
SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2016

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY CERTIFIED PUBLIC ACCOUNTANTS

CHARLOTTESVILLE □ RICHMOND □ FREDERICKSBURG □ STAUNTON □ BLACKSBURG □ LOUISA



SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2016

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ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Independent Auditors' Report

To the Board Members
Skyline Community Action Partnership, Inc.
Madison, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of Skyline Community Action Partnership, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, 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.

Auditors' 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 auditors' 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 Skyline Community Action Partnership, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2017, on our consideration of Skyline Community Action Partnership, 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 Skyline Community Action Partnership, Inc.'s internal control over financial reporting and compliance.

Robinson, Farned, Cox Associates

Charlottesville, Virginia
March 15, 2017

- Financial Statements -

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Statement of Financial Position

At June 30, 2016

<u>ASSETS</u>	
Current Assets:	
Cash and cash equivalents	\$ 744,452
Grants receivable	57,270
Prepaid expenses	26,684
Total current assets	<u>\$ 828,406</u>
Property and Equipment:	
Land	\$ 304,981
Office equipment	126,220
Modular buildings	237,772
Other buildings	599,334
Classroom improvements	5,334
Playground equipment	103,771
Health equipment	18,266
Subtotal	<u>\$ 1,395,678</u>
Accumulated depreciation	(528,764)
Total net property and equipment	<u>\$ 866,914</u>
Total assets	<u><u>\$ 1,695,320</u></u>
<u>LIABILITIES AND NET ASSETS</u>	
Current Liabilities:	
Accounts payable	\$ 8,163
Accrued expenses	58,664
Total current liabilities	<u>\$ 66,827</u>
Long-term Liabilities:	
Compensated absences	\$ 45,922
Note payable	185,025
Total long-term liabilities	<u>\$ 230,947</u>
Total liabilities	<u>\$ 297,774</u>
Net Assets:	
Unrestricted	\$ 1,139,599
Temporarily restricted	257,947
Total net assets	<u>\$ 1,397,546</u>
Total liabilities and net assets	<u><u>\$ 1,695,320</u></u>

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

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Statement of Activities
Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Total
Revenues, Gains, and Other Support			
Grants from government agencies:			
Federal Head Start funds	\$ -	\$ 1,373,618	\$ 1,373,618
Emergency Home Repair	-	8,938	8,938
Federal CSBG funds	-	124,088	124,088
Federal Housing Counseling	-	83,026	83,026
USDA	-	127,241	127,241
H.O.M.E.	-	5,759	5,759
Project Discovery	-	2,690	2,690
Greene County	-	42,367	42,367
Madison County	-	47,585	47,585
Orange County	-	2,000	2,000
TANF	-	30,000	30,000
Interest	1,172	-	1,172
Program income	1,380	24,921	26,301
Section 8 fees	134,474	-	134,474
Rental income	-	107,492	107,492
Other income	11,024	2,593	13,617
Total	<u>\$ 148,050</u>	<u>\$ 1,982,318</u>	<u>\$ 2,130,368</u>
Net assets released from restrictions:			
Restrictions satisfied by payments	<u>\$ 1,950,223</u>	<u>\$ (1,950,223)</u>	<u>\$ -</u>
Total revenues, gains, and other support:	<u>\$ 2,098,273</u>	<u>\$ 32,095</u>	<u>\$ 2,130,368</u>
Expenses:			
Program services	\$ 1,814,942	\$ -	\$ 1,814,942
Management and general	303,078	-	303,078
Total expenses	<u>\$ 2,118,020</u>	<u>\$ -</u>	<u>\$ 2,118,020</u>
Changes in net assets	\$ (19,747)	\$ 32,095	\$ 12,348
Net assets, beginning of year	<u>1,159,346</u>	<u>225,852</u>	<u>1,385,198</u>
Net assets, end of year	<u>\$ 1,139,599</u>	<u>\$ 257,947</u>	<u>\$ 1,397,546</u>

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

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Statement of Functional Expenses
Year Ended June 30, 2016

	Program Services	Management and General	Total
Salaries	\$ 941,988	\$ 189,529	\$ 1,131,517
Payroll taxes	93,997	15,414	109,411
Retirement contribution	10,841	6,709	17,550
Other employee benefits	116,988	39,121	156,109
Total salaries and related expenses	<u>\$ 1,163,814</u>	<u>\$ 250,773</u>	<u>\$ 1,414,587</u>
Professional fees	\$ 3,931	\$ 11,654	\$ 15,585
Client services	24,953	-	24,953
Insurance	15,807	2,216	18,023
Supplies	279,406	4,649	284,055
Communication	17,753	191	17,944
Postage and shipping	2,085	1,563	3,648
Equipment rental and maintenance	18,356	23,039	41,395
Dues and publications	2,314	3,404	5,718
Travel	19,588	417	20,005
Conferences and training	29,800	46	29,846
Occupancy	175,611	1,603	177,214
Emergency assistance	12,686	-	12,686
Other	9,657	3,523	13,180
Total expenses before depreciation	<u>\$ 1,775,761</u>	<u>\$ 303,078</u>	<u>\$ 2,078,839</u>
Depreciation	39,181	-	39,181
Total expenses	<u><u>\$ 1,814,942</u></u>	<u><u>\$ 303,078</u></u>	<u><u>\$ 2,118,020</u></u>

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

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Statement of Cash Flows
Year Ended June 30, 2016

Cash flows from operating activities:

Change in net assets \$ 12,348

Adjustments to reconcile change in net assets to net cash provided by
(used for) operating activities:

Depreciation 39,181
(Increase) decrease in grants receivable (8,672)
(Increase) decrease in prepaid expenses (16,326)
Increase (decrease) in accounts payable (16,821)
Increase (decrease) in accrued expenses 9,182
Increase (decrease) in compensated absences (9,696)

Net cash provided by (used for) operating activities \$ 9,196

Cash flows from financing activities:

Proceeds from note payable \$ 25

Net cash provided by (used for) financing activities \$ 25

Increase (decrease) in cash and cash equivalents \$ 9,221

Cash and cash equivalents, beginning of year 735,231

Cash and cash equivalents, end of year \$ 744,452

Supplemental Disclosure:

Interest paid \$ 5,900

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

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Description and Purpose of Agency

Skyline Community Action Partnership, Inc. ("the Organization") is the designated community action agency for the counties of Greene, Madison, and Orange, providing a range of programs and services, including Head Start, designed to ameliorate poverty and increase self-sufficiency of low income residents. In addition, the Organization operates a Head Start program in the counties of Rappahannock, Page, Warren and Shenandoah. The Organization has been determined to be a voluntary health and welfare organization and is therefore covered by the AICPA Industry Audit Guide, *Audits of Voluntary Health and Welfare Organizations*.

B. Financial Statement Presentations / Basis of Accounting

The Organization is funded by federal, state, and local funds. Its accounting policies are governed by applicable provisions of these grants and applicable pronouncements and publications of the grantors. The Organization utilizes the accrual basis of accounting where expenses are recognized in the accounting period in which the related liability is incurred and revenues from the various grantors are recognized as income when earned.

The Organization is required to report information regarding its financial position and activities according to three classes of net assets based on the existence or absence of donor-imposed restrictions:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations. At June 30, 2016, the Organization had \$1,139,599 of unrestricted net assets.

Temporarily restricted net assets: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At June 30, 2016, the Organization had \$257,947 of temporarily restricted net assets.

Permanently restricted net assets: Net assets subject to donor-imposed or other legal restrictions requiring that all principal be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned for either general or donor-specific purposes. At June 30, 2016, the Organization had no permanently restricted net assets.

C. Property and Equipment

Office equipment and vehicles with a cost of \$2,500 or greater are recorded at cost and depreciation is calculated on the straight-line basis over the estimated useful life of 5 years. Modular buildings and office space improvements are depreciated over a ten year life and a seven year life respectively. Depreciation expense for the year ended June 30, 2016 was \$39,181.

D. Use of 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.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2016 (continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Concentrations of Credit Risk

The Organization maintains cash balances at four financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2016 the Organization had a \$563 uninsured cash balance.

F. Income Taxes

Skyline Community Action Partnership, Inc. is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code.

G. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash on hand, cash in banks and money market funds to be cash and cash equivalents.

NOTE 2 - TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets are derived from the following sources:

<u>Program</u>	<u>Temporarily Restricted</u>
Head Start	\$ 49,073
Madison County	12,312
Greene County	19,603
Orange County	994
HOME	11,619
Home - Program Income	81,558
Grant - Dental Care	3,842
Family - Community Partnership	626
Project Discovery	2,711
Dominion VA Energy Share	5,743
BAMA Grant	1,305
Madison Dental	368
VHDA Housing Counseling	247
Charlottesville Area Community Foundation	5,000
American Woodwork Foundation, Inc.	304
Montague Miller	425
Bishop Trust	1,186
Mary W. Bowers Foundation	1,501
Community Foundation of Northern Shenandoah Valley	2,276
EHR - Orange, Greene, Madison	3,814
Front Royal Rotary Club	928
Skyline Apartments	52,512
Total	<u>\$ 257,947</u>

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2016 (continued)

NOTE 3 - OPERATING LEASE COMMITMENTS:

The Organization leases office space and other facilities from various lessors. The lease terms are generally for one year with provisions for additional one year renewals. Rent expense for the year ended June 30, 2016 was \$44,088.

NOTE 4 - COMPENSATED ABSENCES:

The Organization's employees earn leave based on length of service. No benefits or pay is received for unused sick leave upon termination by employees. The Organization accrued a total amount of \$45,922 annual leave at June 30, 2016.

NOTE 5 - PROPERTY AND EQUIPMENT:

Property and equipment, at cost, and accumulated depreciation at June 30, 2016 are as follows:

Land	\$	304,981
Office equipment		126,220
Modular buildings		237,772
Other buildings		599,334
Classroom improvements		5,334
Playground equipment		103,771
Health equipment		18,266
		<hr/>
Total	\$	1,395,678
Less accumulated depreciation		(528,764)
		<hr/>
Net total	\$	866,914
		<hr/>

NOTE 6 - NOTE PAYABLE:

The Organization borrowed \$185,025 in May 2015. The note has been refinanced and is now due in February 2021. Interest payments at 0.25% under the Wall Street Journal Prime Rate are due monthly. The note is secured by a certificate of deposit held by the lending institution.

NOTE 7 - CONCENTRATION RISK OF RECEIVABLE:

The Organization receives its revenue primarily from federal and state agencies. Therefore, it will have a relatively low level of concentration risk of uncollected receivables.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2016 (continued)

NOTE 8 - RETIREMENT PLAN:

The Organization has a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. Employees who work twenty or more hours per week are eligible to participate beginning the first of the month following completion of their 90 day introductory period. Participants can make tax deferred voluntary contributions to the plan subject to limits of the law. The employer must make contributions to the plan allocated to each active participant based on a fixed percentage of the participant's contribution per payroll period to the plan. Total employer contributions amounted to \$17,550 for the year ended June 30, 2016. Total covered payroll for the retirement plan was \$462,256 and the total payroll for the Organization was \$1,131,517 for the year ended June 30, 2016.

NOTE 9 - CONTINGENT LIABILITIES:

Federal programs in which the Organization participates were audited in accordance with the provisions of the *Uniform Guidance*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the federal government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

NOTE 10 - SUBSEQUENT EVENTS:

Management has evaluated events and transactions for potential recognition or disclosure through March 15, 2017, the date on which the financial statements were available to be issued. There were no subsequent events to be disclosed.

- Compliance -

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' 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 Members
Skyline Community Action Partnership, Inc.
Madison, Virginia

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 Skyline Community Action Partnership, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, 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 March 15, 2017.

Internal Control over Financial Reporting

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

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.

Robinson, Kammal, Cox Associates

Charlottesville, Virginia

March 15, 2017

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Board Members
Skyline Community Action Partnership, Inc.
Madison, Virginia

Report on Compliance for Each Major Federal Program

We have audited Skyline Community Action Partnership, Inc.'s (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Skyline Community Action Partnership, Inc.'s major federal programs for the year ended June 30, 2016. Skyline Community Action Partnership, Inc.'s major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Skyline Community Action Partnership, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and *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 Skyline Community Action Partnership, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Skyline Community Action Partnership, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Skyline Community Action Partnership, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control over Compliance

Management of Skyline Community Action Partnership, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Skyline Community Action Partnership, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Skyline Community Action Partnership, Inc.'s internal control over compliance.

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

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

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

Robinson, Farned, Cox Associates
Charlottesville, Virginia
March 15, 2017

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Agriculture:			
Direct Payments:			
Child and Adult Care Food Program	10.558	N/A	\$ <u>127,241</u>
Department of Health and Human Services:			
Direct Payments:			
Head Start	93.600	N/A	\$ 1,373,618
Pass-through Payments:			
Virginia Department of Social Services:			
Community Services Block Grant	93.569	CVS-09-066-25	124,088
Temporary Assistance for Needy Families	93.558	CVS-09-066-25	<u>30,000</u>
Total Department of Health and Human Services			\$ <u>1,527,706</u>
Department of Housing and Urban Development:			
Direct Payments:			
Housing Counseling Assistance Program	14.169	N/A	\$ 83,026
Pass-through Payments:			
Thomas Jefferson Planning District Commission:			
HOME Investment Partnerships Program	14.239	Not Available	<u>10,504</u>
Total Department of Housing and Urban Development			\$ <u>93,530</u>
Total Expenditures of Federal Awards			\$ <u><u>1,748,477</u></u>

See accompanying notes to schedule of expenditures of federal awards.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Skyline Community Action Partnership, Inc. under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of Skyline Community Action Partnership, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Skyline Community Action Partnership, Inc.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2016

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section .516 (a)?	No

Identification of major programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start

Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2016

There were no findings in the prior year.