



Community Progress Council, Inc.

**Financial Statements and
Supplementary Information**

June 30, 2021 and 2020



Community Progress Council, Inc.

Table of Contents
June 30, 2021 and 2020

	Page
INDEPENDENT AUDITOR'S REPORT	1 and 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities	4 and 5
Statement of Changes in Net Assets	6
Statement of Functional Expenses - by Natural Classification	7 and 8
Statement of Cash Flows	9
Notes to Financial Statements	10 to 19
OTHER REPORTS AND SCHEDULES	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	20 and 21
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	22 to 24
Schedule of Expenditures of Federal Awards	25 and 26
Notes to Schedule of Expenditures of Federal Awards	27
Schedule of Findings and Questioned Costs	28 and 29

Independent Auditor's Report

To the Board of Directors
Community Progress Council, Inc.
York, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of Community Progress Council, Inc. (the Council), which comprise the statement of financial position as of June 30, 2021 and 2020, and the related statements of activities, changes in net assets, functional expenses - by natural classification, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Progress Council, Inc. as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter - Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2022, on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

RKL LLP

February 16, 2022
York, Pennsylvania

Community Progress Council, Inc.

Statement of Financial Position

	June 30,	
	2021	2020
Assets		
Current Assets		
Cash	\$ 3,275,258	\$ 129,101
Accounts receivable	1,263,998	1,358,892
Promises to give	115,700	80,000
Prepaid expenses	34,399	19,952
Total Current Assets	4,689,355	1,587,945
Property and Equipment, Net	503,306	585,723
Other Assets		
Restricted cash	130,389	71,503
Promises to give	50,000	130,000
Total Other Assets	180,389	201,503
Total Assets	\$ 5,373,050	\$ 2,375,171
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 386,582	\$ 298,104
Refundable advances	2,977,493	66,254
Accrued payroll and payroll taxes	156,407	131,011
Total Current Liabilities	3,520,482	495,369
Long-Term Liabilities		
Note payable	-	225,000
Total Liabilities	3,520,482	720,369
Net Assets		
Without donor restrictions	1,556,479	1,373,299
With donor restrictions	296,089	281,503
Total Net Assets	1,852,568	1,654,802
Total Liabilities and Net Assets	\$ 5,373,050	\$ 2,375,171

Community Progress Council, Inc.

Statement of Activities

	Year Ended June 30, 2021		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Grant revenue	\$ 20,985,064	\$ -	\$ 20,985,064
In-kind contributions	290,923	-	290,923
Contributions	70,773	41,200	111,973
Other income	26,612	-	26,612
Net assets released from restrictions	26,614	(26,614)	-
Total Support and Revenue	<u>21,399,986</u>	<u>14,586</u>	<u>21,414,572</u>
Expenses			
Program services	19,901,254	-	19,901,254
Supporting services			
Management and general	1,315,552	-	1,315,552
Total Expenses	<u>21,216,806</u>	<u>-</u>	<u>21,216,806</u>
Changes in Net Assets	<u>\$ 183,180</u>	<u>\$ 14,586</u>	<u>\$ 197,766</u>

Community Progress Council, Inc.

Statement of Activities (continued)

	Year Ended June 30, 2020		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenue			
Grant revenue	\$ 11,969,295	\$ -	\$ 11,969,295
In-kind contributions	289,757	-	289,757
Contributions	104,869	75,014	179,883
Other income	72,803	-	72,803
Net assets released from restrictions	46,511	(46,511)	-
Total Support and Revenue	<u>12,483,235</u>	<u>28,503</u>	<u>12,511,738</u>
Expenses			
Program services	10,998,848	-	10,998,848
Supporting services			
Management and general	<u>1,439,639</u>	<u>-</u>	<u>1,439,639</u>
Total Expenses	<u>12,438,487</u>	<u>-</u>	<u>12,438,487</u>
Changes in Net Assets	<u>\$ 44,748</u>	<u>\$ 28,503</u>	<u>\$ 73,251</u>

Community Progress Council, Inc.

Statement of Changes in Net Assets

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Net Assets at June 30, 2019	\$ 1,328,551	\$ 253,000	\$ 1,581,551
Changes in net assets	<u>44,748</u>	<u>28,503</u>	<u>73,251</u>
Net Assets at June 30, 2020	1,373,299	281,503	1,654,802
Changes in net assets	<u>183,180</u>	<u>14,586</u>	<u>197,766</u>
Net Assets at June 30, 2021	<u>\$ 1,556,479</u>	<u>\$ 296,089</u>	<u>\$ 1,852,568</u>

Community Progress Council, Inc.

Statement of Functional Expenses - by Natural Classification

Year Ended June 30, 2021

	Program Services					Supporting Services		Totals
	Head Start/ Early Head Start	Pre-K Counts	Women, Infants, and Children	Rental Assistance	Other Programs	Total Program Services	Management and General	
Specific assistance	\$ -	\$ -	\$ 5,332	\$ 8,296,264	\$ 85,042	\$ 8,386,638	\$ -	\$ 8,386,638
Salaries and wages	3,640,414	1,517,489	757,483	209,762	720,361	6,845,509	833,972	7,679,481
Employee benefits and payroll taxes	1,082,612	409,697	211,576	38,275	177,230	1,919,390	183,345	2,102,735
Rent	154,304	-	61,028	3,023	262,052	480,407	35,070	515,477
Computer software and support	210,711	3,132	-	10,648	42,466	266,957	72,279	339,236
Program supplies	315,809	2,382	-	1,421	17,760	337,372	-	337,372
Repairs and maintenance	150,402	13	31,959	-	60,190	242,564	3,334	245,898
Contracted services	14,752	285	-	58,523	73,029	146,589	95,938	242,527
Supplies	81,975	1,746	72,154	618	67,385	223,878	(31,940)	191,938
Enrollment costs	-	-	-	-	186,419	186,419	-	186,419
Utilities	99,547	2,265	26,503	1,327	42,376	172,018	6,177	178,195
Staff development	82,480	20,322	634	-	8,946	112,382	19,813	132,195
Food	95,807	837	8,242	-	-	104,886	-	104,886
Insurance	64,545	9,535	5,804	474	3,981	84,339	4,576	88,915
Equipment purchases	31,128	-	26,514	-	19,978	77,620	10,431	88,051
Depreciation	43,770	-	4,628	-	34,019	82,417	-	82,417
Parent activity	74,304	2,965	-	-	-	77,269	-	77,269
Professional services	-	-	-	-	2,500	2,500	51,677	54,177
Advertising	194	6	9,901	5,750	27,489	43,340	6,149	49,489
Transportation	43,090	348	669	-	433	44,540	539	45,079
Postage	3,216	13	13,444	1,022	1,737	19,432	1,558	20,990
Real estate taxes	19,979	-	-	-	-	19,979	283	20,262
Reproduction expense	-	-	3,847	1,045	3,428	8,320	7,610	15,930
Dues and memberships	1,889	2,815	-	-	190	4,894	8,590	13,484
Internet	8,802	-	-	-	2,173	10,975	525	11,500
Miscellaneous	-	-	-	-	-	-	5,063	5,063
Interest	-	-	-	-	620	620	563	1,183
Field trips	-	-	-	-	-	-	-	-
	<u>\$ 6,219,730</u>	<u>\$ 1,973,850</u>	<u>\$ 1,239,718</u>	<u>\$ 8,628,152</u>	<u>\$ 1,839,804</u>	<u>\$ 19,901,254</u>	<u>\$ 1,315,552</u>	<u>\$ 21,216,806</u>

Community Progress Council, Inc.

Statement of Functional Expenses - by Natural Classification (continued)

Year Ended June 30, 2020

	Program Services					Supporting Services	Totals	
	Head Start/ Early Head Start	Pre-K Counts	Women, Infants, and Children	Rental Assistance	Other Programs	Total Program Services		Management and General
Specific assistance	\$ -	\$ -	\$ 9,604	\$ -	\$ 45,604	\$ 55,208	\$ -	\$ 55,208
Salaries and wages	3,839,235	1,410,937	750,779	-	604,999	6,605,950	828,701	7,434,651
Employee benefits and payroll taxes	1,168,896	415,100	192,724	-	146,978	1,923,698	190,073	2,113,771
Rent	154,182	-	63,183	-	177,684	395,049	35,966	431,015
Computer software and support	22,944	18,163	-	-	960	42,067	67,240	109,307
Program supplies	249,510	130,646	-	-	8,558	388,714	-	388,714
Repairs and maintenance	138,892	1,124	24,526	-	39,929	204,471	12,891	217,362
Contracted services	13,011	273	647	-	30,894	44,825	79,483	124,308
Supplies	104,028	2,039	71,198	-	35,587	212,852	68,945	281,797
Enrollment costs	-	-	-	-	168,369	168,369	-	168,369
Utilities	106,977	995	18,637	-	43,855	170,464	7,301	177,765
Staff development	72,504	29,978	795	-	31,727	135,004	28,731	163,735
Food	234,215	2,268	8,156	-	149	244,788	-	244,788
Insurance	60,943	8,670	5,948	-	4,436	79,997	4,488	84,485
Equipment purchases	3,743	-	5,070	-	27,972	36,785	9,464	46,249
Depreciation	71,414	-	4,773	-	35,689	111,876	-	111,876
Parent activity	2,724	-	-	-	-	2,724	-	2,724
Professional services	-	-	-	-	-	-	44,513	44,513
Advertising	6,793	-	-	-	2,841	9,634	31,076	40,710
Transportation	93,122	2,138	2,120	-	7,214	104,594	3,365	107,959
Postage	6,995	88	-	-	1,964	9,047	1,572	10,619
Real estate taxes	19,277	-	-	-	-	19,277	224	19,501
Reproduction expense	-	-	6,210	-	5,982	12,192	7,678	19,870
Dues and memberships	5,725	160	-	-	390	6,275	12,139	18,414
Internet	6,473	-	-	-	1,492	7,965	525	8,490
Miscellaneous	-	-	-	-	2,833	2,833	4,367	7,200
Interest	-	-	-	-	3,197	3,197	897	4,094
Field trips	993	-	-	-	-	993	-	993
	<u>\$ 6,382,596</u>	<u>\$ 2,022,579</u>	<u>\$ 1,164,370</u>	<u>\$ -</u>	<u>\$ 1,429,303</u>	<u>\$ 10,998,848</u>	<u>\$ 1,439,639</u>	<u>\$ 12,438,487</u>

Community Progress Council, Inc.

Statement of Cash Flows

	Years Ended June 30,	
	2021	2020
Cash Flows from Operating Activities		
Changes in net assets	\$ 197,766	\$ 73,251
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	82,417	111,876
In-kind contributions - contributed property and equipment	-	(70,000)
Forgiveness of note payable	(130,839)	-
(Increase) decrease in assets		
Accounts receivable	94,894	(415,255)
Promises to give	44,300	(10,000)
Prepaid expenses	(14,447)	115,271
Increase (decrease) in liabilities		
Accounts payable	88,478	182,196
Refundable advances	2,911,239	(120,111)
Accrued payroll and payroll taxes	25,396	54,354
Net Cash Provided by (Used in) Operating Activities	3,299,204	(78,418)
Cash Flows from Financing Activities		
Cash proceeds from note payable	-	1,500,000
Principal payments on note payable	(94,161)	(1,275,000)
Net Cash Provided by (Used in) Financing Activities	(94,161)	225,000
Net Increase in Cash	3,205,043	146,582
Cash at Beginning of Year	200,604	54,022
Cash at End of Year	\$ 3,405,647	\$ 200,604
Cash is Comprised of the Following on the Statement of Financial Position		
Cash	\$ 3,275,258	\$ 129,101
Restricted cash	130,389	71,503
	\$ 3,405,647	\$ 200,604
Supplementary Cash Flows Information		
Interest paid	\$ 1,183	\$ 4,094

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 1 - Nature of Operations

Community Progress Council, Inc. (the Council), a Pennsylvania nonprofit corporation, was established to provide assistance to low and moderate income individuals and families in York County, Pennsylvania. The Council operates a variety of programs, including but not limited to Head Start and Early Head Start; Pre-K Counts; Women, Infants, and Children; Rent Assistance; Foster Grandparents; Work Ready; Housing Counseling and Education; Wrap Around Child Care; Self-Sufficiency and Outreach and Referral Programs. The Council's programs are funded by various federal, state, and local grants and private donations. The Council's primary source of support and revenue is grant revenue.

Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting

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. Under the accrual basis, support and revenue are recognized when earned and expenses are recognized when incurred.

Accounts Receivable

Accounts receivable are stated at outstanding balances. The Council considers accounts receivable to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Promises to Give

Promises to give are stated at outstanding balances. The Council considers promises to give to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Note 2 - Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment is stated at cost, if purchased, and at the fair value, if contributed. Depreciation is computed using the straight-line method of accounting over the estimated useful lives of the assets. Maintenance, repairs, and minor renewals which do not significantly improve or extend the lives of the respective assets are charged to operations when incurred.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions, unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions.

In some cases, the government will fund fixed asset purchases to be used in conjunction with government-funded programs. These fixed assets are capitalized at cost and depreciated using the straight-line method over the estimated useful life. The government could require that these assets be returned to them at the cessation of the program or denial of a contract up for renewal.

The Council's policy is to capitalize property and equipment of \$5,000 or more.

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Fair value estimates are based on assumptions concerning the amount and timing of the estimated future cash flows and discount rates reflecting varying degrees of perceived risk. The management of the Council concluded that no impairment adjustments were required during the years ended June 30, 2021 and 2020.

Net Assets

Net assets of the Council and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Council and/or the passage of time or must be maintained permanently by the Council.

Note 2 - Summary of Significant Accounting Policies (continued)

Revenue Recognition

Contributions

The Council recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions that increases that net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Council reports the support as without donor restrictions.

Grants

Grant revenue deemed to be a contribution is classified as with donor restrictions when received or receivable. Such grant revenue is not deemed to be in respect of exchange transactions since the proceeds thereof are non-reciprocal, unconditional, and voluntary.

The Council also receives grant revenue, which is deemed to be in respect of exchange transactions and is classified as revenue without donor restrictions or deferred revenue, as appropriate, when received or receivable. Such grant revenue is not deemed to be a contribution since the proceeds thereof are used to pursue objectives of the grantor.

In-kind Contributions

Contributed rent and supplies are reported in the accompanying financial statements at their fair market value at the time they are received.

During the years ended June 30, 2021 and 2020, a substantial number of individual volunteers and businesses have donated significant amounts of time to the Council's programs and administrative functions. These services do not meet the criteria for recognition as contributed services, and are not reflected on the accompanying financial statements.

Advertising Costs

Advertising costs are expensed as incurred.

Functional Allocation of Expenses

The cost of providing the Council's various programs and supporting services have been summarized on a functional basis in the statement of activities and statement of functional expenses - by natural classification. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Supporting services consist of management and general and fundraising expenses. Management estimates fundraising expenses to be insignificant and, therefore, fundraising expenses have not been segregated from management and general expenses. Expenses require allocation on a reasonable basis that is consistently applied. Expenses are generally allocated on the basis of estimates of time and effort.

Note 2 - Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

In February 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, and subsequently amended in ASU 2019-10. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*, which sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases, based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases, and operating leases. The new standard will be effective for fiscal years beginning after December 15, 2021.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which will require not-for-profit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets. Also, this ASU will require disclosure of a disaggregation of the amount of contributed nonfinancial assets by category that depicts the type of contributed nonfinancial assets as well as additional information around valuation and usage of the contributed nonfinancial assets. The amendments in this standard should be applied on a retrospective basis and are effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022.

The Council is currently evaluating the impact of the pending adoption of the new standards on the financial statements.

Note 3 - Tax-Exempt Status

The Council is a not-for-profit entity described in Section 501(c)(3) of the Internal Revenue Code (Code) and is exempt from income taxes on related activities pursuant to 509(a) of the Code. In addition, it was organized under the Pennsylvania Nonprofit Corporation Law and is exempt from state income taxes.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Council, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Council had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Council is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before June 30, 2018.

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 4 - Concentrations of Cash and Credit Risk

At times during the years ended June 30, 2021 and 2020, the Council's cash balances may have exceeded the federally insured limit of \$250,000.

The Council's contracts are generally with government agencies, and a majority of its revenue is derived from these sources. For the years ended June 30, 2021 and 2020, 80% and 68%, respectively, of total revenue recognized by the Council is attributed to federal monetary sources.

Note 5 - Liquidity and Availability

Financial assets available for general expenditures, that is, without donor restrictions or other designations limiting their use, within one year of the date of the statement of financial position, comprise the following as of June 30:

	<u>2021</u>	<u>2020</u>
Financial Assets		
Cash	\$ 3,275,258	\$ 129,101
Accounts receivable	1,263,998	1,358,892
Promises to give - current	115,700	80,000
Restricted cash	130,389	71,503
	<u>4,785,345</u>	<u>1,639,496</u>
Total Financial Assets		
	<u>4,785,345</u>	<u>1,639,496</u>
Less Amounts that are Internally Designated or Externally Restricted		
Donor-imposed restrictions		
Self-sufficiency initiatives	(177,223)	(86,523)
Capacity building - fundraising	(50,360)	(45,014)
Building maintenance	(18,006)	(19,966)
Emergency Rental Assistance	(500)	-
	<u>(246,089)</u>	<u>(151,503)</u>
Total Amounts Not Available to be Used within One Year		
	<u>(246,089)</u>	<u>(151,503)</u>
Financial Assets Available to be Used within One Year		
	<u>\$ 4,539,256</u>	<u>\$ 1,487,993</u>

As part of the Council's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

The Council also has lines of credit available to meet short-term needs (refer to Note 8).

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 6 - Promises to Give

Promises to give - self-sufficiency represent funds raised to support self-sufficiency initiatives. Management considered discounting the promises to give that were acquired during the year ended June 30, 2020 and prior, and are expected to be collected in more than one year, and determined the appropriate discount to be insignificant. No new promises to give - self-sufficiency were received during the year ended June 30, 2021.

Promises to give - capacity building - fundraising represents funds raised to build fundraising infrastructure and develop staffing needed to establish a sustainable fundraising capacity. Management considered discounting the promises to give that were acquired during the year ended June 30, 2020 and prior, and are expected to be collected in more than one year, and determined the appropriate discount to be insignificant. No new promises to give - capacity building - fundraising were received during the year ended June 30, 2021.

Promises to give - United Way consists of United Way contributions that will be received subsequent to year end. The due date of promises to give - United Way as of the year ended June 30, 2021 is less than one year.

Promises to give consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Promises to give - self-sufficiency	\$ 100,000	\$ 150,000
Promises to give - United Way	35,700	-
Promises to give - capacity building - fundraising	<u>30,000</u>	<u>60,000</u>
	<u>\$ 165,700</u>	<u>\$ 210,000</u>

Due dates of promises to give, assuming no changes in current terms, consist of the following for the remaining two years ending June 30:

2022	\$ 115,700
2023	<u>50,000</u>
	<u>\$ 165,700</u>

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 7 - Property and Equipment

Property and equipment consist of the following as of June 30:

	<u>Useful Lives</u>	<u>2021</u>	<u>2020</u>
Equipment	10 years	\$ 1,689,591	\$ 1,689,591
Buildings and improvements	10 - 40 years	299,521	299,521
Land *		<u>6,309</u>	<u>6,309</u>
		1,995,421	1,995,421
Accumulated depreciation		<u>(1,492,115)</u>	<u>(1,409,698)</u>
		<u>\$ 503,306</u>	<u>\$ 585,723</u>

* Not depreciated

Note 8 - Lines of Credit

The Council has a revolving line of credit with Traditions Bank, which provides for borrowings up to \$1,200,000. Interest is charged at the highest prime rate published in the Wall Street Journal, which was 3.25% as of June 30, 2021 and 2020. There were no borrowings against the line of credit as of June 30, 2021 and 2020.

The Council also has a contingent line of credit with Traditions Bank, which provides for borrowings up to \$2,000,000. Interest is charged at the bank's prime rate, which was 3.25% as of June 30, 2021 and 2020. There were no borrowings against the line of credit as of June 30, 2021 and 2020.

Note 9 - Refundable Advances

Refundable advances consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
York County, Pennsylvania - Emergency Rental Assistance	\$ 2,872,276	\$ -
United Way of America	58,162	-
Pennsylvania Department of Community and Economic Development - Community Services Block Grant	38,073	-
Other deposits or advances	7,363	-
Pennsylvania Department of Education - Head Start program	1,619	12,697
Pennsylvania Housing Finance Agency - Housing Counseling and Education program	-	45,172
Pennsylvania Department of Education - Pre-K Counts program	-	8,385
	<u>\$ 2,977,493</u>	<u>\$ 66,254</u>

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 10 - Note Payable

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) which established the Paycheck Protection Program (the Program). The Program was created to assist small businesses in paying their employees and certain other expenses during the COVID-19 crisis (refer to Note 16). The Council applied for a loan under this Program and received from Traditions Bank a loan in the amount of \$1,500,000 on April 13, 2020. The loan was forgivable if the Council met certain criteria as established under the Program. The loan was unsecured and did not require personal guarantees.

Interest on the loan was fixed at a rate of 1.00%. Based on the original terms of the loan agreement, the loan was to accrue interest for the first six months following the date of the loan and thereafter would convert to monthly payments on principal and interest beginning November 13, 2020. The Paycheck Protection Program Flexibility Act of 2020 extended the deferral period for borrower payments of principal, interest, and fees on the loan to the date that the Small Business Administration (SBA) remits the loan forgiveness amount, or if loan forgiveness was not requested, ten months after the end of the loan forgiveness covered period, which generally would begin on the date the loan proceeds were received. Monthly payments of principal and interest would thereafter be recalculated by the lender to fully amortize any outstanding amounts remaining after forgiveness over the remaining term of the loan. The loan had a maturity date of April 13, 2022.

On June 30, 2020, the Council repaid \$1,275,000 of the loan. As of June 30, 2020, the outstanding balance on the loan amounted to \$225,000. On May 28, 2021, the Council repaid \$94,161 of the loan, leaving an outstanding balance of \$130,839. On June 9, 2021, the Council was notified by their bank that the outstanding balance was forgiven in full by the SBA. Forgiveness of note payable is included in grant revenue in the statement of activities.

Note 11 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for a specified purpose		
Self-Sufficiency	\$ 91,523	\$ 36,523
Capacity building - fundraising	20,360	15,014
Building maintenance	18,006	19,966
Emergency Rental Assistance	500	-
Subject to the passage of time		
Promises to give	<u>165,700</u>	<u>210,000</u>
	<u>\$ 296,089</u>	<u>\$ 281,503</u>

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 12 - In-kind Contributions

In-kind contributions consist of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Rent	\$ 290,923	\$ 203,750
Property and equipment	-	70,000
Supplies	-	16,007
	<u>\$ 290,923</u>	<u>\$ 289,757</u>

In-kind contributions by program consist of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Head Start program	\$ 290,923	\$ 279,052
Foster Grandparent's program	-	10,705
	<u>\$ 290,923</u>	<u>\$ 289,757</u>

Note 13 - Contingent Liabilities

The Council participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their respective oversight agencies. The Council is potentially liable for any expenses, which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance, which would result in the disallowance of program expenses.

Note 14 - Retirement Plan

The Council sponsors a 401(k) defined contribution plan. Employees who meet certain eligibility requirements are eligible to participate in the plan. Under the terms of the plan, eligible employees are entitled to contribute up to the maximum amount permitted by law. The Council makes matching contributions equal to 100% of an employee's salary deferral, up to a maximum of 3% of their eligible compensation. Additionally, at the discretion of the Board of Directors, the Council may make a discretionary profit sharing contribution to the plan. Employer contributions to the plan for the years ended June 30, 2021 and 2020 amounted to \$184,963 and \$164,767, respectively.

Community Progress Council, Inc.

Notes to Financial Statements

June 30, 2021 and 2020

Note 15 - Operating Leases

The Council has various operating lease agreements with local schools and churches for Head Start facilities, which require either no or significantly reduced rent payments. The fair market value of the facilities has been recorded by the Council in the statement of activities as an in-kind contribution (see Note 12). The leases renew annually, unless otherwise provided.

The Council has entered into various other operating leases for facilities, which have varying monthly rental payments and terms.

Future minimum lease payments, assuming no changes in current terms, consist of the following for the remaining three years ending June 30:

2022	\$ 128,093
2023	115,933
2024	<u>33,519</u>
	<u>\$ 277,545</u>

Note 16 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. The actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economy, financial markets, public support, and the geographical area in which the Council operates. It is unknown how long these conditions will last and what the complete financial effect will be to the Council.

Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

Note 17 - Subsequent Events

Management of the Council has evaluated subsequent events through February 16, 2022. This date is the date the financial statements were available to be issued. No material events subsequent to June 30, 2021 were noted.

**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Directors
Community Progress Council, Inc.
York, Pennsylvania

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Progress Council, Inc. (the Council), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, changes in net assets, functional expenses - by natural classification, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 16, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 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 the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RKL LLP

February 16, 2022
York, Pennsylvania

**Independent Auditor's Report on Compliance for
Each Major Federal Program; Report on Internal Control
over Compliance; and Report on Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance**

To the Board of Directors
Community Progress Council, Inc.
York, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Community Progress Council, Inc.'s (the Council) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended June 30, 2021. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council'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 the 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Council's compliance.

Opinion on Each Major Federal Program

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Council 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 the Council'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 the Council'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.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Council as of and for the year ended June 30, 2021, and have issued our report thereon dated February 16, 2022 which contained an unmodified opinion on those financial statements. 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 the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

RKL LLP

February 16, 2022
York, Pennsylvania

Community Progress Council, Inc.

Schedule of Expenditures of Federal Awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA#	Pass-Through Grantor's #	Year Ended June 30, 2021			Accrued (Deferred) Revenue as of July 1, 2020	Federal Funds Received	Expenditures	Accrued (Deferred) Revenue as of June 30, 2021
			Accrued (Deferred)	Federal Funds Received	Expenditures				
U.S. Department of Agriculture									
Pass Through Programs from									
Pennsylvania Department of Health									
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	4100077910		\$ 380,586	\$ 1,331,389	\$ 1,191,460	\$ 240,657		
COVID-19 - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	4100077910		-	122,832	122,832	-		
Total Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)				<u>380,586</u>	<u>1,454,221</u>	<u>1,314,292</u>	<u>240,657</u>		
Pennsylvania Department of Agriculture									
Farmer's Market Nutrition Program (FMNP)	10.572	4100078128		-	8,242	8,242	-		
Pennsylvania Department of Education									
Child and Adult Care Food Program	10.558	300671380		8,187	128,310	135,716	15,593		
COVID-19 - Child and Adult Care Food Program	10.558	300671380		-	36,194	36,194	-		
Total Child and Adult Care Food Program				<u>8,187</u>	<u>164,504</u>	<u>171,910</u>	<u>15,593</u>		
Total U.S. Department of Agriculture				<u>388,773</u>	<u>1,626,967</u>	<u>1,494,444</u>	<u>256,250</u>		
U.S. Department of Housing and Urban Development									
Pass Through Programs from									
Pennsylvania Housing Finance Agency									
Housing Counseling Assistance Program	14.169	HC-19-03-41008		67,069	43,457	4,926	28,538		
Total U.S. Department of Housing and Urban Development				<u>67,069</u>	<u>43,457</u>	<u>4,926</u>	<u>28,538</u>		
U.S. Department of the Treasury									
Pass Through Programs from									
Pennsylvania Department of Education									
Coronavirus Relief Fund	21.019	K161190225		-	42,228	42,228	-		
Pennsylvania Housing Finance Agency									
Coronavirus Relief Fund	21.019	N/A		-	1,527,665	1,527,665	-		
York County, Pennsylvania									
Coronavirus Relief Fund	21.019	N/A		-	80,000	80,000	-		
Coronavirus Relief Fund	21.019	N/A		-	150,000	150,000	-		
Emergency Rental Assistance	21.023	06110000-540356-001		-	10,000,000	7,127,724	(2,872,276)		
Total U.S. Department of the Treasury				<u>-</u>	<u>11,799,893</u>	<u>8,927,617</u>	<u>(2,872,276)</u>		

Community Progress Council, Inc.

Schedule of Expenditures of Federal Awards (continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA#	Pass-Through Grantor's #	Year Ended June 30, 2021			
			Accrued (Deferred) Revenue as of July 1, 2020	Federal Funds Received	Expenditures	Accrued (Deferred) Revenue as of June 30, 2021
U.S. Department of Health and Human Services						
Head Start Cluster						
Head Start	93.600	03CH01064302	\$ 69,360	\$ 69,360	\$ -	\$ -
Head Start	93.600	03CH01064303	34,524	3,291,703	3,399,671	142,492
Head Start	93.600	03CH01064304	-	131,908	172,874	40,966
COVID-19 - Head Start	93.600	03CH01064303C3	18,314	319,985	301,671	-
Early Head Start	93.600	03CH01093401	25,792	25,792	-	-
Early Head Start	93.600	03CH01093402	22,223	1,226,833	1,235,952	31,342
Early Head Start	93.600	03CH01093403	-	69,136	103,281	34,145
COVID-19 - Early Head Start	93.600	03CH01093402C3	5,004	75,961	70,957	-
Total Head Start Cluster			<u>175,217</u>	<u>5,210,678</u>	<u>5,284,406</u>	<u>248,945</u>
Other Programs						
Pass Through Programs from						
Pennsylvania Department of Human Services						
Temporary Assistance for Needy Families (TANF)	93.558	4100083360	149,539	235,008	85,469	-
Pennsylvania Department of Community and Economic Development						
Community Services Block Grant	93.569	C000067070	281,195	733,238	914,299	462,256
COVID-19 - Community Services Block Grant	93.569	C000067070	-	100,048	100,048	-
Total Community Services Block Grant			<u>281,195</u>	<u>833,286</u>	<u>1,014,347</u>	<u>462,256</u>
Total Other Programs			<u>430,734</u>	<u>1,068,294</u>	<u>1,099,816</u>	<u>462,256</u>
Total U.S. Department of Health and Human Services			<u>605,951</u>	<u>6,278,972</u>	<u>6,384,222</u>	<u>711,201</u>
Corporation for National and Community Services						
Foster Grandparent/Senior Companion Cluster						
Foster Grandparent Program	94.011	19SFAPA004	34,205	263,172	262,596	33,629
Total Foster Grandparent/Senior Companion Cluster			<u>34,205</u>	<u>263,172</u>	<u>262,596</u>	<u>33,629</u>
Total Corporation for National and Community Services			<u>34,205</u>	<u>263,172</u>	<u>262,596</u>	<u>33,629</u>
U.S. Department of Homeland Security						
Pass Through Programs from						
United Way of America						
Emergency Food and Shelter National Board Program	97.024	734200-007 PH 38	-	11,652	3,490	(8,162)
COVID-19 - Emergency Food and Shelter National Board Program	97.024	734200-007 PH CARES	-	50,000	-	(50,000)
Total Emergency Food and Shelter National Board Program			<u>-</u>	<u>61,652</u>	<u>3,490</u>	<u>(58,162)</u>
Total U.S. Department of Homeland Security			<u>-</u>	<u>61,652</u>	<u>3,490</u>	<u>(58,162)</u>
Total Expenditures of Federal Awards			<u>\$ 1,095,998</u>	<u>\$ 20,074,113</u>	<u>\$ 17,077,295</u>	<u>\$ (1,900,820)</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

Community Progress Council, Inc.

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Progress Council, Inc. (the Council) under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the Council it is not intended to and does not present the financial position, changes in unrestricted net assets, or cash flows of the Council.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule of expenditures of federal awards are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule of expenditures of federal awards represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3 - Indirect Cost Rate

The Council has elected not to use the ten-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Community Progress Council, Inc.

Schedule of Findings and Questioned Costs
 Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.557	Special Supplemental Nutrition Program for Women, Infant, and Children (WIC)
21.019	Coronavirus Relief Fund
21.023	Emergency Rental Assistance
93.569	Community Services Block Grant

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

Auditee qualified as low-risk auditee yes no

Community Progress Council, Inc.

Schedule of Findings and Questioned Costs (continued)

Year Ended June 30, 2021

Section II - Financial Statement Findings

No findings are reported.

Section III - Federal Award Findings and Questioned Costs

No findings are reported.