

# Great Lakes Community Action Partnership

Fremont, Ohio

Financial Statements and Supplementary  
Information

Year Ended September 30, 2022



# Great Lakes Community Action Partnership

Financial Statements and Supplementary Information

Year Ended September 30, 2022

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## **Independent Auditor's Report**

Board of Directors  
Great Lakes Community Action Partnership  
Fremont, Ohio

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Great Lakes Community Action Partnership (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Great Lakes Community Action Partnership as of September 30, 2022, 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.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Great Lakes Community Action Partnership and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Great Lakes Community Action Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## ***Auditor's Responsibilities for the Audit of the Financial Statement***

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Great Lakes Community Action Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Great Lakes Community Action Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal, state, and local awards which includes information 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. 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. 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 9, 2023, on our consideration of Great Lakes Community Action Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Great Lakes Community Action Partnership'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 Great Lakes Community Action Partnership's internal control over financial reporting and compliance.

*Wipfli LLP*

Wipfli LLP

Madison, Wisconsin  
May 9, 2023

# Great Lakes Community Action Partnership

## Statement of Financial Position

September 30, 2022

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<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 6,883,489
Investments	2,135,294
Accounts receivable, net	764,637
Grants receivable	5,109,005
Revolving loans receivable - Current, net	44,184
Loans receivable - Current	14,062
Prepaid expenses	685,782
Advance deposit	343,508
Other assets	148,112
<b>Total current assets</b>	<b>16,128,073</b>
<hr/>	
Property and equipment, net	9,514,279
Long-term assets:	
Revolving loans receivable - Long-term, net	415,466
Loans receivable - Long-term	133,524
Loans receivable - Related parties, net	2,380,122
<b>Total long-term assets</b>	<b>2,929,112</b>
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<b>TOTAL ASSETS</b>	<b>\$ 28,571,464</b>

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See accompanying notes to financial statements.

# Great Lakes Community Action Partnership

## Statement of Financial Position (Continued)

September 30, 2022

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<i>Liabilities and Net Assets</i>	
Current liabilities:	
Notes payable - Current portion	\$ 125,505
Loans payable - Current portion	14,062
Accounts payable	1,542,741
Accrued payroll and related expenses	1,006,415
Accrued vacation	969,054
Refundable advance liability	4,097,615
Other liabilities	547,828
<b>Total current liabilities</b>	<b>8,303,220</b>
Long-term liabilities:	
Notes payable	3,427,621
Loans payable	133,524
Loans payable - Related parties	2,380,122
<b>Total long-term liabilities</b>	<b>5,941,267</b>
<b>Total liabilities</b>	<b>14,244,487</b>
Net assets:	
Net assets without donor restrictions	10,919,227
Net assets without donor restrictions - Designated for self insurance	2,106,740
Net assets without donor restrictions - Board designated	289,045
<b>Total net assets without donor restrictions</b>	<b>13,315,012</b>
Net assets with donor restrictions	1,011,965
<b>Total net assets</b>	<b>14,326,977</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 28,571,464</b>

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See accompanying notes to financial statements.

# Great Lakes Community Action Partnership

## Statement of Activities

Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue:			
Federal	\$ 44,615,374	\$ 0	\$ 44,615,374
Other	3,383,576	81,859	3,465,435
Total grant revenue	47,998,950	81,859	48,080,809
Investment loss	( 466,882)	0	( 466,882)
Loan interest income	76,612	8,417	85,029
Contract revenue	4,355,139	0	4,355,139
Program income	114,772	0	114,772
Donations	331,363	3,544	334,907
Rental income	102,529	0	102,529
Miscellaneous revenue	89,954	7,104	97,058
In-kind contributions	54,042	0	54,042
Net assets released from restrictions	16,313	( 16,313)	0
<b>Total revenue</b>	<b>52,672,792</b>	<b>84,611</b>	<b>52,757,403</b>
Program activities:			
Child development	23,197,006	0	23,197,006
Adult and youth development	11,079,483	0	11,079,483
Community development	7,438,425	0	7,438,425
Housing and energy	3,396,782	0	3,396,782
Seniors	1,608,022	0	1,608,022
TRIPS	1,415,504	0	1,415,504
Corporate programs	858,756	0	858,756
Housing and workforce development	961,954	0	961,954
Total program activities	49,955,932	0	49,955,932
Management and general	3,267,627	0	3,267,627
Fundraising	8,030	0	8,030
<b>Total expenses</b>	<b>53,231,589</b>	<b>0</b>	<b>53,231,589</b>
Change in net assets	( 558,797)	84,611	( 474,186)
Net assets - Beginning of year	13,873,809	927,354	14,801,163
Net assets - End of year	\$ 13,315,012	\$ 1,011,965	\$ 14,326,977

See accompanying notes to financial statements.



# Great Lakes Community Action Partnership

## Statement of Functional Expenses

Year Ended September 30, 2022

	<b>Program Activities</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Personnel	\$ 24,970,036	\$ 2,653,659	\$ 0	\$ 27,623,695
Participant costs	801,551	0	0	801,551
Donated services	67,043	0	0	67,043
Training	350,721	8,925	0	359,646
Consultants	9,195,598	111,226	3,333	9,310,157
Subrecipients	3,326,332	0	0	3,326,332
Travel	648,104	6,732	0	654,836
Transportation	499,462	0	0	499,462
Space costs	2,209,938	158,702	1,054	2,369,694
Donated space	13	0	0	13
Operating costs	2,838,291	154,137	2,576	2,995,004
Food	699,375	0	592	699,967
Weatherization materials	603,673	0	0	603,673
Equipment	42,828	0	0	42,828
Depreciation	863,593	3,216	0	866,809
Miscellaneous	1,014,213	171,030	475	1,185,718
Interest expense	126,525	0	0	126,525
Emergency assistance	1,698,636	0	0	1,698,636
<b>Total expenses</b>	<b>\$ 49,955,932</b>	<b>\$ 3,267,627</b>	<b>\$ 8,030</b>	<b>\$ 53,231,589</b>

See accompanying notes to financial statements.

# Great Lakes Community Action Partnership

## Statement of Cash Flows

Year Ended September 30, 2022

(Decrease) increase in cash and cash equivalents:

Cash flows from operating activities:

Change in net assets (\$ 474,186)

Adjustments to reconcile change in net assets

to net cash provided by operating activities:

Depreciation 866,809

Provision for loan loss - Revolving loans 26,969

Provision for loan loss - Related parties 37,042

Interest earned on loans receivable - Related parties ( 76,322)

Interest accrued on loans payable - Related parties 39,280

Loss on disposal of property and equipment 13,702

Unrealized and realized loss on investments 578,279

Changes in operating assets and liabilities:

Grants receivable 1,335,730

Accounts receivable ( 87,963)

Prepaid expenses ( 236,503)

Advance deposit ( 24,806)

Other assets ( 12,061)

Accounts payable ( 301,305)

Accrued payroll and related expenses ( 342,453)

Accrued vacation 166,153

Refundable advance liability 1,090,401

Other liabilities 8,000

Net cash provided by operating activities 2,606,766

Cash flows from investing activities:

Capital expenditures ( 1,006,791)

Proceeds from sales and maturities of investments 415,157

Purchase of investments ( 709,764)

Issuance of revolving loans ( 102,657)

Principal payments received on revolving loans 124,131

Proceeds from sale of property and equipment 36,303

Net cash used in investing activities ( 1,243,621)

# Great Lakes Community Action Partnership

## Statement of Cash Flows (Continued)

Year Ended September 30, 2022

<hr/>	
Cash flows from financing activities:	
Principal payments on notes payable	(\$ 122,368)
Net cash used in financing activities	( 122,368)
<hr/>	
Change in cash and cash equivalents	1,240,777
Cash and cash equivalents - Beginning of year	5,642,712
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Cash and cash equivalents - End of year	\$ 6,883,489
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<b>Supplemental cash flow information:</b>	
Interest paid	\$ 126,525

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies

#### Nature of Operations

Great Lakes Community Action Partnership (GLCAP) was organized as a nonprofit corporation in 1965 to provide financial and other assistance to other communities, community organizations, voluntary associations, and other entities that undertake similar activities for the benefit of residents. These services are provided by cooperating with and assisting governmental and private agencies in initiating, coordinating, planning, and developing programs for the alleviation of conditions of poverty and to expand economic opportunities. GLCAP operates over 200 different programs including Head Start, Housing and Weatherization Program, the Rural Community Assistance Program and the Sandusky County Senior Services program.

Child Development operates the Head Start program, which is a comprehensive child development program which serves over 100 children ages Birth-5 and their families. It is a child-focused program designed to increase the social competence of young children in low-income families. The program supports the child's social, emotional, cognitive, and physical development in a developmentally appropriate play-based environment. The overarching goal is to prepare children for kindergarten and offer family members with opportunities and support to help them develop to their fullest potential. Child Development also operates after school and summer programming to over 50 middle school and high school students. The after school program students receive homework assistance, meals, enrichment programming, tutoring and other activities in a safe environment.

Adult and Youth Services provide youth summer programming, homelessness prevention services, energy assistance and fatherhood services throughout our service area. TANF youth and summer programs are provided to assist out-of-school youth prepare for employment and attain educational goals. Homelessness services include HUD Permanent Supportive Housing and Domestic Violence housing options for those in need. Supportive Services are also provided to veterans in need of housing and support. Additional employment and training services are provided to those unemployed. HEAP services provide emergency heating and summer cooling assistance.

Community Development, serving rural Ohio communities for 40 years, provides free and low-cost services to help rural communities address their planning, infrastructure and economic development needs. Each year, GLCAP's RCAP program serves over 200 communities in Ohio, Illinois, Michigan and Wisconsin, and an additional 100 communities in Indiana, Kentucky and West Virginia through sub-recipients. Field agents assist with project development and provide training for capacity building. The Great Lakes RCAP network receives funding from a number of federal programs as well as Ohio EPA and the Ohio Water Development Authority to provide technical assistance to communities with populations under 10,000. International programs funded by the Department of State focus on civil society and leadership development, primarily in central and Eastern Europe.

The Housing and Energy programming primarily operates the Home Weatherization Assistance Program (HWAP), a federally funded energy conservation program intended to assist income-eligible residents in making their homes more energy efficient. Services include home insulation, furnace repair or replacement, and other minor health and safety improvements, all at no cost to the homeowner. The program is available to both homeowners and renters. Weatherization employees apply energy conservation measures utilizing state-of-the-art tools, materials, and equipment.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### **Nature of Operations** (Continued)

The Sandusky County Senior Services Program is designed to serve seniors ages 60 and over, and their spouses, regardless of age. GLCAP operates three senior centers and provides Meals on Wheels to homebound senior citizens. The Senior program is funded by the Area Office on Aging of Northwestern Ohio with additional support from Sandusky County levy funds and the United Way of Sandusky County.

The Transportation Resources for Independent Persons in Sandusky County (TRIPS) program, administered by GLCAP, provides curb to curb transportation services for residents of Sandusky County. Low fare rides must be scheduled at least 24 hours in advance for employment, medical, shopping, etc. Transportation services are provided to low-income persons, senior citizens, individuals with disabilities as well as the general public.

In addition, GLCAP has several wholly owned and majority-owned subsidiaries that are corporations. The purpose of these subsidiaries is to assist low- to moderate-income individuals with affordable housing. These subsidiaries are general partners in low-income housing partnerships described in Note 17.

GLCAP has a 75% ownership interest in the following subsidiaries:

- Lake Towne Housing Corporation - an Ohio corporation
- Port Clinton Pointe Housing Corporation - an Ohio corporation
- Nickel Plate Plaza Housing Corporation - an Ohio corporation

GLCAP has a 100% ownership interest in the following subsidiaries:

- Harbor Towne Senior Residence Housing Corporation - an Ohio corporation
- Commons at Little Bark Creek Housing Corporation - an Ohio corporation
- Secor Senior Loft Housing Corporation - an Ohio corporation
- Trailside Lofts Housing Corporation – an Ohio corporation

The equity investments in the LLC's and LP's noted above along with the financial activity of the housing corporations noted above are immaterial; therefore, no activity has been recorded or consolidated into these financial statements.

Approximately 45% GLCAP's federal grant funding is received under GLCAP's federal Head Start program and 10% is received under GLCAP's Emergency Assistance program.

#### **Basis of Presentation**

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

#### **Use of Estimates**

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

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### Classification of Net Assets

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

**Net Assets Without Donor Restrictions** - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution. The governing board has designated from net assets without donor restrictions, a self-insurance reserve and a general board designated reserve.

**Net Assets With Donor Restrictions** - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of GLCAP and/or the passage of time. Other donor-imposed stipulations are perpetual in nature, where the donor stipulates the resources to be maintained in perpetuity. When a restriction expires, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Generally, the donors of these assets permit GLCAP to use all or part of the income earned on any related investments for general or specific purposes. Currently, GLCAP does not have any net assets that are perpetual in nature.

#### Revenue Recognition

##### Contributions

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. If the restriction is satisfied in the same period the contribution is received, the contribution is reported as revenue without donor restrictions.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### Revenue Recognition (Continued)

##### Grants

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

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

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses or asset acquisition costs are incurred. Amounts received in excess of expenses are reflected as a refundable advance liability.

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

Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

##### Rental Income

Rental income represents income received from various sources for use of property or space owned by GLCAP. This income is recognized in the period in which it is earned.

##### Program Income

Program income is generated by a supported activity or earned as a result of a federal award during the period of performance. Program income must be used for the purposes under the award and for current, allowable costs under the federal guidelines and conditions in the federal grant.

##### Contract Revenue

*Weatherization Contract Fees* - GLCAP recognized revenues from Weatherization contracts for service contracts of \$590,538 in 2022. GLCAP Weatherization contracts with area utility providers to install insulation, energy efficient light bulbs, refrigerators, and energy efficient water measures for scheduled fees to low-income participants.

GLCAP considers the performance obligation defined by deliverables established within each contract and scope of work. Fees are set on a per deliverable fee basis with each utility contract. Transactions are allocated based on fees set for each contract deliverable and outlined scope of work. Revenue is recognized at a point in time after an approved inspection of the work completed based on the contracted fee schedule.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### **Revenue Recognition (Continued)**

##### Contract Revenue (Continued)

*Early Childhood Education Fees* – GLCAP recognized revenues from early childhood fees of \$775,795 in 2022. GLCAP offers early childhood education to local Boards of Education. Contract terms are established to provide a 7 hour per day classroom experience in accordance with Early Education program requirements, four days a week for at least 130 days between August and May. Pricing is included within each contract with fees based on attendance sheets. Each month GLCAP invoices fees to the respective Board of Education for each unit of service completed.

GLCAP considers the performance obligation to be providing early childhood education services and the performance obligation is satisfied when days of service are provided. Revenue is recognized over time as the participant is simultaneously receiving and consuming the benefits of the service. GLCAP feels the output method is the most faithful depiction of the transfer of goods or services and day of service, as a result achieved, represents a satisfaction of a performance obligation. Neither the respective Board of Education, nor GLCAP, is obligated beyond that day.

*Community Housing Impact and Preservation Fees* - GLCAP recognized revenues from Community Housing Impact and Preservation (CHIP) contracts of \$1,312,475 in 2022. GLCAP CHIP contracts are established with various counties to provide administration of their Community Housing Impact and Preservation (CHIP) grants. Contracts are in place with the counties of Sandusky, Erie, Huron, Lorain, Ottawa, Putnam, Lucas, Hancock, Crawford, and with the City of Fostoria.

GLCAP considers the performance obligation as the performance obligation defined by deliverables established within each contract. Fees are set on a per deliverable basis with each community contract. Transactions are allocated based on fees set for each contract deliverable. Revenue is recognized at a point in time after the completion of the tasks required per the contract.

Receivables from all contracts with customers was \$458,014 and \$486,068 at September 30, 2022 and October 1, 2021. There were no contract assets or contract liabilities at September 30, 2022 and October 1, 2021.

#### **Cash Equivalents**

For purposes of financial statement presentation, GLCAP includes money market investments and certificates of deposit with an original maturity of three months or less as cash equivalents.

#### **Accounts Receivable**

Accounts receivable represent amounts due from various entities for performance contracts. Amounts are reviewed for collectability by management, and an allowance for doubtful accounts is recorded as needed based on collection history and customer attributes. If an amount becomes delinquent after all collection efforts have failed, the account is written off. For the year ended September 30, 2022, GLCAP has recorded an allowance of \$30,269 related to accounts receivable.



# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### **Investments**

Marketable securities are carried at fair value. The fair value of the investments is generally determined by references to quoted market prices. Investments consist of fixed income mutual funds and equity mutual funds. Investment income, gains and losses, and any investment-related expenses are recorded as changes in net assets without donor restrictions in the statement of activities unless their use is restricted by explicit donor stipulations or law. Investment fees, if any, are netted against investment return.

#### **Fair Value Measurements**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Some assets and liabilities are measured at fair value on a recurring basis under accounting principles generally accepted in the United States. Other assets and liabilities, such as impaired investments, are measured at fair value on a nonrecurring basis. At September 30, 2022, GLCAP does not have any liabilities that are measured at fair value on a recurring basis, nor are there assets or liabilities measured on a nonrecurring basis.

#### **Revolving Loans Receivable**

GLCAP operates several loan funds that provide assistance to business owners or low-income homeowners in Ohio and Michigan. The assistance provided is in the form of low- or no-interest deferred payment or installment loans and the loans are secured by property owned by the home or business owners. The assistance provided is recorded as a loan receivable with a corresponding increase in net assets with donor restrictions. Any loans subsequently repaid will reduce the loan receivable and provide funds for loans or other assistance to other eligible participants.

Management has the intent and ability to hold all loans for the foreseeable future or until maturity or pay-off generally and has reported the loans at their outstanding unpaid principal balances adjusted for charge-offs and the allowance for expected loan losses. Interest income is accrued on the unpaid principal balance. Loan origination fees, net of certain direct origination costs are recognized as income or expense when received or incurred since capitalization of these fees or costs would not have a significant impact on the financial statements.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### **Revolving Loans Receivable (Continued)**

At such time when a loan is determined to be past due, the interest-bearing loans are placed on non-accrual status. The determination of past due loans for purposes of placing on non-accrual status is made on a case-by-case basis after a review by the Chief Financial Officer. All interest accrued but not collected for loans that are placed on non-accrual or charged off is reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

#### **Allowance for Loan Losses**

The allowance for loan losses is a valuation allowance for probable incurred credit losses based on an evaluation of the outstanding loans. Loans losses are charged against the allowance when management believes the collectability of the principal is unlikely. Subsequent recoveries, if any, are credited to the allowance.

Management regularly evaluates the allowance for loan losses taking into consideration such factors as historical loss experience, changes in the nature and volume of the loan portfolio, overall portfolio quality, and review of specific problem loans, and current economic conditions that may affect the borrower's ability to pay.

A loan is considered impaired when, based on current information and events, it is probable that GLCAP will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a loan-by-loan basis for business loans by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price, or the fair value of the collateral if the loan is collateral dependent. Impairment for household well water loans are measured collectively per the grant requirement to maintain a 6% allowance account.

#### **Loans Receivable/Loans Payable**

GLCAP operates loan programs funded by various funding sources that provide capital to local governments, public and private nonprofits, regional water and sewer districts, homeowner associations, start-up businesses and housing developments. The loan receivable represents the unpaid principal balance. A corresponding liability has also been recorded as funds are ultimately repayable to the various funding sources. Any funds repaid must be used in accordance with the original grant agreement. This program provided funding for low-income housing units. As part of the purchase contract, one fifteenth of the principal sum of the development assistance loan is forgiven each year for up to fifteen years.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### **Property and Equipment**

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. GLCAP capitalizes property and equipment purchased with a cost greater than \$5,000 and a useful life of more than one year. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. If there are no donor restrictions regarding how long a donated asset must be maintained, GLCAP reports expirations of donor restrictions when the donated assets are placed in service.

Property and equipment purchased with grant funds are owned by GLCAP while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of equipment purchased with grant funds was \$6,809,370 at September 30, 2022.

#### **Income Taxes**

GLCAP is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from Ohio franchise and income tax.

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

#### **Functional Allocation**

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and related benefits have been allocated based on estimated time spent in program and supporting services. Other costs are directly charged when possible.

#### **In-Kind Contributions**

In-kind contributions for space, supplies, and professional services are recorded in the statement of activities as revenue and expenses in the period they are received in accordance with a financial accounting standard. This standard requires that only contributions of services received that create or enhance a non-financial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of this standard are different than the in-kind requirements of several of GLCAP's grant awards. During the year ended September 30, 2022, GLCAP received \$54,042 of such contributions, primarily for its Aging, Nutrition, and Head Start programs. In addition, GLCAP received contributions of nonprofessional volunteer services during the year with an approximate value of \$1,568,114 primarily for its Aging, Nutrition, and Head Start programs. The nonprofessional volunteer services are not reported in the statement of activities.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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

#### Recently Adopted Accounting Pronouncements

As of June 30, 2022, GLCAP adopted ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*, which is intended to improve transparency in reporting contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. ASU No. 2021-07 requires not-for-profit entities to present contributed nonfinancial assets as a separate line item in the statement of activities, and additional disclosures about contributed nonfinancial assets.

#### New Accounting Pronouncements

In 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which is intended to improve financial reporting on leasing transactions. ASU No. 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted. ASU No. 2016-02 must be applied modified retrospectively. GLCAP is currently evaluating the impact of the provisions of ASU Topic 842.

#### Subsequent Events

Subsequent events have been evaluated through May 9, 2023, which is the date the financial statements were available to be issued.

### Note 2: Concentration of Credit Risk

GLCAP maintains cash balances in various financial institutions. Balances in the accounts are insured by Federal Deposit Insurance Corporation (FDIC) coverage up to \$250,000. KeyBank excess balances are secured through a \$7,000,000 Pledged Collateral Agreement. KeyBank agrees to secure active and interim deposits by depositing with Safe-Keeping Trustees, Federal Reserve Bank of Boston and / or New York, New York, eligible securities in the amount and in a manner required by the Ohio Uniform Depository Act and the provisions of the Ohio Revised Code (ORC Chapter 135.181). Huntington Bank excess balances are secured with a Fannie Mae Security Sweep. Investments are uninsured (see Note 4).

### Note 3: Grants Receivable

This balance consists of amounts due from various agencies as follows:

Federal programs	\$ 4,569,083
State and local programs	449,922
<u>Total grants receivable</u>	<u>\$ 5,109,005</u>

# Great Lakes Community Action Partnership

## Notes to Financial Statements

### Note 4: Investments

Investments consist of mutual funds. The fair value of these securities as of September 30, 2022, are as follows:

	<b>Fair Value</b>
Fixed income mutual funds	\$ 837,046
Equity mutual funds	1,298,248
<b>Totals</b>	<b>\$ 2,135,294</b>

Investment loss as of September 30, 2022, consists of the following:

Interest and dividend income - Investments	\$ 129,975
Unrealized and realized loss on investments	( 578,279)
Investment fees	( 18,578)
<b>Net investment loss</b>	<b>(\$ 466,882)</b>

### Note 5: Property and Equipment

A summary of property and equipment is as follows:

Land	\$ 252,930
Buildings and improvements	9,947,726
Furniture, fixtures, and equipment	5,113,294
Computers	185,186
<b>Total</b>	<b>15,499,136</b>
Accumulated depreciation	( 5,984,857)
<b>Property and equipment, net</b>	<b>\$ 9,514,279</b>

### Note 6: Fair Value Measurements

Following is a description of the valuation methodology used for each asset measured at fair value on a recurring basis:

- Fixed income mutual funds are valued at quoted market prices.
- Equity mutual funds are valued at quoted market prices.

Information regarding the assets measured at fair value on a recurring basis as of September 30, 2022, is as follows:

	Assets Measured at Fair Value	Recurring Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed income mutual funds	\$ 837,046	\$ 837,046	\$ 0	\$ 0
Equity mutual funds	1,298,248	1,298,248	0	0
<b>Total</b>	<b>\$ 2,135,294</b>	<b>\$ 2,135,294</b>	<b>\$ 0</b>	<b>\$ 0</b>

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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### Note 7: Revolving Loans Receivable

GLCAP operates several programs that provide assistance to low-income business owners and participants. The assistance is provided in the form of various low- or no-interest deferred or installment loans, which are secured by various property owned by the recipients. Loan funds repaid are available to loan to other eligible participants.

Household Well Water receivable represent loans to low- to moderate-income owner occupied home owners in Ohio, Michigan and Wisconsin. The purpose of the loan fund is to assist low-income homeowners in meeting their drinking water needs through the drilling of new wells or rehabilitation of existing ones. This will allow homeowners to keep their homes habitable and safe. Individual loans are limited to \$11,000 and are to be repaid over 20 years at a 1% fixed interest rate.

Community Loan Funds (Safe Water loans) receivable represent loans to local governments, public and private nonprofits, regional water and sewer districts, and homeowner associations for predevelopment costs, gap financing, small equipment replacement, and minor system upgrades. The loans are determined on a case-by-case basis with interest rates that vary from 3% to 6%. The repayment terms are set at five years. All loans are secured either with future assessments made by the community or district or by real estate. Loan funds repaid are loaned to other eligible communities or businesses.

RHED loans receivable represents loans made in Meigs County to new and existing private for profit businesses located within the county. Loans are to be repaid over an individually established period varying from 36 to 84 months with a 1% interest rate. The loan maximum is \$30,000 and one full-time job needs to be created or retained for every \$30,000 borrowed. Loans can be used for working capital, machinery and equipment, or inventory.

Day care loans receivable represent loans to private day care centers throughout a ten-county area in northwest Ohio. Loans are to be repaid within five years with a fixed simple interest rate of 2/3 of prime at the time of the GLCAP Board's approval. The loans can be used for, but are not limited to, working capital, creating jobs, inventory, equipment, etc.

Business loans receivable represent loans to small businesses operated by or employing low- to moderate-income individuals in northwest Ohio. The loans are to be repaid within three years at a fixed simple interest rate set at the time of the GLCAP Board's approval. Interest rates will vary between 7.75% and 10.5%. The loans can be used for, but are not limited to, working capital, creating jobs, inventory, equipment, etc.

Revolving loans receivable balances consist of the following:

Household Well-water	\$ 375,140
Community loan fund (Safe Water) loans	22,073
RHED Loans	37,043
Daycare Loans	44,214
Business Loans	3,688
	<hr/> 482,158
Less: Allowance for revolving loans receivable	22,508
	<hr/>
<b>Total revolving loans receivable</b>	<b>\$ 459,650</b>

# Great Lakes Community Action Partnership

## Notes to Financial Statements

### Note 7: Revolving Loans Receivable (Continued)

Revolving loans receivable - Current	\$ 44,184
Revolving loans receivable - Long-term	415,466
<b>Total revolving loans receivable</b>	<b>\$ 459,650</b>

Revolving loan classifications at September 30, 2022 consist of the following:

Jobs and business development	\$ 460,085
Economic development	22,073
<b>Subtotals</b>	<b>482,158</b>
Allowance for loan losses - Job and business development	( 22,508)
Allowance for loan losses - Economic development	( 0)
<b>Revolving loans receivable, net</b>	<b>\$ 459,650</b>

An analysis of the allowance for loan losses for the job and business development loans for the year ended September 30, 2022, is as follows:

Balance at beginning of year	\$ 21,544
Loans charged off	( 27,965)
Recoveries of loans previously charged off	1,960
Provision for loan loss	26,969
<b>Balance at September 30, 2021</b>	<b>\$ 22,508</b>

Detailed analysis of loans evaluated for impairment as of September 30, 2022, is as follows:

	<b>Jobs and Bus. Devel.</b>	<b>Economic Development</b>	<b>Totals</b>
Loans:			
Individually evaluated for impairment	\$ 84,945	\$ 22,073	\$ 107,018
Collectively evaluated for impairment	375,140	0	375,140
<b>Totals</b>	<b>\$ 460,085</b>	<b>\$ 22,073</b>	<b>\$ 482,158</b>

	<b>Jobs and Bus. Devel.</b>	<b>Economic Development</b>	<b>Totals</b>
Related Allowance for Loan Losses:			
Individually evaluated for impairment	\$ 0	\$ 0	\$ 0
Collectively evaluated for impairment	22,508	0	22,508
<b>Totals</b>	<b>\$ 22,508</b>	<b>\$ 0</b>	<b>\$ 22,508</b>

There were no impaired loans without a related allowance for loan loss as of September 30, 2022.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

### Note 7: Revolving Loans Receivable (Continued)

GLCAP regularly evaluates attributes of loans to determine the appropriateness of the allowance for loan losses. Jobs and business development and economic development loans are generally evaluated based on whether or not the loan is performing according to the contractual terms of the loan.

Information regarding the credit quality indicators most closely monitored by class of loan as of September 30, 2022, is as follows:

	Performing	Nonperforming	Totals
Credit exposure:			
Economic development	\$ 22,073	\$ 0	\$ 22,073
Jobs and business development	437,577	22,508	460,085
<u>Totals</u>	<u>\$ 459,650</u>	<u>\$ 22,508</u>	<u>\$ 482,158</u>

As of September 30, 2022, GLCAP has placed all non-performing loans on non-accrual status.

When, for economic or legal reasons related to the borrower's financial difficulties, GLCAP grants a concession to the borrower that GLCAP would not otherwise consider, the modified loan is classified as a troubled debt restructuring. Loan modifications may consist of forgiveness of interest and/or principal, a reduction of the interest rate, interest-only payments for a period of time, and/or extending amortization terms.

There were no modifications of loans that are classified as troubled debt restructurings during the year ended September 30, 2022.

No troubled debt restructurings defaulted during the year ended September 30, 2022, within 12 months of their modification date.

### Note 8: Loans Receivable/Loans Payable

GLCAP provided six loans totaling \$248,550 to five homebuyers to provide down-payment assistance. These loans were received under the Housing Development Assistance Program through the Ohio Housing Finance Agency. These loans are interest free and will be forgiven over a 15-year period provided the homebuyer retains the property as their principal residence throughout the affordability period.

Loans receivable consist of the following:

Down-payment assistance loan program	\$ 147,586
<u>Less: Allowance for uncollectable amounts</u>	<u>0</u>
<u>Total loans receivable</u>	<u>\$ 147,586</u>
Loans receivable - Current	\$ 14,062
<u>Loans receivable - Long-term</u>	<u>133,524</u>
<u>Total loans receivable</u>	<u>\$ 147,586</u>



# Great Lakes Community Action Partnership

## Notes to Financial Statements

### Note 8: Loans Receivable/Loans Payable (Continued)

The funding used to provide financing for the loans receivable above consists of the following loans payable:

Mortgages payable to Ohio Housing Finance Agency at 0% interest with the principal balance forgiven in equal installments over fifteen years. The loan will become immediately due upon the sale of the underlying properties by the homeowners.

GLCAP has a loan receivable from the homeowners for the same amount as the mortgage payable.	\$ 147,586
Total	147,586
Current portion	( 14,062)

<u>Long-term loans payable</u>	<u>\$ 133,524</u>
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Future principal payments due on loans payable at September 30, 2022, are as follows:

2023	\$ 14,062
2024	12,829
2025	12,829
2026	12,829
2027	10,562
Thereafter	84,475
<u>Total</u>	<u>\$ 147,586</u>

### Note 9: Loans Receivable – Related Parties

Loans receivable – related parties represent loans provided to the housing entities described on Note 17. These loans were received under the Housing Development Assistance Program through the Ohio Housing Finance Agency with interest receivable at 6%. Repayments from the respective LLC's are due on April 30 each year based on 50% of the respective LLC's cash flows greater than \$10,000. In accordance with the grant award, the LLC agrees to retain ownership of the property throughout the affordability period. In the event that the LLC defaults on any of the contract agreements or sells the property, the loan will be immediately due and payable.

Loans receivable – related parties at September 30, 2022:

Housing Entity	Amount	Accrued Interest	Allowance for Uncollectable Amounts	Loans Receivable Net	Due Date
Lake Towne, LLC	\$ 550,000	\$ 177,462	\$ 0	\$ 727,462	12/2039
Port Clinton Pointe, LLC	549,000	558,698	371,534	736,164	12/2054
Bellevue Housing, LP	500,000	18,774	0	518,774	10/2059
Commons at Little Bark	<u>350,000</u>	<u>47,722</u>	<u>0</u>	<u>397,722</u>	<u>10/2055</u>
Totals	<u>\$1,949,000</u>	<u>\$ 802,656</u>	<u>\$ 371,534</u>	<u>\$ 2,380,122</u>	

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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### Note 9: Loans Receivable – Related Parties (Continued)

All of the loans receivable listed in this note are from related parties and are considered in the related party loan class for evaluation purposes. GLCAP regularly evaluates various attributes of loans to determine the appropriateness of the allowance for loan loss. GLCAP's related party class of loans is generally evaluated based on whether the loan is performing according to the contractual terms of the loan or not and the financial condition of the partnership. GLCAP has not identified any loans that are nonperforming.

An analysis for the allowance for uncollectible amounts for the years ended September 30, 2022, is as follows:

Balance at beginning of year	\$ 334,492
Provision for loan loss	37,042
<hr/>	
Balance at September 30, 2022	\$ 371,534

### Note 10: Loans Payable – Related Parties

Loans payable – related parties represent loans provided to GLCAP from the Ohio Housing Finance Agency that were subsequently loaned out the related parties described in Note 17. In accordance with the terms of the loans, each respective related party has agreed to retain ownership of the property throughout the affordability period. In the event of default on any of the respective contracts or sale of the property, the loan is immediately due and payable. The outstanding amounts are charged interest at 2% with payments based on 50% of cash flow of the respective related party (prior to owner distribution, owner or investor debt but subsequent to all first and second mortgage debt or debt provided by the federal government). GLCAP owns a secondary position related to amounts owed from the respective related parties. The loans are collateralized by buildings. All outstanding balances are due on the due date or are forgivable provided certain requirements have been met.

Loans payable – related parties at September 30, 2022:

Housing Entity	Amount	Accrued Interest	Loans Payable Net	Affordability End Date
Lake Towne, LLC	\$ 550,000	\$ 177,462	\$ 727,462	12/2039
Port Clinton Pointe, LLC	549,000	187,164	736,164	12/2054
Bellevue Housing, LP	500,000	18,774	518,774	10/2059
Commons at Little Bark	<u>350,000</u>	<u>47,722</u>	<u>397,722</u>	10/2055
Totals	<u>\$1,949,000</u>	<u>\$ 431,122</u>	<u>\$2,380,122</u>	

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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### Note 11: Notes Payable

Mortgage payable to an unrelated third party with interest fixed at 4.0% for a ten year term. Monthly payments are \$1,519, including interest, due December, 2026. The mortgage is collateralized by real estate.

55,454

Mortgage payable to the United States Department of Agriculture with interest rate fixed at 2.375% for a 30 year term. The loan is approved for \$4.0 million, with the full \$4.0 million drawn to date. Semi-annual payments of \$95,840, including interest, due December, 2046. The mortgage is collateralized by real estate.

3,497,672

Total notes payable

3,553,126

Current portion

( 125,505)

Long-term notes payable

\$ 3,427,621

Future principal payments due on the notes payable outstanding at September 30, 2022, are as follows:

2023	\$	125,505
2024		128,778
2025		132,145
2026		121,737
2027		120,018
Thereafter		2,924,943

Total note payable

\$ 3,553,126

### Note 12: Net Assets with Donor Restrictions

Net assets with donor restrictions are to be used to alleviate conditions of poverty and consist of the following programs:

State and local	\$	962,823
Other		49,142

Total \$ 1,011,965

Net assets released from restrictions during the year consist of the following:

State and local	\$	12,975
Other		3,338

Total \$ 16,313

### Note 13: Self-Insurance Plan

GLCAP maintains a self-insurance benefit agreement with Medical Mutual of Ohio for its eligible employees and their eligible dependents. The agreement includes a stop loss provision to reduce the risk of excessive claims in any one period. GLCAP has a \$110,000 per individual stop loss contract to minimize risk, as well as an aggregate maximum limit of reimbursement liability of \$2,000,000.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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### Note 13: Self-Insurance Plan (Continued)

At the beginning of each annual agreement, an advance deposit equal to one month's estimated claims is required from GLCAP. On September 30, 2022, the required amount of the advance deposit was \$343,508 and this amount was fully funded by GLCAP. The advance deposit is maintained by Medical Mutual of Ohio until after the termination effective date, as defined within the agreement.

GLCAP maintains a self-insurance fund to pay actual claims. The minimum recommended balance for this fund is 30% of projected annual claims. For the current agreement, claims are projected to total \$2,950,820 and the minimum recommended reserve is \$885,246. On September 30, 2022, the self-insurance reserve balance was \$2,106,740 or 238% of the minimum recommended, which is included in net assets without donor restrictions.

A liability is also maintained to fund the cost of "run out" claims. "Run out" claims are charges incurred under the plan prior to September 30, 2022, but paid subsequent to September 30, 2022. On September 30, 2022, GLCAP has recorded a liability of \$463,372. This liability balance is included in other current liabilities on the statement of financial position.

### Note 14: Retirement Plan

GLCAP maintains a Tax Sheltered Annuity Retirement Plan for its employees. All employees are eligible to contribute to the plan through payroll deductions. Additionally, GLCAP makes contributions to individual accounts for employees who have met applicable service requirements. The employer contributes an amount equal to 3% of base salary and, additionally, matches employee contributions of up to 4% of base salary. Contributions to the plan for the fiscal year ended September 30, 2022, were \$1,014,526.

GLCAP maintains a 457(b) Retirement Plan for eligible employees. This Tax-Exempt Organization 457(b) Plan is designed to be exempt from Title I of ERISA. As such, any Eligible Employee under this Plan must be a member of a select group of management or highly compensated employees of the employer as described under Title I of ERISA. Contributions to the plan for the fiscal year ended September 30, 2022, were \$52,000.

### Note 15: Operating Leases

GLCAP leases various facilities and equipment for operation of its programs. Rent expense for the year ended September 30, 2022, was \$738,481. Future minimum lease payments on leases having terms beyond September 30, 2022, are as follows:

2023	\$	566,320
2024		223,844
2025		144,805
2026		136,221
2027		134,250
<b>Total</b>	<b>\$</b>	<b>1,205,440</b>

# Great Lakes Community Action Partnership

## Notes to Financial Statements

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### Note 16: Lessor Activity

GLCAP owns two buildings that are partially rented to unrelated third parties. The lease payment terms vary depending upon square footage occupied. Rental income for the year ended September 30, 2022, was \$102,529. Future minimum lease payments to be received in 2022 are \$58,049.

A summary of the acquisition costs and accumulated depreciation on the property is as follows: land and building cost \$2,274,700, accumulated depreciation of \$1,370,566, for a net book value of \$904,134.

### Note 17: Related Parties

As described in Note 1, GLCAP has formed majority owned subsidiaries for the purpose of assisting low-to moderate-income families and seniors with housing. These subsidiaries have invested in limited liability corporations (LLC) and limited partnerships (LP) to accomplish these objectives.

The ownership percentages in the LLC's and LP's are as follows:

- Lake Town Housing Corporation has a .051% ownership in Lake Towne, LLC
- Port Clinton Point Housing Corporation has a .051% ownership in Port Clinton Point, LLC
- Nickel Plate Plaza Housing Corporation has a .051% ownership in Bellevue Housing, LP
- Harbor Towne Senior Residence Housing Corporation has a .051% ownership in Harbor Town Senior Residence, LLC
- Commons at Little Bark Creek Housing Corporation has a .0051% ownership in Commons at Little Bark Creek, LP
- Secor Senior Lofts Housing Corp has a .0051% ownership in Secor Senior Lofts, LLC

The aggregate financial status and activity (without any required eliminating entries) of the LLC's and LP's as of and for the year ended December 31, 2022, are as follows:

Assets	\$ 37,772,083
Less - Liabilities	18,284,355
<hr/>	
Equity	19,487,728
<hr/>	
Net loss	( \$ 1,464,274)

### Note 18: Grant Awards

At September 30, 2022, GLCAP had received commitments for funding under various grant awards of approximately \$37,900,000. Additionally, GLCAP has commitments for funding under various grant awards to subrecipients at September 30, 2022, of approximately \$2,365,000. These commitments are not recognized in the accompanying financial statements as they are conditional awards.

# Great Lakes Community Action Partnership

## Notes to Financial Statements

### Note 19: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following as of September 30, 2022:

Cash and cash equivalents	\$ 6,883,489
Investments	2,135,294
Accounts receivable, net	764,637
Grants receivable	5,109,005
<b>Subtotal financial assets</b>	<b>14,892,425</b>
Less: Accounts payable	(1,542,741)
Less: Accrued payroll and related expenses	(1,006,415)
Less: Refundable advance liability	( 4,097,615)
Less: Net assets designated for self-insurance	(2,106,740)
Less: Net assets designated by the board	( 289,045)
Less: Net assets with donor restrictions	( 1,011,965)
<b>Total</b>	<b>\$ 4,837,904</b>

GLCAP does not have a formal liquidity policy but uses a guideline of maintaining financial assets in liquid form such as cash and cash equivalents for approximately three to four months of operating expenses. GLCAP also has grant commitments for future expenses of approximately \$37,900,000 as further described in Note 18.

### Note 20: Contributed Nonfinancial Assets

For the year ended September 30, 2022, contributed nonfinancial assets included in in-kind revenue on the statement of activities are as follows:

	2022	Usage in Programs/Activities	Donor- imposed Restrictions	Valuation Techniques & Inputs
Professional volunteer	\$ 38,462	All activities	None	Program related services are based on current rates of donor services provided by the donor.
Space	13	All activities	None	Space is based on the estimated fair value on the basis of recent comparable price in the City's real estate market.
Supplies	15,567	All activities	None	Supplies are based on the estimated fair value on the basis of wholesale values that would be received for selling similar products in the United States.
<b>Totals</b>	<b>\$ 54,042</b>			

# **Supplementary Information**

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# Great Lakes Community Action Partnership

## Schedule A-1

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>					
Rural Community Development Initiative	41-072-0340975934-25	10.446	USDA Rural Development	0	100,881
	41-072-0340975934-26		USDA Rural Development	0	116,526
Stemming Opioid Crisis	RCDI Grant #26		USDA Rural Development	76,538	86,979
			<b>Total Federal Expenditures AL #10.446</b>	<b>76,538</b>	<b>304,386</b>
Child and Adult Care Food Program	IRN#-077222	10.558	Ohio Department of Education/ School Food Service	<b>0</b>	<b>373,098</b>
RUS/Technitrain	000C24001G172048	10.761	RCAP, Inc.	461,780	1,217,927
RUS/Technitrain	000C24003G177011		RCAP, Inc.	0	60,004
Tribal Technitrain	000C24001G172042		RCAP, Inc.	0	46,609
Tribal Technitrain	000C24003G177010		RCAP, Inc.	0	1,597
			<b>Total Federal Expenditures AL #10.761</b>	<b>461,780</b>	<b>1,326,137</b>
USDA Solid Waste	000C24001G171991	10.762	RCAP, Inc.	<b>120,500</b>	<b>127,585</b>
<b>Community Facilities Loans and Grants Cluster:</b>					
Community Facilities Cooperative	None	10.766	RCAP, Inc.	0	1,354
Community Facilities Loan	None		U.S. Department of Agriculture	0	3,604,376
				<b>0</b>	<b>3,605,730</b>
Household Water Well System	41-072-0340975934-27	10.862	USDA Rural Development	<b>0</b>	<b>132,245</b>
<b>TOTAL DEPARTMENT OF AGRICULTURE PROGRAMS</b>				<b>658,818</b>	<b>5,869,181</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
Housing Counseling Program	HC210321051	14.169	U.S. Department of HUD	<b>0</b>	<b>21,546</b>
COVID-19 CDBG-CV Home Relief Phase 2	N-D-20-6AM-1	14.228	U.S. Department of HUD	<b>0</b>	<b>530,808</b>
COVID-19 Cares Housing Stability	N-L-20-6AM-5	14.231	U.S. Department of HUD	<b>0</b>	<b>133,290</b>



# Great Lakes Community Action Partnership

## Schedule A-2

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)</b>					
CDBG Rural LISC	42129-0036	14.252	Local Initiatives Support Corporation	0	21,766
Creative Placemaking	42129-0033		Local Initiatives Support Corporation	0	10,500
Healthy Homes	42129-0034		Local Initiatives Support Corporation	0	15,114
<b>Total Federal Expenditures AL #14.252</b>				<b>0</b>	<b>47,380</b>
Domestic Violence (HUD)	OH0420L5E072006	14.267	U.S. Department of HUD	0	103,970
Domestic Violence (HUD)	OH0420L5E072107		U.S. Department of HUD	0	93,299
Permanent Supportive Housing (PSH)	OH0183L5E072013		U.S. Department of HUD	0	691,070
Permanent Supportive Housing (PSH)	OH0183L5E072114		U.S. Department of HUD	0	152,365
Rapid Conversion (HUD)	OH0592L5E072003		U.S. Department of HUD	0	277,897
Rapid Conversion (HUD)	OH0592L5E072104		U.S. Department of HUD	0	36,788
<b>Total Federal Expenditures AL #14.267</b>				<b>0</b>	<b>1,355,389</b>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS</b>				<b>0</b>	<b>2,088,413</b>
<b>DEPARTMENT OF LABOR</b>					
<b>WIOA Cluster:</b>					
Erie County WIOA Youth	18-273	17.259	Erie Co. Job and Family Services	0	92,396
Ottawa County WIOA Youth	None		Ottawa Co. Job and Family Services	0	131,715
Ottawa County WIOA Youth	None		Ottawa Co. Job and Family Services	0	65,980
<b>Total Federal Expenditures AL #17.259</b>				<b>0</b>	<b>290,091</b>
Youth Build	YB-32938-18-60-A-39	17.274	Ohio Area 7 Workforce Development Area	0	4,816
Job Corps Scholars	None		Terra State Community College	0	183,248
<b>Total Federal Expenditures AL #17.274</b>				<b>0</b>	<b>188,064</b>
<b>TOTAL DEPARTMENT OF LABOR PROGRAMS</b>				<b>0</b>	<b>478,155</b>

# Great Lakes Community Action Partnership

## Schedule A-3

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF STATE</b>					
Minority Empowerment in Moldova Phase III	S-LMAQM-19-GR-2204	19.345	U.S. Department of State	100,834	163,624
Minority Empowerment in Moldova Phase III	S-LMAQM-19-GR-2204-MDA-DR.4		U.S. Department of State	74,958	85,844
			<b>Total Federal Expenditures AL #19.345</b>	<b>175,792</b>	<b>249,468</b>
Professional Fellows Program	S-ECAGD-18-CA-0019	19.415	U.S. Department of State	80,035	120,772
Professional Fellows Program	S-ECAGD-19-CA-0087		U.S. Department of State	37,881	209,132
Professional Fellows Program	S-ECAGD-21-CA-3104		U.S. Department of State	8,495	207,405
			<b>Total Federal Expenditures AL #19.415</b>	<b>126,411</b>	<b>537,309</b>
<b>TOTAL DEPARTMENT OF STATE PROGRAMS</b>				<b>302,203</b>	<b>786,777</b>
<b>DEPARTMENT OF TRANSPORTATION</b>					
Rural Transit	118-RPTF-20-0100	20.509	Ohio Dept. of Transportation	0	122,017
Rural Transit	RPTF-4118-0005-221		Ohio Dept. of Transportation	0	660,361
COVID-19 Rural Transit Cares	118-CARE-21-0100		Ohio Dept. of Transportation	0	2,011
Capital 2022	118-BABF-22-0100		Ohio Dept. of Transportation	0	2,641
Capital Maintenance	118-RPTF-20-0100		Ohio Dept. of Transportation	0	10,089
Capital Maintenance	RPTM-0118-038-221		Ohio Dept. of Transportation	0	39,357
			<b>Total Federal Expenditures AL #20.509</b>	<b>0</b>	<b>836,476</b>
<b>Transit Services Program Cluster:</b>					
Ohio Coordination - Mobility Manager	TSTP-0118-GRF-201	20.513	Ohio Dept. of Transportation	0 (	5,465)
Ohio Coordination - Mobility Manager	OCPX-0118-038-210		Ohio Dept. of Transportation	0	60,386
			<b>Total Federal Expenditures AL #20.513</b>	<b>0</b>	<b>54,921</b>
<b>TOTAL DEPARTMENT OF TRANSPORTATION PROGRAMS</b>				<b>0</b>	<b>891,397</b>

# Great Lakes Community Action Partnership

## Schedule A-4

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>Department of Treasury</b>					
COVID-19 Home Relief Grant - Phase 3	CAA-HRG 2021-44	21.023	Ohio Development Services Agency	<u>0</u>	<u>4,496,395</u>
COVID-19 Utility Assistance Plus	HAF-UAP	21.026	Ohio Housing Finance Agency	<u>0</u>	<u>822,778</u>
<b>TOTAL DEPARTMENT OF TREASURY PROGRAMS</b>				<b>0</b>	<b>5,319,173</b>
<b>APPALACHIAN REGIONAL COMMISSION</b>					
Appalachian Research Technical	OH-17152-C4-19	23.011	Appalachian Regional Commission	<u>0</u>	<u>4,087</u>
<b>DEPARTMENT OF VETERANS AFFAIRS</b>					
Supportive Services for Veterans Families	12-OH-064	64.033	Community Action Partnership, Inc.	0	492,617
Supportive Services for Veterans Families	12-OH-064		Community Action Partnership, Inc.	0	174,462
Supportive Services for Veterans Families	OH-2012-HL		Community Action Partnership, Inc.	0	7,855
Supportive Services for Veterans Families	12-OH-064SS		Community Action Partnership, Inc.	0	113,448
<b>Total Federal Expenditures AL #64.033</b>				<b>0</b>	<b>788,382</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>					
US EPA	NPA 1 - 2020-2022	66.424	Environmental Protection Agency	162,275	353,195
US EPA	NPA 1 - 2022-2023		Environmental Protection Agency	145,326	589,797
US EPA Treatment Works	84035601		Environmental Protection Agency	71,516	190,937
US EPA Capacity Building	None		Environmental Protection Agency	81,155	193,182
<b>Total Federal Expenditures AL #66.424</b>				<b>460,272</b>	<b>1,327,111</b>
US EPA Private Well	84007801	66.436	RCAP, Inc.	0	120,553
US EPA Private Well	84024901		RCAP, Inc.	0	106,836
US EPA Waste Water	NPA 3 - 2020-2022		RCAP, Inc.	23,288	38,140
<b>Total Federal Expenditures AL #66.436</b>				<b>23,288</b>	<b>265,529</b>

# Great Lakes Community Action Partnership

## Schedule A-5

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>ENVIRONMENTAL PROTECTION AGENCY (Continued)</b>					
<b>Drinking Water State Revolving Fund Cluster:</b>					
Small System Technical Assistance	FS985954-21	66.468	Ohio Environmental Protection Agency	0	425,946
Small System Technical Assistance	FS985954-22		Ohio Environmental Protection Agency	0	177,153
<b>Total Federal Expenditures Drinking Water State Revolving Fund Cluster AL #66.468</b>				<b>0</b>	<b>603,099</b>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY PROGRAMS</b>				<b>483,560</b>	<b>2,195,739</b>
<b>DEPARTMENT OF ENERGY</b>					
Home Weatherization Assistance Program	21-126	81.042	Ohio Development Services Agency	0	449,695
Home Weatherization Assistance Program	22-126		Ohio Development Services Agency	0	280,282
<b>Total Federal Expenditures AL #81.042</b>				<b>0</b>	<b>729,977</b>
<b>DEPARTMENT OF EDUCATION</b>					
Fremont Afterschool Create	None	84.425	Ohio Development Services Agency	0	22,800
Fremont Summer	None		Ohio Development Services Agency	30,000	177,977
<b>Total Federal Expenditures AL #84.425</b>				<b>30,000</b>	<b>200,777</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
<b>Aging Cluster:</b>					
Older American Act - Title IIIB	N/A	93.044	Area Office on Aging of NW Ohio	0	34,108
Captial Improvement Center	N/A		Area Office on Aging of NW Ohio	0	22,026
<b>Total Federal Expenditures AL #93.044</b>				<b>0</b>	<b>56,134</b>
Older American Act - Title IIIC	N/A	93.045	Area Office on Aging of NW Ohio	0	5,954
Older American Act - Title IIIC	N/A		Area Office on Aging of NW Ohio	0	140,028
<b>Total Federal Expenditures AL #93.045</b>				<b>0</b>	<b>145,982</b>
<b>Total Federal Expenditures Aging Cluster AL #93.044, #93.045</b>				<b>0</b>	<b>202,116</b>
COVID-19 Low Income Household Water Assistance Program (LIHWAP) American Rescue Funds	LIHWAP 2021-138	93.499	Ohio Development Services Agency	0	189,767

# Great Lakes Community Action Partnership

## Schedule A-6

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>					
Early Childhood Daycare	None	93.558	OH Department of Job & Family Services	0	183,847
Erie County TANF	18-273		Erie Co. Job & Family Services	0	248,928
Ottawa County TANF Summer	2018-2019		Ottawa Co. Job & Family Services	0	8,293
Ottawa County TANF	2018-2019		Ottawa Co. Job & Family Services	0	38,142
Housing Now for Homeless Families	N-L-20-6AM-5		Ohio Development Services Agency	0	34,107
			<b>Total Federal Expenditures AL #93.558</b>	<b>0</b>	<b>513,317</b>
Home Energy Assistance Program	HEAP-2022-138	93.568	Ohio Development Services Agency	0	498,381
Home Energy Assistance Program	HEAP-2023-138		Ohio Development Services Agency	0	50,601
Home Energy Assistance Program	22-HE-238		Ohio Development Services Agency	0	391,514
Home Energy Assistance Program	SCP-2022-138		Ohio Development Services Agency	0	189,261
Home Weatherization Assistance Program	21-126		Ohio Development Services Agency	0	475,720
Home Weatherization Assistance Program	22-126		Ohio Development Services Agency	0	71,196
Home Weatherization Assistance Enhancement	21-HE-126		Ohio Development Services Agency	0	122,311
Home Weatherization Assistance Enhancement	22-HE-126		Ohio Development Services Agency	0	504,303
			<b>Total Federal Expenditures AL #93.568</b>	<b>0</b>	<b>2,303,287</b>
Community Services Block Grant (CSBG)	2021-44	93.569	Ohio Development Services Agency	0	225,929
Community Services Block Grant (CSBG)	2022-2023 44		Ohio Development Services Agency	0	396,266
COVID-19 Community Services Block Grant Cares (CSBG)	2020-44		Ohio Development Services Agency	0	237,551
COVID-19 Cares Mini Grant	None		Ohio Community Action Training Organization	0	70,000
Accounting Software Subsidy	Award #21-901		Ohio Community Action Training Organization	0	40,000
			<b>Total Federal Expenditures AL #93.569</b>	<b>0</b>	<b>969,746</b>
Rural Community Facilities Development	90EF0084-03-00	93.570	U.S. Department of Health and Human Services	445,500	1,181,975
Rural Community Facilities Development Regionalization	None		U.S. Department of Health and Human Services	0	35,311
			<b>Total Federal Expenditures AL #93.570</b>	<b>445,500</b>	<b>1,217,286</b>

# Great Lakes Community Action Partnership

## Schedule A-7

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>					
<b>CCDF Cluster:</b>					
COVID-19 Pandemic Support - Child Dev Centers	None	93.575	Ohio Child Care Resource & Referral Association	<u>0</u>	<u>36,535</u>
Stabilization Grant Round 1	None	93.575	Ohio Child Care Resource & Referral Association	0	359,898
Stabilization Grant Round 2	None		Ohio Child Care Resource & Referral Association	0	525,205
Stabilization Grant Round 3	None		Ohio Child Care Resource & Referral Association	0	368,290
			<b>Total Federal Expenditures AL #93.575</b>	<b>0</b>	<b>1,289,928</b>
<b>Head Start Cluster</b>					
Head Start Full-Year, Part-Day Handicapped, Training and Technical Assistance	05CH011180-03-00	93.600	U.S. Department of Health and Human Services	0	6,265,819
Head Start Full-Year, Part-Day Handicapped, Training and Technical Assistance	05CH011180-03-01		U.S. Department of Health and Human Services	0	160,040
Head Start Full-Year, Part-Day Handicapped, Training and Technical Assistance	05CH011180-04-00		U.S. Department of Health and Human Services	0	1,286,414
COVID-19 Head Start American Rescue Funds	05HE000430-01-C6		U.S. Department of Health and Human Services	0	439,545
COVID-19 Head Start CRRSA Funds	05HE000430-01-C5		U.S. Department of Health and Human Services	0	137,866
Lucas Co. Head Start	05CH011027-00		Toledo Public Schools	0	358,748
Lucas Co. Head Start	05CH011027-00		Toledo Public Schools	0	1,762,855
COVID-19 Lucas Co. Head Start CRRSA Funds	05CH011027-00		Toledo Public Schools		57,733
COVID-19 Lucas Co. Head Start American Rescue Funds	05CH011027-00		Toledo Public Schools	0	74,964
Early Head Start-Child Care Provider Program	05HP000472-01-00		U.S. Department of Health and Human Services	975,181	5,123,701
Early Head Start-Child Care Provider Program	05HP000472-02-00		U.S. Department of Health and Human Services	202,264	1,030,478

# Great Lakes Community Action Partnership

## Schedule A-8

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Pass-Through Entity Identifying Number	AL Number	Funding Source/ Pass-Through Entity	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>					
<b>Head Start Cluster (Continued)</b>					
Early Head Start-Child Care Provider Program Health & Safety	05HP000107-03-07		U.S. Department of Health and Human Services	0	13,025
COVID-19 EHS CCP CRRSA Funds	05HE000430-01-C5		U.S. Department of Health and Human Services	( 800)	(800)
COVID-19 EHS CCP American Rescue Funds	05HE000430-01-C6		U.S. Department of Health and Human Services	617	998
Migrant Head Start Program	90CM009853-02-01		U.S. Department of Health and Human Services	0	4,014,320
Migrant Head Start Program	90CM009853-03-00		U.S. Department of Health and Human Services	0	906,761
COVID-19 Migrant Head Start	90CM009853-01-C3		U.S. Department of Health and Human Services	0	141,434
COVID-19 Migrant Head Start American Rescue Funds	90HN000023-01-C6		U.S. Department of Health and Human Services	0	55,852
COVID-19 Migrant Head Start CRRSA Funds	90HN000023-01-C5		U.S. Department of Health and Human Services	0	97,432
			<b>Total Federal Expenditures Head Start ClusterAL #93.600</b>	<b>1,177,262</b>	<b>21,927,185</b>
<b>Medicaid Cluster:</b>					
Medicaid Title XIX (Sandusky County)	None	93.778	Sandusky Co. Dept. of Jobs & Family Services	<b>0</b>	<b>255,060</b>
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS</b>				<b>1,622,762</b>	<b>28,867,692</b>
<b>TOTAL FEDERAL EXPENDITURES</b>				<b>\$ 3,097,343</b>	<b>\$ 48,219,750</b>

# Great Lakes Community Action Partnership

## Schedule A-9

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

State and Local Programs	Funding Source/ Pass-Through Entity	State and Local Expenditures
Ohio Housing Trust Fund	Ohio Department Services Agency	39,545
Ohio Housing Trust Fund	Ohio Department Services Agency	89,275
Homeless Crisis Response Program	Ohio Department Services Agency	72,168
Homeless Crisis Response Program	Ohio Department Services Agency	298,312
Ohio Housing Trust Fund Targeted	Ohio Department Services Agency	30,296
Percentage of Income Payment Plan	Ohio Development Services Agency	7,846
Percentage of Income Payment Plan	Ohio Development Services Agency	18,698
Criminal Justice Housing	Ohio Housing Financy Agency	15,789
Sandusky Seniors Programs	Area Office on Aging of NW Ohio	302,990
Sandusky Seniors Programs	Area Office on Aging of NW Ohio	982,318
Strong Families Safe Communities	Sandusky County Board of Commissioners	760
Ohio Water Development Authority	Ohio Water Development Authority	511,575
Ohio Water Development Authority	Ohio Water Development Authority	172,604
H2Ohio OEPA	Ohio EPA	121,132
After School Programs	Sandusky Co. United Way	11,548
Financial Opportunity Center	Wood Co. United Way	7,444
Financial Opportunity Center	Wood Co. United Way	921
Financial Opportunity Center Rent/Mortgage Assistance	Wood Co. United Way	15,000
Covid 19 Funds	Department of Developmental Disabilities	6,021
Ohio Childrens Trust Fund	Northwest Ohio Childrens Trust Fund	62,387
Ohio Childrens Trust Fund	Northwest Ohio Childrens Trust Fund	20,012
T.R.I.P.S.	Ohio Department of Transportation	121,987
Mobility Management 6m Pilot Project	Ohio Department of Transportation	164
Mobility Management	Ohio Department of Transportation	237,988
Community to Immunity Rides	Ohio Department of Transportation	33,864
Senior Chore Program	Sandusky County Board of Commissioners	10,929
Senior Chore Program	Sandusky County Board of Commissioners	80,986
Senior Kitchen Renovation	Sandusky County Board of Commissioners	5,319
21st Century Learning Grant - Middle School/Clyde Elementary	Clyde City Schools	54,920



# Great Lakes Community Action Partnership

## Schedule A-10

### Schedule of Expenditures of Federal, State, and Local Awards

Year Ended September 30, 2022

State and Local Programs	Funding Source/ Pass-Through Entity	State and Local Expenditures
21st Century Learning Grant - High School	Fremont City Schools	65,779
Ohio Industry Sector Partnership		36,008
HSTS Grant	Seneca County Commissioners	30,850
	<b>Total State and Local Expenditures</b>	<b><u>\$ 3,465,435</u></b>

#### Notes to Schedule of Expenditures of Federal, State, and Local Awards

##### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal, state, and local awards (the "Schedule") includes the federal, state and local award activity of Great Lakes Community Action Partnership under programs of the federal state and local governments for the year ended September 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Great Lakes Community Action Partnership, it is not intended to and does not present the financial position, changes in net assets or cash flows of Great Lakes Community Action Partnership.

##### 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

##### Note 3 - Indirect Cost Allocation

Great Lakes Community Action Partnership has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

##### Note 4 - Balance of Outstanding Loans

The United States Department of Agriculture (USDA) Facility Loan Grant is reported in previous years under AL #10.766 has an outstanding loan balance of \$3,497,621 at September 30, 2022.

## **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  
Great Lakes Community Action Partnership  
Fremont, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Great Lakes Community Action Partnership (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, 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 9, 2023.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Great Lakes Community Action Partnership's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Great Lakes Community Action Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of Great Lakes Community Action Partnership's internal control.

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

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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Great Lakes Community Action Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

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

*Wipfli LLP*

Wipfli LLP

Madison, Wisconsin  
May 9, 2023

## **Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Directors  
Great Lakes Community Action Partnership  
Fremont, OH

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

#### **Opinion on Each Major Federal Program**

We have audited Great Lakes Community Action Partnership'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 its major federal programs for the year ended September 30, 2022. Great Lakes Community Action Partnership's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Great Lakes Community Action Partnership 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 September 30, 2022.

#### **Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Great Lakes Community Action Partnership and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Great Lakes Community Action Partnership's compliance with the compliance requirements referred to above.

#### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Great Lakes Community Action Partnership's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Great Lakes Community Action Partnership 's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about Great Lakes Community Action Partnership's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Great Lakes Community Action Partnership's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Great Lakes Community Action Partnership's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Great Lakes Community Action Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Wipfli LLP*

Wipfli LLP

Madison, Wisconsin  
May 9, 2023

# Great Lakes Community Action Partnership

## Schedule of Findings and Questioned Costs

Year Ended September 30, 2022

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### Section I - Summary of Auditor's Results and Questioned Costs

#### Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	None reported
Noncompliance material to financial statements noted?	No

#### Federal Awards

Internal control over major federal programs:	
Material weakness identified?	No
Significant deficiency identified?	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 [2 CFR 200.516(a)]?	No

Identification of major federal programs:

<u>Name of Federal Major Program or Cluster</u>	<u>AL No.</u>
Community Facilities Loan	10.766
Continuum of Care Program	14.267
Emergency Rental Assistance Program	21.023
Head Start Cluster	93.600

Dollar threshold used to distinguish between Type A and Type B programs: \$1,446,593

Auditee qualified as low-risk auditee? Yes

### Section II - Financial Statement Findings

None

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

None

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

None