

AUDITED FINANCIAL STATEMENTS
TRI-COUNTY COMMUNITY ACTION AGENCY, INC.

JUNE 30, 2012

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William A. Talley
Jon D. Chesser
Bob E. Wientjes

Kentucky Offices:
Louisville
Brandenburg
Bardstown

INDEPENDENT AUDITORS' REPORT

Board of Directors
Tri-County Community Action Agency, Inc.

We have audited the accompanying statement of financial position of Tri-County Community Action Agency, Inc. (a non-profit organization) as of June 30, 2012 and the related statements of revenues, expenses and changes in unrestricted net assets, cash flows, and unrestricted functional expenses for the year then ended. These financial statements are the responsibility of the Organization'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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tri-County Community Action Agency, Inc. as of June 30, 2012, 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 September 11, 2012 on our consideration of Tri-County Community Action Agency, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards 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. The accompanying supplementary information on pages 15-44 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 related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Richardson, Pennington & Skinner, PSC.
Louisville, Kentucky
October 15, 2012

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2012

ASSETS

Current Assets	
Cash	\$ 341,973
Accounts receivable	3,087
Grants receivable	<u>115,916</u>
Total Current Assets	460,976
Fixed Assets	
Equipment and furniture	217,211
Vehicles	107,783
Leasehold improvements	<u>29,478</u>
	354,472
Less: Accumulated depreciation	<u>(267,462)</u>
Net Fixed Assets	<u>87,010</u>
TOTAL ASSETS	<u><u>\$ 547,986</u></u>

See accompanying notes to financial statements.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
STATEMENT OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2012

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	\$ 28,529
Accrued wages and payroll taxes	32,662
Lease payable	<u>3,509</u>
TOTAL LIABILITIES	64,700
Net Assets	
Unrestricted	<u>483,286</u>
TOTAL NET ASSETS	<u>483,286</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 547,986</u>

See accompanying notes to financial statements.

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN UNRESTRICTED NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

Support and Revenue	
Grant funds	\$ 1,462,230
Fiscal court	30,200
Metro United Way	35,762
Contributions	28,961
Program fees	31,673
In-kind revenue	82,517
Interest income	760
Other income	<u>14,245</u>
Total Support and Revenue	1,686,348
 Expenses	
Program services	1,439,123
Supporting services	
Administrative	167,907
In-kind expenses	<u>82,517</u>
Total Expenses	<u>1,689,547</u>
Change in Net Assets	(3,199)
Net Assets at July 1, 2011	<u>486,485</u>
Net Assets at June 30, 2012	<u><u>\$ 483,286</u></u>

See accompanying notes to financial statements.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

Cash Flows from Operating Activities:	
Decrease in net assets	\$ (3,199)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	30,718
(Increase) decrease in operating assets	
Accounts receivable	2,170
Grants receivable	59,281
Increase (decrease) in operating liabilities	
Accounts payable	15,107
Accrued wages & payroll taxes	16,934
Lease payable	<u>(4,444)</u>
Net Cash Provided By Operating Activities	116,567
Cash Flows From Investing Activities:	
Sale of Assets	5,875
Purchase of Assets	<u>(26,750)</u>
Net Cash Used By Investing Activities	<u>(20,875)</u>
Net Increase in Cash and Cash Equivalents	95,692
Beginning Cash & Cash Equivalents	<u>246,281</u>
Ending Cash & Cash Equivalents	<u>\$ 341,973</u>

See accompanying notes to financial statements.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
STATEMENT OF UNRESTRICTED FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

	Program Services	Supporting Services <hr/> Administrative	Totals
Salaries	\$ 376,250	\$ 75,804	\$ 452,054
Payroll taxes	33,084	6,114	39,198
Employee benefits	68,522	23,478	92,000
Contract labor	82,619	770	83,389
Equipment purchase	2,106	5,875	7,981
Insurance - general	24,185	4,242	28,427
Travel	18,484	33	18,517
Training	20,123	3,021	23,144
Supplies	12,599	6,846	19,445
Postage	1,103	631	1,734
Utilities	24,308	1,870	26,178
Equipment rent	4,322	1,624	5,946
Telephone	12,601	1,215	13,816
Maintenance and repairs	3,847	1,979	5,826
Vehicle	24,178	118	24,296
Membership, subscriptions & fees	2,363	-0-	2,363
Professional fees	6,491	-0-	6,491
Advertising	1,348	341	1,689
Client assistance	719,300	-0-	719,300
Miscellaneous	1,290	3,228	4,518
Depreciation	-0-	30,718	30,718
	<hr/>	<hr/>	<hr/>
TOTAL PROGRAM AND SUPPORTING SERVICE EXPENSES	\$ 1,439,123	\$ 167,907	1,607,030
			<hr/>
In-Kind expenses			82,517
			<hr/>
TOTAL EXPENSES			\$ 1,689,547
			<hr/>

See accompanying notes to financial statements.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - ORGANIZATION

Tri-County Community Action Agency, Inc. (TCCAA) incorporated in January 1974 under the provisions of Title III of the Older Americans Act of 1965 and is a non-profit corporation whose established purpose is to help the general welfare of the community by providing services to the elderly and low income persons in Oldham, Trimble, and Henry counties in Kentucky.

The Organization's primary programs consist of the following major categories:

- Adult Day Care
- Homecare
- CSBG Emergency Assistance
- Low Income Housing Energy Assistance Program (LIHEAP)
- Emergency Food and Shelter National Board Association
- Title III-D Health Promotion
- Title III-B Support Services
- Title III-B Transportation Services
- Title III-C Nutrition and Other Nutrition Services
- Weatherization
- Weatherization-ARRA
- Winterhelp
- Wintercare

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

(b) Basis of Presentation

Financial statement presentation follows the recommendations of FASB ASC Subtopic 958-205, Not-For-Profit Entities-Presentation of Financial Statements. Under FASB ASC Subtopic 958-205, Not-For-Profit Entities-Presentation of Financial Statements, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Presentation (Continued)

Tri-County Community Action Agency, Inc. has also adopted FASB ASC Subtopic 958-205, Not-For-Profit Entities-Presentation of Financial Statements, "Accounting for Contributions Received and Contributions Made." In accordance with FASB ASC Subtopic 958-205, Not-For-Profit Entities-Presentation of Financial Statements, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Restricted contributions are reclassified to unrestricted net assets upon expiration of imposed restriction.

(c) Cash and Cash Equivalents

Cash equivalents represent short-term investments with original maturities of three months or less.

(d) Property and Equipment

Property and equipment are stated at cost for purchased assets and at fair market value on the date of contribution for donated assets. Depreciation is provided over the estimated useful lives of respective assets on a straight-line basis. Depreciation is recorded as a cost of various program services and is accounted for as an expense in the Administrative and Program Service sections of the Statement of Revenues, Expenses and Other Changes in Unrestricted Net Assets.

(e) Management's 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(f) Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs, supporting services, and fundraising expenses.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Recognition of Revenue

Funds acquired from grants (Grant Funds) are generally recognized as revenue when the expenditure is incurred for the grant support program or projects and in the manner specified by the respective grant. In some instances, revenue is recorded in units of service as it has been provided by the grants. Excess of revenues over expenditures must be returned to certain grantor agencies.

Funds acquired from individuals and governmental donors (locally-generated funds) are recognized when received as no basis exists for their estimation.

(h) Advertising Costs

Advertising costs are charged to operations when incurred. Advertising costs for the year totaled \$1,689.

NOTE 3 – FDIC COVERAGE

Tri-County Community Action Agency, Inc. maintains its cash balances in bank deposit accounts. These deposits do not exceed the \$250,000 coverage provided by the Federal Deposit Insurance Corporation (FDIC).

NOTE 4 – INCOME TAXES

The Organization is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. The Organization assesses uncertain tax positions and determined that there were no such positions that have a material effect on the financial statements.

NOTE 5 – UNRESTRICTED NET ASSETS

None of the organization's net assets are subject to donor-imposed restrictions. Accordingly, all net assets are accounted for as unrestricted net assets under FASB ASC 958-205.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 6 - RETIREMENT PLANS

Employees of TCCAA participate in the County Employee Retirement System (CERS), which is a cost-sharing, multiple-employer defined benefit plan administered by the Kentucky Retirement System. During the year ended June 30, 2012, salaries paid by the agency totaling \$291,422 were covered by CERS. The CERS provides for death, disability, and retirement benefits. Participating employees contribute 5% of their creditable compensation to the CERS. The agency contributes 18.96% of the covered employees' compensation. Pension expense includes contributions of \$55,254 made by the Agency for its employees for the year ended June 30, 2012.

Vesting in retirement benefits begins immediately upon entry into CERS. The participant has fully-vested interest after the completion of sixty months of service, twelve of which are current service. At a minimum, terminated employees are refunded their contributions with credited interest of 4%.

The pension benefits obligation is a standard disclosure measure of the present value of pension benefits, adjusted for the effect of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of the employee's service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the CERS's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits due, and make comparisons among public employee retirement systems and employers. The CERS does not make separate measures of the assets and pensions' benefits obligation for individual employers.

NOTE 7 - DONATED FACILITIES & SERVICES

The Organization occupies, without charge, office space in Oldham, Henry and Trimble Counties. The estimated fair rental value of the premises is reported as support and expense in the period in which the buildings are used and totaled \$197,366 for Oldham County, \$46,126 for Henry County and \$57,600 for Trimble County for the year ended June 30, 2012.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The Organization estimates the value of service donated to them during the year at \$82,517.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 8 – GRANTS RECEIVABLE

Grants receivable is composed of the following:

Kentucky Regional Planning and Development Agency-	
Title III-B	\$ 10,000
Title III-B Transportation	675
Adult Day	3,523
Title III-D	1,500
Title III-C	8,543
Home Care	6,730
Kentucky Cabinet for Health and Family Services-	
Community Services Block Grant	7,978
Kentucky Association for Community Action Agencies-	
Weatherization Assistance Program-ARRA	33,830
Weatherization Assistance Program	<u>43,137</u>
Total Due from Grantors	<u>\$ 115,916</u>

SUPPLEMENTAL INFORMATION

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
LIST OF BOARD OF DIRECTORS
JUNE 30, 2012

<u>Name</u>	<u>Address</u>
Judge Powell	Bedford, KY 40006
Judge John Logan Brent	New Castle, KY 40050
Polly Trexel	Eminence, KY 40019
Wayne Theiss	LaGrange, KY 40031
Judge David Voegele	LaGrange, KY 40031
Kenneth Cottongim	Bedford, KY 40006
Nolan Hamilton	Milton, KY 40045
Maryellen Garrison	New Castle, KY 40050
Melodye Fletcher	Campbellsburg, KY 40011
Shirley Hudson	LaGrange, KY 40031
Elsie Carter	LaGrange, KY 40031
Nancy Doty	LaGrange, KY 40031
Jane Proctor	LaGrange, KY 40031
William Mason	Eminence, KY 40019
Sue Barnett	New Castle, KY 40050
Norm Pallarito	LaGrange, KY 40031
Charles Callahan	Milton, KY 40045

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERALCFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
U.S. Department of Health & Human Services:			
<i>Kentucky Cabinet for Health and Family Services:</i> Community Services Block Grant	93.569	PON2-736-11000018712	\$ 101,809
<i>Kentucky Association for Community Action Agencies:</i> Low Income Housing Energy Assistance Program (LIHEAP)	93.568	736-1100001888 Sub 22-4	362,938
<i>Kentuckiana Regional Planning and Development Agency:</i> Title III-B Support Services	93.044	PON2-725 1100002116-1 (TRI)	128,616
Title III-C Nutrition Program	93.045	PON2-725 1100002116-1 (TRI)	55,756
Title III-D Health Promotion	93.043	PON2-725 1100002116-1 (TRI)	<u>6,414</u>
Total U.S. Department of Human Services:			<u>\$ 655,533</u>
U.S. Department of Energy:			
<i>Kentucky Association for Community Action Agencies:</i> Weatherization Assistance ARRA	81.042	736-1100001888 Sub 22-4	\$ 84,418
	81.042	736-0800084111 Sub 22	<u>442,820</u>
Total U.S. Department of Energy:			<u>\$ 527,238</u>
U.S. Department of Homeland Security			
Emergency Food and Shelter National Board Program	97.024	LRO 342000-01 & 354400-001	<u>\$ 14,562</u>
Total U.S. Department of Agriculture:			<u>\$ 14,562</u>
TOTAL FEDERAL AWARD PROGRAMS			<u>\$ 1,197,333</u>

NOTE 1: The accompanying schedule of expenditures of federal awards includes the federal grant activity of Tri-County Community Action Agency, Inc. under programs of the federal government for the year ended June 30, 2012. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents not only a selected portion of the operations of Tri-County Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Tri-County Community Action Agency, Inc.

NOTE 2: Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

William A. Talley
Jon D. Chesser
Bob E. Wientjes

Kentucky Offices:
Louisville
Brandenburg
Bardstown

**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 of
Tri-County Community Action Agency, Inc.

We have audited the financial statements of Tri-County Community Action Agency, Inc. (a nonprofit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated October 15, 2012. 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.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, 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. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Community Action Agency, 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*.

We noted certain matters that we reported to management of Tri-County Community Action Agency in a separate letter dated October 15, 2012.

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

Richardson, Pennington & Skinner PSC

Louisville, Kentucky
October 15, 2012

William A. Talley
Jon D. Chesser
Bob E. Wientjes

Kentucky Offices:
Louisville
Brandenburg
Bardstown

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

To the Board of Directors of
Tri-County Community Action Agency, Inc.

Compliance

We have audited Tri-County Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Agency, Inc.'s major federal programs for the year ended June 30, 2012. Tri-County Community Action Agency, Inc.'s major federal programs are identified in the summary of auditor's 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 Tri-County Community Action Agency, Inc.'s management. Our responsibility is to express an opinion on Tri-County Community Action Agency, Inc.'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; and 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 Tri-County Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Tri-County Community Action Agency, Inc.'s compliance with those requirements.

In our opinion, Tri-County Community Action Agency, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of Tri-County Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Tri-County Community Action Agency, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Tri-County Community Action Agency, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 12-1. 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.

Tri-County Community Action Agency, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Tri-County Community Action Agency, Inc.'s response, and accordingly, we express no opinion on it.

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

Richardson, Pennington & Skinner, PSC
Louisville, Kentucky
October 15, 2012

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

The auditors' report expresses an unqualified opinion on the financial statements of Tri-County Community Action Agency, Inc.

Internal Control Over Financial Reporting:

- Material weakness(es) identified? ___yes x no
- Significant deficiencies identified? x yes ___none
- Noncompliance material to financial statements noted? ___yes x no

Federal Awards

Internal Control Over Major Programs:

- Material weakness(es) identified? ___yes x no
- Significant deficiencies identified? x yes ___none

The auditors' report on compliance for the major federal award programs for Tri-County Community Action Agency, Inc. expresses an unqualified opinion.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? x yes ___no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.568	U.S. Department of Human Services Low Income Housing Energy Assistance Program
81.042	U.S. Department of Energy Weatherization Assistance

Dollar Threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low risk auditee? ___yes x no

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 12-01

Statement of Condition: The number of accounting personnel is limited prohibiting a sufficient segregation of duties.

Criteria: Sound internal controls require sufficient segregation of duties.

Effect of Condition: Sound internal control policies are not in place.

Cause of Condition: The Organization is not in a position to hire additional personnel to achieve a sufficient segregation of duties.

Recommendation: When the Organization is in a position to do so, additional personnel should be hired to achieve a sufficient segregation of duties.

Response: Segregation of duties is a judgment established by management. This judgment is affected by certain circumstances beyond the Organization's control such as budgetary constraints. Due to limited staff, a proper segregation of duties may be impossible. Management believes they exercise appropriate control over staff and operations.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 12-01

Statement of Condition: The number of accounting personnel is limited prohibiting a sufficient segregation of duties.

Criteria: Sound internal controls require sufficient segregation of duties.

Effect of Condition: Sound internal control policies are not in place.

Cause of Condition: The Organization is not in a position to hire additional personnel to achieve a sufficient segregation of duties.

Recommendation: When the Organization is in a position to do so, additional personnel should be hired to achieve a sufficient segregation of duties.

Response: Segregation of duties is a judgment established by management. This judgment is affected by certain circumstances beyond the Organization's control such as budgetary constraints. Due to limited staff, a proper segregation of duties may be impossible. Management believes they exercise appropriate control over staff and operations.

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012**

Tri-County Community Action Agency, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2012.

Audit Firm: Richardson, Pennington & Skinner, PSC
513 South Second Street
Louisville, KY 40202

Audit Period: Year ended June 30, 2012

A. FINDINGS – FINANCIAL STATEMENT AUDIT

Finding 12-01

Recommendation: When the Organization is in a position to do so, additional personnel should be hired to achieve a sufficient segregation of duties.

Current Status: Segregation of duties is a judgment established by management. This judgment is affected by certain circumstances beyond the Organization's control such as budgetary constraints. Due to limited staff, a proper segregation of duties may be impossible. Management believes they exercise appropriate control over staff and operations.

B. FINDINGS – FEDERAL AWARDS PROGRAMS

Finding 12-01

Recommendation: When the Organization is in a position to do so, additional personnel should be hired to achieve a sufficient segregation of duties.

Current Status: Segregation of duties is a judgment established by management. This judgment is affected by certain circumstances beyond the Organization's control such as budgetary constraints. Due to limited staff, a proper segregation of duties may be impossible. Management believes they exercise appropriate control over staff and operations.

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
SUMMARY OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012**

Board of Directors of
Tri-County Community Action Agency, Inc.

We have audited the financial statements of Tri-County Community Action Agency, Inc. as of and for the year ended June 30, 2012, and have issued our report thereon dated October 15, 2012.

2011 Finding

The number of accounting personnel is limited prohibiting a sufficient segregation of duties.

Status

Segregation of duties is a judgment established by management. This judgment is affected by certain circumstances beyond the Organization's control such as budgetary constraints. Due to limited staff, a proper segregation of duties may be impossible. Management believes they exercise appropriate control over staff and operations.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
STATEMENT OF FINANCIAL PARTICIPATION
FOR THE YEAR ENDED JUNE 30, 2012

	<u>CSBG State Funds</u>	<u>CSBG</u>	<u>Total</u>
<u>Obligated Funds</u>			
Total Contract Ceiling	\$ 60,644	\$ 75,764	\$ 136,408
General Fund Participation	\$ 60,644	\$ -0-	\$ 60,644
CSBG Financial Participation	-0-	75,764	75,764
Total Financial Participation/Allowable Expense	60,644	75,764	136,408
Less: Allowable Expense	(60,644)	(41,165)	(101,809)
Total Obligated Funds	\$ -0-	\$ 34,599	\$ 34,599
<u>CSBG Over/Underpayment</u>			
Total Allowable Expense	\$ 60,644	\$ 41,165	\$ 101,809
Less: Contract payments received as of June 30, 2012	(60,644)	(33,187)	(93,831)
Questioned costs	-0-	-0-	-0-
Underpayment Due the Agency at June 30, 2012	-0-	7,978	7,978
Payment received in July, 2012	-0-	7,978	7,978
Overpayment Due Grantor	\$ -0-	\$ -0-	\$ -0-
<u>CSBG Local Match Requirement</u>			
CSBG Allowable Expense		\$ 101,809	
Funding Level Restated at 100%		\$ 101,809	
Local Match Required		\$ 25,452	
Less Local In-kind Match Provided		(25,452)	
Excess Local Match		\$ -0-	

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
STATEMENT OF ALLOWABLE EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

	<u>State Funds</u>	<u>CSBG</u>	<u>Total</u>
Expenses:			
Personnel and fringes	\$ 37,591	\$ 29,788	\$ 67,379
Travel	1,925	1,375	3,300
Other	19,755	34,767	54,522
Supplies	<u>1,373</u>	<u>687</u>	<u>2,060</u>
 Total Expenses	 60,644	 66,617	 127,261
 In-kind contributions	 -0-	 (25,452)	 (25,452)
Questioned costs	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
 Total Allowable CSBG Expenses	 60,644	 41,165	 101,809
 Less contract payments	 <u>(60,644)</u>	 <u>(33,187)</u>	 <u>(93,831)</u>
 Net CSBG Under(Over)payment Reflected in the Financial Statements	 <u>\$ -0-</u>	 <u>\$ 7,978</u>	 <u>\$ 7,978</u>

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
STATEMENT OF QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

	Actual	Questioned Costs	Balance
Personnel and fringes	\$ 67,379	\$ -0-	\$ 67,379
Supplies	2,060	-0-	2,060
Travel	3,300	-0-	3,300
Other	54,522	-0-	54,522
 Total CSBG Expenses	 \$ 127,261	 \$ -0-	 \$ 127,261

**TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
 COMMUNITY SERVICES BLOCK GRANT PROGRAM
 STATEMENT OF CHANGES IN OBLIGATED BALANCE
 FOR THE YEAR ENDED JUNE 30, 2012**

	CSBG
CSBG obligated balance at the beginning of the year	\$ 5,619
Less: Amount reprogrammed into 2011 contract	-0-
Add: Total Contract Ceiling	75,764
Less: Total financial participation/allowable expense	(41,165)
CSBG obligated balance at the end of the year	\$ 40,218

Note: FY 2011 balance of \$5,619 carry-over FY 2013 contract.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
WEATHERIZATION PROGRAM
STATEMENT OF ALLOWABLE EXPENSES
CONTRACT NUMBER 736-0800084111 SUBCONTRACT 22
FOR THE YEAR ENDED JUNE 30, 2012

	DOE Weatherization Assistance	ARRA	Total
Expenses:			
Administration	\$ 5,800	\$ 24,676	\$ 30,476
Materials	21,469	108,116	129,585
Program support	18,107	67,501	85,608
Labor	20,685	140,988	161,673
Audit	1,127	4,200	5,327
Insurance	2,911	3,800	6,711
Health and safety	14,319	90,224	104,543
Vehicle/Equipment	-0-	-0-	-0-
Training	-0-	5,863	5,863
Total Expenses	84,418	445,368	529,786
Less: Questioned costs	-0-	-0-	-0-
Total Expenses Less Questioned Costs	84,418	445,368	529,786
Less: Contract payments June 30	(41,281)	(409,244)	(450,525)
CAK purchased equipment	-0-	(2,294)	(2,294)
CAK purchased materials	-0-	-0-	-0-
Under/(Over)payment Due Agency	\$ 43,137	\$ 33,830	\$ 76,967

Contract payments received after June 30, 2012 include payments of \$42,737 DOE Funds and \$3,132 ARRA Funds.

DOE still owes \$400 as of June 30, 2012.
ARRA still owes \$30,698 as of June 30, 2012.

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
WEATHERIZATION PROGRAM
STATEMENT OF QUESTIONED COSTS
CONTRACT NUMBER 736-0800084111 SUBCONTRACT 22
FOR THE YEAR ENDED JUNE 30, 2012

	DOE	ARRA	Questioned Costs	Balance
Expenses:				
Administration	\$ 5,800	\$ 24,676	\$ -0-	\$ 30,476
Materials	21,469	108,116	-0-	129,585
Program support	18,107	67,501	-0-	85,608
Labor	20,685	140,988	-0-	161,673
Audit	1,127	4,200	-0-	5,327
Insurance	2,911	3,800	-0-	6,711
Health and safety	14,319	90,224	-0-	104,543
Vehicle/Equipment	-0-	-0-	-0-	-0-
Training	-0-	5,863	-0-	5,863
Total Expenses	\$ 84,418	\$ 445,368	\$ -0-	\$ 529,786

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
LOW INCOME HOUSING ENERGY ASSISTANCE PROGRAM (LIHEAP)
STATEMENT OF PROGRAM EXPENDITURES
CONTRACT NUMBER 736-1100001888 Sub 22-4
FOR THE YEAR ENDED JUNE 30, 2012

Expenses:		
Administrative		
Salary	\$ 29,839	
Interest	<u>3</u>	
Total Administrative		\$ 29,842
Benefits		
Subsidy	105,414	
Summer Cooling	-0-	
Crisis	<u>227,685</u>	
Total Benefits		<u>333,099</u>
Total Expenses		<u><u>\$ 362,941</u></u>
Allowable Expenses:		
Administration		\$ 29,842
Benefits		<u>333,099</u>
Total Allowable Expenses		362,941
Less: Contract payments received as of June 30, 2012		<u>(362,938)</u>
Under/Over Payment due to agency (KACA)/(CAK)		<u><u>\$ 3 *</u></u>

* Refunded to CAK on 9/29/12

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
LOW INCOME HOUSING ENERGY ASSISTANCE PROGRAM (LIHEAP)
STATEMENT OF QUESTIONED COSTS
CONTRACT NUMBER 736-110001888 Sub 22-4
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Actual</u>	<u>Questioned Cost</u>	<u>Balance</u>
Administration:			
Salary	<u>\$ 29,839</u>	<u>\$ -0-</u>	<u>\$ 29,839</u>
Total Administration	<u>29,839</u>	<u>-0-</u>	<u>29,839</u>
Benefits:			
Subsidy	105,414	-0-	105,414
Summer Cooling	-0-	-0-	-0-
Crisis	<u>227,685</u>	<u>-0-</u>	<u>227,685</u>
Total Benefits	<u>333,099</u>	<u>-0-</u>	<u>333,099</u>
Total	<u>\$ 362,938</u>	<u>\$ -0-</u>	<u>\$ 362,938</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
TITLE III-B AGING SERVICES GRANT
SCHEDULE OF PROGRAM ACTIVITIES
CONTRACT NUMBER PON2-725 110002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Contract Budget</u>	<u>Actual</u>
Revenue:		
Federal Funds	\$ 56,566	\$ 56,566
State Funds	51,434	51,434
Required Match	<u>12,000</u>	<u>12,000</u>
 Total Revenue	 <u>\$ 120,000</u>	 <u>\$ 120,000</u>

	<u>Amount Earned</u>	<u>Questioned Costs</u>
Funding For Each Center:		
Henry	\$ 31,111	\$ -0-
Oldham	57,778	-0-
Trimble	<u>31,111</u>	-0-
 Totals	 <u>\$ 120,000</u>	 <u>\$ -0-</u>

Amount Earned is the lesser of:

Contract Amount (Federal and State Amounts)	<u>\$ 108,000</u>
Service Provided	<u>\$ 109,000</u>
 Amount Earned	 \$ 108,000
Payments from KIPDA as of 6/30/12	<u>99,000</u>
 Due from (to) KIPDA at 6/30/12	 <u>\$ 9,000</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
TITLE III-B AGING SERVICES GRANT
STATEMENT OF REVENUE AND COSTS AND COMPUTATION OF EARNED GRANT
CONTRACT NUMBER PON2-725 110002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

Information per Grantor Reports

Revenue:	<u>Budget</u>	<u>Actual</u>
Title III Grant received	\$ 108,000	\$ 108,000
Required local match	12,000	12,000
Local Support	-0-	-0-
Fees/Donations	-0-	-0-
Total Revenue	<u>\$ 120,000</u>	<u>\$ 120,000</u>

Computation of Earned Grant

According to the grant contract, the earned grant shall be the lesser of:

	<u>Total</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>
Grant Budget	<u>\$ 120,000</u>	<u>\$ 56,566</u>	<u>\$ 51,434</u>	<u>\$ 12,000</u>
Eligible Income Earned	<u>\$ 120,000</u>	<u>\$ 56,566</u>	<u>\$ 51,434</u>	<u>\$ 12,000</u>
Total Earned Grant	<u>\$ 120,000</u>	<u>\$ 56,566</u>	<u>\$ 51,434</u>	<u>\$ 12,000</u>

Status of Grant at June 30, 2012

Total earned grant	\$ 120,000	\$ 56,566	\$ 51,434	\$ 12,000
Grant payments received	<u>111,000</u>	<u>51,852</u>	<u>47,148</u>	<u>12,000</u>
Total Due for Title III-B	<u>\$ 9,000</u>	<u>4,714</u>	<u>4,286</u>	<u>\$ -0-</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
TITLE III-B TRANSPORTATION GRANT
SCHEDULE OF PROGRAM ACTIVITIES
CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

	Contract Budget	Actual
Revenue:		
Federal Funds	71,050	\$ 71,050
State Funds	27,419	27,419
Required Local Match	10,942	10,942
 Total Revenue	 \$ 109,411	 \$ 109,411

Amount Earned is the lesser of:

Contract Amount (Federal and State Amounts)	\$ 98,469
Service Provided	\$ 98,469
 Amount Earned	 \$ 98,469
Payments from KIPDA as of 6/30/12	97,794
 Due from (to) KIPDA at 6/30/12	 \$ 675

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
TITLE III-B TRANSPORTATION GRANT
STATEMENT OF REVENUE AND COSTS AND COMPUTATION OF EARNED GRANT
CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

Information per Grantor Reports

Revenue:	<u>Budget</u>	<u>Actual</u>
Title III Grant received	\$ 98,469	\$ 98,469
Required Local Match	<u>10,942</u>	<u>10,942</u>
Total Revenue	<u>\$ 109,411</u>	<u>\$ 109,411</u>

Computation of Earned Grant

According to the grant contract, the earned grant shall be the lesser of:

	<u>Total</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>
Grant Budget	<u>\$ 109,411</u>	<u>\$ 71,050</u>	<u>\$ 27,419</u>	<u>\$ 10,942</u>
Eligible Income Earned	<u>\$ 109,411</u>	<u>\$ 71,050</u>	<u>\$ 27,419</u>	<u>\$ 10,942</u>
Total Earned Grant	<u>\$ 109,411</u>	<u>\$ 71,050</u>	<u>\$ 27,419</u>	<u>\$ 10,942</u>

Status of Grant at June 30, 2011

Total earned grant	\$ 109,411	\$ 71,050	\$ 27,419	\$ 10,942
Grant payments received	<u>108,736</u>	<u>70,567</u>	<u>27,227</u>	<u>10,942</u>
Total Due for Title III-B	<u>\$ 675</u>	<u>\$ 483</u>	<u>\$ 192</u>	<u>\$ -0-</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
TITLE III-C CONGREGATE & HOME DELIVERED MEAL SERVICES
SCHEDULE OF PROGRAM ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Contract Budget</u>	<u>Actual</u>
Revenues:		
Federal Funds	As Approved	\$ 55,756
State Funds	As Approved	31,860
Required Match	As Approved	<u>9,746</u>
 Total Revenues	 <u>\$ -0-</u>	 <u>\$ 97,362</u>

UNITS OF SERVICE	<u>Contract Budget</u>	<u>Actual Units Provided</u>	<u>Rate</u>	<u>Amount Earned</u>	<u>Questioned Costs</u>
C1 Food Service/Meal Delivery	As Approved	9,643	\$ 2.54	\$ 24,493	\$ -0-
C2 Food Service/Meal Delivery	As Approved	<u>19,329</u>	3.77	<u>72,870</u>	<u>-0-</u>
Total		<u>28,972</u>		<u>97,362</u>	<u>\$ -0-</u>
 Total Amount Earned				 <u>\$ 97,362</u>	

Amount Earned is the lesser of:

Contract Amount	As Ordered
Service Provided	<u>\$ 87,616</u>
 Amount Earned	 \$ 87,616
 Payments from KIPDA as of 6/30/12	 <u>79,073</u>
 Due from (to) KIPDA at 6/30/12	 <u>\$ 8,543</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
ADULT DAY CARE PROGRAM
SCHEDULE OF PROGRAM ACTIVITIES
CONTRACT NUMBER PON2-725 110002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

State Grantor: Commonwealth of Kentucky, Cabinet for Health Services
 Pass-through Grantor: KIPDA
 Program Title: Adult Day Care
 Pass-through Contract No.: CONTRACT NUMBER PON2-725 110002116-1 (TRI)
 Period of Contract: July 1, 2011 to June 30, 2012

	<u>Contract Budget</u>	<u>Actual</u>
Revenues:		
State Funds	As Approved	\$ 55,225
Fees Due From Client	-0-	635
Total Revenues	<u>\$ -0-</u>	<u>\$ 55,860</u>

UNITS OF SERVICE	<u>Contract Budget</u>	<u>Actual Units Provided</u>	<u>Rate</u>	<u>Amount Earned</u>	<u>Questioned Costs</u>
Adult Day (non-Alzheimer's)	As Approved	9,845	\$ 3.39	\$ 33,376	\$ -0-
Alzheimer's Respite in Day Care	As Approved	6,177	3.60	22,237	-0-
Case Management (non-Alzheimer's)	As Approved	33	3.39	112	-0-
Case Management (Alzheimer's)	As Approved	<u>38</u>	3.60	<u>137</u>	<u>-0-</u>
Total		<u>16,093</u>		55,860	<u>\$ -0-</u>
Less Fees Due from Client				(635)	
Total Amount Earned				<u>\$ 55,225</u>	

Amount Earned is the lesser of:

Contract Amount	As Ordered
Service Provided	<u>\$ 55,225</u>
Amount Earned	\$ 55,225
Payments from KIPDA as of 6/30/12	<u>51,702</u>
Due from (to) KIPDA at 6/30/12	<u>\$ 3,523</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
ADULT DAY CARE PROGRAM
SCHEDULE OF PROGRAM ACTIVITIES (CONTINUED)
CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Amount</u>
Revenues:	
State funds	\$ 55,225
In-kind	-0-
Local support	17,113
Private pay fees	24,569
Fees & donations	919
Total Revenues	97,826
Expenses:	
Salaries and fringes	65,725
Travel	38
Supplies	1,501
Maintenance	2,225
Advertising	141
Insurance	1,900
Telephone	1,089
Postage	164
Contract/subscription	305
Training	20
Vehicle	3,856
Miscellaneous	637
Space Costs	3,611
Total Expenses	81,212
Total Revenues over Expenses	\$ 16,614
Indirect Expenses	16,614
Net Revenues over Expenses	\$ -0-

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
TITLE III-D HEALTH PROMOTION/DISEASE PREVENTION SERVICES
SCHEDULE OF PROGRAM ACTIVITIES
CONTRACT NUMBER PON2-725 110002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Contract Budget</u>	<u>Actual</u>
Revenue:		
Federal Funds	\$ 6,414	\$ 6,414
State Funds	4,634	4,634
Required local match	<u>1,060</u>	<u>1,060</u>
Total Revenue	<u>\$ 12,108</u>	<u>\$ 12,108</u>

Funding For Each Center:	<u>Funded Service</u>	<u>Federal Amount Earned</u>	<u>State Amount Earned</u>	<u>Match</u>	<u>Total</u>	<u>Questioned Costs</u>
Henry	Med. Management-Wellness Fair/Drug Toss	\$ 400	\$320	\$80	\$800	\$ -0-
Henry	Health Promotion: Weight Watchers	811	535	149	1,495	-0-
Henry	Cooking for One	445	624	119	1,188	-0-
Oldham	Med. Management-Wellness Fair/Drug Toss	400	374	86	860	-0-
Oldham	Injury Control: AARP Driver Course	435	420	94	949	-0-
Oldham	Health Promo-Weight Watchers	668	678	150	1,496	-0-
Oldham	Health Promo-Wii Fit	408	506	102	1,016	-0-
Oldham & Henry	Health Rhythms Training & Drumming Program	1,500	-0-	-0-	1,500	-0-
Trimble	Health Promotion-Tai Chi	903	825	192	1,920	-0-
Trimble	Health & Wellness Drug Toss	<u>444</u>	<u>352</u>	<u>88</u>	<u>884</u>	<u>-0-</u>
Totals		<u>\$ 6,414</u>	<u>\$ 4,634</u>	<u>\$ 1,060</u>	<u>\$ 12,108</u>	<u>\$ -0-</u>

Amount Earned is the lesser of:

Contract Amount (Federal and State Amounts)	<u>\$ 11,048</u>
Service Provided	<u>\$ 11,048</u>
Amount Earned	\$ 11,048
Payments from KIPDA as of 6/30/12	<u>9,548</u>
Due from (to) KIPDA at 6/30/12	<u>\$ 1,500</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC.
TITLE III-D HEALTH PROMOTION/DISEASE PREVENTION SERVICES
STATEMENT OF REVENUE AND COSTS AND COMPUTATION OF EARNED GRANT
CONTRACT NUMBER PON2-725 110002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

Information per Grantor Reports

Revenue:	<u>Budget</u>	<u>Actual</u>
Title III Grant received	\$ 11,048	\$ 11,048
Required local match	1,060	1,060
Total Revenue	<u>\$ 12,108</u>	<u>\$ 12,108</u>

Computation of Earned Grant

According to the grant contract, the earned grant shall be the lesser of:

	<u>Total</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>
Grant Budget	\$ 12,108	\$ 6,414	4,634	\$ 1,060
Eligible Income Earned	<u>\$ 12,108</u>	<u>\$ 6,414</u>	<u>\$ 4,634</u>	<u>\$ 1,060</u>
Total Earned Grant	<u>\$ 12,108</u>	<u>\$ 6,414</u>	<u>\$ 4,634</u>	<u>\$ 1,060</u>

Status of Grant at June 30, 2012

Total earned grant	\$ 12,108	\$ 6,414	\$ 4,634	\$ 1,060
Grant payments received	<u>10,608</u>	<u>4,914</u>	<u>4,634</u>	<u>1,060</u>
Total Due for Title III-D	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
HEMOCARE PROGRAM
SCHEDULE OF PROGRAM ACTIVITIES
CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

State Grantor: Commonwealth of Kentucky, Cabinet for Health Services
 Pass-through Grantor: KIPDA
 Program Title: Homecare Program
 Pass-through Contract No.: CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
 Period of Contract: July 1, 2011 to June 30, 2012

	<u>Contract Budget</u>	<u>Actual</u>
Revenues:		
State Funds	As Approved	\$ 77,386
Local Match	<u>-0-</u>	<u>8,598</u>
Total Revenues	<u>\$ -0-</u>	<u>\$ 85,984</u>

UNITS OF SERVICE	<u>Contract Budget</u>	<u>Actual Units Provided</u>	<u>Rate</u>	<u>Amount Earned</u>	<u>Questioned Costs</u>
Chore	As Approved	54	\$16.60	\$896	\$ -0-
Chore HC	As Approved	6	12.50	75	-0-
Escort	As Approved	38	26.00	988	-0-
Homemaking	As Approved	3,464	12.50	43,300	-0-
Respite Homemaking HC	As Approved	784	12.50	9,800	-0-
Personal Care	As Approved	<u>2,474</u>	12.50	<u>30,924</u>	<u>-0-</u>
Total		<u>6,820</u>		85,984	<u>\$ -0-</u>
Less Match				<u>(8,598)</u>	
Total Amount Earned				<u>\$ 77,386</u>	

Amount Earned is the lesser of:

Contract Amount	As Ordered
Service Provided	<u>\$ 77,386</u>
Amount Earned	\$ 77,386
Payments from KIPDA as of 6/30/12	<u>71,806</u>
Due from (to) KIPDA at 6/30/12	<u>\$ 5,580</u>

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
HEMOCARE PROGRAM
SCHEDULE OF PROGRAM ACTIVITIES (CONTINUED)
CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

	Amount
Revenues:	
State funds	\$ 77,386
Local match	8,598
Total Revenues	85,984
Expenses:	
Salaries and fringes	54,660
Travel	7,672
Supplies	946
Insurance	1,900
Telephone	459
Postage	51
Contract/subscription	404
Professional fees	281
Training	80
Vehicle	11
Total Expenses	66,464
Total Revenues over Expenses	\$ 19,520
Indirect Expenses	13,435
Net Revenues over Expenses	\$ 6,085

TRI-COUNTY COMMUNITY ACTION AGENCY, INC
HEMOCARE PROGRAM
SCHEDULE OF PROGRAM ACTIVITIES (CONTINUED)
CONTRACT NUMBER PON2-725 1100002116-1 (TRI)
FOR THE YEAR ENDED JUNE 30, 2012

	Contract Budget	Actual
Revenues:		
III B Emergency	As Approved	3,300
Total Revenues	\$ -0-	\$ 3,300

UNITS OF SERVICE	Contract Budget	Actual Units Provided	Rate	Amount Earned	Questioned Costs
Homemaking-Emergency	As Approved	79	25.00	1,975	-0-
Personal Care-Emergency	As Approved	53	25.00	1,325	-0-
Total		132		3,300	\$ -0-
Less Match				-0-	
Total Amount Earned				\$ 3,300	

Amount Earned is the lesser of:

Contract Amount	As Ordered
Service Provided	\$ 3,300
Amount Earned	\$ 3,300
Payments from KIPDA as of 6/30/12	2,150
Due from (to) KIPDA at 6/30/12	1,150