

ECONOMIC OPPORTUNITY AGENCY OF WASHINGTON COUNTY, INC.

FINANCIAL STATEMENTS AND OTHER INFORMATION

OCTOBER 31, 2021

(With independent auditor's report thereon)

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Independent Auditor's Report

To the Board of Directors
Economic Opportunity Agency of Washington County, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Economic Opportunity Agency of Washington County, Inc. (the "Organization"), which comprise the statements of financial position as of October 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *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 Economic Opportunity Agency of Washington County, Inc. as of October 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statements. In addition, the accompanying supplemental information, as listed in the preceding table of contents, 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 Schedule of Expenditures of Federal Awards 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 April 15, 2022, on our consideration of Economic Opportunity Agency of Washington County 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 Economic Opportunity Agency of Washington County Inc.'s internal control over financial reporting and compliance.



April 15, 2022

Certified Public Accountants & Consultants
Bryant, Arkansas

Economic Opportunity Agency of Washington County, Inc.
Statement of Financial Position
October 31, 2021
(See independent auditor's report.)

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Assets</u>			
Current Assets			
Cash and cash equivalents	\$ 823,722	\$ (75,954)	\$ 747,768
Investments	93,318	-	93,318
Accounts receivable			
Grants/contracts	-	790,730	790,730
Other	1,000	811	1,811
Prepaid expenses	49,102	-	49,102
Interfund receivables	328,748	-	328,748
Inventory	-	15,413	15,413
Total Current Assets	1,295,890	731,000	2,026,890
Non-current Assets			
Fixed assets	6,521,028	-	6,521,028
Less accumulated depreciation	(3,066,369)	-	(3,066,369)
Total Non-current Current Assets	3,454,659	-	3,454,659
Total Assets	\$ 4,750,549	\$ 731,000	\$ 5,481,549
<u>Liabilities and Net Assets</u>			
Current Liabilities			
Accounts payable	\$ 3,316	\$ 179,994	\$ 183,310
Accrued liabilities	123,748	26,675	150,423
Accrued wages	127	85,670	85,797
PWCC Kitchen Reserve	17,990	-	17,990
Deferred revenue	108,131	212,468	320,599
Interfund payables	328,748	-	328,748
Total Current Liabilities	582,060	504,807	1,086,867
Net Assets	4,168,489	226,193	4,394,682
Total Liabilities and Net Assets	\$ 4,750,549	\$ 731,000	\$ 5,481,549

The accompanying notes are an integral part of these financial statements.

Economic Opportunity Agency of Washington County, Inc.
Statement of Activities
For the Year Ended October 31, 2021
(See independent auditor's report.)

	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue			
Federal/state grants	\$ -	\$ 8,249,661	\$ 8,249,661
Interest	123	-	123
Non-federal contributions/revenues	149,361	361,561	510,922
In-kind donations	120,957	802,092	923,049
Net assets released from restrictions:			
Satisfaction of program restrictions	9,424,799	(9,424,799)	-
Total Revenues	<u>9,695,240</u>	<u>(11,485)</u>	<u>9,683,755</u>
Expenses			
Program services:			
Social services	1,749,676	-	1,749,676
Headstart	5,205,803	-	5,205,803
Children's services	825,830	-	825,830
Home energy assistance	1,695,924	-	1,695,924
Personal development & education	46,567	-	46,567
Supporting services:			
Management and general	89,273	-	89,273
Total Expenses	<u>9,613,073</u>	<u>-</u>	<u>9,613,073</u>
Increase (decrease) in net assets before other gains and losses	82,167	(11,485)	70,682
Other Gains and Losses			
Acquisition/disposition of assets	297,475	-	297,475
Realized gains/(losses)	356	-	356
Unrealized gains/(losses)	17,814	-	17,814
Depreciation	(260,290)	-	(260,290)
Total Other Gains and Losses	<u>55,355</u>	<u>-</u>	<u>55,355</u>
Change in Net Assets	137,522	(11,485)	126,037
Net Assets - Beginning of Year	<u>4,030,967</u>	<u>237,678</u>	<u>4,268,645</u>
Net Assets - End of Year	<u>\$ 4,168,489</u>	<u>\$ 226,193</u>	<u>\$ 4,394,682</u>

The accompanying notes are an integral part of these financial statements.

Economic Opportunity Agency of Washington County, Inc.
Statement of Functional Expenses
For the Year Ended October 31, 2021
(See independent auditor's report.)

	Program Services				Program Services		Supporting Services	Combined Totals (Memo)
	Social Services	Headstart	Children's Services	Home Energy Assistance	Personal Development & Education	Total Program Service	Management and General	
Salaries	\$ 551,182	\$ 2,891,603	\$ 591,730	\$ 128,873	\$ 2,926	\$ 4,166,314	\$ 49,719	\$ 4,216,033
Program costs and supplies	803,329	538,756	48,828	1,500,318	39,000	2,930,231	15,964	2,946,195
Employee benefits	31,692	252,734	34,092	7,075	360	325,953	2,681	328,634
Payroll taxes	40,195	191,106	42,114	9,517	77	283,009	3,875	286,884
Rent and space costs	27,404	282,393	4,619	9,369	11	323,796	127	323,923
Repairs and maintenance	-	214,911	10,661	-	-	225,572	-	225,572
Professional services	18,125	157,373	26,656	13,409	3,617	219,180	222	219,402
Nutrition services - children meals	179,774	1,766	1,772	-	-	183,312	-	183,312
Retirement contributions	21,801	122,601	17,433	5,565	283	167,683	2,603	170,286
Equipment	2,648	124,377	-	-	-	127,025	-	127,025
Staff development and training	3,036	111,597	1,971	48	-	116,652	129	116,781
Utilities	2,212	65,976	13,049	-	-	81,237	-	81,237
Insurance	4,254	52,206	6,640	799	206	64,105	8,935	73,040
Advertising, printing and copying	3,282	56,445	1,866	4,770	-	66,363	3,847	70,210
Communication	14,304	41,783	4,703	5,681	36	66,507	256	66,763
State unemployment insurance	7,041	36,913	11,448	2,054	45	57,501	332	57,833
Nutrition services - adult meals	-	42,125	3,650	-	-	45,775	-	45,775
Travel	24,099	6,531	165	-	-	30,795	-	30,795
Memberships and registration fees	8,472	3,550	3,164	23	6	15,215	-	15,215
Office expense	5,879	632	299	7,944	-	14,754	38	14,792
Vehicle expense	-	10,238	541	-	-	10,779	-	10,779
COVID-19 expenses	892	-	-	442	-	1,334	-	1,334
Janitorial services and lawn care	55	-	-	37	-	92	545	637
Food costs and commodities	-	187	-	-	-	187	-	187
Miscellaneous	-	-	429	-	-	429	-	429
Total	\$ 1,749,676	\$ 5,205,803	\$ 825,830	\$ 1,695,924	\$ 46,567	\$ 9,523,800	\$ 89,273	\$ 9,613,073

The accompanying notes are an integral part of these financial statements.

Economic Opportunity Agency of Washington County, Inc.
Statement of Cash Flows
For the Year Ended October 31, 2021
(See independent auditor's report.)

Cash Flows from Operating Activities:	
Change in net assets	\$ 126,037
Adjustments to reconcile (decrease) increase in net assets to net cash (required) provided by operating activities:	
Depreciation	204,143
Decrease (Increase) in Assets:	
Accounts receivable	(171,430)
Prepaid expenses	(49,102)
Inventory	92,827
Increase (Decrease) in Liabilities:	
Accounts payable	65,882
Accrued liabilities	74,385
Accrued wages	38,863
PWCC kitchen reserve	(2,424)
Deferred revenue	159,695
Net Cash Provided (Required) by Operating Activities	<u>538,876</u>
Cash Flows from Investing Activities:	
Investments	(18,205)
Capital expenditures	(241,328)
Net Cash Provided (Required) by Investing Activities	<u>(259,533)</u>
Increase (Decrease) in Cash and Cash Equivalents	279,343
Cash and cash equivalents - beginning of year	<u>468,425</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 747,768</u></u>

The accompanying notes are an integral part of these financial statements.

Economic Opportunity Agency of Washington County, Inc.
Notes to Financial Statements
October 31, 2021

1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Economic Opportunity Agency of Washington County, Inc. (the “Organization”) is a community action agency whose purpose is to make improvements in the lives of low-income individuals and families and communities in which they live, with the goal for clients of self-sufficient living. The Organization was authorized as part of the Economic Opportunity Act of 1965.

The Organization’s principal activities consist of carrying out programs under grants from the U.S. Department of Health and Human Services and the U.S. Department of Agriculture. The acceptance of these grants requires compliance with grant conditions, including the furnishing of certain cash or noncash contributions from non-federal sources.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis which is in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Under the accrual basis, revenues are recognized when earned rather than received, and expenses are recorded when the liability is incurred, rather than when payment is made. Net assets represent the cumulative excess of revenue recognized over expenses incurred.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted and highly liquid investments to be cash equivalents.

Investments

Investments consist of donor designated investment funds at a local foundation totaling \$93,318 at October 31, 2021. Arkansas Community Foundation has variance power over these investments.

Grants Receivable

Grants receivable at October 31, 2021, are predominantly due from various governmental agencies. These receivables are stated at the amounts to be collected from the grantors subsequent to the statement of financial position date. Due to the nature of the receivables, the Organization does not consider an allowance for doubtful accounts to be necessary.

Grant and Contract Revenue

Certain grant revenues are recognized for financial statement purposes to the extent of related allowable program expenses, as these grants operate on a reimbursement basis. Certain contract revenues are recognized for financial statement purposes based on the number of units served multiplied by the contract rate. Grants received in advance of satisfaction of award conditions are reported as deferred revenues until the conditions are substantially met.

Economic Opportunity Agency of Washington County, Inc.
Notes to Financial Statements
October 31, 2021

Inventories

Inventory consists of food items to be distributed as part of the Emergency Food Assistance Program, which have been designated as commodities. Cost is based on information provided by the U.S.D.A. using the first-in, first-out method.

Property and Equipment

Property and equipment are recorded at cost, or if contributed, at estimated fair values at the date of receipt. It is the Organization's policy to capitalize all asset purchases greater than \$1,000 while expensing all asset purchases under \$1,000. Depreciation is computed using the straight-line method using 20 to 40 years for buildings and land and 5 to 15 years for all other property and equipment. Depreciation expense for the year ended October 31, 2021, equaled \$260,290.

Property acquired is considered to be owned by the Organization while used in the program for which it was purchased on in future authorized programs; however, the property, its disposition as well as the ownership of any proceeds there from, is subject to federal regulations including federal government reversionary interests.

Compensated Absences

The Organization recognizes its obligation related to employees' rights to receive compensation for future absences attributable to employees' services already rendered. These rights are accumulated and accounted for in the general fund. Due to restrictions on funds by grantors, it is believed that the allocation of such amounts to the various funds would result in insignificant amounts to individual funds. The Organization's liability for compensated absences at October 31, 2021, was \$121,013, and is included in accrued liabilities on the statement of financial position.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar section of Arkansas Statutes. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Additionally, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A). Federal and state income tax statutes dictate that tax returns filed in any of the previous three reporting periods remain open to examination. Currently, the Organization has no open examinations with the Internal Revenue Service.

Generally accepted accounting principles require tax effects from an uncertain tax position to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax positions may be challenged. The Organization's primary tax positions relate to its status as a not-for-profit entity exempt from income taxes and classification of activities related to its exempt purpose. Management has evaluated the tax positions reflected in the Organization's tax filings and does not believe that any material uncertain tax positions exist.

Basis of Presentation

The Organization's financial statement presentation follows the Financial Accounting Standards Board ASU 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. A not-for-profit organization is required to report information regarding its financial

Economic Opportunity Agency of Washington County, Inc.
Notes to Financial Statements
October 31, 2021

position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. A description of these categories is as follows:

- Net Assets Without Donor Restrictions - Net assets which are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Contributions that are restricted by the donor are reported as increases in net assets without donor restriction if the restrictions expire in the fiscal year which the contributions are recognized.
- Net Assets With Donor Restriction - Net assets which consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.

Contributions

Support and revenues are reported as increases in unrestricted net assets unless the use of related assets is limited by donor imposed restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as increases in unrestricted net assets. Expenses are reported as decreases in unrestricted net assets.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Total in-kind contributions received equaled \$923,049 for the year ended October 31, 2021. Of this amount, \$781,391 was received by the Head Start and Early Head Start Programs.

Functional Expenses

Expenses are classified according to the categories for which they were incurred and are summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Generally, time is allocated as follows:

- Where possible, salaries and fringe are charged directly to the program for which work has been done. Otherwise, time is allocated based on the time recorded in employee time sheets or the number of dedicated employees.
- Costs benefiting all programs are allocated based on the number of classrooms for the program for Children's Services and on a time distribution study for social services programs.
- Occupancy and communication costs are allocated based on the percentage of square feet of occupancy.
- Accounting and audit costs are allocated using a per transaction cost for each program.

Economic Dependency

The Organization received approximately 86% of its revenues from federal, state and local sources during the year ended October 31, 2021. It is reasonably possible that in the near term these programs could reduce funding levels, which would cause a severe impact on the Organization and its ability to continue its operations. The Organization does not expect in any way that the support from these governmental agencies will be lost in the near term. At October 31, 2021, the Organization had accounts receivable from federal, state, and local sources in the amount of \$792,541 and anticipates that they will be fully collected.

Advertising

Economic Opportunity Agency of Washington County, Inc.
Notes to Financial Statements
October 31, 2021

It is the Organization's policy to expense advertising costs as they are incurred. For the year ended October 31, 2021, advertising expense was \$70,210.

Date of Management's Review

Management has evaluated subsequent events through April 15, 2022, the date on which the financial statements were available to be issued.

2. Cash and Cash Equivalents

Cash and cash equivalents are maintained at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. The bank balances of the Organization's cash deposits were fully insured or collateralized at October 31, 2021.

3. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions or board mandated restriction within one year of the statement of financial position date. Donor-restricted resources are available to support general expenditures to the extent that restrictions on those resources will be met by conducting the normal activities of the Organization's programs in the coming year.

Financial assets at year end	
Cash and cash equivalents	\$ 747,768
Investments	93,318
Accounts receivable	
Grants/contracts	790,730
Other	1,811
Less those unavailable for general expenditures within one year:	
Restricted net assets	(226,193)
Beneficial interest in assets held by others	<u>(93,318)</u>
Financial Assets available to meet cash needs for general expenditures within one year	<u>\$ 1,314,116</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically, money market funds.

4. Fair Value Measurement

Guidance provided by the FASB defines fair value as 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. When measuring a fair value, a fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability.

Economic Opportunity Agency of Washington County, Inc.
Notes to Financial Statements
October 31, 2021

The three levels of the fair value hierarchy are described below:

- Level 1 – Quoted prices in active market for identical assets or liabilities as the reporting date.
- Level 2 – Pricing inputs other than quoted prices included in Level 1, which are either directly observable or that can be derived or supported from observable data as of the reporting date.
- Level 3 – Pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are generally less observable from objective sources. These inputs may be used with internally developed techniques that result in management’s best estimate of fair value.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methods used may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used.

Funds managed by Arvest Asset Management, Legacy National Bank, and the Arkansas Community Foundation are valued at the closing price reported on the active or observable market on which the individual securities are traded.

The following table represents the Organization’s investments that are measured at fair value on a recurring basis at October 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Beneficial Interest in Future Earnings of Donor Designated Funds:				
Arkansas Community Foundation	\$ -	-	93,318	93,318
Total	<u>\$ -</u>	<u>-</u>	<u>93,318</u>	<u>93,318</u>

Economic Opportunity Agency of Washington County, Inc.
Notes to Financial Statements
October 31, 2021

5. Property and Equipment

Activity of property and equipment consists of the following:

	October 31, 2020	Additions	Disposals	October 31, 2021
Land	524,000	-	-	524,000
Buildings	4,606,042	-	-	4,606,042
Furniture & Equipment	1,149,658	297,475	(56,147)	1,390,986
	6,279,700	297,475	(56,147)	6,521,028
Less accumulated depreciation	(2,862,226)	(260,290)	56,147	(3,066,369)
	<u>3,417,474</u>	<u>37,185</u>	<u>-</u>	<u>3,454,659</u>

Beginning Balances of Land and Buildings have been reclassified

6. Leases

The Organization is obligated on a 5 year lease for office space. Rental payments of \$1,008 commenced January 11, 2020 and continue through December, 2025. Current year rent expense under this lease equaled \$12,092. Future minimum rental expense under this lease is as follows at October 31:

2022	\$ 12,092
2023	12,092
2024	12,092
2024	<u>2,015</u>
Total	<u>\$ 38,291</u>

7. Retirement Plan

The Organization is enrolled in a qualified 401(k) retirement plan. All full-time employees having completed one year of service are eligible to participate in the plan. The Organization contributes 6% of eligible participants' compensation each year. Vesting over a period of 6 years. The Organization's contributions to this plan for the year ended October 31, 2021 totaled \$145,410.

**Independent Auditor’s Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

Board of Directors
Economic Opportunity Agency of Washington County, Inc.

We have audited 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, the financial statements of Economic Opportunity Agency of Washington County, Inc. (the “Organization”), which comprise the statement of financial position as of October 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated April 15, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing 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 the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’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.

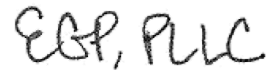
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not 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 the Organization’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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



April 15, 2022

Certified Public Accountants & Consultants
Bryant, Arkansas

**Independent Auditor's Report on Compliance for Each Major Federal Program and
Report on Internal Control over Compliance in Accordance with the Uniform Guidance**

Economic Opportunity Agency of Washington County, Inc.
Board of Directors

Report on Compliance for Each Major Federal Program

We have audited Economic Opportunity Agency of Washington County, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended October 31, 2021. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 October 31, 2021.

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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

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

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

EGP, PLLC

April 15, 2022

Certified Public Accountants & Consultants
Bryant, Arkansas

**Economic Opportunity Agency of Washington County, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended October 31, 2021**

Summary of Auditor's Results

Financial Statements

1. The opinion expressed in the independent accountants' report was:

Unmodified Qualified Adverse Disclaimed

2. The independent accountants' report on internal control over financial reporting described:

Material weakness(es)? Yes No
 Significant deficiency(ies) identified not considered to
 be a material weakness(es)? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit:

Yes No

Federal Awards

4. The independent accountants' report on internal control over compliance with requirements applicable to major federal awards programs described:

Material weakness(es)? Yes No
 Significant deficiency(ies) identified not considered to
 be a material weakness(es)? Yes No

5. The opinion expressed in the independent accountants' report on compliance with requirements applicable to major federal awards was:

Unmodified Qualified Adverse Disclaimed

6. The audit disclosed findings required to be reported in accordance with the *Uniform Guidance*?

Yes No

7. Identification of Major Programs:

<u>Program Title</u>	<u>CFDA #</u>
Head Start/ Early Head Start	93.600
Low Income Home Energy Assistance Program (LIHEAP)	93.568

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. Organization qualified as a low-risk auditee? Yes No

**Economic Opportunity Agency of Washington County, Inc.
Schedule of Findings and Questioned Costs
For the Year Ended October 31, 2021**

Findings Required to be Reported by *Government Auditing Standards*

No matters are reportable.

Findings Required to be Reported by 2 CFR 200.500

No matters are reportable.

**Economic Opportunity Agency of Washington County, Inc.
Summary Schedule of Prior Audit Findings
October 31, 2021**

Findings Required to be Reported by *Government Auditing Standards*

None reported.

Findings Required to be Reported by 2 CFR 200.500

None reported.

Economic Opportunity Agency of Washington County, Inc.
Schedule of Expenditures of Federal Awards
October 31, 2021

Federal Grantor/ CLUSTER NAME Program Name Pass-through Entity	CFDA Number	Passed Through to Sub- recipients	Federal Expenditures
US Department of Health and Human Services			
HEAD START CLUSTER			
Head Start	93.600	\$ -	3,411,820
Head Start CARES	93.600	-	42,378
Early Head Start Expansion	93.600	-	812,869
Early Head Start Expansion CARES	93.600	-	5,595
Head Start EHS American Rescue Plan	93.600	-	121,308
Total Head Start Cluster		-	4,393,970
477 CLUSTER			
Community Services Block Grant			
Passed through the Arkansas Department of Human Services	93.569	-	314,501
CSBG CARES			
Passed through the Arkansas Department of Human Services	93.569	-	205,600
Total 477 Cluster		-	520,101
CCDF CLUSTER			
DCCECE 2021 Federal American Rescue Plan			
Passed through the Arkansas Department of Human Services	93.575	-	60,652
CCDF Voucher			
Passed through the Arkansas Department of Human Services	93.575	-	99,682
Total CCDF Cluster		-	160,334
Low Income Home Energy Asst Prog			
Passed through the Arkansas Division of Environmental Quality	93.568	-	1,135,664
Low Income Home Energy Asst Program CARES			
Passed through the Arkansas Division of Environmental Quality	93.568	-	121,320
Low Income Home Energy Asst Program American Rescue Plan Act of 2021			
Passed through the Arkansas Division of Environmental Quality	93.658	-	435,300
SafeCare			
Passed through Arkansas Children's Hospital	93.767	-	337,669
Total US Department of Health and Human Services		-	7,104,358
US Department of Agriculture			
FOOD DISTRIBUTION CLUSTER			
Emergency Food Assistance - Admin			
Passed through the Arkansas Department of Human Services	10.568	-	14,043
Emergency Food Assistance - Commodities			
Passed through the Arkansas Department of Human Services	10.568	-	219,640
Total Food Distribution Cluster		-	233,683
Child Care Food Program			
Passed through the Arkansas Department of Human Services	10.558	-	179,774
Child Care Food Program Emergency Operational Costs Reimbursement			
Passed through the Arkansas Department of Human Services	10.558	-	-
Total US Department of Agriculture		-	413,457
US Department of Justice			
Crime Victims Act			
Passed through the Arkansas Department of Finance and Administration	16.575	-	382,177
Total US Department of Justice		-	382,177

Economic Opportunity Agency of Washington County, Inc.
Schedule of Expenditures of Federal Awards (continued)
October 31, 2021

Federal Grantor/ CLUSTER NAME Program Name Pass-through Entity	CFDA Number	Passed Through to Sub- recipients	Federal Expenditures
US Department of Housing and Urban Development			
AR Fresh Start Housing Stabilization Program (CDBG) Passed through the US Department of Housing & Urban Development	14.228	-	214,259
Total US Department of Housing and Urban Development		-	214,259
US Department of Treasury			
Arkansas Fresh Start Coronavirus Relief Fund Passed through the US Department of Housing & Urban Development	21.019	-	159,885
Total US Department of Treasury		-	159,885
Total Expenditures of Federal Awards		\$ -	8,274,136

Notes to Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "SEFA") includes the federal award activity of Economic Opportunity Agency of Washington County, Inc. under programs of the federal government for the year ended October 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Economic Opportunity Agency of Washington County, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Economic Opportunity Agency of Washington County, Inc.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Under the accrual basis, federal awards are considered as expenses (amounts expended) and are recognized when the related liability is incurred. The information in this schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Indirect Cost Rate

Economic Opportunity Agency of Washington County, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Economic Opportunity Agency of Washington County, Inc.
Schedule of Expenditures of State Awards
October 31, 2021

Grantor	Program Name	Pass-through Entity	Expenditures
United Way of Northwest Arkansas	Marshallese Individual Development Account (IDA) Program	Passed-through the University of Arkansas	\$ 46,567
Total United Way of Northwest Arkansas:			<u>\$ 46,567</u>

Economic Opportunity Agency of Washington County, Inc.
Statement of Financial Position
October 31, 2021
(See independent auditor's report.)

	EHS Expansion CARES Act	Headstart CARES Act	EHS Expansion	Headstart	Child Services Fund	Extended Day Child Program	HS/EHS Response and Relief Supp Approp Act	USDA School Nutrition
<u>Assets</u>								
Current Assets								
Cash and cash equivalents	\$ -	-	(18,862)	(120,118)	200,396	152,058	(6,394)	22,867
Investments	-	-	-	-	-	-	-	-
Accounts receivable								
Grants/contracts	-	126	46,330	346,886	-	-	7,038	25,848
Other	-	-	-	811	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Total Current Assets	-	126	27,468	227,579	200,396	152,058	644	48,715
Non-current Assets								
Fixed assets	-	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-	-
Total Non-current Current Assets	-	-	-	-	-	-	-	-
Total Assets	-	126	27,468	227,579	200,396	152,058	644	48,715
<u>Liabilities and Net Assets</u>								
Current Liabilities								
Accounts payable	-	126	25,984	142,748	1,074	1,554	645	1,748
Accrued liabilities	-	-	26,668	-	-	-	-	-
Accrued wages	-	-	614	84,046	-	561	-	-
PWCC Kitchen Reserve	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	108,131	141,383	-	46,967
Interfund payables	-	-	-	-	-	-	-	-
Total Current Liabilities	-	126	53,266	226,794	109,205	143,498	645	48,715
Net Assets								
With Donor Restrictions	-	-	(25,798)	785	40,270	8,560	(1)	-
Without Donor Restrictions	-	-	-	-	50,921	-	-	-
Total Liabilities and Net Assets	\$ -	126	27,468	227,579	200,396	152,058	644	48,715

Economic Opportunity Agency of Washington County, Inc.
Statement of Financial Position (continued)
October 31, 2021
(See independent auditor's report.)

	VOCA Fayetteville	Children's House	VOCA	Arkansas Better Chance	Preschool Development Grant	Safe Care Program	Marshall IDA Program	Agency
<u>Assets</u>								
Current Assets								
Cash and cash equivalents	-	84,636	(18,704)	-	-	(32,997)	(15,500)	578,960
Investments	-	-	-	-	-	-	-	93,318
Accounts receivable								
Grants/contracts	-	-	20,685	-	-	35,751	15,500	-
Other	-	1,000	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	49,102
Interfund receivables	-	-	-	-	-	-	-	328,748
Inventory	-	-	-	-	-	-	-	-
Total Current Assets	-	85,636	1,981	-	-	2,754	-	1,050,128
Non-current Assets								
Fixed assets	-	-	-	-	-	-	-	5,130,042
Less accumulated depreciation	-	-	-	-	-	-	-	(2,290,248)
Total Non-current Current Assets	-	-	-	-	-	-	-	2,839,794
Total Assets	-	85,636	1,981	-	-	2,754	-	3,889,922
<u>Liabilities and Net Assets</u>								
Current Liabilities								
Accounts payable	-	901	1,823	-	-	2,587	-	1,341
Accrued liabilities	-	341	-	-	-	-	-	123,407
Accrued wages	-	-	158	-	-	167	-	127
PWCC Kitchen Reserve	-	17,990	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Interfund payables	-	328,748	-	-	-	-	-	-
Total Current Liabilities	-	347,980	1,981	-	-	2,754	-	124,875
Net Assets								
With Donor Restrictions	-	-	-	-	-	-	-	-
Without Donor Restrictions	-	(262,344)	-	-	-	-	-	3,765,047
Total Liabilities and Net Assets	-	85,636	1,981	-	-	2,754	-	3,889,922

Economic Opportunity Agency of Washington County, Inc.
Statement of Financial Position (continued)
October 31, 2021
(See independent auditor's report.)

	Property and Equipment	USDA Commodities	CSBG	CSBG Discretionary Grant	CSBG CARES	Retired Senior Volunteer Program	Ark Fresh Start	CDBG Fresh Start
<u>Assets</u>								
Current Assets								
Cash and cash equivalents	-	49,898	(18,033)	-	(26,461)	-	105,835	-
Investments	-	-	-	-	-	-	-	-
Accounts receivable								
Grants/contracts	-	406	22,682	-	26,911	-	-	-
Other	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-	-	-
Inventory	-	15,413	-	-	-	-	-	-
Total Current Assets	-	65,717	4,649	-	450	-	105,835	-
Non-current Assets								
Fixed assets	1,390,986	-	-	-	-	-	-	-
Less accumulated depreciation	(776,121)	-	-	-	-	-	-	-
Total Non-current Current Assets	614,865	-	-	-	-	-	-	-
Total Assets	614,865	65,717	4,649	-	450	-	105,835	-
<u>Liabilities and Net Assets</u>								
Current Liabilities								
Accounts payable	-	-	1,287	-	451	-	-	-
Accrued liabilities	-	-	-	-	-	-	-	-
Accrued wages	-	-	-	-	-	-	-	-
PWCC Kitchen Reserve	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
Interfund payables	-	-	-	-	-	-	-	-
Total Current Liabilities	-	-	1,287	-	451	-	-	-
Net Assets								
With Donor Restrictions	-	65,717	3,362	-	(1)	-	105,835	-
Without Donor Restrictions	614,865	-	-	-	-	-	-	-
Total Liabilities and Net Assets	614,865	65,717	4,649	-	450	-	105,835	-

Economic Opportunity Agency of Washington County, Inc.
Statement of Financial Position (continued)
October 31, 2021
(See independent auditor's report.)

	IDA State	LIHEAP	LIHEAP Cares Act	LIHEAP American Rescue Plan	Total
<u>Assets</u>					
Current Assets					
Cash and cash equivalents	-	25,524	215	(215,552)	747,768
Investments	-	-	-	-	93,318
Accounts receivable					
Grants/contracts	-	2,226	-	240,341	790,730
Other	-	-	-	-	1,811
Prepaid expenses	-	-	-	-	49,102
Interfund receivables	-	-	-	-	328,748
Inventory	-	-	-	-	15,413
Total Current Assets	-	27,750	215	24,789	2,026,890
Non-current Assets					
Fixed assets	-	-	-	-	6,521,028
Less accumulated depreciation	-	-	-	-	(3,066,369)
Total Non-current Current Assets	-	-	-	-	3,454,659
Total Assets	-	27,750	215	24,789	5,481,549
<u>Liabilities and Net Assets</u>					
Current Liabilities					
Accounts payable	-	278	176	587	183,310
Accrued liabilities	-	7	-	-	150,423
Accrued wages	-	-	39	85	85,797
PWCC Kitchen Reserve	-	-	-	-	17,990
Deferred revenue	-	-	-	24,118	320,599
Interfund payables	-	-	-	-	328,748
Total Current Liabilities	-	285	215	24,790	1,086,867
Net Assets					
With Donor Restrictions	-	27,465	-	(1)	226,193
Without Donor Restrictions	-	-	-	-	4,168,489
Total Liabilities and Net Assets	-	27,750	215	24,789	5,481,549

Economic Opportunity Agency of Washington County, Inc.
Combining Statement of Activities
For the Year Ended October 31, 2021
(See independent auditor's report.)

	EHS Expansion CARES Act	Headstart CARES ACT	EHS Expansion	Headstart	Child Services Fund	Extended Day Childcare Program	HS/EHS Response & Relief Supp Approp Act
Revenue							
Federal and state grants	\$ 5,595	42,378	812,869	3,411,820	60,652	99,682	121,308
Non-federal contributions and revenues	-	-	-	1,333	15,000	150,166	-
In-kind donations	-	-	147,460	633,931	-	-	-
Interest Income	-	-	-	-	-	-	-
Total Revenues	5,595	42,378	960,329	4,047,084	75,652	249,848	121,308
Expenses							
Salaries	-	-	519,328	2,313,302	50,785	194,284	58,973
Payroll taxes	-	-	35,748	150,946	5,028	12,575	4,412
Employee benefits	-	-	47,220	202,991	-	5,152	2,523
Retirement contributions	-	-	19,730	99,618	-	2,167	3,253
State unemployment insurance	-	-	8,504	28,409	-	5,909	-
Professional services	43	91	30,744	126,057	997	7,199	438
Travel	-	-	966	5,378	-	61	187
Vehicle expense	-	2,249	2,568	5,421	-	-	-
Office expense	-	-	52	580	52	9	-
Rent and space costs	-	-	79,580	202,813	-	22	-
Equipment	-	32,129	25,039	17,239	-	-	49,970
Repairs & maintenance	-	-	35,865	179,046	-	7,546	-
Advertising, printing and copying	-	6,405	4,952	45,088	502	392	-
Janitorial and lawn care	-	-	-	-	-	-	-
Insurance	-	641	5,665	45,900	50	670	-
Utilities	-	-	5,850	60,126	87	4,604	-
Communication	1,221	241	7,444	31,324	239	1,092	1,553
Memberships and registration fees	-	-	876	2,674	25	37	-
Program costs and supplies	4,331	622	122,910	410,893	3,606	5,289	-
Nutrition services - children meals	-	-	57	1,709	-	1,770	-
Nutrition services - adult meals	-	-	7,175	34,950	1,831	446	-
Staff development and training	-	-	29,956	81,641	140	623	-
Food costs and commodities	-	-	-	187	-	-	-
COVID-19 expenses	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total Expenses	5,595	42,378	990,229	4,046,292	63,342	249,847	121,309
Increase (decrease) in net assets before other gains and losses	-	-	(29,900)	792	12,310	1	(1)
Other Gains and Losses							
Acquisition and disposal of assets	-	-	-	-	-	-	-
Realized gains/(losses)	-	-	-	-	-	-	-
Unrealized gains/(losses)	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Total Other Gains and Losses	-	-	-	-	-	-	-
Change in Net Assets	-	-	(29,900)	792	12,310	1	(1)
Net Assets - Beginning of Year	-	-	4,102	(7)	78,881	8,559	-
Net Assets - End of Year	\$ -	-	(25,798)	785	91,191	8,560	(1)

Economic Opportunity Agency of Washington County, Inc.
Combining Statement of Activities (continued)
For the Year Ended October 31, 2021
(See independent auditor's report.)

	USDA School Nutrition	VOCA Fayetteville	Children's House	VOCA	Safe Care Program	Marshalllese IDA Program	Agency
Revenue							
Federal and state grants	179,774	87,359	-	305,580	337,668	46,567	-
Non-federal contributions and revenues	-	-	136,604	-	-	-	447
In-kind donations	-	1,416	19,394	19,285	-	-	101,563
Interest Income	-	-	-	-	-	-	123
Total Revenues	179,774	88,775	155,998	324,865	337,668	46,567	102,133
Expenses							
Salaries	-	65,446	49,303	231,912	242,467	2,926	49,719
Payroll taxes	-	4,581	3,448	16,482	17,920	77	3,875
Employee benefits	-	4,907	3,772	20,261	13,465	360	2,681
Retirement contributions	-	3,014	2,736	9,516	5,573	283	2,603
State unemployment insurance	-	1,000	1,415	3,124	3,612	45	332
Professional services	-	3,767	9,805	4,888	696	3,617	222
Travel	-	-	52	52	23,967	-	-
Vehicle expense	-	-	541	-	-	-	-
Office expense	-	-	238	-	430	-	38
Rent and space costs	-	16	170	4,411	7,189	11	127
Equipment	-	-	-	-	2,648	-	-
Repairs & maintenance	-	-	2,606	509	-	-	-
Advertising, printing and copying	-	-	972	-	2,141	-	3,847
Janitorial and lawn care	-	-	-	-	-	-	545
Insurance	-	1,043	2,540	2,337	1,391	206	8,935
Utilities	-	-	1,442	6,916	2,212	-	-
Communication	-	609	377	2,386	5,911	36	256
Memberships and registration fees	-	9	3,066	27	400	6	-
Program costs and supplies	-	4,351	14,162	21,420	6,741	39,000	15,964
Nutrition services - children meals	179,774	-	2	-	-	-	-
Nutrition services - adult meals	-	-	1,373	-	-	-	-
Staff development and training	-	32	552	624	905	-	129
Food costs and commodities	-	-	-	-	-	-	-
COVID-19 expenses	-	-	-	-	-	-	-
Miscellaneous	-	-	429	-	-	-	-
Total Expenses	179,774	88,775	99,001	324,865	337,668	46,567	89,273
Increase (decrease) in net assets before other gains and losses	-	-	56,997	-	-	-	12,860
Other Gains and Losses							
Acquisition and disposal of assets	-	-	-	-	-	-	-
Realized gains/(losses)	-	-	-	-	-	-	356
Unrealized gains/(losses)	-	-	-	-	-	-	17,814
Depreciation	-	-	-	-	-	-	(184,837)
Total Other Gains and Losses	-	-	-	-	-	-	(166,667)
Change in Net Assets	-	-	56,997	-	-	-	(153,807)
Net Assets - Beginning of Year	-	-	(319,341)	-	-	-	3,918,854
Net Assets - End of Year	-	-	(262,344)	-	-	-	3,765,047

Economic Opportunity Agency of Washington County, Inc.
Combining Statement of Activities (continued)
For the Year Ended October 31, 2021
(See independent auditor's report.)

	Property and Equipment	USDA Com- modities	CSBG	CSBG CARES	Arkansas Fresh Start	CDBG Fresh Start	LIHEAP
Revenue							
Federal and state grants	-	142,951	314,501	205,600	163,026	214,259	1,141,452
Non-federal contributions and revenues	-	-	-	-	207,000	-	372
In-kind donations	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-
Total Revenues	-	142,951	314,501	205,600	370,026	214,259	1,141,824
Expenses							
Salaries	-	5,131	224,765	51,653	12,906	14,260	93,241
Payroll taxes	-	366	15,978	3,894	954	1,083	6,908
Employee benefits	-	431	15,168	1,575	925	128	5,271
Retirement contributions	-	308	13,278	2,081	469	92	3,937
State unemployment insurance	-	40	1,966	801	348	274	1,840
Professional services	-	1,358	2,220	10,134	2,713	1,004	12,115
Travel	-	-	132	-	-	-	-
Vehicle expense	-	-	-	-	-	-	-
Office expense	-	-	2,924	1,720	124	681	6,565
Rent and space costs	-	4,578	13,088	2,549	-	-	8,734
Equipment	-	-	-	-	-	-	-
Repairs & maintenance	-	-	-	-	-	-	-
Advertising, printing and copying	-	-	986	-	-	155	4,104
Janitorial and lawn care	-	18	37	-	-	-	37
Insurance	-	442	2,124	164	133	-	799
Utilities	-	-	-	-	-	-	-
Communication	-	1,365	5,589	691	424	324	4,549
Memberships and registration fees	-	3	8,069	-	-	-	23
Program costs and supplies	-	219,642	5,848	129,945	244,953	196,200	990,690
Nutrition services - children meals	-	-	-	-	-	-	-
Nutrition services - adult meals	-	-	-	-	-	-	-
Staff development and training	-	-	2,131	-	-	-	48
Food costs and commodities	-	-	-	-	-	-	-
COVID-19 expenses	-	-	198	394	242	58	442
Miscellaneous	-	-	-	-	-	-	-
Total Expenses	-	233,682	314,501	205,601	264,191	214,259	1,139,303
Increase (decrease) in net assets before other gains and losses	-	(90,731)	-	(1)	105,835	-	2,521
Other Gains and Losses							
Acquisition and disposal of assets	297,475	-	-	-	-	-	-
Realized gains/(losses)	-	-	-	-	-	-	-
Unrealized gains/(losses)	-	-	-	-	-	-	-
Depreciation	(75,453)	-	-	-	-	-	-
Total Other Gains and Losses	222,022	-	-	-	-	-	-
Change in Net Assets	222,022	(90,731)	-	(1)	105,835	-	2,521
Net Assets - Beginning of Year	392,843	156,448	3,362	-	-	-	24,944
Net Assets - End of Year	614,865	65,717	3,362	(1)	105,835	-	27,465

Economic Opportunity Agency of Washington County, Inc.
Combining Statement of Activities (continued)
For the Year Ended October 31, 2021
(See independent auditor's report.)

	LIHEAP CARES Act	LIHEAP American Rescue Plan	Total
Revenue			
Federal and state grants	121,320	435,300	8,249,661
Non-federal contributions and revenues	-	-	510,922
In-kind donations	-	-	923,049
Interest Income	-	-	123
Total Revenues	121,320	435,300	9,683,755
Expenses			
Salaries	16,320	19,312	4,216,033
Payroll taxes	1,171	1,438	286,884
Employee benefits	1,132	672	328,634
Retirement contributions	972	656	170,286
State unemployment insurance	25	189	57,833
Professional services	792	502	219,402
Travel	-	-	30,795
Vehicle expense	-	-	10,779
Office expense	13	1,366	14,792
Rent and space costs	635	-	323,923
Equipment	-	-	127,025
Repairs & maintenance	-	-	225,572
Advertising, printing and copying	337	329	70,210
Janitorial and lawn care	-	-	637
Insurance	-	-	73,040
Utilities	-	-	81,237
Communication	1,034	98	66,763
Memberships and registration fees	-	-	15,215
Program costs and supplies	98,889	410,739	2,946,195
Nutrition services - children meals	-	-	183,312
Nutrition services - adult meals	-	-	45,775
Staff development and training	-	-	116,781
Food costs and commodities	-	-	187
COVID-19 expenses	-	-	1,334
Miscellaneous	-	-	429
Total Expenses	121,320	435,301	9,613,073
Increase (decrease) in net assets before other gains and losses	-	(1)	70,682
Other Gains and Losses			
Acquisition and disposal of assets	-	-	297,475
Realized gains/(losses)	-	-	356
Unrealized gains/(losses)	-	-	17,814
Depreciation	-	-	(260,290)
Total Other Gains and Losses	-	-	55,355
Change in Net Assets	-	(1)	126,037
Net Assets - Beginning of Year	-	-	4,268,645
Net Assets - End of Year	-	(1)	4,394,682

Economic Opportunity Agency of Washington County, Inc.
Schedule of Units of Service for the Child and Adult Care Food Program
October 31, 2021

	CACFP MEALS REPORTED			
	Breakfast	Lunch	Supplements	Total
November	1,909	1,926	1,950	5,785
December	1,523	1,529	1,553	4,605
January	2,401	2,376	2,433	7,210
February	1,908	1,929	1,948	5,785
March	2,663	2,700	2,720	8,083
April	3,360	3,382	3,435	10,177
May	2,943	2,968	2,984	8,895
June	1,754	1,748	1,775	5,277
July	47	47	49	143
August	1,426	1,416	1,436	4,278
September	3,245	3,187	3,231	9,663
October	3,817	3,798	3,854	11,469
Total	26,996	27,006	27,368	81,370

Supplemental Data Sheet
October 31, 2021

Entity: Economic Opportunity Agency of Washington County, Inc.

Address: 614 East Emma Avenue, Suite M401
Springdale, Arkansas, 72764

EIN: 71-0390902

Phone: (479) 872-7479

Director: Delia Farmer

Contact Person: Julie Parker, Financial Officer

Audit Firm: EGP, PLLC

Lead Auditor: Lindsey Baker, CPA