

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
AUDITED FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2016 and 2015

MOSE, YOCKEY, BROWN & KULL, LLC
CERTIFIED PUBLIC ACCOUNTANTS
SHELBYVILLE, ILLINOIS

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
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230 N. Morgan Street
P.O. Box 317
Shelbyville, IL 62565
Tel: 217.774.9587
Fax: 217.774.9589
Email: mybkcpas@bmmhnet.com



ROBIN R. YOCKEY, CPA
HOPE M. BROWN, CPA
KENT D. KULL, CPA

WILLIAM R. MOSE, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
C.E.F.S. Economic Opportunity Corporation
Effingham, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of C.E.F.S. Economic Opportunity Corporation (a non-profit organization), which comprise the statements of financial position as of August 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 C.E.F.S. Economic Opportunity Corporation as of August 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2017, on our consideration of C.E.F.S. Economic Opportunity Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering C.E.F.S. Economic Opportunity Corporation's internal control over financial reporting and compliance.



Mose, Yockey, Brown & Kull, LLC
Certified Public Accountants

Shelbyville, Illinois

February 2, 2017

230 N. Morgan Street
P.O. Box 317
Shelbyville, IL 62565
Tel: 217.774.9587
Fax: 217.774.9589
Email: mybkcpas@bmmhnet.com



ROBIN R. YOCKEY, CPA
HOPE M. BROWN, CPA
KENT D. KULL, CPA

WILLIAM R. MOSE, CPA

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

To the Board of Directors
C.E.F.S. Economic Opportunity Corporation
Effingham, Illinois

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 C.E.F.S. Economic Opportunity Corporation (a nonprofit organization), which comprise the statements of financial position, as of August 31, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years ended August 31, 2016 and 2015, and the related notes to the financial statements, and have issued our report thereon dated February 2, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered C.E.F.S. Economic Opportunity Corporation'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 C.E.F.S. Economic Opportunity Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of C.E.F.S. Economic Opportunity Corporation's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be 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 C.E.F.S. Economic Opportunity Corporation'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 the testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Mose, Yockey, Brown & Kull, LLC
Certified Public Accountants

Shelbyville, Illinois

February 2, 2017

230 N. Morgan Street
P.O. Box 317
Shelbyville, IL 62565
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Fax: 217.774.9589
Email: mybkcpas@bmmhnet.com



ROBIN R. YOCKEY, CPA
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WILLIAM R. MOSE, CPA

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

To the Board of Directors
C.E.F.S. Economic Opportunity Corporation
Effingham, Illinois

Report on Compliance for Each Major Federal Program

We have audited C.E.F.S. Economic Opportunity Corporation'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 C.E.F.S. Economic Opportunity Corporation's major federal programs for the year ended August 31, 2016. C.E.F.S. Economic Opportunity Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for C.E.F.S. Economic Opportunity Corporation's major federal program 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 C.E.F.S. Economic Opportunity Corporation'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 the major federal program. However, our audit does not provide a legal determination of C.E.F.S. Economic Opportunity Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, C.E.F.S. Economic Opportunity Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended August 31, 2016.

Report on Internal Control Over Compliance

Management of C.E.F.S. Economic Opportunity Corporation 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 C.E.F.S. Economic Opportunity Corporation'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 C.E.F.S. Economic Opportunity Corporation's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of C.E.F.S. Economic Opportunity Corporation'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.



Mose, Yockey, Brown, & Kull, LLC
Certified Public Accountants

Shelbyville, Illinois

February 2, 2017

C.E.F.S ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2016 AND 2015

	2016	2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2,265,673	\$ 1,927,941
Certificates of deposit	654,077	651,715
Due from granting agencies	1,256,161	1,268,713
Investments	59,624	43,311
Prepaid expense	63,802	39,522
Current portion of CSBG loans receivable	24,099	24,060
Other Assets	241	--
TOTAL CURRENT ASSETS	\$ 4,323,677	\$ 3,955,262
NONCURRENT ASSETS:		
Property and equipment, net	\$ 739,714	\$ 797,827
Long-term portion of CSBG loans receivable, net	193,091	218,457
TOTAL NONCURRENT ASSETS	\$ 932,805	\$ 1,016,284
TOTAL ASSETS	\$ 5,256,482	\$ 4,971,546
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 604,010	\$ 706,454
Accrued payroll and related liabilities	403,566	379,359
Refundable advances	175,051	196,167
TOTAL CURRENT LIABILITIES	\$ 1,182,627	\$ 1,281,980
NET ASSETS		
Unrestricted	\$ 2,441,542	\$ 2,144,947
Temporarily restricted	1,632,313	1,544,619
TOTAL NET ASSETS	\$ 4,073,855	\$ 3,689,566
TOTAL LIABILITIES AND NET ASSETS	\$ 5,256,482	\$ 4,971,546

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT:			
Federal grant revenue	\$ --	\$ 11,418,873	\$ 11,418,873
USDA cash commodities	--	310,511	310,511
Total federal grant revenue	\$ --	\$ 11,729,384	\$ 11,729,384
State grant revenue - DCEO	--	1,734,270	1,734,270
Other state grant revenue	--	1,840,867	1,840,867
Program income	42,533	511,580	554,113
Investment income	21,637	3,820	25,457
Local cash	32,071	450,670	482,741
Gain on the sale of property and equipment	24,862	--	24,862
Other income	9	43,499	43,508
Net assets released from restrictions:			
Satisfaction of program restrictions	16,226,396	(16,226,396)	--
TOTAL REVENUE, GAINS AND OTHER SUPPORT	\$ 16,347,508	\$ 87,694	\$ 16,435,202
EXPENSES:			
Program expenses:			
Workforce Investment and Opportunity Act	\$ 2,698,233	\$ --	\$ 2,698,233
Energy	3,436,563	--	3,436,563
Literacy	925	--	925
CSBG	393,325	--	393,325
Head Start	3,946,754	--	3,946,754
Weatherization & Housing	1,053,846	--	1,053,846
Homeless Assistance	753,932	--	753,932
Golden Circle Nutrition	952,528	--	952,528
Central Illinois Public Transit	1,957,437	--	1,957,437
RSVP	56,781	--	56,781
Other	22,201	--	22,201
Support services:			
Management and general	778,388	--	778,388
TOTAL EXPENSES	\$ 16,050,913	\$ --	\$ 16,050,913
CHANGE IN NET ASSETS	\$ 296,595	\$ 87,694	\$ 384,289
NET ASSETS - BEGINNING	2,144,947	1,544,619	3,689,566
REVOLVING LOAN ADDITIONS	--	--	--
OTHER CHANGES IN NET ASSETS	--	--	--
NET ASSETS - ENDING	\$ 2,441,542	\$ 1,632,313	\$ 4,073,855

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2015

	Unrestricted	Temporarily Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT:			
Federal grant revenue	\$ --	\$ 13,591,955	\$ 13,591,955
USDA cash commodities	--	313,095	313,095
Total federal grant revenue	\$ --	\$ 13,905,050	\$ 13,905,050
State grant revenue - DCEO	--	1,640,312	1,640,312
Other state grant revenue	--	1,868,307	1,868,307
Program income	40,794	496,646	537,440
Investment income	11,596	2,629	14,225
Local cash	9,172	289,909	299,081
Gain on the sale of property and equipment	13,189	--	13,189
Other income	3,564	21,414	24,978
Net assets released from restrictions:			
Satisfaction of program restrictions	18,222,999	(18,222,999)	--
TOTAL REVENUE, GAINS AND OTHER SUPPORT	\$ 18,301,314	\$ 1,268	\$ 18,302,582
EXPENSES:			
Program expenses:			
Workforce Investment and Opportunity Act	\$ 3,055,511	\$ --	\$ 3,055,511
Energy	4,717,736	--	4,717,736
Literacy	75,573	--	75,573
CSBG	435,175	--	435,175
Head Start	4,172,873	--	4,172,873
Weatherization & Housing	1,142,659	--	1,142,659
Homeless Assistance	768,069	--	768,069
Golden Circle Nutrition	1,140,274	--	1,140,274
Central Illinois Public Transit	1,947,816	--	1,947,816
RSVP	67,168	--	67,168
Other	34,730	--	34,730
Support services:			
Management and general	664,109	--	664,109
TOTAL EXPENSES	\$ 18,221,693	\$ --	\$ 18,221,693
CHANGE IN NET ASSETS	\$ 79,621	\$ 1,268	\$ 80,889
NET ASSETS - BEGINNING	2,065,326	1,543,351	3,608,677
REVOLVING LOAN ADDITIONS	--	--	--
OTHER CHANGES IN NET ASSETS	--	--	--
NET ASSETS - ENDING	\$ 2,144,947	\$ 1,544,619	\$ 3,689,566

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Services					
	Workforce Investment and Opportunity Act Programs	Energy Programs	Literacy Programs	CSBG Programs	Head Start Programs	Weatherization & Housing Programs
EXPENSES:						
Personnel and fringes	\$ 679,815	\$ 326,006	\$ 171	\$ 218,041	\$ 2,828,080	\$ 180,147
Contractual services	8,758	2,995	--	10,231	26,614	1,851
Direct client assistance	340,512	3,077,370	--	65,673	9,504	798,708
Work experience	1,490,162	--	--	3,978	--	--
Equipment & vehicle maintenance	3,419	--	--	2,890	124,444	8,436
Program support	164,065	29,788	615	74,829	610,361	60,702
Occupancy	11,502	--	47	5,817	250,831	--
Other costs	--	--	92	11,866	362	135
Depreciation	--	404	--	--	96,558	3,867
TOTAL EXPENSES	<u>\$ 2,698,233</u>	<u>\$ 3,436,563</u>	<u>\$ 925</u>	<u>\$ 393,325</u>	<u>\$ 3,946,754</u>	<u>\$ 1,053,846</u>

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Services					Total Program Services	Support Services	Total
	Homeless Assistance Programs	Golden Circle Nutrition Programs	Central Illinois Public Transit Programs	RSVP Programs	Other Programs		Management and General	
EXPENSES:								
Personnel and fringes	\$ 302,167	\$ 266,040	\$ 1,176,997	\$ 50,493	\$ --	\$ 6,027,957	\$ 432,078	\$ 6,460,035
Contractual services	1,762	6,828	184,098	1,077	2,119	246,333	10,902	257,235
Direct client assistance	412,862	612,916	--	--	562	5,318,107	--	5,318,107
Work experience	--	--	--	--	--	1,494,140	--	1,494,140
Equipment & vehicle maintenance	747	3,499	375,619	1,091	674	520,819	23,249	544,068
Program support	34,558	39,965	169,569	2,323	6,400	1,193,175	140,413	1,333,588
Occupancy	1,110	14,337	26,025	1,755	12,019	323,443	157,816	481,259
Other costs	726	621	--	42	427	14,271	6,555	20,826
Depreciation	--	8,322	25,129	--	--	134,280	7,375	141,655
TOTAL EXPENSES	<u>\$ 753,932</u>	<u>\$ 952,528</u>	<u>\$ 1,957,437</u>	<u>\$ 56,781</u>	<u>\$ 22,201</u>	<u>\$ 15,272,525</u>	<u>\$ 778,388</u>	<u>\$ 16,050,913</u>

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
 STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
 FOR THE YEAR ENDED AUGUST 31, 2015

	Program Services					
	Workforce Investment and Opportunity Act Programs	Energy Programs	Literacy Programs	CSBG Programs	Head Start Programs	Weatherization & Housing Programs
EXPENSES:						
Personnel and fringes	\$ 711,501	\$ 399,033	\$ 63,712	\$ 206,740	\$ 2,896,345	\$ 209,655
Contractual services	4,970	3,780	--	3,528	7,538	661
Direct client assistance	351,780	4,287,636	--	42,187	23,699	872,861
Work experience	1,836,561	--	--	9,158	--	--
Equipment & vehicle maintenance	--	--	--		187,636	12,773
Program support	140,250	26,479	6,446	108,529	707,281	43,736
Occupancy	9,432	404	4,023	1,137	255,689	--
Other costs	1,017	--	1,392	59,429	71	--
Bad Debt Expense	--	--	--	--	--	--
Depreciation	--	404	--	4,467	94,614	2,973
TOTAL EXPENSES	<u>\$ 3,055,511</u>	<u>\$ 4,717,736</u>	<u>\$ 75,573</u>	<u>\$ 435,175</u>	<u>\$ 4,172,873</u>	<u>\$ 1,142,659</u>

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2015

	Program Services					Total Program Services	Support Services	Total
	Homeless Assistance Programs	Golden Circle Nutrition Programs	Central Illinois Public Transit Programs	RSVP Programs	Other Programs		Management and General	
EXPENSES:								
Personnel and fringes	\$ 300,052	\$ 294,207	\$ 1,187,371	\$ 52,993	\$ --	\$ 6,321,609	\$ 312,471	\$ 6,634,080
Contractual services	11,156	2,520	191,553	1,111	549	227,366	7,115	234,481
Direct client assistance	444,288	722,165	--	--	1,402	6,746,018	--	6,746,018
Work experience	--	--	--	--	--	1,845,719	--	1,845,719
Equipment & vehicle maintenance	--	34,322	363,502	1,408	603	600,244	24,793	625,037
Program support	10,655	62,695	128,123	10,265	5,220	1,249,679	119,026	1,368,705
Occupancy	1,255	17,627	32,931	1,350	13,261	337,109	144,741	481,850
Other costs	663	6,738	--	41	13,695	83,046	5,585	88,631
Bad Debt Expense	--	--	--	--	--	--	42,552	42,552
Depreciation	--	--	44,336	--	--	146,794	7,826	154,620
TOTAL EXPENSES	<u><u>\$ 768,069</u></u>	<u><u>\$ 1,140,274</u></u>	<u><u>\$ 1,947,816</u></u>	<u><u>\$ 67,168</u></u>	<u><u>\$ 34,730</u></u>	<u><u>\$ 17,557,584</u></u>	<u><u>\$ 664,109</u></u>	<u><u>\$ 18,221,693</u></u>

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 384,289	\$ 80,889
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	141,655	154,620
Bad debt expense	--	42,552
Unrealized gain on investment	(16,313)	(6,529)
Gain on sale of property and equipment	(24,862)	(13,189)
Vehicle received through a donation	(8,935)	--
Change in operating assets and liabilities (Increase) decrease in:		
Due from granting agencies	12,552	(331,987)
Prepaid expense	(24,280)	(3,084)
Other Assets	(241)	--
Increase (decrease) in:		
Accounts payable	(102,444)	466,924
Accrued payroll and related liabilities	24,207	50,328
Refundable advances	(21,116)	167,200
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 364,512	\$ 607,724
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on certificates of deposit reinvested	\$ (2,362)	\$ (1,677)
Purchase of property and equipment	(74,607)	(186,377)
Proceeds on the sale of property and equipment	24,862	58,752
Repayment of CSBG revolving loans	25,327	23,555
NET CASH USED BY INVESTING ACTIVITIES	\$ (26,780)	\$ (105,747)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of short-term debt - line of credit	\$ --	\$ --
Payments on short-term debt - line of credit	--	--
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	\$ --	\$ --
INCREASE IN CASH AND CASH EQUIVALENTS	\$ 337,732	\$ 501,977
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,927,941	1,425,964
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,265,673	\$ 1,927,941
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ 1,201	\$ --
Cash paid during the year for income taxes	\$ --	\$ --

The accompanying notes are an integral part of these financial statements.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 1 – Summary of Operations and Significant Accounting Policies

Summary of Operations

C.E.F.S. Economic Opportunity Corporation (Organization) was incorporated as a not-for-profit corporation on March 23, 1965 for the purpose of serving as the community action organization for Christian, Clay, Effingham, Fayette, Montgomery, Moultrie, and Shelby counties. The Organization administers a variety of social service programs for which funding is received directly from the federal government or passed through state government agencies and local organizations. Programs administered by the Organization include Weatherization Assistance Programs, Low Income Home Energy Assistance Programs, Nutrition Programs, Public Transportation Programs, Volunteer Programs, Community Service Block Grant Programs, Head Start, Workforce Investment and Opportunity Act Programs, Housing Programs and many others. These programs are designed to assist low-income individuals in achieving self-sufficiency and eliminating the causes of poverty in the seven-county area.

Significant Accounting Policies

A. Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting in which expenses are recognized when incurred and revenue is recognized when earned, generally when allowable expenses are made. All grants are accounted for as temporarily restricted funds.

B. Basis of Presentation:

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization does not have any permanently restricted net assets.

Unrestricted net assets represent resources over which the Board of Directors has discretionary control and are used to carry out the operations of the organization in accordance with its bylaws.

Temporarily restricted net assets represent resources currently available for use, but expendable only for those operating purposes specified by the donor or grantor. Resources of this fund originate from gifts, grants, contracts, and investment income earned on certain restricted funds.

C. Property and Equipment:

The Organization capitalizes property and equipment over \$5,000. Lesser amounts are expensed. Property and equipment purchased are stated at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. Such items acquired under grants from Federal or State sources is considered to be owned by the Organization while used in the programs for which it is purchased or in programs authorized in the future. However, the funding source has a reversionary interest in the property. Property and equipment purchased with grant funds are capitalized and depreciated over their useful lives. Property disposition as well as the ownership of any proceeds therefrom is subject to Federal or State

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
 NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 1 – Summary of Operations and Significant Accounting Policies (continued)

regulations. Cost of property in which funding sources have a reversionary interest was \$2,012,293 and \$1,954,790 with accumulated depreciation of \$1,297,732 and \$1,189,490 resulting in a net book value of \$714,561 and \$765,300 for the years ending August 31, 2016 and 2015, respectively. The organization did not purchase any equipment with grant funds received from Illinois Department of Human Services. Property and equipment purchased or donated to the Organization is depreciated using the straight-line method over estimated useful lives ranging from five to twenty years.

D. Income Taxes:

The Organization is a not-for-profit organization and claims exemption from Federal and State income taxes under Section 501 (c)(3) of the Internal Revenue Code and similar provisions of State tax laws. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an Organization that is not a private foundation under Section 509(a)(2) of the Internal Revenue Code. There was no unrelated business income for the year ended May 31, 2016 and 2015, respectively.

The Organization has adopted the provisions of FIN 48, *Accounting for Income Taxes* (FASB ASC 740-10). The Organization records a liability for any uncertain tax positions when it is probable that a loss had been incurred and the amount can be reasonably estimated. We continually evaluate expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. No such positions existed at August 31, 2016 and 2015 and no interest or penalties are recognized in the statements of activities or statements of financial position. The Organization is no longer subject to the U.S. federal or state income tax examinations by taxing authorities before 2012.

E. Contributed Services:

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, the Organization receives donated goods and volunteer services as part of its Head Start, Nutrition, and Transportation programs, but these items do not meet the criteria for recognition as contributed services. The Organization met or exceeded its in-kind matching requirements for the Head Start, Nutrition, and Transportation programs, which ended during the audit period. The following amounts were received as donated goods and volunteer services as of August 31, 2016 and 2015:

	2016	2015
RSVP	\$ --	\$ 700
Head Start Programs	1,081,100	1,414,584
Golden Circle Nutrition Programs	125,133	124,686
Central Illinois Transportation Programs	8,372	10,470
Total	\$ 1,214,605	\$ 1,550,440

F. Allocated Costs:

The Organization allocates administrative and other support costs to all programs in proportion to the benefits received by each program. Expenses that can be identified with a specific program are charged directly according to their natural expenditure classification.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 1 – Summary of Operations and Significant Accounting Policies (continued)

G. Use of Estimates:

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Investments

The Organization has investments in the Illinois Ventures for Community Action (IVCA). IVCA operates a loan program similar to the Community Service Block Grant (CSBG) loan program and was created for-profit subsidiaries, as well. Investments in those subsidiaries are recorded at fair market value. The fair market value of the investment is \$59,624 and \$43,311 at August 31, 2016 and 2015, respectively.

Note 3 – Property and Equipment

The Organization's property and equipment consists of the following:

	August 31,	
	2016	2015
Equipment	\$ 2,020,649	\$ 1,968,028
Leasehold Improvements	119,646	119,646
	\$ 2,140,295	\$ 2,087,674
Less: Accumulated Depreciation	(1,400,581)	(1,289,847)
Property and Equipment, Net	\$ 739,714	\$ 797,827

Depreciation expense amounted to \$141,655 and \$154,620 for the years ending August 31, 2016 and 2015, respectively.

Note 4 – Loans Receivable

The Organization has loans receivable outstanding at August 31, 2016 and 2015 with local small businesses under its CSBG program. Principal repayments made on these loans must be used to make new loans to eligible applicants who apply through the program. Final determination of whether a loan is deemed uncollectible is made by the Illinois Department of Commerce and Economic Opportunity. At August 31, 2015, the Organization's management established an allowance for doubtful accounts. The allowance for doubtful accounts is estimated from specific financial information gathered by management. At August 31, 2016 and 2015, the allowance for doubtful accounts was \$42,552 and \$42,552, respectively. The Organization's loan receivable balance at August 31, 2016 and 2015 is comprised of the following:

- a. \$137,652 loan requiring monthly payments of principal and interest of \$573.55 at 0% interest, due April, 2024. The balance due at August 31, 2016 and 2015 was \$52,767 and \$59,649, respectively.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 4 – Loans Receivable (continued)

- b. \$75,362 loan requiring monthly payments of principal and interest of \$799.34 at 5.0% due April, 2017. The balance due at August 31, 2016 and 2015 was \$65,385 and \$65,385, respectively. \$24,638 loan requiring monthly payments of principal and interest of \$237.90 at 3.0% interest, due April, 2017. The balance due at August 31, 2016 and 2015 was \$19,719 and \$19,719, respectively. Total legal fees of \$1,441 have been added to the loan. As of August 31, 2015, an allowance for doubtful accounts of \$42,552 was established for this loan.
- c. \$120,000 loan requiring monthly payments of principal and interest of \$666.67 at 0% interest, due April, 2025. The balance due at August 31, 2016 and 2015 was \$68,666 and \$76,666, respectively.
- d. \$29,400 loan requiring monthly payments of principal and interest of \$283.89 at 3% interest, due August 23, 2022. The balance due at August 31, 2016 and 2015 was \$16,669 and \$20,706, respectively.
- e. \$50,000 loan requiring monthly payments of principal and interest of \$718.50 at 5% interest, due May 2, 2021. The balance due at August 31, 2016 and 2015 was \$36,536 and \$42,944, respectively.

Note 5 – Grant Revenue

Temporarily restricted revenue includes amounts provided by the following sources: the Illinois Department of Commerce and Economic Opportunity, Illinois Department of Healthcare and Family Services, Corporation for National Service, Illinois State Board of Education, Midland Area Agency on Aging, Area Agency on Aging for Lincolnland, Inc., Lake Land Community College, Shelby County, Illinois, Effingham County, Illinois, the Illinois Department on Aging, Illinois Department of Transportation, Illinois Department of Human Services, Illinois Association of Community Action Agencies, Housing Action Illinois, U.S. Department of Housing and Urban Development, Illinois Housing Development Authority, Illinois Secretary of State, Federal Emergency Management Agency, and the U.S. Department of Health and Human Services. Under the terms of the grant agreements, costs, which do not meet the conditions of the grant programs, may be disallowed and required to be returned to the grantors. As of August 31, 2016, the Organization is not aware of any such costs.

Note 6 – Retirement Plan

The Organization has established a retirement plan which consists of purchased annuity contracts for all employees who meet the eligibility requirements as to the number of hours worked in a year. Participation in this plan is subject to the continuing qualification of this plan under Section 403(b) of the Internal Revenue Code. Organization contributions to the plan, as determined by the Board of Directors, was \$80 and \$75 per month per participant for the years ending August 31, 2016 and 2015, respectively. Organization contributions totaled \$135,774 and \$120,167 for the years ending August 31, 2016 and 2015, respectively.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
 NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 7 – Leases

The Organization leases buildings at various outreach facility locations. Rental payments during the year ended August 31, 2016 was \$252,454 excluding in-kind space costs for the Golden Circle Nutrition Program and Head Start programs. Due to the Organization funding lease payments with state and federal grant funds, the leases have a funding out clause with allows the Organization to give 90 day notice to the lessor in the event the Organization losses grant funding to pay for the lease payments. Future minimum rental payments under operating leases as of August 31, 2016 are as follows:

2017	\$	348,720
2018		185,580
2019		<u>42,850</u>
	\$	<u>577,150</u>

Note 8 – Statement of Cash Flows Information

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Note 9 – State Grants from IDCEO

During the year ended August 31, 2016, the following amounts were expended under State grants through the Illinois Department of Commerce and Economic Opportunity:

<u>Grant Number</u>	<u>Amount Expended</u>
16-254017	\$ 1,220,673
16-251017	<u>513,597</u>
Total	<u>\$ 1,734,270</u>

Note 10 – Temporarily Restricted Net Assets

As of August 31, 2016 and 2015, the temporarily restricted net assets are as follows:

	<u>August 31,</u>	
	<u>2016</u>	<u>2015</u>
Nutrition Programs	\$ 718,590	\$ 728,585
Volunteer Programs	79,688	75,042
Transportation	176,080	119,559
Workforce Investment Act	142	--
Literacy	19,693	11,879
Housing	20,331	20,415
Homeless Assistance	130,662	133,219
Head Start	14,832	26,049
CSBG Revolving Loan program	217,190	242,517
CSBG program	<u>255,105</u>	<u>187,354</u>
	<u>\$ 1,632,313</u>	<u>\$ 1,544,619</u>

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
 NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 11 – Business and Credit Concentrations

Business Concentrations

The Organization received \$7,779,558 or 47% of its revenue from the Illinois Department of Commerce and Economic Opportunity, during the fiscal year ended August 31, 2016. The Organization received \$6,271,486 or 34% of its revenue from the Illinois Department of Commerce and Economic Opportunity, during the fiscal year ended August 31, 2015.

Credit Concentrations

At August 31, 2016 the Organization has cash deposits in excess of federal insured limits as follows:

<u>Financial Institutions</u>	<u>Deposits in excess of FDIC</u>	<u>Additional Collateral Pledged</u>	<u>Uninsured/ Uncollateralized</u>
Crossroads Bank	\$ 2,112,510	\$ 2,007,925	\$ 104,585

Note 12 – Economic Dependence

The Organization is economically dependent on state and federal funding. At August 31, 2016, the State of Illinois was delinquent in its payments to the Organization. Federal and state funding is contingent on the approval of the federal and state budgets.

Note 13 - Commitments and Contingencies

Loan Guarantee

At August 31, 2016 the Organization is a guarantor on a loan to Community Opportunities, Inc. from Illinois Facilities Fund in the amount of \$36,133. This guarantee would require the Organization to make required loan payments to Illinois Facilities Fund in the event Community Opportunities, Inc. is unable to do so.

Bus

On June 2, 2016, the Board approved to purchase a 2016 Chevrolet Starcraft 21 passenger bus for the cost of \$53,826. As of August 31, 2016, the Organization has not expended any funds for this purchase.

Note 14 – Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Financial assets and liabilities valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using level 3 inputs were primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability. Valuation techniques utilized to determine fair value are consistently applied.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
 NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2016 and 2015

Note 14 – Fair Value – (continued)

Fair Value Measurements at Reporting Date Using

<u>August 31, 2016</u>	<u>Fair Value</u>	Quoted Prices in active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment	<u>\$ 59,624</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 59,624</u>
<u>August 31, 2015</u>				
Investment	<u>\$ 43,311</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 43,311</u>

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended August 31, 2016 and 2015, respectively.

Note 15– Subsequent Events

Subsequent events have been evaluated through February 2, 2017, which is the date the financial statements were available to be issued and noted the following:

Maintenance Truck

On October 5, 2016, the Board approved the purchase of a 2016 Chevrolet 2500 HD Silverado 2WD pickup truck with utility bed at a price of \$24,179.

Meal Transport Vehicle

On September 1, 2016, the Board approved the purchase of a 2016 Chevrolet Silverado 1500 truck chassis with a regular truck cab and a short box work truck package that includes a 70/30 conversion box that provides 70% cold and 30% hot food storage at a price of \$41,698.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2016

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Passed Through to Subrecipients	Expenditures
U. S. Department of Health and Human Services				
Head Start		05CH8357/03	\$ --	\$ 856,979
Head Start		05CH8357/02	--	3,061,410
Total Head Start	93.600		\$ --	\$ 3,918,389
Passed through Illinois Department of Commerce and Economic Opportunity Home Weatherization Assistance Program		16-221017	\$ --	\$ 12,824
Home Weatherization Assistance Program		15-221017	--	308,375
Low Income Home Energy Assistance Program		16-224017	--	1,560,816
Low Income Home Energy Assistance Program		15-224017	--	685,074
Total Low Income Home Energy Assistance	93.568		\$ --	\$ 2,567,089
Passed through Illinois Department of Commerce and Economic Opportunity Community Services Block Grant		16-231017	\$ --	\$ 84,006
Community Services Block Grant		15-231017	--	317,760
Community Services Block Grant - Outstanding Loan			--	85,273
Total Community Services Block Grant	93.569		\$ --	\$ 487,039
Passed through Illinois Department of Human Services Title XX Block Grant		FCSVJ00093 - FY17	\$ --	\$ 8,273
Title XX Block Grant		FCSUJ00093 - FY16	--	16,301
Total Title XX Block Grant	93.667		\$ --	\$ 24,574
Passed through Midland Area Agency on Aging Affordable Care Act - Medicare Improvements for Patients and Providers		MIPPA - 15	\$ --	\$ 325
Affordable Care Act - Medicare Improvements for Patients and Providers		MIPPA - 16	--	4,261
Passed through Area Agency on Aging for Lincolnland, Inc. Affordable Care Act - Medicare Improvements for Patients and Providers		MIPPA 16-16	--	2,443
Total Affordable Care Act - Medicare Improvements for Patients and Providers	93.071		\$ --	\$ 7,029
Passed through Midland Area Agency on Aging Affordable Care Act - State Health Insurance Assistance Program		01-SHIP-16	\$ --	\$ 18,420
Passed through Area Agency on Aging for Lincolnland, Inc. Affordable Care Act - State Health Insurance Assistance Program		SHIP 16-15	--	1,834
Affordable Care Act - State Health Insurance Assistance Program		MMAI 16-15	--	1,679
Affordable Care Act - State Health Insurance Assistance Program		SHIP 16-16	--	267
Total Affordable Care Act - State Health Insurance Assistance Program	93.626		\$ --	\$ 22,200
Passed through Midland Area Agency on Aging Title III-D Disease Prevention and Health Promotion Services		01-15 D	\$ --	\$ 702
Title III-D Disease Prevention and Health Promotion Services		01-16 D	--	7,163
Total Title III-D Disease Prevention and Health Promotion Services	93.043		\$ --	\$ 7,865
Aging Cluster				
Passed through Midland Area Agency on Aging Title III-B Grants for Supportive Services & Senior Centers		2193-TR-16	\$ --	\$ 18,142
Title III-B Grants for Supportive Services & Senior Centers		2193-TR-15	--	2,046
Passed through Area Agency on Aging for Lincolnland, Inc. Title III-B Grants for Supportive Services & Senior Centers		T 16-15	--	1,992
Title III-B Grants for Supportive Services & Senior Centers		T 16-16	--	26,548
Total Title III-B Grants for Supportive Services & Senior Centers	93.044		\$ --	\$ 48,728
Passed through Midland Area Agency on Aging Title III-C Nutrition Service Program		01-16A	\$ --	\$ 174,398
Passed through Area Agency on Aging for Lincolnland, Inc. Title III-C Nutrition Service Program		N 16-16	--	141,458
Title III-C Nutrition Service Program		N 16-15	--	10,206
Total Title III-C Nutrition Service Program	93.045		\$ --	\$ 326,062
Passed through Area Agency for Lincolnland, Inc. Nutrition Services Incentive Program		N 16-16	\$ --	\$ 35,055
Passed through Midland Area Agency on Aging Nutrition Services Incentive Program		01-16-A	--	56,334
Total Nutrition Services Incentive Program	93.053		\$ --	\$ 91,389
Total Aging Cluster			\$ --	\$ 466,179
Total U.S. Department of Health and Human Services			\$ --	\$ 7,500,364

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2016

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Labor				
Workforce Investment and Opportunity Act Cluster				
Passed through Lake Land Community College				
Workforce Investment and Opportunity Act - Adult		16-070116 PY16	\$ --	\$ 270,155
Workforce Investment and Opportunity Act - Adult		12-070112 PY15	--	711,189
Total Workforce Investment and Opportunity Act - Adult	17.258		\$ --	\$ 981,344
Passed through Lake Land Community College				
Workforce Investment and Opportunity Act - Youth		16-070116 PY16	\$ --	\$ 220,104
Workforce Investment and Opportunity Act - Youth		12-070112 PY15	--	560,178
Total Workforce Investment and Opportunity Act - Youth	17.259		\$ --	\$ 780,282
Passed through Lake Land Community College				
Workforce Investment and Opportunity Act - Dislocated Workers		16-070116 PY16	\$ --	\$ 110,536
Workforce Investment and Opportunity Act - Dislocated Workers Co-Enrolled		16-070116 PY 16	--	6,794
Workforce Investment and Opportunity Act - Dislocated Workers		12-070112 PY15	--	463,228
Workforce Investment and Opportunity Act - Dislocated Workers Co-Enrolled		12-070112 PY15	--	18,751
Total Workforce Investment and Opportunity Act - Dislocated Workers	17.278		\$ --	\$ 599,309
Total Workforce Investment and Opportunity Act Cluster			\$ --	\$ 2,360,935
Passed through Lake Land Community College				
Workforce Investment and Opportunity Act - Trade		16-070116 PY16	\$ --	\$ 232,025
Workforce Investment and Opportunity Act - Trade		12-070112 PY15	--	7,664
Total Workforce Investment and Opportunity Act - Trade Adjustment Act	17.245		\$ --	\$ 239,689
Passed through Lake Land Community College				
National Emergency Grants		12-070112 PY15	\$ --	\$ 170,605
National Emergency Grants		16-070116 PY16	--	27,986
Total National Emergency Grants	17.277		\$ --	\$ 198,591
Total U.S. Department of Labor			\$ 0	\$ 2,799,215
U.S. Department of Housing and Urban Development				
Supportive Housing Program - Permanent Housing				
Supportive Housing Program		IL0507L5T151502	\$ --	\$ 2,953
Supportive Housing Program		IL0316L5T151508	--	65,697
Supportive Housing Program - Permanent Housing		IL0507L5T151401	--	41,843
Supportive Housing Program		IL0316L5T151407	--	130,382
Transitional Housing		IL0317L5T151407	--	111,423
Transitional Housing		IL0317L5T151508	--	19,394
Total Supportive Housing Program	14.235		\$ --	\$ 371,692
Housing Counseling Assistance Program				
Passed through Housing Action Illinois		HC150421050	\$ --	\$ 13,698
Housing Counseling Assistance Program			--	17,307
Total Housing Counseling Assistance Program	14.169		\$ --	\$ 31,005
Passed through Illinois Department of Human Services				
Emergency Solutions Grant		FCSUH03749	\$ --	\$ 90,508
Emergency Solutions Grant		FCSVH03749	--	9,831
Total Emergency Solutions Grant Program	14.231		\$ --	\$ 100,339
Passed through Illinois Housing Development Authority				
Single Family Owner Occupied Rehabilitation Program		HO-50828	\$ --	\$ 15,200
Total U.S. Department of Housing and Urban Development			\$ --	\$ 518,236
U.S. Department of Energy				
Passed through Illinois Department of Commerce and Economic Opportunity				
Home Weatherization Assistance Program		13-403017	\$ --	\$ 217,644
Home Weatherization Assistance Program		13-404017	--	11,773
Total U.S. Department of Energy	81.042		\$ --	\$ 229,417
Corporation for National Service				
Retired and Senior Volunteer Program				
Retired and Senior Volunteer Program		16SR181499	\$ --	\$ 21,422
Retired and Senior Volunteer Program		15SR170861	--	34,574
Total Corporation for National Service	94.002		\$ --	\$ 55,996

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED AUGUST 31, 2016

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Agriculture				
Passed through Illinois State Board of Education				
Child and Adult Care Food Program		03-025-002P-00 - FY16	\$ --	\$ 194,524
Child and Adult Care Food Program		03-025-002P-00 - FY15	--	24,599
Total U.S. Department of Agriculture	10.558		\$ --	\$ 219,123
U.S. Department of Transportation				
Passed through Effingham County, Illinois				
Public Transportation for Nonurbanized Areas - Section 5311		OP-16-12 Fed	\$ --	\$ 39,549
Public Transportation for Nonurbanized Areas - Section 5311			--	38,073
Passed through Shelby County, Illinois				
ARRA Public Transportation - Capital Facility		CAP10-932	--	4,230
Public Transportation for Nonurbanized Areas - Section 5311			--	139,326
Public Transportation for Nonurbanized Areas - Section 5311		OP-16-37 Fed	--	216,786
Total U.S. Department of Transportation	20.509		\$ --	\$ 437,964
U.S. Department of Federal Emergency Management Agency				
Passed through United Way				
Emergency Food and Shelter - Effingham County		32-241800002	\$ --	\$ 1,871
Emergency Food and Shelter - Clay County		32-236800001	--	1,000
Emergency Food and Shelter - Fayette County		32-242000001	--	12,027
Emergency Food and Shelter - Moultrie County		32-251600001	--	2,800
Emergency Food and Shelter - Montgomery County		32-251200001	--	15,920
Emergency Food and Shelter - Shelby County		32-255600	--	9,348
Emergency Food and Shelter - Christian County		32-236400005	--	11,446
Total U.S. Department of Federal Emergency Management Agency	97.024		\$ --	\$ 54,412
Total Federal Assistance			\$ --	\$ 11,814,727

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AUGUST 31, 2016

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of C.E.F.S. Economic Opportunity Corporation under programs of the federal government for the year ended August 31, 2016. This information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200*, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards, (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements, and is a summary of the activity of the Organization's federal award programs presented on the accrual basis. Expenses are recognized and recorded when incurred.

Note 2 – Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is a summary of the activity of the Organization's federal award programs presented on the accrual basis. Expenses are recognized and recorded when incurred. 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 – Community Services Block Grant Revolving Loans

\$85,273 of the federal awards represents outstanding loans in conjunction with the revolving loan program. The Federal government imposes continuing compliance requirements on these balances.

Note 3 – Non-monetary Assistance

The Organization did not receive any non-monetary assistance from federal and pass through agencies for the year ending August 31, 2016.

Note 4 – Subrecipients

The Organization did not provide any federal awards to subrecipients for the year ending August 31, 2016.

Note 5 – Insurance Provided by Federal Agencies

The Organization did not receive any insurance coverage provided by a federal agency during the year ending August 31, 2016.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEAD START GRANT #05CH8357/03-02
BUDGET VERSUS ACTUAL REVENUE AND EXPENSES STATEMENT
FOR THE PROGRAM YEAR ENDED OCTOBER 31, 2015

	Final Budget	Actual Per Organization	Budget Variance Favorable (Unfavorable)
REVENUE			
Grant Income	\$ 4,136,603	\$ 4,064,605	\$ (71,998)
In-kind Income	1,034,151	892,134	(142,017)
TOTAL REVENUE	\$ 5,170,754	\$ 4,956,739	\$ (214,015)
EXPENSES			
Personnel	\$ 2,496,024	\$ 2,169,290	\$ 326,734
Fringe Benefits	643,907	524,430	119,477
In-kind Expense	1,034,151	892,134	142,017
Equipment	55,396	90,734	(35,338)
Supplies	170,623	167,668	2,955
Training/Travel	18,340	8,764	9,576
Contractual Services	20,939	10,972	9,967
Other	731,374	1,092,747	(361,373)
TOTAL EXPENSES	\$ 5,170,754	\$ 4,956,739	\$ 214,015
REVENUES IN EXCESS OF EXPENSES	\$ --	\$ --	\$ --

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
MIDLAND AREA AGENCY ON AGING - TITLE III-B
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Year		Total
	2015	2016	
REVENUES:			
Grant Income	\$ 1,952.57	\$ 25,115.28	\$ 27,067.85
Project income	\$ --	\$ --	\$ --
Local Receipts	290.48	428.60	719.08
In-kind income	338.36	1,993.06	2,331.42
Total in-kind and program income	\$ 628.84	\$ 2,421.66	\$ 3,050.50
TOTAL REVENUES	\$ 2,581.41	\$ 27,536.94	\$ 30,118.35
EXPENSES:			
Program expenses	\$ 3,244.63	\$ 24,255.33	\$ 27,499.96
In-kind costs	338.36	1,993.06	2,331.42
TOTAL EXPENSES	\$ 3,582.99	\$ 26,248.39	\$ 29,831.38
EXCESS OF REVENUES OVER (UNDER) EXPENSES	\$ (1,001.58)	\$ 1,288.55	\$ 286.97
NET ASSETS, SEPTEMBER 1, 2015			--
NET ASSETS, AUGUST 31, 2016			\$ 286.97

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
MIDLAND AREA AGENCY ON AGING - TITLE III-C
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Year		Total
	2015	2016	
RECEIPTS			
Grant income	\$ (1,036.00)	\$ 292,957.14	\$ 291,921.14
Project income	\$ 14,849.37	\$ 148,125.82	\$ 162,975.19
Interest income	35.53	1,505.07	1,540.60
In-kind income	5,231.00	46,023.26	51,254.26
Local receipts	(12,778.96)	--	(12,778.96)
Total in-kind and program income	\$ 7,336.94	\$ 195,654.15	\$ 202,991.09
Cash commodities - Federal	\$ --	\$ 56,332.83	\$ 56,332.83
TOTAL RECEIPTS	\$ 6,300.94	\$ 544,944.12	\$ 551,245.06
DISBURSEMENTS			
Program expenses	\$ 44,721.02	\$ 452,080.57	\$ 496,801.59
In-kind costs	5,231.00	46,023.26	51,254.26
TOTAL DISBURSEMENTS	\$ 49,952.02	\$ 498,103.83	\$ 548,055.85
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ (43,651.08)	\$ 46,840.29	\$ 3,189.21
NET ASSETS, SEPTEMBER 1, 2015			393,968.79
NET ASSETS, AUGUST 31, 2016			<u>\$ 397,158.00</u>

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
MIDLAND AREA AGENCY ON AGING - SHIP
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Year		Total
	2015	2016	
REVENUES:			
Federal grant	\$ 435.00	\$ 19,610.00	\$ 20,045.00
Project income	\$ --	\$ --	\$ --
Local Receipts	--	--	--
In-kind income	--	--	--
Total in-kind and program income	\$ --	\$ --	\$ --
TOTAL REVENUES	\$ 435.00	\$ 19,610.00	\$ 20,045.00
EXPENSES:			
Program expenses	\$ 435.00	\$ 19,610.00	\$ 20,045.00
In-kind costs	--	--	--
TOTAL EXPENSES	\$ 435.00	\$ 19,610.00	\$ 20,045.00
EXCESS OF REVENUES OVER (UNDER) EXPENSES	\$ --	\$ --	\$ --
NET ASSETS, SEPTEMBER 1, 2015			--
NET ASSETS, AUGUST 31, 2016			\$ --

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
MIDLAND AREA AGENCY ON AGING - SHAP
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Year		Total
	2015	2016	
REVENUES:			
Federal grant	\$ --	\$ 2,706.00	\$ 2,706.00
Project income	\$ --	\$ --	\$ --
Local Receipts	--	--	--
In-kind income	--	--	--
Total in-kind and program income	\$ --	\$ --	\$ --
TOTAL REVENUES	\$ --	\$ 2,706.00	\$ 2,706.00
EXPENSES:			
Program expenses	\$ --	\$ 2,706.00	\$ 2,706.00
In-kind costs	--	--	--
TOTAL EXPENSES	\$ --	\$ 2,706.00	\$ 2,706.00
EXCESS OF REVENUES OVER (UNDER) EXPENSES	\$ --	\$ --	\$ --
NET ASSETS, SEPTEMBER 1, 2015			--
NET ASSETS, AUGUST 31, 2016			\$ --

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
MIDLAND AREA AGENCY ON AGING - MIPPA
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Year		Total
	2015	2016	
REVENUES:			
Federal grant	\$ 1,472.00	\$ 1,774.00	\$ 3,246.00
Project income	\$ --	\$ --	\$ --
Local Receipts	--	--	--
In-kind income	--	--	--
Total in-kind and program income	\$ --	\$ --	\$ --
TOTAL REVENUES	\$ 1,472.00	\$ 1,774.00	\$ 3,246.00
EXPENSES:			
Program expenses	\$ 1,472.00	\$ 1,774.00	\$ 3,246.00
In-kind costs	--	--	--
TOTAL EXPENSES	\$ 1,472.00	\$ 1,774.00	\$ 3,246.00
EXCESS OF REVENUES OVER (UNDER) EXPENSES	\$ --	\$ --	\$ --
NET ASSETS, SEPTEMBER 1, 2015			--
NET ASSETS, AUGUST 31, 2016			\$ --

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
MIDLAND AREA AGENCY ON AGING - STRONG FOR LIFE
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2016

	Program Year		Total
	2015	2016	
REVENUES:			
Federal grant	\$ 701.91	\$ 7,163.05	\$ 7,864.96
Project income	\$ 100.00	\$ --	\$ 100.00
In-kind income	1,048.00	--	1,048.00
Total program and in-kind income	\$ 1,148.00	\$ --	\$ 1,148.00
TOTAL REVENUES	\$ 1,849.91	\$ 7,163.05	\$ 9,012.96
EXPENSES:			
Program expenses	\$ 801.91	\$ 7,163.05	\$ 7,964.96
In-kind costs	1,048.00	--	1,048.00
TOTAL EXPENSES	\$ 1,849.91	\$ 7,163.05	\$ 9,012.96
EXCESS OF REVENUES OVER (UNDER) EXPENSES	\$ --	\$ --	\$ --
NET ASSETS, SEPTEMBER 1, 2015			--
NET ASSETS, AUGUST 31, 2016			\$ --

Reference should be made to the auditor's report regarding this information.

C.E.F.S. Economic Opportunity Corporation
 Reconciliation of DHS FY15 Federal Funds Summary to Federal Expenditures
 on the Schedule of Expenditures of Federal Awards
 For the Year Ending August 31, 2016

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CFDA #

93.667	Title XX Block Grant		
	Schedule of Expenditures of Federal Awards		
	Total Expenditures for the Fiscal Year 2016 Grant per DHS Federal Funds Summary	\$	20,312
	Expenditures reported on the Fiscal Year 2016 SEFA		4,011
	Expenditures reported on the Fiscal Year 2016 SEFA	\$	16,301
	Expenditures from the FY17 Grant reported on the Fiscal Year 2016 SEFA		8,273
	Total Expenditures reported on the Fiscal Year 2015 SEFA	\$	24,574
14.231	Emergency Solutions Grant Program		
	Schedule of Expenditures of Federal Awards		
	Total Expenditures for the Fiscal Year 2016 Grant per DHS Federal Funds Summary	\$	91,266
	Expenditures reported on the Fiscal Year 2015 SEFA		758
	Expenditures reported on the Fiscal Year 2016 SEFA	\$	90,508
	Expenditures from the FY17 Grant reported on the Fiscal Year 2016 SEFA		9,831
	Total Expenditures reported on the Fiscal Year 2016 SEFA	\$	100,339

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SECTION 5311 ANNUAL FINANCIAL REPORT
RURAL TRANSPORTATION
OPERATING PERIOD JULY 1, 2015 TO JUNE 30, 2016
SHELBY COUNTY, ILLINOIS
CONTRACT NUMBER IL-18-X021

Line Item	<u>Revenue</u>		
401.01	Passenger Fare / Donations	\$	25,269
401.02	Senior Citizen Fares		2,185
402.00	Special Transit Fares		160,411
409.00	Local Cash Grants		78,043
411.00	State Cash Grants		858,862
431.00	Contributed Cash		<u>0</u>
Total Revenue		\$	<u><u>1,124,770</u></u>

<u>Expenses</u>		Actual Administrative Expenses	Actual Operating Expenses	Total
501.00	Labor	\$ 163,252	\$ 591,721	\$ 754,973
502.00	Fringe Benefits	34,784	140,966	175,750
503.00	Services	28,902	159,782	188,684
504.01	Fuel and Oil	--	114,705	114,705
504.02	Tires and Tubes	--	15,524	15,524
504.99	Other Materials	27,561	3,960	31,521
505.00	Utilities	35,079	--	35,079
506.00	Casualty and Liability	23,419	--	23,419
507.00	Taxes	--	--	--
509.00	Miscellaneous	35,470	1,793	37,263
511.00	Interest	--	--	--
512.00	Lease and Rentals	14,286	--	14,286
Total Direct Expense		\$ 362,753	\$ 1,028,451	\$ 1,391,204
Total Indirect Expense		33,010	93,589	126,599
Total Expense		<u>\$ 395,763</u>	<u>\$ 1,122,040</u>	<u>\$ 1,517,803</u>

Section 5311 Grant Reimbursement

	Administrative Expenses	Operating Expenses	Total	Grant Total
Expenses:	\$ 395,763	\$ 1,122,040	\$ 1,517,803	
Less: Ineligible Expense	--	--	--	
Net Eligible Expenses	\$ 395,763	\$ 1,122,040	\$ 1,517,803	
Less: Total Operating Revenues	--	27,454	27,454	
Section 5311 Operating Deficit	395,763	\$ 1,094,586	\$ 1,490,349	
Section 5311 Reimbursement	X 80%	X 50%		
Eligible Reimbursement Per Percentages	\$ 316,610	\$ 547,293		\$ 863,903
Funding Limits Per Contract				393,033
Maximum Section 5311 Reimbursement			393,033	393,033
Less: IDOT Payments - Section 5311				
Reimbursement to Grantee				393,033
Amount Under Paid				<u>\$ --</u>
Grantee Local Match Requirement			<u>\$ 1,097,316</u>	

Grantee Match Sources

Special Transit Fares	\$ 160,411
Local Cash Grants	78,043
State Cash Grants	858,862
Contributed Cash	--
Total Grantee Match Sources	<u>\$ 1,097,316</u>
Total Project Deficit	<u>\$ --</u>

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SECTION 5311 ANNUAL FINANCIAL REPORT
RURAL TRANSPORTATION
OPERATING PERIOD JULY 1, 2015 TO JUNE 30, 2016
EFFINGHAM COUNTY, ILLINOIS
CONTRACT NUMBER IL-18-X032

Line <u>Item</u>	<u>Revenue</u>		
401.01	Passenger Fare / Donations	\$	18,363
401.02	Senior Citizen Fares		1,487
402.00	Special Transit Fares		--
409.00	Local Cash Grants		86,127
411.00	State Cash Grants		385,586
412.00	State Special Fare Assistance		7,135
	Total Revenue	\$	<u>498,698</u>

<u>Expenses</u>		Actual Administrative Expenses	Actual Operating Expenses	Total
501.00	Labor	\$ 42,432	\$ 230,654	\$ 273,086
502.00	Fringe Benefits	7,952	88,325	96,277
503.00	Services	9,596	69,227	78,823
504.01	Fuel and Oil	--	51,239	51,239
504.02	Tires and Tubes	--	415	415
504.99	Other Materials	5,847	395	6,242
505.00	Utilities	14,848	1,071	15,919
506.00	Casualty and Liability	13,407	6,359	19,766
507.00	Taxes	--	--	--
509.00	Miscellaneous	11,678	--	11,678
511.00	Interest	--	--	--
512.00	Lease and Rentals	4,109	1,867	5,976
	Total Direct Expense	\$ 109,869	\$ 449,552	\$ 559,421
	Total Indirect Expense	6,636	27,153	33,789
	Total Expense	\$ 116,505	\$ 476,705	\$ 593,210

Section 5311 Grant Reimbursement

	Administrative Expenses	Operating Expenses	Total	Grant Total
Expenses:	\$ 116,505	\$ 476,705	\$ 593,210	
Less: Ineligible Expense	--	--	--	
Net Eligible Expenses	\$ 116,505	\$ 476,705	\$ 593,210	
Less: Total Operating Revenues	--	19,850	19,850	
Section 5311 Operating Deficit	116,505	\$ 456,855	\$ 573,360	
Section 5311 Reimbursement	X 80%	X 50%		
Eligible Reimbursement Per Percentages	\$ 93,204	\$ 228,428		\$ 321,632
Funding Limits Per Contract				94,512
Maximum Section 5311 Reimbursement			94,512	94,512
Less: IDOT Payments - Section 5311 Reimbursement to Grantee				94,512
Amount Under Paid				\$ --
Grantee Local Match Requirement			\$ 478,848	

Grantee Match Sources

Local Cash Grants	\$ 86,127
State Cash Grants	385,586
State Special Fare Assistance	7,135
Total Grantee Match Sources	<u>\$ 478,848</u>
Total Project Deficit	<u>\$ --</u>

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SCHEDULE OF REVENUE AND EXPENSE
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT
OPERATING PERIOD JULY 1, 2015 TO JUNE 30, 2016
SHELBY COUNTY, ILLINOIS
CONTRACT NUMBER OP-16-37-FED

Line Item	<u>Operating Revenues and Income</u>	
401	Passenger Fare / Donations	\$ 23,192
413	Federal Cash Grants & Reimbursements	295,466
	Total Revenue	<u>\$ 318,658</u>
	<u>Expenses</u>	
		<u>Total</u>
501	Labor	\$ 672,227
502	Fringe Benefits	157,867
503	Services	142,784
504	Materials & Supplies Consumed	133,261
505	Utilities	28,459
506	Casualty and Liability	21,002
507	Taxes	--
509	Miscellaneous	31,081
511	Interest	--
512	Lease and Rentals	12,873
	Indirect Cost Rate	109,159
	Total Operating Expense	<u>\$ 1,308,713</u>
	Total Eligible Operating Expenses	<u>\$ 1,308,713</u>
	<u>Downstate Operating Assistance Reimbursement</u>	
	Total Eligible Operating Expense	\$ 1,308,713
	Total Operating Revenue & Income	<u>318,658</u>
	Deficit	<u>\$ 990,055</u>
	Maximum Contract Amount	<u>\$ 751,600</u>
	FY16 Eligible Downstate Operating Assistance (Deficit or maximum contract amount, whichever is less	<u>\$ 751,600</u>
	FY16 Downstate Operating Assistance Received (prior to close of fiscal year)	<u>\$ 751,600</u>
	FY16 Downstate Operating Assistance Receivable (at close of fiscal year and subsequently received)	<u>\$ --</u>
	<u>FY 16 Downstate Operating Assistance (Over) Under Paid</u>	<u>\$ --</u>

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SCHEDULE OF REVENUE AND EXPENSE
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT
OPERATING PERIOD JULY 1, 2015 TO JUNE 30, 2016
EFFINGHAM COUNTY, ILLINOIS
CONTRACT NUMBER OP-16-12-FED

<u>Line Item</u>	<u>Operating Revenues and Income</u>	
401	Passenger Fare / Donations	\$ 19,849
402	Special Transit Fares	--
413	Federal Cash Grants & Reimbursements	<u>94,512</u>
	Total Revenue	<u>\$ 114,361</u>
	 <u>Expenses</u>	
		<u>Total</u>
501	Labor	\$ 273,085
502	Fringe Benefits	96,277
503	Services	78,823
504	Materials & Supplies Consumed	57,897
505	Utilities	15,918
506	Casualty and Liability	19,766
507	Taxes	--
509	Miscellaneous	11,678
511	Interest	--
512	Lease and Rentals	5,977
	Indirect Cost Rate	<u>33,789</u>
	Total Operating Expense	<u>\$ 593,210</u>
	Total Eligible Operating Expenses	<u>\$ 593,210</u>
	 <u>Downstate Operating Assistance Reimbursement</u>	
	Total Eligible Operating Expense	\$ 593,210
	Total Operating Revenue & Income	<u>114,361</u>
	Deficit	<u>\$ 478,849</u>
	Maximum Contract Amount	<u>\$ 439,230</u>
	FY16 Eligible Downstate Operating Assistance (Deficit or maximum contract amount, whichever is less)	<u>\$ 439,230</u>
	FY16 Downstate Operating Assistance Received (prior to close of fiscal year)	<u>\$ 439,230</u>
	FY16 Downstate Operating Assistance Receivable (at close of fiscal year and subsequently received)	<u>\$ --</u>
	<u>FY 16 Downstate Operating Assistance (Over) Under Paid</u>	<u>\$ --</u>

Reference should be made to the auditor's report regarding this information.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SCHEDULE OF REVENUE AND EXPENSE
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT
OPERATING PERIOD JULY 1, 2015 TO JUNE 30, 2016
CHRISTIAN COUNTY
CONTRACT NUMBER OP-16-07-FED

Line <u>Item</u>	<u>Operating Revenues and Income</u>	
401	Passenger Fare / Donations	\$ 4,262
402	Special Transit Fares	--
413	Federal Cash Grants & Reimbursements	<u>97,567</u>
	Total Revenue	<u>\$ 101,829</u>
	 <u>Expenses</u>	
		<u>Total</u>
501	Labor	\$ 82,746
502	Fringe Benefits	17,882
503	Services	45,900
504	Materials & Supplies Consumed	28,489
505	Utilities	6,620
506	Casualty and Liability	2,418
507	Taxes	--
509	Miscellaneous	6,183
511	Interest	--
512	Lease and Rentals	1,412
	Indirect Cost Rate	<u>17,440</u>
	Total Operating Expense	<u>\$ 209,090</u>
	Total Eligible Operating Expenses	<u>\$ 209,090</u>
	 <u>Downstate Operating Assistance Reimbursement</u>	
	Total Eligible Operating Expense	\$ 209,090
	Total Operating Revenue & Income	<u>101,829</u>
	Deficit	<u>\$ 107,261</u>
	Maximum Contract Amount	<u>\$ 302,500</u>
	FY16 Eligible Downstate Operating Assistance (Deficit or maximum contract amount, whichever is less)	<u>\$ 107,261</u>
	FY16 Downstate Operating Assistance Received (prior to close of fiscal year)	<u>\$ 108,469</u>
	FY16 Downstate Operating Assistance Receivable (at close of fiscal year and subsequently received)	<u>\$ --</u>
	<u>FY 16 Downstate Operating Assistance (Over)</u> <u>Under Paid</u>	<u>\$ (1,208)</u>

Reference should be made to the auditor's report regarding this information.

Agency Name: C E F S Economic Opportunity Corporation
 FEIN: 37-6053117

Schedule of Program Costs
 For Period Ended August 31, 2016

Line #	Account Title	Agency Total	All Other Not Allocated	Emergency Solutions	Emergency Solutions	Transportation	Transportation	Emergency & Transitional Hs	Emergency & Transitional Hs	Homeless Prevention	Homeless Prevention
				FCSUH03749	FCSVH03749	FCSUJ00093	FCSVJ00093	FCSUH00480	FCSVH00480	FCSUH00163	FCSVH00163
Program Expenses:											
1.	Program Staff Salaries	4,866,254.94	4,821,046.63	19,120.34	6,339.39	17,403.04	1,317.07		499.51		528.96
2.	Program Clerical Staff Salaries		-								
3.	Program Payroll Taxes and Fringe Benefits	1,161,702.53	1,148,971.67	5,741.12	1,697.53	4,901.54	124.27		190.88		75.52
4.	Program Consultants	246,333.58	245,996.05				337.53				
5.	Consumer Wages and Fringe Benefits		-								
6.	Medicine and Drugs		-								
7.	All Other Program Equipment and Supplies	990,148.27	983,579.39	5,463.93		441.00	649.87		8.28		5.80
8.	Staff Transportation		-								
9.	Client Transportation		-								
10.	Transportation To / From School		-								
11.	Direct Service Staff Conferences and Conventions	18,933.53	18,933.53								
12.	Program Insurance	76,740.13	76,673.91				66.22				
13.	Direct Client Specific Assistance	6,812,246.42	6,743,079.49	56,517.00	900.00			196.45	5,928.48	175.00	5,450.00
14.	Telecommunication Costs Assigned to Program	107,353.30	106,845.84	6.13			501.33				
15.	Foster Care Payments		-								
16.	Other (Specify)	14,270.77	14,270.77								
17.	Total Program Expenses (Sum Lines 1 - 16)	14,293,983.47	14,159,397.28	86,848.52	8,936.92	22,745.58	2,996.29	196.45	6,627.15	175.00	6,060.28
Support Expenses:											
18.	Support Salaries		-								
19.	Support Payroll Taxes and Fringe Benefits		-								
20.	Dietary Supplies		-								
21.	Housekeeping and Laundry Supplies		-								
22.	Other (Specify)		-								
23.	Total Support Expenses (Sum Lines 18 - 22)	-	-	-	-	-	-	-	-	-	-
Occupancy Expenses:											
24.	Occupancy Salaries		-								
25.	Occupancy Payroll Taxes and Fringe Benefits		-								
26.	Building & Equip. Operations and Maintenance	576,438.64	571,444.01	75.00			4,919.63				
27.	Vehicle Depreciation	111,595.12	111,595.12								
28.	All Other Depreciation & Amortization	22,685.28	22,685.28								
29.	Vehicle Rent		-								
30.	All Other Lease / Rent / Taxes	254,124.22	254,037.22				87.00				
31.	Equipment Under \$5000	13,698.50	12,951.50	747.00							
32.	Mortgage & Installment Interest		-								
33.	Operating Interest		-								
34.	Other (Specify)		-								
35.	Total Occupancy Expenses (Sum Lines 24 - 34)	978,541.76	972,713.13	822.00	-	-	5,006.63	-	-	-	-
Administrative and Office Expenses:											
36.	Administrative Salaries	357,121.59	357,121.59								
37.	Administrative Payroll Taxes and Fringe Benefits	74,956.16	74,956.16								
38.	Administrative Consultants	10,902.05	10,902.05								
39.	Telecommunication Costs Not Assigned to Program	41,684.87	41,684.87								
40.	Office Supplies and Equipment	42,598.14	42,598.14								
41.	Allocation of Management and General (G & A)		(5,772.39)	2,837.43	893.69		772.53		662.72		606.02
42.	Other (Specify)	251,123.93	251,123.93								
43.	Total Administrative Expenses (Sum Lines 36 - 42)	778,386.74	772,614.35	2,837.43	893.69	-	772.53	-	662.72	-	606.02
44.	Total Expenses (Sum Lines 17, 23, 35, 43)	16,050,911.97	15,904,724.76	90,507.95	9,830.61	22,745.58	8,775.45	196.45	7,289.87	175.00	6,666.30
Non-reimbursable Expenses:											
45.	Depr. on DMHDD Funded Capital Assets Incl. Above		-								
46.	Cost of Prod. and Workshop Client Wages Incl. Above		-								
47.	Other (Specify)		-								
48.	Total Non-Reimbursable Expenses (Sum Lines 45 - 47)	-	-	-	-	-	-	-	-	-	-
49.	Net Expenses (Line 44 minus Line 48)	16,050,911.97	15,904,724.76	90,507.95	9,830.61	22,745.58	8,775.45	196.45	7,289.87	175.00	6,666.30

Agency Name: C E F S Economic Opportunity Corporation
 FEIN: 37-6053117

Schedule of Program Revenue
 For Period Ended August 31, 2016

Line #	Account Title	Agency Total	All Other Not Allocated	Emergency Solutions FCSUH03749	Emergency Solutions FCSVH03749	Transportation FCSUJ00093	Transportation FCSVJ00093	Emergency & Transitional Hs FCSUH00480	Emergency & Transitional Hs FCSVH00480	Homeless Prevention FCSUH00163	Homeless Prevention FCSVH00163
	Fees + Purchase of Service:										
1.	Department of Aging		-								
2.	Department of Children and Family Services		-								
3.	Department of Corrections		-								
4.	Medicaid Rehab Option (MRO) Payments		-								
5.	Department of Human Services		-								
6.	Department of Public Aid		-								
7.	Department of Public Health		-								
8.	Local Education Agency / School District		-								
9.	Local Government		-								
10.	Federal Government		-								
11.	Other Government Agencies		-								
12.	Client / Family Pgm Fees (incl. SSI, SSA, pensions)		-								
13.	Special Service Fees for Individual Clients	554,112.74	551,552.10			2,248.97	311.67				
14.	Diagnostic Service Fees		-								
15.	Other (Specify)		-								
16.	Total Fees + Purchase of Services (Sum Lines 1 - 15)	554,112.74	551,552.10	-	-	2,248.97	311.67	-	-	-	-
	Grant Revenues										
17.	Department of Aging	227,213.43	227,213.43								
18.	Department of Children and Family Services		-								
19.	Department of Corrections		-								
20.	donated/Certified Funds Initiative (DFI / CFI)		-								
21.	Department of Human Services	14,327.62	-					196.45	7,289.87	175.00	6,666.30
22.	Department of Public Aid		-								
23.	Department of Public Health		-								
24.	Local Education Agency / School District		-								
25.	Local Government Awards		-								
26.	Federal Government Awards	11,729,383.85	11,604,471.07	90,507.95	9,830.61	16,301.10	8,273.12				
27.	Other Government Awards	3,333,595.90	3,333,595.90								
28.	JTPA / CETA		-								
29.	Other (Specify)		-								
30.	Total Grant Revenues (Sum Lines 17 - 29)	15,304,520.80	15,165,280.40	90,507.95	9,830.61	16,301.10	8,273.12	196.45	7,289.87	175.00	6,666.30
	Contributions & Other										
31.	Restricted to Operations	464,736.28	460,540.77			4,195.51					
32.	Restricted to Capital		-								
33.	Unrestricted	18,005.00	18,005.00								
34.	Contributions - Goods and Services		-								
35.	Child / Adult Food Pgms (school meals, commodities)		-								
36.	School Transportation Payments (to/from school)		-								
37.	Sales of Goods and Services		-								
38.	Rent Income		-								
39.	Gain on Sale of Assets	24,861.93	24,861.93								
40.	Cafeteria and Vending Machine		-								
41.	Other (Specify)	43,507.48	43,507.48								
42.	Total Contributions & Other (Sum Lines 31 - 41)	551,110.69	546,915.18	-	-	4,195.51	-	-	-	-	-
	Investment Income										
43.	Income on Restricted Assets / Investments		-								
44.	Income on Unrestricted Assets / Investments	25,457.09	25,457.09								
45.	Total Investment Income (Sum Lines 43 & 44)	25,457.09	25,457.09	-	-	-	-	-	-	-	-
46.											
47.	TOTAL REVENUES (Sum Lines 16, 30, 42, 45, 46)	16,435,201.32	16,289,204.77	90,507.95	9,830.61	22,745.58	8,584.79	196.45	7,289.87	175.00	6,666.30



Grant Allowable Cost Summary

GRANT REPORT for the period July 1 through June 30, 2016

AGENCY NAME: C.E.F.S. Economic Opportunity Corporation

FEIN: 37-6053117

	Program Name/Number/Contract Number/Other Identification	DHS GRANT - FUNDED SERVICES					All other Programs	Mgmt. & General	Total
		Program 1	Program 2	Program 3	Program 4	Program 5			
		SUH163	SUH480						
A	Direct Program expenses	175.00	196.45					371.45	
B	Allocate Management and General Costs (Note 1)						-	-0-	
C	SUBTOTAL A & B	175.00	196.45				-0-	371.45	
D	Subtract Unallowable costs per page 2								
E	Add other approved uses (attach documentation)								
F	TOTAL Allowable costs	175.00	196.45						
G	Special provisions (see instructions)								
H	Interest Earned (see instructions)								

NOTE 1: Management and General costs are allocated based on: direct salaries, total direct costs, other basis (attach explanation).



UNALLOWABLE COST REPORT

Agency Name: C.E.F.S. Economic Opportunity Corp.

FEIN: 37-6053117

Program Name/Number/Contract Number	DHS Grant-Funded Services				
	Program 1	Program 2	Program 3	Program 4	Program 5
	SUH00163	SUH00480			

Unallowable Costs (see instructions)

Compensation of Governing Body					
Entertainment					
Association Dues					
Meetings and Conventions					
Fundraising					
Bad Debt					
Charity and Grants					
Unallowable Interest					
Inventories					
Depreciation of DHS-funded Assets					
Cost of Production					
In-Kind Expenses					
Alcoholic Beverages					
Personal Automobile					
Fines and Penalties					
Personal Use Items					
Lobbying					
Unallowable Relocation					
Gratuities					
Political Contributions					
Related Party Transactions					
Costs Where a Conflict of Interest Exists					

Unallowable Cost if Program is Federally Funded or Cost Restricted by Contract (See Instructions)

Explain:					
Explain:					
Total Unallowable Costs (to line D of Grant Report) - See below if None					

If no unallowable costs are listed, sign and date as follows:

I certify that no unallowable costs are included in either direct costs or allocated Management and General costs on the Grant Report.

Signature: Tina Percy

Digitally signed by Tina Percy
Date: 2017.02.02 13:14:38 -0600

Date: Feb 2, 2017

[Reset Form](#)

Printed Name and Title: Tina Percy, Chief Financial Officer

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2016

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of C.E.F.S. Economic Opportunity Corporation.
2. No significant deficiencies relating to the audit of the financial statements are reported in the 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*. No material weaknesses relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of C.E.F.S. Economic Opportunity Corporation were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance for each Major Federal Program and Internal Control over Compliance in accordance with OMB Circular A-133. No material weaknesses relating to the audit of the major federal award programs are reported in the Report on Compliance for each Major Federal Program and Internal Control over Compliance in accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for C.E.F.S. Economic Opportunity Corporation expresses an unmodified opinion.
6. There were no audit findings relative to the major programs for C.E.F.S. Economic Opportunity Corporation.
7. The programs tested as major programs include:

Name	CFDA No.
Head Start	93.600

8. The threshold for distinguishing Type A and B programs was \$750,000.
9. C.E.F.S. Economic Opportunity Corporation was determined to be a low-risk auditee.

B. FINDINGS — FINANCIAL STATEMENT AUDITS

Our tests revealed no noncompliance and internal control over financial reporting findings.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Our tests did not reveal any findings or questioned costs relative to the each of the major federal award programs.

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED AUGUST 31, 2016

This schedule is not applicable because the Organization had no prior year audit findings.