

**North Central Community Action  
Program, Inc.**

Wisconsin Rapids, Wisconsin

Financial Statements and Supplementary Information  
Year Ended December 31, 2018

# North Central Community Action Program, Inc.

Financial Statements and Supplementary Information  
Year Ended December 31, 2018

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## **Independent Auditor's Report**

Board of Directors  
North Central Community Action Program, Inc.  
Wisconsin Rapids, Wisconsin

### **Report on Financial Statements**

We have audited the accompanying financial statements of North Central Community Action Program, Inc., (a nonprofit organization) which comprise the statement of financial position as of December 31, 2018, the related statements of activities, functional expenses, cash flows for the year 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; 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 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 North Central Community Action Program, Inc. as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, North Central Community Action Program, Inc. adopted the amendments in Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities – Presentation of Financial Statements for Not-for-Profit Entities*, as of and for the year ended December 31, 2018.

## **Other Matters**

### ***Supplementary Information***

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, state and other awards which is required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Requirements, Cost Principles, and Audit requirements for Federal awards, Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, and the schedule of emergency furnace activity by contract, are presented for purposes of additional analysis and are 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. Such 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. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the statement of financial position of North Central Community Action Program, Inc. as of December 31, 2017, and the related statements of activities and cash flows for the year then ended (not presented herein), and we expressed an unmodified opinion on those financial statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The prior year expenses on the schedule of emergency furnace activity by contract, are presented for purposes of additional analysis. Such information is the responsibility of management and the prior year expenses were derived from and relate directly to the underlying accounting and other records used to prepare the December 31, 2017, financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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. In our opinion, the prior year expenses included on the supplementary schedule are fairly stated, in all material respects, in relation to the financial statements from which it has been derived.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2019, on our consideration of North Central Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of North Central Community Action Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Central Community Action Program, Inc.'s internal control over financial reporting and compliance.

*Wipfli LLP*

Wipfli LLP

March 19, 2019  
Madison, Wisconsin

# North Central Community Action Program, Inc.

## Statement of Financial Position

December 31, 2018

<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 281,850
Grants receivable	279,468
Accounts receivable	2,782
Weatherization inventory	460,996
Notes and interest receivable, net	3,448
Prepaid expenses	145,592
<b>Total current assets</b>	<b>1,174,136</b>
Property and equipment, net	710,429
<b>TOTAL ASSETS</b>	<b>\$ 1,884,565</b>
<b>Liabilities and Net Assets</b>	
Current liabilities	
Accounts payable	\$ 281,411
Current maturities of note payable	216
Accrued payroll and related expenses	248,651
Grant funds received in advance	364,281
<b>Total current liabilities</b>	<b>894,559</b>
Long term liabilities	
Inventory advance	16,159
Deferred revenue	185,840
<b>Total long term liabilities</b>	<b>201,999</b>
<b>Total liabilities</b>	<b>1,096,558</b>
Net assets	
Without donor restrictions	
Undesignated	184,649
Designated by the board for grant funded equipment	490,432
<b>Total without donor restrictions</b>	<b>675,081</b>
With donor restrictions - HOME program	112,926
<b>Total net assets</b>	<b>788,007</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,884,565</b>

See accompanying notes to financial statements.

# North Central Community Action Program, Inc.

## Statement of Activities

Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restriction	Total
Public support			
Grant revenue	\$ 6,049,698	\$ 0	\$ 6,049,698
Contributions	170,993	0	170,993
Matching contributions	127,648	0	127,648
In-kind revenue	168,045	0	168,045
Net assets released from restrictions	19,724	(19,724)	0
<b>Total public support</b>	<b>6,536,108</b>	<b>(19,724)</b>	<b>6,516,384</b>
Revenue			
Investment income	178	16,472	16,650
Miscellaneous income	8,963	0	8,963
Rental income	32,486	0	32,486
<b>Total revenue</b>	<b>41,627</b>	<b>16,472</b>	<b>58,099</b>
<b>Total public support and revenue</b>	<b>6,577,735</b>	<b>(3,252)</b>	<b>6,574,483</b>
Expenses			
Program expenses	6,107,381	0	6,107,381
Management and general	251,402	0	251,402
<b>Total expenses</b>	<b>6,358,783</b>	<b>0</b>	<b>6,358,783</b>
<b>Change in net assets</b>	<b>218,952</b>	<b>(3,252)</b>	<b>215,700</b>
Net assets - Beginning of year	123,287	449,020	572,307
Reclassification of net assets - change in accounting policy	332,842	(332,842)	0
Net assets - Beginning of year, restated	456,129	116,178	572,307
<b>Net assets - End of year</b>	<b>\$ 675,081</b>	<b>\$ 112,926</b>	<b>\$ 788,007</b>

# North Central Community Action Program, Inc.

## Statement of Functional Expenses

Year Ended December 31, 2018

	Energy	Housing & Homeless	Job & Skills Training	Other	Total Programs	Management & General	Total
Salaries and wages	\$ 1,118,873	\$ 105,445	\$ 297,553	\$ 14,724	\$ 1,536,595	\$ 147,799	\$ 1,684,394
Fringe benefits	618,013	65,999	60,568	1,785	746,365	69,544	815,909
Office supplies	56,741	5,967	5,449	14,842	82,999	2,865	85,864
Travel	75,486	2,725	4,474	4,730	87,415	2,071	89,486
Space	46,581	1,712	6,568	14,526	69,387	6,634	76,021
Utilities	9,417	6,378	0	0	15,795	924	16,719
Telephone	19,481	872	1,824	11,085	33,262	3,009	36,271
Insurance	50,568	1,602	0	3,903	56,073	1,920	57,993
Tools and equipment	30,894	0	0	0	30,894	0	30,894
Audit	13,760	0	0	0	13,760	7,740	21,500
Training	37,539	2,486	1,614	1,800	43,439	1,287	44,726
Beneficiary payments	0	712,523	22,467	0	734,990	0	734,990
Subcontractor	472,150	0	0	0	472,150	0	472,150
Weatherization assistance	1,959,483	0	0	0	1,959,483	0	1,959,483
Depreciation	35,673	9,802	0	3,030	48,505	0	48,505
Other	8,224	0	0	0	8,224	7,609	15,833
In-kind	0	0	168,045	0	168,045	0	168,045
<b>Total expenses</b>	<b>\$ 4,552,883</b>	<b>\$ 915,511</b>	<b>\$ 568,562</b>	<b>\$ 70,425</b>	<b>\$ 6,107,381</b>	<b>\$ 251,402</b>	<b>\$ 6,358,783</b>

See accompanying notes to financial statements.

# North Central Community Action Program, Inc.

## Statement of Cash Flows

Year Ended December 31, 2018

Increase (decrease) in cash and cash equivalents:	
Cash flows from operating activities	
Change in net assets	\$ 215,700
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	48,505
Loss on disposal of property and equipment	1,011
Provision for loan loss	(1,280)
Equipment provided by the state of Wisconsin	(170,993)
Changes in operating assets and liabilities:	
Grants receivable	(58,838)
Accounts receivable	5,552
Weatherization inventory	(260,942)
Prepaid expenses	(30,628)
Accounts payable	80,042
Accrued payroll and related expenses	46,119
Grant funds received in advance	164,807
Deferred revenue	(3,385)
Net cash provided by operating activities	35,670
Cash flows from investing activities	
Payments received on notes receivable	4,832
Capital expenditures	(36,114)
Net cash used in investing activities	(31,282)
Cash flows from financing activities	
Payments made on notes payable	(2,593)
Net cash used in financing activities	(2,593)
Change in cash and cash equivalents	1,795
Cash and cash equivalents - beginning of year	280,055
Cash and cash equivalents - end of year	\$ 281,850
<b>Supplemental schedule of noncash investing activities:</b>	
Loan receivable against allowance for loan loss	\$ 121,400
Charge off of home	

See accompanying notes to financial statements.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### **Note 1      Summary of Significant Accounting Policies**

#### **Nature of Operations**

North Central Community Action Program, Inc. (the "Organization") was organized as a nonprofit corporation in 1966. The Organization was formed to develop and provide resources for the purpose of assisting low income individuals through a variety of programs in Langlade, Lincoln, Marathon, Price, Rusk, Sawyer, Taylor and Wood Counties. The Organization is primarily supported through federal and state government grants. The Weatherization program, funded by the Wisconsin Department of Administration, comprises 70% of the total revenue of the Organization.

#### **Basis of Presentation**

All financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

#### **Classification of Net Assets**

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

**Net Assets Without Donor Restrictions** - Net assets that are not subject to donor-imposed restrictions or where donor-imposed restrictions have been met in the year of the contribution.

**Net Assets With Donor Restrictions** - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources may be maintained in perpetuity. Donor imposed restrictions are released when the restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as released from restrictions. If the restriction is met on a contribution in the year the contribution is received, the contribution is reported as net assets without donor restrictions.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Rental income represents income received from various sources for use of property or space owned by the Organization. This income is recognized in the period in which it is earned. It also includes the annual recognition of revenue earned related to deferred rent contracts (see Note 7).

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

#### **A. Grant Awards That Are Contributions**

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance.

#### **B. Grant Awards That Are Exchange Transactions**

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed. Amounts received in advance of services being performed are reflected as deferred revenue.

#### **Cash and Cash Equivalents**

The Organization defines cash and cash equivalents as highly liquid, short-term investments with a maturity at the date of acquisition of three months or less.

#### **Grants and Accounts Receivable**

Grants and accounts receivable consist primarily of miscellaneous refunds and program billings. Amounts are reviewed for collectability by management and an allowance for doubtful accounts is recorded as needed based on collection history and customer attributes. Management has assessed the collectability of these receivables and has deemed that all accounts are fully collectable; therefore, no allowance has been recorded as of December 31, 2018.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### **Note 1      Summary of Significant Accounting Policies (Continued)**

#### **Weatherization Inventory**

Weatherization materials are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Weatherization materials are expensed in the accounting period when the unit weatherized is claimed as a completed unit. A completed unit is a dwelling unit that has received weatherization services within the limits established in the weatherization contract, the final inspection has been performed and the owner sign-off obtained.

#### **Notes and Interest Receivable**

The Organization acts as the Community Housing Development Organization ("CHDO") for two Community Housing Development Projects. The Organization received HOME grant awards from the State of Wisconsin. These funds are loaned to limited liability companies owned by unrelated parties. The funds loaned to the limited liability companies are for the development of affordable housing projects. The notes are secured by property owned by the limited liability companies. See Note 5.

The Organization also received United States Department of Agriculture ("USDA") grant awards to loan to eligible business owners enrolled in the Rural Business Enterprise Revolving Loan Fund. The notes are secured by the assets of the small business and are further described in Note 5 to the financial statements. All loans described above are stated at the amount of unpaid principal and accrued interest reduced by an allowance for expected uncollectable amounts. The allowance is an amount that management believes will be adequate to absorb the losses on existing loans that may become uncollectable based on an evaluation of specific customer attributes.

The allowance for loan losses is a valuation allowance for probable incurred credit losses based on an evaluation of the outstanding loans. Loan losses are charged against the allowance when management believes the collectability of the principal is unlikely. Subsequent recoveries, if any, are credited to the allowance. Management regularly evaluates the allowance for loan losses taking into consideration such factors as historical loss experience, changes in the nature and volume of the loan portfolio, overall portfolio quality, review of specific problem loans, and current economic conditions that may affect the borrower's ability to pay.

The Organization provides an allowance for doubtful accounts equal to the estimated uncollectable notes and interest receivable. The Organization's estimate is based on historical collection experience and a review of the current status of notes and interest receivable. When an account is deemed uncollectable, the account is written off against the allowance. It is reasonably possible that the Organization's estimate of the allowance for doubtful accounts will change.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### **Note 1 Summary of Significant Accounting Policies (Continued)**

#### **Property and Equipment**

Property and equipment are capitalized at cost or, if donated, at fair value on the date of donation. Depreciation is provided for using the straight-line method over the estimated useful life of the asset. The Organization considers items with a cost greater than \$5,000 and a useful life greater than one year to be property and equipment.

Property and equipment purchased with grant funds are owned by the Organization while used in the program for which they were purchased or in other future authorized programs. However, some funding sources have a reversionary interest in the property and equipment purchased with grant funds. Their disposition, as well as the ownership of any proceeds there from, is subject to funding source regulations. The property and equipment purchased with grant funds are normally restricted for use in specific programs operated by the Organization. The net book value of grant-funded property and equipment included on the statement of financial position is \$490,432 at December 31, 2018.

#### **Functional Allocation**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Space and related costs are allocated based on square footage. Telephone costs including fax and internet charges are allocated based on the number of phones used by each program. Personnel costs as well as supplies are allocated on the basis of time and effort.

#### **Income Taxes**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from Wisconsin franchise or income tax.

The Organization is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. The Organization has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

#### **Change in Accounting Policy**

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities* (Topic 958). This ASU provides certain improvements in financial reporting for not-for-profit organizations and requires changes to net asset classification, enhancements to liquidity presentation and disclosures, and presentation of an analysis of expenses by function and by nature, among other changes. The guidance was adopted effective January 1, 2018.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### **Note 1**      **Summary of Significant Accounting Policies (Continued)**

#### **Change in Accounting Policy (Continued)**

As a result of the change in accounting policy, previously reported net assets without donor restrictions have been increased \$332,842 and net assets with donor restrictions has been decreased by the same amount as of December 31, 2017 for the reclassification of the grant funded equipment.

#### **New Accounting Pronouncements**

In May 2014, the FASB issued ASU No. 2014-09, *Revenue From Contracts With Customers (Topic 606)*. This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard supersedes current revenue recognition requirements in FASB Accounting Standards Codification (ASC) Topic 605, *Revenue Recognition*, and most industry-specific guidance. When adopted, the amendments in the ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic companies for annual periods beginning after December 15, 2018. The Organization is currently evaluating the impact of the provisions of ASC 606.

On June 21, 2018, the FASB issued ASU No. 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The Amendments in the Update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determining whether a transaction is conditional. The amendments in the Update are effective for annual financial statements issued for fiscal years beginning after December 15, 2018 for transactions in which the entity serves as the resource recipient and for fiscal years beginning after December 15, 2019 for transactions in which the entity serves as the resource provider. Early adoption of the amendments in this Update is permitted. The Organization has not elected to early implement the amendments.

#### **Subsequent Events**

Subsequent events have been evaluated through March 19, 2019, which is the date the financial statements were available to be issued.

### **Note 2**      **Concentration of Credit Risk**

The Organization maintains cash balances at a financial institution. Balances in the bank accounts are insured by Federal Deposit Insurance Corporation (FDIC) coverage up to \$250,000 per institution. At times during the year, balances in these accounts may exceed the insurance limits. Management believes the financial institution has a strong credit ratings and credit risk related to these deposits is minimal.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### Note 3 Liquidity and Availability

The Organization does not have a formal liquidity policy but generally maintains financial assets in liquid form such as cash and cash equivalents for approximately one month of operating expenses. The Organization can rely on a lower cash balance as it is primarily funded with cost reimbursement grants. Under cost reimbursement grants, once expenses are incurred an organization can request reimbursement from the funding source. The grants have varying renewal dates. The Organization's largest grant renews in July of each year. At December 31, 2018, the Organization has over \$3,000,000 of signed grant agreements that are available for expenditure in 2019.

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following as of December 31, 2018:

Cash and cash equivalents	\$	281,850
Accounts receivable		2,782
<u>Weatherization inventory</u>		<u>460,996</u>
Subtotal financial assets		745,628
Less: Grant funds received in advance – private grant in cash and cash equivalents	(	38,695)
Less: Grant funds received in advance – state grants in weatherization inventory	(	325,586)
Less: Inventory advance included in weatherization inventory	(	16,159)
<u>Less: Restricted program contributions included in cash and cash equivalents</u>	<u>(</u>	<u>113,104)</u>
<u>Total</u>	<u>\$</u>	<u>252,084</u>

### Note 4 Grants Receivable

The grants receivable balance represents amounts due from the various funding sources as follows:

Federal programs	\$	118,860
State programs		154,687
<u>Other programs</u>		<u>5,921</u>
<u>Total</u>	<u>\$</u>	<u>279,468</u>

### Note 5 Notes and Interest Receivable

#### Forgivable Loans Receivable

To facilitate the completion of residential properties constructed with federal, state and Organizational funds to low income families, the Organization holds second mortgages amounting to \$75,035 with three participants. The loans were issued in 2009. If the properties are sold within ten years of the date of closing or sold without the consent of the Organization to other than another low income family, the loans must be repaid. After 10 years, the loan is forgiven. The notes carry no interest and are secured by second mortgages on the respective properties. These loans are not reflected on the financial statements as collectability is not assured.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### Note 5 Notes and Interest Receivable (Continued)

#### Notes and Interest Receivable from Revolving Loan Funds

Revolving loan funds notes and interest receivable represents amounts due from local small businesses enrolled in the Rural Business Enterprise Revolving Loan Fund. Funds loaned consist of Organization matching funds.

The loans receivable from small businesses are considered in the business development revolving loan class for evaluation purposes. The Organization regularly evaluates various attributes of loans to determine the appropriateness of the allowance for doubtful accounts. The Organization’s business development revolving loan class of loans is generally evaluated based on whether the loan is performing according to the contractual terms of the loan or not. Principal and interest payments (at interest rates ranging from 6-8%) are due monthly. The notes are secured by the assets of the small businesses. The outstanding balance in revolving loan funds notes and interest receivable as of December 31, 2018 was \$28,333.

Management regularly evaluates the performance of these loans for purposes of determining whether an allowance for loan losses is necessary based on collection history and attributes of the borrowers. All of the loans except for one loan as of December 31, 2018 are considered to be impaired, are provided for 100% in the allowance, and are on nonaccrual status. No interest has been received on the loans on nonaccrual status. The Organization recorded an allowance for loan losses of \$24,884 at December 31, 2018. The allowance for loan loss on revolving loan funds decreased this year by \$1,280.

The allowance for loan losses relates to loans:

Individually evaluated for impairment	\$ 21,372
Collectively evaluated for impairment	6,961
<b>Total</b>	<b>\$ 28,333</b>

The revolving loans receivable balance as of December 31, 2018 consists of the following:

Revolving loans receivable	\$ 28,333
Allowance for loan losses	( 24,884)
Revolving loans receivable, net	3,448
Current portion	( 3,448)
<b>Long-term revolving loans receivable</b>	<b>\$ 0</b>

#### Notes and Interest Receivables from Limited Liability Companies

The Organization has two loans, through grants received from the State of Wisconsin Department of Commerce, to Limited Liability Companies for Community Housing Development Projects where the Organization acted as the CHDO. River City Senior Village, LLC and Colby-Abbotsford Senior Village, LLC operate two apartment complexes for low-income individuals. The loans are secured by a subordinated mortgage on each rental property.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### Note 5 Notes and Interest Receivable (Continued)

#### Notes and Interest Receivables from Limited Liability Companies (Continued)

Any amounts received to repay the notes outstanding must be recorded as net assets with donor restrictions and be used to create new loans. The Organization does not expect to collect the principal portion of the amounts recorded based on its knowledge of similar companies and the Organization's position in the operating agreement distribution of cash flow.

Amounts due at December 31, 2018 consisted of the following:

River City Senior Village, LLC, interest accrues at 3% per annum on the unpaid principal following a three year deferral period, annual principal and interest payments of \$28,352 beginning April 1, 2010, subject to surplus cash. In the event surplus cash is unavailable in any year, the remainder amount will be increased by 1.3% and will be payable on the installment date. Original loan amount was \$534,600. As of December 31, 2018, the loan is considered impaired and was placed on nonaccrual status. \$ 534,600

Colby-Abbotsford Senior Village, LLC, interest accrues at 3% per annum on the unpaid principal following a three year deferral period, annual principal and interest payments of \$28,198 beginning April 1, 2014, subject to surplus cash. In the event surplus cash is unavailable in any year, the remainder amount will be increased by 1.3% and will be payable on the installment date. Original loan amount was \$513,000. 512,832

Total notes and interest receivable	\$ 1,047,432
Allowance for uncollectible	( 1,047,432)

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Notes and interest receivable, net \$ 0

The loans receivable listed above are with limited liability companies for housing development purposes and are considered in the housing development loan class for evaluation purposes. The Organization regularly evaluates various attributes of loans to determine the appropriateness of the allowance for doubtful accounts. The Organization's housing development class of loans is generally evaluated based on whether the loan is performing according to the contractual terms of the loan and the financial condition of the partnership. The principal portion of the loans are considered to be impaired and are provided for 100% in the allowance. The allowance for loan loss on revolving loan funds decreased this year by \$121,400. Due to the cash flow of River City Senior Village, LLC it was placed on nonaccrual status as of December 31, 2018. No interest has been received on nonaccrual loans in the current year. The Organization has received interest payments from Colby-Abbotsford Senior Village, LLC which is why the loan has not been placed on nonaccrual status. The average balance for loans on nonaccrual status is \$595,300.

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### Note 6 Property and Equipment

A summary of property and equipment is as follows:

Land	\$ 219,997
Buildings and building improvement	392,077
Equipment	110,595
Vehicles	339,590
Total cost	1,062,259
Accumulated depreciation	( 351,830)
<u>Property and equipment, net</u>	<u>\$ 710,429</u>

### Note 7 Deferred Revenue

In 2006, the Organization purchased a parcel of land and entered into a land lease with River City Senior Village, LLC. The land lease required a lump sum payment of \$80,000 at inception, which was used to purchase the land. The term of the lease began October 23, 2006 and expires October 22, 2071, unless terminated earlier in accordance with the lease agreement. The Organization has recorded the purchase of land and related deferred rent revenue in the statement of financial position.

In 2010, the Organization purchased a parcel of land and entered into a land lease with Colby Abbotsford Senior Village, LLC. The land lease required a lump sum payment of \$139,997 at inception, which was used to purchase the land. The term of the lease began January 12, 2010 and expires January 11, 2075, unless terminated earlier in accordance with the lease agreement. The Organization has recorded the purchase of land and related deferred rent revenue in the statement of financial position.

Deferred rent revenue is \$185,840 as of December 31, 2018. Land lease revenue for the year ended December 31, 2018 was \$3,385.

Future minimum lease income on the land lease beyond December 31, 2018 is as follows:

2019	\$ 3,385
2020	3,385
2021	3,385
2022	3,385
2023	3,385
Thereafter	168,915
<u>Total</u>	<u>\$ 185,840</u>

# North Central Community Action Program, Inc.

## Notes to Financial Statements

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### **Note 8      Note Payable**

In December 2013, the Organization entered into a non-interest bearing promissory note in the amount of \$12,966 with monthly payments of \$216 starting February 2014 and concluding January 2019. The funds from this debt were used to replace the Capistry Town Home roof. The loan is secured by property of the Organization. The balance of this note at December 31, 2018 was \$216. Future principal payments on the loan are \$216 for the year ending December 31, 2019.

### **Note 9      Employee Retirement Plan**

The Organization has established a retirement plan open to all employees who have been employed during the year. The Organization's Board of Directors has the discretionary authority to determine each year whether or not to contribute to the plan. The contribution was \$97,137 for the year ended December 31, 2018. The retirement benefits are fully vested with the employees at the time of contribution.

### **Note 10     Grant Awards**

At December 31, 2018, the Organization had commitments under various grants of approximately \$3,026,000. These commitments are not recognized in the accompanying financial statements as they are conditional awards.

### **Note 11     Operating Leases**

The Organization leases various facilities and equipment for operation of its programs. Operating lease payments for the year ended December 31, 2018, totaled \$166,674. Future minimum lease payments on leases having non-cancelable terms beyond December 31, 2018 are as follows:

2019	\$	91,052
2020		46,464
2021		23,232
<hr/>		
Total	\$	160,748

# Supplementary Information

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# North Central Community Action Agency, Inc.

## Schedule of Expenditures of Federal, State, and Other Awards Year Ended December 31, 2018

FEDERAL AWARDS <u>Grantor/Pass Through Grantor/Program Title</u>	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures	Subrecipient Awards
<b>U.S. DEPARTMENT OF HOUSING/URBAN DEVELOPMENT</b>				
City of Wausau <u>Community Development Block Grant</u> November 27, 2017 - November 26, 2018 CDBG Entitlement Cluster Program	14.218	Hand In Hand Housing	\$ 20,000	\$ 0
Wisconsin Housing Economic Development Authority <u>Section 8 Housing Choice Vouchers</u> January 1, 2018 - December 31, 2018 Housing Voucher Cluster Program	14.871	HCVP	164,571	0
Paid Directly to Grantee <u>Supportive Housing Program Continuum</u> July 1, 2017 - June 30, 2018	14.235	WI0027L5I001609	88,451	0
July 1, 2018 - June 30, 2019	14.235	WI0027L5I001710	69,162	0
<b>TOTAL CFDA # 14.235</b>			<b>157,613</b>	<b>0</b>
Wisconsin Department of Administration <u>Emergency Solutions Grant</u> July 1, 2017 - June 30, 2018	14.231	ETH 1712	96,368	39,043
July 1, 2018 - June 30, 2019	14.231	EHH 1812	82,438	52,450
<b>TOTAL CFDA # 14.231</b>			<b>178,806</b>	<b>91,493</b>
<b>Total for U.S. Department of Housing and Urban Development</b>			<b>500,990</b>	<b>91,493</b>
<b>U.S. DEPARTMENT OF ENERGY</b>				
Wisconsin Department of Administration <u>Weatherization Assistance for Low-Income Persons</u> July 1, 2016 - June 30, 2018	81.042	WX1718.14	50,893	0
July 1, 2018 - June 30, 2019	81.042	WX1819.14	383,829	0
<b>TOTAL CFDA # 81.042</b>			<b>434,722</b>	<b>0</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
Wisconsin Technical College System <u>Adult Education-Basic Grants to States</u> July 1, 2017 - June 30, 2018	84.002	71-971-149-158	25,548	0
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Wisconsin Department of Administration <u>Low Income Home Energy Assistance</u> July 1, 2016- June 30, 2018	93.568	WX1718.14	26,289	0
EF: October 1, 2017 - September 30, 2018	93.568	WX1718.14	140,795	0
July 1, 2018- June 30, 2019	93.568	WX1819.14	391,613	0
EF: October 1, 2018 - September 30, 2019	93.568	WX1819.14	8,852	0
<b>TOTAL CFDA # 93.568</b>			<b>567,549</b>	<b>0</b>

# North Central Community Action Agency, Inc.

## Schedule of Expenditures of Federal, State, and Other Awards Year Ended December 31, 2018

FEDERAL AWARDS (Continued)		CFDA	Grantor's	Federal	Subrecipient
<u>Grantor/Pass Through Grantor/Program Title</u>	<u>Number</u>		<u>Number</u>	<u>Expenditures</u>	<u>Awards</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>					
Wisconsin Department of Children & Families					
<u>Community Services Block Grant</u>					
January 1, 2018 - December 31, 2018	93.569	437004-G18-0001160-000-11		<b>259,098</b>	<b>0</b>
<b>Total for U.S. Department of Health and Human Services</b>				<b>826,647</b>	<b>0</b>
<b>CORPORATION - NATIONAL &amp; COMMUNITY SERVICE</b>					
Wisconsin Department of Administration					
<u>AmeriCorps</u>					
August 15, 2017 - August 14, 2018	94.006		AD169129	140,113	0
August 15, 2018 - August 14, 2019	94.006		AD189125	59,202	0
<b>TOTAL CFDA # 94.006</b>				<b>199,315</b>	<b>0</b>
<b>TOTAL FEDERAL EXPENDITURES</b>				<b>\$ 2,007,222</b>	<b>\$ 91,493</b>
<b>STATE AWARDS</b>			<b>Pass-Through</b>		
<u>Grantor/Pass Through Grantor/Program Title</u>	<u>State CFDA Number</u>		<u>Grantor's Number</u>	<u>State Expenditures</u>	<u>Subrecipient Awards</u>
<b>WISCONSIN DEPARTMENT OF ADMINISTRATION</b>					
Paid Directly to Grantee					
<u>Public Benefits - Low Income Assistance</u>					
EF: October 1, 2017 - September 30, 2018	505.371		WX1718.14	\$ 327,749	0
EF: October 1, 2018 - September 30, 2019	505.371		WX1819.14	417,640	0
July 1, 2016 - June 30, 2018	505.371		WX1718.14	1,639,158	0
July 1, 2018 - June 30, 2019	505.371		WX1819.14	1,189,553	0
Total for Wisconsin Public Benefits				<b>3,574,100</b>	<b>0</b>
<u>Homeless Prevention Program</u>					
July 1, 2017 - June 30, 2018	505.703		ETH 1712	27,317	0
July 1, 2018 - June 30, 2019	505.703		EHH 1812	28,222	0
Total for Homeless Prevention				<b>55,539</b>	<b>0</b>
Wisconsin Balance of State - Continuum of Care					
<u>Transitional Housing Program</u>					
July 1, 2017 - June 30, 2018	505.703		NCCAP BOS	<b>14,001</b>	<b>0</b>
<b>Total for Wisconsin Department of Administration</b>				<b>3,643,640</b>	<b>0</b>
<b>WISCONSIN DEPARTMENT OF CHILDREN &amp; FAMILIES</b>					
Wisconsin Community Action Program					
<u>Skills Enhancement Program</u>					
July 1, 2017 - June 30, 2018		437004-G16-0000871-R01-09		11,610	0
July 1, 2018 - June 30, 2019		437004-G19-0001282-000-08		5,995	0
<b>Total for Wisconsin Department of Children &amp; Families</b>				<b>17,605</b>	<b>0</b>
<b>TOTAL STATE EXPENDITURES</b>				<b>\$ 3,661,245</b>	<b>\$ 0</b>

# North Central Community Action Agency, Inc.

## Schedule of Expenditures of Federal, State, and Other Awards Year Ended December 31, 2018

OTHER AWARDS Grantor/Pass Through Grantor/Program Title	Other Expenditures	Subrecipient Awards
<b>RENTS</b>		
<u>Capistry Town Homes</u> January 1, 2018 - December 31, 2018	\$ 17,768	\$ 0
<b>MARSHFIELD UNITED WAY</b>		
<u>Outreach Program Office</u> April 1, 2017 - March 31, 2018	4,221	0
April 1, 2018 - March 31, 2019	26,910	0
<b>UNITED WAY OF INNER WISCONSIN</b>		
<u>Outreach Program</u> January 1, 2018 - December 31, 2018	51,525	0
<b>MERRILL AREA UNITED WAY</b>		
January 1, 2018 - December 31, 2018	14,424	0
<b>MARATHON COUNTY UNITED WAY</b>		
January 1, 2018 - December 31, 2018	221,590	0
<u>Law Enforcement Grant</u> January 1, 2013 - December 31, 2018	2,743	0
<b>ALEXANDER FOUNDATION</b>		
<u>Marathon County Summer Youth</u> January 1, 2018 - December 31, 2018	19,724	0
<b>LEGACY FOUDATION</b>		
<u>Skills Enhancement</u> June 1, 2016 - June 1, 2019	13,064	0
<b>MATCHING AWARDS</b>		
January 1, 2018 - December 31, 2018	295,693	0
<b>Total Other Awards</b>	<b>\$ 667,662</b>	<b>\$ 0</b>
<b>Total Federal, State, and Other Program Expenditures</b>	<b>\$ 6,336,129</b>	<b>\$ 91,493</b>
<b>Corporate expenditures and grant funded equipment activity</b>	<b>\$ 22,654</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 6,358,783</b>	<b>\$ 91,493</b>

# North Central Community Action Agency, Inc.

## Schedule of Expenditures of Federal, State, and Other Awards Year Ended December 31, 2018

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### Notes to Schedule of Expenditures of Federal Awards and Other Awards

#### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal, state, and other awards (the "Schedule") includes the federal award activity of North Central Community Action Program, Inc., Inc. under programs of the federal government as well as state and other activities for the year ended December 31, 2018. 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 North Central Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of North Central Community Action Program, Inc.

#### **Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **Note 3 - Indirect Cost Rate**

North Central Community Action Program, Inc. has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

# North Central Community Action Program, Inc.

## Schedule of Emergency Furnace Activity by Contract Year Ended December 31, 2018

<u>Contract #</u>	<u>Prior Audit Period Cash Received</u>	<u>Current Audit Period Cash Received</u>	<u>True up Received (Paid)</u>	<u>Net Contract to Date Cash Received</u>	<u>Prior Audit Period Expenses</u>	<u>Current Audit Period Expenses</u>	<u>Contract to Date Expenses</u>
WX1718.14 17/18	\$ 120,440	\$ 532,454	\$ 0	\$ 652,894	\$ 184,350	\$ 468,544	\$ 652,894
WX1819.14 18/19	0	275,097	0	275,097	0	426,492	426,492
	<u>\$ 120,440</u>	<u>\$ 807,551</u>	<u>\$ 0</u>	<u>\$ 927,991</u>	<u>\$ 184,350</u>	<u>\$ 895,036</u>	<u>\$ 1,079,386</u>



## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters**

Board of Directors  
North Central Community Action Program, Inc.  
Wisconsin Rapids, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States 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 North Central Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 19, 2019.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered North Central Community Action Program, Inc.'s internal control over financial reporting (internal control) to determine the 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 North Central Community Action Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of North Central Community Action Program, Inc.'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 the 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 North Central Community Action Program, Inc.'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wipfli LLP*

Wipfli LLP

March 19, 2019  
Madison, Wisconsin



## **Independent Auditor's Report on Compliance for Each Major Federal and State Program and on Internal Control Over Compliance**

Board of Directors  
North Central Community Action Program, Inc.  
Wisconsin Rapids, Wisconsin

### **Report on Compliance for Each Major Federal and State Program**

We have audited North Central Community Action Program, Inc.'s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2018. North Central Community Action Program, Inc.'s major federal and state 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 statutes, regulations, and the terms and conditions of its grant awards applicable to its federal and state programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of North Central Community Action Program, Inc.'s major federal and state 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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); and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration. 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 or state program occurred. An audit includes examining, on a test basis, evidence about North Central Community Action Program, 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 on compliance for each major federal and state program. However, our audit does not provide legal determination of North Central Community Action Program, Inc.'s compliance.

## Opinion on Each Major Federal and State Program

In our opinion, North Central Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2018.

## Report on Internal Control Over Compliance

Management of North Central Community Action Program, Inc. 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 North Central Community Action Program, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or state 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and *State Single Audit Guidelines*, 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 North Central Community Action Program, 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 or state 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 or state 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 or state 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 significant deficiencies or material weaknesses. 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 Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Wipfli LLP

March 19, 2019  
Madison, Wisconsin

# North Central Community Action Program, Inc.

## Schedule of Findings and Questioned Costs Year Ended December 31, 2018

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### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Noncompliance material to financial statements noted?	No

#### Federal and State Awards

Internal control over major federal and state programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)] and State Single Audit Guidelines, as applicable?	No

#### Identification of major federal and state programs:

<u>Name of Federal Major Program or Cluster</u>	<u>CFDA No.</u>
<ul style="list-style-type: none"> <li>• <b>U.S Department of Energy</b></li> </ul>	
Weatherization Assistance Program	81.042
<ul style="list-style-type: none"> <li>• <b>U.S Department of Energy</b></li> </ul>	
Low-Income Home Energy Assistance Program	93.568

<u>Name of State Major Program or Cluster</u>	<u>State ID No.</u>
Public Benefits Weatherization	505.371

Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$750,000
State	\$250,000

Auditee qualified as low-risk auditee?	Yes
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# North Central Community Action Program, Inc.

## Schedule of Findings and Questioned Costs Year Ended December 31, 2018

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### Section II - Financial Statement Findings

None

### Section III - Federal Award Findings and Questioned Costs

None

### Section IV - Summary Schedule of Prior Year Findings

None

### Section V - Other Issues

Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?

No

Does the audit report show audit issues related to grants/contracts with funding agencies that require audits to be in accordance with the Wisconsin State Single Audit Guidelines?

Wisconsin Department of Workforce Development

No

Wisconsin Department of Administration

No

Wisconsin Department of Children and Families

No

Was a management letter or other document conveying audit comments issued as a result of this audit?

No

Name and signature of partner



Jean M. Christensen, CPA

Date of report

March 19, 2019