

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
VALDOSTA, GEORGIA**

**FINANCIAL STATEMENTS, SUPPLEMENTAL INFORMATION,  
AND REPORTS REQUIRED UNDER THE UNIFORM GUIDANCE**

**FOR THE FISCAL YEAR ENDED  
MARCH 31, 2017**

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
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**MARCH 31, 2017**

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# Hudson & NeSmith, CPAs

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Private Companies Practice Section

Ronald D. Hudson, CPA, CFP®  
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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Coastal Plain Area Economic  
Opportunity Authority, Inc.  
Valdosta, Georgia 31602

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

We have audited the accompanying financial statements of Coastal Plain Area Economic Opportunity Authority, Inc. (a non-profit organization), which comprise the statement of financial position as of March 31, 2017, and the related statements activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

### **Certified Public Accountants and Consultants**

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Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Coastal Plain Area Economic Opportunity Authority, Inc., as of March 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of state awards is presented for purpose of additional analysis as required by the *Official Code of Georgia 50-20-3*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Coastal Plain Area Economic Opportunity Authority, Inc. taken as a whole. Information listed in the table of contents as supporting schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2017 on our consideration of Coastal Plain Area Economic Opportunity Authority, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the

results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Coastal Plain Area Economic Opportunity Authority, Inc.'s internal control over financial reporting and compliance.

Hudson & NeSmith, CPAs

Hudson & NeSmith, CPAs  
Sylvester, Georgia  
August 22, 2017

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2017**

<b>ASSETS</b>	
Current Assets	
Cash-Treasury	\$ 1,352,636
Cash-Savings	401,007
Other Receivables	4,985
Due from Grantors	817,034
Inventory, at Lower of Cost (FIFO) or Market	37,057
Prepaid Expenses	54,310
Total Current Assets	<u>\$ 2,667,029</u>
Property, Plant and Equipment, at Cost	
Less Accumulated Depreciation	<u>\$ 91,487</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 2,758,516</u></u>
<b>LIABILITIES AND NET ASSETS</b>	
Current Liabilities	
Accounts Payable	\$ 485,718
Grantor Advances	496,713
Accrued Salaries	193,343
Accrued Annual Leave	37,235
Other Accrued Liabilities	27,062
<b>TOTAL LIABILITIES</b>	<u>\$ 1,240,071</u>
<b>NET ASSETS</b>	
Unrestricted	<u>\$ 1,518,445</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 1,518,445</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 2,758,516</u></u>

The accompanying notes to the financial statements  
are an integral part of this statement.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR YEAR ENDED MARCH 31, 2017**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUE, GAINS, AND OTHER SUPPORT</b>				
Grants and Contracts	\$ 10,257,299	\$ -	\$ -	\$ 10,257,299
Donated Services, Materials and Facilities	1,721,460	-	-	1,721,460
Investment Return	2,008	-	-	2,008
Local Government Support	-	-	-	-
Program Income	23,430	-	-	23,430
Other	23,916	-	-	23,916
Rent	-	-	-	-
Net Assets Released from Restrictions:				
Satisfied Program Restriction	-	-	-	-
<b>Total Revenue, Gains, and Other Support</b>	<b>\$ 12,028,113</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,028,113</b>
<b>EXPENSES AND LOSSES</b>				
Program:				
Community Service	\$ 387,146	\$ -	\$ -	\$ 387,146
Energy & Weatherization	1,694,940	-	-	1,694,940
Nutrition	729,914	-	-	729,914
Volunteer	1,721,460	-	-	1,721,460
Education	6,531,453	-	-	6,531,453
Other	45	-	-	45
Support:				
Administration	937,463	-	-	937,463
Agency	21,075	-	-	21,075
Fund Raiser	-	-	-	-
<b>Total Expenses and Losses</b>	<b>\$ 12,023,496</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,023,496</b>
Increase (Decrease) in Net Assets:				
Change in Net Assets	\$ 4,617	\$ -	\$ -	\$ 4,617
Net Assets at Beginning of Year	\$ 1,513,828	\$ -	\$ -	\$ 1,513,828
Net Assets at End of Year	\$ 1,518,445	\$ -	\$ -	\$ 1,518,445

The accompanying notes to the financial statements  
are an integral part of this statement.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED MARCH 31, 2017**

Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets	\$ 4,617
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	13,233
(Increase) Decrease in Operating Assets:	
Cash - Savings	(1,006)
Accounts Receivable	(69,943)
Inventory	6,246
Prepaid Expenses	(8,242)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	98,864
Deferred Revenue	265,264
Accrued Expenses	(30,998)
Net Cash Provided (Used) by Operating Activities	<u>278,035</u>
 Cash Flows From Investing Activities	
Acquisitions of Equipment	<u>(12,119)</u>
Net Cash Provided (Used) by Investing Activities	<u>(12,119)</u>
 Net Cash Provided (Used) by Financing Activities	<u>-</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	265,916
 Beginning Cash and Cash Equivalents	<u>1,086,720</u>
Ending Cash and Cash Equivalents	<u>\$ 1,352,636</u>

The accompanying notes to the financial statements  
are an integral part of this statement.



**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR YEAR ENDED MARCH 31, 2017**

	PROGRAM SERVICES					
	Community Services	Energy & Weatherization	Nutrition	Volunteer	Education	Other
Salaries	\$ 116,565	\$61,081	\$ 166,937	\$ -	\$ 3,638,608	\$ -
Payroll Taxes	16,625	23,402	13,558	-	357,568	-
Fringe	54,212	15,909	66,142	-	826,881	-
Interest Expense	-	-	-	-	-	-
Audit	2,805	1,141	-	-	-	-
Board Expense	114	42	-	-	40	-
Computer Expense	10,522	2,841	-	-	65,668	-
Construction	716	319	-	-	3,300	-
Contractual	16,507	22,835	-	504	131,857	-
Contractual Cleaning	-	-	-	-	-	-
Depreciation	2,196	1,787	-	-	3,624	-
Dues	2,597	165	-	-	3,465	-
Energy Assistance	38,312	1,453,950	-	-	-	-
Field Trips	-	-	-	-	2,547	-
Food Cost	60	-	454,367	-	-	-
Gas & Oil	960	7,718	-	-	48,022	-
Health Screenings	-	-	-	-	2,221	-
In-Kind	-	-	-	1,720,956	-	-
Insurance	6,903	13,822	-	-	60,356	-
Leased	7,699	1,062	-	-	16	-
Materials	-	68,375	-	-	9,734	-
Misc. Expense	669	226	-	-	8,446	-
Other Assistance	32,931	-	-	-	-	45
Parent Activities	-	-	-	-	15,879	-
Pest Control	765	271	-	-	2,969	-
Postage	999	140	-	-	27	-
Printing	2,175	81	-	-	56,247	-
Refund to Grantor	-	-	-	-	-	-
Rent	5,357	1,385	-	-	50,843	-
Repair/Maintenance	939	2,915	-	-	344,347	-
Subscription & Publications	426	135	-	-	6,908	-
Supplies - Office	16,201	1,587	-	-	21,256	-
Supplies - Program	521	715	28,910	-	231,886	-
Telephone	10,870	1,591	-	-	31,448	-
Tool & Equipment	-	918	-	-	197,514	-
Training	13,665	2,889	-	-	191,714	-
Travel	11,217	3,257	-	-	29,275	-
Utilities	13,618	4,381	-	-	188,787	-
Taxes	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 387,146</b>	<b>\$1,694,940</b>	<b>\$ 729,914</b>	<b>\$ 1,721,460</b>	<b>\$ 6,531,453</b>	<b>\$ 45</b>

The accompanying notes to the financial statements  
are an integral part of this statement.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR YEAR ENDED MARCH 31, 2017**

	SUPPORTING SERVICES					Total Expenses
	Total Programs	Administration	Agency	Fund Raiser	Total Support	
Salaries	\$ 3,983,191	\$ 529,757	\$ 3,463	\$ -	\$ 533,220	\$ 4,516,411
Payroll Taxes	411,153	43,236	507	-	43,743	454,896
Fringe	963,144	57,361	138	-	57,499	1,020,643
Interest Expense	-	-	-	-	-	-
Audit	3,946	29,027	-	-	29,027	32,973
Board Expense	196	1,173	-	-	1,173	1,369
Computer Expense	79,031	37,697	-	-	37,697	116,728
Construction	4,335	839	1,152	-	1,991	6,326
Contractual	171,703	46,806	5,651	-	52,457	224,160
Contractual Cleaning	-	-	-	-	-	-
Depreciation	7,607	2,549	3,077	-	5,626	13,233
Dues	6,227	5,349	-	-	5,349	11,576
Energy Assistance	1,492,262	4	-	-	4	1,492,266
Field Trips	2,547	-	-	-	-	2,547
Food Cost	454,427	-	-	-	-	454,427
Gas & Oil	56,700	545	1	-	546	57,246
Health Screenings	2,221	26	-	-	26	2,247
In-Kind	1,720,956	-	-	-	-	1,720,956
Insurance	81,081	10,061	8,275	-	18,336	99,417
Leased	8,777	23,143	-	-	23,143	31,920
Materials	78,109	-	-	-	-	78,109
Misc. Expense	9,341	8,500	(6,619)	-	1,881	11,222
Other Assistance	32,976	-	21	-	21	32,997
Parent Activities	15,879	-	-	-	-	15,879
Pest Control	4,005	301	77	-	378	4,383
Postage	1,166	5,097	137	-	5,234	6,400
Printing	58,503	865	-	-	865	59,368
Refund to Grantor	-	-	-	-	-	-
Rent	57,585	50,949	2,105	-	53,054	110,639
Repair/Maintanance	348,201	1,303	84	-	1,387	349,588
Subscription & Publications	7,469	4,242	16	-	4,258	11,727
Supplies - Office	39,044	19,642	325	-	19,967	59,011
Supplies - Program	262,032	583	127	-	710	262,742
Telephone	43,909	11,422	1	-	11,423	55,332
Tool & Equipment	198,432	3,236	-	-	3,236	201,668
Training	208,268	10,889	60	-	10,949	219,217
Travel	43,749	22,747	424	-	23,171	66,920
Utilities	206,786	10,114	2,053	-	12,167	218,953
Taxes	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 11,064,958</b>	<b>\$ 937,463</b>	<b>\$ 21,075</b>	<b>\$ -</b>	<b>\$ 958,538</b>	<b>\$ 12,023,496</b>

The accompanying notes to the financial statements  
are an integral part of this statement.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Operation**

The Coastal Plain Area Economic Opportunity Authority, Inc. (the “Agency”), was incorporated on April 8, 1966 as a private, non-profit organization incorporated under the laws of the State of Georgia. The Agency is a county-based community action agency established to serve the poor and elderly of the ten counties of the Coastal Plain Area of Georgia. The basic purpose of the agency is to help low-income people achieve self-sufficiency, both economically and as contributing members of their community. To achieve this purpose the agency operates various federal, state and locally funded programs, its main sources of revenues. A description of the programs operated by the agency is provided in the Program Summary Report on pages 47 through 49 of these financial statements.

The Agency is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

**Public Support, Grants, and Revenue**

Annual campaign contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. The majority of the promises to give are received from a broad base of contributors as a result of the annual campaign. No allowance for uncollectable promises is provided on management’s evaluation of being immaterial to the Agency.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Endowment contributions and investments are permanently restricted by the donor. Investment earnings available for distribution are recorded in unrestricted net assets. Investment earnings with donor restrictions are recorded in temporarily or permanently restricted net assets based on the nature of the restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received.

The agency received the major portion of its operating funds from cost reimbursement grants. These funds are deemed to be earned and reported as revenues when the agency has incurred expenses in accordance with specific requirements of the grants. Amounts received but not yet earned are reported as advances-grantor. Refer to Note 9, for a schedule of advances-grantor as of March 31, 2017.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when earned and expenses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958, *Not-For-Profit Entities*. Under FASB ASC 958, the Agency is required to report information regarding its financial position and activities according to three classes of net assets based upon the existence or absence of donor imposed restrictions: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Accordingly, net assets of the Agency and changes thereof are classified and reported as follows:

*Unrestricted net assets* – net assets not subject to grantor or donor-imposed stipulations.

*Temporarily restricted net assets* – net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Agency and/or the passage of time. When a restriction is satisfied or expires, temporarily restricted net assets are reclassified as unrestricted and reported in the statement of activities as net assets released from restrictions.

*Permanently restricted net assets* – net assets subject to grantor or donor-imposed stipulations that must be maintained permanently by the Agency. Generally, grantors or donors of these assets permit the Agency to use all or part of the income earned on any related investment for general or specific purposes. The Agency had no permanently restricted net assets as of March 31, 2017.

Contributions and Pledges Receivable

Contributions and pledges receivable that are expected to be collected within one year are recorded at their net realizable value. Contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on these amounts are computed using a risk-free interest (ranging from 5% to 6%) applicable to the year in which the contribution is made. Amortization of the discount is included in contribution revenue. The Agency did not have any contributions or pledges receivable at March 31, 2017.

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, the Agency considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments are carried at the quoted market value of the securities. Realized and unrealized gains and losses are included in the statement of activities as increases or decreases in the unrestricted class of net assets, unless donor or relevant laws place temporary or permanent restrictions on these gains or losses. For purposes of determining the gain or loss on a sale, the cost of securities sold is based on the average cost of each security held at the date of sale.

Donated Services and In-Kind Support

Many of the Agency's programs depend on local government agencies to provide donated facilities for Head Start classrooms. If these donations, as well as non-paid volunteer hours, meet the requirements of Generally

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**NOTES TO FINANCIAL STATEMENTS**  
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Accepted Accounting Principles (GAAP), which essentially require that the service be of a nature that the Agency would have to purchase or rent the service if it were not donated, then they are recorded as “in-kind” services and reflected both as revenue and expense in the accompanying financial statements. The services valued at their estimated fair market value at the date of donation, and the Agency uses local independent real estate appraisers, as well as salary surveys, to determine appropriate values. Refer to Note 9, for a schedule of donated services and in-kind support for the year ended March 31, 2017.

Use of Estimates

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

Designation of Unrestricted Net Assets

It is the policy of the Board of Directors of the Agency to review its plans for future property improvements and acquisitions from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such improvements and acquisitions.

Expense Allocation

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Agency.

Expenses are allocated to program and supporting services on the following bases:

- (a) Management and general expenses are allocated on the basis of periodic time and expense studies.
- (b) Legal expenses are allocated equally between the two areas.
- (c) Personnel expenses are allocated on the basis of direct salaries.
- (d) Building and occupancy costs are allocated on the basis of square footage.
- (e) Depreciation is allocated on the basis of usage of the furniture and equipment.

Inventories

Inventories are stated at the lower of cost or market determined by the first-in, first-out method. Inventory consists of items related to the Agency’s Weatherization program.

Significant Support and Revenue

The Agency receives a direct grant from the U.S. Department of Health and Human Services to perform activities necessary to operate the Head Start Program. This grant, including the required in-kind support from the Agency, represents 72% of its annual budget for the fiscal year 2017. The Agency also receives funding from the U.S. Department of Health and Human Services, passed through the Georgia Department of Human Services, for other programs such as the Community Services Block Grant program and Low Income Home Energy Assistance program. Other funding includes funds received from the U.S. Department of Energy, passed through the Georgia Environmental Finance Authority, for Weatherization programs.

Property, Plant, and Equipment

All expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

- (a) Vehicles – Five Years
- (b) Equipment – Three to Seven Years
- (c) Leasehold and Building Improvements – Seven to Fifteen Years
- (d) Building and Structures – Ten to Fifty Years
- (e) Furniture and Fixtures – Five to Seven Years

The cost of the property, plant and equipment purchased with grant funds is charged directly to operations in the year of purchase in accordance with grant requirements. The equipment is subsequently marked and inventoried according to federal and/or state regulations. Property, plant and equipment purchased with agency funds is recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset.

The Agency capitalizes all equipment in accordance with federal requirements. Current capitalization guidelines are \$500 for Weatherization (with the exception of ARRA-funded Weatherization which is \$5,000), \$1,000 for CSBG, and \$5,000 for Head Start and CACFP. All other program equipment is capitalized with a cost of \$1,000 or more.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire the property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Agency reclassifies temporarily restricted assets to unrestricted net assets at that time.

#### Income Tax Status

The Agency is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the Agency's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Agency qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

#### Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets from restrictions.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

**NOTE 2 – INVESTMENTS**

Investment return consists of the following for the year ended March 31, 2017:

	<u>Unrestricted</u>
Interest	\$2,008
Realized and Unrealized Gains	-0-

**NOTE 3 – PROMISES TO GIVE**

There were no promises to give recorded as of March 31, 2017.

**NOTE 4 – FURNITURE, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS**

At March 31, 2017, the cost and accumulated depreciation of assets in Property, Plant and Equipment were as follows:

Description	Total	Lomax Center	Food Service	IRP	Central Office	Personal Day Care
Buildings & Improvements	\$ 439,700	\$ 203,747	\$ 53,683	\$ -	\$ -	\$ 182,270
Equipment & Furnishings	348,617	6,973	111,707	-	229,937	-
Vehicles	279,306	6,227	155,589	33,779	83,711	-
	1,067,623	216,947	320,979	33,779	313,648	182,270
Less: Accumulated Depreciation	976,136	170,751	307,719	33,779	281,617	182,270
	\$ 91,487	\$ 46,196	\$ 13,260	\$ -	\$ 32,031	\$ -

**NOTE 5 – CERTIFICATE OF DEPOSIT**

Certificates of deposit totaling \$401,007 are included in cash in the accompanying financial statements. The certificates bear interest in a range of .65% to 1.00% and mature in one year, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

**NOTE 6 – CASH FLOW INFORMATION**

Interest paid for 2016-17 was as follows:

Interest	\$ 0
----------	------

**NOTE 7 – FINANCIAL INSTRUMENTS**

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

Financial instruments which potentially subject the Agency to concentrations of credit risk consist of cash deposits at local banks. The Agency maintains deposits in four local financial institutions.

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**MARCH 31, 2017**

At March 31, 2017, the Agency's deposits with financial institutions had a carrying amount of \$1,753,493 and a bank balance of \$1,834,612. Of the bank balance, \$401,007 was covered by Federal Depository Insurance for each certificate of deposit maintained at four separate banks. The Agency's checking accounts were also covered by Federal Depository Insurance for \$250,000. The difference of \$1,183,605 was collateralized by Regions Bank with shares of a pool of mortgage-backed securities held by Regions Bank that were pledged as collateral totaling \$1,183,605.

In summary, as of March 31, 2017, the Agency's cash and cash equivalents consist of the following:

Deposits with financial institutions (checking)	\$ 1,352,486
Petty cash	<u>150</u>
 Total cash and cash equivalents	 <u><u>\$ 1,352,636</u></u>

**NOTE 8 – DUE FROM GRANTORS**

Unreimbursed program and related expenses due from grantors consist of the following receivables:

HHS - Head Start	\$ 607,836
DHS-CSBG	85,841
Bright from the Start-Pre-K	88,025
GEFA-WX HHS	<u>35,332</u>
	<u><u>\$ 817,034</u></u>

**NOTE 9 - GRANTOR ADVANCES**

Grantor advances are restricted funds provided by the grantor in advance of incurring expenses in their programs which must be repaid if allowable expenses are not incurred before the program year ends, by the Agency. Grant advances received and outstanding at March 31, 2017, are as follows:

WX	\$ 14,699
LIHEAP - Regular	473,490
Pre-K	7,000
Other	<u>1,524</u>
	<u><u>\$ 496,713</u></u>

**NOTE 10 - CONTINGENCIES**

Use of federal, state, and local grant and contract funds are subject to review and audit by the grantor agencies. Such audit could lead to requests for reimbursement to the grantor agency for expenses disallowed under terms of the grant. The management believes that the agency will not incur significant losses on possible grant and contract disallowances.

The Agency is a defendant in various legal claims. Although the outcome of these claims is not presently determinable, in the opinion of the Agency's counsel the resolution of these matters will not have a material



**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2017**

adverse effect on the financial condition of the Agency.

**NOTE 11 – LEASE COMMITMENTS**

Operating Leases

The Agency has several non-cancelable operating leases, primarily for various forms of equipment and office space that expire at various dates through October 2018. Those leases generally contain renewal options for periods ranging from three to five years and require the Agency to pay all executory costs such as taxes, maintenance, and insurance. Rental expenses for those leases consisted of \$140,148 for the year ended March 31, 2017.

The following is a schedule by years of future minimum rental payments for facilities under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of March 31, 2017.

<u>Year Ending</u> <u>March 31</u>	<u>Minimum</u> <u>Rental Payment</u>
2018	\$ 107,500
2019	52,700
2020	-
	<u>\$ 160,200</u>

**NOTE 12 – ACCRUED SALARIES**

The Agency accrued all unpaid salaries at the balance sheet date as a liability and an expense. As of March 31, 2017, the amount of accrued salaries was \$193,343.

**NOTE 13 – DONATED SERVICES AND IN-KIND SUPPORT**

The value of donated services included as contributions in the financial statements and the corresponding expenses for the years ended March 31, 2017, are as follows:

Personnel	\$ 15,867
Medical Fees	59,685
Space	1,645,404
Maintenance	504
Total	<u>\$ 1,721,460</u>

**NOTE 14 – TAX DEFERRED ANNUITY PLAN**

The Agency has established a tax deferred annuity retirement plan under Internal Revenue Code Section 403(b). The name of the plan is the Retirement Plan for Employees of the Coastal Plain Area Economic Opportunity Authority, Inc. The plan is designed to benefit all eligible employees. To be eligible for participation the employee must have been employed for at least six months and attained age twenty-one. The employer will match the employee's contribution up to 8% maximum of the employee's effective earnings. In addition, an employee may make voluntary contributions of up to 10% of their effective

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**VALDOSTA, GEORGIA**  
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**MARCH 31, 2017**

earnings. The total employer contributions for the year were \$83,234.

**NOTE 15 – COMPENSATED ABSENCES**

All permanent employees are entitled to annual leave, which is a combination of vacation, personal and holiday leave. A total of 6 to 20 days annual leave (depending on length of employment) and 6 to 15 days of sick leave may be earned by each employee annually. An employee can accumulate up to a maximum of 12.5 days annual leave and 40 days sick leave. However, employees are not paid for the accumulated sick leave upon retirement or other termination. The Agency's accrued unpaid annual leave at March 31, 2017, was \$37,235. The Agency records sick leave when taken because amounts cannot be reasonably estimated.

**NOTE 16 – SUBSEQUENT EVENTS**

In preparing these financial statements, the Agency has evaluated events and transactions for potential recognition or disclosure through August 22, 2017, the date the financial statements were available to be issued. No events occurred during this period which would require disclosure in these financial statements.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND NON-FEDERAL AWARDS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

<b>FEDERAL GRANTOR / PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH GRANTOR'S NUMBER</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. Department of Agriculture</u></b>			
<b><u>Bright from the Start</u></b>			
CACFP-Head Start FY 17-18	10.558	0.04021	425,869
CACFP-Head Start FY 16-17	10.558	0.04021	<u>303,953</u>
Total Bright from the Start			<u>729,822</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>\$ 729,822</u></b>
<b><u>U.S. Department of Health &amp; Human Services</u></b>			
Low Income Energy Assistance FY 17-18	93.568	42700-040-0000051784	1,436,019
Low Income Energy Assistance FY 16-17	93.568	42700-040-0000041719	183,489
Comm. Services Block Grant FY 17-18	93.569	42700-040-0000052058	201,966
Comm. Services Block Grant FY 16-17	93.569	42700-040-0000041831	301,254
Head Start 16-17	93.600	04-CH4698-03	6,885,836
Head Start 16-17 Inkind	93.600	04-CH4698-02	<u>1,721,460</u>
<b>Total U.S. Department of Health &amp; Human Services</b>			<b><u>\$ 10,730,024</u></b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND NON-FEDERAL AWARDS (Continued)**  
**FOR THE YEAR ENDED MARCH 31, 2017**

<b>FEDERAL GRANTOR / PASS- THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH GRANTOR'S NUMBER</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. Department of Energy</u></b>			
WX-HHS	81.042	DOER-WX-HHS-15/16-08	\$ 69,802
WX-DOE	81.042	DOER-WX-DOE-16/17-08	109,205
WX-DOE	81.042	DOER-WX-HHS-16/17-08	50,488
<b>Total U.S. Department of Energy</b>			<b>\$ 229,495</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 11,689,341</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
VALDOSTA, GEORGIA  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED MARCH 31, 2017**

STATE PROGRAM NAME	CONTRACT NUMBER	STATE AWARDS AMOUNT	AMOUNTS RECEIVED	AMOUNTS EXPENDED	DUE TO/ DUE FROM GRANTOR
<b>U.S. Department of Energy</b>					
<b>Pass-through state</b>					
WX-DOE	DOER-WX-DOE-16/17-08	\$ 109,205	\$ 109,205	\$ 109,205	\$ -
WX-HHS	DOER-WX-HHS-15/16-08	101,766	69,802	69,802	-
WX-HHS	DOER-WX-HHS-16/17-08	101,761	15,156	50,488	35,332
<b>Total pass-through DOE-Federal</b>		<b>\$ 312,732</b>	<b>\$ 194,163</b>	<b>\$ 229,495</b>	<b>\$ 35,332</b>
<b>Department of Human Services</b>					
<b>Pass-through state</b>					
Comm. Services Block Grant FY 17-18	42700-040-0000052058	\$ 781,007	\$ 116,125	\$ 201,966	\$ 85,841
Comm. Services Block Grant FY 16-17	42700-040-0000041831	506,223	301,254	301,254	-
Low Income Home Energy Assistance FY 17-18	42700-040-0000051784	1,909,609	1,436,019	1,436,019	-
Low Income Home Energy Assistance FY 16-17	42700-040-0000041719	1,709,320	183,489	183,489	-
<b>Total pass-through DHS-Federal</b>		<b>\$ 4,906,159</b>	<b>\$ 2,036,887</b>	<b>\$ 2,122,728</b>	<b>\$ 85,841</b>
<b>Bright from the Start</b>					
<b>Pass-through state</b>					
CACFP-Head Start FY 17-18	0.04021	\$ 775,605	\$ 425,869	\$ 425,869	\$ -
CACFP-Head Start FY 16-17	0.04021	744,621	303,953	303,953	-
<b>Total pass-through BFTS-Federal</b>		<b>\$ 1,520,226</b>	<b>\$ 729,822</b>	<b>\$ 729,822</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
 VALDOSTA, GEORGIA  
 SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED MARCH 31, 2017**

<b>STATE PROGRAM NAME</b>	<b>CONTRACT NUMBER</b>	<b>STATE AWARDS AMOUNT</b>	<b>AMOUNTS RECEIVED</b>	<b>AMOUNTS EXPENDED</b>	<b>DUE TO/ DUE FROM GRANTOR</b>
<b><u>Other</u></b>					
WX-Georgia Power Cooperation FY 13-16	Earth Cents Rebate Program	\$ 117,547	\$ 23,430	\$ 23,430	\$ -
Pre-K 15-16		191,332	79,174	79,174	-
Pre-K 16-17		282,976	122,219	210,244	88,025
<b>Total Other</b>		<b>\$ 591,855</b>	<b>\$ 224,823</b>	<b>\$ 312,848</b>	<b>\$ 88,025</b>
<b>Total Expenditures of Non-Federal Awards</b>		<b>\$ 7,330,972</b>	<b>\$ 3,185,695</b>	<b>\$ 3,394,893</b>	<b>\$ 209,198</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND NON-FEDERAL AWARDS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE A - GENERAL**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Coastal Plain Area Economic Opportunity Authority, Inc. All financial assistance received directly or indirectly from Federal, State, and local agencies is included in this schedule

**NOTE B – BASIS OF PRESENTATION**

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 the Agency, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**NOTE C – 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 principals contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**NOTE D - IN-KIND**

Non-monetary assistance is reported in the Schedule at the fair market value of the In-Kind received.

**NOTE E – INDIRECT COST RATE**

The Agency has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance or any other indirect cost rate.

**NOTE F – DUE FROM GRANTOR**

Amounts considered due from grantor consist of grant expenditures incurred but grant reimbursements not yet received as of March 31, 2017. See note 8 for a breakdown of due from grantor amounts.

**SUPPORTING SCHEDULES**



**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**SCHEDULE OF PROGRAM REVENUE**  
**FOR YEAR ENDED MARCH 31, 2017**

<b>PROGRAM &amp; CONTRACT NO.</b>	<b>FEDERAL &amp; STATE REVENUE</b>	<b>PROGRAM &amp; OTHER REVENUE</b>	<b>GRANTEE INKIND</b>	<b>TOTAL</b>
CSBG - FY 17-18	\$ 201,966	\$ -	\$ -	\$ 201,966
CSBG - FY 16-17	301,254	-	-	301,254
Other Income CSBG	-	45	-	45
Weatherization - GPC EarthCents Rebate	-	23,430	-	23,430
WX-DOE 2016/17-08	109,205	-	-	109,205
WX-HHS 2016/17-08	50,488	-	-	50,488
Weatherization - GPC 2015-08		-	-	-
WX-HHS 2015/16-08	69,802	-	-	69,802
Head StartPA22 2017	6,810,026	-	1,721,460	8,531,486
Head StartPA20 2017	75,810	-	-	75,810
CACFP - Head Start 10/16-09/17 0421	425,869	-	-	425,869
CACFP - Head Start 10/15-09/16 0421	303,953	-	-	303,953
LIHEAP 16/17	183,489	-	-	183,489
LIHEAP 17/18	1,436,019	-	-	1,436,019
Pre-K 16/17	210,244	-	-	210,244
Pre-K 15/16	79,174	-	-	79,174
<b>TOTAL</b>	<b>\$ 10,257,299</b>	<b>\$ 23,475</b>	<b>\$ 1,721,460</b>	<b>\$ 12,002,234</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Agency Activities

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Interest Income	\$ 3,000	\$ 2,008	\$ (992)
Other Income	141,000	23,869	(117,131)
<b>Total Revenues</b>	<b>\$ 144,000</b>	<b>\$ 25,877</b>	<b>\$ (118,123)</b>
<b>Expenses</b>			
Salaries	\$ 3,000	\$ 3,464	\$ (464)
Fringe Benefits	400	646	(246)
Supplies	700	453	247
Assistance	-	21	(21)
Contractual	1,000	1,226	(226)
Pest Control	120	77	43
Postage	5	137	(132)
Telephone	-	1	(1)
Utilities	2,900	2,053	847
Travel	-	424	(424)
Rent	-	2,105	(2,105)
Construction	-	825	(825)
Repairs and Maintenance	975	1,435	(460)
Miscellaneous Expense	-	(6,520)	6,520
Recruitment - HS	-	16	(16)
Legal Services	5,000	3,073	1,927
Appraisal Fees	-	327	(327)
Board expense	40,000	-	40,000
Insurance	8,500	8,275	225
Depreciation	8,000	3,077	4,923
Fundraiser	-	187	(187)
Other - HS	-	(100)	100
Registration Fees	-	60	(60)
<b>Total Expenses</b>	<b>\$ 70,600</b>	<b>\$ 21,262</b>	<b>\$ 49,338</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ 73,400</b>	<b>\$ 4,615</b>	<b>\$ (68,785)</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Community Services Block Grant FY 17-18  
Contract # 42700-040-0000052058

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ 781,007	\$ 201,966	\$ (579,041)
<b>Total Revenues</b>	<b>\$ 781,007</b>	<b>\$ 201,966</b>	<b>\$ (579,041)</b>
<b>Expenses</b>			
Salaries	\$ 310,662	\$ 70,288	\$ 240,374
Fringe Benefits	76,062	36,749	39,313
Workman's Compensation	4,134	3,364	770
Disposal Cost	720	-	720
Training	5,950	5,568	382
Drug Screening	-	-	-
Background Check	176	76	100
Employee MVR	70	-	70
Supplies	26,296	8,012	18,284
Emergency Food	71,000	60	70,940
Assistance	117,250	16,590	100,660
Contractual	21,051	13,664	7,387
Pest Control	1,016	451	565
Program Support	50	50	-
Postage	4,030	645	3,385
Printing	4,150	1,148	3,002
Dues	4,239	2,117	2,122
Subscription & Publications	547	446	101
Internet Service	13,600	3,438	10,162
Telephone	14,940	6,673	8,267
Utilities	14,873	5,553	9,320
Gas & Oil	471	462	9
Travel	15,141	2,794	12,347
Rent Expense	15,067	5,948	9,119
Computer Expense	5,079	1,334	3,745
Lease - Equipment	14,362	7,139	7,223

*(Continued)*

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Community Services Block Grant FY 16-17  
Contract # #42700-040-0000052058

<i>(Expenses continued)</i>	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
Repairs & Maintenance	\$ 8,814	\$ 1,987	\$ 6,827
Miscellaneous Expense	1,800	47	1,753
Bank Fees	848	656	192
Newspaper Advertisement	1,100	5	1,095
Audit	6,634	406	6,228
Legal Services	225	68	157
Licensing Requirement	5	5	-
Appraisal Fees	82	82	-
Board Expense	850	147	703
Insurance	9,950	3,764	6,186
Depreciation	3,538	1,238	2,300
GED Testing	2,400	320	2,080
Water Cooler Rental	801	422	379
Registration Fees	3,024	250	2,774
<b>Total Expenses</b>	<b>\$ 781,007</b>	<b>\$ 201,966</b>	<b>\$ 579,041</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Community Services Block Grant FY 16-17  
Contract # 42700-040-0000041831

	<b>Budget</b>	<b>Per Audit 3/31/2016</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>				
Federal Revenue	\$ 506,223	\$ 204,969	\$ 301,254	\$ -
<b>Total Revenues</b>	<b>\$ 506,223</b>	<b>\$ 204,969</b>	<b>\$ 301,254</b>	<b>\$ -</b>
<b>Expenses</b>				
Salaries	\$ 194,883	\$ 91,256	\$ 103,627	\$ -
Fringe Benefits	73,893	33,486	40,407	-
Workman's Compensation	3,074	814	2,260	-
Disposal Cost	476	-	476	-
Training	2,008	1,197	811	-
Drug Screening	18	18	-	-
Background Check	206	160	46	-
Employee MVR	2	2	-	-
Supplies	19,266	7,803	11,463	-
Assistance	73,409	18,756	54,653	-
Contractual	12,759	6,015	6,744	-
Pest Control	714	352	362	-
Postage	1,485	766	719	-
Printing	2,695	1,606	1,089	-
Dues	1,958	641	1,317	-
Subscription & Publications	370	329	41	-
Internet Service	8,558	4,641	3,917	-
Telephone	11,746	5,954	5,792	-
Utilities	13,887	5,158	8,729	-
Gas & Oil	726	151	575	-
Travel	13,114	2,092	11,022	-
Rent Expense	12,656	5,960	6,696	-
Computer Expense	10,484	1,516	8,968	-
Lease - Equipment	7,352	2,570	4,782	-

(Continued)

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Community Services Block Grant FY 16-17  
Contract # 42700-040-0000041831

<i>(Expenses continued)</i>	<b>Budget</b>	<b>Per Audit 3/31/2016</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
Repairs & Maintenance	\$ 4,699	\$ 2,667	\$ 2,032	\$ -
Miscellaneous Expense	1,443	941	502	-
Bank Fees	911	-	911	-
Newspaper Advertisement	1,434	752	682	-
Audit	10,188	1,689	8,499	-
Appraisal Fees	730	-	730	-
Board Expense	468	334	134	-
Insurance	7,309	3,553	3,756	-
Depreciation	2,574	1,322	1,252	-
GED Testing	3,040	2,080	960	-
Water Cooler Rental	645	381	264	-
Registration Fees	7,043	7	7,036	-
<b>Total Expenses</b>	<b>\$ 506,223</b>	<b>\$ 204,969</b>	<b>\$ 301,254</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Weatherization-GPC EarthCents Rebate Program

	<b>Budget</b>	<b>Per Audit Prior Years</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>				
Program Revenue	\$ 117,547	\$ 80,667	\$ 23,430	\$ (13,450)
<b>Total Revenues</b>	<b>\$ 117,547</b>	<b>\$ 80,667</b>	<b>\$ 23,430</b>	<b>\$ (13,450)</b>
<b>Expenses</b>				
Salaries	\$ 12,071	\$ 5,615	\$ 11,067	\$ (4,611)
Fringe Benefits	6,215	5,240	1,138	(163)
Workman's Compensation	2,624	2,451	1,066	(893)
Training	1,870	26	13	1,831
Supplies	8,406	797	465	7,144
Criminal Records Check	100	209	1	(110)
Employee MVR	-	2	-	(2)
Materials	51,000	40,538	6,464	3,998
Contractual	25,477	21,674	1,624	2,179
Pest Control	10	5	1	4
Postage	370	-	65	305
Printing	30	-	-	30
Dues	-	55	18	(73)
Subscriptions & Publications	-	27	-	(27)
Internet Service	1,453	-	5	1,448
Telephone	420	30	22	368
Utilities	605	45	33	527
Gas & Oil	1,646	950	759	(63)
Travel	650	-	132	518
Rent	750	819	293	(362)
Computer Expense	750	712	4	34
Lease - Equipment	80	46	77	(43)
Repairs & Maintenance	940	354	12	574
Miscellaneous Expense	30	17	14	(1)
Newspaper Advertisement	-	-	1	(1)
Audit	100	146	-	(46)
Legal Services	-	-	2	(2)
Board Expense	55	4	26	25
Insurance	730	779	11	(60)
Depreciation	415	122	87	206
Registration Fees	750	-	-	750
Water Cooler Rental	-	4	30	(34)
<b>Total Expenses</b>	<b>\$ 117,547</b>	<b>\$ 80,667</b>	<b>\$ 23,430</b>	<b>\$ 13,450</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Weatherization-DOER-WX-HHS-2015/16-8

	<b>Budget</b>	<b>Per Audit 3/31/2016</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>				
Federal Revenue	\$ 101,766	\$ 31,964	\$ 69,802	\$ -
<b>Total Revenues</b>	<b>\$ 101,766</b>	<b>\$ 31,964</b>	<b>\$ 69,802</b>	<b>\$ -</b>
<b>Expenses</b>				
Salaries	\$ 32,472	\$ 14,009	\$ 18,463	\$ -
Fringe Benefits	7,601	2,916	4,685	-
Workman's Compensation	11,304	3,070	8,234	-
Training	692	123	569	-
Disposal Cost	12	-	12	-
Background Check	4	4	-	-
Supplies	396	129	267	-
Materials	25,170	7,388	17,782	-
Contractual	8,959	2,014	6,945	-
Pest Control	138	20	118	-
Postage	153	112	4	37
Printing	44	44	-	-
Dues	391	-	391	-
Subscription & Publications	12	-	12	-
Internet Service	191	83	108	-
Telephone	453	201	252	-
Utilities	1,143	41	1,102	-
Gas & Oil	1,179	182	997	-
Travel	13	-	13	-
Rent	1,025	425	600	-
Computer Expense	1,088	61	1,064	(37)
Lease - Equipment	557	75	482	-
Repairs & Maintenance	685	-	685	-
Miscellaneous	128	95	33	-
Bank Fees	109	-	109	-
Newspaper Advertisement	183	56	127	-
Audit	650	79	571	-
Appraisal Fees	311	-	311	-
Board Expense	3	-	3	-
Insurance	6,176	653	5,523	-
Depreciation	479	163	316	-
Registration Fees	21	-	21	-
Water Cooler Rental	24	21	3	-
<b>Total Expenses</b>	<b>\$ 101,766</b>	<b>\$ 31,964</b>	<b>\$ 69,802</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Weatherization-DOER-WX-DOE-2016/17-08

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ 109,205	\$ 109,205	\$ -
<b>Total Revenues</b>	<b>\$ 109,205</b>	<b>\$ 109,205</b>	<b>\$ -</b>
<b>Expenses</b>			
Salaries	\$ 22,191	\$ 22,191	\$ -
Fringe Benefits	9,098	9,098	-
Workman's Compensation	5,614	5,614	-
Training	37	37	-
Disposal Cost	22	22	-
Background check	2	2	-
Supplies	1,921	1,921	-
Materials	22,339	22,339	-
Assistance	2	2	-
Contractual	7,443	7,443	-
Pest Control	60	60	-
Postage	134	134	-
Printing	64	64	-
Dues	9	9	-
Subscription & Publications	72	72	-
Internet Service	464	464	-
Telephone	1,297	1,297	-
Utilities	2,515	2,515	-
Gas & Oil	5,346	5,346	-
Travel	2,573	2,573	-
Rent	1,413	1,413	-
Computer Expense	1,863	1,863	-
Lease - Equipment	613	613	-
Equipment	918	918	-
Repairs & Maintenance	3,411	3,411	-
Miscellaneous	73	73	-
Bank Fees	137	137	-
Newspaper Advertisement	98	98	-
Audit	780	780	-
Legal Services	18	18	-
Licensing Requirement	1	1	-
Appraisal Fees	9	9	-
Board Expense	51	51	-
Insurance	4,498	4,498	-
Depreciation	1,361	1,361	-
Registration Fees	2,405	2,405	-
Health & Safety	10,256	10,256	-
Water Cooler Rental	97	97	-
<b>Total Expenses</b>	<b>\$ 109,205</b>	<b>\$ 109,205</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Weatherization - 42700-040-0000052792 WX-HHS-2016/17-8

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ 101,761	\$ 50,488	\$ (51,273)
<b>Total Revenues</b>	<b>\$ 101,761</b>	<b>\$ 50,488</b>	<b>\$ (51,273)</b>
<b>Expenses</b>			
Salaries	\$ 31,353	\$ 13,596	\$ 17,757
Fringe Benefits	14,820	6,739	8,081
Workman's Compensation	8,542	3,659	4,883
Training	188	63	125
Disposal Cost	12	-	12
Background check	53	-	53
Supplies	608	290	318
Materials	25,170	15,139	10,031
Contractual	4,439	3,402	1,037
Pest Control	205	99	106
Postage	153	44	109
Printing	47	19	28
Dues	148	4	144
Subscription & Publications	12	-	12
Internet Service	203	22	181
Telephone	902	274	628
Utilities	2,017	936	1,081
Gas & Oil	1,419	629	790
Travel	610	610	-
Rent	1,036	102	934
Computer Expense	75	16	59
Lease - Equipment	831	574	257
Repairs & Maintenance	995	214	781
Miscellaneous	128	-	128
Bank Fees	109	14	95
Newspaper Advertisement	95	-	95
Audit	650	-	650
Legal Services	3	-	3
Appraisal Fees	33	16	17
Board Expense	10	-	10
Insurance	6,241	3,911	2,330
Depreciation	563	88	475
Registration Fees	24	24	-
Water Cooler Rental	67	4	63
<b>Total Expenses</b>	<b>\$ 101,761</b>	<b>\$ 50,488</b>	<b>\$ 51,273</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**STATEMENT OF RECEIPTS AND DISBURSEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
HEAD START PROGRAM  
04-CH4698-03

	<b>Total</b>	<b>PA 22</b>	<b>PA 20</b>
<b>Receipts:</b>			
Grantor Cash	\$ 6,885,836	\$ 6,810,026	\$ 75,810
Grantee In-kind	1,721,460	1,721,460	-
Other	-	-	-
<b>Total Receipts</b>	<b>\$ 8,607,296</b>	<b>\$ 8,531,486</b>	<b>\$ 75,810</b>
<b>Disbursements:</b>			
Federal	\$ 6,885,836	\$ 6,810,026	\$ 75,810
Non-Federal	1,721,460	1,721,460	-
<b>Total Disbursements</b>	<b>\$ 8,607,296</b>	<b>\$ 8,531,486</b>	<b>\$ 75,810</b>
<b>Due from (to) Grantor</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Head Start PA-22 FY 2017  
Contract # 04-CH4698-03

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ 6,810,026	\$ 6,810,026	\$ -
Other Income	-	-	-
<b>Total Support and Revenue</b>	<b>\$ 6,810,026</b>	<b>\$ 6,810,026</b>	<b>\$ -</b>
<b>Expenses</b>			
Salaries	\$ 3,772,504	\$ 3,772,504	\$ -
Fringe Benefits	1,147,972	1,147,972	-
Workman's Compensation	62,615	62,615	-
Stipends - Federal	4,598	4,598	-
Training	24,997	24,997	-
Disposal Cost	4,598	4,598	-
Screenings	2,247	2,247	-
Criminal Records Check	8,189	8,189	-
Employee MVR	263	263	-
Supplies	250,435	250,435	-
Consultant	1,560	1,560	-
Contractual	132,084	132,084	-
Pest Control	3,205	3,205	-
Postage	4,219	4,219	-
Printing	55,565	55,565	-
Dues	7,637	7,637	-
Subscription & Publications	1,463	1,463	-
Telephone & Internet Service	56,851	56,851	-
Utilities	179,834	179,834	-
Gas & Oil	48,459	48,459	-
Travel	47,307	47,307	-
Rent Expense	91,907	91,907	-
Computer Expense	71,697	71,697	-
Lease - Equipment	16,747	16,747	-
Equipment	200,750	200,750	-
Repairs & Maintenance	369,827	369,827	-
Miscellaneous	1,421	1,421	-

(Continued)

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Head Start PA-22 FY 2017  
Contract # 04- CH4698-03 (Continued)

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<i>(Expenses Continued )</i>			
Bank Fees	\$ 4,351	\$ 4,351	\$ -
Newspaper Advertisement	6,780	6,780	-
Recruitment	1,862	1,862	-
Audit	22,401	22,401	-
Licensing Requirement	1,591	1,591	-
Appraisal Fees	4,014	4,014	-
Board Expense	980	980	-
Insurance	68,674	68,674	-
Depreciation	5,766	5,766	-
Field Trips	2,547	2,547	-
Parent Activities	6,946	6,946	-
Psychological Services	83,338	83,338	-
Registration Fees	15,624	15,624	-
Water Cooler Rental	1,805	1,805	-
Vehicle Taxes/Fees	4,663	4,663	-
Health & Safety Materials	9,733	9,733	-
<b>Total Federal Share</b>	<b>\$ 6,810,026</b>	<b>\$ 6,810,026</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Head Start Inkind- PA-22 FY 2017  
Contract # 04-CH4698-03 (Cont.)

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ -	\$ -	\$ -
Donated Cash and Services	1,721,460	1,721,460	-
Other Income	-	-	-
<b>Total Support and Revenue</b>	<b>\$ 1,721,460</b>	<b>\$ 1,721,460</b>	<b>\$ -</b>
<b>Non-Federal Share</b>			
Training	\$ -	\$ -	\$ -
Supplies	-	-	-
Maintenance - Lawn	504	504	-
Medical	59,685	59,685	-
Personnel	15,867	15,867	-
Space/Utilities	1,645,404	1,645,404	-
<b>Total Non-Federal Share</b>	<b>\$ 1,721,460</b>	<b>\$ 1,721,460</b>	<b>\$ -</b>
<b>Total Expenses</b>	<b>\$ 1,721,460</b>	<b>\$ 1,721,460</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Head Start Training PA20 FY 2017  
Contract # 04-CH4698-03

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ 75,810	\$ 75,810	\$ -
<b>Total Revenues</b>	<b>\$ 75,810</b>	<b>\$ 75,810</b>	<b>\$ -</b>
<b>Expenses</b>			
Staff Development	\$ 36,269	\$ 36,269	\$ -
Training	19,800	19,800	-
Program Gov/Mgt System	19,741	19,741	-
<b>Total Expenses</b>	<b>\$ 75,810</b>	<b>\$ 75,810</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSE**  
**MARCH 31, 2017**

CACFP Head Start 10/16-09/17 0421  
Contract # 0.04021

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Support and Revenue</b>			
Federal Revenue	\$ 775,605	\$ 425,869	\$ (349,736)
<b>Total Support and Revenue</b>	<b>\$ 775,605</b>	<b>\$ 425,869</b>	<b>\$ (349,736)</b>
<b>Expenses</b>			
Salaries	\$ 191,743	\$ 98,663	\$ 93,080
Fringe Benefits	99,924	48,738	51,186
Supplies	30,000	16,395	13,605
Food Costs	453,938	262,073	191,865
<b>Total Expenses</b>	<b>\$ 775,605</b>	<b>\$ 425,869</b>	<b>\$ 349,736</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>			
	\$ -	\$ -	\$ -



**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSE**  
**MARCH 31, 2017**

CACFP Head Start 10/15-09/16 0421  
Contract # 0.04021

	<b>Budget</b>	<b>Per Audit 3/31/2016</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Support and Revenue</b>				
Federal Revenue	\$ 744,621	\$ 440,668	\$ 303,953	\$ -
Other Income	69	69	-	-
<b>Total Support and Revenue</b>	<b>\$ 744,690</b>	<b>\$ 440,737</b>	<b>\$ 303,953</b>	<b>\$ -</b>
<b>Expenses</b>				
Salaries	\$ 181,537	\$ 113,363	\$ 68,174	\$ -
Fringe Benefits	80,154	49,155	30,999	-
Supplies	29,060	16,544	12,516	-
Food Costs	453,939	261,675	192,264	-
<b>Total Expenses</b>	<b>\$ 744,690</b>	<b>\$ 440,737</b>	<b>\$ 303,953</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>				
	\$ -	\$ -	\$ -	\$ -

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

LIHEAP 16/17  
Contract #42700-040-0000041719

	<u>Budget</u>	<u>Per Audit 3/31/2016</u>	<u>Per Audit 3/31/2017</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>				
Federal Revenue	\$ 1,709,320	\$ 1,525,831	\$ 183,489	\$ -
<b>Total Revenues</b>	<u>\$ 1,709,320</u>	<u>\$ 1,525,831</u>	<u>\$ 183,489</u>	<u>\$ -</u>
<b>Expenses</b>				
Salaries	\$ 80,916	\$ 44,455	\$ 36,461	\$ -
Fringe Benefits	7,705	6,406	1,299	-
Workman's Compensation	173	118	55	-
Training	491	421	70	-
Screening	158	158	-	-
Background Check	358	358	-	-
Supplies	1,924	1,174	750	-
Assistance	1,594,440	1,452,630	141,810	-
Contractual	16,531	15,770	761	-
Pest Control	6	3	3	-
Program Support	11	-	11	-
Postage	372	147	225	-
Printing	54	-	54	-
Dues	82	65	17	-
Subscription & Publication	42	38	4	-
Telephone and Internet Service	813	460	353	-
Utilities	138	91	47	-
Gas & Oil	51	50	1	-
Travel	1,403	1,220	183	-
Rent	976	611	365	-
Computer/Software Expense	631	173	458	-
Equipment-Lease	709	323	386	-
Repairs & Maintenance	83	80	3	-
Miscellaneous Expense	114	113	1	-
Bank Fees	76	-	76	-
Newspaper Advertisement	86	86	-	-
Audit	193	193	-	-
Board Expense	44	38	6	-
Insurance	657	623	34	-
Depreciation	34	20	14	-
Registration Fees	36	1	35	-
Water Cooler Rental	13	6	7	-
<b>Total Expenses</b>	<u>\$ 1,709,320</u>	<u>\$ 1,525,831</u>	<u>\$ 183,489</u>	<u>\$ -</u>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

LIHEAP 17/18

Contract # 42700-040-0000051784

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Federal Revenue	\$ 1,909,609	\$ 1,436,019	\$ (473,590)
<b>Total Revenues</b>	<b>\$ 1,909,609</b>	<b>\$ 1,436,019</b>	<b>\$ (473,590)</b>
<b>Expenses</b>			
Salaries	\$ 105,238	\$ 101,442	\$ 3,796
Fringe Benefits	12,032	11,955	77
Workman's Compensation	185	142	43
Training	76	76	-
Background Check	584	584	-
Employee MVR	-	-	-
Supplies	282	262	20
Assistance	1,780,930	1,312,142	468,788
Contractual	2,426	2,109	317
Pest Control	5	5	-
Postage	130	101	29
Printing	16	11	5
Dues	15	15	-
Subscription & Publication	98	84	14
Telephone & Internet Service	664	324	340
Utilities	1,124	1,121	3
Gas & Oil	13	13	-
Travel	1,854	1,854	-
Rent	964	964	-
Computer Expense	240	240	-
Equipment-Lease	1,060	1,006	54
Repairs & Maintenance	306	305	1
Miscellaneous Expense	5	5	-
Bank Fees	140	124	16
Newspaper Advertisement	-	-	-
Audit	77	77	-
Legal Services	8	8	-
Licensing Requirement	1	1	-
Appraisal Fees	9	9	-
Board Expense	17	17	-
Insurance	968	955	13
Depreciation	173	28	145
Registration Fees	27	27	-
Water Cooler Rental	14	13	1
<b>Total Expenses</b>	<b>\$ 1,909,681</b>	<b>\$ 1,436,019</b>	<b>\$ 473,662</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ (72)</b>	<b>\$ -</b>	<b>\$ 72</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Other Income CSBG

	<b>Budget</b>	<b>Prior Year</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Support and Revenue</b>				
Fundraiser Income	\$ 20,205	\$ 20,205	\$ -	\$ -
Other Income	9,972	10,502	45	575
<b>Total Support and Revenue</b>	<b>\$ 30,177</b>	<b>\$ 30,707</b>	<b>\$ 45</b>	<b>\$ 575</b>
<b>Expenses</b>				
Supplies - Food	\$ 91	\$ 91	\$ -	\$ -
Supplies - Office	201	201	-	-
Meal Cost	446	446	-	-
Emergency Food	974	974	-	-
Utilities	817	817	-	-
Energy Assistance	5,915	6,490	-	(575)
Medical Assistance	1,482	1,437	45	-
Rental Assistance	419	419	-	-
Miscellaneous Expense	19,832	19,832	-	-
<b>Total Expenses</b>	<b>\$ 30,177</b>	<b>\$ 30,707</b>	<b>\$ 45</b>	<b>\$ (575)</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Pre-K 16/17

	<b>Budget</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Support and Revenue</b>			
State Revenue	\$ 282,976	\$ 210,244	\$ (72,732)
<b>Total Support and Revenue</b>	<b>\$ 282,976</b>	<b>\$ 210,244</b>	<b>\$ (72,732)</b>
<b>Expenses</b>			
Salaries	\$ 203,711	\$ 146,002	\$ 57,709
Fringe Benefits	53,174	48,091	5,083
Workmans Compensation	1,894	1,115	779
Training	168	20	148
Disposal Cost	12	5	7
Background Check	110	102	8
Supplies	6,088	762	5,326
Contractual	2,060	1,272	788
Pest Control	3	1	2
Printing	1,232	1,224	8
Dues	155	52	103
Subscriptions & Publications	28	11	17
Postage	183	79	104
Internet Service	700	519	181
Telephone	992	794	198
Utilities	9,567	9,332	235
Gas & Oil	11	4	7
Travel	79	10	69
Rent	704	205	499
Computer/Software Expense	525	135	390
Lease - Equipment	280	97	183
Repairs & Maintenance	272	66	206
Miscellaneous	62	16	46
Bank Fees	49	25	24
Newspaper Advertisement	75	20	55
Audit	644	240	404
Legal Services	13	3	10
Appraisal Fees	7	3	4
Board Expense	17	4	13
Insurance	52	14	38
Registration Fees	48	12	36
Depreciation	54	6	48
Water Cooler Rental	7	3	4
<b>Total Expense</b>	<b>\$ 282,976</b>	<b>\$ 210,244</b>	<b>\$ 72,732</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**COMPARISON OF ACTUAL AND BUDGETED EXPENSES**  
**MARCH 31, 2017**

Pre-K 15/16

	<b>Budget</b>	<b>Per Audit 3/31/2016</b>	<b>Per Audit 3/31/2017</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Support and Revenue</b>				
State Revenue	\$ 191,332	\$ 112,158	\$ 79,174	\$ -
<b>Total Support and Revenue</b>	<b>\$ 191,332</b>	<b>\$ 112,158</b>	<b>\$ 79,174</b>	<b>\$ -</b>
<b>Expenses</b>				
Salaries	\$ 116,712	\$ 70,940	\$ 45,772	\$ -
Fringe Benefits	21,370	22,648	(1,278)	-
Workmans Compensation	691	477	214	-
Training	38	32	6	-
Criminal Records Check	55	4	51	-
Employee MVR	6	6	-	-
Supplies	34,120	9,030	25,090	-
Contractual	814	589	225	-
Pest Control	1	1	-	-
Program Support	1,000	-	1,000	-
Postage	51	24	27	-
Printing	662	470	192	-
Dues	43	37	6	-
Subscription & Publications	11	9	2	-
Internet Service	552	340	212	-
Telephone	1,086	808	278	-
Utilities	8,115	5,531	2,584	-
Gas & Oil	1	-	1	-
Travel	550	550	-	-
Rent	306	206	100	-
Computer Expense	4,693	65	4,628	-
Lease - Equipment	34	18	16	-
Repairs & Maintenance	50	34	16	-
Miscellaneous	42	42	-	-
Bank Fees	11	-	11	-
Newspaper Advertisement	20	20	-	-
Audit	226	226	-	-
Board Expense	16	14	2	-
Insurance	26	22	4	-
Depreciation	14	13	1	-
Registration Fees	13	-	13	-
Water Cooler Rental	3	2	1	-
<b>Total Expense</b>	<b>\$ 191,332</b>	<b>\$ 112,158</b>	<b>\$ 79,174</b>	<b>\$ -</b>
<b>Excess (Deficit) of Support and Revenue Over Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**SUMMARY OF VEHICLES IN OPERATION**  
**MARCH 31, 2017**

Manufacturer's DHR

<u>YEAR</u>	<u>MAKE</u>	<u>VAN#</u>	<u>SERIAL #</u>	<u>Purchase Program</u>	<u>PRICE</u>
2003	Ford Explorer XLS	50	1FMZU62K33UB38704	Agency	\$ 25,523.33
2006	Chev Hot Shot	51	3GCEC14X96G181792	Head Start	34,593.00
2008	Dodge Van	52	2D8HN44H18R729381	Head Start	22,107.00
2003	Bluebird Bus	59	1HVBBAAAN43H562101	Head Start	63,727.06
2002	Ford Truck	60	1FTRF17252NB61114	Head Start	15,817.81
2002	Ford Truck	61	1FTRF17272NB61115	Head Start	15,817.81
1990	Chev. Van	62	2BGHG31K6L4132191	Head Start	26,590.00
1990	Chev. Van	63	2GBHG31K3L413614	Head Start	26,590.00
2003	Bluebird Bus	64	1HVBBAAAN23H562100	Head Start	53,988.40
2008	International Bus	65	4DRBUSKL38B572367	Head Start	79,069.86
1991	Chev. Minibus	66	2GBHG31K4M4126651	Head Start	28,615.00
1992	Wayne Minibus	67	1HVBAZRM2NH421883	Head Start	37,462.52
2006	Nalley Bus	68	4DRBUAFLX6B303235	Head Start	64,002.25
1992	Wayne Minibus	69	1HVBAZRM6NH422650	Head Start	37,462.52
2002	Dodge Van	70	1B4GP25362B683805	Head Start	19,885.81
2004	Chrysler T&C Van	71	1C4GP45R04B539947	Head Start	20,014.37
1994	Bluebird Bus	72	1GBM7TISJ1PJ109503	Head Start	42,912.50
1994	Bluebird Bus	73	1GBM7TIJOPJ109637	Head Start	42,912.50
1995	Bluebird Bus	74	1GBM7TIJ3RJ109702	Head Start	41,167.60
2002	Ford Truck	75	1FTRT17W52NA96803	Head Start	18,213.00
1995	Bluebird Bus	76	1HVBBABMOSH255125	Head Start	40,140.08
1995	Bluebird Bus	77	1HVBBABM2SH255126	Head Start	40,140.08
1995	Bluebird Bus	78	1HVBBABP7SH218891	Head Start	43,391.10
1995	Bluebird Bus	79	1HVBBABP9SH218892	Head Start	43,391.10
1995	Chev Van	80	1GCCS1425SK166611	Head Start	24,000.00
1996	Ford Van	81	1FTHE24H2THA15069	Weatherization	16,194.40

(Continued)

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**SUMMARY OF VEHICLES IN OPERATION**  
**MARCH 31, 2017**

Manufacturer's DHR

(Continued)

<u>YEAR</u>	<u>MAKE</u>	<u>VAN#</u>	<u>SERIAL #</u>	<u>Purchase Program</u>	<u>PRICE</u>
2009	Ford Van	83	1FTNE14W49DA21435	Weatherization - ARRA	20,927.73
1996	Ford Truck	84	1FTEF15N2TNA27237	Head Start	16,139.30
1996	Ford Van	85	1FBJS31H5THA28990	Day Care	22,089.00
1996	International Bus	86	1HVBBAAP3TH382562	Head Start	45,987.04
1997	Ford Van	87	1FBJS31L9VHA07888	Head Start	27,134.94
1997	Chevy Hot Shot	88	1GCEC14W1VZ130454	Head Start	31,000.00
1997	International Bus	89	1HVBBAAP0VH487126	Head Start	49,549.70
1998	Ford Wagon	90	1FBSS31L5WHA42322	Day Care	23,979.77
1998	International Bus	91	1HVBBAAP1WH610725	Head Start	50,900.83
1998	Ford Van	92	1FBSS31LHB90018	CSBG	24,126.70
2000	Ford Truck	93	1FTZF1726YNA59121	Weatherization	15,332.51
1996	Dodge Van	94	2B7HB11X9TK120672	Head Start	5,500.00
2006	Nalley Bus	95	4DRBUAFLXB303236	Head Start	64,005.26
2001	Chevy Van	96	1GBJG31RX11179839	Weatherization	26,209.13
2008	Dodge Van	98	2D8HN44H38R729592	Head Start	22,107.00
1992	Bluebird Bus	99	1HVBBNKN4NH412479	Head Start	43,338.10
2009	Ford Truck	100	1FTRW12WX9KC62574	Weatherization - ARRA	23,373.75
2009	Ford Van	101	1FDWE35L59DA52712	Weatherization - ARRA	34,889.00
2009	Ford Van	102	1FDWE35L09DA50012	Weatherization - ARRA	36,312.19
2009	Ford Van	103	1FTNE24L09DA47509	Weatherization - ARRA	20,927.00
2009	Chevy Hot Shot	104	1GCHC44K29F189127	Head Start	42,934.00
2011	Ford Truck	105	1FDBF2A62BEB20762	Head Start	23,330.00
2003	Dump Trailer LOPRO		4Y3US142635011642	Head Start	4,716.56
2003	Utility Trailer		4XSPB142X3G051241	Head Start	4,119.50
2005	Dump Trailer 7x12		4Y3UC12145S012134	Weatherization	4,004.00
2010	Ford Van	106	1FTNE1EW8ADA13356	Weatherization - ARRA	20,927.73
2012	Dodge Van	107	2C4RDGBG5CR260306	Head Start	24,345.76
2014	Dodge Van	108	2C4RDGCG5ER347494	Head Start	22,500.00
2014	Dodge Van	109	2C4RDGBGOER479385	Head Start	23,601.01
2014	Ford Hot Shot	110	1FTMF1CM4EKF40161	Head Start	42,309.00
2016	International Bus	62	4DRBUC8N2HB020891	Head Start	82,050.00
Total					<u>\$ 1,822,395.61</u>



**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
PROGRAM SUMMARY REPORT FOR PROGRAMS  
OPERATED DURING THE PERIOD  
APRIL 1, 2016 TO MARCH 31, 2017**

<u>Program Name</u>	<u>Funding Source</u>	<u>Contact Person</u>
1. Weatherization (DOE, HHS)	Georgia Environmental Facilities Authority, Inc.	John Tyno (229) 241-9161

Brief Synopsis: This is a state funded program administered by the Georgia Environmental Facilities Authority, Inc. The program concept is to provide materials and labor necessary to increase energy efficiency for homes of low-income, elderly and handicapped individuals.

2. Surplus Commodities	Georgia Department Of Human Services, Division Of Family and Children Services	Debra Hopper (229) 244-7860
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Brief Synopsis: This program is operated to provide for the storage and distribution of donated USDA food to economically disadvantaged families.

3. Child and Adult Care Food Programs (USDA)	Bright from the Start	Sharon Moore (229) 244-5883
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Brief Synopsis: This program provides financial assistance to the Agency in providing free meals to eligible children enrolled in the Agency's Head Start Program.

4. Community Services Block Grant	Georgia Department of Human Services/ Office of Community Services	Debra Hopper (229) 244-7860
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Brief Synopsis: This program is operated to staff the Community Services Centers in each of the ten (10) counties we serve. These Centers serve as the focal point for all Agency programs to provide community-based services to eligible low-income clients. Services consist of: Job Placement, Case Management, Employment and Training, Transportation, Housing and Residential, Energy, and Emergency Services.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
PROGRAM SUMMARY REPORT FOR PROGRAMS  
OPERATED DURING THE PERIOD  
APRIL 1, 2016 TO MARCH 31, 2017**

<u>Program Name</u>	<u>Funding Source</u>	<u>Contact Person</u>
5. Head Start	Department of Health and Human Services	Tanya Thomas (229) 244-5883

Brief Synopsis: Head Start is a comprehensive early childhood development program for economically disadvantaged pre-school children and their families. The goal of Head Start is to develop greater social competence in economically disadvantaged children. The broad objectives of the program are:

- (1) to improve the child's health;
- (2) aid the child's intellectual, social, and emotional development;
- (3) improve and expand the child's ability for self-expression; and
- (4) help both the enrollees and their families gain greater confidence, self-respect, and dignity.

Eligibility guidelines require that enrollees, including children with disabilities, are between three years of age and the age of compulsory school attendance, and at least 90% of the enrollees are from low-income families.

6. Emergency Food & Shelter (FEMA)	Emergency Food & Shelter National Board Program (United Way)	Debra Hopper (229) 244-7860
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Brief Synopsis: These funds are utilized to assist eligible individuals with emergency food, energy, and housing, after all other resources have been exhausted.

7. Low-Income Home Energy Assistance Program	Georgia Department of Human Services/Office of Community Services	Debra Hopper (229) 244-7860
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Brief Synopsis: This Program provides a one-time yearly payment of the primary heating source of low-income households.

8. Georgia Power Weatherization Program	Georgia Environmental Facilities Authority, Inc.	John Tyno (229) 241-9161
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Brief Synopsis: This Program is funded through Georgia Power Company to provide materials, labor and knowledge necessary to increase the energy efficiency of the homes of the low-income, elderly, and handicapped. It is administered by Georgia Environmental Facility Authority, Inc.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
PROGRAM SUMMARY REPORT FOR PROGRAMS  
OPERATED DURING THE PERIOD  
APRIL 1, 2016 TO MARCH 31, 2017**

<u>Program Name</u>	<u>Funding Source</u>	<u>Contact Person</u>
9. SCANA Regulated	Georgia Department of Human Services	Debra Hopper (229) 244-7860

Brief Synopsis: The SCANA Energy Regulated Division exists for the specific purpose of providing natural gas service to low-income households and consumers who are unable to maintain or obtain natural gas service from another marketer. Households meeting the low-income requirements established by the Georgia Department of Human Resources (DHR) qualify for a reduced security deposit, lower term rates and a lower customer service fee. Those not meeting low-income requirements may still qualify for service with the SCANA Energy Regulated Division for general sign-up.

10. Minor Home Repair	Georgia Department of Human Services/Office of Community Services	Debra Hopper (229) 244-7860
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Brief Synopsis: This program is designed to assist income qualified elderly, disabled clients. Under this program, with a maximum benefit to the client, repairs or modifications to interior and exterior of the homes are made making them safer, more accessible, and livable. Examples of the type of work include the replacement of damaged floors, ceiling, roofs, electrical wiring, widening doorways, the conversion of bathrooms to make them handicapped accessible, and installation of wheelchair ramps.

11. Small Business Start-Up	Georgia Department of Human Services/Office of Community Services	Debra Hopper (229) 244-7860
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Brief Synopsis: This program is designed to assist qualified unemployed persons interested in starting a small business. Services consist of business plan development, budgeting, purchase of start-up business supplies and material.

12. Pre-Kindergarten Program	Bright from the Start	Tanya Thomas (229) 244-5883
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Brief Synopsis: The Pre-Kindergarten program is designed to develop and support quality Pre-Kindergarten experiences and focuses on school readiness and improving overall school performance.

**FEDERAL COMPLIANCE SECTION**

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# Hudson & NeSmith, CPAs

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Private Companies Practice Section

Ronald D. Hudson, CPA, CFP®

John A. NeSmith, Jr., CPA

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

Board of Directors  
Coastal Plain Area Economic  
Opportunity Authority, Inc.  
Valdosta, Georgia 31602

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Coastal Plain Area Economic Opportunity Authority, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 22, 2017.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Coastal Plain Area Economic Opportunity Authority, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coastal Plain Area Economic Opportunity Authority, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Coastal Plain Area Economic Opportunity Authority, 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.

### **Certified Public Accountants and Consultants**

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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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. The significant deficiencies are listed as Item 2017-01 and 2017-02.

### **Compliance and Other Matters**

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

### **Coastal Plain Area Economic Opportunity Authority, Inc.'s Response to Findings**

Coastal Plain Area Economic Opportunity Authority, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Coastal Plain Area Economic Opportunity Authority, Inc.'s 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.



Hudson & NeSmith, CPAs  
Sylvester, Georgia  
August 22, 2017

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## Hudson & NeSmith, CPAs

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Private Companies Practice Section

Ronald D. Hudson, CPA, CFP®

John A. NeSmith, Jr., CPA

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

Board of Directors  
Coastal Plain Area Economic  
Opportunity Authority, Inc.  
Valdosta, Georgia 31602

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

We have audited Coastal Plain Area Economic Opportunity Authority, Inc.'s (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Coastal Plain Area Economic Opportunity Authority, Inc.'s major federal programs for the year ended March 31, 2017. Coastal Plain Area Economic Opportunity Authority, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### ***Auditor's Responsibility***

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

#### **Certified Public Accountants and Consultants**

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Opportunity Authority, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Coastal Plain Area Economic Opportunity Authority, Inc.'s compliance.

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

In our opinion, Coastal Plain Area Economic Opportunity Authority, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2017.

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

Management of Coastal Plain Area Economic Opportunity Authority, 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 Coastal Plain Area Economic Opportunity Authority, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Coastal Plain Area Economic Opportunity Authority, 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 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.

*Hudson & NeSmith, CPAs*

Hudson & NeSmith, CPAs  
Sylvester, Georgia  
August 22, 2017

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
VALDOSTA, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED MARCH 31, 2017**

**Summary of Audit Results**

Type of Financial Statement Opinion	<u>Unmodified</u>
Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	_____ yes <u>  x  </u> no
Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	<u>  x  </u> yes    _____ no
Were there any reported material noncompliance at the financial statement level (GAGAS)?	_____ yes <u>  x  </u> no
Were there any material weaknesses in internal control reported for major federal programs?	_____ yes <u>  x  </u> no
Were there any significant deficiencies in internal control reported for major federal programs?	_____ yes <u>  x  </u> no
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Are there any reportable findings under 2 CFR § 200.516(a)?	_____ yes <u>  x  </u> no
Identification of major programs:	<u>CFDA #</u>
U.S. Department of Health & Human Services:	
Head Start	<u>93.600</u>
U.S. Department of Agriculture:	
Child and Adult Care Food Program	<u>10.558</u>
Dollar threshold used to distinguish between type A and type B programs:	<u>\$ 750,000</u>
Auditee qualified as a low-risk auditee? under 2 CFR §200.520	<u>  x  </u> yes    _____ no

COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
VALDOSTA, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (cont.)  
YEAR ENDED MARCH 31, 2017

**Section II – Financial Statement Findings**

*Significant Deficiency in Internal Control*

**2017-01 Check Disbursements with Two Signatures**

**Condition and Criteria**

Upon review of canceled checks per the entity's monthly bank statements, some of the entity's check disbursements did not contain two signatures. According to the entity's *Fiscal Management Procedures*, all check disbursements are made on the basis of two signatures. Two designated signers are necessary to disburse checks. Authorized check signers are approved by the Board of Directors.

**Cause**

Two checks out of the entire check disbursement population did not contain two signatures on bank-generated copies of the cancelled checks as required by the entity's *Fiscal Management Procedures*.

**Effect**

Checks could be altered for different amounts or for different payees without a secondary signature indicating review and approval.

**Auditor's Recommendation**

Procedures should be followed in accordance with the entity's *Fiscal Management Procedures* with regards to dual signatures on check disbursements.

**Management's Response**

Coastal Plain Area Economic Opportunity Authority, Inc. agrees with the audit finding. The entity will follow its *Fiscal Management Procedures* so that check disbursements will contain two signatures before being released to the payee.

COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.  
VALDOSTA, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (cont.)  
YEAR ENDED MARCH 31, 2017

**Section II – Financial Statement Findings (cont.)**

*Significant Deficiency in Internal Control*

**2017-02 Bank Reconciliations**

**Condition and Criteria**

Bank reconciliations were not performed timely and balanced to the Board of Directors' monthly approved financial statements. According to the entity's *Fiscal Management Procedures*, all bank accounts are to be reconciled within no later than the end of the following month upon receipt of the bank statements by the Finance Director.

**Cause**

Upon review of the bank reconciliations for all twelve months of the period under audit, three months out of the twelve months were not reconciled timely (by the end of the following month upon receipt of the bank statements by the Finance Director) as required by the entity's *Fiscal Management Procedures*.

**Effect**

The cash balance reported in the monthly financial statements for the Board of Directors' approval may not agree with the bank reconciliation, therefore, management and Board of Directors Members may not have the correct bank balance.

**Auditor's Recommendation**

Procedures should be followed in accordance with the entity's *Fiscal Management Procedures* with regards to timely bank reconciliations.

**Management's Response**

Coastal Plain Area Economic Opportunity Authority, Inc. agrees with the audit finding. The entity will follow its *Fiscal Management Procedures* so that the monthly bank reconciliations are performed by the end of the following of month upon receipt of the bank statements by the Finance Director.

**COASTAL PLAIN AREA ECONOMIC OPPORTUNITY AUTHORITY, INC.**  
**VALDOSTA, GEORGIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED MARCH 31, 2017**

The prior year audit report for the year ended March 31, 2016 contained one audit finding.

**2016-01 Check Disbursements with Two Signatures**

**Condition and Criteria**

Upon review of canceled checks per the entity's monthly bank statements, some of the entity's check disbursements did not contain two signatures. According to the entity's *Fiscal Management Procedures*, all check disbursements are made on the basis of two signatures. Two designated signers are necessary to disburse checks. Authorized check signers are approved by the Board of Directors.

**Auditor's Recommendation**

Procedures should be followed in accordance with the entity's *Fiscal Management Procedures* with regards to dual signatures on check disbursements.

**Current Status**

This was a repeat audit finding for the year ended March 31, 2017. The finding is referenced as 2017-01 in the Schedule of Findings and Questioned Costs.