

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Central Missouri Community Action
Columbia, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Central Missouri Community Action (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 18, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Central Missouri Community Action'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Missouri Community Action's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Missouri Community Action's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Missouri Community Action's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 18, 2021
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors
Central Missouri Community Action
Columbia, Missouri

Report on Compliance for Each Major Federal Program

We have audited Central Missouri Community Action's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Central Missouri Community Action's major federal programs for the year ended September 30, 2020. Central Missouri Community Action's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Central Missouri Community Action's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central Missouri Community Action's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal programs. However, our audit does not provide a legal determination of Central Missouri Community Action's compliance.

Opinion on Each of the Other Major Federal Programs

In our opinion, Central Missouri Community Action 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 other major federal programs for the year ended September 30, 2020.

Report on Internal Control Over Compliance

Management of Central Missouri Community Action is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Central Missouri Community Action's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Central Missouri Community Action'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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 18, 2021
Chanute, Kansas

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2020

I. SUMMARY OF AUDITORS' RESULTS

Consolidated financial statements:

The auditors' report expresses an unmodified opinion on the consolidated financial statements of Central Missouri Community Action

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiencies identified?	_____	Yes	_____ <u>X</u> _____	None Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i> ?	_____	Yes	_____ <u>X</u> _____	No

Federal Awards:

Internal control over major programs:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiencies identified?	_____	Yes	_____ <u>X</u> _____	None Reported

The auditors' report on compliance for the major federal award programs for Central Missouri Community Action expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____	Yes	_____ <u>X</u> _____	No
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Identification of major programs:

U.S. Department of Housing and Urban Development

Section 8 Housing Choice Vouchers – CFDA No. 14.871

U.S. Department of Health and Human Services

Head Start – CFDA 93.600

Low-Income Home Energy Assistance Program – CFDA 93.568

Community Services Block Grant – CFDA 93.569

The threshold for distinguishing Types A and B programs was \$750,000.00.

Auditee qualified as a low risk auditee?

_____ <u>X</u> _____	Yes	_____	No
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II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

CENTRAL MISSOURI COMMUNITY ACTION
Columbia, Missouri

Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2020

None

Central Missouri Community Action Grant Summary Sheet

Date presented to board	Department(s)	Staff person submitting
June 24, 2021	Administration/CSBG/HS	Darin Preis
Connection to Strategic Plan	Strategic Priority Area 5: CMCA will be an agency of excellence.	

Title:	Cole County Family Resource Center – 116 Commerce Drive
Program operation dates:	Pending sale – Fall 2021 for purchase. Renovation immediately to follow. Move in January 2022.
Funding amount:	\$930,000
Staffing levels:	This funding will be for the purchase and renovation of the property.
Funding Source:	\$664,000 construction loan. \$166,000 agency reserves for down payment. \$100,000 Head Start construction funds.
Target Population:	Low-income families in Cole County
Counties of Operation:	Cole County
Expected number of participants/clients:	All who are eligible for CMCA services.
Summary of Program:	<p>Purchase building at 116 Commerce Dr. This building has been for sale for two years and was designed as a child care center. There is a bus stop at the end of a very large parking lot, a grocery store across the street, and the site is fully accessible. The building is 7,000 square feet on 1.04 acres. We propose using half of the building for Head Start classrooms, office space, and kitchen, and half for our Family Resource Center including Community Organizer, Resource Coordinator, Financial Coach, several meeting spaces, and room to grow. We will need to do significant modifications to the building to update, improve, and fit to our needs. I have a rough estimate for \$300k – 330k to do these modifications. The list price is \$675,000. The contractor that gave me the renovation estimate suggested that offering \$550,000 would not be unreasonable. Our Early Head Start lease has become unaffordable so we will be moving out in September. The Family Resource Center is affordable but is not an ideal space. Our goal will be to pay about the same amount on a loan as we currently pay in rent, while giving us much more space and flexibility.</p>
Expected Outcomes:	Combined Early Head Start classrooms with the Cole County Family Resource Center. Our Whole Family Approach is all about service integration and removing barriers for our Members. Facilities that combine multiple programs under one roof are able to more effectively serve Members.
Collaboration with other CMCA programs:	All CMCA program will be represented at the new facility.
Community partners involved:	All Cole County community partnerships will be enhanced with better meeting space and parking.

Central Missouri Community Action Grant Summary Sheet

Date presented to board	Department(s)	Staff person submitting
June 24, 2021	Admin-Research & Data	Melody Vieth
Strategic Commitments	<ol style="list-style-type: none"> 1) Participants will have seamless access to services that move them toward self-sufficiency. 2) CMCA will capture unduplicated data that reflects our outcomes. 3) CMCA will have flexible resources necessary to address reduction of poverty, revitalize low-income communities, and empowers people with low income to become more self-sufficient. 4) CMCA will be an agency of internal and external excellence that addresses reduction of poverty revitalizes low-income communities, and empowers people with low income to become more self-sufficient. 	

Title:	Family Self-Sufficiency Demonstration Development Grant
Program operation dates:	9/30/2021 – 9/29/2023
Funding amount:	\$150,000 per budget period (\$300,000 total)
Staffing levels:	Director of Research & Data Research Assistant (new 25 hr/week position) Family & Community Services Director HS Program Director Family & Community Partnerships Administrator x 2
Funding Source:	ACF Office of Planning, Research & Evaluation
Target Population:	HS/BRIDGE families through the Whole Family Approach
Counties of Operation:	Audrain, Benton, Boone, Callaway, Cole, Cooper, Hickory, Howard, Morgan, Moniteau, Osage
Expected number of participants/clients:	Approx. 600 families
Summary of Program:	This is a research and evaluation grant that provides funding and training/technical assistance to strengthen and evaluate coordinated, client-centered approaches to improving family self-sufficiency. We propose to evaluate the Whole Family Approach as an intervention that improves family self-sufficiency and well-being.
Expected Outcomes:	Proposed outcomes include the development of an evaluation grant and a small scale study to determine the effectiveness of CMCA's Whole Family Approach on outcomes related to employment, family well-being, education, health, food security, financial security, and social capital.
Collaboration with	The project with focus on HS/BRIDGE families and will involve collaboration with

other CMCA programs:	the Financial Opportunity Model and SkillUP programs through the Whole Family Approach. Other CMCA programs that may be involved depending on the evaluation design include: Women’s Business Center, Show Me Healthy Relationships, Energy Assistance, Housing Choice Voucher, and Housing Development.
Community partners involved:	Potential for collaboration with University of Missouri to extend the initial project into a longitudinal study.

Central Missouri Community Action Grant Summary Sheet

Date presented to board	Department(s)	Staff person submitting
June 24, 2021	Housing Development	Sheila Vorce
Connection to Strategic Plan	Strategic Priority Area 2: Outcome 1: Safe affordable housing will be developed and available.	

Title:	Columbia Affordable Housing
Program operation dates:	Award in fall of 2021. Construction and sale in spring/summer 2022.
Funding amount:	\$100,000
Staffing levels:	1
Funding Source:	HOME funds administered by the City of Columbia
Target Population:	Families under 60% of Area Median Income in the City of Columbia
Counties of Operation:	Boone County
Expected number of participants/clients:	1 family
Summary of Program:	HOME funds will be used to offset the cost of construction. An eligible homebuyer will see this subsidy in the form of a gift of equity. Ex. Construction = \$185,000, home appraised at \$185,000. Gift of equity = \$46,250. Sales price is \$138,750.
Expected Outcomes:	A low-income family will be able to afford a new home. This will create a long-term asset that supports permanent economic stability. CMCA will hold a lien on the property that will be prorated for payback if the home is sold within ten years.
Collaboration with other CMCA programs:	Whole Family Approach, Financial Opportunity Center
Community partners involved:	City of Columbia Community and Housing Development Commission

Central Missouri Community Action Grant Summary Sheet

Date presented to board	Department(s)	Staff person submitting
June 24, 2021	Women's Business Center	Jessie Yankee
Connection to Strategic Plan	Strategic Priority Area 1: Outcome 3: Families will gain stability	

Title:	WBC Coaching at Parkade Plaza
Program operation dates:	Award in fall of 2021. Program year 1/1/22 – 12/31/22
Funding amount:	\$75,000
Staffing levels:	1
Funding Source:	CDBG (Community Development Block Grant) funds administered by the City of Columbia
Target Population:	Women with household income below 60% Area Median Income interested in starting or expanding a small business
Counties of Operation:	Boone County
Expected number of participants/clients:	200 low to moderate income individuals served
Summary of Program:	CDBG funds will be used to pay the salary of one WBC Coach. The Coach will support entrepreneurial activity at the Parkade Center in Columbia. This will include one on one coaching, LaunchU facilitation, leveraging our relationships with local lenders, and connection to the entrepreneurial ecosphere.
Expected Outcomes:	200 people served. 15 businesses launched. 25 capital infusions.
Collaboration with other CMCA programs:	Whole Family Approach, Financial Opportunity Center.
Community partners involved:	City of Columbia Community and Housing Development Commission. The Loop. REDI. Moberly Area Community College. Columbia Chamber of Commerce. City of Columbia Supplier Diversity program.

Central Missouri Community Action Grant Summary Sheet

Date presented to board	Department(s)	Staff person submitting
June 24, 2021	Head Start	Beth Vossler
Connection to Strategic Plan	Strategic Priority Area 1: Outcome 3: Families will gain stability Strategic Priority Area 2: Outcome 3: Accessible, safe, quality child care resources will be expanded.	

Title:	Worley Early Head Start
Program operation dates:	Award in fall of 2021. Construction in spring/summer 2022.
Funding amount:	\$75,000
Staffing levels:	No staff will be funded by this grant
Funding Source:	CDBG (Community Development Block Grant) funds administered by the City of Columbia
Target Population:	Families under 60% of Area Median Income in the City of Columbia with infants and toddlers
Counties of Operation:	Boone County
Expected number of participants/clients:	16 families
Summary of Program:	CDBG funds will be used to offset the cost of construction. Head Start funds will be used for most of the cost of construction and CDBG funds will be used to fill any gaps as the last money in. Construction will cost between \$550,000-\$600,000. Head Start funds have been budgeted for \$500,000.
Expected Outcomes:	16 working families will have access to high quality, affordable early education.
Collaboration with other CMCA programs:	Whole Family Approach, Financial Opportunity Center
Community partners involved:	City of Columbia Community and Housing Development Commission