

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2020  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2020**

**Table of Contents**

Independent Auditor’s Report	1 - 2
Financial Statements:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 13
Supplementary Information:	
Combining Schedules of Financial Position	14
Combining Schedules of Activities – With and Without Restrictions	15
Kansas Housing Resource Corporation:	
Combining Schedule of Financial Position	16 - 17
Combining Schedule of Activities	18 - 19
U.S. Department of Health and Human Services:	
Combining Schedule of Financial Position	20
Combining Schedule of Activities	21
Kansas Department for Children and Families:	
Combining Schedule of Financial Position	22
Combining Schedule of Activities	23
U.S. Department of Housing and Urban Development:	
Combining Schedule of Financial Position	24
Combining Schedule of Activities	25

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2020**

Miscellaneous Programs:

Combining Schedule of Financial Position 26 - 27

Combining Schedule of Activities 28 - 29

Miscellaneous Programs – Public Donations:

Individual Schedules of Financial Position 30 - 31

Individual Schedules of Activities 32 - 33

Miscellaneous Programs – Housing:

Individual Schedules of Financial Position 34 - 36

Individual Schedules of Activities 37 - 39

Schedule of Expenditures of Federal Awards 40 - 41

Notes to Schedule of Expenditures of Federal Awards 42

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* 43 - 44

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance 45 - 46

Schedule of Findings and Questioned Costs 47

Summary Schedule of Prior Year Audit Findings 48

## Independent Auditor's Report

The Board of Directors  
East Central Kansas Economic Opportunity Corporation

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

We have audited the accompanying financial statements of East Central Kansas Economic Opportunity Corporation (ECKAN) (a nonprofit organization), which comprise the statement of financial position as of March 31, 2020, 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 the 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 the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Central Kansas Economic Opportunity Corporation as of March 31, 2020, 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 supplemental information on pages 14-39 and 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*, are presented for purposes of additional analysis and are 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 September 1, 2020, on our consideration of the Organization's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of East Central Kansas Economic Opportunity Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Summers, Spencer & Company P.A.*

Summers, Spencer & Company, P.A.  
Lawrence, Kansas

September 1, 2020

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**STATEMENT OF FINANCIAL POSITION**

March 31,	2020
<b>ASSETS</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 665,348
Grants and contributions receivable	309,491
Other receivables	7,411
<i>Total current assets</i>	982,250
<b>Property and equipment, net</b>	4,063,876
<b>Other assets</b>	
Restricted cash	1,089
<i>Total assets</i>	\$ 5,047,215
<b>LIABILITIES AND NET ASSETS</b>	
<b>Current liabilities</b>	
Accounts payable	\$ 71,011
Accrued payroll liabilities	323,400
Rent deposits	27,910
Deferred income	13,396
Escrow accounts	1,089
Current portion of notes payable	124,054
<i>Total current liabilities</i>	560,860
<b>Notes payable, long-term</b>	1,014,124
<i>Total liabilities</i>	1,574,984
<b>Net assets</b>	
Without donor restrictions	
Undesignated	3,036,179
With donor restrictions	
Purpose restrictions	436,052
<i>Total net assets</i>	3,472,231
<i>Total liabilities and net assets</i>	\$ 5,047,215

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**STATEMENT OF ACTIVITIES**

For the year ended March 31,	2020		
	Net assets without restrictions	Net assets with restrictions	Total
<b>Support and revenue</b>			
Grants	\$ 5,076,882	\$ 3,431,230	\$ 8,508,112
Contributions and program income	11,696	82,836	94,532
In-kind contributions	511,494	-	511,494
USDA reimbursement	163,424	-	163,424
Rental fees	400,067	-	400,067
Other revenues	89,011	4,086	93,097
Interest revenue	148	25	173
Amounts released from restriction	3,779,876	(3,779,876)	-
<i>Total support and revenue</i>	<u>10,032,598</u>	<u>(261,699)</u>	<u>9,770,899</u>
<b>Expenses</b>			
Program services	9,543,728	-	9,543,728
General and administrative	610,799	-	610,799
<i>Total expenses</i>	<u>10,154,527</u>	<u>-</u>	<u>10,154,527</u>
<b>Change in net assets</b>	(121,929)	(261,699)	(383,628)
<b>Net assets, beginning of year</b>	<u>3,158,108</u>	<u>697,751</u>	<u>3,855,859</u>
<b>Net assets, end of year</b>	<u>\$ 3,036,179</u>	<u>\$ 436,052</u>	<u>\$ 3,472,231</u>

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

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**STATEMENT OF FUNCTIONAL EXPENSES**

For the year ended March 31,	2020		
	Program Services	General and Administrative	Totals
Personnel	\$ 2,988,694	\$ 333,027	\$ 3,321,721
Employer taxes and fringe benefits	781,857	62,352	844,209
Insurance	57,364	25,109	82,473
Program support	23,839	-	23,839
Child services	313,634	-	313,634
Consumable supplies	304,599	-	304,599
Contractual services	711,628	10,578	722,206
Equipment	96,226	1,750	97,976
Materials and supplies	973,987	17,384	991,371
Professional services	13,569	72,091	85,660
Food program	166,367	-	166,367
Housing assistance payments	980,599	-	980,599
Rent	119,707	3,962	123,669
Interest expense	70,312	-	70,312
Property taxes	4,478	-	4,478
Utilities	174,077	19,122	193,199
Repairs and maintenance	187,317	12,368	199,685
Travel	91,312	6,862	98,174
Vehicle expenses	67,562	571	68,133
Training	74,440	7,772	82,212
Postage and printing	37,440	2,750	40,190
Meetings	5,415	6,861	12,276
Dues and subscriptions	41,205	2,508	43,713
Health and safety	454,054	-	454,054
Other	19,596	46	19,642
Youth activities	1,775	-	1,775
Depreciation	259,712	25,686	285,398
Indirect cost	11,469	-	11,469
In kind expenses	511,494	-	511,494
	\$ 9,543,728	\$ 610,799	\$ 10,154,527



EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

STATEMENT OF CASH FLOWS

For the year ended March 31,	2020
<b>Cash flows from operating activities</b>	
Cash received from grants	\$ 8,730,883
Cash received from contributions and program income	98,515
Cash received from USDA reimbursements	163,424
Cash received from rentals	399,967
Cash received from other revenues	91,736
Cash paid to employees and suppliers	(9,312,653)
Interest expense	(70,312)
Interest received	173
Net cash provided by operating activities	101,733
<b>Cash flows from investing activities</b>	
Purchase of property and equipment	(28,079)
Net cash used in investing activities	(28,079)
<b>Cash flows from financing activities</b>	
Payments on long term debt	(111,836)
Net cash used in financing activities	(111,836)
<b>Net decrease in cash and cash equivalents</b>	(38,182)
<b>Cash, cash equivalents and restricted cash, beginning of year</b>	704,619
<b>Cash, cash equivalents and restricted cash, end of year</b>	\$ 666,437

# EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

## NOTES TO FINANCIAL STATEMENTS

### **Note 1 – Nature of organization**

East Central Kansas Economic Opportunity Corporation, "ECKAN", (the Organization), is a Community Action agency founded in 1966. ECKAN provides services to low-income individuals and families in 16 counties. The agency has community centers in 8 of those 16 counties - Miami, Coffey, Lyon, Franklin, Douglas, Anderson, Osage, and Morris counties. Services provided include: Weatherization, Head Start and Early Head Start, HUD and Rental Housing, Food programs, and a variety of direct service programs stemming out of the community centers. ECKAN receives the majority of its funding from the federal government, and State of Kansas, through grant revenues. Major grants include: (1) Kansas Housing Resources Corporation grants for the administration of ECKAN; (2) Kansas Housing Resources Corporation grant for the purpose of weatherizing homes; (3) U.S. Department of Health and Human Services grants for the Head Start programs; (4) U.S. Department of Housing and Urban Development funds for the Housing Vouchers program, which helps match eligible families with available housing, and (5) Kansas Department for Children and Families grants for the 0-3 Head Start programs. In addition to the above, ECKAN received various grants from donations which are used to provide help to low-income individuals and families.

### **Note 2 – Summary of significant accounting policies**

#### **Basis of accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Net assets**

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

The Organization's unspent contributions are reported in net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

#### **Use of estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that will affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

# EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

## NOTES TO FINANCIAL STATEMENTS

### Cash and cash equivalents

The Organization considers all cash and invested cash with original maturities not in excess of three months to be cash equivalents.

### Grants and contributions receivable

Grants receivable are valued at their estimated collectible amounts. The Organization uses estimates in computing the allowance for doubtful accounts. Accounts are written off when deemed uncollectible. No allowance for doubtful accounts has been calculated since management believes that the receivable is fully collectible.

### Property and equipment

Fixed assets are recorded at cost, if purchased. Donated fixed assets are reported at estimated fair value at the date of contribution. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Certain grantors require that any proceeds from the sale or disposal of property and equipment purchased with federal or state funds be used to further the original program objective or be refunded to the grantor. As of March 31, 2020, certain property and equipment with a net carrying amount of \$721,770 were purchased with these funds. Depreciation is recorded on the straight-line method over the estimated useful lives of the assets as follows:

Buildings	20 - 30 years
Equipment	3 - 7 years
Vehicles	5 years

### Revenue recognition

The Organization recognizes revenue from its program revenue fees during the year in which the related service is provided to its customer. The performance obligation of delivering services is simultaneously received and consumed by the customer; therefore, the revenue is recognized at the time of service.

Contributions are recognized when cash, or other assets, or an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

### Revenue with and without restrictions

Contributions restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets with donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

### In-kind donations

The Organization received donated professional services in the amount of \$241,473 for the year ended March 31, 2020. Such amounts, which are based upon information provided by third-party providers, are recorded at their estimated fair value determined on the date of contribution and are reported as in-kind contributions and in-kind expenses on the accompanying statement of activities and statement of functional expenses. The services performed include program type activities performed by volunteers for Head Start and other programs.

# EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

## NOTES TO FINANCIAL STATEMENTS

### Income taxes

The Organization is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code as provided by a determination letter received from the Internal Revenue Service.

The Organization has adopted the provisions of FASB ASC 740-10, Accounting for Income Taxes. This standard clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statements. The standard prescribes recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The Organization has not identified any uncertain tax positions. The Organization's income tax returns are subject to review and examination by federal, state, and local authorities. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

### Concentration of credit risk

The Organization is subject to credit risk due to bank accounts that are placed in financial institutions. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to federally insured limits. Amounts in excess of these limits were \$169,210 at March 31, 2020.

### Recently adopted accounting guidance

In May 2014, FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which provides a robust framework for addressing revenue recognition issues and replaces most of the existing revenue recognition guidance including industry-specific guidance, in current U.S. GAAP. The standard is effective for nonpublic entities for periods beginning after December 15, 2018. Accordingly, the Organization has adopted the guidance as of April 1, 2019. The Organization has analyzed the provisions of the FASB's ASC Topic 606, Revenue from Contracts with Customers, and has concluded that no material changes are necessary to conform with the new standard.

In June 2018, the FASB issued ASU 2018-08, Clarifying the Scope and Accounting Guidance for Contributions Received and Made. The guidance assists entities in (1) evaluating whether transactions should be accounted for as contributions or as exchange transactions and (2) determining whether a contribution is conditional. The standard is effective for fiscal years beginning after December 31, 2018. Accordingly, the Organization has adopted this guidance as of April 1, 2019 and has concluded that no material changes are necessary to conform with the new standard.

### Note 3 – Cash, cash equivalents and restricted cash

For purposes of the statements of financial position and cash flows, cash and cash equivalents consist of cash and other highly liquid resources, such as investments in certificates of deposit and money market funds, with an original maturity of three months or less when purchased. Restricted cash consists of those amounts held by the Organization on behalf of individuals participating in rent subsidy programs with the U.S Department of Housing and Urban Development until certain time requirements are met. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statement of financial position that sums to the totals of the same such amounts presented in the statement of cash flows as of March 31, 2020:

Cash and cash equivalents	\$ 665,348
Restricted cash	<u>1,089</u>
Total cash, cash equivalents and restricted cash	<u>\$ 666,437</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 4 – Liquidity and availability**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following as of March 31, 2020:

Cash and cash equivalents	\$ 665,348
Grants and contributions receivable	309,491
Other receivables	<u>7,411</u>
Total financial assets available within one year	982,250
Less those generally unavailable for expenditures due to:	
Donor-imposed restrictions	<u>(436,052)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 546,198</u></u>

The Organization regularly monitors liquidity to meet its operating needs, commitments and obligations, while striving to maximize the investments of its available funds. For purposes of analyzing resources available to meet general expenditures over the next 12 months, the Organization considers all expenditures related to its ongoing mission. The Organization anticipates collecting sufficient revenue from grants and other sources to cover general expenditures not covered by donor-restricted resources.

**Note 5 – Grants and contributions receivable**

Grants and contributions receivable consist of the following amounts due and expended at March 31, 2020:

U.S. Department of Health and Human Services	\$ 215,759
Kansas Department for Children and Families	85,711
Other	<u>8,021</u>
	<u><u>\$ 309,491</u></u>

**Note 6 – Property and equipment**

Property and equipment include the following as of March 31, 2020:

Equipment	\$ 341,843
Buildings	6,690,732
Vehicles	<u>749,585</u>
	7,782,160
Less: Accumulated depreciation	<u>(3,718,284)</u>
	<u><u>\$ 4,063,876</u></u>

Depreciation expense for the year ended March 31, 2020 was \$285,398.

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7 – Compensated absences**

The Organization provides for sick and vacation leave. Non-classroom employees are entitled to paid vacation depending on length of service up to 24 hours per month. Classroom employees (Head Start) accrue combined leave one full day per month. The maximum accrual is equivalent to one year’s accrual. After the maximum has been reached, employees will follow the policy for selling unused leave time. Unused leave may be paid to the employee up to one-half of their accrual annual leave once each year in lieu of taking the time off. Accrued compensated absences payable at March 31, 2020, is \$79,881.

**Note 8 – Notes payable**

Notes payable as of March 31, 2020 consists of the following:

Mortgage note payable, due in monthly installments of \$2,339 including interest at 6.25%, secured by certain buildings, due 4/20/25	\$ 121,681
Mortgage note payable, due in monthly installments of \$583 including interest at 4.50%, secured by certain homes, due 8/10/43	99,626
Mortgage note payable, due in monthly installments of \$779 including interest at 3.75%, secured by certain homes, due 3/1/31	83,944
Mortgage note payable, due in monthly installments of \$3,595 including interest at 6.25%, secured by certain buildings, due 4/18/25	187,013
Mortgage note payable, due in monthly installments of \$668 including interest at 6.50%, secured by certain buildings, due 9/15/27	47,342
Mortgage note payable, due in monthly installments of \$3,588 including interest at 5.50%, secured by certain buildings, due 6/10/25	195,091
Mortgage note payable, due in monthly installments of \$1,893 including interest at 5.324%, secured by certain homes, due 7/25/28	217,013
Mortgage note payable, due in monthly installments of \$1,279 including interest at 4.47%, secured by certain buildings, due 12/10/34	166,091
Mortgage note payable, due in monthly installments of \$400 including interest at 5.00%, secured by certain homes, due 12/31/24	20,377
	1,138,178
Less: Current portion	(124,054)
	\$ 1,014,124

Future principal maturities are summarized as follows:

<u>Year ending March</u>	
2021	\$ 124,054
2022	130,608
2023	138,278
2024	146,321
2025	153,972
Thereafter	444,945
	\$ 1,138,178

Interest expense was \$70,312 for the year ended March 31, 2020.

## EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

### NOTES TO FINANCIAL STATEMENTS

#### Note 9 – Net assets with donor restrictions – purpose restrictions

Net assets with donor restrictions – purpose restrictions are available for the following purposes at March 31, 2020:

Community services	\$ 318,776
County services	116,563
Other	713
	<u>\$ 436,052</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by the donors as follows:

Community services	\$ 3,605,452
Housing services	1,243
County services	159,092
Other	14,089
	<u>\$ 3,779,876</u>

#### Note 10 – Revenue concentration

The Organization received 90% of its support through grants from the State of Kansas and Federal Government agencies. During the year ended March 31, 2020, four agencies accounted for 99% of total grants received by the Organization. Any changes to the grant funding could materially affect the operations of the Organization.

#### Note 11 – Retirement plan

The Organization sponsors a 401(k) retirement plan. The employer contributions are discretionary. In the current year, the Organization will match 25% of employee contributions up to 5% of an employee's annual salary. An eligible employee is an employee who is at least 21 years old, has worked for the Organization for at least one year, and worked over 1,000 hours a year. Employees are fully vested after 7 years of continuous employment. For the year ended March 31, 2020, total employer contributions were \$24,208.

#### Note 12 – Functional expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, employer taxes and fringe benefits, contractual services, travel, training and meetings based on direct service hours as well as rent, utilities, repairs and maintenance and depreciation which are allocated on a square footage basis. Insurance, equipment, material and supplies, professional services, dues and subscriptions and other expenses are based on a combination of usage and direct service hours.

#### Note 13 – Commitments and contingencies

The Organization receives significant financial assistance from numerous federal and state governmental agencies grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the Organization as of March 31, 2020. Management has not been notified of any disallowed claims through September 1, 2020.

## EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

### NOTES TO FINANCIAL STATEMENTS

#### **Note 14 – Operating leases**

The Organization leases various buildings for its centers and central office under operating leases with options to renew on a monthly or annual basis. Rent expense under these operating leases totaled was \$123,669 for the year ended March 31, 2020.

The Organization leases certain office space to an outside business under an operating lease expiring on December 31, 2022 in the amount of \$2,028 per month. Total lease income for the year ended March 31, 2020 totaled \$24,338.

The Organization leases certain residential buildings throughout the area it serves. These lease terms are month to month and vary in rates based on the size of the house, location and the income level of its tenants.

#### **Note 15 – Recent accounting pronouncements**

In February 2016, FASB issued ASU 2016-02, *Leases*, which, among other things, requires the recognition of lease assets and lease liabilities for operating leases on the statement of financial position for lessees, and the disclosure of key information about leasing arrangements. The standard is effective for fiscal years beginning after December 15, 2021. Early application is permitted. The standard will need to be applied retrospectively in the year adopted. It is management's responsibility to ensure appropriate adoption of ASU 2016-02.

#### **Note 16 – Subsequent events**

Management has evaluated subsequent events through September 1, 2020, the date which the financial statements were available to be issued.

As a result of significant disruption in the U.S. economy due to the outbreak of the COVID-19 coronavirus in 2020, uncertainties have arisen which are likely to negatively impact future operating results. The duration and extent to which COVID-19 may impact financial performance is unknown at this time.



**SUPPLEMENTARY INFORMATION**

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**COMBINING SCHEDULES OF FINANCIAL POSITION  
MARCH 31, 2020**

	Kansas Housing Resources Corporation	U.S. Department of Health and Human Services	Kansas Department for Children and Families	U.S Department of Housing and Urban Development	Miscellaneous Programs	Indirect Cost Pool	Payroll Clearing Account	Eliminations	Total
<b>ASSETS</b>									
<b>Current assets</b>									
Cash and cash equivalents	\$ 379,795	\$ (64,318)	\$ (24,339)	\$ 102,269	\$ 182,271	\$ (177)	\$ 89,847	\$ -	\$ 665,348
Grants and contributions receivable	-	223,992	85,711	-	(212)	-	-	-	309,491
Other receivables	7,126	-	-	-	285	-	-	-	7,411
Due from other funds	7,665	12,941	16,686	-	25,204	2,862	232,553	(297,911)	-
<i>Total current assets</i>	<u>394,586</u>	<u>172,615</u>	<u>78,058</u>	<u>102,269</u>	<u>207,548</u>	<u>2,685</u>	<u>322,400</u>	<u>(297,911)</u>	<u>982,250</u>
<b>Property and equipment, net</b>									
Equipment	-	-	-	15,369	326,474	-	-	-	341,843
Buildings	-	-	-	-	6,690,732	-	-	-	6,690,732
Vehicles	-	-	-	16,012	733,573	-	-	-	749,585
	-	-	-	31,381	7,750,779	-	-	-	7,782,160
Less: Accumulated depreciation	-	-	-	(31,381)	(3,686,903)	-	-	-	(3,718,284)
<i>Total property and equipment, net</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,063,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,063,876</u>
<b>Other assets</b>									
Restricted cash	-	-	-	1,089	-	-	-	-	1,089
<i>Total assets</i>	<u>\$ 394,586</u>	<u>\$ 172,615</u>	<u>\$ 78,058</u>	<u>\$ 103,358</u>	<u>\$ 4,271,424</u>	<u>\$ 2,685</u>	<u>\$ 322,400</u>	<u>\$ (297,911)</u>	<u>\$ 5,047,215</u>
<b>LIABILITIES AND NET ASSETS</b>									
<b>Current liabilities</b>									
Accounts payable	\$ 18,831	\$ 36,093	\$ 1,144	\$ -	\$ 6,499	\$ 8,444	\$ -	\$ -	\$ 71,011
Accrued payroll liabilities	-	-	1,000	-	-	-	322,400	-	323,400
Rent deposits	-	-	-	-	27,910	-	-	-	27,910
Deferred income	13,396	-	-	-	-	-	-	-	13,396
Escrow accounts	-	-	-	1,089	-	-	-	-	1,089
Due to Other Funds	43,583	114,419	72,383	10,279	28,805	28,442	-	(297,911)	-
Current portion of notes payable	-	-	-	-	124,054	-	-	-	124,054
<i>Total current liabilities</i>	<u>75,810</u>	<u>150,512</u>	<u>74,527</u>	<u>11,368</u>	<u>187,268</u>	<u>36,886</u>	<u>322,400</u>	<u>(297,911)</u>	<u>560,860</u>
<b>Notes payable, long-term</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,014,124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,014,124</u>
<i>Total liabilities</i>	<u>75,810</u>	<u>150,512</u>	<u>74,527</u>	<u>11,368</u>	<u>1,201,392</u>	<u>36,886</u>	<u>322,400</u>	<u>(297,911)</u>	<u>1,574,984</u>
<b>Net assets</b>									
Without donor restrictions	-	22,103	3,531	91,990	2,952,756	(34,201)	-	-	3,036,179
With donor restrictions	318,776	-	-	-	117,276	-	-	-	436,052
<i>Total net assets</i>	<u>318,776</u>	<u>22,103</u>	<u>3,531</u>	<u>91,990</u>	<u>3,070,032</u>	<u>(34,201)</u>	<u>-</u>	<u>-</u>	<u>3,472,231</u>
<i>Total liabilities and net assets</i>	<u>\$ 394,586</u>	<u>\$ 172,615</u>	<u>\$ 78,058</u>	<u>\$ 103,358</u>	<u>\$ 4,271,424</u>	<u>\$ 2,685</u>	<u>\$ 322,400</u>	<u>\$ (297,911)</u>	<u>\$ 5,047,215</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**  
**COMBINING SCHEDULES OF ACTIVITIES – WITH AND WITHOUT RESTRICTIONS**  
**YEAR ENDED MARCH 31, 2020**

	Kansas Housing Resources Corporation	U.S. Department of Health and Human Services	Kansas Department for Children and Families	U.S Department of Housing and Urban Development	Miscellaneous Programs	Indirect Cost Pool	Eliminations	Total
<b>Support and revenue</b>								
Grants	\$ 3,457,583	\$ 2,918,547	\$ 1,000,967	\$ 1,096,523	\$ 34,492	\$ -	\$ -	\$ 8,508,112
Contributions and program income	3,237	1,237	-	3,620	86,438	-	-	94,532
In-kind contributions	-	511,494	-	-	-	-	-	511,494
USDA reimbursement	-	163,424	-	-	-	-	-	163,424
Rental fees	-	-	-	-	400,067	-	-	400,067
Other revenues	(5,643)	-	-	45,829	96,231	-	(43,320)	93,097
Interest revenue	25	14	-	45	89	-	-	173
<i>Total support and revenue</i>	<u>3,455,202</u>	<u>3,594,716</u>	<u>1,000,967</u>	<u>1,146,017</u>	<u>617,317</u>	<u>-</u>	<u>(43,320)</u>	<u>9,770,899</u>
<b>Expenses</b>								
Personnel	809,123	1,574,986	461,828	102,132	40,625	333,027	-	3,321,721
Employer taxes and fringe benefits	195,482	443,998	112,913	23,775	5,689	62,352	-	844,209
Insurance	8,777	8,357	194	-	40,036	25,109	-	82,473
Program support	-	17,578	6,261	-	-	-	-	23,839
Child services	-	41,482	272,152	-	-	-	-	313,634
Consumable supplies	31,688	112,196	12,493	-	148,222	-	-	304,599
Contractual services	685,729	18,064	2,602	846	4,387	10,578	-	722,206
Equipment	59,831	79,399	-	-	316	1,750	(43,320)	97,976
Materials and supplies	875,113	68,778	9,281	2,141	18,674	17,384	-	991,371
Professional services	-	724	-	9,256	3,589	72,091	-	85,660
Food program	-	146,330	29	-	20,008	-	-	166,367
Housing assistance payments	-	-	-	980,599	-	-	-	980,599
Rent	63,113	45,311	8,160	868	2,255	3,962	-	123,669
Interest expense	-	-	-	-	70,312	-	-	70,312
Property taxes	-	-	-	-	4,478	-	-	4,478
Utilities	69,208	66,901	14,765	3,970	19,233	19,122	-	193,199
Repairs and maintenance	44,076	33,644	4,200	2,178	103,219	12,368	-	199,685
Travel	51,610	36,138	282	3,545	(263)	6,862	-	98,174
Vehicle expenses	27,779	20,369	15,619	2,314	1,481	571	-	68,133
Training	35,500	38,185	-	510	245	7,772	-	82,212
Postage and printing	22,109	6,165	3,161	3,732	2,273	2,750	-	40,190
Meetings	497	4,157	92	-	669	6,861	-	12,276
Dues and subscriptions	35,930	1,798	625	1,317	1,535	2,508	-	43,713
Health and safety	454,026	28	-	-	-	-	-	454,054
Other	82	35	-	1,330	18,149	46	-	19,642
Youth activities	-	-	-	-	1,775	-	-	1,775
Depreciation	-	-	-	-	285,398	-	-	285,398
Indirect cost	186,047	296,496	72,779	-	7,059	(550,912)	-	11,469
In kind expenses	-	511,494	-	-	-	-	-	511,494
<i>Total expenses</i>	<u>3,655,720</u>	<u>3,572,613</u>	<u>997,436</u>	<u>1,138,513</u>	<u>799,364</u>	<u>34,201</u>	<u>(43,320)</u>	<u>10,154,527</u>
<b>Change in net assets</b>	<u>(200,518)</u>	<u>22,103</u>	<u>3,531</u>	<u>7,504</u>	<u>(182,047)</u>	<u>(34,201)</u>	<u>-</u>	<u>(383,628)</u>
<b>Net assets, beginning of year</b>	<u>519,294</u>	<u>-</u>	<u>-</u>	<u>84,486</u>	<u>3,252,079</u>	<u>-</u>	<u>-</u>	<u>3,855,859</u>
<b>Net assets, end of year</b>	<u>\$ 318,776</u>	<u>\$ 22,103</u>	<u>\$ 3,531</u>	<u>\$ 91,990</u>	<u>\$ 3,070,032</u>	<u>\$ (34,201)</u>	<u>\$ -</u>	<u>\$ 3,472,231</u>

EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

KANSAS HOUSING RESOURCE CORPORATION  
 COMBINING SCHEDULE OF FINANCIAL POSITION  
 MARCH 31, 2020

	<u>CSBG</u>	<u>CSBG-19 DISC 04A</u>	<u>CSBG-DISC 04A-ROMA</u>	<u>CSBG-DISC 04B-CM Train.</u>	<u>CSBG-19 DISC 04B</u>	<u>TBRA</u>
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 133,237	\$ 2,500	\$ -	\$ -	\$ 520	\$ 622
Other receivables	50	-	-	-	-	6,846
Due from other funds	7,665	-	-	-	-	-
<i>Total current assets</i>	<u>140,952</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>520</u>	<u>7,468</u>
<i>Total assets</i>	<u>\$ 140,952</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ 7,468</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>						
<b>Current liabilities</b>						
Accounts payable	\$ 12,832	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred income	-	-	-	-	-	11,806
Due to other funds	20,441	-	-	-	-	-
<i>Total current liabilities</i>	<u>33,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,806</u>
<i>Total liabilities</i>	<u>33,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,806</u>
<b>Net assets (deficit)</b>						
With donor restrictions	107,679	2,500	-	-	520	(4,338)
<i>Total net assets (deficit)</i>	<u>107,679</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>520</u>	<u>(4,338)</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ 140,952</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ 7,468</u>

EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

KANSAS HOUSING RESOURCE CORPORATION  
 COMBINING SCHEDULE OF FINANCIAL POSITION (CONTINUED)  
 MARCH 31, 2020

	<u>TBRA-2005</u>	<u>WZ DOE</u>	<u>WZ LIEAP</u>	<u>WZ KS19-01</u>	<u>KCP&amp;L WZ Grant</u>	<u>Total</u>
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 1,898	\$ 103,029	\$ 134,806	\$ 3,180	\$ 3	\$ 379,795
Other receivables	230	-	-	-	-	7,126
Due from other funds	-	-	-	-	-	7,665
<i>Total current assets</i>	<u>2,128</u>	<u>103,029</u>	<u>134,806</u>	<u>3,180</u>	<u>3</u>	<u>394,586</u>
<i>Total assets</i>	<u>\$ 2,128</u>	<u>\$ 103,029</u>	<u>\$ 134,806</u>	<u>\$ 3,180</u>	<u>\$ 3</u>	<u>\$ 394,586</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>						
<b>Current liabilities</b>						
Accounts payable	\$ -	\$ 5,465	\$ 534	\$ -	\$ -	\$ 18,831
Deferred income	1,590	-	-	-	-	13,396
Due to other funds	-	12,684	8,945	1,513	-	43,583
<i>Total current liabilities</i>	<u>1,590</u>	<u>18,149</u>	<u>9,479</u>	<u>1,513</u>	<u>-</u>	<u>75,810</u>
<i>Total liabilities</i>	<u>1,590</u>	<u>18,149</u>	<u>9,479</u>	<u>1,513</u>	<u>-</u>	<u>75,810</u>
<b>Net assets (deficit)</b>						
With donor restrictions	538	84,880	125,327	1,667	3	318,776
<i>Total net assets (deficit)</i>	<u>538</u>	<u>84,880</u>	<u>125,327</u>	<u>1,667</u>	<u>3</u>	<u>318,776</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ 2,128</u>	<u>\$ 103,029</u>	<u>\$ 134,806</u>	<u>\$ 3,180</u>	<u>\$ 3</u>	<u>\$ 394,586</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**KANSAS HOUSING RESOURCE CORPORATION  
COMBINING SCHEDULE OF ACTIVITIES  
YEAR ENDED MARCH 31, 2020**

	<u>CSBG</u>	<u>CSBG-19 DISC 04A</u>	<u>CSBG-DISC 04A-ROMA</u>	<u>CSBG-DISC 04B-CM Train.</u>	<u>CSBG-19 DISC 04B</u>	<u>TBRA</u>
<b>Support and revenue</b>						
Grants	\$ 898,113	\$ 10,000	\$ 5,169	\$ 5,000	\$ 5,412	\$ -
Contributions and program income	2,012	-	-	-	-	1,225
Other revenues	-	-	-	-	-	-
Interest revenue	25	-	-	-	-	-
<i>Total support and revenue</i>	<u>900,150</u>	<u>10,000</u>	<u>5,169</u>	<u>5,000</u>	<u>5,412</u>	<u>1,225</u>
<b>Expenses</b>						
Personnel	416,415	-	-	-	-	-
Employer taxes and fringe benefits	107,179	-	-	-	-	-
Insurance	2,492	-	-	-	-	-
Consumable supplies	30,575	-	-	-	-	-
Contractual services	9,710	7,500	-	-	-	-
Equipment	1,420	-	-	-	-	-
Materials and supplies	17,301	-	1,051	-	4,892	-
Rent	52,470	-	-	-	-	5,563
Utilities	48,450	-	-	-	-	-
Repairs and maintenance	24,534	-	-	-	-	-
Travel	18,338	-	1,309	-	-	-
Vehicle expenses	13,252	-	-	-	-	-
Training	4,391	-	3,819	5,000	-	-
Postage and printing	8,900	-	-	-	-	-
Meetings	288	-	-	-	-	-
Dues and subscriptions	34,302	-	-	-	-	-
Health and safety	-	-	-	-	-	-
Other	82	-	-	-	-	-
Indirect cost	113,584	-	-	-	-	-
<i>Total expenses</i>	<u>903,683</u>	<u>7,500</u>	<u>6,179</u>	<u>5,000</u>	<u>4,892</u>	<u>5,563</u>
<b>Change in net assets</b>	<u>(3,533)</u>	<u>2,500</u>	<u>(1,010)</u>	<u>-</u>	<u>520</u>	<u>(4,338)</u>
<b>Net assets (deficit), beginning of year</b>	<u>111,212</u>	<u>-</u>	<u>1,010</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net assets (deficit), end of year</b>	<u>\$ 107,679</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ (4,338)</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**KANSAS HOUSING RESOURCE CORPORATION  
COMBINING SCHEDULE OF ACTIVITIES (CONTINUED)  
YEAR ENDED MARCH 31, 2020**

	<u>TBRA-2005</u>	<u>WZ DOE</u>	<u>WZ LIEAP</u>	<u>WZ KS19-01</u>	<u>KCP&amp;L WZ Grant</u>	<u>Total</u>
<b>Support and revenue</b>						
Grants	\$ -	\$ 883,249	\$ 1,562,118	\$ 50,000	\$ 38,522	\$ 3,457,583
Contributions and program income	-	-	-	-	-	3,237
Other revenues	-	-	(5,643)	-	-	(5,643)
Interest revenue	-	-	-	-	-	25
<i>Total support and revenue</i>	<u>-</u>	<u>883,249</u>	<u>1,556,475</u>	<u>50,000</u>	<u>38,522</u>	<u>3,455,202</u>
<b>Expenses</b>						
Personnel	-	161,327	229,468	1,688	225	809,123
Employer taxes and fringe benefits	-	37,014	50,776	513	-	195,482
Insurance	-	3,501	2,784	-	-	8,777
Consumable supplies	-	127	986	-	-	31,688
Contractual services	-	167,285	457,759	27,561	15,914	685,729
Equipment	-	59,171	(760)	-	-	59,831
Materials and supplies	-	272,084	541,646	16,781	21,358	875,113
Rent	-	1,953	3,127	-	-	63,113
Utilities	-	8,369	12,389	-	-	69,208
Repairs and maintenance	-	6,055	13,487	-	-	44,076
Travel	-	31,839	124	-	-	51,610
Vehicle expenses	-	4,999	9,493	-	35	27,779
Training	-	22,238	52	-	-	35,500
Postage and printing	-	4,671	8,538	-	-	22,109
Meetings	-	100	109	-	-	497
Dues and subscriptions	-	400	1,228	-	-	35,930
Health and safety	-	113,429	334,010	5,630	957	454,026
Other	-	-	-	-	-	82
Indirect cost	-	29,538	42,795	100	30	186,047
<i>Total expenses</i>	<u>-</u>	<u>924,100</u>	<u>1,708,011</u>	<u>52,273</u>	<u>38,519</u>	<u>3,655,720</u>
<b>Change in net assets</b>	<u>-</u>	<u>(40,851)</u>	<u>(151,536)</u>	<u>(2,273)</u>	<u>3</u>	<u>(200,518)</u>
<b>Net assets (deficit), beginning of year</b>	<u>538</u>	<u>125,731</u>	<u>276,863</u>	<u>3,940</u>	<u>-</u>	<u>519,294</u>
<b>Net assets (deficit), end of year</b>	<u>\$ 538</u>	<u>\$ 84,880</u>	<u>\$ 125,327</u>	<u>\$ 1,667</u>	<u>\$ 3</u>	<u>\$ 318,776</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
COMBINING SCHEDULE OF FINANCIAL POSITION  
MARCH 31, 2020**

	<u>Part Day 22</u>	<u>Program PA 20</u>	<u>PA 25 0-3 Training</u>	<u>Total</u>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ (14,353)	\$ 405	\$ (50,370)	\$ (64,318)
Grants and contributions receivable	147,705	-	76,287	223,992
Due from other funds	2,896	50	9,995	12,941
<i>Total current assets</i>	<u>136,248</u>	<u>455</u>	<u>35,912</u>	<u>172,615</u>
<i>Total assets</i>	<u>\$ 136,248</u>	<u>\$ 455</u>	<u>\$ 35,912</u>	<u>\$ 172,615</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 27,241	\$ 1,062	\$ 7,790	\$ 36,093
Due to other funds	91,473	-	22,946	114,419
<i>Total current liabilities</i>	<u>118,714</u>	<u>1,062</u>	<u>30,736</u>	<u>150,512</u>
<i>Total liabilities</i>	<u>118,714</u>	<u>1,062</u>	<u>30,736</u>	<u>150,512</u>
<b>Net assets (deficit)</b>				
Without donor restrictions	17,534	(607)	5,176	22,103
<i>Total net assets (deficit)</i>	<u>17,534</u>	<u>(607)</u>	<u>5,176</u>	<u>22,103</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ 136,248</u>	<u>\$ 455</u>	<u>\$ 35,912</u>	<u>\$ 172,615</u>



**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
COMBINING SCHEDULE OF ACTIVITIES  
YEAR ENDED MARCH 31, 2020**

	<u>Part Day 22</u>	<u>Program PA 20</u>	<u>PA 25 0-3 Training</u>	<u>Total</u>
<b>Support and revenue</b>				
Grants	\$ 2,567,710	\$ 29,321	\$ 321,516	\$ 2,918,547
Contributions and program income	1,237	-	-	1,237
In-kind contributions	511,494	-	-	511,494
USDA reimbursement	163,424	-	-	163,424
Interest revenue	14	-	-	14
<i>Total support and revenue</i>	<u>3,243,879</u>	<u>29,321</u>	<u>321,516</u>	<u>3,594,716</u>
<b>Expenses</b>				
Personnel	1,444,517	-	130,469	1,574,986
Employer taxes and fringe benefits	408,625	-	35,373	443,998
Insurance	8,357	-	-	8,357
Program support	15,349	-	2,229	17,578
Child services	10,750	-	30,732	41,482
Consumable supplies	86,432	1,002	24,762	112,196
Contractual services	15,351	-	2,713	18,064
Equipment	79,399	-	-	79,399
Materials and supplies	42,846	99	25,833	68,778
Professional services	724	-	-	724
Food program	146,330	-	-	146,330
Rent	44,522	-	789	45,311
Utilities	64,707	-	2,194	66,901
Repairs and maintenance	32,884	-	760	33,644
Travel	6,572	13,701	15,865	36,138
Vehicle expenses	15,245	71	5,053	20,369
Training	12,556	13,351	12,278	38,185
Postage and printing	5,615	-	550	6,165
Meetings	735	1,704	1,718	4,157
Dues and subscriptions	1,653	-	145	1,798
Health and safety	28	-	-	28
Other	35	-	-	35
Indirect cost	271,619	-	24,877	296,496
In kind expenses	511,494	-	-	511,494
<i>Total expenses</i>	<u>3,226,345</u>	<u>29,928</u>	<u>316,340</u>	<u>3,572,613</u>
<b>Change in net assets</b>	<u>17,534</u>	<u>(607)</u>	<u>5,176</u>	<u>22,103</u>
<b>Net assets (deficit), beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net assets (deficit), end of year</b>	<u>\$ 17,534</u>	<u>\$ (607)</u>	<u>\$ 5,176</u>	<u>\$ 22,103</u>

EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

KANSAS DEPARTMENT FOR CHILDREN AND FAMILIES

COMBINING SCHEDULE OF FINANCIAL POSITION

MARCH 31, 2020

	<u>Home Visits</u>	<u>EHS Childcare</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ (10,069)	\$ (14,270)	\$ (24,339)
Grants and contributions receivable	41,565	44,146	85,711
Due from other funds	11,803	4,883	16,686
<i>Total current assets</i>	<u>43,299</u>	<u>34,759</u>	<u>78,058</u>
<i>Total assets</i>	<u>\$ 43,299</u>	<u>\$ 34,759</u>	<u>\$ 78,058</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 991	\$ 153	\$ 1,144
Accrued payroll liabilities	1,000	-	1,000
Due to other funds	37,767	34,616	72,383
<i>Total current liabilities</i>	<u>39,758</u>	<u>34,769</u>	<u>74,527</u>
<i>Total liabilities</i>	<u>39,758</u>	<u>34,769</u>	<u>74,527</u>
<b>Net assets (deficit)</b>			
Without donor restrictions	<u>3,541</u>	<u>(10)</u>	<u>3,531</u>
<i>Total net assets (deficit)</i>	<u>3,541</u>	<u>(10)</u>	<u>3,531</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ 43,299</u>	<u>\$ 34,759</u>	<u>\$ 78,058</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**KANSAS DEPARTMENT FOR CHILDREN AND FAMILIES**

**COMBINING SCHEDULE OF ACTIVITIES**

**YEAR ENDED MARCH 31, 2020**

	<u>Home Visits</u>	<u>EHS Childcare</u>	<u>Total</u>
<b>Support and revenue</b>			
Grants	\$ 402,689	\$ 598,278	\$ 1,000,967
<i>Total support and revenue</i>	<u>402,689</u>	<u>598,278</u>	<u>1,000,967</u>
 <b>Expenses</b>			
Personnel	254,155	207,673	461,828
Employer taxes and fringe benefits	64,951	47,962	112,913
Insurance	97	97	194
Program support	4,051	2,210	6,261
Child services	-	272,152	272,152
Consumable supplies	3,271	9,222	12,493
Contractual services	1,141	1,461	2,602
Materials and supplies	2,292	6,989	9,281
Food program	29	-	29
Rent	7,346	814	8,160
Utilities	10,743	4,022	14,765
Repairs and maintenance	2,977	1,223	4,200
Travel	263	19	282
Vehicle expenses	11,619	4,000	15,619
Postage and printing	1,519	1,642	3,161
Meetings	46	46	92
Dues and subscriptions	353	272	625
Indirect cost	34,295	38,484	72,779
<i>Total expenses</i>	<u>399,148</u>	<u>598,288</u>	<u>997,436</u>
 <b>Change in net assets</b>	<u>3,541</u>	<u>(10)</u>	<u>3,531</u>
 <b>Net assets (deficit), beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Net assets (deficit), end of year</b>	<u>\$ 3,541</u>	<u>\$ (10)</u>	<u>\$ 3,531</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**COMBINING SCHEDULE OF FINANCIAL POSITION**

**MARCH 31, 2020**

	<b>Housing Choice Vouchers</b>	<b>Family Self Sufficiency</b>	<b>Total</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 102,269	\$ -	\$ 102,269
<i>Total current assets</i>	<u>102,269</u>	<u>-</u>	<u>102,269</u>
<b>Property and equipment, net</b>			
Equipment	15,369	-	15,369
Vehicles	<u>16,012</u>	<u>-</u>	<u>16,012</u>
	31,381	-	31,381
Less: Accumulated depreciation	<u>(31,381)</u>	<u>-</u>	<u>(31,381)</u>
<i>Total property and equipment, net</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other assets</b>			
Restricted cash	1,089	-	1,089
<i>Total assets</i>	<u>\$ 103,358</u>	<u>\$ -</u>	<u>\$ 103,358</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current liabilities</b>			
Escrow accounts	\$ 1,089	\$ -	\$ 1,089
Due to other funds	<u>10,279</u>	<u>-</u>	<u>10,279</u>
<i>Total current liabilities</i>	<u>11,368</u>	<u>-</u>	<u>11,368</u>
<i>Total liabilities</i>	<u>11,368</u>	<u>-</u>	<u>11,368</u>
<b>Net assets</b>			
Without donor restrictions	91,990	-	91,990
<i>Total net assets</i>	<u>91,990</u>	<u>-</u>	<u>91,990</u>
<i>Total liabilities and net assets</i>	<u>\$ 103,358</u>	<u>\$ -</u>	<u>\$ 103,358</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**COMBINING SCHEDULE OF ACTIVITIES**

**YEAR ENDED MARCH 31, 2020**

	<b>Housing Choice Vouchers</b>	<b>Family Self Sufficiency</b>	<b>Total</b>
<b>Support and revenue</b>			
Grants	\$ 1,096,523	\$ -	\$ 1,096,523
Contributions and program income	3,620	-	3,620
Other revenues	45,829	-	45,829
Interest revenue	45	-	45
<i>Total support and revenue</i>	<u>1,146,017</u>	<u>-</u>	<u>1,146,017</u>
<b>Expenses</b>			
Personnel	102,132	-	102,132
Employer taxes and fringe benefits	23,775	-	23,775
Contractual services	828	18	846
Materials and supplies	2,141	-	2,141
Professional services	9,256	-	9,256
Housing assistance payments	980,599	-	980,599
Rent	868	-	868
Utilities	3,970	-	3,970
Repairs and maintenance	2,178	-	2,178
Travel	3,545	-	3,545
Vehicle expenses	2,314	-	2,314
Training	510	-	510
Postage and printing	3,732	-	3,732
Dues and subscriptions	1,317	-	1,317
Other	105	1,225	1,330
<i>Total expenses</i>	<u>1,137,270</u>	<u>1,243</u>	<u>1,138,513</u>
<b>Change in net assets</b>	<u>8,747</u>	<u>(1,243)</u>	<u>7,504</u>
<b>Net assets, beginning of year</b>	<u>83,243</u>	<u>1,243</u>	<u>84,486</u>
<b>Net assets, end of year</b>	<u>\$ 91,990</u>	<u>\$ -</u>	<u>\$ 91,990</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS  
COMBINING SCHEDULE OF FINANCIAL POSITION  
MARCH 31, 2020**

	<u>Emergency Food and Shelter</u>	<u>Non-Federal</u>	<u>Total Public Donations</u>	<u>First Time Home Buyer Inspections</u>	<u>Housing</u>	<u>Volunteer Youth Network</u>
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 713	\$ (55,980)	\$ 119,301	\$ 3,544	\$ 115,673	\$ -
Grants and contributions receivable	-	-	-	-	-	-
Other receivables	-	-	-	-	285	-
Due from other funds	-	25,204	-	-	-	-
<i>Total current assets</i>	<u>713</u>	<u>(30,776)</u>	<u>119,301</u>	<u>3,544</u>	<u>115,958</u>	<u>-</u>
<b>Property and equipment, net</b>						
Equipment	-	326,474	-	-	-	-
Buildings	-	2,005,739	-	-	4,684,993	-
Vehicles	-	733,573	-	-	-	-
	-	3,065,786	-	-	4,684,993	-
Less: Accumulated depreciation	-	(1,806,643)	-	-	(1,880,260)	-
<i>Total property and equipment, net</i>	<u>-</u>	<u>1,259,143</u>	<u>-</u>	<u>-</u>	<u>2,804,733</u>	<u>-</u>
<i>Total assets</i>	<u>\$ 713</u>	<u>\$ 1,228,367</u>	<u>\$ 119,301</u>	<u>\$ 3,544</u>	<u>\$ 2,920,691</u>	<u>\$ -</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>						
<b>Current liabilities</b>						
Accounts payable	\$ -	\$ 3,296	\$ 2,727	\$ -	\$ 476	\$ -
Rent deposits	-	-	-	-	27,910	-
Due to other funds	-	8,320	11	-	20,474	-
Current portion of notes payable	-	96,288	-	-	27,766	-
<i>Total current liabilities</i>	<u>-</u>	<u>107,904</u>	<u>2,738</u>	<u>-</u>	<u>76,626</u>	<u>-</u>
<b>Notes payable, long-term</b>	<u>-</u>	<u>544,098</u>	<u>-</u>	<u>-</u>	<u>470,026</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>652,002</u>	<u>2,738</u>	<u>-</u>	<u>546,652</u>	<u>-</u>
<b>Net assets (deficit)</b>						
Without donor restrictions	-	576,365	-	3,544	2,374,039	-
With donor restrictions	713	-	116,563	-	-	-
<i>Total net assets (deficit)</i>	<u>713</u>	<u>576,365</u>	<u>116,563</u>	<u>3,544</u>	<u>2,374,039</u>	<u>-</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ 713</u>	<u>\$ 1,228,367</u>	<u>\$ 119,301</u>	<u>\$ 3,544</u>	<u>\$ 2,920,691</u>	<u>\$ -</u>

EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

MISCELLANEOUS PROGRAMS  
 COMBINING SCHEDULE FINANCIAL POSITION (CONTINUED)  
 MARCH 31, 2020

ASSETS	AmeriCorps	Youth in Government	Summer Feeding Program	Camp for Kids	CHAMPS	Total
<b>Current asset</b>						
Cash and cash equivalents	\$ -	\$ 713	\$ (1,693)	\$ -	\$ -	\$ 182,271
Grants and contributions receivable	(212)	-	-	-	-	(212)
Other receivables	-	-	-	-	-	285
Due from other funds	-	-	-	-	-	25,204
<i>Total current assets</i>	<u>(212)</u>	<u>713</u>	<u>(1,693)</u>	<u>-</u>	<u>-</u>	<u>207,548</u>
<b>Property and equipment, net</b>						
Equipment	-	-	-	-	-	326,474
Buildings	-	-	-	-	-	6,690,732
Vehicles	-	-	-	-	-	733,573
	-	-	-	-	-	7,750,779
Less: Accumulated depreciation	-	-	-	-	-	(3,686,903)
<i>Total property and equipment, net</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,063,876</u>
<i>Total assets</i>	<u>\$ (212)</u>	<u>\$ 713</u>	<u>\$ (1,693)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,271,424</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>						
<b>Current liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,499
Rent deposits	-	-	-	-	-	27,910
Due to other funds	-	-	-	-	-	28,805
Current portion of notes payable	-	-	-	-	-	124,054
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,268</u>
<b>Notes payable, long-term</b>	-	-	-	-	-	1,014,124
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,201,392</u>
<b>Net assets (deficit)</b>						
Without donor restrictions	(212)	713	(1,693)	-	-	2,952,756
With donor restrictions	-	-	-	-	-	117,276
<i>Total net assets (deficit)</i>	<u>(212)</u>	<u>713</u>	<u>(1,693)</u>	<u>-</u>	<u>-</u>	<u>3,070,032</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ (212)</u>	<u>\$ 713</u>	<u>\$ (1,693)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,271,424</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS  
COMBINING SCHEDULE OF ACTIVITIES  
YEAR ENDED MARCH 31, 2020**

	<b>Emergency Food and Shelter</b>	<b>Non-Federal</b>	<b>Total Public Donations</b>	<b>First Time Home Buyer Inspections</b>	<b>Housing</b>	<b>Volunteer Youth Network</b>
<b>Support and revenue</b>						
Grants	\$ 12,510	\$ -	\$ 5,000	\$ -	\$ -	\$ -
Contributions and program income	-	27	79,599	2,377	-	-
Rental fees	-	75,484	-	-	324,583	-
Other revenues	-	92,236	3,720	(366)	275	-
Interest revenue	-	75	-	-	14	-
<i>Total support and revenue</i>	<u>12,510</u>	<u>167,822</u>	<u>88,319</u>	<u>2,011</u>	<u>324,872</u>	<u>-</u>
<b>Expenses</b>						
Personnel	-	-	-	-	40,625	-
Employer taxes and fringe benefits	-	-	-	-	5,689	-
Insurance	-	14,730	4	-	25,302	-
Consumable supplies	11,802	-	134,646	-	-	50
Contractual services	-	1,896	-	2,220	271	-
Equipment	-	-	-	-	316	-
Materials and supplies	-	5,074	11,284	-	1,759	66
Professional services	-	916	-	-	2,673	-
Food program	-	-	-	-	-	-
Rent	-	1,850	-	-	405	-
Interest expense	-	41,697	-	-	28,615	-
Property taxes	-	4,478	-	-	-	-
Utilities	-	13,083	-	-	6,150	-
Repairs and maintenance	-	(8,960)	-	-	112,179	-
Travel	-	(433)	-	-	170	-
Vehicle expenses	-	73	-	-	1,408	-
Training	-	-	50	-	195	-
Postage and printing	-	213	349	-	1,187	-
Meetings	-	301	368	-	-	-
Dues and subscriptions	-	575	-	-	960	-
Other	-	279	-	-	15,970	-
Youth activities	-	-	-	-	-	-
Depreciation	-	129,314	-	-	156,084	-
Indirect cost	-	-	-	-	7,059	-
<i>Total expenses</i>	<u>11,802</u>	<u>205,086</u>	<u>146,701</u>	<u>2,220</u>	<u>407,017</u>	<u>116</u>
<b>Change in net assets</b>	<u>708</u>	<u>(37,264)</u>	<u>(58,382)</u>	<u>(209)</u>	<u>(82,145)</u>	<u>(116)</u>
<b>Net assets (deficit), beginning of year</b>	<u>5</u>	<u>613,629</u>	<u>174,945</u>	<u>3,753</u>	<u>2,456,184</u>	<u>116</u>
<b>Net assets (deficit), end of year</b>	<u>\$ 713</u>	<u>\$ 576,365</u>	<u>\$ 116,563</u>	<u>\$ 3,544</u>	<u>\$ 2,374,039</u>	<u>\$ -</u>



**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS  
COMBINING SCHEDULE OF ACTIVITIES (CONTINUED)  
YEAR ENDED MARCH 31, 2020**

	<u>AmeriCorps</u>	<u>Youth in Government</u>	<u>Summer Feeding Program</u>	<u>Camp for Kids</u>	<u>CHAMPS</u>	<u>Total</u>
<b>Support and revenue</b>						
Grants	\$ (212)	\$ -	\$ 17,194	\$ -	\$ -	\$ 34,492
Contributions and program income	-	3,000	1,435	-	-	86,438
Rental fees	-	-	-	-	-	400,067
Other revenues	-	-	-	366	-	96,231
Interest revenue	-	-	-	-	-	89
<i>Total support and revenue</i>	<u>(212)</u>	<u>3,000</u>	<u>18,629</u>	<u>366</u>	<u>-</u>	<u>617,317</u>
<b>Expenses</b>						
Personnel	-	-	-	-	-	40,625
Employer taxes and fringe benefits	-	-	-	-	-	5,689
Insurance	-	-	-	-	-	40,036
Consumable supplies	-	-	-	512	1,212	148,222
Contractual services	-	-	-	-	-	4,387
Equipment	-	-	-	-	-	316
Materials and supplies	-	116	375	-	-	18,674
Professional services	-	-	-	-	-	3,589
Food program	-	-	20,008	-	-	20,008
Rent	-	-	-	-	-	2,255
Interest expense	-	-	-	-	-	70,312
Property taxes	-	-	-	-	-	4,478
Utilities	-	-	-	-	-	19,233
Repairs and maintenance	-	-	-	-	-	103,219
Travel	-	-	-	-	-	(263)
Vehicle expenses	-	-	-	-	-	1,481
Training	-	-	-	-	-	245
Postage and printing	-	271	253	-	-	2,273
Meetings	-	-	-	-	-	669
Dues and subscriptions	-	-	-	-	-	1,535
Other	-	1,900	-	-	-	18,149
Youth activities	-	-	-	1,775	-	1,775
Depreciation	-	-	-	-	-	285,398
Indirect cost	-	-	-	-	-	7,059
<i>Total expenses</i>	<u>0</u>	<u>2,287</u>	<u>20,636</u>	<u>2,287</u>	<u>1,212</u>	<u>799,364</u>
<b>Change in net assets</b>	<u>(212)</u>	<u>713</u>	<u>(2,007)</u>	<u>(1,921)</u>	<u>(1,212)</u>	<u>(182,047)</u>
<b>Net assets (deficit), beginning of year</b>	<u>-</u>	<u>-</u>	<u>314</u>	<u>1,921</u>	<u>1,212</u>	<u>3,252,079</u>
<b>Net assets (deficit), end of year</b>	<u>\$ (212)</u>	<u>\$ 713</u>	<u>\$ (1,693)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,070,032</u>

EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION

MISCELLANEOUS PROGRAMS: PUBLIC DONATIONS  
 INDIVIDUAL SCHEDULES OF FINANCIAL POSITON  
 MARCH 31, 2020

	Anderson County Donations	Coffey County Donations	Douglas County Donations	Franklin County Donations	Lyon County Donations
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 8,890	\$ 33,171	\$ 45,070	\$ 15,444	\$ 327
<i>Total current assets</i>	<u>8,890</u>	<u>33,171</u>	<u>45,070</u>	<u>15,444</u>	<u>327</u>
<i>Total assets</i>	<u>\$ 8,890</u>	<u>\$ 33,171</u>	<u>\$ 45,070</u>	<u>\$ 15,444</u>	<u>\$ 327</u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities</b>					
Accounts payable	\$ -	\$ 176	\$ 1,795	\$ 456	\$ -
Due to other funds	-	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>176</u>	<u>1,795</u>	<u>456</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>176</u>	<u>1,795</u>	<u>456</u>	<u>-</u>
<b>Net assets</b>					
With donor restrictions	8,890	32,995	43,275	14,988	327
<i>Total net assets</i>	<u>8,890</u>	<u>32,995</u>	<u>43,275</u>	<u>14,988</u>	<u>327</u>
<i>Total liabilities and net assets</i>	<u>\$ 8,890</u>	<u>\$ 33,171</u>	<u>\$ 45,070</u>	<u>\$ 15,444</u>	<u>\$ 327</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: PUBLIC DONATIONS  
INDIVIDUAL SCHEDULES OF FINANCIAL POSITION (CONTINUED)**

**MARCH 31, 2020**

	<b>Miami County Donations</b>	<b>Morris County Donations</b>	<b>Osage County Donations</b>	<b>Donations Toys for Kids</b>	<b>Total</b>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 833	\$ 630	\$ 10,749	\$ 4,187	\$ 119,301
<i>Total current assets</i>	833	630	10,749	4,187	119,301
<i>Total assets</i>	\$ 833	\$ 630	\$ 10,749	\$ 4,187	\$ 119,301
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 100	\$ -	\$ 200	\$ -	\$ 2,727
Due to other funds	-	-	11	-	11
<i>Total current liabilities</i>	100	-	211	-	2,738
<i>Total liabilities</i>	100	-	211	-	2,738
<b>Net assets</b>					
With donor restrictions	733	630	10,538	4,187	116,563
<i>Total net assets</i>	733	630	10,538	4,187	116,563
<i>Total liabilities and net assets</i>	\$ 833	\$ 630	\$ 10,749	\$ 4,187	\$ 119,301

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: PUBLIC DONATIONS  
INDIVIDUAL SCHEDULES OF ACTIVITIES  
YEAR ENDED MARCH 31, 2020**

	<b>Anderson County Donations</b>	<b>Coffey County Donations</b>	<b>Douglas County Donations</b>	<b>Franklin County Donations</b>	<b>Johnson County Donations</b>	<b>Lyon County Donations</b>
<b>Support and revenue</b>						
Grants	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -
Contributions and program income	5,516	1,968	39,483	6,039	-	1,297
Other revenues	<u>1,350</u>	<u>-</u>	<u>-</u>	<u>1,488</u>	<u>-</u>	<u>-</u>
<i>Total support and revenue</i>	<u>6,866</u>	<u>1,968</u>	<u>39,483</u>	<u>7,527</u>	<u>5,000</u>	<u>1,297</u>
<b>Expenses</b>						
Insurance	-	-	-	4	-	-
Consumable supplies	5,644	22,601	16,620	4,984	-	32,288
Materials and supplies	54	109	-	146	5,000	10
Training	-	-	-	-	-	-
Postage and printing	-	-	-	-	-	-
Meetings	-	-	-	-	-	-
<i>Total expenses</i>	<u>5,698</u>	<u>22,710</u>	<u>16,620</u>	<u>5,134</u>	<u>5,000</u>	<u>32,298</u>
<b>Change in net assets</b>	<u>1,168</u>	<u>(20,742)</u>	<u>22,863</u>	<u>2,393</u>	<u>-</u>	<u>(31,001)</u>
<b>Net assets, beginning of year</b>	<u>7,722</u>	<u>53,737</u>	<u>20,412</u>	<u>12,595</u>	<u>-</u>	<u>31,328</u>
<b>Net assets, end of year</b>	<u>\$ 8,890</u>	<u>\$ 32,995</u>	<u>\$ 43,275</u>	<u>\$ 14,988</u>	<u>\$ -</u>	<u>\$ 327</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: PUBLIC DONATIONS  
INDIVIDUAL SCHEDULES OF ACTIVITIES (CONTINUED)  
YEAR ENDED MARCH 31, 2020**

	<b>Miami County Donations</b>	<b>Morris County Donations</b>	<b>Osage County Donations</b>	<b>Donations Toys for Kids</b>	<b>Total</b>
<b>Support and revenue</b>					
Grants	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Contributions and program income	200	1,000	2,954	21,142	79,599
Other revenues	552	-	330	-	3,720
<i>Total support and revenue</i>	<u>752</u>	<u>1,000</u>	<u>3,284</u>	<u>21,142</u>	<u>88,319</u>
<b>Expenses</b>					
Insurance	-	-	-	-	4
Consumable supplies	435	370	37,758	13,946	134,646
Materials and supplies	-	-	733	5,232	11,284
Training	-	-	50	-	50
Postage and printing	-	-	11	338	349
Meetings	-	-	368	-	368
<i>Total expenses</i>	<u>435</u>	<u>370</u>	<u>38,920</u>	<u>19,516</u>	<u>146,701</u>
<b>Change in net assets</b>	<u>317</u>	<u>630</u>	<u>(35,636)</u>	<u>1,626</u>	<u>(58,382)</u>
<b>Net assets, beginning of year</b>	<u>416</u>	<u>-</u>	<u>46,174</u>	<u>2,561</u>	<u>174,945</u>
<b>Net assets, end of year</b>	<u>\$ 733</u>	<u>\$ 630</u>	<u>\$ 10,538</u>	<u>\$ 4,187</u>	<u>\$ 116,563</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: HOUSING  
INDIVIDUAL SCHEDULES OF FINANCIAL POSITION  
MARCH 31, 2020**

	<u>Affordable Housing</u>	<u>Ottawa CHDO</u>	<u>Emporia Housing</u>	<u>Osawatomie</u>	<u>Waverly Housing</u>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ (10,201)	\$ 37,730	\$ 7,882	\$ 24,027	\$ 7,703
Other receivables	-	-	-	-	-
<i>Total current assets</i>	<u>(10,201)</u>	<u>37,730</u>	<u>7,882</u>	<u>24,027</u>	<u>7,703</u>
<b>Property and equipment, net</b>					
Buildings	<u>327,422</u>	<u>191,579</u>	<u>133,564</u>	<u>962,192</u>	<u>284,924</u>
	327,422	191,579	133,564	962,192	284,924
Less: Accumulated depreciation	<u>(270,310)</u>	<u>(161,054)</u>	<u>(40,114)</u>	<u>(308,649)</u>	<u>(220,664)</u>
<i>Total property and equipment, net</i>	<u>57,112</u>	<u>30,525</u>	<u>93,450</u>	<u>653,543</u>	<u>64,260</u>
<i>Total assets</i>	<u>\$ 46,911</u>	<u>\$ 68,255</u>	<u>\$ 101,332</u>	<u>\$ 677,570</u>	<u>\$ 71,963</u>
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>					
<b>Current liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 104	\$ -
Rent deposits	3,022	2,511	1,402	3,454	1,848
Due to other funds	-	-	-	2	-
Current portion of notes payable	<u>7,114</u>	<u>-</u>	<u>3,869</u>	<u>6,261</u>	<u>-</u>
<i>Total current liabilities</i>	<u>10,136</u>	<u>2,511</u>	<u>5,271</u>	<u>9,821</u>	<u>1,848</u>
<b>Notes payable, long-term</b>	<u>120,639</u>	<u>-</u>	<u>16,508</u>	<u>77,683</u>	<u>-</u>
<i>Total liabilities</i>	<u>130,775</u>	<u>2,511</u>	<u>21,779</u>	<u>87,504</u>	<u>1,848</u>
<b>Net assets (deficit)</b>					
Without donor restrictions	<u>(83,864)</u>	<u>65,744</u>	<u>79,553</u>	<u>590,066</u>	<u>70,115</u>
<i>Total net assets (deficit)</i>	<u>(83,864)</u>	<u>65,744</u>	<u>79,553</u>	<u>590,066</u>	<u>70,115</u>
<i>Total liabilities and net assets (deficit)</i>	<u>\$ 46,911</u>	<u>\$ 68,255</u>	<u>\$ 101,332</u>	<u>\$ 677,570</u>	<u>\$ 71,963</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: HOUSING  
INDIVIDUAL SCHEDULES OF FINANCIAL POSITION (CONTINUED)  
MARCH 31, 2020**

		Neighborhood Stabilization				
	Leroy Housing	Miami Co.	Ottawa	Emporia	Rental Management	
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ (17,601)	\$ 57,400	\$ 107,303	\$ 10,395	\$ (56,059)	
Other receivables	285	-	-	-	-	
<i>Total current assets</i>	(17,316)	57,400	107,303	10,395	(56,059)	
<b>Property and equipment, net</b>						
Buildings	363,290	406,594	708,511	386,719	-	
	363,290	406,594	708,511	386,719	-	
Less: Accumulated depreciation	(273,525)	(119,842)	(192,470)	(92,943)	-	
<i>Total property and equipment, net</i>	89,765	286,752	516,041	293,776	-	
<i>Total assets</i>	\$ 72,449	\$ 344,152	\$ 623,344	\$ 304,171	\$ (56,059)	
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>						
<b>Current liabilities</b>						
Accounts payable	\$ 14	\$ -	\$ -	\$ 19	\$ 279	
Rent deposits	2,408	2,499	4,727	2,286	-	
Due to other funds	2	540	14,500	85	5,344	
Current portion of notes payable	-	-	-	-	-	
<i>Total current liabilities</i>	2,424	3,039	19,227	2,390	5,623	
<b>Notes payable, long-term</b>	-	-	-	-	-	
<i>Total liabilities</i>	2,424	3,039	19,227	2,390	5,623	
<b>Net assets (deficit)</b>						
Without donor restrictions	70,025	341,113	604,117	301,781	(61,682)	
<i>Total net assets (deficit)</i>	70,025	341,113	604,117	301,781	(61,682)	
<i>Total liabilities and net assets (deficit)</i>	\$ 72,449	\$ 344,152	\$ 623,344	\$ 304,171	\$ (56,059)	

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: HOUSING  
INDIVIDUAL SCHEDULES OF FINANCIAL POSITION (CONTINUED)**

**MARCH 31, 2020**

	Ottawa Northgate Estates - CHDO	Reserve Fund	Ottawa Rentals	Total
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ (54,371)	\$ 55,450	\$ (53,985)	\$ 115,673
Other receivables	-	-	-	285
<i>Total current assets</i>	(54,371)	55,450	(53,985)	115,958
<b>Property and equipment, net</b>				
Buildings	723,391	-	196,807	4,684,993
	723,391	-	196,807	4,684,993
Less: Accumulated depreciation	(148,706)	-	(51,983)	(1,880,260)
<i>Total property and equipment, net</i>	574,685	-	144,824	2,804,733
<i>Total assets</i>	\$ 520,314	\$ 55,450	\$ 90,839	\$ 2,920,691
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 60	\$ -	\$ -	\$ 476
Rent deposits	3,155	-	598	27,910
Due to other funds	1	-	-	20,474
Current portion of notes payable	8,063	-	2,459	27,766
<i>Total current liabilities</i>	11,279	-	3,057	76,626
<b>Notes payable, long-term</b>	158,028	-	97,168	470,026
<i>Total liabilities</i>	169,307	-	100,225	546,652
<b>Net assets (deficit)</b>				
Without donor restrictions	351,007	55,450	(9,386)	2,374,039
<i>Total net assets (deficit)</i>	351,007	55,450	(9,386)	2,374,039
<i>Total liabilities and net assets (deficit)</i>	\$ 520,314	\$ 55,450	\$ 90,839	\$ 2,920,691



**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: HOUSING  
INDIVIDUAL SCHEDULES OF ACTIVITIES  
YEAR ENDED MARCH 31, 2020**

	<u>Affordable Housing</u>	<u>Ottawa CHDO</u>	<u>Emporia Housing</u>	<u>Osawatomie</u>	<u>Waverly Housing</u>
<b>Support and revenue</b>					
Rental fees	\$ 36,738	\$ 31,729	\$ 16,093	\$ 43,940	\$ 21,940
Other revenues	-	-	-	-	-
Interest revenue	-	-	-	-	-
<i>Total support and revenue</i>	<u>36,738</u>	<u>31,729</u>	<u>16,093</u>	<u>43,940</u>	<u>21,940</u>
<b>Expenses</b>					
Personnel	271	538	330	617	228
Employer taxes and fringe benefits	37	76	46	93	35
Insurance	2,133	2,629	1,341	2,460	1,468
Contractual services	-	-	-	-	-
Equipment	-	-	-	-	-
Materials and supplies	-	20	67	246	-
Professional services	-	1,099	-	36	-
Rent	-	-	-	-	-
Interest expense	8,494	-	1,816	3,852	-
Utilities	33	159	217	1,028	-
Repairs and maintenance	22,063	13,765	6,150	8,524	7,817
Travel	-	-	-	-	-
Vehicle expenses	-	-	-	-	-
Training	-	-	-	-	-
Postage and printing	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Other	1,500	1,500	908	1,808	1,200
Depreciation	10,914	6,386	3,452	31,523	10,012
Indirect cost	47	94	58	109	40
<i>Total expenses</i>	<u>45,492</u>	<u>26,266</u>	<u>14,385</u>	<u>50,296</u>	<u>20,800</u>
<b>Change in net assets</b>	<u>(8,754)</u>	<u>5,463</u>	<u>1,708</u>	<u>(6,356)</u>	<u>1,140</u>
<b>Net assets (deficit), beginning of year</b>	<u>(75,110)</u>	<u>60,281</u>	<u>77,845</u>	<u>596,422</u>	<u>68,975</u>
<b>Net assets (deficit), end of year</b>	<u>\$ (83,864)</u>	<u>\$ 65,744</u>	<u>\$ 79,553</u>	<u>\$ 590,066</u>	<u>\$ 70,115</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: HOUSING  
INDIVIDUAL SCHEDULES OF ACTIVITIES (CONTINUED)  
YEAR ENDED MARCH 31, 2020**

	<u>Neighborhood Stabilization</u>				
	<u>Leroy Housing</u>	<u>Miami Co.</u>	<u>Ottawa</u>	<u>Emporia</u>	<u>Rental Management</u>
<b>Support and revenue</b>					
Rental fees	\$ 27,167	\$ 32,172	\$ 56,884	\$ 21,730	\$ -
Other revenues	275	-	-	-	-
Interest revenue	-	-	-	-	14
<i>Total support and revenue</i>	<u>27,442</u>	<u>32,172</u>	<u>56,884</u>	<u>21,730</u>	<u>14</u>
<b>Expenses</b>					
Personnel	857	325	591	1,041	35,516
Employer taxes and fringe benefits	129	47	86	182	4,909
Insurance	2,164	1,614	4,560	2,004	1,560
Contractual services	-	-	-	-	271
Equipment	-	-	-	-	316
Materials and supplies	103	-	81	57	1,165
Professional services	604	-	-	-	934
Rent	-	-	-	-	405
Interest expense	-	-	-	-	-
Utilities	777	-	254	1,805	1,654
Repairs and maintenance	13,607	6,077	11,600	11,828	1,232
Travel	-	-	-	-	170
Vehicle expenses	-	-	-	-	1,408
Training	-	-	-	-	195
Postage and printing	-	-	-	-	1,187
Dues and subscriptions	-	-	-	-	960
Other	2,400	1,200	2,408	1,500	46
Depreciation	13,083	13,382	23,337	12,267	-
Indirect cost	152	64	104	214	6,121
<i>Total expenses</i>	<u>33,876</u>	<u>22,709</u>	<u>43,021</u>	<u>30,898</u>	<u>58,049</u>
<b>Change in net assets</b>	<u>(6,434)</u>	<u>9,463</u>	<u>13,863</u>	<u>(9,168)</u>	<u>(58,035)</u>
<b>Net assets (deficit), beginning of year</b>	<u>76,459</u>	<u>331,650</u>	<u>590,254</u>	<u>310,949</u>	<u>(3,647)</u>
<b>Net assets (deficit), end of year</b>	<u>\$ 70,025</u>	<u>\$ 341,113</u>	<u>\$ 604,117</u>	<u>\$ 301,781</u>	<u>\$ (61,682)</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**MISCELLANEOUS PROGRAMS: HOUSING  
INDIVIDUAL SCHEDULES OF ACTIVITIES (CONTINUED)  
YEAR ENDED MARCH 31, 2020**

	Northgate Estates - <u>CHDO</u>	<u>Reserve Fund</u>	<u>Ottawa Rentals</u>	<u>Total</u>
<b>Support and revenue</b>				
Rental fees	\$ 28,834	\$ -	\$ 7,356	\$ 324,583
Other revenues	-	-	-	275
Interest revenue	-	-	-	14
<i>Total support and revenue</i>	<u>28,834</u>	<u>-</u>	<u>7,356</u>	<u>324,872</u>
<b>Expenses</b>				
Personnel	279	-	32	40,625
Employer taxes and fringe benefits	44	-	5	5,689
Insurance	2,952	-	417	25,302
Contractual services	-	-	-	271
Equipment	-	-	-	316
Materials and supplies	20	-	-	1,759
Professional services	-	-	-	2,673
Rent	-	-	-	405
Interest expense	8,878	-	5,575	28,615
Utilities	223	-	-	6,150
Repairs and maintenance	8,413	-	1,103	112,179
Travel	-	-	-	170
Vehicle expenses	-	-	-	1,408
Training	-	-	-	195
Postage and printing	-	-	-	1,187
Dues and subscriptions	-	-	-	960
Other	1,200	-	300	15,970
Depreciation	25,731	-	5,997	156,084
Indirect cost	50	-	6	7,059
<i>Total expenses</i>	<u>47,790</u>	<u>-</u>	<u>13,435</u>	<u>407,017</u>
<b>Change in net assets</b>	<u>(18,956)</u>	<u>-</u>	<u>(6,079)</u>	<u>(82,145)</u>
<b>Net assets (deficit), beginning of year</b>	<u>369,963</u>	<u>55,450</u>	<u>(3,307)</u>	<u>2,456,184</u>
<b>Net assets (deficit), end of year</b>	<u>\$ 351,007</u>	<u>\$ 55,450</u>	<u>\$ (9,386)</u>	<u>\$ 2,374,039</u>

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED MARCH 31, 2020**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures(\$)</i>
<b>477 Cluster-Cluster</b>			
Department of Health and Human Services			
Temporary Assistance for Needy Families			
Temporary Assistance for Needy Families	93.558	Kansas Department of Children and Families	\$ 402,689
Total Temporary Assistance for Needy Families			402,689
Community Services Block Grant			
Community Services Block Grant	93.569	Kansas Housing Resource Corporation	922,255
Total Community Services Block Grant			922,255
Child Care Mandatory and Matching Funds of the Child Care and Development Fund			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		598,278
Total Child Care Mandatory and Matching Funds of the Child Care and Development Fund			598,278
Total Department of Health and Human Services			1,923,222
<b>Total 477 Cluster-Cluster</b>			1,923,222
<b>Child Nutrition Cluster-Cluster</b>			
United States Department of Agriculture			
Summer Food Service Program for Children			
Summer Food Service Program for Children	10.559	Kansas Department of Education	21,181
Total Summer Food Service Program for Children			21,181
Total United States Department of Agriculture			21,181
<b>Total Child Nutrition Cluster-Cluster</b>			21,181
<b>Housing Voucher Cluster-Cluster</b>			
Department of Housing and Urban Development			
Section 8 Housing Choice Vouchers			
Section 8 Housing Choice Vouchers	14.871		1,138,994
Total Section 8 Housing Choice Vouchers			1,138,994
Total Department of Housing and Urban Development			1,138,994
<b>Total Housing Voucher Cluster-Cluster</b>			1,138,994
<b>Other Programs</b>			
Department of Homeland Security			
Emergency Food and Shelter National Board Program			
Emergency Food and Shelter National Board Program	97.024		11,802
Total Emergency Food and Shelter National Board Program			11,802
Total Department of Homeland Security			11,802
Department of Energy			
Weatherization Assistance for Low-Income Persons			
Weatherization Assistance for Low-Income Persons	81.042	Kansas Housing Resources Corporation, 2018 DOE-01	483,979
Weatherization Assistance for Low-Income Persons	81.042	Kansas Housing Resources Corporation, 2019 DOE-01	440,121
Total Weatherization Assistance for Low-Income Persons			924,100
Total Department of Energy			924,100

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED MARCH 31, 2020**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures(\$)</i>
<hr/>			
Department of Health and Human Services			
Low-Income Home Energy Assistance			
Low-Income Home Energy Assistance	93.568	Kansas Housing Resources Corporation,2018-LIEAP-01	1,139,673
Low-Income Home Energy Assistance	93.568	Kansas Housing Resources Corporation,2019-LIEAP-01	<u>573,982</u>
Total Low-Income Home Energy Assistance			1,713,655
Head Start			
Head Start	93.600		<u>2,914,787</u>
Total Head Start			<u>2,914,787</u>
<i>Total Department of Health and Human Services</i>			<u>4,628,442</u>
United States Department of Agriculture			
Child and Adult Care Food Program			
Child and Adult Care Food Program	10.558	Kansas Department of Education	<u>146,330</u>
Total Child and Adult Care Food Program			<u>146,330</u>
<i>Total United States Department of Agriculture</i>			<u>146,330</u>
<b>Total Other Programs</b>			<u>5,710,674</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 8,794,071</u></u>

No awards were passed through to subrecipients

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Note 1 – Basis of presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of East Central Kansas Economic Opportunity Corporation (the Organization) and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**Note 2 – Summary of significant accounting policies**

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

**Note 3 – De minimis indirect cost rate**

In accordance with Section 2 U.S. Code of Federal Regulations Part 200.412 the Organization is allowed to elect to use the ten percent de minimis indirect cost rate. The Organization did not elect to use the 10% de minimis indirect cost rate.

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

To the Board of Directors of East Central Kansas Economic Opportunity Corporation:

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 East Central Kansas Economic Opportunity Corporation, (a nonprofit organization), which comprise the statements of financial position as of March 31, 2020, 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 September 1, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered East Central Kansas Economic Opportunity Corporation'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 East Central Kansas Economic Opportunity Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of East Central Kansas Economic Opportunity Corporation'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 East Central Kansas Economic Opportunity Corporation'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.

Summers, Spencer & Company P.A.

Summers, Spencer & Company, P.A.  
Lawrence, Kansas

September 1, 2020



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

To the Board of Directors of East Central Kansas Economic Opportunity Corporation:

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

We have audited East Central Kansas Economic Opportunity Corporation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on East Central Kansas Economic Opportunity Corporation's major federal program for the year ended March 31, 2020. East Central Kansas Economic Opportunity Corporation's major federal program is identified in the summary of Auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with 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 East Central Kansas Economic Opportunity Corporation'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 East Central Kansas Economic Opportunity Corporation'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 East Central Kansas Economic Opportunity Corporation's compliance.

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

In our opinion, East Central Kansas Economic Opportunity Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2020.

**Report on Internal Control over Compliance**

Management of East Central Kansas Economic Opportunity Corporation 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 East Central Kansas Economic

Opportunity Corporation'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 East Central Kansas Economic Opportunity Corporation'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.

*Summers, Spencer & Company P.A.*

Summers, Spencer & Company, P.A.  
Lawrence, Kansas

September 1, 2020

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unmodified opinion on whether the financial statements of East Central Kansas Economic Opportunity Corporation were prepared in accordance with U.S. GAAP.
2. No material weaknesses or significant deficiencies were identified in the design or operation of internal control over financial reporting.
3. No instances of noncompliance material to the financial statements of East Central Kansas Economic Opportunity Corporation, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No material weaknesses or significant deficiencies were identified during the audit of the major federal award program.
5. The auditor's report on compliance for the major federal award program for East Central Kansas Economic Opportunity Corporation expresses an unmodified opinion on all major federal programs.
6. No audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The program tested as a major program was: CFDA No. 93.600 Head Start.
8. The threshold used for distinguishing between Type A and Type B programs was \$750,000.
9. East Central Kansas Economic Opportunity Corporation was determined to be a low-risk auditee.

**FINDINGS – FINANCIAL STATEMENT AUDIT**

None.

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT**

**EAST CENTRAL KANSAS ECONOMIC OPPORTUNITY CORPORATION  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

**PRIOR YEAR AUDIT FINDINGS**

None.