations of the Miami County Community Action Council. These unrestricted amounts are expensed in accordance with the limitations of its constitution and By-Laws.

Temporarily Restricted Net Assets

A grantor imposed restriction that permits Miami County Community Action Council to use or expense the grant as specified and is satisfied by either the passage of time or by actions of the Council or grantor.

Permanently Restricted Net Assets

A grantor imposed restriction stipulates that resources be maintained permanently but permits that organization to use up or expense part or all of the income derived from the assets. As of December 31, 2008, the Council had no permanently restricted assets.

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2008**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Other significant accounting policies under which the financial statements have been prepared are as follows:

- a. Cash and cash equivalents are demand deposits in financial institutions and petty cash. Cash equivalents are carried at the lower of cost of market.
- b. Furniture, equipment and vehicles are recorded on the basis of historical cost. The Council capitalized all equipment with a purchase price over \$1,000. Fixed assets are depreciated using the straight-line method over the estimated useful life of the asset. The building and land in use by the Council are owned and reported by Miami County.
- c. Compensated Absences – The liability for Compensated Absences balances are accounted for by the Miami County Community Action Council.
 1. Sick Leave – Regular employees accrue sick leave at the rate of one and one-fourth days per month. Accrual is unlimited and not a claim against the Agency, except an employee may be granted severance pay after one year of service based on accumulated sick leave with a 30 day maximum liability.
 2. Annual Leave – Regular employees accrue annual leave at the rate of one through five years of service equals ten days of earned vacation a year; six through ten years of service equals fifteen days of earned vacation a year; eleven years of service and over equals twenty-one days of earned vacation a year. Annual leave may be carried over for up to one year.
- d. Interprogram Receivables/Payables – During the course of operations, numerous short-term interprogram loans are made primarily to cover payroll and interprogram cost allocations. These transactions are not eliminated in the combined statement of financial position as of December 31, 2008.
- e. Revenue and expenditures recognition – Revenue from restricted grants from governmental agencies is recognized when the Miami County Community Action Council has incurred expenditures in compliance with the specific restriction. Grant revenues in excess of grant expenditures incurred are reported as deferred revenue. All contributions are considered to be available for unrestricted use unless specifically restricted by the grantor.

If applicable, unspent funds in closed programs are to be returned to the grantor and are shown as a liability “due to grantor” in the Statement of Financial Position and therefore, are not included as support in the Statement of Activities.

Expenditures are recognized when incurred in accordance with accounting principles generally accepted in the United States of America. Prepaid expenses arise when disbursements are made in advance of the period to be charged with the expense and are recorded as an asset until the charge can be properly recognized. Direct cost is charged to the program when incurred; indirect cost is allocated to the various programs in accordance with a cost allocation plan.

- f. Income Taxes – The Miami County Community Action Council is exempt from income taxes under 501 (c) (3) of the Internal Revenue Code. Therefore no assets, liabilities, or expenses related to federal income tax are recorded.

3. DEFICIT CASH AND NET ASSET BALANCES

The negative cash balances of the various grant programs are a result of expenditures being made prior to reimbursement from the grant agency. These deficit cash balances are covered by unrestricted interprogram loans and recorded as accounts payable.

MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2008

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

Community Services Block Grant Program expenditures	\$ 10,000
HWAP – for expenditures for the Home Weatherization Program	85,844
HEAP – for payment of Energy Assistance	<u>128,582</u>
	<u>\$ 224,426</u>

5. HOME WEATHERIZATION ASSISTANCE PROGRAM

The following is an analysis of income received from the Ohio Department of Development for the HWAP program:

Voucher Date	Voucher #	DOE CFDA #81.042	HHS CFDA #93.568	Total
1/7/2008	DEV010008532	\$ 6,157	\$ 20,429	\$ 26,586
1/15/2008	DEV010009660	10,351	21,023	31,374
5/14/2008	DEV0100038332	17,656	16,013	33,669
5/27/2008	DEV0100042210	2,768	3,389	6,157
6/2/2008	DEV0100042060	58,770	51,767	110,537
9/5/2008	DEV0100047795	11,996	9,468	21,464
9/10/2008	DEV0100047964	19,368	13,533	32,901
9/12/2008	DEV0100048064	10,518	12,452	22,970
10/6/2008	DEV0100049643	10,867	11,167	22,034
10/31/2008	DEV0100050863	13,934	10,029	23,963
11/28/2008	DEV0100051966	12,866	9,359	22,225
1/16/2009	DEV0100054114	12,018	19,468	31,486
1/29/2009	DEV0100062906	9,704	2,090	11,794
3/10/2009	DEV0100070017	4,556	-	4,556
		201,529	200,187	401,716
	Less: Prior year receivable	(34,164)	(54,841)	(89,005)
	Refund	(1,285)	-	(1,285)
	Current year income	<u>\$ 166,080</u>	<u>\$ 145,346</u>	<u>\$ 312,711</u>

6. ACCOUNTS RECEIVABLE

Accounts Receivable (A/R) as of December 31, 2008, consists of the following:

Accounts	General	HWAP	HEAP	CSBG	Total
A/R Trade	\$ 8,163	\$ -	\$ -	\$ -	\$ 8,163
A/R Federal	-	47,837	139,775	29,880	217,492
A/R Interprogram	249	-	-	-	249
Total A/R	<u>\$ 8,412</u>	<u>\$ 47,837</u>	<u>\$ 139,775</u>	<u>\$ 29,880</u>	<u>\$ 225,904</u>

Of the accounts receivable from federal funds, the following is a list of contracts with amounts receivable:

Program	Contract No.	Amount
HWAP	08-134	\$ 47,837
HEAP	08-HA-151	29,993
HEAP	09-HE-251	109,782
CSBG	0809-39	29,880
Total		<u>\$ 217,492</u>

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2008**

7. EMPLOYEES' RETIREMENT SYSTEM

The Miami County Community Action Council contributes 6.2% of gross salary to Social Security Insurance. Social Security Insurance requires members to contribute an additional 6.2% of their gross salary. Amounts contributed by both the Council and its employees amounted to \$4,759 each for the year ended December 31, 2008. Further the Council has a Tax Deferred Savings Plan (403B) for its employees who are eligible after one (1) year's service and employees are fully vested after five (5) years of service. The Council contributes five (5) percent of the employees gross salary to the plan with the employees entitled to contribute additional amounts up to the maximum allowed by law. During the year ended December 31, 2008, the Council and the employees contributed a total of \$1,590. The value of the plan at December 31, 2008, was \$59,053.

8. RISK MANAGEMENT

The Miami County Community Action Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To reduce risk, the Miami County Community Action Council had the following business policies:

1. **Bonding – Fidelity Bonding is through the Ohio Casualty Insurance Company and consists of a blanket bond for all employees and Board officers in the amount of \$100,000 per person; \$250 deductible.**
2. **General Liability – This is a Comprehensive Business policy under Motorists Mutual Insurance Company, which includes:**
 - a. **Property – Loss or damage coverage, \$250 deductible.**
 - b. **Vehicle – Liability coverage \$1,000,000; uninsured motorist \$1,000,000; Physical damage/ Collision and Medical \$2,000; \$1,000 deductible for collision and a \$1,000 deductible for other than collision.**
 - c. **General Liability Coverage; \$3,000,000.**
3. **Workers Compensation – Employee accident coverage through the Bureau of Workers' Compensation, utilizing a group rating plan based on position and accident history.**
4. **Health Insurance – Comprehensive medical insurance is under Anthem Blue Cross Blue Shield. Deductible; individual \$1,000/\$2,500, family \$3,000/\$7,500; co-insurance: 80/20 up to \$4,000/\$5,000 individual, \$8,000/\$10,000 family, individual plan lifetime maximum benefit for all service \$5,000,000.**

9. RELATED PARTY TRANSACTION

The Miami County Community Action Council is staffed through an "Employer of Record" contract with the Miami Metropolitan Housing Authority. The Miami Metropolitan Housing Authority has a separate audit per the Department of Housing and Urban Development Guidelines. In addition, the Miami County Community Action Council makes certain inter-fund loans between programs with no payment terms associated with these advances. As of December 31, 2008, the Council was due \$-0- from the other program the Council administers.

10. SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the basis of accounting as described in Note 2.

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2008**

11. USE OF ESTIMATES

The preparation of the financial statements in accordance 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.

12. CAPITAL ASSETS

	<u>12/31/2007</u>	<u>Additions</u>	<u>12/31/2008</u>
Equipment	\$ 91,766	\$ -	\$ 91,766
Accumulated Depreciation	<u>(82,716)</u>	<u>(3,052)</u>	<u>(85,768)</u>
Net Capital Assets	<u>\$ 9,050</u>	<u>\$ (3,052)</u>	<u>\$ 5,998</u>

MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL COMBINING SCHEDULE OF FINANCIAL POSITION – BY PROGRAM
December 31, 2008

ASSETS	<u>HWAP</u>	<u>HEAP</u>	<u>CSBG</u>	<u>MG & A</u>	<u>Total</u>
CURRENT ASSETS					
Cash	\$ 38,097	\$ (4,913)	\$ (18,768)	\$ 32,938	\$ 47,354
Accounts receivable	47,837	139,775	29,880	8,412	225,904
Prepaid expenses	-	-	-	3,902	3,902
TOTAL CURRENT ASSETS	<u>85,934</u>	<u>134,862</u>	<u>11,112</u>	<u>45,252</u>	<u>277,160</u>
CAPITAL ASSETS					
Furniture and fixtures	24,336	-	-	24,300	48,636
Automobiles	9,980	-	-	33,150	43,130
Accumulated depreciation	(28,798)	-	-	(56,970)	(85,768)
TOTAL PROPERTY AND EQUIPMENT	<u>5,518</u>	<u>-</u>	<u>-</u>	<u>480</u>	<u>5,998</u>
OTHER ASSETS					
Workers Comp Deposit	-	-	-	679	679
TOTAL ASSETS	<u>\$ 91,452</u>	<u>\$ 134,862</u>	<u>\$ 11,112</u>	<u>\$ 46,411</u>	<u>\$ 283,837</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	\$ 5,608	\$ 6,280	\$ 1,112	\$ 1,630	\$ 14,630
Accrued compensated absences	-	-	-	35,351	35,351
TOTAL CURRENT LIABILITIES	<u>5,608</u>	<u>6,280</u>	<u>1,112</u>	<u>36,981</u>	<u>49,981</u>
NET ASSETS					
NET ASSETS					
Unrestricted net assets	-	-	-	9,430	9,430
Temporarily restricted net assets	85,844	128,582	10,000	-	224,426
TOTAL NET ASSETS	<u>85,844</u>	<u>128,582</u>	<u>10,000</u>	<u>9,430</u>	<u>233,856</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 91,452</u>	<u>\$ 134,862</u>	<u>\$ 11,112</u>	<u>\$ 46,411</u>	<u>\$ 283,837</u>

See Auditors' Report

MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL COMBINING SCHEDULE OF ACTIVITIES – BY PROGRAM
Year Ended December 31, 2008

	<u>HWAP</u>	<u>HEAP</u>	<u>CSBG</u>	<u>MG & A</u>	<u>Total</u>
REVENUE:					
Federal grant	\$ 311,427	\$ 402,172	\$ 145,668	\$ -	\$ 859,267
Other program receipts	-	-	-	67,483	67,483
TOTAL REVENUE	<u>311,427</u>	<u>402,172</u>	<u>145,668</u>	<u>67,483</u>	<u>926,750</u>
EXPENSES:					
Wages and benefits	157,183	163,470	130,804	24,327	475,784
Services	-	-	650	10,682	11,332
Materials and supplies	39,824	6,681	-	23,157	69,662
Contract labor	6,485	-	-	-	6,485
Emergency HEAP program	-	221,734	-	-	221,734
Transportation	9,058	-	-	9,216	18,274
Equipment and tool expense	15,485	-	-	5,910	21,395
Training	230	1,480	50	4,794	6,554
Health and safety	33,651	-	-	-	33,651
Depreciation expense	1,552	-	-	1,500	3,052
Other	250	250	446	4,509	5,455
Insurance	10,204	-	3,056	715	13,975
Phone	989	1,097	662	7,906	10,654
Temp help	-	8,883	-	-	8,883
Waste disposal	1,748	-	-	-	1,748
TOTAL EXPENSES	<u>276,659</u>	<u>403,595</u>	<u>135,668</u>	<u>92,716</u>	<u>908,638</u>
Changes in net assets	34,768	(1,423)	10,000	(25,233)	18,112
Net assets at beginning of the year	<u>51,076</u>	<u>130,005</u>	<u>-</u>	<u>34,663</u>	<u>215,744</u>
NET ASSETS AT END OF THE YEAR	<u><u>\$ 85,844</u></u>	<u><u>\$ 128,582</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 9,430</u></u>	<u><u>\$ 233,856</u></u>

See Auditors' Report

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL SCHEDULE OF SUPPORT, GRANTS, REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS – HOME ENERGY ASSISTANCE PROGRAM (HEAP)
Year Ended December 31, 2008**

<u>Ohio Department of Development Grant</u>	<u>Current Fiscal Year</u>	<u>Budget</u>	<u>Variance</u>
<u>09-HA-151</u>			
Revenue:			
Federal Grants	\$ 180,331	\$ 180,000	\$ 331
Expenses:			
Salaries	106,235	109,517	(3,282)
Fringe	51,983	51,792	191
Audit	5,252	5,480	(228)
Equipment	5,422	5,615	(193)
Supplies	1,509	4,961	(3,452)
Travel	1,480	1,259	221
Phone	1,097	1,126	(29)
Other	8,883	250	8,633
	<u>181,861</u>	<u>180,000</u>	<u>1,861</u>
Government Grants Over (Under) Expenditures	(1,530)	<u>\$ -</u>	<u>\$ (1,530)</u>
Beginning Net Assets	-		
Ending Net Assets	<u>\$ (1,530)</u>		
<u>08-HE-251</u>			
Revenue:			
Federal Grants	\$ 214,544	\$ -	\$ 214,544
Expenses:			
Emergency Payments	214,437	-	214,437
Government Grants Over (Under) Expenditures	107	<u>\$ -</u>	<u>\$ 107</u>
Beginning Net Assets	130,005		
Ending Net Assets -Home Energy Assistance Program	<u>\$ 130,112</u>		
<u>07-HC-251</u>			
Revenue:			
Federal Grants	\$ 7,297	\$ 7,300	\$ (3)
Expenses:			
Emergency Payments	7,297	7,300	(3)
Government Grants Over (Under) Expenditures	-	<u>\$ -</u>	<u>\$ -</u>
Beginning Net Assets	-		
Ending Net Assets	<u>\$ -</u>		
Reconciliation of the Total HEAP Activity:			
Beginning Net Assets	\$ 130,005	\$ -	\$ 130,005
Total Federal Grants Received	402,172	-	402,172
Total Expenses	<u>(403,595)</u>	<u>-</u>	<u>(403,595)</u>
Ending Net Assets	<u>\$ 128,582</u>	<u>\$ -</u>	<u>\$ 128,582</u>

See Auditors' Report

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SUPPLEMENTAL SCHEDULE OF SUPPORT, GRANTS, REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS – COMMUNITY SERVICE BLOCK GRANT
Year Ended December 31, 2008**

<u>Ohio Department of Development Grant</u>	<u>Current Fiscal Year</u>	<u>Budget</u>	<u>Variance</u>
<u>0809-39</u>			
Revenue:			
Federal Grants	\$ 145,668	\$ 136,762	\$ (8,906)
Expenses:			
Salaries	89,891	87,534	(2,357)
Fringe	37,965	41,193	3,228
Consultant	2,948	2,896	(52)
Equipment	650	800	150
Space	662	683	21
Travel	50	240	190
Other	3,502	3,416	(86)
	<u>135,668</u>	<u>136,762</u>	<u>1,094</u>
Government Grants Over (Under) Expenditures	10,000	\$ -	\$ -
Beginning Net Assets	-		
Ending Net Assets	<u>\$ 10,000</u>		

See Auditors' Report

**MIAMI COUNTY COMMUNITY ACTION COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008**

<u>Program</u>	<u>Federal CFDA Number</u>	<u>Project Number</u>	<u>Funds Received</u>	<u>Funds Expended</u>
<u>U.S. Department of Energy</u>				
Passed through:				
Ohio Department of Development				
Home Weatherization Assistance Program	81.042	08-134	\$ 163,313	\$ 121,939
	81.042	07-134	2,768	23,212
Total U.S. Department of Energy			<u>166,081</u>	<u>145,151</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through:				
Ohio Department of Development				
Community Service Block Grant (CSBG)	93.569	0809-39	145,668	135,668
Home Energy Assistance Program (HEAP)	93.568	09-HA-151	91,963	55,963
	93.568	08-HA-151	88,368	125,898
	93.568	08-HC-251	7,297	7,297
	93.568	09-HE-251	164,544	90,418
	93.568	08-HE-251	50,000	124,019
Home Weatherization Assistance Program (HWAP)	93.568	07-134	6,013	28,290
	93.568	08-134	<u>139,333</u>	<u>101,667</u>
Total U.S. Department of Health and Human Services			<u>693,186</u>	<u>669,220</u>
Total All Programs			<u>\$ 859,267</u>	<u>\$ 814,371</u>



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**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***

**Board of Directors
Miami County Community Action Council
Troy, Ohio**

We have audited the basic financial statements for Miami County Community Action Council as of and for the year ended December 31, 2008 and have issued our report thereon dated June 29, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Miami County Community Action Council'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 that are required to be reported under *Government Auditing Standards*.

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This report is intended solely for the information and use of the board of directors, management, Auditor of State, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jones, Cochenour & Co.

**Jones, Cochenour & Co.
June 29, 2009**



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

**Board of Directors
Miami County Community Action Council
Troy, Ohio**

Compliance

We have audited the compliance of Miami County Community Action Council with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. Miami County Community Action Council's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Miami County Community Action Council's management. Our responsibility is to express an opinion on Miami County Community Action Council's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Miami County Community Action Council'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. Our audit does not provide a legal determination of Miami County Community Action Council's compliance with those requirements.

In our opinion, Miami County Community Action Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control Over Compliance

The management of Miami County Community Action Council is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Miami County Community Action Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Miami County Community Action Council's internal control over compliance.

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A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of the board of directors, management, Auditor of State, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Jones, Cochenour & Co.
June 29, 2009

**Summary of Auditors' Results and Schedule of Findings
OMB Circular A-133 § .505**

**Miami County Community Action Council
December 31, 2008**

1. SUMMARY OF AUDITORS' RESULTS
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Financial Statements:	
Type of Financial Statement Opinion	Unqualified
At the financial statements level, were there any material weaknesses reported?	No
At the financial statements level, were there any significant deficiencies identified that are not considered material weaknesses?	No
At the financial statement level, was there any material noncompliance?	No
Federal Awards:	
Were there any material weakness in internal control over major programs identified?	No
Were there any significant deficiencies that are not considered to be material weaknesses in internal control over major programs?	No
Type of Major Programs' Compliance Opinion	Unqualified
Are there any reportable findings under § .510(a) of OMB Circular A-133?	No
Major Programs (list):	CFDA# 93.568 - Home Energy Assistance Program (HEAP)
Dollar Threshold: Type A/B Programs	\$300,000
Low Risk Auditee?	Yes

**Summary of Auditors' Results and Schedule of Findings
OMB Circular A-133 § .505 - Continued**

**Miami County Community Action Council
December 31, 2008**

2. FINDINGS RELATED TO FINANCIAL STATEMENTS

There are no findings or questioned costs for the year ended December 31, 2008.

3. FINDINGS RELATED TO FEDERAL AWARDS

There are no findings or questioned costs for the year ended December 31, 2008.



Mary Taylor, CPA
Auditor of State

MIAMI COUNTY COMMUNITY ACTION COUNCIL

MIAMI COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 15, 2009**