

**Northwest Michigan Community  
Action Agency, Inc. and Affiliates**

Traverse City, Michigan

Consolidated Financial Statements and Supplementary  
Information

Year Ended September 30, 2018

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Consolidated Financial Statements and Supplementary Information  
Year Ended September 30, 2018

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## **Independent Auditor's Report**

Board of Directors  
Northwest Michigan Community Action Agency, Inc. and Affiliates  
Traverse City, Michigan

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Northwest Michigan Community Action Agency, Inc. and Affiliates, which comprise the consolidated statement of financial position as of September 30, 2018, and the related consolidated statements of activities, and cash flows for the year then ended and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The financial statements of Community Action Credit Counseling, Inc. and Innovative Energy Management, LLC were not audited in accordance with *Government Auditing Standards* as those entities did not receive federal funding.

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

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

## Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Northwest Michigan Community Action Agency, Inc. and Affiliates as of September 30, 2018, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

## Other Matters

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards and list of programs, Schedule B, which includes the requirements by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of program activity and the schedule of cash - restricted-NeighborWorks America are presented for purposes of additional analysis, and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated 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 June 17, 2019, on our consideration of Northwest Michigan Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Northwest Michigan Community Action Agency, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northwest Michigan Community Action Agency, Inc.'s internal control over financial reporting and compliance.



Wipfli LLP

June 17, 2019  
Madison, Wisconsin

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Consolidated Statement of Financial Position

September 30, 2018

<i>Assets</i>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 2,379,603
Restricted cash	414,360
Grants receivable	1,174,266
Accounts receivable	115,260
Prepaid expenses	16,496
Inventory	193,340
<hr/>	
Total current assets	4,293,325
<hr/>	
<b>Other assets:</b>	
Investments	271,032
Mortgages receivable, net	190,520
<hr/>	
Total other assets	461,552
<hr/>	
Property and equipment, net	445,170
<hr/>	
<b>TOTAL ASSETS</b>	<b>\$ 5,200,047</b>
<hr/>	
<i>Liabilities and Net Assets</i>	
<b>Current liabilities:</b>	
Accounts payable	\$ 349,276
Accrued payroll and related expenses	215,374
Advance from the State	246,403
Grant funds received in advance	1,042,987
Contingent liability	321,283
<hr/>	
Total liabilities	2,175,323
<hr/>	
<b>Net assets:</b>	
Unrestricted	1,953,472
Temporarily restricted	896,252
Permanently restricted	175,000
<hr/>	
Total net assets	3,024,724
<hr/>	
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 5,200,047</b>
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See accompanying notes to consolidated financial statements.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Consolidated Statement of Activities

Year Ended September 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenue:</b>				
Grant revenue	\$ 116,908	\$ 18,478,150	\$ 50,000	\$ 18,645,058
Project income	600	521,547	0	522,147
Sale of homes	44,456	113,934	0	158,390
Investment income	14,277	811	0	15,088
Donations	7,808	146,554	0	154,362
Miscellaneous income	140,499	8,004	0	148,503
In-kind contributions	534,067	0	0	534,067
Net assets released from restriction through satisfaction of program restrictions	19,358,965	( 19,358,965)	0	0
<b>Total revenue</b>	<b>20,217,580</b>	<b>( 89,965)</b>	<b>50,000</b>	<b>20,177,615</b>
<b>Expenses:</b>				
Salaries	8,642,661	0	0	8,642,661
Fringe benefits	1,703,166	0	0	1,703,166
Professional/contract services	1,406,971	0	0	1,406,971
Travel/transportation	667,033	0	0	667,033
Space costs	748,635	0	0	748,635
Beneficiary assistance and supplies	4,613,119	0	0	4,613,119
Lease and maintenance of equipment	175,258	0	0	175,258
Other	733,693	0	0	733,693
Commodity food distributed	811,603	0	0	811,603
Payments to subgrantees	290,519	0	0	290,519
In-kind expenses	534,067	0	0	534,067
<b>Total expenses</b>	<b>20,326,725</b>	<b>0</b>	<b>0</b>	<b>20,326,725</b>
Change in net assets	( 109,145)	( 89,965)	50,000	( 149,110)
Net assets - Beginning of the year	2,062,617	986,217	125,000	3,173,834
<b>Net assets - End of the year</b>	<b>\$ 1,953,472</b>	<b>\$ 896,252</b>	<b>\$ 175,000</b>	<b>\$ 3,024,724</b>

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Consolidated Statement of Cash Flows

Year Ended September 30, 2018

Increase (decrease) in cash and cash equivalents:

Cash flows from operating activities:	
Change in net assets	(\$ 149,110)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	67,170
Gain on disposal of property and equipment	( 12,400)
Provision for loan loss	( 7,174)
Change in discount on mortgages receivable	1,765
Unrealized and realized loss on investments	4,554
Changes in operating assets and liabilities:	
Restricted cash	( 122,984)
Grants receivable	( 67,979)
Accounts receivable	( 106,336)
Prepaid expenses	( 4,017)
Inventory	204,266
Accounts payable	2,620
Accrued payroll and related expenses	2,710
Contingent liability	321,283
Grant funds received in advance	26,476
<b>Net cash provided by operating activities</b>	<b>160,844</b>
Cash flows from investing activities:	
Purchase of investments	( 11,336)
Proceeds from sale of property	12,400
Mortgages receivable issued	( 15,294)
Repayment of mortgages receivable	35,644
Purchase of property and equipment	( 75,745)
<b>Net cash used in investing activities</b>	<b>( 54,331)</b>
Change in cash and cash equivalents	106,513
Cash and cash equivalents - Beginning of the year	2,273,090
<b>Cash and cash equivalents - End of the year</b>	<b>\$ 2,379,603</b>
<b>Supplemental schedule of noncash operating and financing activities:</b>	
Change in commodity food inventory and grant funds received in advance	\$ 45,024

See accompanying notes to consolidated financial statements.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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

#### **Nature of Operations**

Northwest Michigan Community Action Agency, Inc. (NMCAA) was organized as a nonprofit corporation in 1974. NMCAA was formed to develop and provide resources for the purpose of assisting low-income individuals through a variety of programs in Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Missaukee, Roscommon, and Wexford counties in Michigan. NMCAA is primarily supported through federal and state grants. Approximately 45% of NMCAA's revenue is received under their federal Head Start grant.

Community Action Credit Counseling, Inc. (CACC) was organized as a nonprofit corporation in 2008. CACC was formed to provide outreach activities that educate the public on the wise and proper use of consumer credit and to provide professional counseling to individuals in credit crisis and those in need of guidance in management of their finances, budgeting and wise use of personal credit. In appropriate cases, CACC will also arrange a program of orderly debt liquidation. CACC had minimal activity for the year ended September 30, 2018.

Innovative Energy Management, LLC (IEM) was organized as a wholly owned limited liability company in 2012. IEM was formed to provide weatherization and rehabilitation services to middle- to upper-income households. IEM had minimal activity for the year ended September 30, 2018.

#### **Principles of Consolidation**

NMCAA, CACC and IEM (the "Organizations") have common management and board members and; therefore, consolidated financial statements have been prepared for the entities. The consolidated financial statements include the accounts of the Organizations. All intercompany transactions and balances have been eliminated for consolidated financial statement purposes.

#### **Basis of Presentation**

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

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

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

**Unrestricted Net Assets** - Net assets that are not subject to donor-imposed stipulations.

**Temporarily Restricted Net Assets** - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of the Organizations and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.



# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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

#### **Classification of Net Assets (Continued)**

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organizations. Generally, the donors of these assets permit the Organizations to use all or part of the income earned on any related investments for general or specific purposes.

#### **Use of Estimates**

The preparation of consolidated 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.

#### **Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to the Organizations that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Project income represents amounts contributed by program beneficiaries. The contributions are to help defray the cost of the specific program in which the beneficiary received assistance. The contributions are recorded as temporarily restricted revenue due to the implied stipulation that the contributions be used in the program the beneficiary received assistance. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of activities as released from restriction.

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

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 or asset acquisitions are reflected as grant funds received in advance.

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

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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

#### **Cash and cash equivalents**

Cash and cash equivalents consist of demand deposits, a money market account, and short-term Treasury bills with original maturities of 90 days or less.

#### **Inventory**

Inventory primarily consists of donated food commodities for distribution to low-income households and is stated at the values provided by the State of Michigan, Department of Education.

#### **Accounts Receivable**

Accounts receivable consist primarily of amounts billed under performance contracts for senior services and an insurance claim. Amounts are reviewed for collectability by management and an allowance for doubtful accounts is recorded as needed based on collection history and customer attributes. NMCAA considers these receivables to be collectible and; therefore, no allowance for doubtful accounts has been recorded.

#### **Food Distributed**

Commodity food distributed represents the value of food received through the State of Michigan and distributed to low-income households. Valuations are provided by the State of Michigan. Commodity inventory is charged to expense when the commodities are distributed.

#### **Mortgages Receivable**

NMCAA operates loan programs funded through USDA Rural Development and Veterans Administration grants. The programs provide loans to home owners to perform home rehabilitations. The loans are non-interest-bearing. Loans receivable are discounted to their net present value at a 3.15% discount rate and are stated at the amount of unpaid principal. Any funds repaid must be used in accordance with the original grant agreement.

NMCAA operates a loan program funded through NeighborWork's Strategic Investment Fund. The loans are for down payment assistance of a principal residence. The loans are non-interest-bearing. The loans are forgiven if the purchaser remains in the home for ten years. Should home ownership be transferred before the ten year period expires, the deferred loan is payable to NMCAA. Loans receivable are discounted to their net present value at a 3.05% discount rate and are stated at the amount of unpaid principal.

Management has the intent and ability to hold all loans for the foreseeable future or until maturity or pay-off. Management has reported the loans at their outstanding unpaid principal balances adjusted for charge-offs and the allowance for expected loan losses, if applicable.

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

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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

#### **Mortgages Receivable (continued)**

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, probability of loan forgiveness, 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 NMCAA will be unable to collect the scheduled payments of principal when due according to the contractual terms of the loan agreement. NMCAA has not identified any loans that are impaired at September 30, 2018.

#### **Property and Equipment**

Property, equipment, and leasehold improvements are capitalized at cost. Depreciation is provided for using the straight-line method over the estimated useful life of the asset. NMCAA considers items with a cost greater than \$5,000 and a useful life greater than one year to be property and equipment. Leasehold improvements are amortized by the straight-line method over the initial term of the lease or useful life, whichever is shorter. Amortization expense is included with depreciation expense.

Property and equipment purchased with grant funds are owned by NMCAA 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 property and equipment purchased with grant funds is normally restricted for use in specific programs operated by NMCAA. NMCAA has adopted a policy of implying a time restriction on assets purchased with grant contributions.

Grant-funded property and equipment are recorded as restricted support. As the property and equipment are depreciated, the temporarily restricted net assets are released from restriction and reported in the consolidated statement of activities as net assets released from restriction.

#### **Investments**

Investments are recorded at fair value as determined in an active market. Realized and unrealized gains and losses are recognized as investment income in the consolidated statement of activities.

#### **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. During the year ended September 30, 2018, NMCAA received \$534,067 of such contributions, primarily for its Head Start and Senior Nutrition programs. In addition, NMCAA received contributions of nonprofessional volunteer services of \$1,981,397, primarily for its Head Start and Senior Nutrition programs. The nonprofessional volunteer services are not reported in the consolidated statement of activities as they do not meet the criteria to be recorded under accounting principles generally accepted in the United States.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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

#### **Income Taxes**

NMCAA and CACC are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. NMCAA and CACC are also exempt from Michigan franchise or income tax. IEM is a disregarded entity for tax purposes and all activity of IEM will be included in the tax return of NMCAA.

The Organizations are 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 consolidated financial statements. The Organizations have determined there are amounts to record as assets or liabilities related to uncertain tax positions.

#### **Functional Allocation of Costs**

The cost of program and supporting service activities have been summarized on a functional basis in Note 14. The statement of activities presents the natural classification detail of expenses. Certain costs are attributed to more than one program or supporting function and therefore, require allocation among programs and supporting costs benefited. Costs are allocated to benefiting programs and supporting services using various allocation methods depending on the type of cost being allocated.

#### **Subsequent Events**

Subsequent events have been evaluated through June 17, 2019, which is the date the consolidated financial statements were available to be issued.

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

Financial instruments that potentially subject NMCAA to concentration of credit risk consist primarily of cash, cash equivalents and investments. NMCAA maintains its cash and restricted cash balances at several financial institutions that are insured by the FDIC up to \$250,000. The cash associated with the NeighborWorks America grant has been deposited in a separate bank account that is covered by FDIC. The Treasury bills included in cash and cash equivalents are not insured, however, they are short-term in nature. Cash and investments may exceed FDIC and SIPC at times. Management believes NMCAA is not exposed to any significant credit risk as they use financial institutions with strong credit ratings and follow an investment policy relative to diversification and maturities to maintain safety and liquidity.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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### Note 3: Restricted Cash

The restricted cash balance at September 30, 2018, consists of the following:

Individual development accounts	\$ 243,031
NeighborWorks America capital fund	171,329
<b>Total</b>	<b>\$ 414,360</b>

### Individual Development Accounts

NMCAA received a grant from the U.S. Department of Health and Human Services for Individual Development Accounts (IDA). The grant is intended to leverage grant funds, local match, and participant savings for eligible benefits. The grant awards are on a five-year basis. The grant awards require a dollar for dollar cash match. The grant states that it is mandatory that NMCAA establish a separate, restricted bank account for the grant and matching funds to be used for IDA participants. The IDA accounts can be established for three purposes:

- Home ownership (first time homebuyer - funds for down payment, mortgage reduction, closing costs, etc.)
- Post-secondary education (college, technical, or trade school - for tuition, books, room, and board, etc.)
- Business start-up or expansion (equipment, expansion, office space, etc.)

Eligible participants enroll in the program and open an individual development bank account. As the participant deposits money into his/her individual bank account, matching funds are earmarked for that participant. NMCAA incurs expenses against the grant and the match funds and releases the funds when the participant pays for an eligible cost. Participants can save up to \$1,000 which is matched on a 3-to-1 or 2-to-1 basis by NMCAA, depending on the purpose of the benefit. Match is as follows:

- Home ownership – 3-to-1 (maximum participant \$1,000 - NMCAA \$3,000)
- Post-secondary education – 2-to-1 (maximum participant \$1,000 - NMCAA \$2,000)
- Business start-up or expansion – 2-to-1 (maximum participant \$1,000 - NMCAA \$2,000)

### NeighborWorks America Capital Fund

NMCAA received an award from NeighborWorks America to maintain a permanently restricted revolving loan and capital projects fund. The award is required to be held in a restricted bank account segregated from other funding.

### Note 4: Inventory

At September 30, 2018, the inventory consists of the following:

Commodity supplemental food	\$ 177,780
Other	15,560
<b>Total</b>	<b>\$ 193,340</b>

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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### Note 5: Grants Receivable

Grants receivable at September 30, 2018, consist of amounts due from funding sources as follows:

U.S. Department of Health and Human Services	\$	362,608
U.S. Department of Housing and Urban Development		55,334
Michigan State Housing Development Authority		133,804
Michigan Department of Human Services		162,355
Michigan Department of Education		54,156
Community Development Block Grant Counties		86,713
Traverse Bay Area Intermediate School District		105,735
Wexford-Missaukee Intermediate School District		89,863
Other programs		123,698
<b>Total</b>	<b>\$</b>	<b>1,174,266</b>

### Note 6: Investments

Investments at September 30, 2018, consist of the following:

Money market fund	\$	1,594
Equities		58,442
Mutual funds		210,996
<b>Total</b>	<b>\$</b>	<b>271,032</b>

Included in investment income for the year ended September 30, 2018, was interest and dividends of \$11,335 and a net realized and unrealized loss of \$4,554 on the above investments. Interest income on the operating cash account is also included in investment income.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

### Note 7: Fair Value Measurements

NMCAA measures certain assets and liabilities at fair value in accordance with accounting standards. The accounting standard describes three levels of inputs that may be used to measure fair value (the fair value hierarchy). The level of an asset or liability within the fair value hierarchy is based on the lowest level of input significant to the fair value measurement of that asset or liability.

Following is a brief description of each level of the fair value hierarchy:

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

### Note 7: Fair Value Measurements (Continued)

Level 1 - Fair value measurement is based on quoted prices for identical assets or liabilities in active markets.

Level 2 - Fair value measurement is based on 1) quoted prices for similar assets or liabilities in active markets; 2) quoted prices for identical or similar assets or liabilities in markets that are not active; or 3) valuation models and methodologies for which all significant assumptions are or can be corroborated by observable market data.

Level 3 - Fair value measurement is based on valuation models and methodologies that incorporate at least one significant assumption that cannot be corroborated by observable market data. Level 3 measurements reflect the Organization's estimates about assumptions market participants would use in measuring fair value of the asset or liability.

Some assets and liabilities, such as investments, 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.

As of September 30, 2018, NMCAA does not have any liabilities that are measured at fair value. NMCAA also does not have any assets or liabilities measured on a nonrecurring basis.

Following is a description of the valuation methodology used for each asset measured at fair value on a recurring or nonrecurring basis, as well as the classification of the asset within the fair value hierarchy.

Equities and mutual funds are measured using Level 1 as quoted prices are available as they are traded in an active market.

Money market funds are measured using Level 2 as quoted prices may not be available in an active market.

Information regarding assets measured at fair value on a recurring basis is as follows:

	<u>Fair Value Measurements Using</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Money market fund	\$ 0	\$ 1,594	\$ 0	\$ 1,594
Equities	58,442	0	0	58,442
Mutual funds:				
Equity mutual funds	144,816	0	0	144,816
Fixed income mutual funds	66,180	0	0	66,180
<b>Totals</b>	<b>\$ 269,438</b>	<b>\$ 1,594</b>	<b>\$ 0</b>	<b>\$ 271,032</b>

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

### Note 8: Mortgages Receivable

Mortgages receivable consist of the following:

Housing preservation loans (1)	\$ 481,500
Affordable Housing for Rural Veterans loans (1)	45,348
NeighborWorks Strategic Investment Fund (2)	25,000
Total loans	551,848
<u>Allowance for uncollectible mortgages receivable</u>	<u>( 283,424)</u>
Expected mortgages receivable to be collected	268,424
Discount at 3.05% (1)	( 77,288)
Discount at 3.15% (2)	( 616)
<u>Total</u>	<u>\$ 190,520</u>

The unamortized discount is the difference between the face amount of the loan receivable and its present value discounted at a compound interest rate. This discount is then amortized over the life of the loan. The loans are non-interest-bearing and are due upon the transfer of ownership.

NMCAA has a second mortgage on the properties. As NMCAA does not anticipate any homes to transfer ownership in the next year, the receivable balance has been classified as a long-term asset.

An analysis of the allowance for uncollectible revolving loans receivable is as follows:

Balance at beginning of year	\$ 290,598
Provision for loan loss	(7,174)
<u>Balance at end of year</u>	<u>\$ 283,424</u>

NMCAA considers loans impaired when, based on current information, it is probable that they will not collect all amounts due in accordance with contractual terms of the loan agreement. This generally includes loans where management has received indications suggesting future nonperformance is likely. Loans that are deemed impaired are evaluated for impairment individually. Loans that are not impaired are evaluated for impairment collectively based on past loss experience, current economic risks and other relevant factors.

Detailed analysis of the allowance for loan losses as of September 30, 2018, is as follows:

	Loan Balance	Allowance Balance
Loans – individually evaluated for impairment	\$ 0	\$ 0
Loans – collectively evaluated for impairment	551,848	283,424
<u>Totals</u>	<u>\$ 551,848</u>	<u>\$ 283,424</u>



# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

### Note 9: Property and Equipment

A summary of property and equipment at September 30, 2018, is as follows:

	Corporate Purchased	Grant Award Purchased	Totals
Land	\$ 112,068	\$ 26,125	\$ 138,193
Buildings	881,868	92,063	973,931
Buildings & improvements	478,541	40,480	519,021
Vehicles/equipment	101,854	1,019,279	1,121,133
Subtotals	1,574,331	1,177,947	2,752,278
Accumulated depreciation	( 1,408,991)	( 898,117)	( 2,307,108)
<b>Property and equipment, net</b>	<b>\$ 165,340</b>	<b>\$ 279,830</b>	<b>\$ 445,170</b>

### Note 10: Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

Early child education	\$ 6,449
Senior funds	26,287
Community services	266,128
Assets for independence demonstration	127,038
Grant funded mortgages	190,520
Grant-funded equipment	279,830
<b>Total</b>	<b>\$ 896,252</b>

The above net assets have a specific purpose or time restrictions. When the restrictions are met, net assets are released from restriction and reported as unrestricted net assets.

### Note 11: Permanently Restricted Net Assets

Capital funds provided by NeighborWorks America held in perpetuity, segregated and maintained as such to account for the eligible uses listed in the Investment and Grant Agreement between NeighborWorks America and NMCAA. The balance of the fund at September 30, 2018 is \$175,000.

### Note 12: Employee Retirement Plan

Employees may choose to withhold a portion of their income for contribution to NMCAA's 403(b) retirement plan. Contributions to the plan are 100% vested at the time of contribution. NMCAA did not directly contribute any amount into the retirement plan for the year ended September 30, 2018.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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### Note 13: Operating Lease Agreements

NMCAA leases various facilities and equipment for operation of its programs with varying terms through September 30, 2026. Lease expense for the year ended September 30, 2018, was \$503,549. Several of NMCAA's operating leases have terms extending beyond one year. The leases have a clause allowing early termination based on loss of grant funding. There is no expectation of loss of funding. The commitments are as follows:

2019	\$ 432,480
2020	208,204
2021	118,600
2022	93,571
2023	60,568
Thereafter	127,194
<b>Total</b>	<b>\$ 1,040,617</b>

### Note 14: Functional Classification of Expenses

The following program and supporting services are reflected in the consolidated statement of activities for the year ended September 30, 2018:

Program activities	
Child education	\$ 10,245,255
Housing program	2,954,796
Community services	3,176,020
Food programs	1,520,177
Older Americans	933,744
<u>Weatherization/energy assistance</u>	<u>587,746</u>
Total program activities	19,417,738
Management and general	835,666
Fund-raising	73,321
<b>Total expenses</b>	<b>\$ 20,326,725</b>

### Note 15: Grant Awards

At September 30, 2018, NMCAA had received commitments for future funding under various grant awards of approximately \$6,335,000. These commitments are not recognized in the accompanying consolidated financial statements as receivables and revenue as they are conditional awards.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Notes to Consolidated Financial Statements

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### **Note 16: Contingent Liability**

NMCAA has recorded a liability for potential costs owed to funding sources. NMCAA discovered costs charged to the State of Michigan weatherization and low income home energy assistance grants during fiscal years 2016, 2017, and 2018 for materials from one vendor that were never received. The total amount recorded for the contingent liability is \$321,283. Upon completion of investigations, NMCAA will be working with the appropriate funding sources to resolve the liability. The final amount owed could change based on the outcome of negotiations and potential recovery of funds through criminal forfeiture.

# **Supplementary Information**

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-1  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	FEDERAL PROGRAMS							
	Department of Agriculture							
	10 558	10 585		10 588		10 589		
	Total	Child and Adult Day Care Food (1)	Commodity Supplemental Food Program 280001022C (2)	Commodity Supplemental Food Distribution (3)	10 588 Subtotal	Temporary Emergency Food Assist. Program 29-000-0001 (4)	Temporary Emergency Food Assist. Distribution (5)	10 588, 10 589 Subtotal
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 971,487	\$ 0	\$ 0	\$ 132,756	\$ 132,756	\$ 0	\$ 0	\$ 132,756
Federal grant reimbursement revenue	14,432,990	375,386	183,031	0	183,031	107,815	0	286,846
State and local grant reimbursement revenue	3,310,033	0	0	0	0	0	0	0
Performance contract revenue	116,908	0	0	0	0	0	0	0
Commodities food received	856,627	0	0	606,000	606,000	0	250,627	856,627
Grant funds received in advance	(1,042,987)	0	0	(177,780)	(177,780)	0	0	(177,780)
Grant revenue	18,645,058	375,386	183,031	560,976	744,007	108,815	250,627	1,098,449
Project income	522,147	0	0	0	0	0	0	0
Sale of Homes	158,390	0	0	0	0	0	0	0
Investment income	15,088	0	0	0	0	0	0	0
Donations	154,362	0	0	0	0	0	0	0
Miscellaneous income	148,503	0	700	0	700	4,501	0	5,201
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	534,067	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>20,177,615</b>	<b>375,386</b>	<b>183,731</b>	<b>560,976</b>	<b>744,707</b>	<b>108,316</b>	<b>250,627</b>	<b>1,103,650</b>
<b>EXPENSES</b>								
Salaries	8,642,661	0	89,737	0	89,737	33,878	0	123,615
Fringe benefits	1,703,166	0	23,292	0	23,292	8,720	0	32,012
Professional/contract services	1,406,971	0	4,873	0	4,873	128	0	5,001
Travel/transportation	667,033	0	8,546	0	8,546	19,927	0	28,473
Space costs	748,635	0	19,122	0	19,122	3,583	0	22,705
Beneficiary assistance and supplies	4,613,119	375,386	6,366	0	6,366	2,216	0	8,582
Lease and maintenance of equipment	175,258	0	9,586	0	9,586	31,102	0	40,688
Other	733,693	0	6,523	0	6,523	1,632	0	8,155
Indirect expenses	0	0	15,686	0	15,686	7,130	0	22,816
Commodity food distributed	811,603	0	0	560,976	560,976	0	250,627	811,603
Payments to subgrantees	290,519	0	0	0	0	0	0	0
In-kind expenses	534,067	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>20,326,725</b>	<b>375,386</b>	<b>183,731</b>	<b>560,976</b>	<b>744,707</b>	<b>108,316</b>	<b>250,627</b>	<b>1,103,650</b>
Change in Net Assets	(149,110)	0	0	0	0	0	0	0
Net assets - Beginning of the year	3,173,834	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 3,024,724</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-2  
 Schedule of Program Activity  
 Year Ended September 30, 2018

FEDERAL PROGRAMS								
Department of Housing and Urban Development								
14.108			14.228					
LCHA Comprehensive HC180321040	LCHA Comprehensive HC170221018	14.108 Subtotal	Washtenaw Co. CDBG Housing MSC 2015- 5831-HO	Charlevoix Co. CDBG Housing MSC 2014- 0728-HO	Emmet Co. CDBG Housing MSC 2015- 0727-HO	Grand Traverse Co. CDBG Housing MSC 2013- 0781-HO	14.228 Subtotal	
(6)	(7)		(8)	(9)	(10)	(11)		
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	16,739	11,359	28,118	62,154	34,629	206,831	(12,411)	291,203
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	(1,166)	0	0	(1,166)
Grant revenue	16,739	11,359	28,118	62,154	33,463	206,831	(12,411)	290,037
Project income	5	0	5	33,763	18,439	30,076	107,440	189,718
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Transfers	0	0	0	(18,092)	0	(8,630)	(27,094)	(53,816)
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>16,764</b>	<b>11,359</b>	<b>28,123</b>	<b>77,825</b>	<b>51,902</b>	<b>228,277</b>	<b>67,935</b>	<b>425,939</b>
<b>EXPENSES</b>								
Salaries	12,780	7,966	20,746	13,986	26	1,387	11,569	26,968
Fringe benefits	2,460	2,360	4,820	2,284	2	177	1,797	4,260
Professional/contract services	0	0	0	61	10,150	35,359	51	45,621
Travel/transportation	0	0	0	247	0	0	40	287
Space costs	0	0	0	307	0	0	242	549
Beneficiary assistance and supplies	0	0	0	60,441	41,707	191,208	53,709	347,065
Lease and maintenance of equipment	0	0	0	18	0	0	14	32
Other	0	0	0	164	17	52	204	437
Indirect expenses	1,524	1,033	2,557	317	0	94	309	720
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>16,764</b>	<b>11,359</b>	<b>28,123</b>	<b>77,825</b>	<b>51,902</b>	<b>228,277</b>	<b>67,935</b>	<b>425,939</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-3  
 Schedule of Program Activity  
 Year Ended September 30, 2018

FEDERAL PROGRAMS								
Department of Housing and Urban Development								
14.231			14.235					
MSHDA ESG HML-2017- 0107-ESF (12)	MSHDA ESG HML-2018- Northwest- 0107-ESF (13)	14.231 Subtotal	Rapid Re-Housing SHP-17-15008 (14)	Family Re-Housing Program (FRP) SHP-18-15008 (15)	Rural Permanent Supportive Housing Grant SHP-17-24001 (16)	Charlevoix- Emmet HMIS HML-2018-MI- 5882-HMIS (17)	Wesford-Mis- saukee HMIS HML-2018-MI- 5882-HMIS (18)	
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,930	\$ 6,415	
Federal grant reimbursement revenue	435,381	19,275	454,656	136,039	188,433	224,816	6,180	6,180
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	(4,204)	(4,230)	
Grant revenue	435,381	19,275	454,656	136,039	188,433	224,816	8,906	8,365
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	7,295	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>435,381</b>	<b>19,275</b>	<b>454,656</b>	<b>136,039</b>	<b>188,433</b>	<b>232,111</b>	<b>8,906</b>	<b>8,365</b>
<b>EXPENSES</b>								
Salaries	166,193	10,544	176,737	26,100	50,932	56,498	0	0
Fringe benefits	35,976	2,363	38,339	3,246	8,826	10,649	0	0
Professional/contract services	12,236	0	12,236	413	539	284	4,982	4,982
Travel/transportation	3,728	117	3,845	1,200	2,348	1,727	696	280
Space costs	6,931	226	7,157	1,304	2,708	2,665	0	0
Beneficiary assistance and supplies	72,419	5,775	78,194	98,663	112,918	150,073	2,418	2,342
Lease and maintenance of equipment	1,308	0	1,308	468	1,008	877	0	0
Other	4,745	250	4,995	1,323	2,440	2,002	0	0
Indirect expenses	0	0	0	3,322	6,714	7,336	810	761
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	131,845	0	131,845	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>435,381</b>	<b>19,275</b>	<b>454,656</b>	<b>136,039</b>	<b>188,433</b>	<b>232,111</b>	<b>8,906</b>	<b>8,365</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-4  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	FEDERAL PROGRAMS								
	Department of Housing and Urban Development								
	14.235			14.238			14.267		
	Manistee HMIS HML-2018-MI 5682-HMIS (19)	14.235 Subtotal	Emmet Co. ADR MI-2012- 107 (20)	Home Grant M-2013-0107 (21)	14.238 Subtotal	Continuum Planning Grant MI- 0586L5F121700 (22)	Continuum Planning Grant MI- 0537L5F121600 (23)	HUD Youth Planning Grant MI- 0555Y5F121600 (24)	
<b>REVENUE</b>									
Prior year's grant funds received in advance	\$ 4,320	\$ 17,665	\$ 12,647	\$ 6,530	\$ 19,177	\$ 0	\$ 0	\$ 0	
Federal grant reimbursement revenue	6,180	567,828	100	19,992	20,092	11,000	3,266	17,682	
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0	
Performance contract revenue	0	0	0	0	0	0	0	0	
Commodities food received	0	0	0	0	0	0	0	0	
Grant funds received in advance	(5,073)	(13,507)	0	0	0	0	0	0	
Grant revenue	5,427	571,986	12,747	26,522	39,269	11,000	3,266	17,682	
Project income	0	0	0	0	0	0	0	0	
Sale of Homes	0	0	0	0	0	0	0	0	
Investment income	0	0	0	0	0	0	0	0	
Donations	0	0	0	0	0	0	0	1,096	
Miscellaneous income	0	0	0	0	0	0	0	0	
Transfers	0	7,295	0	(581)	(581)	0	0	0	
In-kind contributions	0	0	0	0	0	0	0	0	
<b>Total Revenue</b>	<b>5,427</b>	<b>579,281</b>	<b>12,747</b>	<b>25,941</b>	<b>38,688</b>	<b>11,000</b>	<b>3,266</b>	<b>18,778</b>	
<b>EXPENSES</b>									
Salaries	0	133,530	0	6,248	6,248	0	0	0	
Fringe benefits	0	22,721	0	1,327	1,327	0	0	0	
Professional/contract services	4,104	15,304	12,647	41	12,688	10,000	2,969	18,530	
Travel/transportation	0	6,251	0	5	5	0	0	0	
Space costs	0	6,677	0	133	133	0	0	0	
Beneficiary assistance and supplies	829	367,243	100	15,847	15,947	0	0	248	
Lease and maintenance of equipment	0	2,353	0	8	8	0	0	0	
Other	0	5,765	0	67	67	0	0	0	
Indirect expenses	494	19,437	0	2,265	2,265	1,000	297	0	
Commodity food distributed	0	0	0	0	0	0	0	0	
Payments to subgrantees	0	0	0	0	0	0	0	0	
In-kind expenses	0	0	0	0	0	0	0	0	
<b>Total Expenses</b>	<b>5,427</b>	<b>579,281</b>	<b>12,747</b>	<b>25,941</b>	<b>38,688</b>	<b>11,000</b>	<b>3,266</b>	<b>18,778</b>	
Change in Net Assets	0	0	0	0	0	0	0	0	
Net assets - Beginning of the year	0	0	0	0	0	0	0	0	
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	

See independent Auditor's Report.



# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-5  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	FEDERAL PROGRAMS							
	HUD		Department of Treasury					
	14,267	14,671	21,000					
	Family Self-Sufficiency Prog. - HCVP 16-01-FSS	NeighborWorks Green Program Dev. Grant FY13-2 2013-9527-0056-GPDS1	NeighborWorks Week Grant G-NWW-2018-49095	NeighborWorks Strategic Investment Fund R-SIF-2018-49535	NeighborWorks NTI Travel Grant G-SUP 2018-47837	NW Learning Community Health Partnerships G-SUPEXT-2018 50827	NeighborWorks Sgl. Fam. Home Design Pilot 2016-9527-0077-TAB9	
	(25)	(28)	(27)	(28)	(29)	(30)	(31)	
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 11,146	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,633
Federal grant reimbursement revenue	31,948	8,321	0	500	50,000	9,600	15,000	0
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	(293)	(10,827)	(358)	(50,000)	0	(14,203)	(20,766)
Grant revenue	31,948	8,028	319	142	0	9,600	797	9,867
Project income	0	0	0	0	0	500	0	500
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	1,096	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>33,044</b>	<b>8,028</b>	<b>319</b>	<b>142</b>	<b>0</b>	<b>10,100</b>	<b>797</b>	<b>10,367</b>
<b>EXPENSES</b>								
Salaries	0	5,823	252	0	0	0	0	0
Fringe benefits	0	1,475	38	0	0	0	0	0
Professional/contract services	31,499	0	0	0	0	0	0	3,184
Travel/transportation	0	0	0	47	0	5,137	698	1,018
Space costs	0	0	0	0	0	0	0	0
Beneficiary assistance and supplies	248	0	0	82	0	4,090	0	250
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	27	5,470
Indirect expenses	1,297	730	29	13	0	873	72	445
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>33,044</b>	<b>8,028</b>	<b>319</b>	<b>142</b>	<b>0</b>	<b>10,100</b>	<b>797</b>	<b>10,367</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-6  
 Schedule of Program Activity  
 Year Ended September 30, 2018

FEDERAL PROGRAMS								
Department of Treasury								
21,000								
	NeighborWorks Operating Grant (12)	NeighborWorks Permanently Restricted Capital Grant (13)	NeighborWorks CIM GW- 2017-8527- 0293-SUP (14)	NeighborWorks Financial Capability Evaluation 2018-8527- 0408-SUP39 (15)	NeighborWorks Strategic Investment 2018-8527-0102- SIFUND68 (16)	NeighborWorks Executive Director Transition G- SUPEXT-2018-50826 (17)	NeighborWorks Permanently Restricted Emmet County ADR Project (18)	NeighborWorks Community Development Peer-to-Peer R- SUPINT-2018-51112 (19)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 314,031	\$ 0	\$ 4,743	\$ 756	\$ 35,000	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	145,000	50,000	0	0	0	25,000	0	2,000
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	(339,416)	0	(4,743)	0	(13,471)	0	0	(2,000)
Grant revenue	119,615	50,000	0	756	21,529	25,000	0	0
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	113,934	0
Investment income	334	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>119,949</b>	<b>50,000</b>	<b>0</b>	<b>756</b>	<b>21,529</b>	<b>25,000</b>	<b>113,934</b>	<b>0</b>
<b>EXPENSES</b>								
Salaries	83,786	0	0	636	8,651	21,367	0	0
Fringe benefits	20,539	0	0	51	1,830	1,656	0	0
Professional/contract services	375	0	0	0	0	0	0	0
Travel/transportation	129	0	0	0	0	0	0	0
Space costs	1,356	0	0	0	0	0	0	0
Beneficiary assistance and supplies	1,965	0	0	0	10,000	0	0	0
Lease and maintenance of equipment	74	0	0	0	0	0	0	0
Other	827	0	0	0	0	0	(6,066)	0
Indirect expenses	10,898	0	0	69	1,048	1,977	0	0
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>119,949</b>	<b>0</b>	<b>0</b>	<b>756</b>	<b>21,529</b>	<b>25,000</b>	<b>(6,066)</b>	<b>0</b>
Change in Net Assets	0	50,000	0	0	0	0	120,000	0
Net assets - Beginning of the year	0	125,000	0	0	0	0	(120,000)	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 175,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-7  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	FEDERAL PROGRAMS							
	Dept. of Treasury		Veterans Affairs	Department of Energy		Dept of Health and Human Services		
	21.000	21.008	84.022	81.042		83.045		
	Volunteer Income Tax Assistance 17VITA0030 (40)	Supportive Serv. Veterans Families Prog. 13-MI-108 (41)	Weatherization Assistance Program WAP- 16-28022-1 (42)	Weatherization Assistance Program WAP- 16-28022-NFA 10 (43)	81.042 Subtotal	Senior Nutrition - Congregate (44)	Senior Nutrition - Home Delivered (48)	
	21.000 Subtotal							
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 396,309	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Federal grant reimbursement revenue	297,100	35,000	629,257	422,926	73,906	496,832	64,652	
State and local grant reimbursement revenue	0	0	0	0	0	0	362,986	
Performance contract revenue	0	0	0	0	0	0	0	
Commodities food received	0	0	0	0	0	0	0	
Grant funds received in advance	(455,784)	0	0	0	0	0	0	
Grant revenue	237,625	35,000	629,257	422,926	73,906	496,832	427,638	
Project income	1,000	0	0	0	0	0	184,198	
Sale of Homes	113,934	0	0	0	0	0	0	
Investment income	334	0	0	0	0	0	0	
Donations	0	0	0	0	0	0	0	
Miscellaneous income	0	0	0	0	0	0	0	
Transfers	0	0	0	0	0	0	146,362	
In-kind contributions	0	83,446	0	0	0	0	58,556	
<b>Total Revenue</b>	<b>352,893</b>	<b>118,446</b>	<b>629,257</b>	<b>422,926</b>	<b>73,906</b>	<b>496,832</b>	<b>816,754</b>	
<b>EXPENSES</b>								
Salaries	114,692	21,699	239,430	102,279	14,309	116,588	246,833	
Fringe benefits	24,114	3,838	38,653	29,962	3,951	33,913	50,776	
Professional/contract services	3,559	301	13,451	44,070	1,513	45,583	136,011	
Travel/transportation	7,029	3,477	16,461	15,756	3,560	19,316	85,843	
Space costs	1,356	0	12,833	2,926	1,006	3,932	18,487	
Beneficiary assistance and supplies	16,387	201	178,298	197,611	44,005	241,616	188,815	
Lease and maintenance of equipment	74	557	2,294	2,573	183	2,756	1,877	
Other	258	1,805	9,018	7,854	1,868	9,722	6,879	
Indirect expenses	15,424	3,122	35,145	19,895	3,511	23,406	22,677	
Commodity food distributed	0	0	0	0	0	0	0	
Payments to subgrantees	0	0	83,674	0	0	0	0	
In-kind expenses	0	83,446	0	0	0	0	58,556	
<b>Total Expenses</b>	<b>182,893</b>	<b>118,446</b>	<b>629,257</b>	<b>422,926</b>	<b>73,906</b>	<b>496,832</b>	<b>816,754</b>	
Change in Net Assets	170,000	0	0	0	0	0	0	
Net assets - Beginning of the year	5,000	0	0	0	0	0	0	
<b>NET ASSETS - End of the year</b>	<b>\$ 175,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-8  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	FEDERAL PROGRAMS								
	Department of Health and Human Services								
	93.046	93.053	93.568			93.568			
	93.046 Subtotal	Nutrition Services Incentive (48)	93.046 & 93.053 Subtotal	Salvation Army Motel Provider Program TSA/ NMCAA YR 17-18 (47)	Weatherization LIHEAP WAP-16-28022-2 NFA#2 (48)	LIHEAP Crisis Assistance LCA 16-28023 NFA#2 (48)	MCA MEAP MAE LDA 2017/2018 (50)	MCA LIHEAP MAE G-1881MIUEA (51)	
<b>REVENUE</b>									
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Federal grant reimbursement revenue	242,949	155,646	398,595	3,822	138,900	665,700	132,300	158,760	
State and local grant reimbursement revenue	372,307	0	372,307	0	0	0	0	0	
Performance contract revenue	0	0	0	0	0	0	0	0	
Commodities food received	0	0	0	0	0	0	0	0	
Grant funds received in advance	0	0	0	0	0	0	0	0	
Grant revenue	615,256	155,646	770,902	3,822	138,900	665,700	132,300	158,760	
Project income	270,218	0	270,218	0	1,137	0	0	0	
Sale of Homes	0	0	0	0	0	0	0	0	
Investment income	0	0	0	0	0	0	0	0	
Donations	0	0	0	0	0	0	0	0	
Miscellaneous income	0	0	0	0	0	0	0	0	
Transfers	146,362	0	146,362	0	0	0	0	0	
In-kind contributions	110,178	0	110,178	0	0	0	0	0	
<b>Total Revenue</b>	<b>1,142,014</b>	<b>155,646</b>	<b>1,297,660</b>	<b>3,822</b>	<b>140,037</b>	<b>665,700</b>	<b>132,300</b>	<b>158,760</b>	
<b>EXPENSES</b>									
Salaries	361,168	0	361,168	1,802	50,786	37,863	13,372	9,196	
Fringe benefits	73,885	0	73,885	577	12,875	7,660	1,416	1,688	
Professional/contract services	177,414	0	177,414	0	4,950	0	6	0	
Travel/transportation	90,940	0	90,940	0	1,530	40	331	0	
Space costs	28,017	0	28,017	0	992	1,696	1,597	585	
Beneficiary assistance and supplies	252,995	155,646	408,641	1,205	60,103	612,769	112,426	145,883	
Lease and maintenance of equipment	3,051	0	3,051	0	115	299	442	156	
Other	9,285	0	9,285	0	2,018	651	925	119	
Indirect expenses	35,081	0	35,081	238	6,668	4,722	1,785	1,133	
Commodity food distributed	0	0	0	0	0	0	0	0	
Payments to subgrantees	0	0	0	0	0	0	0	0	
In-kind expenses	110,178	0	110,178	0	0	0	0	0	
<b>Total Expenses</b>	<b>1,142,014</b>	<b>155,646</b>	<b>1,297,660</b>	<b>3,822</b>	<b>140,037</b>	<b>665,700</b>	<b>132,300</b>	<b>158,760</b>	
Change in Net Assets	0	0	0	0	0	0	0	0	
Net assets - Beginning of the year	0	0	0	0	0	0	0	0	
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-9  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	\$3,568	\$3,568			\$3,800		
		Community Services Block Grant CSBG-14-28023 YR 4	Community Services Block Grant CSBG-14-28023 YR 5	Community Services Block Grant Discretionary CSBG-D-14-28023 YR 5		Head Start	Training & Technical Assistance
\$3,568 Subtotal	(92)	(93)	(94)	\$3,568 Subtotal	Full-Year, Part-Day 05CH010303-03 (95)	06CH010303-03 (96)	
<b>REVENUE</b>							
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	1,095,660	143,358	398,508	50,000	591,866	4,327,936	62,036
State and local grant reimbursement revenue	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	0
Grant revenue	1,095,660	143,358	398,508	50,000	591,866	4,327,936	62,036
Project income	1,137	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	1,489,838	0
<b>Total Revenue</b>	<b>1,096,797</b>	<b>143,358</b>	<b>398,508</b>	<b>50,000</b>	<b>591,866</b>	<b>5,817,774</b>	<b>62,036</b>
<b>EXPENSES</b>							
Salaries	111,217	82,178	198,136	32,789	313,103	2,198,131	0
Fringe benefits	23,639	19,246	42,810	6,789	68,843	469,062	0
Professional/contract services	4,956	849	6,101	0	6,950	417,918	6,815
Travel/transportation	1,901	2,707	18,689	2,804	24,200	132,934	23,684
Space costs	4,870	11,449	27,571	0	39,020	290,236	0
Beneficiary assistance and supplies	931,181	5,741	17,280	1,658	24,679	326,061	12,240
Lease and maintenance of equipment	1,012	2,398	6,330	0	8,728	34,276	0
Other	3,713	5,289	17,729	1,457	24,475	84,814	13,657
Indirect expenses	14,308	13,501	63,862	4,503	81,866	374,504	5,640
Commodity food distributed	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	1,489,838	0
<b>Total Expenses</b>	<b>1,096,797</b>	<b>143,358</b>	<b>398,508</b>	<b>50,000</b>	<b>591,866</b>	<b>5,817,774</b>	<b>62,036</b>
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-10  
 Schedule of Program Activity  
 Year Ended September 30, 2018

FEDERAL PROGRAMS							
Department of Health and Human Services							
93.800							
Head Start							
	Early Head Start 05CHO10303-03 (157)	Training & Technical Assistance 05CHO10303-03 (159)	Full-Year, Part-Day 05CHO10303-02 (160)	Training & Technical Assistance 05CHO10303-02 (160)	Early Head Start 05CHO10303-02 (61)	Training & Technical Assistance 05CHO10303-02 (62)	93.800 Subtotal
<b>REVENUE</b>							
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	1,817,219	42,662	1,901,041	3,945	657,416	8,205	8,820,460
State and local grant reimbursement revenue	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	0
Grant revenue	1,817,219	42,662	1,901,041	3,945	657,416	8,205	8,820,460
Project income	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
In-kind contributions	0	0	832,002	0	0	0	2,321,840
<b>Total Revenue</b>	<b>1,817,219</b>	<b>42,662</b>	<b>2,733,043</b>	<b>3,945</b>	<b>657,416</b>	<b>8,205</b>	<b>11,142,300</b>
<b>EXPENSES</b>							
Salaries	1,004,441	0	969,842	0	323,908	0	4,496,322
Fringe benefits	179,835	0	174,542	0	54,241	0	877,680
Professional/contract services	185,270	10,444	133,152	920	55,690	3,228	813,437
Travel/transportation	86,497	8,704	63,795	2,189	32,960	2,514	353,277
Space costs	71,102	0	108,364	0	28,285	0	497,987
Beneficiary assistance and supplies	72,085	16,058	241,135	17	87,967	623	756,186
Lease and maintenance of equipment	25,309	0	10,104	0	3,548	0	73,237
Other	34,115	3,578	33,625	460	12,924	1,094	184,267
Indirect expenses	158,565	3,878	166,482	359	57,893	746	768,067
Commodity food distributed	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0
In-kind expenses	0	0	832,002	0	0	0	2,321,840
<b>Total Expenses</b>	<b>1,817,219</b>	<b>42,662</b>	<b>2,733,043</b>	<b>3,945</b>	<b>657,416</b>	<b>8,205</b>	<b>11,142,300</b>
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-11  
 Schedule of Program Activity  
 Year Ended September 30, 2018

FEDERAL PROGRAMS					
Department of Health and Human Services					
93.602					
	Assets for Independence Demonstration 90E0627/01 (83)	Assets for Independence Demonstration 90E10783/01 (94)	Assets for Independence Demonstration 90E10855/01 (95)	93.602 Subtotal	Total Federal Programs
<b>REVENUE</b>					
Prior year's grant funds received in advance	\$ 0	\$ 45,276	\$ 110,239	\$ 155,515	\$ 721,422
Federal grant reimbursement revenue	0	0	0	0	14,332,990
State and local grant reimbursement revenue	0	0	0	0	372,307
Performance contract revenue	0	0	0	0	0
Commodities food received	0	0	0	0	856,627
Grant funds received in advance	0	(19,500)	(106,038)	(125,538)	(774,068)
Grant revenue	0	25,776	4,201	29,977	15,609,278
Project income	0	0	0	0	462,078
Sale of Homes	0	0	0	0	113,934
Investment income	0	121	356	477	811
Donations	0	0	0	0	1,096
Miscellaneous income	0	0	0	0	5,201
Transfers	0	0	0	0	99,260
In-kind contributions	0	0	0	0	2,515,464
<b>Total Revenue</b>	<b>0</b>	<b>25,897</b>	<b>4,557</b>	<b>30,454</b>	<b>18,807,122</b>
<b>EXPENSES</b>					
Salaries	0	3,381	6,215	9,596	6,279,284
Fringe benefits	0	821	1,682	2,503	1,252,601
Professional/contract services	0	18	57	75	1,188,075
Travel/transportation	0	0	0	0	555,462
Space costs	0	0	0	0	625,236
Beneficiary assistance and supplies	0	47,000	0	47,000	3,798,059
Lease and maintenance of equipment	0	0	0	0	116,098
Other	0	27	8	35	261,997
Indirect expenses	0	425	796	1,221	1,027,700
Commodity food distributed	0	0	0	0	811,603
Payments to subgrantees	0	0	0	0	215,519
In-kind expenses	0	0	0	0	2,515,464
<b>Total Expenses</b>	<b>0</b>	<b>51,672</b>	<b>8,758</b>	<b>60,430</b>	<b>18,667,098</b>
Change in Net Assets	0	(25,775)	(4,201)	(29,976)	140,024
Net assets - Beginning of the year	1,500	45,275	110,239	157,014	162,014
<b>NET ASSETS - End of the year</b>	<b>\$ 1,500</b>	<b>\$ 19,500</b>	<b>\$ 106,038</b>	<b>\$ 127,038</b>	<b>\$ 302,038</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-12  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	MSHDA ESG Additional HML-2018- 0107-ESM (06)	Housing Education Services 17-36-HEP (07)	Homeless Youth Initiative Seed Grant #2388 (08)	Supplement Youth Housing Demonstration Project (08)	MSHDA Homeless Summit Stipend Support (70)	Coordinated Entry COC MID48- 415F001500 (71)	County of Emmet Homeowner Rehabilitation Program Spec. Funds 14 - 17 (72)	County of Emmet Homeowner Rehabilitation Program Spec. Funds 16 - 18 (72)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 9,709	\$ 0	\$ 0	\$ 4,860	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	856	29,500	0	12,654	1,500	0	78,078	13,415
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	(4,269)	0	(1,500)	0	0	0
Grant revenue	856	29,500	5,440	12,654	0	4,860	78,078	13,415
Project income	0	0	2,500	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	800	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>856</b>	<b>29,500</b>	<b>8,740</b>	<b>12,654</b>	<b>0</b>	<b>4,860</b>	<b>78,078</b>	<b>13,415</b>
<b>EXPENSES</b>								
Salaries	0	21,737	0	0	0	0	0	11
Fringe benefits	0	3,403	0	0	0	0	0	1
Professional/contract services	0	0	8,650	12,348	0	4,418	14,566	1,709
Travel/transportation	0	0	0	0	0	0	0	0
Space costs	0	0	0	0	0	0	0	0
Beneficiary assistance and supplies	856	0	90	0	0	0	59,868	11,318
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	5
Indirect expenses	0	2,360	0	306	0	442	3,644	371
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>856</b>	<b>29,500</b>	<b>8,740</b>	<b>12,654</b>	<b>0</b>	<b>4,860</b>	<b>78,078</b>	<b>13,415</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-13  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	Benzle County Community Chest 2017 (174)	Benzle County Community Chest 2018 (178)	NW MI Supportive Housing Consultant Contract (178)	Youth Demonstration Project Cash Match (177)	Cherryland Electric Community Caring Fund (178)	Local Planning Body System Coordination Funds (178)	Benzle Co. Program Inc. Contract (180)	Worford Co. Program Inc. Contract (181)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 6,454	\$ 0	\$ 0	\$ 0	\$ 445	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	7,500	93,062	750	0	6,470	100,553	71,379
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	( 15)	( 7,500)	0	( 750)	( 45)	( 6,470)	( 6,919)	0
Grant revenue	6,439	0	93,062	0	400	0	93,634	71,379
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>6,439</b>	<b>0</b>	<b>93,062</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>93,634</b>	<b>71,379</b>
<b>EXPENSES</b>								
Salaries	0	0	65,397	0	0	0	12,797	6,332
Fringe benefits	0	0	15,260	0	0	0	1,111	536
Professional/contract services	0	0	26	0	0	0	7	0
Travel/transportation	0	0	5,239	0	0	0	235	63
Space costs	0	0	0	0	0	0	0	0
Beneficiary assistance and supplies	6,439	0	56	0	367	0	76,271	62,321
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	996	0	0	0	169	98
Indirect expenses	0	0	6,088	0	33	0	3,044	2,029
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>6,439</b>	<b>0</b>	<b>93,062</b>	<b>0</b>	<b>400</b>	<b>0</b>	<b>93,634</b>	<b>71,379</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-14  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	Grand Traverse Co. Program Inc. Contract (82)	Neighborhood Impact Program (83)	NeighborWorks Week QW-2017-8527- 0517-OUT (84)	NeighborWorks Sustainable Homeownership 2016-8527-0904- OUT-5 (85)	G.T.R.C.F. Youth Advisory Board Community Project (86)	Rotary Charities Teen Housing Project (87)	Early Childhood (EC) Programs	
							TBA ISD GSRP Program 2018/2018 (88)	Char-Em ISD GSRP Program 2018/2018 (89)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 200	\$ 146	\$ 99,883	\$ 0	\$ 0	\$ 864	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	6,487	0	0	7,000	3,550	75,000	3,067	12,642
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	( 1,297)	( 200)	0	( 51,737)	0	0	0	0
Grant revenue	5,190	0	146	53,146	3,550	75,000	3,931	12,642
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	( 864)	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>5,190</b>	<b>0</b>	<b>146</b>	<b>53,146</b>	<b>3,550</b>	<b>75,000</b>	<b>3,067</b>	<b>12,642</b>
<b>EXPENSES</b>								
Salaries	0	0	0	28,360	0	0	0	4,736
Fringe benefits	0	0	0	8,813	0	0	0	1,008
Professional/contract services	0	0	0	1,823	3,242	0	0	0
Travel/transportation	22	0	0	100	252	0	0	21
Space costs	0	0	0	14	0	0	376	4,982
Beneficiary assistance and supplies	5,005	0	0	9,151	56	0	2,562	1,837
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	31	0	133	14	0	0	129	58
Indirect expenses	132	0	13	4,831	0	0	0	0
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	75,000	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>5,190</b>	<b>0</b>	<b>146</b>	<b>53,146</b>	<b>3,550</b>	<b>75,000</b>	<b>3,067</b>	<b>12,642</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-15  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	Early Childhood (EC) Programs							
	Wexford-Missaukee ISD GSRP Program 2018/2018 (80)	TBA ISD GSRP Transportation 2017/2018 (81)	TBA ISD GSRP Carryforward 2017/2018 (82)	COOR ISD GSRP Transportation 2017/2018 (83)	COOR ISD Program 2017/2018 (84)	TBA ISD GSRP Program 2017/2018 (85)	Char-Em ISD GSRP Program 2017/2018 (86)	Wexford-Missaukee ISD GSRP Program 2017/2018 (87)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 8,716	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	10,196	37,696	130	2,624	46,347	588,110	288,128	547,244
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	0	0
<b>Grant revenue</b>	<b>18,912</b>	<b>37,696</b>	<b>130</b>	<b>2,624</b>	<b>46,347</b>	<b>588,110</b>	<b>288,128</b>	<b>547,244</b>
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect income	0	0	0	0	0	0	0	0
Transfers	( 8,716)	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>10,196</b>	<b>37,696</b>	<b>130</b>	<b>2,624</b>	<b>46,347</b>	<b>588,110</b>	<b>288,128</b>	<b>547,244</b>
<b>EXPENSES</b>								
Salaries	5,097	0	0	0	35,853	433,636	198,836	397,672
Fringe benefits	578	0	0	0	8,683	87,074	44,532	77,546
Professional/contract services	0	0	0	0	0	0	500	1,166
Travel/transportation	0	37,696	130	2,624	0	3,908	1,940	4,088
Space costs	0	0	0	0	0	14,613	18,300	6,700
Beneficiary assistance and supplies	4,241	0	0	0	0	22,198	12,485	31,818
Lease and maintenance of equipment	0	0	0	0	0	588	448	1,884
Other	280	0	0	0	0	3,663	881	5,872
Indirect expenses	0	0	0	0	1,811	22,430	10,206	20,498
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>10,196</b>	<b>37,696</b>	<b>130</b>	<b>2,624</b>	<b>46,347</b>	<b>588,110</b>	<b>288,128</b>	<b>547,244</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-16  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	Early Childhood (EC) Programs							
	Westford- Missaukee ISD GSRP Transportation 2017/2018 (98)	Central Lake CLEO First Steps Program 7/18-8/18 (99)	Central Lake CLEO Foundation Programs (100)	Great Start Quality Resource Center (101)	5 to One Service Agreement 01/18-2/18 (102)	TBA-ISD Stevenson Service Agreement 03/18-8/18 (103)	TBA-ISD Wilson Service Agreement 10/17-9/18 (104)	Charlevoix- Emmet ISD Child Care Scholarship Program (105)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 43,730
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	21,164	69,317	39,394	339,107	8,964	15,144	57,728	73,147
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	( 57,410)	( 17,543)	0	0	0	0	( 45,623)
Grant revenue	21,164	11,907	21,851	339,107	8,964	15,144	57,728	71,254
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	( 86)	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>21,164</b>	<b>11,907</b>	<b>21,851</b>	<b>339,107</b>	<b>8,964</b>	<b>15,058</b>	<b>57,728</b>	<b>71,254</b>
<b>EXPENSES</b>								
Salaries	5,582	3,438	15,027	270,964	6,356	10,589	45,394	0
Fringe benefits	943	1,088	2,092	51,497	2,184	2,463	4,821	0
Professional/contract services	0	68	37	0	0	0	0	65,937
Travel/transportation	14,289	150	330	0	0	637	2,316	0
Space costs	0	3,000	601	0	0	0	0	0
Beneficiary assistance and supplies	0	3,035	1,504	0	0	0	530	3,500
Lease and maintenance of equipment	0	148	0	0	0	0	0	0
Other	350	184	273	0	0	0	480	1,817
Indirect expenses	0	796	1,987	16,646	424	1,369	4,187	0
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>21,164</b>	<b>11,907</b>	<b>21,851</b>	<b>339,107</b>	<b>8,964</b>	<b>15,058</b>	<b>57,728</b>	<b>71,254</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

See Independent Auditor's Report.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-17  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	EC Building Healthy Comm. Benzle County (108)	Central Lake CLEO First Steps Program 7/17-8/18 (107)	Family Vacation Fund (108)	Raising A Reader Program Growth Grant 2014-059 (108)	ECE Activity (110)	Wexford County Baby Closet (111)	Central Lake Foundation Programs 2017/2018 (112)	Friends of Alanson (113)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 5,789	\$ 0	\$ 962	\$ 0	\$ 0	\$ 9,372	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	2,500	46,877	0	0	0	0	85,784	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	( 895)	0	0	0	0	0	0	0
Grant revenue	1,605	52,666	0	962	0	0	95,156	0
Project income	0	0	0	0	2,480	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	3,390	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>1,605</b>	<b>52,666</b>	<b>3,390</b>	<b>962</b>	<b>2,480</b>	<b>0</b>	<b>95,156</b>	<b>0</b>
<b>EXPENSES</b>								
Salaries	0	18,240	0	0	0	0	57,314	0
Fringe benefits	0	4,483	0	0	0	0	10,369	0
Professional/contract services	0	261	0	0	1,640	0	1,255	0
Travel/transportation	0	279	0	0	0	0	1,395	0
Space costs	0	10,668	0	0	0	0	9,613	0
Beneficiary assistance and supplies	1,605	14,192	3,390	874	500	966	6,428	0
Lease and maintenance of equipment	0	58	0	0	0	0	0	0
Other	0	521	0	0	0	0	950	0
Indirect expenses	0	3,964	0	88	182	0	7,832	0
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>1,605</b>	<b>52,666</b>	<b>3,390</b>	<b>962</b>	<b>2,322</b>	<b>966</b>	<b>95,156</b>	<b>0</b>
Change in Net Assets	0	0	0	0	158	( 966)	0	0
Net assets - Beginning of the year	0	0	0	0	3,779	3,607	0	101
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,937</b>	<b>\$ 2,641</b>	<b>\$ 0</b>	<b>\$ 101</b>

See Independent Auditor's Report.

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-18  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	Child Development Contributions (114)	TBA ISD & Venture North Contract (118)	Malden of Michigan Fund (118)	QS2Q Participation Bonus Program (117)	Manistee County Millage 2018 (118)	Grand Traverse County Millage 2017 (119)	Grand Traverse County Millage 2018 (120)	Wexford County Millage 2017 (121)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 1,290	\$ 0	\$ 0	\$ 5,000	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	13,331	0	0	12,000	0	20,000	5,000
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	( 1,501)	0	0	0	( 5,000)	0
Grant revenue	0	13,331	( 211)	0	12,000	5,000	15,000	5,000
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	1,994	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>0</b>	<b>13,331</b>	<b>1,783</b>	<b>0</b>	<b>12,000</b>	<b>5,000</b>	<b>15,000</b>	<b>5,000</b>
<b>EXPENSES</b>								
Salaries	0	9,672	0	0	0	1,155	3,465	1,155
Fringe benefits	0	2,185	0	0	0	345	1,035	345
Professional/contract services	0	0	0	228	0	0	0	0
Travel/transportation	0	689	0	67	12,000	0	0	0
Space costs	0	0	0	150	0	0	0	0
Beneficiary assistance and supplies	0	0	1,783	660	0	3,500	10,500	3,500
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	0	1,020	0	0	0	0
Indirect expenses	0	785	0	212	0	0	0	0
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>0</b>	<b>13,331</b>	<b>1,783</b>	<b>2,337</b>	<b>12,000</b>	<b>5,000</b>	<b>15,000</b>	<b>5,000</b>
Change in Net Assets	0	0	0	( 2,337)	0	0	0	0
Net assets - Beginning of the year	1,073	0	0	7,398	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 1,073</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,061</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-19  
 Schedule of Program Activity  
 Year Ended September 30, 2018

## STATE AND LOCAL PROGRAMS

	Westford County Millage 2018 (122)	Leelanau County Millage 2017 (123)	Leelanau County Millage 2018 (124)	Meals on Wheels of America (125)	DTE Meals Grant (126)	Shumsky Foundation (127)	Building Healthy Communities Manistee (128)	Live Well Manistee (129)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,279	\$ 385
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	15,000	7,000	21,000	8,801	12,500	1,000	0	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	( 1,279)	( 385)
Grant revenue	15,000	7,000	21,000	8,801	12,500	1,000	0	0
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>15,000</b>	<b>7,000</b>	<b>21,000</b>	<b>8,801</b>	<b>12,500</b>	<b>1,000</b>	<b>0</b>	<b>0</b>
<b>EXPENSES</b>								
Salaries	3,465	1,617	4,851	1,987	0	231	0	0
Fringe benefits	1,035	483	1,449	593	2,065	69	0	0
Professional/contract services	0	0	0	0	0	0	0	0
Travel/transportation	0	0	0	0	0	0	0	0
Space costs	0	0	0	0	0	0	0	0
Beneficiary assistance and supplies	10,500	4,900	14,700	6,021	9,924	700	0	0
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	0	0	73	0	0	0
Indirect expenses	0	0	0	200	438	0	0	0
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>15,000</b>	<b>7,000</b>	<b>21,000</b>	<b>8,801</b>	<b>12,500</b>	<b>1,000</b>	<b>0</b>	<b>0</b>
Change in Net Assets	0	0	0	0	0	0	0	0
Net assets - Beginning of the year	0	0	0	0	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-20  
 Schedule of Program Activity  
 Year Ended September 30, 2018

## STATE AND LOCAL PROGRAMS

	Consumers Energy Discretionary Program (120)	Rotary Charities Traverse City Development Grant #2156 (121)	CEDAM Tax Data Grant (122)	MCAA MI Enrolls Medicaid Counseling (123)	Capacity Building Grant (124)	Home Links Program (126)	MIDAP RCO DS NMCAA 10/17 (128)	Saturday Specials Program (127)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 23,701	\$ 3,372	\$ 0	\$ 1,283	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	0	1,550	0	0	0	9,000	480
Performance contract revenue	4,200	0	0	21,294	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	( 23,701)	( 4,517)	0	( 706)	0	0	0
Grant revenue	4,200	0	405	21,294	577	0	9,000	480
Project income	0	0	0	0	0	1,400	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	50
Miscellaneous income	0	0	0	0	0	0	0	105
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	( 4,971)	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>4,200</b>	<b>0</b>	<b>405</b>	<b>16,323</b>	<b>577</b>	<b>1,400</b>	<b>9,000</b>	<b>635</b>
<b>EXPENSES</b>								
Salaries	0	0	0	11,668	0	1,143	5,924	0
Fringe benefits	0	0	0	1,994	0	130	2,258	0
Professional/contract services	0	0	0	83	500	0	0	150
Travel/transportation	0	0	0	0	0	0	0	0
Space costs	0	0	0	262	0	0	0	0
Beneficiary assistance and supplies	4,200	0	368	250	25	0	0	977
Lease and maintenance of equipment	0	0	0	271	0	0	0	0
Other	0	0	0	336	0	0	0	607
Indirect expenses	0	0	37	1,459	52	127	818	174
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>4,200</b>	<b>0</b>	<b>405</b>	<b>16,323</b>	<b>577</b>	<b>1,400</b>	<b>9,000</b>	<b>1,908</b>
Change in Net Assets	0	0	0	0	0	0	0	( 1,273)
Net assets - Beginning of the year	0	0	0	0	0	0	0	1,273
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-21  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS							
	MIDAP RCO NMCAA 14-18 Regional Coordinator (138)	MIDAP Non-TANF DS NMCAA 10/08 (139)	United Way Help Link Fund (140)	E Home America (141)	NeighborWorks Sun Trust Bank Grant (142)	Homeless Counselor Westford- Missaukee (143)	Emmet County Utility Pool (144)	Community Service GAP Fund (148)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 1,455	\$ 2,000	\$ 105	\$ 0	\$ 3,122	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	2,354	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	( 2,000)	0	0	( 3,122)	0	0	0
<b>Grant revenue</b>	<b>1,455</b>	<b>0</b>	<b>105</b>	<b>2,354</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Project income	0	0	0	0	0	900	0	1,039
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	499	3,454	17,967
Miscellaneous income	0	0	( 105)	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	( 1,075)	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>1,455</b>	<b>0</b>	<b>0</b>	<b>1,279</b>	<b>0</b>	<b>1,399</b>	<b>3,454</b>	<b>19,006</b>
<b>EXPENSES</b>								
Salaries	840	0	0	902	0	0	0	2,383
Fringe benefits	483	0	0	261	0	0	0	510
Professional/contract services	0	0	0	0	0	0	0	68
Travel/transportation	0	0	0	0	0	0	0	0
Space costs	0	0	0	0	0	0	0	4
Beneficiary assistance and supplies	0	0	0	0	0	2,103	5,263	-4,523
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	12
Indirect expenses	132	0	0	116	0	70	0	303
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>1,455</b>	<b>0</b>	<b>0</b>	<b>1,279</b>	<b>0</b>	<b>2,173</b>	<b>5,263</b>	<b>7,803</b>
Change in Net Assets	0	0	0	0	0	( 774)	( 1,809)	11,203
Net assets - Beginning of the year	0	0	0	0	0	5,612	5,516	15,851
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,838</b>	<b>\$ 3,707</b>	<b>\$ 27,054</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-22  
 Schedule of Program Activity  
 Year Ended September 30, 2018

## STATE AND LOCAL PROGRAMS

	NW MI Food Coalition (146)	NW MI Food Coalition Farm to Neighbor (147)	Grand Traverse Baby Pantry (148)	Blarney Castle Fuel Fund (149)	Huntington National Bank Grant (150)	East Traverse Catholic Federal Credit Union (151)	Fifth Third Bank Grant (152)	Mercantile Bank Grant (153)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,954	\$ 2,500	\$ 6,148	\$ 750
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	0	0	0	3,000	0	5,000	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	( 5,161)	( 2,500)	( 10,639)	( 668)
Grant revenue	0	0	0	0	793	0	509	82
Project income	0	0	0	0	0	0	0	0
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	8,739	28,120	4,372	11,715	0	0	0	0
Miscellaneous income	0	0	0	0	0	0	0	0
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>8,739</b>	<b>28,120</b>	<b>4,372</b>	<b>11,715</b>	<b>793</b>	<b>0</b>	<b>509</b>	<b>82</b>
<b>EXPENSES</b>								
Salaries	0	0	0	0	0	0	0	0
Fringe benefits	0	0	0	0	0	0	0	0
Professional/contract services	0	0	0	0	0	0	0	0
Travel/transportation	0	0	0	0	0	0	0	0
Space costs	0	0	0	0	0	0	0	0
Beneficiary assistance and supplies	21,400	4,909	3,873	5,680	172	0	433	60
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	0	0	0	549	0	30	15
Indirect expenses	9	0	0	0	72	0	46	7
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>21,409</b>	<b>4,909</b>	<b>3,873</b>	<b>5,680</b>	<b>793</b>	<b>0</b>	<b>509</b>	<b>82</b>
Change in Net Assets	( 12,670)	23,211	499	6,035	0	0	0	0
Net assets - Beginning of the year	24,844	0	15,100	32,960	0	0	0	0
<b>NET ASSETS - End of the year</b>	<b>\$ 12,174</b>	<b>\$ 23,211</b>	<b>\$ 15,599</b>	<b>\$ 38,995</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

## Schedule A-23

### Schedule of Program Activity

Year Ended September 30, 2018

	STATE AND LOCAL PROGRAMS					OTHER			
	Chemical Bank Grant (154)	Total State and Local Programs	Head Start Parent Funds (155)	Senior Funds (156)	Keep The Wheels Rolling (157)	Addison F. Wilber Fund (158)	R. Smith Fund (159)	FMS Fee For Service (160)	Home Rehsb Fundraising (161)
<b>REVENUE</b>									
Prior year's grant funds received in advance	\$ 3,591	\$ 250,065	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	2,937,726	0	0	0	0	0	0	0
Performance contract revenue	0	27,848	0	89,060	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0	0
Grant funds received in advance	( 3,567)	( 268,919)	0	0	0	0	0	0	0
Grant revenue	24	2,946,720	0	89,060	0	0	0	0	0
Project income	0	8,319	0	0	0	0	0	1,489	0
Sale of Homes	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0
Donations	0	81,100	808	0	63,175	0	0	190	185
Miscellaneous income	0	0	244	133	48	0	0	643	0
Indirect income	0	0	0	0	0	0	0	0	0
Transfers	0	( 15,712)	0	( 89,193)	( 57,221)	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>24</b>	<b>3,020,427</b>	<b>1,052</b>	<b>0</b>	<b>6,002</b>	<b>0</b>	<b>0</b>	<b>2,322</b>	<b>185</b>
<b>EXPENSES</b>									
Salaries	0	1,693,826	0	0	89	0	0	1,047	0
Fringe benefits	0	345,765	0	0	7	0	0	455	0
Professional/contract services	0	118,682	0	0	293	0	0	46	0
Travel/transportation	0	88,470	0	0	0	0	0	0	17
Space costs	0	69,283	0	0	0	0	0	15	0
Beneficiary assistance and supplies	22	464,409	780	0	1,962	0	0	505	0
Lease and maintenance of equipment	0	3,397	0	0	0	0	0	0	0
Other	0	19,546	0	0	3,105	0	0	96	0
Indirect expenses	2	120,772	78	0	546	0	0	216	1
Commodity food distributed	0	0	0	0	0	0	0	0	0
Payments to subgrantees	0	75,000	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>24</b>	<b>2,999,150</b>	<b>858</b>	<b>0</b>	<b>6,002</b>	<b>0</b>	<b>0</b>	<b>2,380</b>	<b>18</b>
Change in Net Assets	0	21,277	194	0	0	0	0	( 58)	167
Net assets - Beginning of the year	0	117,114	20	0	0	26,287	1,940	4,487	596
<b>NET ASSETS - End of the year</b>	<b>\$ 0</b>	<b>\$ 138,391</b>	<b>\$ 214</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 26,287</b>	<b>\$ 1,940</b>	<b>\$ 4,429</b>	<b>\$ 763</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-24  
 Schedule of Program Activity  
 Year Ended September 30, 2018

	OTHER							
	Home Improvement Unit Special Purpose Fund (1162)	DTE Residential Energy Efficiency Assistance Program (1163)	Recaptured AHRV Mortgages (1164)	Emmet Co. Recaptured HPG Mortgages (1165)	Kalkaska Co. Recaptured HPG Mortgages (1166)	Leelanau Co. Recaptured HPG Mortgages (1167)	Grand Traverse Recaptured HPG Mortgages (1168)	Wexford Co. Recaptured HPG Mortgages (1169)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	0	0
State and local grant reimbursement revenue	0	0	0	0	0	0	0	0
Performance contract revenue	0	0	0	0	0	0	0	0
Commodities food received	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	0	0
Grant revenue	0	0	0	0	0	0	0	0
Project income	0	19,018	12,049	1,431	0	0	11,605	5,558
Sale of Homes	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0
Miscellaneous income	1,735	0	0	0	0	0	0	0
Indirect income	0	0	0	0	0	0	0	0
Transfers	0	19,508	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>1,735</b>	<b>38,526</b>	<b>12,049</b>	<b>1,431</b>	<b>0</b>	<b>0</b>	<b>11,605</b>	<b>5,558</b>
<b>EXPENSES</b>								
Salaries	0	0	0	0	0	0	0	0
Fringe benefits	0	0	0	0	0	0	0	0
Professional/contract services	0	0	0	0	0	0	0	0
Travel/transportation	0	435	9	0	0	0	0	0
Space costs	0	0	0	0	0	0	0	0
Beneficiary assistance and supplies	( 300)	24,331	5,351	30	0	0	30	15
Lease and maintenance of equipment	0	0	0	0	0	0	0	0
Other	0	8	0	0	0	0	0	0
Indirect expenses	( 30)	2,478	165	3	0	0	3	1
Commodity food distributed	0	0	0	0	0	0	0	0
Payments to subgrantees	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>( 330)</b>	<b>27,252</b>	<b>5,525</b>	<b>33</b>	<b>0</b>	<b>0</b>	<b>33</b>	<b>16</b>
<b>Change in Net Assets</b>	<b>2,065</b>	<b>11,274</b>	<b>6,524</b>	<b>1,398</b>	<b>0</b>	<b>0</b>	<b>11,572</b>	<b>5,542</b>
Net assets - Beginning of the year	16,274	37,593	0	0	4,485	18,335	10,549	1,227
<b>NET ASSETS - End of the year</b>	<b>\$ 18,339</b>	<b>\$ 48,867</b>	<b>\$ 6,524</b>	<b>\$ 1,398</b>	<b>\$ 4,485</b>	<b>\$ 18,335</b>	<b>\$ 22,121</b>	<b>\$ 6,769</b>

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# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule A-25  
Schedule of Program Activity  
Year Ended September 30, 2018

	OTHER					GAAP	CORPORATE	
						ADJUSTMENTS		
	HPG Mortgages Receivable (170)	AHRVF Mortgages Receivable (171)	NeighborWorks Strategic Income Fund Mortgages Receivable (172)	Grant - Purchased Equipment (173)	Grant Funded Housing Inventory - ADH Project (174)	GAAP Eliminations	TOTAL PROGRAM ACTIVITY	Corporate Activities (175)
<b>REVENUE</b>								
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 971,487	\$ 0
Federal grant reimbursement revenue	0	0	0	0	0	0	14,432,990	0
State and local grant reimbursement revenue	0	0	0	0	0	0	3,310,033	0
Performance contract revenue	0	0	0	0	0	0	116,908	0
Commodities food received	0	0	0	0	0	0	856,627	0
Grant funds received in advance	0	0	0	0	0	0	( 1,042,987)	0
Grant revenue	0	0	0	0	0	0	18,645,058	0
Project income	0	0	0	0	0	0	521,547	600
Sale of Homes	0	0	0	0	0	0	113,934	44,456
Investment income	0	0	0	0	0	0	811	14,277
Donations	0	0	0	0	0	0	146,534	7,808
Miscellaneous income	0	0	0	0	0	0	8,004	140,499
Indirect Income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	( 43,358)	43,358
In-kind contributions	0	0	0	0	0	( 1,981,397)	534,067	0
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>( 1,981,397)</b>	<b>19,926,617</b>	<b>250,998</b>
<b>EXPENSES</b>								
Salaries	0	0	0	0	0	0	7,974,246	668,415
Fringe benefits	0	0	0	0	0	0	1,598,828	104,338
Professional/contract services	0	0	0	0	1,425	0	1,308,521	98,450
Travel/transportation	0	0	0	0	0	0	644,393	22,640
Space costs	0	0	0	0	203	0	694,737	53,898
Beneficiary assistance and supplies	13,677	2,937	( 1,673)	0	197,929	0	4,508,042	105,077
Lease and maintenance of equipment	0	0	0	17,001	0	0	156,496	18,762
Other	0	0	0	0	8,445	0	293,197	440,496
Indirect expenses	0	0	0	0	0	0	1,151,933	( 1,151,933)
Commodity food distributed	0	0	0	0	0	0	811,603	0
Payments to subgrantees	0	0	0	0	0	0	290,519	0
In-kind expenses	0	0	0	0	0	( 1,981,397)	534,067	0
<b>Total Expenses</b>	<b>13,677</b>	<b>2,937</b>	<b>( 1,673)</b>	<b>17,001</b>	<b>208,002</b>	<b>( 1,981,397)</b>	<b>19,966,502</b>	<b>360,143</b>
Change in Net Assets	( 13,677)	( 2,937)	1,673	( 17,001)	( 208,002)	0	( 39,965)	( 109,145)
Net assets - Beginning of the year	183,792	18,960	2,711	296,831	208,002	0	1,111,217	2,062,617
<b>NET ASSETS - End of the year</b>	<b>\$ 170,115</b>	<b>\$ 16,023</b>	<b>\$ 4,384</b>	<b>\$ 279,830</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,071,252</b>	<b>\$ 1,953,472</b>

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# Northwest Michigan Community Action Agency, Inc.

## Schedule B-1

### Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Program Year	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>					
<b>Passed through State of Michigan, Department of Education</b>					
(1) Child and Adult Day Care Food	10.558	280000001	10/01/17 - 09/30/18	\$ 0	\$ 375,386
<b>Total Federal Expenditures - CFDA 10.558</b>				<b>0</b>	<b>375,386</b>
<b>Food Distribution Cluster</b>					
<b>Passed through State of Michigan, Department of Education</b>					
(2) Commodity Supplemental Food Program	10.565	280001022C	10/01/17 - 09/30/18	0	183,031
(3) Commodity Supplemental Food Program	10.565	280001022C	10/01/17 - 09/30/18	0	560,976
<b>Total Federal Expenditures - CFDA 10.565</b>				<b>0</b>	<b>744,007</b>
(4) Temporary Emergency Food Assistance Program	10.568	28-000-0001	10/01/17 - 09/30/18	0	103,815
(5) Temporary Emergency Food Assistance Program - Distribution	10.569	N/A	10/01/17 - 09/30/18	0	250,627
<b>Total Federal Expenditures - Food Distribution Cluster (CFDA 10.565, 10.568, &amp; 10.569)</b>				<b>0</b>	<b>1,098,449</b>
<b>TOTAL DEPARTMENT OF AGRICULTURE PROGRAMS</b>				<b>0</b>	<b>1,473,835</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
<b>Direct Funding</b>					
(6) LCHA Comprehensive	14.169	HC180321040	10/01/17 - 03/31/19	0	16,759
(7) LCHA Comprehensive	14.169	HC170321019	10/01/16 - 03/31/18	0	11,359
<b>Total Federal Expenditures - CFDA 14.169</b>				<b>0</b>	<b>28,118</b>
<b>Passed through Michigan State Housing Development Authority</b>					
(8) CDBG Housing MSC - Wexford County	14.228	2015-5831-HO	01/01/16 - 12/31/17	0	62,154
(9) CDBG Housing MSC - Charlevoix County	14.228	2014-0729-HO	09/01/15 - 12/31/18	0	33,463
(10) CDBG Housing MSC - Emmet County	14.228	2015-0737-HO	02/01/16 - 07/31/18	0	206,831
(11) CDBG Housing MSC - Grand Traverse County	14.228	2013-0781-HO	02/01/15 - 12/31/17	0	(12,411)
<b>Total Federal Expenditures - CFDA 14.228</b>				<b>0</b>	<b>290,037</b>
<b>Passed through Michigan State Housing Development Authority</b>					
(12) Emergency Solutions Grant (ESG)	14.231	HML-2017-0107-ESF	10/01/17 - 09/30/18	131,845	435,381
(13) Emergency Solutions Grant (ESG)	14.231	HML-2016-0107-ESF	10/01/16 - 10/31/17	0	19,275
<b>Total Federal Expenditures - CFDA 14.231</b>				<b>131,845</b>	<b>454,656</b>
<b>Passed through State of Michigan: Department of Health &amp; Human Services</b>					
(14) Rapid Re-Housing Charlevoix-Emmet-Wexford-Missaukee-Manistee	14.235	SHP-17-15006 Yr 2	10/01/17 - 09/30/18	0	136,039
(15) Family Re-Housing Program (FRP) Charlevoix-Emmet-Wexford-Missaukee-Manistee	14.235	SHP-16-15005 Yr 3	10/01/17 - 09/30/18	0	188,433
(16) Rural Permanent Supportive Housing Grant Charlevoix-Emmet-Wexford-Missaukee	14.235	SHP-17-24001 Yr 2	10/01/17 - 09/30/18	0	224,816
<b>Passed through Michigan State Housing Development Authority</b>					
(17) Charlevoix-Emmet HMIS	14.235	HML-2016-MI-5682-HMIS	03/01/18 - 02/28/19	0	8,906
(18) Wexford-Missaukee HMIS	14.235	HML-2016-MI-5682-HMIS	03/01/18 - 02/28/19	0	8,365
(19) Manistee HMIS	14.235	HML-2016-MI-5682-HMIS	03/01/18 - 02/28/19	0	5,427
<b>Total Federal Expenditures - CFDA 14.235</b>				<b>0</b>	<b>571,986</b>
<b>Passed through Michigan State Housing Development Authority</b>					
(20) Emmet County ADR Project - Home Grant	14.239	M-2012-107	06/01/15 - 12/31/17	0	12,747
(21) Home Grant	14.239	M-2013-0107	01/01/16 - 12/31/17	0	26,522
<b>Total Federal Expenditures - CFDA 14.239</b>				<b>0</b>	<b>39,269</b>
<b>Direct Funding</b>					
(22) Continuum Planning Grant	14.267	MI0586L5F121700	06/01/18 - 05/31/19	0	11,000
(23) Continuum Planning Grant	14.267	MI0537L5F121600	02/14/17 - 02/13/18	0	3,266
(24) HUD Youth Planning Grant	14.267	MI0555Y5F121600	01/24/18 - 01/23/19	0	17,682
<b>Total Federal Expenditures - CFDA 14.267</b>				<b>0</b>	<b>31,948</b>

# Northwest Michigan Community Action Agency, Inc.

## Schedule B-2

### Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

	Federal Grantor / Pass-Through Grantor / Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Program Year	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)</b>						
Passed through Michigan State Housing Development Authority						
Housing Voucher Cluster Program						
(25)	Family Self-Sufficiency Program Housing Choice Voucher Program	14 871	16-91-FSS	01/01/17 - 12/31/18	0	8,028
<b>Total Federal Expenditures - CFDA 14.871</b>					<b>0</b>	<b>8,028</b>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS</b>					<b>131,845</b>	<b>1,424,042</b>
<b>DEPARTMENT OF THE TREASURY</b>						
Passed through NeighborWorks America						
(26)	NeighborWorks Green Program Dev Grant FY13-2	21 U00	2013-8527-0056-GPD51	09/09/13 - undefined	0	319
(27)	NeighborWorks Week Grant	21 U00	G-NWW-2018-49095	05/21/18 - undefined	0	142
(28)	NeighborWorks Strategic Investment Fund	21 U00	R-SIF-2018-49535	09/07/18 - 09/30/19	0	0
(29)	NeighborWorks NTI Travel Grant	21 U00	G-SUP-2018-47837	10/01/17 - 09/30/18	0	9,600
(30)	NeighborWorks Learning Community Health Partnerships	21 U00	G-SUPEXT-2018-50627	08/13/18 - 09/30/19	0	797
(31)	NeighborWorks Single Family Home Design Pilot	21 U00	2015-8527-0292-SUP23 2016-8527-0077-TA8907/20/15	undefined	0	9,867
(32)	NeighborWorks Operating Grant	21 U00	N/A	10/01/12 - undefined	0	119,615
(33)	NeighborWorks Permanently Restricted Capital Grant	21 U00	N/A	Ongoing	0	50,000
(34)	NeighborWorks Community Impact Measurement	21 U00	GW-2017-8527-0293-SUP	06/01/16 - undefined	0	0
(35)	NeighborWorks Financial Capability Evaluation Program	21 U00	2016-8527-0405-SUP39	08/02/16 - 09/30/18	0	756
(36)	NeighborWorks Strategic Investment	21 U00	2016-8527-0102-SIFUND68	09/01/16 - undefined	0	21,529
(37)	NeighborWorks Executive Director Transition	21 U00	G-SUPEXT-2018-50626	10/01/17 - 09/30/18	0	25,000
(38)	NeighborWorks Permanently Restricted Emmet County ADR Project	21 U00	N/A	06/01/15 - 09/30/18	0	0
(39)	NeighborWorks Community Development Peer-to-Peer	21 U00	R-SUPINT-2018-51112	09/06/18 - 09/30/19	0	0
<b>Total Federal Expenditures - CFDA 21.U00 Public Law #115-31</b>					<b>0</b>	<b>237,625</b>
<b>Direct Funding</b>						
(40)	Volunteer Income Tax Assistance	21 009	17VITA0030 YR2	08/01/17 - 07/31/18	0	35,000
<b>Total Federal Expenditures - CFDA 21.009</b>					<b>0</b>	<b>35,000</b>
<b>TOTAL DEPARTMENT OF TREASURY PROGRAMS</b>					<b>0</b>	<b>272,625</b>
<b>DEPARTMENT OF VETERANS AFFAIRS</b>						
<b>Direct Funding</b>						
(41)	Supportive Services for Veterans Families	64 033	13-MI-108 ADM18 & SER18	10/01/17 - 10/31/18	83,674	629,257
<b>Total Federal Expenditures - CFDA 64.033</b>					<b>83,674</b>	<b>629,257</b>
<b>TOTAL DEPARTMENT OF VETERANS AFFAIRS PROGRAMS</b>					<b>83,674</b>	<b>629,257</b>
<b>DEPARTMENT OF ENERGY</b>						
Passed through State of Michigan: Department of Health & Human Services						
(42)	Weatherization Assistance Program	81 042	WAP16-28023-1	07/01/17 - 06/30/18	0	422,926
(43)	Weatherization Assistance Program	81 042	WAP16-28023-NFA 10	07/01/18 - 06/30/19	0	73,906
<b>Total Federal Expenditures - CFDA 81.042</b>					<b>0</b>	<b>496,832</b>
<b>TOTAL DEPARTMENT OF ENERGY PROGRAMS</b>					<b>0</b>	<b>496,832</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
<b>Aging Cluster</b>						
Passed through Area Agency on Aging of Northwest Michigan						
(44)	Senior Nutrition - Congregate Meals Title III C-1	93 045	N/A	10/01/17 - 09/30/18	0	178,297
(45)	Senior Nutrition - Home Delivered Meals Title III C-2	93 045	N/A	10/01/17 - 09/30/18	0	64,652
<b>Total Federal Expenditures - CFDA 93.045</b>					<b>0</b>	<b>242,949</b>
Passed through Area Agency on Aging of Northwest Michigan						
(46)	Nutrition Services Incentive	93 053	N/A	10/01/17 - 09/30/18	0	155,646
<b>Total Federal Expenditures - Aging Cluster (CFDA 93.044, 93.045, &amp; 93.053)</b>					<b>0</b>	<b>398,595</b>

# Northwest Michigan Community Action Agency, Inc.

## Schedule B-3

### Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Program Year	Passed Through to Subrecipients	Federal Expenditures
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</b>					
<b>TANF Cluster</b>					
<b>Passed through The Salvation Army</b>					
(47) Salvation Army Motel Provider Program	93 558	TSA/NNCAA YR 17-18	10/01/17 - 09/30/18	0	3,822
<b>Total Federal Expenditures - TANF Cluster (CFDA 93.558 &amp; 93.714)</b>				<b>0</b>	<b>3,822</b>
<b>Passed through State of Michigan: Department of Health &amp; Human Services</b>					
(48) Weatherization LIHEAP Program	93 568	WAP (LIHEAP)-16-28023-2 NFA#8	02/06/18 - 09/30/18	0	138,900
(49) LIHEAP Crisis Assistance	93 568	LCA-16-28023 YR 2	01/05/18 - 08/31/18	0	665,700
<b>Passed through Michigan Community Action</b>					
(50) MCA MEAP MAE (Michigan Agency for Energy)	93 568	LOA 2017-2018	10/01/17 - 09/30/18	0	132,300
(51) MCA LIHEAP MAE	93 568	G-18BIMILIEA	12/19/17 - 09/31/18	0	158,760
<b>Total Federal Expenditures - CFDA 93.568</b>				<b>0</b>	<b>1,095,660</b>
<b>Passed through State of Michigan: Department of Health &amp; Human Services</b>					
(52) Community Services Block Grant	93 569	CSBG-14-28023 Yr 4	10/01/16 - 09/30/18	0	143,358
(53) Community Services Block Grant	93 569	CSBG-14-28023 Yr 5	10/01/17 - 09/30/19	0	398,508
(54) Community Services Block Grant Discretionary	93 569	CSBG-D-14-28023 Yr 5	02/21/18 - 09/30/18	0	50,000
<b>Total Federal Expenditures - CFDA 93.569</b>				<b>0</b>	<b>591,866</b>
<b>Direct Funding</b>					
(55) Head Start - Full-Year, Part-Day	93 600	05CH010303-03	01/01/18 - 12/31/18	0	4,327,936
(56) Head Start - Training & Technical Assistance	93 600	05CH010303-03	01/01/18 - 12/31/18	0	62,036
(57) Early Head Start	93 600	05CH010303-03	01/01/18 - 12/31/18	0	1,817,219
(58) Early Head Start - Training & Technical Assistance	93 600	05CH010303-03	01/01/18 - 12/31/18	0	42,662
(59) Head Start - Full-Year, Part-Day	93 600	05CH010303-02	01/01/17 - 12/31/17	0	1,901,041
(60) Head Start - Training & Technical Assistance	93 600	05CH010303-02	01/01/17 - 12/31/17	0	3,945
(61) Early Head Start	93 600	05CH010303-02	01/01/17 - 12/31/17	0	657,416
(62) Early Head Start - Training & Technical Assistance	93 600	05CH010303-02	01/01/17 - 12/31/17	0	8,205
<b>Total Federal Expenditures - CFDA 93.600</b>				<b>0</b>	<b>8,820,460</b>
<b>Direct Funding</b>					
(63) Assets for Independence Demonstration Program	93 602	90EI0627/01	Ended in prior period	0	0
(64) Assets for Independence Demonstration Program	93 602	90EI0783/01	09/30/12 - 09/29/18	0	25,776
(65) Assets for Independence Demonstration Program	93 602	90EI0855/01	09/30/14 - 09/29/19	0	4,201
<b>Total Federal Expenditures - CFDA 93.602</b>				<b>0</b>	<b>29,977</b>
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS</b>				<b>0</b>	<b>10,940,380</b>
<b>TOTAL FEDERAL EXPENDITURES</b>				<b>\$ 215,519</b>	<b>\$ 15,236,971</b>



# Northwest Michigan Community Action Agency, Inc.

## Schedule B-4

### Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Funding Source / Pass-Through Entity	Program Year
<b>STATE AND LOCAL PROGRAMS</b>		
(66) MSHDA ESG Additional HML-2018-0107-ESM	Michigan State Housing Development Authority	04/27/18 - 09/30/18
(67) Housing Education Services 17-36-HEP	Michigan State Housing Development Authority	07/01/17 - 06/30/18
(68) Youth Housing Initiative Seed Grant #2386	Rotary Club of Traverse City	11/01/16 - undefined
(69) Supplemental Youth Housing Demonstration Project	Michigan State Housing Development Authority	06/01/17 - 12/31/17
(70) MSIDA Homeless Summit Stipend Support	Michigan State Housing Development Authority	07/01/18 - 06/30/19
(71) Coordinated Entry COC M1046L5F001500	Michigan State Housing Development Authority	06/01/17 - undefined
(72) County of Emmet Homeowner Rehabilitation Program-Special Funds 14-17	County of Emmet	07/01/14 - undefined
(73) County of Emmet Homeowner Rehabilitation Program-Special Funds 16-18	County of Emmet	07/01/16 - undefined
(74) Benzie County Community Chest 2017	Benzie County Community Chest	01/01/17 - 12/31/17
(75) Benzie County Community Chest 2018	Benzie County Community Chest	01/01/18 - 12/31/18
(76) Northwest Michigan Supportive Housing Consultant Contract	Northwest Michigan Supportive Housing	10/01/17 - 09/30/18
(77) Youth Demonstration Project Cash Match	Cash contributions	07/01/18 - 09/30/19
(78) Cherryland Electric Community Caring Fund	Cherryland Electric Community Caring Fund	01/01/17 - 12/31/17
(79) Local Planning Body System Coord. Funds	Michigan State Housing Development Authority	06/07/18 - 12/31/18
(80) Benzie County Program Income Contract	Benzie County	06/14/16 - undefined
(81) Wexford County Program Income Contract	Wexford County	01/01/18 - undefined
(82) Grand Traverse County Program Income Contract	Grand Traverse County	01/01/18 - undefined
(83) Neighborhood Impact Program	Chemical Bank	01/01/15 - 12/31/17
(84) NeighborWorks Week GW-2017-8527-0517-OUT	CITI Foundation/NeighborWorks	05/30/17 - undefined
(85) NeighborWorks Sustainable Homeownership 2016-8527-0504-OUT-5	Suntrust Bank/NeighborWorks	09/27/16 - undefined
(86) G.T.R.C.F. Youth Advisory Board Community Project	Grand Traverse Regional Community Foundation	12/01/17 - 08/31/18
(87) Rotary Teen Housing Project	Rotary Charities of Traverse City	01/01/18 - 12/31/18
(88) Early Childhood Program - TBA ISD	Traverse Bay Area ISD	10/01/18 - 09/30/19
(89) Early Childhood Program - Char-Em	Charlevoix-Emmet ISD	10/01/18 - 09/30/19
(90) Early Childhood Program - Wexford - Missaukee ISD	Wexford-Missaukee ISD	10/01/18 - 09/30/19
(91) Early Childhood Program - TBA ISD Transportation	Traverse Bay Area ISD	10/01/17 - 09/30/18
(92) Early Childhood Program - TBA ISD Carryforward	Traverse Bay Area ISD	10/01/17 - 12/31/17
(93) Early Childhood Program - COOR ISD Transportation	COOR ISD	10/01/17 - 09/30/18
(94) Early Childhood Program - COOR ISD	COOR ISD	10/01/17 - 09/30/18
(95) Early Childhood Program - TBA ISD	Traverse Bay Area ISD	10/01/17 - 09/30/18
(96) Early Childhood Program - Char-Em	Charlevoix-Emmet ISD	10/01/17 - 09/30/18
(97) Early Childhood Program - Wexford - Missaukee ISD	Wexford-Missaukee ISD	10/01/17 - 09/30/18
(98) Early Childhood Program - Wexford - Missaukee Transportation	Wexford-Missaukee ISD	10/01/17 - 09/30/18
(99) Central Lake CLEO First Steps Program	Grand Traverse Regional Community Foundation	07/01/18 - 06/30/19
(100) Central Lake CLEO Foundation Programs	Grand Traverse Regional Community Foundation	07/01/18 - 06/30/19
(101) Great Start to Quality Resource Center	Charlevoix-Emmet ISD	10/01/17 - 09/30/18
(102) 5 to One Service Agreement	Venture North Funding & Development	01/01/18 - 02/28/18
(103) TBA ISD Stevenson Service Agreement	Traverse Bay Area ISD	03/01/18 - 09/30/18
(104) TBA ISD Wilson Service Agreement	Traverse Bay Area ISD	10/01/17 - 09/30/18
(105) Char-Em Child Care Scholarship Fund	Donations	04/01/11 - undefined
(106) Building Healthy Communities Benzie County	Taste the Local Difference	03/01/18 - undefined
(107) Central Lake CLEO First Steps Program	Grand Traverse Regional Community Foundation	07/01/17 - 06/30/18
(108) Family Vacation Fund	Petoskey-Harbor Springs Area	10/01/17 - 09/30/18
(109) Raising A Reader Program Growth Grant 2014-059	Raising A Reader	01/01/14 - 12/31/17
(110) ECE Activity	Dues and Fees	10/01/17 - 09/30/18
(111) Wexford County Baby Closet	Donations	10/01/17 - 09/30/18
(112) Central Lake Foundation Programs	Grand Traverse Regional Community Foundation	07/01/17 - 06/30/18
(113) Friends of Alanson	Local Fund-raising	10/01/17 - 09/30/18

# Northwest Michigan Community Action Agency, Inc.

## Schedule B-5

### Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

Federal Grantor/Program Title	Funding Source / Pass-Through Entity	Program Year
<b>STATE AND LOCAL PROGRAMS (Continued)</b>		
(114) Child Development Contributions	Local Fund-raising	10/01/17 - 09/30/18
(115) TBA ISD & Venture North Contract	Traverse Bay Area ISD	10/01/17 - 12/31/17
(116) Maidens of Michigan Fund	Maidens of Michigan	10/01/15 - undefined
(117) Great Start to Quality Participation Bonus Program	Early Childhood Investment Corporation	10/01/16 - undefined
(118) Manistee County Millage 2018	Manistee Co. Council on Aging	01/01/18 - 12/31/18
(119) Grand Traverse County Millage 2017	Grand Traverse Co. Comm. on Aging	01/01/17 - 12/31/17
(120) Grand Traverse County Millage 2018	Grand Traverse Co. Comm. on Aging	01/01/18 - 12/31/18
(121) Wexford County Millage 2017	Wexford County Council on Aging	01/01/17 - 12/31/17
(122) Wexford County Millage 2018	Wexford County Council on Aging	01/01/18 - 12/31/18
(123) Leelanau County Millage 2017	Leelanau County Comm. on Aging	01/01/17 - 12/31/17
(124) Leelanau County Millage 2018	Leelanau County Comm. on Aging	01/01/18 - 12/31/18
(125) Meals on Wheels of America	Meals on Wheels of America	10/01/17 - 09/30/18
(126) DTE Meals Grant	DTE Energy Foundation	10/01/17 - 09/30/18
(127) Shumsky Foundation	Shumsky Foundation	10/01/17 - 09/30/18
(128) Building Healthy Communities Manistee	District Health Department #10	08/01/16 - undefined
(129) Live Well Manistee	District Health Department #10	08/01/16 - undefined
(130) Consumers Energy Discretionary Program	Consumers Energy	01/25/18 - 09/30/18
(131) Rotary Charities Traverse City Development Grant #2156	Rotary Charities of Traverse City	03/01/14 - undefined
(132) CEDAM Tax Data Grant	Community Economic Development Association of Michigan	04/01/14 - 09/30/19
(133) MCAAA MI Enrolls Medicaid Counseling	Michigan Community Action Agency Association	10/01/16 - 03/31/18
(134) Capacity Building Grant	Rotary Club of Traverse City	09/18/06 - indefinite
(135) Home Links Program	Habitat for Humanity	10/01/17 - 09/30/18
(136) MIDAP-RCO Direct Service NMCAA 10/17	Oakland Livingston	10/01/17 - 09/30/18
(137) Saturday Specials Program	Local Contributions	10/01/17 - 09/30/18
(138) MIDAP-RCO NMCAA 14/18 Regional Coordinator	Oakland Livingston	11/01/14 - 06/30/18
(139) MIDAP Non TANF DS NMCAA 10/08	Human Services Agency Oakland Livingston	10/01/09 - undefined
(140) United Way Help Link Fund	United Way of Northwest Michigan	10/01/17 - 09/30/18
(141) E-Home America	Community Ventures Corp.	10/01/17 - 09/30/18
(142) NeighborWorks Sun Trust Bank Grant	Sun Trust Bank/NeighborWorks	03/21/17 - undefined
(143) Homeless Counselor Wexford/Missaukee	Local Contributions	10/01/17 - 09/30/18
(144) Emmet County Utility Pool	Local Fund-raising	10/01/17 - 09/30/18
(145) Community Service GAP Fund	Local Fund-raising	10/01/17 - 09/30/18
(146) Northwest Michigan Food Coalition	Local Fund-raising	10/01/17 - 09/30/18
(147) Northwest Michigan Food Coalition Farm to Neighbor	Local Fund-raising	10/01/17 - 09/30/18
(148) Grand Traverse Baby Pantry	Local Fund-raising	10/01/17 - 09/30/18
(149) Blarney Castle Fuel Fund	Local Fund-raising	10/01/17 - 09/30/18
(150) Huntington National Bank Grant	Huntington National Bank	10/01/17 - 09/30/18
(151) East Traverse Catholic Federal Credit Union Grant	East Traverse Catholic Federal Credit Union	10/01/17 - 09/30/18
(152) Fifth Third Bank Grant	Fifth Third Bank	10/01/14 - 09/30/18
(153) Mercantile Bank Grant	Mercantile Bank	10/01/16 - 09/30/18
(154) Chemical Bank Grant	Chemical Bank	10/01/14 - 09/30/18
<b>OTHER</b>		
(155) Head Start Parent Funds	Contributions	Ongoing
(156) Senior Funds	Waiver Program	Ongoing
(157) Keep the Wheels Rolling	NMCAA Food Service Fund-raising	Ongoing
(158) Addition F. Wilber Fund	Donations	Ongoing
(159) R. Smith Fund	Donations	Ongoing
(160) FMS Fee For Service	Donations	Ongoing
(161) Home Rehab Fundraising	Donations	Ongoing
(162) Home Improvement Unit Special Purpose Fund	Donations	Ongoing
(163) DTE Residential Energy Efficiency Assistance Program	DTE Energy	Ongoing
(164) Recaptured AHRV Mortgages	AHRV Second Mortgage Receivable	Ongoing
(165) Recaptured HPG Mortgages Receivable-Emmet Co	HPG Second Mortgages Receivable	Ongoing
(166) Recaptured HPG Mortgages Receivable-Kalkaska Co.	HPG Second Mortgages Receivable	Ongoing
(167) Recaptured HPG Mortgages Receivable-Leelanau Co	HPG Second Mortgages Receivable	Ongoing

# Northwest Michigan Community Action Agency, Inc.

## Schedule B-6

### Schedule of Expenditures of Federal Awards and List of Programs

Year Ended September 30, 2018

Federal Grantor/Program Title	Funding Source / Pass-Through Entity	Program Year
<b>OTHER</b>		
(168) Recaptured HPG Mortgages Receivable-Grand Traverse	HPG Second Mortgages Receivable	Ongoing
(169) Recaptured HPG Mortgages Receivable-Wexford Co.	HPG Second Mortgages Receivable	Ongoing
(170) HPG Mortgages Receivable	HPG Second Mortgages	Ongoing
(171) AHRVF Mortgages Receivable	AHRVF Second Mortgages	Ongoing
(172) NeighborWorks Strategic Income Fund Mortgages Receivable	NW SIF Second Mortgages	Ongoing
(173) Grant-Purchased Equipment	Various Funding Sources	Ongoing
(174) Grant funded Housing Inventory ADR Project	ADR Project	Ongoing
<b>CORPORATE</b>		
(175) Corporate Activities	Inspection Income, Interest, Misc. Income	Ongoing

#### Notes to Schedule of Expenditures of Federal Awards and List of Programs

##### Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and list of programs (the "Schedule") includes the federal grant activity of Northwest Michigan Community Action Agency, Inc. under programs of the federal government for the year ended September 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Northwest Michigan Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Northwest Michigan Community Action Agency, Inc.

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

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amount reported as expenditures in prior years.

##### Note 3 - Indirect Cost Allocation

Northwest Michigan Community Action Agency, Inc. has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

## Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule C  
Schedule of Cash - Restricted - NeighborWorks America  
September 30, 2018

Grant Name	Type	Amount Funded	Amount Expended	Interest Earned	Return of Restriction	Unexpended Balance	Restriction Release	Restricted Balance
Permanently Restricted Capital Fund	Cash-Restricted	\$ 175,000	\$ 131,171	\$ 0	\$ 127,500	\$ 171,329	\$ 0	\$ 171,329
<b>TOTAL CASH - RESTRICTED</b>		<b>\$ 175,000</b>	<b>\$ 131,171</b>	<b>\$ 0</b>	<b>\$ 127,500</b>	<b>\$ 171,329</b>	<b>\$ 0</b>	<b>\$ 171,329</b>

See Independent Auditor's Report.



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

Board of Directors  
Northwest Michigan Community Action Agency, Inc. and Affiliates  
Traverse City, Michigan

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 consolidated financial statements of Northwest Michigan Community Action Agency, Inc. and Affiliates, which comprise the consolidated statement of financial position as of September 30, 2018, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 17, 2019. The financial statements of Community Action Credit Counseling, Inc. and Innovative Energy Management, LLC were not audited in accordance with *Government Auditing Standards* as those entities did not receive federal funding.

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

In planning and performing our audit of the consolidated financial statements, we considered Northwest Michigan Community Action Agency, Inc.'s internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northwest Michigan Community Action Agency, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Northwest Michigan Community Action Agency, Inc.'s internal control.

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

Our consideration of 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be a material weakness.

## **Compliance and Other Matters**

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

## **Northwest Michigan Community Action Agency, Inc.'s Response to Findings**

Northwest Michigan Community Action Agency, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Northwest Michigan Community Action Agency, Inc. response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of This Report**

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

*Wipfli LLP*

Wipfli LLP

June 17, 2019  
Madison, Wisconsin



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

Board of Directors  
Northwest Michigan Community Action Agency, Inc. and Affiliates  
Traverse City, Michigan

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

We have audited Northwest Michigan Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended September 30, 2018. Northwest Michigan Community Action Agency, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility for Compliance**

Management of Northwest Michigan Community Action Agency, Inc. is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for Northwest Michigan Community Action Agency, Inc.'s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Northwest Michigan Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination on Northwest Michigan Community Action Agency, Inc.'s compliance.

## Opinion

In our opinion, Northwest Michigan Community Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2018.

## Report on Internal Control Over Compliance

Management of Northwest Michigan Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Northwest Michigan Community Action Agency, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Northwest Michigan Community Action Agency, Inc.'s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Wipfli LLP*

Wipfli LLP

June 17, 2019  
Madison, Wisconsin



# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule of Findings and Questioned Costs  
Year Ended September 30, 2018

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## Section I - Summary of Auditor's Results

### Financial Statements

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

### Federal Awards

Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)]?	Yes
Identification of major federal program:	
<u>U.S. Department of Health and Human Services</u>	<u>CFDA No.</u>
Head Start	93.600
Dollar threshold used to distinguish between Type A and Type B programs:	
Federal	\$750,000
Auditee qualified as low-risk auditee?	Yes

# Northwest Michigan Community Action Agency, Inc. and Affiliates

Schedule of Findings and Questioned Costs  
Year Ended September 30, 2018

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## Section II - Financial Statement Findings Finding 2018-001

### Finding – Internal Controls in Weatherization Department

**Condition:** Certain costs, in the amount of \$321,283, were charged to the weatherization and low income home energy assistance (LIHEAP) programs during 2016, 2017 and 2018 for materials from one vendor that were actually never received.

**Criteria:** Internal controls should be in place that provide reasonable assurance that invoices paid and charged to any program are for goods and services that have been received.

**Cause:** Weatherization funding is approximately 4% of NMCA’s overall budget. Due to the small department size of the weatherization program, one individual in the weatherization department had the ability to request accounting to create a new vendor, approve invoices, document the receipt of goods and complete reporting in the state weatherization online system.

**Effect:** Because of the lack of internal controls surrounding purchasing, receiving and reporting in the weatherization department, costs were charged to the following grants for costs that were never incurred:

	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Weatherization	\$ 7,390	\$ 155,756	\$ 0
Weatherization	30,579	13,520	4,800
LIHEAP	15,521	0	0
LIHEAP	0	93,717	0
<b>Total by fiscal year</b>	<b>\$ 53,490</b>	<b>\$ 262,993</b>	<b>\$ 4,800</b>

The total costs charged to weatherization were \$212,045 and the total costs charged to LIHEAP were \$109,238.

When NMCAA discovered these costs, they reimbursed the programs in question by recording an expense to their unrestricted funds and a contingent liability to the funding source. In addition, NMCAA notified the funding source of a pending criminal investigation into the matter.

**Recommendation:** Procedures should be implemented to ensure that one individual cannot request vendor set-up, purchase, receive goods and complete the reporting in the State weatherization system. In addition, we recommend that NMCAA work with the appropriate funding sources to resolve the ultimate outcome of the contingent liability.

**View of responsible officials:** Management agrees with the finding and has been working on corrective action which is included in the Corrective Action Plan.

# **Northwest Michigan Community Action Agency, Inc. and Affiliates**

Schedule of Findings and Questioned Costs  
Year Ended September 30, 2018

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

None

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

None



**Main Office:**  
3963 Three Mile Road  
Traverse City, MI  
49686-9164

phone (231) 947-3780  
(800) 632-7334  
fax (231) 947-4935

Satellite Office  
7202 Mitchell Park, Suite 4  
Petoskey MI 49770

(231) 747-9070  
(800) 443-5518  
fax (231) 347-3664

Satellite Office  
1640 Marty Paul  
Cadillac MI 49601

(231) 775-9781  
(800) 443-2297  
fax (231) 775-1448



## **NMCAA Corrective Action Plan**

Northwest Michigan Community Action Agency (NMCAA) agrees with the finding of material weakness in the internal controls regarding the Weatherization program. NMCAA is financially sound and prepared to repay the contingent liability resulting from the Weatherization internal control weaknesses if so required.

This issue was discovered during a transition period within the weatherization program when the former weatherization manager left the Agency in July of 2018. A report was then made to authorities that initiated a formal investigation. Executive Leadership began reviewing policies and procedures within the weatherization department and throughout the entire Agency so that any needed changes could be implemented quickly. This internal investigation revealed the fraudulent vendor issue was limited to the weatherization department and did not reach other programs within the Agency.

### Internal Controls- Financial

Prior practice of allowing invoice payment without attached documentation was identified early on as one aspect of the internal control weakness within the weatherization department and was quickly remedied. As the nature of the weakness was investigated, the Agency determined the issue reached further into the vendor processing and payment systems. Thus, a formal checklist of items that must be completed before a new vendor can be established in the accounting software was developed by the Controller. This process has been implemented Agency-wide and formalized as part of the NMCAA Financial Policies and Procedures. The annual review and approval of changes to the Financial Policies and Procedures was completed during the May 2019 Board of Directors meeting.

### Internal Controls- Weatherization Program

An internal controls document specific to the Weatherization department was drafted by the new Weatherization Manager. The Weatherization department internal controls document focuses on separation of duties put in place within the areas of purchasing and receiving, inventory of equipment and supplies, external reporting, and general oversight of the department. The document was reviewed in January 2019 by the Community Services Program Director, the Weatherization Manager, the Executive Director, and the Controller. The final draft of the document was completed in June 2019 and all processes outlined in the document to ensure separation of duties were fully implemented by that date.

In addition to the changes outlined above, job descriptions are being reviewed by the Executive Leadership team to ensure that adequate segregation of duties exist and that no individuals have authority to execute more than one related function within their respective roles. The Executive Leadership team will ensure that this process is completed and any changes that need to be made

**Main Office:**  
3963 Three Mile Road  
Traverse City, MI  
49686-9164

phone (231) 947-3780  
(800) 632-7334  
fax (231) 947-4935

Satellite Office  
2202 Mitchell Park, Suite 100  
Petoskey MI 49770

(231) 347-9070  
(800) 443-5518  
fax (231) 347-3664

Satellite Office  
1640 Marty Paul  
Cadillac MI 49601

(231) 775-9781  
(800) 443-2297  
fax (231) 775-1448



implemented by June 30, 2019. By this date, all corrective actions outlined in this plan will be fully implemented.

Person(s) Responsible:

Kerry Baughman, Executive Director  
Northwest Michigan Community Action Agency

Timing for Implementation: June 30, 2019

*Kerry Baughman, Executive Director*  
Client, Title