

BLUE GRASS COMMUNITY
ACTION PARTNERSHIP, INC.

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2015

ENDERLE BESTEN DIERUF, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Blue Grass Community Action Partnership, Inc.

Report on the Financial Statements

We have audited the accompanying combined financial statements of the Blue Grass Community Action Partnership, Inc. (a nonprofit organization), which comprise the combined statement of financial position as of June 30, 2015, and the related combined statements of activity 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. 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 Blue Grass Community Action Partnership, Inc. as of June 30, 2015, 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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The supplemental schedules on pages 19-39, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information, except for that portion marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That 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, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the 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 December 8, 2015, on our consideration of Blue Grass Community Action Partnership, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the Organization's internal control over financial reporting and compliance.

Enderle Besten Dieruf, PLLC

December 8, 2015

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 COMBINED STATEMENT OF FINANCIAL POSITION
 JUNE 30, 2015

ASSETS		
CURRENT ASSETS		
Petty Cash	\$ 795	
Cash in Bank	2,184,614	
Utility Deposit	390	
Receivables		
Grant Funds	1,080,045	
Accounts and Other	579,899	
Prepaid Expenses	72,208	
Inventory	43,966	
	<u> </u>	
Total Current Assets		3,961,917
PLANT, PROPERTY, AND EQUIPMENT (At Cost)		
Vehicles	5,291,534	
Building & Leasehold Improvements	3,123,862	
Land	234,531	
Office Furniture and Equipment	764,272	
Construction in Progress	-	
Accumulated Depreciation	(5,792,578)	
	<u> </u>	
Total Plant, Property, and Equipment		<u>3,621,622</u>
TOTAL ASSETS		<u><u>\$ 7,583,539</u></u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 122,399	
Accrued Salaries	211,898	
Accrued Payroll Taxes and Withholding	111,658	
Accrued Vacation Pay	176,482	
Other Payables	1,390	
Notes Payable-Current Portion	6,072	
Capital Leases-Current Portion	49,000	
Deferred Grant Revenue	-	
	<u> </u>	
Total Current Liabilities		678,898
LONG TERM LIABILITIES		
Capital leases - net of current portion	406,000	
Notes Payable - net of current portion	226,522	
		632,522
NET ASSETS		
Unrestricted	1,059,961	
Temporarily Restricted	5,168,192	
Materials - Fund Balance	43,966	
	<u> </u>	
Total Net Assets		<u>6,272,119</u>
TOTAL LIABILITIES AND NET ASSETS		<u><u>\$ 7,583,539</u></u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 COMBINED STATEMENT OF ACTIVITY
 FOR THE YEAR ENDED JUNE 30, 2015

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
SUPPORT AND REVENUE			
Support:			
State/Federal Funds	\$ 53,005	\$ 9,566,720	\$ 9,619,724
Total Support	53,005	9,566,720	9,619,724
Revenue:			
Local Income	663	885,997	886,660
Program Income	-	51,361	51,361
Medicaid Reimbursement	-	6,194,825	6,194,825
Contracts Income	-	228,589	228,589
Fee Income	139,112	65,514	204,626
Interest Income	567	6	573
Other Income	84,250	297,615	381,864
In-Kind Revenue	-	1,286,331	1,286,331
Assets Released from Restrictions			
Purpose Reached to Release Restrictions	17,541,557	(17,541,557)	-
Total Revenue	17,766,148	(8,531,319)	9,234,828
TOTAL SUPPORT AND REVENUE	17,819,152	1,035,400	18,854,553
EXPENDITURES			
Program Services	15,238,757	-	15,238,757
Management and General	1,008,733	-	1,008,733
Fundraising	-	-	-
In-Kind Expenditures	1,286,331	-	1,286,331
Matching Funds	182,800	-	182,800
TOTAL EXPENDITURES	17,716,621	-	17,716,621
Change in net assets	102,532	1,035,400	1,137,932
Net assets, beginning of year	957,429	4,132,792	5,592,221
NET ASSETS, END OF YEAR	\$ 1,059,961	\$ 5,168,192	\$ 6,228,153

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets		\$ 1,137,932
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	723,357	
(Increase)/Decrease in Receivables	(168,618)	
(Increase)/Decrease in Prepaid Expenses	(72,208)	
Increase/(Decrease) in Accounts Payable	(2,848)	
Increase/(Decrease) in Accrued Salaries	27,964	
Increase/(Decrease) in Accrued Payroll Taxes	(47,062)	
Increase/(Decrease) in Accrued Vacation Pay	(15,571)	
Increase/(Decrease) in Other Liabilities	50	
Increase/(Decrease) in Deferred Grant Revenues	<u>-</u>	
Total Adjustments		<u>445,064</u>
Net cash flows from operating activities		1,582,996
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Plant, Property, and Equipment		(793,775)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on Capital Leases	(47,000)	
Payments on Notes Payable	(4,030)	
		<u>(51,030)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		738,190
CASH AND CASH EQUIVALENTS - JUNE 30, 2014		<u>1,447,219</u>
CASH AND CASH EQUIVALENTS - JUNE 30, 2015		<u><u>\$ 2,185,409</u></u>

See independent auditors' report and notes to financial statements.

NOTE 1 - NATURE OF OPERATIONS

Blue Grass Community Action Partnership, Inc., (Organization) is a multi-funded community action partnership, founded in 1965 which provides social services to a nine-county area of Central Kentucky. Originally formed under regulations of the Economic Opportunity Act of 1964, the Organization now operates in accordance with provisions of Kentucky state law regarding the establishment of community action agencies. The Organization is funded through a variety of federal, state, and local sources, with the Department of Health and Human Services being the cognizant funding agency. It was originally named Blue Grass Community Action Agency and its name was officially changed in December of 2004.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Financial Statements

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.

Separate revenue and expenditure categories are maintained by the Organization to account for operations of each individual grant. These categories are combined into a single fund for financial statements reporting purposes.

Financial Statement Presentation

The Organization prepares its financial statements in accordance with generally accepted accounting principles for non-profit organizations, which require the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

- a) Unrestricted net assets encompass the portion of net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- b) Temporarily restricted net assets are the net assets resulting from contributions and other inflows whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- c) Permanently restricted net assets are the net assets resulting from contributions whose use by the Organization is limited by the donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Contributions

Donated materials and services, when received, are reflected as contributions in the accompanying statements at their estimated fair market values at date of receipt.

Estimates

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

Cash and Cash Equivalents

For the purpose of the statement of cash flows, management considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES - continued

Grants Receivable

The Organization considers all grants receivable to be fully collectible; accordingly, there is no allowance for doubtful accounts for the year ended June 30, 2015. If grants or other promises to give become uncollectible, they will be written off in the period when that determination is made by management. It is management's belief that the direct write-off method does not cause a material difference in comparison to the allowance method.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2015, 2014, 2013, and 2012 are subject to examination by the IRS, generally for three years after they were filed.

As of June 30, 2015, the Organization has no uncertain tax positions that qualify for disclosure in the financial statements.

Date of Management's Review

The Organization's subsequent events have been evaluated through December 8, 2015, which is the date the financial statements were available to be issued.

NOTE 3 – MAJOR PROGRAM DESCRIPTIONS

Community Service Block Grant - The CSBG Grant is provided by the Kentucky Cabinet for Health and Family Services, Department for Social Services, for the following services: Administration, Transportation, Resource Mobilization, Education, Employment, Energy, Aging and Social Services. A 20% local match is required for the grant.

Weatherization Program - The Cabinet for Health and Family Services, Department of Social Insurance, funds the program to aid low income people, particularly the elderly and disabled, in installing insulation, storm windows, and other improvements to reduce heat loss and conserve energy.

Aging Programs - The Anderson, Bourbon, Jessamine, Garrard, Mercer, Scott and Woodford Senior Citizen Centers as well as the Elderly Nutrition/Transportation Programs are operated by the Organization. Each center offers outreach, nutrition, transportation, information, and other services to elderly residents 60 years of age or older. In addition to the centers, in-home support services are provided to the frail elderly. The Adult Day Program, which serves individuals suffering from Alzheimer's Disease, and the Senior Companion program are included. The Title V Grant is funded by the Blue Grass Area Development District to provide useful part-time employment opportunities within community service organizations for eligible low-income individuals 55 years of age or older.

Blue Grass Ultra-Transit Service - The BUS Program is funded by the Kentucky Transportation Cabinet to provide general purpose transportation to all service area residents for employment, medical care, education, etc. The program concentrates on the elderly and handicapped.

Headstart Program - The Headstart Program is funded by the U.S. Department of Health and Human Services to provide educational opportunities to economically disadvantaged preschool children as well as those with physical or mental handicaps. The Organization has received in-kind participation needed to meet the 20% matching requirements.

NOTE 3 – MAJOR PROGRAM DESCRIPTIONS - continued

LIHEAP Program - The Home Energy Assistance Program is funded by the Kentucky Cabinet for Health and Family Services to provide fuel, heaters, blankets, or the repair of a heating system to alleviate a heating crisis in eligible low-income households.

NOTE 4 – PLANT, PROPERTY, AND EQUIPMENT

Property and equipment items are recorded at cost or fair market value at date of gift. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred and expenditures for major improvements are capitalized. The Organization capitalizes equipment purchases over \$5,000 that have a useful life of more than one year. The majority of the Organization's property and equipment items were acquired with temporarily restricted funds. As a result, funding sources have a reversionary interest in those assets purchased with its funds and may have a right to determine the use of any proceeds from the sale of these assets.

NOTE 5 – IN-KIND MATCH

Various grants received by the Organization require in-kind expenditure donations or cash match. All matching requirements were met by the Organization. In-kind match consisted of volunteer time, material donations, advertising, office space, storage space, and actual cash. In-kind valuations are based on reasonable square footage prices, minimum wage, and professional fees.

NOTE 6 – CASH IN BANK

Cash in bank consisted of the following accounts at June 30, 2015:

Cash in Farmers Bank - Unified	\$ 1,750,881
Cash in Farmers Bank - Bus Stop	19,130
Cash in Day Care Accounts	94,373
Cash in Elderly Nutrition/Transportation Account	8,511
Cash in Senior Citizen Accounts	294,489
Cash in Adult Day Accounts	17,599
Cash in Payroll Account	<u>(369)</u>
Total Cash in Bank	<u>\$ 2,184,614</u>

The negative cash balances shown on page 19 of the supplemental information are not cash overdrafts. These amounts are part of the unified account which maintains cash balances for several programs. The negative amounts are shown as current assets so that total cash shown on the individual grant balance sheets (p.19) reconciles to the combined statement of financial position (p.3).

NOTE 7 – INDIRECT COST RATE

The Department of Health and Human Services has approved an indirect cost allocation plan for the Organization's programs sharing the indirect costs at an approved rate of 18% using salaries as the base. The Organization is in compliance with the provision for limitation of indirect administrative costs in contracts.

NOTE 8 – INVENTORY

The inventory of \$43,966 shown on the combined balance sheet includes materials used in the Weatherization Program administered by the Organization. Under the terms of grant contract accounting, these inventories were previously expensed or transferred into the Organization from surplus state property. Inventory control is administered by both the Organization and the Kentucky Housing Corporation. An offsetting material fund balance of \$43,966 is shown in the fund balance section of the combined statement of financial position. The inventory is valued at cost under the first in - first out method.

NOTE 9 – PENSION PLAN

The Organization has a retirement plan, in conjunction with the Kentucky County Employees Retirement System, covering substantially all of its full-time employees. Both the employer and employee contribute to this state-wide plan. Management does not believe it is responsible for the Plan's obligations including benefits earned by employees from employment with another employer or any other liabilities other than its portion of contributions on behalf of each employee.

A member may elect to retire upon: 1) attaining age 65 for non-hazardous positions or attaining age 55 for hazardous positions, and 2) having contributed to the System. Upon completion of 30 years of service credit, or completion of 20 years of service credit for hazardous positions, a member may elect to retire with an unreduced benefit. A member may elect to retire before the normal retirement date at any time after: 1) for non-hazardous positions, attainment of age 55 and completion of 60 months of service credit or at any age after 25 years of service, or 2) for hazardous positions, attainment of age 50 and completion of 15 years of service credit. A member is vested after 5 years of service. If a member withdraws his/her own money, he/she is not entitled to the employer-financed monetary credits. A monthly benefit equal to 2% of the member's final compensation multiplied by his/her service will be payable for non-hazardous positions, upon attainment of age 65 and completion of 48 months of service. For hazardous positions, a monthly benefit equal to 2.5% of the member's final compensation multiplied by his service will be payable upon attainment of age 55 and completion of 60 months of service. A member, with less than 48 months for nonhazardous and with less than 60 months for hazardous, who retires or after the normal retirement date is entitled to a retirement allowance which pays the actuarial equivalent of twice the member's accumulated contributions for life. A member who elects early retirement is entitled to a monthly benefit reduced for each month. There are also provisions for disability and death benefits and medical insurance.

Members contribute 5% of gross compensation and an additional 1% for health insurance if they were hired after September 1, 2008. The Organization pays 17.67%. On each June 30, interest is credited at the rate determined by the Board on the accumulated contribution the member had in his account on the previous June 30. Upon termination, a member may withdraw the 5% contributions with interest but will be entitled to no benefit payments. Additionally retired employees rehired after September 1, 2008 are subject to employer contribution rates but not employee rates.

The payroll for employees covered under CERS was \$3,918,821. The contribution for the year ended June 30, 2014 was \$900,184. The contributions for the year consisted of \$692,519 from the Organization and \$207,665 from the employees.

Additional pertinent information regarding the Organization's participation in the Kentucky County Employees Retirement System is as follows:

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015

NOTE 9 – PENSION PLAN – continued

Legal name of the plan - Kentucky County Employees Retirement System - Pension Fund

EIN		Unavailable
Plan number		V237
Certified zone status as of 6/30/14		Unavailable
Total plan assets as of 6/30/14	\$	6,117,133,692
Accumulated benefit obligations as of 6/30/14	\$	9,772,552,616
% Funded as of 6/30/14		62.6%
Total contributions received by the plan as of 6/30/14	\$	324,231,000
Expiration date of collective-bargaining agreement		N/A
Employer contributions to multiemployer pension plan as of 6/30/15	\$	692,519
Greater than 5% of total contributions?		No
Implemented funding improvement or rehabilitation plan?		No
Employer surcharge?		No
Minimum contributions requirement 6/30/15		17.67%
Extent to which employer could be responsible for plan obligations		Unavailable
Total Payroll for employees covered by CERS 6/30/15	\$	3,918,821

NOTE 10 – CONCENTRATION OF CREDIT RISK

The Organization has a concentration of credit risk in that they periodically maintain cash deposits in single financial institutions in excess of amounts insured by the FDIC. Losses have not been experienced on such accounts and management does not believe that they are subject to significant credit risk related to the accounts.

NOTE 11 – NOTES PAYABLE

Three different loans make up the balance of notes payable. Two loans are with the Kentucky Housing Corporation (KHC) and the other loan is with Farmers Bank. The following schedule breaks down the three loans as of June 30, 2015:

<u>Lender</u>	<u>Interest Rate</u>	<u>Loan Period (Yrs.)</u>	<u>Short Term NP</u>	<u>Long-Term NP</u>	<u>Total NP</u>
KHC	1%	30	\$ 3,669	\$ 81,364	\$ 85,033
KHC	1%	20	2,403	16,907	19,310
Farmers Bank	Adjustable/ Last Yr.=3.05%	Interest Only w/ Principal Option	-	128,251	128,251
Total			<u>\$ 6,072</u>	<u>\$ 226,522</u>	<u>\$232,594</u>

Future maturities for the following five years of these notes payable are as follows:

2016	\$ 134,323
2017	5,327
2018	5,379
2019	5,432
2020	5,484
Thereafter	76,649
Total	<u>\$ 232,594</u>

NOTE 12 – CAPITAL LEASES

The Organization entered into an agreement on February 24, 2004 to lease its premises for a term of twenty years commencing on August 20, 2004 with final payment on August 1, 2024. The Organization has the option to purchase the premises at the end of the lease for \$1. The original lease sum of \$875,000 requires annual principal payments and quarterly interest payments at a variable rate. The payment schedule was determined by the lessor and is as follows.

The total cost of the property under capital lease is \$875,000; depreciation recognized for the building portion of the assets under capital lease was \$31,140, and accumulated depreciation totaled \$332,157.

Minimum annual lease payments for each of the five years subsequent to June 30, 2015, and in the aggregate, as required under these capital lease agreements, are as follows:

<u>Year</u>	<u>Amount</u>
2016	\$ 70,083
2017	69,742
2018	69,418
2019	68,967
2020	69,445
Thereafter	<u>206,743</u>
Total payments	554,398
Less amount representing interest	<u>(99,398)</u>
Present value of minimum lease payments	<u><u>\$ 455,000</u></u>
Current maturities	\$ 49,000
Non-current maturities	<u>406,000</u>
	<u><u>\$ 455,000</u></u>

NOTE 13 – DIRECT CLIENT PAYMENTS

Direct client payments in the schedule of functional expenses total \$3,234,291. However, this total is only the portion that pays direct client expenses. Almost all expenditures other than administrative expenses are for the client’s benefit. Administrative expenses total \$1,008,733 which is 6.21% of total expenditures.

NOTE 14 – CONTINGENCIES

The Organization participates in a multiemployer pension plan that is currently underfunded. Management believes it is reasonably possible that the employer’s contribution could be increased to make up a shortfall necessary to maintain the negotiated level of benefit coverage.

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
Blue Grass Community Action Partnership, 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 Blue Grass Community Action Partnership, Inc. (a nonprofit organization), which comprise the combined statement of financial position as of June 30, 2015 and the related combined statements of activity, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 8, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Blue Grass Community Action Partnership 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 Blue Grass Community Action Partnership Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Blue Grass Community Action Partnership 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 Blue Grass Community Action Partnership 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*.

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

-continued-

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Endeolo Boston Dieruf, PLLC

December 8, 2015

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

To the Board of Directors
Blue Grass Community Action Partnership, Inc.

Report on Compliance for Each Major Federal Program

We have audited Blue Grass Community Action Partnership, Inc.'s (Organization) 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 each of the Organization's major federal programs for the year ended June 30, 2015. The Organization'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 the Organization'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 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 the Organization'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 the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization 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 June 30, 2015.

Report on Internal Control Over Compliance

Management of the Organization 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 the Organization'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 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 the Organization's internal control over compliance.

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

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.

Enderlo Besten Dieruf, PLLC

December 8, 2015

SUPPLEMENTAL INFORMATION

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

	PASS-THROUGH GRANTOR	FEDERAL CFDA NUMBER	PASS-THROUGH GRANT NUMBER	GRANT PERIOD ENDS	FEDERAL AWARD EXPENDITURES AS OF 6/30/15
U.S. Department of Health and Human Services					
Community Service Block Grant	Cabinet for Health and Family Services	93.569	PON2 736 1400001448	6/30/15	\$ 393,784
Home Energy Assistance Program	Community Action Kentucky	93.568	736-1200001485 1	6/30/15	1,926,812
WX - LIHEAP	Community Action Kentucky	93.568	WX-04	6/30/15	131,452
KYNECTOR Program	Cabinet for Health and Family Services/Centers for Medicare & Medicaid Services	93.525	1400001919 1	6/30/15	327,327
Title III	Blue Grass Area Development District				
Supportive Services		93.044	AS-2014-2015-2016	6/30/15	408,369
Nutrition Services		93.045		6/30/15	966,410
National Family Caregiver Support Program		93.052		6/30/15	9,860
Elderly Nutrition/Transportation	Blue Grass Area Development District	93.053		6/30/15	234,624
Headstart		93.600	04CH2748/46	7/31/15	2,187,424
Corporation for National Service					
Senior Companion		94.016		12/31/15	317,835
U.S. Department of Labor					
Title V	Blue Grass Area Development District	17.235	AS-2014-2015-2016	6/30/15	208,331
U.S. Department of Homeland Security					
Emergency Food and Shelter National Board Program		97.024		6/30/15	7,608
U.S. Department of Agriculture					
Headstart USDA		10.555	037 A30 999	7/31/15	179,865
Family Daycare	KY Department of Education	10.558	037 A30 999	6/30/15	53,005
Daycares		10.558	037 A30 999	6/30/15	47,682
U.S. Department of Housing & Urban Development					
Housing Opportunities for Persons with Aids		14.241	HW12-0231-01	6/30/15	4,549
U.S. Department of Energy					
Weatherization	Community Action Kentucky	81.042	WX-04	6/30/15	88,989
U.S. Department of Transportation					
Bluegrass Ultra-Transit Service					
Transportation Grant (Section 16)	Kentucky Transportation Cabinet	20.509	G706529Z	6/30/2015	729,805
5310 Capital Grant		20.513	G06F516Z	6/30/2015	238,406
5311 Capital Grant		20.509	G906429Z	6/30/2015	43,312
5339 Capital Grant		20.526	G01F539Z	6/30/2015	42,572
RTAP		20.509	G801529Z	6/30/2015	25,000
Total Federal Awards					<u>\$ 8,573,021</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Bluegrass Community Action Partnership, Inc. (Organization) under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015

	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL
Salaries	\$ 5,713,157	\$ 541,647	\$ -	\$ 6,254,804
Fringe Benefits	1,587,504	155,260	-	1,742,764
Materials	47,756	-	-	47,756
Travel	157,230	(7,067)	-	150,163
Rent, Utilities, & Maintenance	621,003	105,605	-	726,608
Vehicle Expense	1,923,324	27,366	-	1,950,690
Construction	-	-	-	-
Equipment/Data Processing	119,279	89,739	-	209,018
Depreciation Expense	699,299	24,058	-	723,357
Supplies & Office Expense	223,516	3,142	-	226,658
Professional Costs and Contracts	4,520	34,040	-	38,560
Other Contract Services	510,067	-	-	510,067
Insurance	139,519	20,027	-	159,546
Licenses and Fees	73,556	4,574	-	78,129
Direct Client Payments	3,234,291	-	-	3,234,291
Employee Development/Training	172,609	7,933	-	180,542
Interest Expense	4,553	-	-	4,553
Other Expenditures	7,576	2,409	-	9,985
Total Expenditures	<u>\$ 15,238,757</u>	<u>\$ 1,008,733</u>	<u>\$ -</u>	<u>\$ 16,247,490</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF FINANCIAL POSITION - GAAP BASIS
INDIVIDUAL GRANT PROGRAMS
JUNE 30, 2015
(UNAUDITED)

ASSETS	Indirect Cost	Community Service Block Grant	Weatherization Program	HEAP	Aging Programs	Bluegrass Ultra-Transit Service	Headstart	Daycare, Housing and other Programs	Equipment Fund	TOTAL
CURRENT ASSETS										
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ 595	\$ -	\$ -	\$ 200	\$ -	\$ 795
Cash in Bank (See Note)	(51,894)	(33,856)	(164,263)	-	1,420,489	(3,947)	71,705	946,381	-	2,184,614
Utility Deposit	-	100	-	-	50	-	-	240	-	390
Receivables	-	-	-	-	-	-	-	-	-	-
Grant Funds	-	52,914	76,930	-	483,264	299,296	97,532	70,110	-	1,080,045
Accounts and Other	-	-	-	-	146,960	432,939	-	-	-	579,899
Inventory	-	-	43,966	-	-	-	-	-	-	43,966
Prepaid Expense	14,880	-	-	-	-	-	-	57,328	-	72,208
Total Current Assets	(37,014)	19,158	(43,367)	-	2,051,357	728,288	169,237	1,074,258	-	3,961,917
OTHER ASSETS										
Investments Funded by Notes Payable	-	-	-	-	-	-	-	-	-	-
Total Other Assets	-	-	-	-	-	-	-	-	-	-
PLANT, PROPERTY, AND EQUIPMENT (AT COST)										
Vehicles	89,043	-	-	-	-	-	-	-	5,202,491	5,291,534
Building	-	-	-	-	-	-	-	351,160	2,772,702	3,123,862
Land	-	-	-	-	-	-	-	70,171	164,360	234,531
Office Furniture and Equipment	170,424	-	-	-	-	-	-	-	593,849	764,272
Construction in Progress	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	(179,094)	-	-	-	-	-	-	(75,570)	(5,537,914)	(5,792,578)
Total Plant, Property, and Equipment	80,373	-	-	-	-	-	-	345,762	3,195,487	3,621,622
TOTAL ASSETS	43,359	19,158	(43,367)	-	2,051,357	728,288	169,237	1,420,020	3,195,487	7,583,539
LIABILITIES AND NET ASSETS										
CURRENT LIABILITIES										
Accounts Payable	1,438	102	159	-	98,336	11,629	-	10,733	-	122,399
Accrued Salaries	21,461	9,490	2,921	-	75,910	71,570	19,965	10,580	-	211,898
Accrued Payroll Tax and Withholding	-	-	-	-	-	-	-	111,658	-	111,658
Accrued Vacation Pay	19,437	9,565	1,627	-	61,357	50,878	29,861	3,756	-	176,482
Other Payables	-	-	-	-	-	-	-	1,390	-	1,390
Notes Payable- Current Portion	-	-	-	-	-	-	-	6,072	-	6,072
Capital Leases- Current Portion	-	-	-	-	-	-	-	-	49,000	49,000
Deferred Grant Revenue	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	42,337	19,158	4,707	-	235,603	134,078	49,826	144,188	49,000	678,898
LONG TERM LIABILITIES										
Capital Leases - net of current portion	-	-	-	-	-	-	-	-	406,000	406,000
Notes Payable - net of current portion	-	-	-	-	-	-	-	226,522	-	226,522
Total Long Term Liabilities	-	-	-	-	-	-	-	226,522	406,000	632,522
NET ASSETS										
Unrestricted	-	-	-	-	-	-	-	1,012,961	-	1,012,961
Temporarily Restricted	1,022	-	(92,040)	-	1,815,754	594,211	119,411	36,348	2,740,487	5,215,192
Materials	-	-	43,966	-	-	-	-	-	-	43,966
Total Net Assets	1,022	-	(48,074)	-	1,815,754	594,211	119,411	1,049,309	2,740,487	6,272,119
TOTAL LIABILITIES AND NET ASSETS	\$ 43,359	\$ 19,158	\$ (43,367)	\$ -	\$ 2,051,357	\$ 728,288	\$ 169,237	\$ 1,420,020	\$ 3,195,487	\$ 7,583,539

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF ACTIVITY - GAAP BASIS
INDIVIDUAL GRANT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	Indirect Cost	Community Service Block Grant	Weatherization Program	HEAP	Aging Programs	Bluegrass Ultra-Transit Service	Headstart	Daycare, Housing and other Programs	Equipment Fund	TOTAL
REVENUES										
Grant Revenues	\$ -	\$ 393,784	\$ 220,441	\$ 1,926,812	\$ 3,105,151	\$ 1,109,310	\$ 2,381,583	\$ 482,643	\$ -	\$ 9,619,724
Local Funds	-	73,731	-	-	717,651	-	20,158	75,120	-	886,660
Program Income	-	-	-	-	48,880	2,481	-	-	-	51,361
Medicaid Reimbursement	-	-	-	-	478,777	5,716,047	-	-	-	6,194,825
Fee Income	-	-	-	-	-	65,514	-	139,112	-	204,626
Contracts Income	-	-	-	-	153,574	75,015	-	-	-	228,589
Interest Income	-	-	-	-	6	-	-	567	-	573
Other Revenue	-	-	36	-	155,249	120,746	6,503	99,330	-	381,864
In-Kind Revenue	-	24,715	-	-	628,422	-	561,685	71,510	-	1,286,331
Total Revenues	-	492,230	220,477	1,926,812	5,287,711	7,089,112	2,969,929	868,281	-	18,854,553
EXPENDITURES										
Salaries	541,647	189,138	107,927	110,182	1,664,715	2,242,642	1,159,002	239,552	-	6,254,804
Fringe Benefits	155,260	68,863	33,502	23,253	434,831	577,846	377,343	71,866	-	1,742,764
Materials	-	-	47,756	-	-	-	-	-	-	47,756
Travel	(7,067)	4,607	2,316	1,890	105,852	15,135	12,851	14,579	-	150,163
Rent, Utilities, & Maintenance	105,605	55,398	4,947	239	216,235	138,379	161,951	43,854	-	726,608
Vehicle Expense	27,366	9,285	22,952	-	117,611	2,071,572	122,467	21,949	(442,512)	1,950,690
Construction	-	-	-	-	-	-	-	-	-	-
Equipment/Data Processing	89,739	4,409	-	792	11,701	261,973	10,125	937	(170,658)	209,018
Depreciation Expense	24,058	-	-	-	-	-	-	9,446	689,853	723,357
Supplies & Office Expense	3,142	8,655	3,965	10,994	45,266	54,718	91,447	8,470	-	226,658
Professional Costs	34,040	-	-	-	-	1,450	100	2,970	-	38,560
Other Contract Services	-	22	-	-	10,350	481,550	17,058	1,088	-	510,067
Insurance	20,027	5,567	3,472	-	47,920	28,286	47,258	7,015	-	159,546
In-Kind Expenditures	-	24,715	-	-	628,422	-	561,685	71,510	-	1,286,331
Matching Funds	-	-	-	-	152,004	30,796	-	-	-	182,800
Licenses and Fees	4,574	161	1,040	594	12,354	43,898	13,674	1,836	-	78,129
Direct Client Payments	-	83,481	-	1,758,734	1,187,684	93	159,803	44,495	-	3,234,291
Employee Development/Training	7,933	3,886	3,100	25	12,968	88,228	19,354	45,049	-	180,542
Interest Expense	-	-	-	-	-	-	-	4,553	-	4,553
Other Expenditures	2,409	-	-	277	951	63	150	6,135	-	9,985
Indirect Costs	(1,015,923)	34,045	19,427	19,833	290,010	403,676	205,966	42,966	-	-
Total Expenditures	(7,190)	492,230	250,404	1,926,812	4,938,874	6,440,306	2,960,234	638,270	76,682	17,716,621
Change In Net Assets	\$ 7,190	\$ -	\$ (29,926)	\$ -	\$ 348,837	\$ 648,807	\$ 9,695	\$ 230,011	\$ (76,682)	\$ 1,137,932

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF ACTIVITY - GRANT BASIS
INDIVIDUAL GRANT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	Indirect Cost	Community Service Block Grant	Weatherization Program	HEAP	Aging Programs	Bluegrass Ultra-Transit Service	Headstart	Daycare, Housing and other Programs	TOTAL
REVENUES									
Grant Revenues	\$ -	\$ 393,784	\$ 220,441	\$ 1,926,812	\$ 3,105,151	\$ 1,109,310	\$ 2,381,583	\$ 482,643	\$ 9,619,724
Local Funds	-	73,731	-	-	717,651	-	20,158	75,120	886,660
Program Income	-	-	-	-	48,880	2,481	-	-	51,361
Medicaid Reimbursement	-	-	-	-	478,777	5,716,047	-	-	6,194,825
Fee Income	-	-	-	-	-	65,514	-	139,112	204,626
Contracts Income	-	-	-	-	153,574	75,015	-	-	228,589
Interest Income	-	-	-	-	6	-	-	567	573
Other Revenue	-	-	36	-	155,249	120,746	6,503	99,330	381,864
In-Kind Revenue	-	24,715	-	-	628,422	-	561,685	71,510	1,286,331
Total Revenues	-	492,230	220,477	1,926,812	5,287,711	7,089,112	2,969,929	868,281	18,854,553
EXPENDITURES									
Salaries	541,647	189,138	107,927	110,182	1,664,715	2,242,642	1,159,002	239,552	6,254,804
Fringe Benefits	155,260	68,863	33,502	23,253	434,831	577,846	377,343	71,866	1,742,764
Materials	-	-	47,756	-	-	-	-	-	47,756
Travel	(7,067)	4,607	2,316	1,890	105,852	15,135	12,851	14,579	150,163
Rent, Utilities, & Maintenance	105,605	55,398	4,947	239	216,235	138,379	161,951	43,854	726,608
Vehicle Expense	27,366	9,285	22,952	-	117,611	2,071,572	122,467	21,949	2,393,202
Construction	-	-	-	-	-	-	-	-	-
Equipment/Data Processing	89,739	4,409	-	792	11,701	261,973	10,125	937	379,676
Depreciation Expense	24,058	-	-	-	-	-	-	9,446	33,504
Supplies & Office Expense	3,142	8,655	3,965	10,994	45,266	54,718	91,447	8,470	226,658
Professional Costs	34,040	-	-	-	-	1,450	100	2,970	38,560
Other Contract Services	-	22	-	-	10,350	481,550	17,058	1,088	510,067
Insurance	20,027	5,567	3,472	-	47,920	28,286	47,258	7,015	159,546
In-Kind Expenditures	-	24,715	-	-	628,422	-	561,685	71,510	1,286,331
Matching Funds	-	-	-	-	152,004	30,796	-	-	182,800
Licenses and Fees	4,574	161	1,040	594	12,354	43,898	13,674	1,836	78,129
Direct Client Payments	-	83,481	-	1,758,734	1,187,684	93	159,803	44,495	3,234,291
Employee Development/Training	7,933	3,886	3,100	25	12,968	88,228	19,354	45,049	180,542
Interest Expense	-	-	-	-	-	-	-	4,553	4,553
Other Expenditures	2,409	-	-	277	951	63	150	6,135	9,985
Indirect Costs	(1,015,923)	34,045	19,427	19,833	290,010	403,676	205,966	42,966	-
Total Expenditures	(7,190)	492,230	250,404	1,926,812	4,938,874	6,440,306	2,960,234	638,270	17,639,938
Change In Net Assets	\$ 7,190	\$ -	\$ (29,926)	\$ -	\$ 348,837	\$ 648,807	\$ 9,695	\$ 230,011	\$ 1,214,614

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF CHANGES IN NET ASSETS - GAAP BASIS
INDIVIDUAL GRANT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2015
(UNAUDITED)

INDIVIDUAL PROGRAM	Net Assets <u>6/30/14</u>	Excess (Deficit) Revenues Over <u>Expenditures</u>	<u>Funds Transfer</u>	Net Assets <u>6/30/15</u>
Aging Programs				
Anderson County	\$ (899)	\$ 11,382	\$ -	\$ 10,483
Anderson Adult Day	4,817	(16,373)	-	(11,556)
Bourbon County	182,958	(2,771)	-	180,187
Franklin County	10,137	(5,170)	-	4,967
Garrard County	(32,478)	18,434	-	(14,044)
Garrard Adult Day	235,547	(20,145)	-	215,402
Jessamine County	138,201	19,491	-	157,692
Jessamine Adult Day	37,331	(38,264)	-	(933)
Mercer County	95,884	(24,740)	-	71,144
Mercer Adult Day	9,944	31,241	-	41,185
Scott County	402,140	36,744	-	438,884
Woodford County	30,548	(19,326)	-	11,223
Woodford Adult Day	(22,171)	(5,790)	-	(27,961)
Nutrition / Elderly Transportation	440,805	322,918	-	763,723
Family Caregiver	(34,323)	7,156	-	(27,167)
Care Transitions	20	575	-	595
Senior Companion	(31,543)	33,475	-	1,931
Blue Grass Ultra-Transit Service	(54,596)	648,807	-	594,211
Daycare and Other Programs	866,298	230,011	-	1,096,309
Indirect	(6,168)	7,190	-	1,022
Headstart	109,716	9,695	-	119,411
Weatherization	(62,114)	(29,926)	-	(92,040)
Assets Equipment Fund	<u>2,770,169</u>	<u>(76,682)</u>	-	<u>2,693,487</u>
TOTAL NET ASSETS	<u><u>\$ 5,090,221</u></u>	<u><u>\$ 1,137,932</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,228,153</u></u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
STATEMENT OF REVENUES AND EXPENDITURES - GRANT BASIS
INDIVIDUAL GRANT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2015
(UNAUDITED)

Program	Grant Revenue	Other Revenues (Includes In-Kind)	Grant Expenditures	Other Expenditures (Includes In-Kind)	Increase (Decrease) Net Assets
Community Service Block Grant	\$ 393,784	\$ 98,446	\$ 393,784	\$ 98,446	\$ -
Title V - Senior Community Service Employment Program	208,331	23,148	208,331	23,148	-
HEAP	1,926,812	-	1,926,812	-	-
Weatherization	220,441	37	220,441	29,962	(29,925)
Anderson County Senior Citizens					
Elderly Service Grant - III	64,346	84,241	64,346	72,858	11,382
In-Home Service Grant	57,578	50,123	57,578	50,123	-
Bourbon County Senior Citizens					
Elderly Service Grant - III	73,392	21,598	73,392	23,685	(2,087)
In-Home Service Grant	68,397	30,211	68,397	30,895	(684)
Franklin County Senior Citizens					
In-Home Service Grant	136,887	13,539	136,887	18,709	(5,170)
Garrard County Senior Citizens					
Elderly Service Grant - III	67,550	42,969	67,550	24,535	18,434
In-Home Service Grant	67,463	14,226	67,463	14,226	-
Jessamine County Senior Citizens					
Elderly Service Grant - III	100,921	102,396	100,921	82,905	19,491
In-Home Service Grant	81,465	36,965	81,465	36,965	-
Mercer County Senior Citizens					
Elderly Service Grant - III	88,206	84,012	88,206	108,752	(24,740)
In-Home Service Grant	72,774	61,215	72,774	61,215	-
Scott County Senior Citizens					
Elderly Service Grant - III	105,316	258,782	105,316	226,717	32,064
In-Home Service Grant	94,570	19,456	94,570	14,776	4,680
Woodford County Senior Citizens					
Elderly Service Grant - III	83,233	85,825	83,233	105,150	(19,326)
In-Home Service Grant	62,116	18,841	62,116	18,841	-
Elderly Nutrition/Transportation					
Elderly Service Grant - III	1,101,413	311,639	1,101,413	16,614	295,025
In-Home Service Grant	107,712	154,713	107,712	126,821	27,893
Blue Grass Ultra-Transit Service Transportation Grant	1,109,310	5,979,802	1,109,310	5,330,996	648,806
Headstart Program					
HHS Grants	2,201,718	588,346	2,201,718	578,651	9,695
USDA Grant	179,865	-	179,865	-	-
Daycare/Housing	57,939	139,114	57,939	97,611	41,503
Family Caregiver	9,860	296	9,860	(6,860)	7,156
Rent	-	15,081	-	21,368	(6,287)
United Way/Community Developers Program	6,358	112,821	6,358	70,459	42,362
Senior Companion	317,835	131,970	317,835	98,495	33,475
Anderson Adult Day	38,369	59,008	38,369	75,381	(16,373)
Garrard Adult Day	19,082	225,165	19,082	245,310	(20,145)
Jessamine Adult Day	25,389	120,795	25,389	159,059	(38,264)
Mercer Adult Day	24,281	114,745	24,281	83,504	31,241
Woodford Adult Day	28,090	116,683	28,090	122,473	(5,790)
Wintercare	-	33,146	-	33,146	-
KY Connect	418,346	-	327,327	-	91,019
Care Transitions	575	-	-	-	575
Work Now	-	-	-	-	-
Indirect Cost Program	-	-	-	(7,190)	7,190
Agency	-	38,477	-	24,063	14,414
Total	<u>\$ 9,619,724</u>	<u>\$ 9,187,829</u>	<u>\$ 9,528,130</u>	<u>\$ 8,111,809</u>	<u>\$ 1,167,614</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
SUMMARY OF GRANTS ADMINISTERED
INDIVIDUAL GRANT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2015
(UNAUDITED)

The following is a list of the grants administered by Blue Grass Community Action Partnership, Inc.

	Grant Periods Ended June 30, 2015
Commonwealth of Kentucky Cabinet for Health and Family Services:	
Community Service Block Grant	\$ 393,784
KY Connect	418,346
Bluegrass Area Development District:	
Title III-B Grants (Anderson, Bourbon, Garrard, Jessamine Mercer, Scott, Woodford, Elderly Nutrition/Transportation)	1,448,503
Title III-E Family Caregiver	9,860
In-Home Service Grants (Anderson, Bourbon, Garrard, Jessamine Mercer, Scott, Woodford, Elderly Nutrition/Transportation)	748,962
Title V - Senior Community Service Employment Grant	208,331
Care Transitions	575
Adult Day (Anderson, Garrard, Jessamine, Mercer, Woodford)	87,529
Commonwealth of Kentucky Transportation Cabinet:	
Blue Grass Ultra-Transit Service Transportation Grant (Section 18)	1,109,310
Kentucky Association for Community Action, Inc.	
Home Energy Assistance Program	1,926,812
Weatherization	220,441
Commonwealth of Kentucky Department of Education	
Family Daycare - USDA	53,005
Adult Day - USDA	47,682
Elderly Nutrition/Transportation - USDA	234,624
Headstart Program:	
Health and Human Service Grant 05-CH-02748/46	2,187,424
Head Start Local Stars	14,294
USDA Grant	179,865
Senior Companion	317,835
Community Developers	6,358
U. S. Department of Homeland Security	
Emergency Food and Shelter National Board Program	1,250
Kentucky Housing Corporation	
HOPWA	4,549
HOME TBRA	385
Total	\$ 9,619,724

See independent auditors' report and notes to financial statements.

BLUE GRASS ACTION PARTNERSHIP, INC.
FULL YEAR HEADSTART
GRANT #2748/45 COMBINED
STATEMENT OF REVENUE AND EXPENSES
FOR THE GRANT PERIOD ENDED JULY 31, 2015
(UNAUDITED)

REVENUES		
Grant Funds		\$ 2,217,509
Grantee Contributions - In-Kind Participation		<u>554,377</u>
TOTAL REVENUES		2,771,886
EXPENSES		
Personnel and Fringe:		
Salaries	1,131,366	
Fringe Benefits	<u>378,063</u>	1,509,429
Travel:		
Employee Travel - Out of Area		12,562
Equipment:		
Equipment Lease/Purchase		
Supplies		70,114
Contractual		17,843
Other:		
Medical/Dental Examinations	3,061	
Employee Travel	6,281	
Maintenance of Vehicles & Gasoline	87,794	
Licensing and Fees	14,171	
Utilities/Telephone/Rent	103,160	
Maintenance	31,561	
Insurance	109,217	
Printing and Publications	5,241	
Parent Activity, Policy Council & Other Costs	23,211	
Training	20,218	
Constuction	-	
Indirect Costs	<u>203,646</u>	<u>607,561</u>
Total Grant Expenses		2,217,509
GRANTEE CONTRIBUTIONS		
In-Kind Volunteer Time		475,394
In-Kind Other		<u>78,983</u>
TOTAL EXPENSES		<u>2,771,886</u>
EXCESS REVENUE OVER EXPENSES		<u>\$ -</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS ACTION PARTNERSHIP, INC.
FULL YEAR HEADSTART - PART DAY
GRANT #2748/45 P.A. 20, P.A. 22
FOR THE GRANT PERIOD ENDED JULY 31, 2015
(UNAUDITED)

Unobligated Federal Funds July 31, 2014	\$ -
Funds Authorized Through July 31, 2015	2,217,509
Funds Spent Through July 31, 2015	<u>(2,217,509)</u>
Unobligated Federal Funds July 31, 2015	<u><u>\$ -</u></u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CONTRACT NUMBER PON2 736 1300002081
STATEMENT OF FINANCIAL PARTICIPATION
FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
(UNAUDITED)

<u>Obligated Funds</u>	<u>CSBG</u>	<u>Education</u>	<u>Total</u>
Total Contract Ceiling	\$ 460,796	\$ 5,250	\$ 466,046
CSBG Financial Participation	460,796	-	460,796
Education Financial Participation	-	5,250	5,250
Total Financial Participation			466,046
Less: Allowable Expenses	(388,534)	(5,250)	(393,784)
Obligated CSBG Funds	<u>72,262</u>	<u>-</u>	<u>72,262</u>
 <u>Over/Under Payment</u>			
Total Allowable Expense	388,534	5,250	393,784
Less: Contract Payments	(388,534)	(5,250)	(393,784)
Total Over Payment Due CHFS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>Local Match Requirement</u>			
Total Allowable Expenses	\$ 393,784		
Funding Level Restated at 100%			
(528,680 Divided by 80%)	<u>492,230</u>		
Local Match Requirement at 20%	98,446		
Less: Local Cash Match Provided	<u>(98,446)</u>		
Excess Local Match Provided	<u>\$ -</u>		

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CONTRACT NUMBER PON2 736 1300002081
CONTRACT OF ALLOWABLE EXPENSES
FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
(UNAUDITED)

	<u>CSBG</u>	<u>Education</u>	<u>Total</u>
EXPENSES			
Personnel	\$ 258,001	\$ -	\$ 258,001
Travel	5,074	-	5,074
Equipment	4,409	-	4,409
Supplies	4,036	-	4,036
Rent/ Utilities	45,814	-	45,814
Client Services	-	-	-
Staff Development	5,386	-	5,386
Other	37,019	-	37,019
Indirect Costs	34,045	-	34,045
Match Expenditures	<u>98,446</u>	<u>-</u>	<u>98,446</u>
 Total Expenses	 492,230	 -	 492,230
Less: Questioned Costs	<u>-</u>	<u>-</u>	<u>-</u>
 Total Expense Adjusted	 492,230	 -	 492,230
Less: Contributions	<u>(98,446)</u>	<u>-</u>	<u>(98,446)</u>
 Total Allowable Expenses	 393,784	 -	 393,784
Less: Contract Payments Received*	<u>(393,784)</u>	<u>-</u>	<u>(393,784)</u>
 Under/(Over) Payment Due The Agency	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

*Contract payments received after June 30, 2015, which are included in the total contract payments of \$393,784 is :
\$52,913 Received 07/16/2014

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CONTRACT NUMBER PON2 736 1300002081
SCHEDULE OF QUESTIONED COSTS
FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
(UNAUDITED)

<u>Cost Category</u>	<u>Actual</u>	<u>Questioned Costs</u>	<u>Balance</u>
CSBG Program			
Personnel	\$ 258,001	\$ -	\$ 258,001
Travel	5,074	-	5,074
Equipment	4,409	-	4,409
Supplies	4,036	-	4,036
Rent Utilitiies	45,814	-	45,814
Client Services	-	-	-
Staff Development	5,386	-	5,386
Other	37,019	-	37,019
Indirect Costs	34,045	-	34,045
Match Expenditures*	<u>98,446</u>	<u>-</u>	<u>98,446</u>
 Total CSBG	 <u>492,230</u>	 <u>-</u>	 <u>492,230</u>
 Educational			
Other	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 *Matching Expenditures			
Utility Expenditures	\$ 53,545		
Education	20,186		
In-Kind Time	<u>24,715</u>		
 Total Matching Expenditures	 <u>\$ 98,446</u>		

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 COMMUNITY SERVICES BLOCK GRANT PROGRAM
 CONTRACT NUMBER PON2 736 1300002081
 STATEMENT OF OBLIGATED FUNDS
 FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
 (UNAUDITED)

	<u>CSBG</u>	<u>Education</u>	<u>Total</u>
Beginning Obligated Funds As of July 1, 2014	\$ 64,367	\$ -	\$ 64,367
Less: Carryover applied to SS-14-15-1490	(64,367)	-	(64,367)
Total Financial Participation SS-14-15-1490	460,796	5,250	466,046
Less: Total Allowable Expenses	<u>(388,534)</u>	<u>(5,250)</u>	<u>(393,784)</u>
Ending Obligated Funds As of June 30, 2015	<u>\$ 72,262</u>	<u>\$ -</u>	<u>\$ 72,262</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CONTRACT NUMBER PON2 736 1300002081
SCHEDULE F BUDGET AND ACTUAL EXPENSES
FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
(UNAUDITED)

<u>Cost Category</u>	<u>Budget*</u>	<u>Actual</u>	<u>(Over)/Under Budget**</u>
CSBG Program			
Personnel	\$ 321,595	\$ 258,001	\$ 63,594
Travel	7,000	5,074	1,926
Equipment	5,000	4,409	591
Supplies	6,000	4,036	1,964
Rent/Utilities	47,000	45,814	1,186
Client Services	-	-	-
Staff Development	5,000	5,386	(386)
Other	28,750	31,769	(3,019)
Indirect	<u>40,451</u>	<u>34,045</u>	<u>6,406</u>
 Total CSBG	 460,796	 388,534	 72,262
Education			
Other	<u>5,250</u>	<u>5,250</u>	<u>-</u>
 Total Contract Totals	 <u>\$ 466,046</u>	 <u>\$ 393,784</u>	 <u>\$ 72,262</u>

*Contract dated 07/01/14

**Contract allows variances of up to 10% for any cost categories subject to the contract ceiling.

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 WEATHERIZATION PROGRAM - LIHEAP
 JULY 1, 2014 THROUGH JUNE 30, 2015
 (UNAUDITED)

	<u>2014-2015</u>	<u>Questioned Costs</u>	<u>Balance</u>	<u>Budget</u>	<u>(Over) Under Budget</u>
Administration	\$ 7,118	\$ -	\$ 7,118	\$ 16,800	\$ 9,682
WX Materials	15,723	-	15,723	62,981	47,258
Program Support	44,363	-	44,363	111,646	67,283
WX Labor	39,840	-	39,840	59,677	19,837
H&S Materials	13,804	-	13,804	41,000	27,196
H&S Labor	7,133	-	7,133	15,106	7,973
Financial Audit	-	-	-	-	-
Liability Insurance	3,472	-	3,472	4,091	619
Training	-	-	-	-	-
Total	<u>\$ 131,452</u>	<u>\$ -</u>	<u>\$ 131,452</u>	<u>\$ 311,301</u>	<u>\$ 179,849</u>

Less: Contract Payments Received Before June 30, 2015	<u>\$ 57,053</u>
Balance Due from CAK as of June 30, 2015	<u>\$ 74,399</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 WEATHERIZATION PROGRAM - DOE
 JULY 1, 2014 THROUGH JUNE 30, 2015
 (UNAUDITED)

	<u>2014-2015</u>	<u>Questioned Costs</u>	<u>Balance</u>	<u>Budget</u>	<u>(Over) Under Budget</u>
Administration	\$ 5,055	\$ -	\$ 5,055	\$ 6,845	\$ 1,790
WX Materials	7,210	-	7,210	13,267	6,057
Program Support	35,709	-	35,709	35,709	-
WX Labor	26,118	-	26,118	26,118	-
H&S Materials	3,168	-	3,168	11,000	7,832
H&S Labor	1,086	-	1,086	7,023	5,937
Financial Audit	-	-	-	3,913	3,913
Liability Insurance	-	-	-	2,217	2,217
Training	10,642	-	10,642	10,382	(261)
Total	\$ 88,989	\$ -	\$ 88,989	\$ 116,475	\$ 27,486

Less: Contract Payments Received Before June 30, 2015
 Balance Due from CAK as of June 30, 2015

\$ 86,458
<u>\$ 2,531</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 LIHEAP PROGRAM
 SUBCONTRACT #736-1200001485 1
 SCHEDULE OF QUESTIONED COSTS
 FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
 (UNAUDITED)

COST CATEGORY

<u>Administration</u>	<u>ACTUAL</u>	<u>QUESTIONED COST</u>	<u>BALANCE</u>
Salary	\$ 110,182	\$ -	\$ 110,182
Fringe	23,254	-	23,254
Travel	1,890	-	1,890
Utilities	-	-	-
Postage	836	-	836
Supplies	9,623	-	9,623
Indirect Costs	19,833	-	19,833
Rent	792	-	792
Insurance	370	-	370
Advertising	1,298	-	1,298
	<u>168,078</u>	<u>-</u>	<u>168,078</u>
<u>Benefits</u>			
Subsidy	489,275	-	489,275
Crisis	1,269,459	-	1,269,459
Summer Coolinng	-	-	-
Leveraging	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	<u>\$ 1,926,812</u>	<u>\$ -</u>	<u>\$ 1,926,812</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 LIHEAP PROGRAM
 SUBCONTRACT #736-120001485 1
 SCHEDULE OF BUDGET AND ACTUAL EXPENSES
 FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
 (UNAUDITED)

COST CATEGORY	<u>BUDGET</u>	<u>ACTUAL</u>	(OVER) UNDER <u>BUDGET</u>
Administration	\$ 168,078	\$ 168,078	\$ -
Benefits Costs			
Subsidy	489,275	489,275	-
Crisis	1,269,980	1,269,459	521
Summer Cooling	-	-	-
Leveraging	-	-	-
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 1,927,333</u>	<u>\$ 1,926,812</u>	<u>\$ 521</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
LIHEAP PROGRAM
SUBCONTRACT #736-1200001485 1
STATEMENT OF PROGRAM EXPENDITURES
FOR THE PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015
(UNAUDITED)

COST CATEGORY

Administration

Salary	\$ 110,182
Fringe	23,254
Travel	1,890
Utilities	-
Postage	836
Supplies	9,623
Indirect Costs	19,833
Equipment	792
Insurance	370
Advertising	<u>1,298</u>
Total Administration	168,078

Benefits

Subsidy	489,275
Leveraging	-
Crisis	<u>1,269,459</u>

Total Benefits 1,758,734

Total Expenses 1,926,812

Less: Questioned Costs -

Total Allowable Expenses 1,926,812

Less: Contract Payments Received 1,926,812

Under/ (Over) Payment Due to agency (CAK) \$ -

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 BLUE GRASS ULTRA-TRANSIT SYSTEM
 G706328Z - GRANT REPORT - SECTION 18
 FOR THE YEAR ENDED JUNE 30, 2015
 (UNAUDITED)

OPERATIONS

Salaries - Operating	\$ 2,194,988
Fringe - Operating	568,118
Travel	15,135
Equipment/Data Processing	50,933
Supplies & Office Expense	54,718
Professional Costs	1,450
Other Contract Services	481,550
Vehicle Expense	1,669,660
Licenses & Fees	43,898
Utilities, Phone, & Rent	138,379
Insurance	28,286
Indirect Expenses	395,098
Employee Development/Training	<u>88,228</u>
 Total Operations Expense	 5,730,440
 Less: Revenue	 <u>(5,226,213)</u>
 Net Operating	 <u><u>504,227</u></u>
 * Federal Share	 729,805
 Local Share - Cash Match	 <u>664,127</u>
 Total Sources	 <u><u>\$ 1,393,932</u></u>

* Grant Revenues on Page 17 Include:

Section 18 Operating	\$ 729,805
Voc Rehab	360
Dept. of Blind	58
5310 Capital Grant	238,406
5311 Capital Grant	43,312
5339 Capital Grant	42,572
5311 RTAP Grant	<u>25,000</u>
 Total Grant Revenues	 <u><u>\$ 1,079,513</u></u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
SCHEDULE OF UNITED WAY REVENUES
FOR THE YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	<u>Anderson</u>	<u>Bourbon</u>	<u>Boyle</u>	<u>Garrard</u>
Senior Companion	\$ 2,597	\$ -	\$ 4,438	\$ 4,438
Senior Citizens Program	8,018	1,354	-	10,328
Adult Day Program	2,334	-	-	6,808
Undesignated	-	-	-	-
Education/Crisis/Self Sufficiency	6,033	-	10,369	10,307
Total Revenues	<u>18,982</u>	<u>1,354</u>	<u>14,807</u>	<u>31,881</u>

	<u>Fayette</u>	<u>Franklin</u>	<u>Jessamine</u>	<u>Lincoln</u>
Senior Companion	10,384	13,000	3,895	4,438
Senior Citizens Program	7,400	2,000	8,000	-
Adult Day Program	-	-	2,333	-
Undesignated	-	-	-	-
Crisis/Self Sufficiency	-	-	6,900	10,307
Total Revenues	<u>17,784</u>	<u>15,000</u>	<u>21,128</u>	<u>14,745</u>

	<u>Mercer</u>	<u>Scott</u>	<u>Woodford</u>	<u>Agency</u>
Senior Companion	4,438	2,164	3,553	-
Senior Citizens Program	14,960	5,000	8,628	-
Adult Day Program	6,808	-	2,333	-
Undesignated	-	-	-	139
Crisis/Self Sufficiency	10,307	6,033	6,033	-
Total Revenues	<u>\$ 36,513</u>	<u>\$ 13,197</u>	<u>\$ 20,548</u>	<u>\$ 139</u>

	<u>Head Start</u>	<u>Total</u>
Senior Companion	\$ -	\$ 53,345
Senior Citizens Program	-	65,689
Adult Day Program	-	20,616
Undesignated	5,000	5,139
Crisis/Self Sufficiency	-	66,288
Total Revenues	<u>\$ 5,000</u>	<u>\$ 211,078</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
 FEMA - STATEMENT OF RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015
 (UNAUDITED)

	<u>Boyle</u>	<u>Bourbon</u>	<u>Franklin</u>	<u>Garrard</u>	<u>Jessamine</u>	<u>Lincoln</u>	<u>Mercer</u>	<u>Total</u>
FEMA RECEIPTS	\$ 1,385	\$ 1,250	\$ 3,223	\$ -	\$ -	\$ 1,750	\$ -	\$ 7,608
EXPENDITURES								
Utilities	-	-	1,355	-	-	726	-	2,081
Housing	-	-	-	-	-	-	-	
Food	-	1,250	-	-	-	-	-	1,250
Total Expenditures	<u>-</u>	<u>1,250</u>	<u>1,355</u>	<u>-</u>	<u>-</u>	<u>726</u>	<u>-</u>	<u>3,331</u>
Net Receipts Over/ (Under) Expenditures	<u>\$ 1,385</u>	<u>\$ -</u>	<u>\$ 1,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,024</u>	<u>\$ -</u>	<u>\$ 4,276</u>

See independent auditors' report and notes to financial statements.

BLUE GRASS COMMUNITY ACTION PARTNERSHIP, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2015

1) SUMMARY OF AUDITOR'S RESULTS

- a) The type of report issued on the basic financial statements: UNMODIFIED OPINION
- b) Significant deficiencies in internal control over financial reporting: NO
- c) Material weakness in internal control over financial reporting: NO
- d) Noncompliance that is material to the basic financial statements: NO
- e) Significant deficiencies in internal control over compliance: NONE REPORTED
- f) Material weaknesses in internal control over compliance: NO
- g) The type of report issued on compliance for major programs: UNMODIFIED OPINION
- h) Any audit findings that are required to be reported under Section 510(a) of OMB Circular A-133: NO
- i) Major Programs:
 - a. Community Service Block Grant – CFDA No. 93.569
 - b. Title III/Elderly Nutrition/Transportation – CFDA No. 93.044/93.045/93.053
 - c. KYNECTOR Program – CFDA No. 93.525
- j) Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
- k) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: YES

2) FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

None

3) FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS:

None