

APPLICATION FOR  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ENTITLEMENT PROGRAM  
— 2016 Program Year Funding—

ACTIVITY NAME: Housing Stability Financial Advocate

APPLICANT: Saratoga County Economic Opportunity Council, Inc.

MAILING ADDRESS: 39 Bath Street PO Box 169  
Ballston Spa, NY Zip: 12020

PHONE: 518-288-3206 FAX: 518-288-3233 EMAIL: a.paley@saratogaecoc.org

CONTACT PERSON: Anita Paley TITLE: Executive Director

APPLICANT (select 1):  City Department  Private non-profit organization  Other Public Agency  
(List Dept.) 23-7438457 (List Federal ID #) (Specify)

020675047  
(DUNS #)

NATIONAL OBJECTIVE (select 1):

"Benefit persons of Low/moderate income"

- L/M Income Area Benefit  
  L/M Income Limited Clientele  
 Activities  L/M Income Housing  
 Activities  
 L/M Income Job Creation/  
Retention

"Address slum/blight Conditions"

- "N/A" Slum/blighted Area  
 Slum/blighted Spot Basis  
 "N/A" Urban Renewal Completion

"Urgent CD Need"

- "N/A" Urgent Need

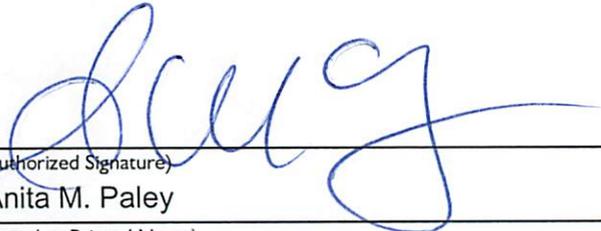
REQUESTED ENTITLEMENT FUNDING: \$ 19,100

Funding Leveraged from Other Sources: \$ 20,000

Total Activity Cost: \$ 39,100

Proposal Abstract - please provide a *brief* overview of your proposal including the number of persons that will be served with this grant in the space below:

See Attached

  
\_\_\_\_\_  
(Authorized Signature)  
Anita M. Paley  
\_\_\_\_\_  
(Typed or Printed Name)

Executive Director  
\_\_\_\_\_  
(Title)  
1/27/16  
\_\_\_\_\_  
(Date)

(ATTACHMENT I)

**PROGRAM OPERATING BUDGET**

(Entitlement Grant + Leveraged Funds = Total Activity Cost)

	ENTITLEMENT GRANT	Leveraged Funds*	Total Activity Cost	*Source of leveraged Funds and In-Kind Services
<b>PERSONNEL</b>				
Salaries	\$12,828	\$13,432	\$26,260	United Way of the Greater Capital Region Community Investment
Fringe	\$4,060	\$4,253	\$8,313	United Way of the Greater Capital Region Community Investment
Other (consultants, etc.)	\$1,161	\$1,216	\$2,377	United Way of the Greater Capital Regional Community Investment
<i>Subtotal</i>	\$18,049	\$18,901	\$36,950	

<b>OVERHEAD</b>				
Advertising/Marketing				
Program Supplies	\$195	\$205	\$400	
Rent & Utilities	\$806	\$844	\$1,650	
Other – list below				
Travel	\$50	\$50	\$100	
<i>Subtotal</i>	\$1,051	\$1,099	\$2,150	

<b>TOTAL COST</b>	\$19,100	\$20,000	\$39,100	
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(ATTACHMENT 2)

**CONSTRUCTION / SITE DEVELOPMENT BUDGET**

(Entitlement Grant + Leveraged Funds = Total Activity Cost)

	ENTITLEMENT GRANT	Leveraged Funds*	Total Activity Cost	*Source of leveraged Funds and In-Kind Services
<b>PRECONSTRUCTION</b>				
Legal				
Engineering				
Architectural/Design				
Fees and Permits				
<i>Subtotal</i>				

<b>DEVELOPMENT</b>				
Relocation				
Site Preparation				
Construction - materials				
Construction - labor				
Construction Financing				
Other - (explain)				
<i>Subtotal</i>				

<b>TOTAL COST</b>			
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(ATTACHMENT 3)

OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULAR A-133  
MONITORING OF FEDERAL FINANCIAL ASSISTANCE TO SUBRECIPIENTS

ORGANIZATION: Saratoga County Economic Opportunity Council, Inc

MAILING ADDRESS: 39 Bath St PO Box 169 Ballston Spa, NY 12020

FEDERAL ID #: 23-7438457

PHONE: 518-288-3206

FAX: 518-288-3236

DUNS #: 020675047

1. Please identify your fiscal year (mth/yr to mth/yr): 01/16 - 12/16

Please identify below the funding received during your last fiscal year:

2. Community Development Block Grant Entitlement Funding (CDBG):

CDBG Activity Name: \_\_\_\_\_

CDBG Funding Program Year: \_\_\_\_\_

CDBG Funding Amount: \_\_\_\_\_

3. Other Federal Financial Awards (cash & non-cash):

GIVE NAME & CATALOG OF FEDERAL FINANCIAL ASSISTANCE (CFDA) #

AMOUNT OF AWARDS

Head Start and Early Head Start 93.600

\$4,037,927

WIC 10.557

\$530,808

Weatherization 93.568

\$1,114,789

4. During your last fiscal year, has your organization expended more than \$500,000 in total federal financial awards (incl. CDBG & all other federal assistance)? YES \*  NO

\* If "yes", include a copy of your latest Single Audit Report with this completed and signed form as part of your application. If you answered "no", please complete, sign and return this form.

5. Are you aware of any financial audit violations, findings or questioned costs relating to any activity funded with federal financial assistance? YES \*  NO

\* If "yes", please describe: \_\_\_\_\_

6. Other Saratoga County Awards (cash & non-cash):

IDENTIFY PROGRAM NAME & YEAR OF AWARD

IDENTIFY AMOUNT OF CO. AWARDS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Authorized Signature

Date

1/27/16

### **2016 CDBG Abstract**

Saratoga County Economic Opportunity Council (EOC) is the designated anti-poverty agency for Saratoga County, providing and promoting opportunities for individuals and families to achieve self-sufficiency. EOC understands homelessness to be the worst form of poverty and the recovery from it requires a diversified team approach. As a result of our Needs Assessment, membership on the Housing Coalition and participation in the development of the first Code Blue Shelter in Saratoga Springs in December 2013; EOC has identified affordable housing to be an issue in the City of Saratoga Springs. While EOC housing partners such as Shelters of Saratoga, Saratoga Municipal Housing Authority and Rural Preservation Company (Allen Drive) provide physical housing and management pieces to those who are in vulnerable housing situations, there needs to be complementary support available to those they serve. This will build support systems for those individuals and increase the opportunity for success!

EOC has applied for dollars through the United Way to support this specific project at the County level. EOC has been selected to participate in the final round of grant efforts with a \$20,000 award for 2016-2017. EOC is seeking to leverage those funds and ask CDBG to provide \$19,100 in funding in order to hire a full-time mobile Financial Advocate with a focus on the City of Saratoga.

The full-time mobile Financial Advocate will provide community seminars on avoiding eviction to the residents of Saratoga Municipal Housing Authority and Allen Drive, individual financial assessment and budgeting assistance to those who are identified by community partners to be at risk of eviction, and advocacy services for those who need it. In addition, the EOC mobile Financial Advocate will also work closely with EOC program staff from WIC, Head Start, Weatherization and Emergency Food Programs to identify customers who need help to move toward housing stability. EOC will engage 150 individuals with housing instability issues and improve those situations through budgeting, advocacy and/or education within the City of Saratoga.

## 1. Activity Description

- A. This is a new activity which was developed from crisis calls from the Affordable Housing group who wanted to encourage those who were in the eviction process to not become homeless. EOC provided advocacy services and worked with willing residents to stabilize their housing situation. This involved both advocacy and education in finances to include budgeting, tax preparation and savings. Further discussion with other community partners and EOC program staff from Head Start, WIC and Community Services coupled with the needs assessment identified the need for EOC to have a new financial advocacy position added to Community Services.
- B. During a needs assessment survey of the low-income sector, residents of Saratoga Springs and some who could not claim residency anywhere due to homelessness, identified affordable housing to be the primary issue in Saratoga Springs for them. These are individuals and families who are already at-risk of becoming homeless for reasons related to: lack of support systems, budgeting skills, language barriers to include formal registry to deal with professionals, emotional intelligence, limited physical, addiction issues and mental capabilities which hinder them from resolving their threat of losing their homes or moving out of homelessness. EOC does not offer clear prevention opportunities specifically for those who reside in affordable housing situations. EOC usually gets the call after the customer or the partner agency has someone who is homeless. This is a prevention position and requires deliberate attention. It will be successful.
- C. EOC has sought a relationship with the Saratoga Housing Authority and the Rural Preservation Company to be available to work with individuals who are at-risk of falling into homelessness. EOC also has program participants in our Soup Kitchen, Head Start, WIC and Weatherization programs where our advocates would identify those who are vulnerable to homelessness or are homeless and resistant to assistance. EOC has applied for United Way dollars to launch a financial literacy component to prevent homelessness. We are in our second round of that grant application process. Once those dollars are identified they would be used to serve those outside of the City of Saratoga Springs while the grant dollars from CDBG would serve individuals in the City of Saratoga Springs.
- D. EOC will engage 150 individuals with housing instability issues and improve those situations through budgeting, advocacy or education within the City of Saratoga Springs. The timeframe of this activity would coincide with the distribution of funding from the CDBG grant and United Way grants: July 1, 2016- June 30, 2017.
- E. No local, state or federal approval is required.

## 2. Organizational Capacity

- A. Saratoga County Economic Opportunity Council, Inc., (EOC) is the designated anti-poverty agency for Saratoga County, dedicated to providing and promoting opportunities for individuals and families to achieve self-sufficiency. EOC has been established and working with those in poverty since 1973 with roots beginning in the City of Saratoga Springs on Broadway, moving to New Street and then finally to Ballston Spa, NY at our current location. We are one of 1,100 anti-poverty agencies found throughout the nation. There is one agency representing anti-poverty or community action in each county. All of which are designated by the federal government through the CSBG Act and are not considered federal, state or county agencies.

EOC is governed and supported by a tripartite Board of Directors as a requirement of our anti-poverty designation. One of the benefits of having a tripartite Board of Directors is EOC's ability to engage the entire community in identifying the issues of those affected by poverty and work with communities to resolve those issues. EOC cannot resolve all of the issues and relies on community partners, businesses, policy-makers, municipalities and those in poverty to be a part of the solution.

<u>Private Sector</u>	<u>Public Sector</u>	<u>Low-Income Sector</u>
Jeffrey Methven	John Munter Delegate for Assemblyman James Tedisco	Sarah Le Claire
Mike Billok	Tom Richardson Supervisor for Mechanicville	Jennifer Ames
Nancy Bunting	Tamie Ehinger Delegate for Supervisor Matthew Veitch	Rev. David Bennett
Danielle Kuehnel	Paul Lunde Delegate for Sheriff M. Zurlo	Judy DeLong
Mary DeRidder	Pam Marro Delegate for Supervisor Richard Lucia	Susan Christopher
Josie Pasciullo	Lisa Ribis Delegate for Commissioner John Franck	Julie Ramsey

Funding received through the City of Saratoga Springs is attached.

- B. Our 2015 Annual Report is attached and will provide you with a description of efforts provided to those in poverty through our Community Action Programs: Head Start, WIC, Weatherization and Community Services. EOC, established in 1973 as a result of the "War on Poverty" initiated by President Lyndon B. Johnson has been serving those in poverty through our Community Services department with the Emergency Food Programs from the beginning. We were then awarded Weatherization in 1976, WIC in 1980 and Head Start in 2005. This clearly demonstrates a capacity for success.
- C. EOC has a well-managed Finance Office with a Director and several clerks responsible for all of the financial obligations of the EOC. Our most recent Single Audit Financial Statement is attached and will provide your team with the data you need to discern our capabilities in managing our fiscal processes.

The Director of Community Services, Lillian McCarthy is a long-term employee of over 10 years. She has worked closely with those in poverty, and our community partners to not only identify the issues from the low-income perspective but, engage the low-income in the solution. In addition she is responsible for the coordination of inviting community partners to participate in Inter-Agency Awareness Day (IAD). IAD not only fosters partnership among community partners but, serves as an annual catalog of community resources to be used in identifying solutions.

Director McCarthy is our lead Advocate and on a bi-monthly basis transfers those talents and enthusiasm to 30 EOC advocates who serve in Head Start, WIC, Energy Services, Latino Services and Community Services. In this forum she provides poverty literacy, community resources and provides guidance on coordinating efforts within and outside of EOC to impact those in poverty in the greatest way. The financial literacy position will be under Director McCarthy's leadership.

- D. The financial literacy advocate will provide educational opportunities to residents of City of Saratoga Springs who are in affordable housing situations through referrals (Saratoga Municipal Housing, RPC, SOS, EOC) and other housing situations where they are at risk of being homeless. In addition EOC would serve anyone who is homeless who wants to move toward housing stability who is not in a housing situation.

Saratoga County Economic Opportunity Council, Inc.  
Prior Funding by City of Saratoga Springs

Year	Activity	Amount
	CDBG	5,800.00
	IAD Registration	40.00
	Soup Kitchen	4,800.00
<b>Total 2015</b>		<b>10,640.00</b>
	CDBG	2,118.00
	Soup Kitchen	4,800.00
<b>Total 2014</b>		<b>6,918.00</b>
	Soup Kitchen	4,800.00
	CDBG	8,000.00
	IAD Registration Fee	30.00
<b>Total 2013</b>		<b>12,830.00</b>
	Soup Kitchen	4,800.00
	CDBG	3,355.00
	IAD Registration	30.00
<b>Total 2012</b>		<b>8,185.00</b>
	Soup Kitchen	4,800.00
	CDBG	5,000.00
	IAD Registration	30.00
<b>Total 2011</b>		<b>9,830.00</b>
	Soup Kitchen	4,800.00
	CDBG	6,317.22
<b>Total 2010</b>		<b>11,117.22</b>
	Soup Kitchen	3,200.00
	CDBG	2,142.00
<b>Total 2009</b>		<b>5,342.00</b>
	CDBG 2008	8,500.00
	Soup Kitchen	4,800.00
<b>Total 2008</b>		<b>13,300.00</b>
	Soup Kitchen	4,800.00
	CDBG Entitlement	4,047.89
<b>Total 2007</b>		<b>8,847.89</b>
	Soup Kitchen	4,800.00
	CDBG	6,952.11
<b>Total 2006</b>		<b>11,752.11</b>

Saratoga County Economic Opportunity Council, Inc.  
Prior Funding by City of Saratoga Springs

Year	Activity	Amount
	Soup Kitchen	4,800.00
	CDBG	969.67
	Access/Parking Lot	12,418.50
<b>Total 2005</b>		<b>18,188.17</b>
	Housing Summit	1,125.00
	CDBG	1,300.00
	Soup Kitchen	4,800.00
<b>Total 2004</b>		<b>7,225.00</b>
	Soup Kitchen	4,800.00
	Soup Kitchen Floor	16,000.00
<b>Total 2003</b>		<b>20,800.00</b>
	Soup Kitchen	1,600.00
<b>Total 2002</b>		<b>1,600.00</b>
	Soup Kitchen	3,200.00
<b>Total 2001</b>		<b>3,200.00</b>
	Soup Kitchen	3,600.00
	SERVE Contract	13,825.95
<b>Total 2000</b>		<b>17,425.95</b>
	Soup Kitchen	3,600.00
	20 Walworth Revenue	26,150.00
	SERVE Contract	25,259.91
<b>Total 1999</b>		<b>55,009.91</b>
	Soup Kitchen	3,600.00
	Furniture Program	10,925.64
	Shared Housing Grant	927.44
	Shelters Over Saratoga	2,720.83
	SERVE Contract	2,994.12
	Shelters and SERVE	14,866.31
<b>Total 1998</b>		<b>36,034.34</b>
	SERVE Contract	4,799.00
	Soup Kitchen	3,600.00
	Shared Housing Grant	2,554.00
	Shelters Over Saratoga	7,942.00
	SERVE and Shared Housing	25,207.45
	Shelters and CDBG	2,350.00
<b>Total 1997</b>		<b>46,452.45</b>

Saratoga County Economic Opportunity Council, Inc.  
 Prior Funding by City of Saratoga Springs

Year	Activity	Amount
	Soup Kitchen	3,600.00
	SERVE Contract	6,322.77
	SERVE and Shared Housing	27,310.78
	Shared Housing	1,304.44
<b>Total 1996</b>		<b>38,537.99</b>
	SERVE Contract	15,616.53
	Soup Kitchen	3,600.00
	SERVE Contract	3,629.79
<b>Total 1995</b>		<b>22,846.32</b>
	SERVE Contract	2,036.52
	Soup Kitchen	1,200.00
<b>Total 1994</b>		<b>3,236.52</b>

**SARATOGA COUNTY ECONOMIC  
OPPORTUNITY COUNCIL, INC.**

**FINANCIAL STATEMENTS AND REPORTS  
REQUIRED UNDER THE SINGLE AUDIT ACT**

**December 31, 2014**

# SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Saratoga County Economic Opportunity Council, Inc.

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Saratoga County Economic Opportunity Council, Inc., which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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. 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 opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saratoga County Economic Opportunity Council, Inc. as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

**Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* is presented for purposes of additional analysis, and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2015 on our consideration of Saratoga County Economic Opportunity Council, 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 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 Saratoga County Economic Opportunity Council, Inc.'s internal control over financial reporting and compliance.

**UHY** LLP

Albany, New York  
August 25, 2015

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 606,650	\$ 527,430
Accounts and grants receivable	550,442	381,113
Materials inventory	19,273	22,216
Prepaid expenses	<u>28,441</u>	<u>52,818</u>
Total current assets	1,204,806	983,577
Investments	53,481	46,020
Property, plant and equipment, net	<u>661,137</u>	<u>683,330</u>
Total assets	<u><u>\$ 1,919,424</u></u>	<u><u>\$ 1,712,927</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 193,307	\$ 178,797
Accrued expenses	100,972	78,362
Deferred revenue	151,038	1,069
Long-term debt, current portion	<u>5,372</u>	<u>3,382</u>
Total current liabilities	450,689	261,610
Long-term debt, net of current portion	<u>244,728</u>	<u>256,673</u>
Total liabilities	<u>695,417</u>	<u>518,283</u>
<b>NET ASSETS</b>		
Unrestricted	1,041,188	958,982
Temporarily restricted	<u>182,819</u>	<u>235,662</u>
Total liabilities and net assets	<u><u>\$ 1,919,424</u></u>	<u><u>\$ 1,712,927</u></u>

See notes to financial statements.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Unrestricted		
Revenues and other support:		
Federal funds	\$ 6,646,556	\$ 6,917,720
State funds	363,244	416,750
Grants in-kind and donated services	1,671,424	2,085,407
Contributions	128,727	126,648
Other revenue	203,250	103,095
Gain on sale of property, plant and equipment	-	189,936
Total unrestricted revenues	<u>9,013,201</u>	<u>9,839,556</u>
Net assets released from restriction - food programs	158,370	179,556
Net assets released from restriction - other programs	<u>31,371</u>	<u>30,613</u>
Total unrestricted revenues and other support	<u>9,202,942</u>	<u>10,049,725</u>
Expenses:		
Head Start	5,171,237	5,726,067
Weatherization Assistance Programs	1,037,396	1,252,025
Special Supplemental Food Programs for Women, Infants and Children	1,750,130	1,802,727
Community Services Block Grant Programs	416,467	358,277
Universal Pre-Kindergarten Program	290,427	312,650
Child and Adult Care Food Program	195,793	202,930
Food Programs	162,298	184,341
Management and general - non-federal funds	92,134	149,290
Wheels For Work Program	-	4,942
Community Development Block Grant Program	4,854	5,015
Total expenses	<u>9,120,736</u>	<u>9,998,264</u>
Change in unrestricted net assets	<u>82,206</u>	<u>51,461</u>
Temporarily restricted		
Grants and contracts	12,591	10,113
Contributions	108,945	133,779
Other income	15,362	19,888
Net assets released from restriction - food programs	(158,370)	(179,556)
Net assets released from restriction - other programs	<u>(31,371)</u>	<u>(30,613)</u>
Change in temporarily restricted net assets	<u>(52,843)</u>	<u>(46,389)</u>
Change in net assets	29,363	5,072
Net assets at beginning of year	<u>1,194,644</u>	<u>1,189,572</u>
Net assets at end of year	<u>\$ 1,224,007</u>	<u>\$ 1,194,644</u>

See notes to financial statements.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended December 31, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 29,363	\$ 5,072
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	22,193	40,003
Gain on sale of property, plant and equipment	-	(189,936)
Unrealized gains on investments	(7,461)	(4,809)
Changes in:		
Accounts and grants receivable	(169,329)	211,397
Materials inventory	2,943	10,094
Prepaid expenses	24,377	(3,365)
Accounts payable	14,510	3,764
Accrued expenses	22,610	(161,067)
Deferred revenue	149,969	(5,476)
Net cash provided by (used in) operating activities	<u>89,175</u>	<u>(94,323)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	-	700,000
Purchase of property, plant and equipment	-	(660,645)
Net cash provided by investing activities	<u>-</u>	<u>39,355</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of debt borrowings	-	460,055
Principal payments on debt borrowings	(9,955)	(550,937)
Net cash used in financing activities	<u>(9,955)</u>	<u>(90,882)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>79,220</b>	<b>(145,850)</b>
<b>Cash and cash equivalents:</b>		
Beginning	<u>527,430</u>	<u>673,280</u>
Ending	<u>\$ 606,650</u>	<u>\$ 527,430</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash payments for interest	<u>\$ 8,738</u>	<u>\$ 29,286</u>

See notes to financial statements.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2014 and 2013

**NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Saratoga County Economic Opportunity Council, Inc. (the "Council"), headquartered at 39 Bath Street, Ballston Spa, New York, was incorporated on November 12, 1965 under Section 201 of the Not-for-Profit Corporation Law of the State of New York. The Council was formed to perform charitable acts, attack poverty, and to open opportunities for education, training, and work.

**Significant Accounting Policies**

**Financial reporting:**

The Council presents its financial statements in accordance with U.S. generally accepted accounting principles for external financial reporting by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions: (1) unrestricted net assets, (2) temporarily restricted net assets and (3) permanently restricted net assets. As of December 31, 2014 and 2013, all of the Council's net assets are classified as either unrestricted or temporarily restricted (see Note 7).

**Estimates:**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**Contributions:**

Contributions are recognized as revenue in the year the promise is made and are recorded at fair value, which is computed as the estimated present value of expected future cash flows. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted contributions depending on the existence and/or nature of any donor restrictions.

**Cash and cash equivalents:**

The Council considers all highly liquid investments, primarily certificates of deposit, with original maturities of three months or less to be cash equivalents. The Council places its cash with high quality credit institutions. At times, cash balances may be in excess of FDIC insurance limits.

**Inventory:**

Inventory consists of materials acquired with grant funds to be used in the Weatherization program. These materials are stated at the lower of cost or market determined by the first-in, first-out (FIFO) method.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

**NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Significant Accounting Policies (Continued)**

**Investments:**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Council follows U.S. generally accepted accounting principles for the reporting of financial assets. These principles provide a framework for measuring the fair value and guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effects of fair value measurements on the Statements of Activities, as well as enhanced disclosures determined by the level within the hierarchy of information used in the valuation.

The basis of fair value for the Council's equity securities is that investments listed on a national securities exchange are generally valued at the last sales price on the date of valuation or, if no sale occurred on such date, at the last bid price thereon.

**Property and equipment:**

Property and equipment, which is stated at cost, is depreciated using the straight-line method over various estimated useful lives of assets ranging from five to thirty nine years.

**Deferred revenue:**

Deferred revenue consists of contract funds received in advance of related expenses. Deferred revenue is recorded as revenue when the applicable expenses are incurred.

**Recognition of revenue and expenses:**

Revenue from federal and state funds is generally recognized only to the extent of grant expenditures. Expenses are recorded as incurred and charged to the applicable grant.

**Donated services:**

The Council generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Council with specific assistance programs and fund-raising activities.

Donated services are recognized as contributions in accordance with U.S. generally accepted accounting principles if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Council.

Donated services in the amounts of approximately \$988,000 and \$2,055,000 were recognized in 2014 and 2013, respectively, and are included in grants in-kind and donated services and the related expense category. Donated services relate principally to the Head Start Program.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2014 and 2013

**NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Significant Accounting Policies (Continued)**

**Income taxes:**

The Council is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Council follows guidance issued by the Financial Accounting Standards Board (FASB) regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement.

The primary income tax position taken by the Council for any years open under the various statutes of limitations are that the Council continues to be exempt from income taxes and does not have unrelated business income that would be subject to income taxes. The Council believes that there are no other tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax benefits within 12 months of the reporting date.

None of the Council's federal or state informational returns are currently under examination by the Internal Revenue Service ("IRS") or state authorities.

**Subsequent events:**

For purposes of preparing this financial statement, the Council considered events through August 25, 2015.

**NOTE 2 — ACCOUNTS AND GRANTS RECEIVABLE**

Accounts and grants receivable consist of the following at December 31:

	<u>2014</u>	<u>2013</u>
Division of Housing and Community Renewal	\$ 100,665	\$ 35,831
Department of Health and Human Services	318,016	270,812
NYS Department of Health	28,674	52,779
Other	103,087	21,691
Total	<u>\$ 550,442</u>	<u>\$ 381,113</u>

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2014 and 2013

**NOTE 3 — INVESTMENTS**

Investments are reported at fair value. The level of fair value inputs used to measure investments is characterized in accordance with a fair value hierarchy. Where inputs for an investment fall in more than one level in the fair value hierarchy, the investment is classified in its entirety based on the lowest level input that is significant to that investment's fair value measurement. Management uses judgment and considers factors specific to the investment in determining the significance of an input to a fair value measurement. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are unadjusted quoted market prices in active markets that are accessible at the measurement date for identical assets.
- Level 2 inputs are inputs (other than quoted prices included in Level 1) that are observable for the asset, either directly or indirectly.
- Level 3 inputs are unobservable and cannot be corroborated by observable market data.

All of the Council's investments at both December 31, 2014 and 2013 were classified utilizing Level 1 inputs.

Investments consist of the following at December 31:

	<u>2014</u>	<u>2013</u>
TD Banknorth, Inc. common stock, 942 and 471 shares in 2014 and 2013, respectively.	\$ 52,290	\$ 44,387
Apache Corporation common stock, 19 shares in 2014 and 2013.	<u>1,191</u>	<u>1,633</u>
Total	<u>\$ 53,481</u>	<u>\$ 46,020</u>

**NOTE 4 — PROPERTY, PLANT AND EQUIPMENT, NET**

Property, plant and equipment consists of the following at December 31:

	<u>2014</u>	<u>2013</u>
Land and buildings	\$ 699,151	\$ 699,151
Vehicles	<u>30,849</u>	<u>30,849</u>
	730,000	730,000
Less accumulated depreciation	<u>68,863</u>	<u>46,670</u>
	<u>\$ 661,137</u>	<u>\$ 683,330</u>

Depreciation expense was approximately \$22,000 and \$40,000 for the years ended December 31, 2014 and 2013, respectively.

In accordance with grant provisions, certain equipment purchases are recorded as an expense in the year of acquisition; therefore, there is not an equipment account or any related depreciation provision for those assets.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2014 and 2013

**NOTE 5 — LONG-TERM DEBT**

Long-term debt is comprised of the following at December 31:

	2014	2013
Bridge loan, with interest of 4.25% due monthly, and principal due in April 2014. During 2014, the bridge loan was permanently refinanced into a note payable, due in monthly installments of \$1,170, including interest at 3.50% through November 2042, secured by all present and future contract rights, accounts receivable, and general intangibles arising in connection with the building and land at 39 Bath Street, Ballston Spa, New York.	\$ 250,100	\$ 260,055
Less current maturities	<u>5,372</u>	<u>3,382</u>
	<u>\$ 244,728</u>	<u>\$ 256,673</u>

The aggregate annual maturities of long-term debt at December 31, 2014 are as follows:

2015	\$ 5,372
2016	5,563
2017	5,761
2018	5,966
2019	6,178
Thereafter	<u>221,260</u>
Total	<u>\$ 250,100</u>

Interest expense was approximately \$9,000 and \$29,000 for the years ended December 31, 2014 and 2013, respectively.

**NOTE 6 — LINE OF CREDIT**

The Council has a revolving line of credit agreement with a local bank. The line provides for borrowings of up to \$75,000 for working capital purposes. The line is unsecured and provides for interest at the bank's base lending rate (4.25% at December 31, 2014). There were no outstanding borrowings under the line at December 31, 2014 and 2013, respectively.

**NOTE 7 — NET ASSETS**

Temporarily restricted net assets are available for the following purposes at December 31:

	2014	2013
Food programs	\$ 77,972	\$ 134,179
Other programs	<u>104,847</u>	<u>101,483</u>
Total	<u>\$ 182,819</u>	<u>\$ 235,662</u>

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014 and 2013**

**NOTE 8 — EMPLOYEE BENEFIT PLAN**

The Council has a 401(k) plan which covers all employees who have attained age 21 and have completed one year of service. Employer contributions, which are discretionary, were approximately \$59,000 and \$63,000 for the years ended December 31, 2014 and 2013, respectively.

**NOTE 9 — CONTINGENCIES**

The Council receives grants which are subject to audit by agencies of the Federal and State governments. Such audits could result in disallowances and a request for the return of funds to the Federal and State governments. Management believes disallowances, if any, will be immaterial.

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

To the Board of Directors  
Saratoga County Economic Opportunity Council, Inc.

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 Saratoga County Economic Opportunity Council, Inc., which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 25, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Saratoga County Economic Opportunity Council, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Saratoga County Economic Opportunity Council, Inc.'s internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

*UHY* LLP

Albany, New York  
August 25, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors  
Saratoga County Economic Opportunity Council, Inc.

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

We have audited Saratoga County Economic Opportunity Council, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on Saratoga County Economic Opportunity Council, Inc.'s major federal program for the year ended December 31, 2014. Saratoga County Economic Opportunity Council, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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 Saratoga County Economic Opportunity Council, Inc.'s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Saratoga County Economic Opportunity Council, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Saratoga County Economic Opportunity Council, Inc.'s compliance.

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

In our opinion, Saratoga County Economic Opportunity Council, Inc.'s complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2014.

## Report on Internal Control Over Compliance

Management of Saratoga County Economic Opportunity Council, 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 Saratoga County Economic Opportunity Council, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Saratoga County Economic Opportunity Council, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*UHY* LLP

Albany, New York  
August 25, 2015

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 2014**

<u>Federal Grantor Program Title</u>	<u>Pass-through Entity Identifying Number</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>2014 Expenditures</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Head Start (2013-2014)		93.600	\$ 1,902,008
Head Start (2014-2015)		93.600	1,707,968
<i>Passed Through New York State Department of State</i>			
Community Services Block Grant (2013-2014)	C1000104 C-005438-14	93.569	232,348
Community Services Block Grant (2014-2015)	C1000104 C-005438-15	93.569	85,335
<i>Passed Through New York State Division of Housing and Community Renewal</i>			
Low-Income Home Energy Assistance (2013-2014)	C091061	93.568	184,117
Low-Income Home Energy Assistance (2014-2015)	C091061	93.568	689,228
<i>Passed Through the City of Saratoga Springs, New York</i>			
Community Development Block Grant (2013-2014)		93.383	4,854
Total U.S. Department of Health and Human Services			<u>4,805,858</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through New York State Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants and Children (2013-2014)	C025793	10.557	1,226,842
Special Supplemental Nutrition Program for Women, Infants and Children (2014-2015)	C025793	10.557	428,458
Child and Adult Care Food Program (2013-2014)	2588	10.558	98,567
Child and Adult Care Food Program (2014-2015)	2588	10.558	85,831
Total U.S. Department of Agriculture			<u>1,839,698</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
<i>Passed Through United Way</i>			
Emergency Food and Shelter National Board Program	6256-00-003	97.024	1,000
Total Department of Homeland Security			<u>1,000</u>
Total Expenditures of Federal Awards			<u>\$ 6,646,556</u>

The accompanying notes to the schedule of expenditures of federal awards should be read in conjunction with this schedule.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 2014**

**NOTE 1 — GENERAL**

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of Saratoga County Economic Opportunity Council, Inc. The Council's reporting entity is defined in Note 1 to the Council's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

**NOTE 2 — BASIS OF ACCOUNTING**

The accompanying schedule of federal awards is presented using the accrual basis of accounting.

**NOTE 3 — RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

Federal award programs are reported in the Council's financial statements in each program's related group of expenditures.

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2014**

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**Section I - Summary of Auditor's Results**

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**FINANCIAL STATEMENTS**

A. Type of auditor's report issued:	Unmodified
B. Internal Control Over Financial Reporting	
Material weaknesses:	No
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
C. Noncompliance Material to Basic Financial Statements:	No

**FEDERAL AWARDS**

A. Internal Control Over Major Programs	
Material weaknesses:	No
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
B. Type of auditor's report issued on compliance for major programs:	Unmodified
C. Audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133:	No
D. Major programs	<u>CFDA Number</u>
Head Start	93.600
E. Dollar threshold to determine between Type A and Type B programs:	\$300,000
F. Auditee qualified as low-risk auditee:	Yes

**SARATOGA COUNTY ECONOMIC OPPORTUNITY COUNCIL, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**Year Ended December 31, 2014**

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**Section II – Financial Statement Findings**

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There are no findings to report in the current year.

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**Section III – Federal Award Findings and Questioned Costs**

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There are no findings to report in the current year.

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**Section IV – Summary Schedule of Prior Audit Findings**

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No matters were reported.

