

Greater East Texas Community Action Program
Nacogdoches, Texas

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION***

For the Year Ended November 30, 2021

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants

*630 East 17th Street
P. O. Box 1406
Ada, Oklahoma 74820
(580) 332-8548
FAX: (580) 332-2272*

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

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November 30, 2021

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Saunders & Associates, PLLC

Certified Public Accountants

630 East 17th Street * P. O. Box 1406 * Ada, Oklahoma 74820 * (580) 332-8548 * FAX: (580) 332-2272

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Greater East Texas Community Action Program

We have audited the accompanying financial statements of Greater East Texas Community Action Program (a nonprofit organization), which comprise the statement of financial position as of November 30, 2021, and the related statements of activities, functional expenses, and 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 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 Greater East Texas Community Action Program'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 Greater East Texas Community Action Program'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 Greater East Texas Community Action Program as of November 30, 2021, 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 of America.

Other Matters

Other 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 awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the financial statements. In addition, the accompanying supplemental information, as listed in the preceding 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 May 5, 2022 on our consideration of Greater East Texas Community Action Program's internal control over financial reporting and on our tests of 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 Greater East Texas Community Action Program'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 Greater East Texas Community Action Program's internal control over financial reporting and compliance.

Saunders + Associates, PLLC

SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

May 5, 2022

FINANCIAL STATEMENTS

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

STATEMENT OF FINANCIAL POSITION

As of November 30, 2021

ASSETS

Current Assets:

Cash	\$ 1,587,871
Grants/Contracts Receivable	589,022
Other Receivables	135,311
Prepaid Expenses	217,588
Total Current Assets	<u>2,529,792</u>

Fixed Assets:

Land	18,173
Buildings and Improvements	2,117,348
Vehicles	1,528,031
Equipment	1,078,850
Accumulated Depreciation	<u>(3,653,846)</u>
Total Fixed Assets	<u>1,088,556</u>

TOTAL ASSETS \$ 3,618,348

LIABILITIES AND NET ASSETS

Liabilities

Current Liabilities:

Accounts Payable	\$ 1,311,227
Accrued Liabilities	373,505
Deferred Revenue	1,088,250
Total Current Liabilities	<u>2,772,982</u>

Total Liabilities 2,772,982

Net Assets

Without Donor Restrictions	
Designated	97,234
Undesignated	748,132
Total Net Assets	<u>845,366</u>

TOTAL LIABILITIES AND NET ASSETS \$ 3,618,348

* The accompanying notes are an integral part of the financial statements.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

STATEMENT OF ACTIVITIES

For the Year Ended November 30, 2021

	<u>Without Donor Restrictions</u>
<u>SUPPORT AND REVENUE</u>	
Grants	\$ 23,621,919
Donations	44,617
Program Income	553,031
Other Income	0
Interest	275
In-Kind Donations	854,583
Gain (Loss) on Asset Disposition	0
Total Support and Revenue	<u>25,074,425</u>
 <u>EXPENSES</u>	
Program Services:	
Education	7,739,585
Energy and Weatherization Assistance	14,184,114
Other Assistance	1,689,703
General and Administrative:	
Administrative	<u>1,687,730</u>
Total Expenses	<u>25,301,132</u>
 Change in Net Assets	 (226,707)
Net Assets, November 30, 2020	<u>1,072,073</u>
 NET ASSETS, NOVEMBER 30, 2021	 \$ <u><u>845,366</u></u>

* The accompanying notes are an integral part of the financial statements.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended November 30, 2021

<u>EXPENSES</u>	<u>Education</u>	<u>Energy and Weatherization Assistance</u>	<u>Other Assistance</u>	<u>Administration</u>	<u>Total</u>
Salaries	\$ 3,071,136	\$ 913,048	\$ 449,473	\$ 901,895	\$ 5,335,552
Payroll Taxes	232,011	80,707	42,664	125,635	481,017
Fringe Benefits	930,457	200,622	110,901	98,926	1,340,906
Consultants	0	0	0	0	0
Contractual	783,722	0	1	61,830	845,553
Travel	2,255	18,679	7,661	11,964	40,559
Training	52,829	10,012	819	15,818	79,478
Supplies	267,396	60,083	27,223	22,386	377,088
Insurance	18,197	22,030	1,393	30,098	71,718
Occupancy	840,765	139,776	65,055	55,487	1,101,083
Communications	138,438	79,513	39,753	35,964	293,668
Food	187,868	0	0	0	187,868
Vehicle Expense	82,148	51,197	10,488	10,544	154,377
Equipment & Software	263,863	116,230	121,832	1,426	503,351
Direct Client Assistance	0	12,016,153	803,177	0	12,819,330
Interest	0	0	(738)	3,417	2,679
Depreciation	0	0	0	293,284	293,284
InKind	854,583	0	0	0	854,583
Other Costs	13,917	476,064	10,001	19,056	519,038
TOTAL EXPENSES	\$ <u>7,739,585</u>	\$ <u>14,184,114</u>	\$ <u>1,689,703</u>	\$ <u>1,687,730</u>	\$ <u>25,301,132</u>

* The accompanying notes are an integral part of the financial statements.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

STATEMENT OF CASH FLOWS

For the Year Ended November 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Provided (Used) by Operating Activities:

Change in Net Assets \$ (226,707)

Adjustments to Reconcile Change in Net Assets to

Net Cash Provided by Operating Activities:

Depreciation Expense 293,284

Gain on Asset Disposition 0

(Increase) Decrease in Receivables 455,534

(Increase) Decrease in Prepaid Expenses (99,164)

Increase (Decrease) in Accounts Payable 88,874

Increase (Decrease) in Accrued Liabilities 48,560

Increase (Decrease) in Deferred Revenue 464,896

Net Cash Provided (Used) by Operating Activities 1,025,277

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Disposal of Fixed Assets 0

Purchase of Fixed Assets (128,528)

Net Cash Provided (Used) by Investing Activities (128,528)

CASH FLOWS FROM FINANCING ACTIVITIES

Debt Reduction (2,549,557)

Debt Acquisition 2,549,355

Net Cash Provided (Used) by Financing Activities (202)

Net Increase (Decrease) in Cash 896,547

Cash Balance, November 30, 2020 691,324

CASH BALANCE, NOVEMBER 30, 2021 \$ 1,587,871

* The accompanying notes are an integral part of the financial statements.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 1: ORGANIZATION

Greater East Texas Community Action Program (GETCAP) is a Texas nonprofit corporation incorporated in 1965. GETCAP provides education services for pre-school aged children in the East Texas area, as well as providing certain assistance to individuals, including the payment of energy bills, habitat rehabilitation for energy conservation, and emergency assistance. Basic operations of GETCAP are financed by local contributions and grant awards provided by the State of Texas and the U.S. Government. Expenses directly related to a specific grant are charged to the grant with cost control provided by the grantor agency approved budgets.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting and reporting policies applied in the preparation of the accompanying financial statements are as follows:

Basis of Accounting: GETCAP prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting. Consequently, revenues are recognized when earned and expenses are recognized when incurred.

All local contributions are considered available for use without donor restrictions, unless specifically restricted by the donor. Grant revenue is recognized as support without donor restrictions, when the applicable allowable expense is incurred. Grant revenue received in excess of allowable grant expenses is due back to the funding agency and is carried as a deferred revenue. Grant expenses in excess of grant revenue received is due from the funding agency and is carried as a receivable.

Basis of Presentation – GETCAP is required to report information regarding its financial position and activities according to two classes of net assets; net assets with donor restrictions and net assets without donor restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Net Assets with Donor Restrictions – Net assets subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Net Assets without Donor Restrictions – Net assets not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

GETCAP has no net assets with donor restrictions. Therefore, this classification has been omitted.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Designations of Net Assets Without Donor Restrictions – The Board voted in its September 23, 2014 Board meeting to designate a fund to accumulate all future (\$1,200 Monthly) rental income payments from the Agency's low income housing property (Railroad Properties), \$3,701 in loan payment return received in September 2014 plus the proceeds of \$59,933 from the sale of the low income housing property in February 2017. The Board Designated fund intended purpose is to build the Agency's cash balances without donor restrictions to improve the agency's Asset to Liability Ratio.

Income Taxes and Uncertain Tax Positions

Income Tax Status – GETCAP qualifies as an organization exempt from income taxes under Section 501(c)(3) of the *Internal Revenue Code* and is subject to a tax on income from any unrelated business, as defined by Section 509(a)(1) of the Code. GETCAP currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

GETCAP has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more-likely-than-not be sustained upon examinations by taxing authorities. GETCAP has analyzed tax positions taken for filing with the Internal Revenue Service. GETCAP believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on GETCAP's financial condition, results of operations, or cash flows. Accordingly, GETCAP has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at November 30, 2021.

GETCAP files Form 990 in the U.S. federal jurisdiction. Federal income tax statutes dictate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, GETCAP has no open examinations with the Internal Revenue Service.

Use of Estimates: Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Fixed Assets: Acquisitions of buildings, equipment, and improvements in excess of \$5,000 are capitalized. Fixed assets are capitalized at cost when purchased or fair market value if donated. Depreciation is provided by use of the straight-line method over the estimated useful lives of the assets.

Contributed Goods and Services: Contributed goods and services are recognized at fair value with offsetting amounts added to the applicable expense category. Contributed goods and services are used to accomplish the match requirement for the Head Start program.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied.

<u>Allocation Basis</u>	<u>Allocated Expenses</u>
Time Spent Per Program	Administrative Salaries; CEAP & CSBG Salaries; Operating Costs for Energy Assistance Outreach Offices
Number of Units Weatherized	DOE, LIHEAP & Oncor-TACAA Weatherization Programs Salaries; Weatherization Office Expenses
% of Total Expenses per Prior Year's SEFA	Audit Expense
% of Clients Assisted by Program	Client Software
% of Square Footage of Shared Office Space	Utilities/Operating

NOTE 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects GETCAP's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Donor-restricted resources are available to support general expenditures to the extent that restrictions on those resources will be met by conducting the normal activities of GETCAP's programs in the coming year.

Financial assets at year end	\$ 2,312,204
Less those unavailable for general expenditures within one year, due to Contractual or Donor Imposed Restrictions	0
Board Designated	(97,234)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,214,970</u>

NOTE 4: CASH

Cash consists of cash on hand and demand deposits maintained at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC).

Bank balances at year-end are categorized as follows to give an indication of the level of risk assumed by the organization.

<u>Category</u>	<u>Balance Per Bank</u>
1) Insured or collateralized with securities held by the organization or by its agent in the organization's name.	\$ 480,650
2) Collateralized with securities held by the pledging financial institution's trust department.	1,273,594
3) Uncollateralized.	<u>0</u>
TOTAL	<u>\$ 1,754,244</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 5: OVER/UNDER FUNDING OF GRANTS/CONTRACTS

	<u>Under Funding (Receivable)</u>	<u>Over Funding (Deferred)</u>	<u>Net (Over) Under Funding</u>
Federal Grants:			
USDA	\$ 77,915	\$ 0	
DOE	0	(79,972)	
LIHEAP	0	(125,417)	
CSBG	194,403	0	
CSBG CARES	0	(17,938)	
CEAP	0	(353,258)	
CEAP CARES	0	(2,227)	
Head Start	0	(427,023)	
Head Start – Smith Co.	0	0	
Other Contracts (Education)			
TWC Childcare Partnership	122,413	0	
Other Contracts (Energy Assistance):			
TACAA Weatherization	194,291	0	
TXU Electric	0	(3,877)	
Upshur Rural	0	(26,633)	
Project Care	0	(8,510)	
Reliant Electric	0	(24,015)	
Trinity Electric	0	(8,063)	
Houston County Electric	0	(3,005)	
Other Contracts (Other Assistance):			
American Endowment	0	(8,063)	
Temple	0	(249)	
	<u>\$ 589,022</u>	<u>\$ (1,088,250)</u>	<u>\$ (499,228)</u>

NOTE 6: PROPERTY AND EQUIPMENT

The major classes of property and equipment for the year ended November 30, 2021 is summarized as follows:

	<u>11/30/20</u>	<u>Additions</u>	<u>Retirement</u>	<u>11/30/21</u>
Land	\$ 18,173	\$ 0	\$ 0	\$ 18,173
Buildings & Improvements	2,117,348	0	0	2,117,348
Vehicles	1,484,537	43,494	0	1,528,031
Furniture & Equipment	993,816	85,034	0	1,078,850
	4,613,874	128,528	0	4,742,402
Accumulated Depreciation	<u>(3,360,562)</u>	<u>(293,284)</u>	<u>0</u>	<u>(3,653,846)</u>
Total	<u>\$ 1,253,312</u>	<u>\$ (164,756)</u>	<u>\$ 0</u>	<u>\$ 1,088,556</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 7: COMPENSATED ABSENCES

Employees earn 12 days of vacation per year during the first three years of employment. After three full years of employment, an employee earns 15 days of vacation per year. Employees may accrue up to a maximum of 120 hours. Employees will be paid for accrued vacation upon voluntary termination of employment provided they have been in a permanent full-time position for six months or more. Employees are eligible for 12 sick leave days per year up to a maximum of 480 hours. Sick leave accumulated but not taken will not be paid upon termination. Accrued compensated absences were \$114,153 at November 30, 2021 and are included in accrued liabilities on the statement of financial position.

NOTE 8: TAX DEFERRED ANNUITY PLAN

GETCAP participates in a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers full-time employees of GETCAP. GETCAP contributes 1% for qualified employees to the plan. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Plan expenses were \$83,761 for the year ended November 30, 2021.

NOTE 9: NOTES PAYABLE

On April 28, 2017, GETCAP entered into a \$150,000 line of credit agreement with Regions Bank. The agreement required monthly interest payments at a variable rate (initial rate =6.25%) and continued until termination of the credit line account. The agreement was secured by GETCAP's accounts receivable. The lender could terminate the line of credit agreement at any time at the lender's sole discretion. The line of credit called for monthly payments of the greater of \$250 or 2% of outstanding balance plus interest. The credit line account was terminated May 4, 2021.

On May 4, 2021, GETCAP entered into a \$500,000 line of credit with Regions Bank. The agreement requires monthly interest payments at a variable rate (initial rate = 5.5%). The agreement is secured by GETCAP's accounts receivable and equipment. The line of credit calls for monthly interest payments with unpaid principal and interest due at maturity on May 4, 2022.

Loan activity is summarized as follows:

	<u>11/30/20</u>	<u>Advance</u>	<u>Payment</u>	<u>11/30/21</u>
Line of Credit #1	\$ 202	\$ 449,355	\$(449,557)	\$ 0
Line of Credit #2	<u>0</u>	<u>2,100,000</u>	<u>(2,100,000)</u>	<u>0</u>
	<u>\$ 202</u>	<u>\$ 2,549,355</u>	<u>\$(2,549,557)</u>	<u>\$ 0</u>

Total interest paid on the line of credits for the year ending November 30, 2021 was \$2,679.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 10: CONTRIBUTED GOODS AND SERVICES

GETCAP receives contributed goods and services. The amount recognized as contributions are summarized as follows:

Salaries	\$	0
Fringe		0
Supplies		0
Consultants		0
Other		<u>854,583</u>
Total	\$	<u>854,583</u>

NOTE 11: RISK MANAGEMENT

GETCAP is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. GETCAP maintains commercial insurance covering these risks. Management believes such coverage is sufficient to preclude any significant uninsured losses. Settled claims did not exceed the commercial insurance coverage during 2021.

NOTE 12: CONTINGENT LIABILITIES

GETCAP participates in a number of federally assisted programs. These programs are audited in accordance with *Uniform Guidance*. Audits of prior years have not resulted in any significant disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, management believes that further examinations would not result in any significant disallowed costs.

NOTE 13: ECONOMIC DEPENDENCY

GETCAP receives a significant portion of its revenue from funds provided through federal grants. The grant amounts are appropriated each year by the federal agencies. If significant budget cuts are made at the federal level, the amount of funds the organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the organization will receive in the next fiscal year.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO FINANCIAL STATEMENTS

For the Year Ended November 30, 2021

NOTE 14: LEASES

GETCAP LESSEE:

GETCAP leases building space for its offices and schools under various operating leases. The leases expire at various dates through December 2037. Future minimum lease payments under non-cancelable operating leases that have remaining terms in excess of one year are:

<u>November 30,</u>	
2022	\$ 95,367
2023	75,664
2024	65,790
2025	47,739
2026	47,739
Thereafter	529,105

Rent expense was \$379,229 for the year ended November 30, 2021.

NOTE 15: RISKS AND UNCERTAINTIES

In early March 2020, the COVID-19 virus was declared a global pandemic. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, were severely impacted for months or more, as governments and their citizens took significant and unprecedented measures to mitigate the consequences of the pandemic. Management is continuing to monitor the situation and evaluate its options. No adjustments have been made to these financial statements as a result of this uncertainty.

NOTE 16: SUBSEQUENT EVENTS

Date of Managements Evaluation – Management of GETCAP has evaluated subsequent events through May 5, 2022, which is the date the financial statements were available to be issued.

Saunders & Associates, PLLC

Certified Public Accountants

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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

Board of Directors
Greater East Texas Community Action Program

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Greater East Texas Community Action Program (a non-profit organization), which comprise the statement of financial position as of November 30, 2021, 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 May 5, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Greater East Texas Community Action Program'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 Greater East Texas Community Action Program's internal control. Accordingly, we do not express an opinion on the effectiveness of Greater East Texas Community Action Program'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Greater East Texas Community Action Program'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 Greater East Texas Community Action Program's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Greater East Texas Community Action Program's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greater East Texas Community Action Program's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Saunders + Associates, PLLC

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Ada, Oklahoma

May 5, 2022

Saunders & Associates, PLLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Greater East Texas Community Action Program

Report on Compliance for Each Major Program

We have audited Greater East Texas Community Action Program's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of Greater East Texas Community Action Program's major federal programs for the year ended November 30, 2021. Greater East Texas Community Action Program'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 the requirements of 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 Greater East Texas Community Action Program'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 Greater East Texas Community Action Program'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 Greater East Texas Community Action Program's compliance.

Opinion on Each Major Federal Program

In our opinion, Greater East Texas Community Action Program 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 November 30, 2021.

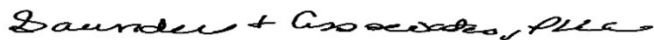
Report on Internal Control Over Compliance

Management of Greater East Texas Community Action Program 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 Greater East Texas Community Action Program's internal control over compliance with the types of requirements that could have a direct and material effect on a 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 Greater East Texas Community Action Program's internal control over compliance.

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



SAUNDERS & ASSOCIATES, PLLC
Certified Public Accountants
Ada, Oklahoma

May 5, 2022

SUPPLEMENTAL INFORMATION

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

As of November 30, 2021

Granting Agency Pass Thru Agency Program Title	Pass-Thru Entity Identifying Number	Grant Period	Assistance Listing Number	Additional Award Identification	Grant/ Contract Number	Expenditures
<u>U.S. Dept of Health & Human Services</u>						
Direct:						
Head Start Cluster:						
Head Start		12/20 - 06/21	93.600		06CH010287/06	\$ 3,651,572
COVID-19 - Head Start		12/20 - 06/21	93.600	COVID-19	06CH010287/06	0
Head Start		07/21 - 11/22	93.600		06CH012011/01	2,337,984
COVID-19 - Head Start		07/21 - 11/22	93.600	COVID-19	06CH012011/01	0
Head Start - Smith County		12/20 - 11/21	93.600		06CH011568/02	1,057,794
COVID-19 - Head Start - Smith County		12/20 - 11/21	93.600	COVID-19	06CH011568/02	0
Total Head Start						<u>7,047,350</u>
Total Head Start Cluster						<u>7,047,350</u>
Passed Thru Texas Dept. of Housing & Community Affairs:	093974376					
Community Services Block Grant		01/20 - 06/21	93.569		61200003223	428,892
Community Services Block Grant		01/20 - 03/22	93.569		61210003454	776,723
COVID-19 - Community Services Block Grant		03/20 - 03/22	93.569	COVID-19	61200003344	697,432
Total Community Services Block Grant						<u>1,903,047</u>
Comprehensive Energy Assistance Program		01/20 - 03/21	93.568		58200003162	741,496
Comprehensive Energy Assistance Program		01/21 - 12/21	93.568		58210003393	8,720,126
COVID-19 - Comprehensive Energy Assistance Program		03/20 - 09/21	93.568	COVID-19	58990003305	1,751,567
Low Income Home Energy Assistance Program		01/20 - 08/21	93.568		81200003191	1,020,629
Low Income Home Energy Assistance Program		01/21 - 03/22	93.568		81210003422	1,384,629
Total Low Income Home Energy Assistance						<u>13,618,447</u>
Total U.S. Dept of Health & Human Services						<u>22,568,844</u>
<u>U.S. Dept of Energy</u>						
Passed Thru Texas Dept. of Housing & Community Affairs:	093974376					
Weatherization Assistance for Low Income Persons		07/19 - 06/21	81.042		56190003130	426,807
Weatherization Assistance for Low Income Persons		07/21 - 06/22	81.042		56210003517	90,429
Total Weatherization Assistance for Low Income Persons						<u>517,236</u>
Total U.S. Dept of Energy						<u>517,236</u>
<u>U.S. Dept of Agriculture</u>						
Passed Thru Texas Dept. of Agriculture:	02112					
Child and Adult Care Food Program		12/20 - 11/21	10.558		02112	195,400
Total Child and Adult Care Food Program						<u>195,400</u>
Total U.S. Dept of Agriculture						<u>195,400</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS						<u>\$ 23,281,480</u>

* See accompanying notes to Schedule of Expenditures of Federal Awards.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

November 30, 2021

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Greater East Texas Community Action Program (GETCAP) under programs of the federal government for the year ended November 30, 2021. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the schedule presents only a selected portion of the operations of GETCAP, it is not intended to and does not present the financial position, changes in net assets or cash flows of GETCAP.

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: RELATIONSHIP TO FINANCIAL REPORTS

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related financial reports filed with the grantor agencies because of accruals made in the schedule which will be included in future reports filed with agencies.

NOTE 4: INDIRECT COSTS

GETCAP has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	CSBG 1 001	CEAP 1 004	DOE 1 008	LIHEAP 1 010
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 428,892	\$ 741,496	\$ 90,429	\$ 1,020,629
Donations	0	0	0	0
Program Income	0	0	0	0
Other Income	0	0	0	0
Interest	0	0	0	0
In-Kind Donations	0	0	0	0
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>428,892</u>	<u>741,496</u>	<u>90,429</u>	<u>1,020,629</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	65,712	707	1,399	32,943
Payroll Taxes	7,438	53	107	2,850
Fringe Benefits	13,667	1,403	235	6,660
Consultants	0	0	0	0
Contractual	1,405	0	63	3,139
Travel	3	0	58	69
Training	1,663	10	25	1,263
Supplies	1,793	2	176	1,119
Insurance	56	0	370	15
Occupancy	3,745	13	172	2,889
Communications	5,089	3	36	3,913
Food	0	0	0	0
Vehicle Expense	(1,235)	0	272	110
Equipment & Software	6,540	37	505	4,505
Direct Client Assistance	0	0	0	0
Interest	0	0	0	0
Other Costs	0	0	0	0
Total Administrative	<u>105,876</u>	<u>2,228</u>	<u>3,418</u>	<u>59,475</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	CSBG 1 001	CEAP 1 004	DOE 1 008	LIHEAP 1 010
<u>Program Services:</u>				
Salaries	167,750	(2,089)	5,927	75,588
Payroll Taxes	19,930	19	464	6,640
Fringe Benefits	39,285	11,494	1,338	16,170
Consultants	0	0	0	0
Contractual	1	0	0	0
Travel	695	100	1,459	293
Training	530	7	50	0
Supplies	7,550	1,030	1,596	7,156
Insurance	25	0	3,038	0
Occupancy	23,274	5,131	1,321	11,859
Communications	15,329	2,756	308	8,363
Food	0	0	0	0
Vehicle Expense	4,061	304	2,758	12,451
Equipment & Software	38,839	1,112	373	709
Direct Client Assistance	5,747	719,404	59,692	642,934
Interest	0	0	0	0
Depreciation	0	0	0	0
InKind	0	0	0	0
Other Costs	0	0	8,687	178,991
Total Program Services	<u>323,016</u>	<u>739,268</u>	<u>87,011</u>	<u>961,154</u>
Total Expenses	<u>428,892</u>	<u>741,496</u>	<u>90,429</u>	<u>1,020,629</u>
CHANGE IN NET ASSETS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	CSBG 2 011	LIHEAP 2 012	CEAP 2 014	DOE 2 018
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 776,723	\$ 1,384,629	\$ 8,720,126	\$ 426,807
Donations	0	1,000	0	0
Program Income	0	0	0	0
Other Income	0	0	0	0
Interest	0	0	0	0
In-Kind Donations	0	0	0	0
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>776,723</u>	<u>1,385,629</u>	<u>8,720,126</u>	<u>426,807</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	155,180	33,142	121,079	11,491
Payroll Taxes	10,668	2,620	9,749	939
Fringe Benefits	28,607	8,834	23,627	2,621
Consultants	0	0	0	0
Contractual	2,823	1,024	15,438	545
Travel	1,824	415	936	13
Training	2,952	478	2,049	476
Supplies	7,386	1,591	4,383	420
Insurance	10,170	1,402	5,369	6
Occupancy	12,442	2,758	10,443	1,013
Communications	6,230	1,266	1,967	765
Food	0	0	0	0
Vehicle Expense	3,354	911	1,627	71
Equipment & Software	31,152	8,091	17,830	1,355
Direct Client Assistance	0	0	0	0
Interest	0	0	0	0
Other Costs	0	0	0	0
Total Administrative	<u>272,788</u>	<u>62,532</u>	<u>214,497</u>	<u>19,715</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	CSBG 2 011	LIHEAP 2 012	CEAP 2 014	DOE 2 018
<u>Program Services:</u>				
Salaries	281,723	120,150	543,007	28,151
Payroll Taxes	22,734	9,227	48,025	2,385
Fringe Benefits	54,816	25,900	107,950	5,923
Consultants	0	0	0	0
Contractual	0	0	0	0
Travel	4,094	5,690	7,866	1,285
Training	289	76	370	9,290
Supplies	7,355	23,227	18,706	5,541
Insurance	1,368	14,200	1,211	0
Occupancy	41,781	18,393	86,135	4,157
Communications	24,374	9,344	50,775	2,743
Food	0	0	0	0
Vehicle Expense	6,387	17,036	7,507	6,203
Equipment & Software	32,704	12,262	57,775	340
Direct Client Assistance	26,310	846,887	7,576,302	273,393
Interest	0	0	0	0
Depreciation	0	0	0	0
InKind	0	0	0	0
Other Costs	0	220,705	0	67,681
Total Program Services	<u>503,935</u>	<u>1,323,097</u>	<u>8,505,629</u>	<u>407,092</u>
Total Expenses	<u>776,723</u>	<u>1,385,629</u>	<u>8,720,126</u>	<u>426,807</u>
CHANGE IN NET ASSETS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Project Care Entergy 020	Upshur Rural Assistance 022	Reliant Energy Assistance 024	TXU Utility Assistance 028
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 0	\$ 0	\$ 0	\$ 0
Donations	0	0	0	0
Program Income	1,427	287	1,575	7,798
Other Income	0	0	0	0
Interest	0	0	0	0
In-Kind Donations	0	0	0	0
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>1,427</u>	<u>287</u>	<u>1,575</u>	<u>7,798</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	0	0	0	0
Payroll Taxes	0	0	0	0
Fringe Benefits	0	0	0	0
Consultants	0	0	0	0
Contractual	0	0	0	0
Travel	0	0	0	0
Training	0	0	0	0
Supplies	0	0	0	0
Insurance	0	0	0	0
Occupancy	0	0	0	0
Communications	0	0	0	0
Food	0	0	0	0
Vehicle Expense	0	0	0	0
Equipment & Software	0	0	0	0
Direct Client Assistance	0	0	0	0
Interest	0	0	0	0
Other Costs	0	0	0	0
Total Administrative	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Project Care Entergy 020	Upshur Rural Assistance 022	Reliant Energy Assistance 024	TXU Utility Assistance 028
<u>Program Services:</u>				
Salaries	0	0	0	0
Payroll Taxes	0	0	0	0
Fringe Benefits	0	0	0	0
Consultants	0	0	0	0
Contractual	0	0	0	0
Travel	0	0	0	0
Training	0	0	0	0
Supplies	0	0	0	0
Insurance	0	0	0	0
Occupancy	0	0	0	0
Communications	0	0	0	0
Food	0	0	0	0
Vehicle Expense	0	0	0	0
Equipment & Software	0	0	0	0
Direct Client Assistance	1,427	287	1,575	7,798
Interest	0	0	0	0
Depreciation	0	0	0	0
InKind	0	0	0	0
Other Costs	0	0	0	0
Total Program Services	<u>1,427</u>	<u>287</u>	<u>1,575</u>	<u>7,798</u>
Total Expenses	<u>1,427</u>	<u>287</u>	<u>1,575</u>	<u>7,798</u>
 CHANGE IN NET ASSETS	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Project Supply Our Schools 045	American Endowment 046	Temple Rental Assistance 050	TACAA WXY 056
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 0	\$ 0	\$ 0	\$ 0
Donations	18,554	0	0	0
Program Income	0	626	123,401	417,917
Other Income	0	0	0	0
Interest	0	0	0	0
In-Kind Donations	0	0	0	0
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>18,554</u>	<u>626</u>	<u>123,401</u>	<u>417,917</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	0	0	0	14,233
Payroll Taxes	0	0	0	1,247
Fringe Benefits	0	0	0	2,346
Consultants	0	0	0	0
Contractual	0	0	0	1,212
Travel	0	0	0	78
Training	0	0	0	482
Supplies	0	0	0	757
Insurance	0	0	0	516
Occupancy	0	0	0	1,195
Communications	0	0	0	825
Food	0	0	0	0
Vehicle Expense	0	0	0	(444)
Equipment & Software	0	0	0	2,365
Direct Client Assistance	0	0	0	0
Interest	0	0	0	0
Other Costs	0	0	0	0
Total Administrative	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,812</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Project Supply Our Schools 045	American Endowment 046	Temple Rental Assistance 050	TACAA WXY 056
<u>Program Services:</u>				
Salaries	0	0	0	39,798
Payroll Taxes	0	0	0	3,646
Fringe Benefits	0	0	0	12,512
Consultants	0	0	0	0
Contractual	0	0	0	0
Travel	0	0	0	1,897
Training	0	0	0	0
Supplies	21,055	0	0	1,464
Insurance	0	0	0	3,581
Occupancy	0	0	0	5,566
Communications	0	0	0	2,654
Food	0	0	0	0
Vehicle Expense	0	0	0	4,649
Equipment & Software	0	0	0	524
Direct Client Assistance	0	626	123,401	342,555
Interest	0	0	0	0
Depreciation	0	0	0	0
InKind	0	0	0	0
Other Costs	0	0	0	0
Total Program Services	<u>21,055</u>	<u>626</u>	<u>123,401</u>	<u>418,846</u>
Total Expenses	<u>21,055</u>	<u>626</u>	<u>123,401</u>	<u>443,658</u>
CHANGE IN NET ASSETS	<u>\$ (2,501)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (25,741)</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Empty Stocking Program 060	Community Arts Grant 070	CSBG CARES 101	CEAP CARES 104
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 0	\$ 0	\$ 697,432	\$ 1,751,567
Donations	19,083	0	0	0
Program Income	0	0	0	0
Other Income	0	0	0	0
Interest	0	0	0	0
In-Kind Donations	0	0	0	0
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>19,083</u>	<u>0</u>	<u>697,432</u>	<u>1,751,567</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	0	0	0	15,022
Payroll Taxes	0	0	0	1,392
Fringe Benefits	0	0	0	(332)
Consultants	0	0	0	0
Contractual	0	0	0	12
Travel	0	0	0	1
Training	0	0	0	334
Supplies	0	0	0	209
Insurance	0	0	0	0
Occupancy	0	0	0	698
Communications	0	0	0	1,327
Food	0	0	0	0
Vehicle Expense	0	0	0	52
Equipment & Software	0	0	0	1,922
Direct Client Assistance	0	0	0	0
Interest	0	0	0	0
Other Costs	0	0	0	0
Total Administrative	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,637</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Empty Stocking Program 060	Community Arts Grant 070	CSBG CARES 101	CEAP CARES 104
<u>Program Services:</u>				
Salaries	0	0	0	102,516
Payroll Taxes	0	0	0	10,301
Fringe Benefits	0	0	0	19,335
Consultants	0	0	0	0
Contractual	0	0	0	0
Travel	0	0	0	89
Training	0	0	0	219
Supplies	0	6,037	0	1,363
Insurance	0	0	0	0
Occupancy	0	0	0	7,214
Communications	0	0	50	2,570
Food	0	0	0	0
Vehicle Expense	0	0	0	289
Equipment & Software	0	0	50,289	43,135
Direct Client Assistance	0	0	647,093	1,543,899
Interest	0	0	0	0
Depreciation	0	0	0	0
InKind	0	0	0	0
Other Costs	9,364	0	0	0
Total Program Services	<u>9,364</u>	<u>6,037</u>	<u>697,432</u>	<u>1,730,930</u>
Total Expenses	<u>9,364</u>	<u>6,037</u>	<u>697,432</u>	<u>1,751,567</u>
 CHANGE IN NET ASSETS	 <u>\$ 9,719</u>	 <u>\$ (6,037)</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Non-Federal Program 200	USDA Food Program 270	TWC Childcare Partnership 280	Head Start 300
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 0	\$ 195,400	\$ 340,439	\$ 5,989,556
Donations	5,475	0	0	0
Program Income	0	0	0	0
Other Income	0	0	0	0
Interest	275	0	0	0
In-Kind Donations	0	0	0	854,583
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>5,750</u>	<u>195,400</u>	<u>340,439</u>	<u>6,844,139</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	0	0	16,565	364,694
Payroll Taxes	0	0	985	81,953
Fringe Benefits	114	0	0	0
Consultants	0	0	0	0
Contractual	0	0	0	20,252
Travel	0	0	0	7,382
Training	0	0	0	5,019
Supplies	(8,559)	0	0	10,906
Insurance	3,762	0	0	7,825
Occupancy	(137)	0	0	16,358
Communications	101	0	0	12,050
Food	0	0	0	0
Vehicle Expense	0	0	0	5,705
Equipment & Software	0	0	0	46,541
Direct Client Assistance	0	0	0	0
Interest	3,417	0	0	0
Other Costs	19,056	0	0	0
Total Administrative	<u>17,754</u>	<u>0</u>	<u>17,550</u>	<u>578,685</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Non-Federal Program 200	USDA Food Program 270	TWC Childcare Partnership 280	Head Start 300
<u>Program Services:</u>				
Salaries	0	210,878	248,151	2,550,075
Payroll Taxes	0	20,101	15,901	190,246
Fringe Benefits	16,800	94,592	30,684	793,123
Consultants	0	0	0	0
Contractual	0	0	0	141,853
Travel	2,872	0	0	2,035
Training	0	0	0	51,959
Supplies	6,281	22,700	22,866	175,901
Insurance	0	0	0	17,972
Occupancy	0	0	5,287	749,925
Communications	0	0	0	136,703
Food	0	(152,871)	0	340,739
Vehicle Expense	40	0	0	78,551
Equipment & Software	0	0	0	168,736
Direct Client Assistance	0	0	0	0
Interest	(738)	0	0	0
Depreciation	0	0	0	0
InKind	0	0	0	854,583
Other Costs	637	0	0	13,053
Total Program Services	<u>25,892</u>	<u>195,400</u>	<u>322,889</u>	<u>6,265,454</u>
Total Expenses	<u>43,646</u>	<u>195,400</u>	<u>340,439</u>	<u>6,844,139</u>
 CHANGE IN NET ASSETS	 <u>\$ (37,896)</u>	 <u>\$ 0</u>	 <u>\$ 0</u>	 <u>\$ 0</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Head Start Smith Co 325	Head Start Donations 350	Fixed Assets 550	Total
<u>SUPPORT AND REVENUE</u>				
Grants	\$ 1,057,794	\$ 0	\$ 0	\$ 23,621,919
Donations	0	505	0	44,617
Program Income	0	0	0	553,031
Other Income	0	0	0	0
Interest	0	0	0	275
In-Kind Donations	0	0	0	854,583
Gain (Loss) on Asset Disposition	0	0	0	0
Total Support and Revenue	<u>1,057,794</u>	<u>505</u>	<u>0</u>	<u>25,074,425</u>
<u>EXPENSES</u>				
<u>Administrative:</u>				
Salaries	69,728	0	0	901,895
Payroll Taxes	5,634	0	0	125,635
Fringe Benefits	11,144	0	0	98,926
Consultants	0	0	0	0
Contractual	15,917	0	0	61,830
Travel	1,185	0	0	11,964
Training	1,067	0	0	15,818
Supplies	2,203	0	0	22,386
Insurance	607	0	0	30,098
Occupancy	3,898	0	0	55,487
Communications	2,392	0	0	35,964
Food	0	0	0	0
Vehicle Expense	121	0	0	10,544
Equipment & Software	9,111	0	0	129,954
Direct Client Assistance	0	0	0	0
Interest	0	0	0	3,417
Other Costs	0	0	0	19,056
Total Administrative	<u>123,007</u>	<u>0</u>	<u>0</u>	<u>1,522,974</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

COMBINING STATEMENT OF ACTIVITIES
Non-GAAP Presentation

For the Year Ended November 30, 2021

	Head Start Smith Co 325	Head Start Donations 350	Fixed Assets 550	Total
<u>Program Services:</u>				
Salaries	62,032	0	0	4,433,657
Payroll Taxes	5,763	0	0	355,382
Fringe Benefits	12,058	0	0	1,241,980
Consultants	0	0	0	0
Contractual	641,869	0	0	783,723
Travel	220	0	0	28,595
Training	870	0	0	63,660
Supplies	24,874	0	0	354,702
Insurance	225	0	0	41,620
Occupancy	85,553	0	0	1,045,596
Communications	1,735	0	0	257,704
Food	0	0	0	187,868
Vehicle Expense	3,597	0	0	143,833
Equipment & Software	95,127	0	(128,528)	373,397
Direct Client Assistance	0	0	0	12,819,330
Interest	0	0	0	(738)
Depreciation	0	0	293,284	293,284
InKind	0	0	0	854,583
Other Costs	864	0	0	499,982
Total Program Services	<u>934,787</u>	<u>0</u>	<u>164,756</u>	<u>23,778,158</u>
Total Expenses	<u>1,057,794</u>	<u>0</u>	<u>164,756</u>	<u>25,301,132</u>
CHANGE IN NET ASSETS	<u>\$ 0</u>	<u>\$ 505</u>	<u>\$ (164,756)</u>	<u>\$ (226,707)</u>

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

STATUS OF PRIOR AUDIT FINDINGS

November 30, 2021

Section II – Financial Statement Findings and Questioned Costs:

None reported.

Section III – Federal Awards Findings and Questioned Costs:

None reported.

GREATER EAST TEXAS COMMUNITY ACTION PROGRAM
Nacogdoches, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended November 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements:

Type of Auditor’s Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weakness(es) identified? Yes No

Significant deficiencies identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards:

Internal Control Over Major Programs:

Material weakness(es) identified? Yes No

Significant deficiencies 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 the Uniform Guidance?
 Yes No

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

Auditee qualified as low-risk auditee? Yes No

Identification of Major Programs:

<u>CFDA #</u>	<u>PROGRAM TITLE</u>
81.042	DOE Weatherization Assistance Program
93.569	Community Service Block Grant
93.600	Head Start

Section II – Financial Statement Findings and Questioned Costs:

None reported.

Section III – Federal Awards Findings and Questioned Costs:

None Reported.