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**COMMUNITY ACTION  
ORGANIZATION**  
An Oregon Non-Profit Corporation

**Financial Statements**

**For the Fiscal Year Ended June 30, 2009**

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**Aiken & Sanders, Inc PS**

CERTIFIED PUBLIC ACCOUNTANTS  
& MANAGEMENT CONSULTANTS

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## INDEPENDENT AUDITOR'S REPORT

December 7, 2009

To the Board of Directors  
Community Action Organization  
1001 SW Baseline St.  
Hillsboro, OR 97123

We have audited the accompanying statement of financial position of Community Action Organization (CAO) as of June 30, 2009; the related statements of activities and changes in net assets; functional revenues, expenses, and changes in net assets; and cash flows for the fiscal year then ended. These financial statements are the responsibility of CAO's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from CAO's 2008 financial statements and, in our report dated December 1, 2008, we expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CAO as of June 30, 2009, and the changes in its net assets and its cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2009, on our consideration of CAO's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of CAO taken as a whole. The accompanying schedule of revenues, expenses, and changes in net assets by activities and the schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Aiken & Sanders, Inc., PS  
Certified Public Accountants and  
Management Consultants

**COMMUNITY ACTION ORGANIZATION**

**STATEMENT OF FINANCIAL POSITION**

<b>June 30, 2009 (With Comparative Totals for 2008)</b>	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 88,105	\$ 1,178,253
Restricted Cash	1,560,564	1,148,584
Accounts Receivable	1,548,891	652,148
Pledges Receivable	22,454	19,933
Prepaid Expenses	13,045	3,045
	<b>3,233,059</b>	<b>3,001,963</b>
<b>Property &amp; Equipment</b>		
Property and Equipment, net	<b>2,290,858</b>	<b>2,239,646</b>
<b>Other Assets</b>		
Long-Term Pledges Receivable	11,586	10,640
Loan Costs, net	9,363	10,822
Other	350	350
	<b>21,299</b>	<b>21,812</b>
<b>Total Assets</b>	<b>\$ 5,545,216</b>	<b>\$ 5,263,421</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 767,464	\$ 561,260
Wages Payable	32,377	187,021
Accrued Vacation Payable	208,030	117,006
Payroll Tax & Benefits Payable	229,732	104,875
Deferred Revenue	403,802	566,465
Current Portion of Long-Term Debt	35,263	33,130
	<b>1,676,668</b>	<b>1,569,757</b>
<b>Long-Term Liabilities</b>		
Notes and Mortgages Payable, net	<b>1,343,984</b>	<b>1,376,074</b>
	<b>3,020,652</b>	<b>2,945,831</b>
<b>Net Assets</b>		
Unrestricted Net Assets	866,426	1,073,245
Board Designated Net Assets	60,000	60,000
	926,426	1,133,245
Temporarily Restricted Net Assets	1,598,138	1,184,345
	<b>2,524,564</b>	<b>2,317,590</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,545,216</b>	<b>\$ 5,263,421</b>

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

**COMMUNITY ACTION ORGANIZATION**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

<b>Fiscal Year Ended June 30, 2009 (With Comparative Totals for 2008)</b>			<b>2009</b>	<b>2008</b>
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>	<u>TOTAL</u>
<b><u>Support and Revenue</u></b>				
Grants & Contracts	\$ 18,341,464	\$ -	\$ 18,341,464	\$ 15,455,212
United Way	70,524	-	70,524	11,017
Contributions - Other	132,924	31,823	164,747	145,309
Contributions - Corp. & Foundations	125,184	722,441	847,625	719,702
In-Kind Revenue	252,131	-	252,131	317,990
Fees	113,690	-	113,690	158,783
Reimbursements	261,702	-	261,702	260,079
Nets Assets Released from Restrictions: Satisfaction of Program Restrictions	340,471	(340,471)	-	-
<b>Total Support and Revenue</b>	<b>19,638,090</b>	<b>413,793</b>	<b>20,051,883</b>	<b>17,068,092</b>
<b><u>Expenses</u></b>				
Program Services	17,084,456	-	17,084,456	14,772,161
Administration	2,420,336	-	2,420,336	1,816,151
Resource Development	340,207	-	340,207	323,026
<b>Total Expenses</b>	<b>19,844,999</b>	<b>-</b>	<b>19,844,999</b>	<b>16,911,338</b>
<b><u>Other Revenue &amp; Expenses</u></b>				
Other Fund Sources & Transfers	90	-	90	-
Lawsuit Proceeds	-	-	-	395,542
<b>Total Other Revenue &amp; Expenses</b>	<b>90</b>	<b>-</b>	<b>90</b>	<b>395,542</b>
<b>Change in Net Assets</b>	<b>(206,819)</b>	<b>413,793</b>	<b>206,974</b>	<b>552,296</b>
Net Assets at Beginning of Year	1,133,245	1,184,345	2,317,590	1,759,724
Prior Period Adjustments	-	-	-	5,570
<b>Net Assets at End of Year</b>	<b>\$ 926,426</b>	<b>\$ 1,598,138</b>	<b>\$ 2,524,564</b>	<b>\$ 2,317,590</b>

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

**COMMUNITY ACTION ORGANIZATION**

**STATEMENT OF FUNCTIONAL REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

<b>Fiscal Year Ended June 30, 2009 (With Comparative Totals for 2008)</b>						<b>2009</b>	<b>2008</b>
	<b>Early Childhood Development</b>	<b>Family &amp; Community Resources</b>	<b>Total Program Services</b>	<b>Administration</b>	<b>Resource Development</b>	<b>Total</b>	<b>Total</b>
<b>Support and Revenue</b>							
Grants:	\$ 8,883,335	\$ 9,011,527	\$ 17,894,862	\$ 446,602	\$ -	\$ 18,341,464	\$ 15,455,212
Private Revenue:							
United Way	-	50,695	50,695	-	19,829	70,524	11,017
Contributions - Other	4,340	31,823	36,163	-	128,584	164,747	145,309
Contributions - Corp. & Foundations	800	675,253	676,053	94,500	77,072	847,625	719,702
	<u>5,140</u>	<u>757,771</u>	<u>762,911</u>	<u>94,500</u>	<u>225,485</u>	<u>1,082,896</u>	<u>876,028</u>
Income:							
Fees	4,894	108,796	113,690	-	-	113,690	158,783
Reimbursements	-	258,652	258,652	3,050	-	261,702	260,079
	<u>4,894</u>	<u>367,448</u>	<u>372,342</u>	<u>3,050</u>	<u>-</u>	<u>375,392</u>	<u>418,862</u>
In-Kind Revenue	189,944	54,255	244,199	7,782	150	252,131	317,990
<b>Total Support and Revenue</b>	<b><u>9,083,313</u></b>	<b><u>10,191,001</u></b>	<b><u>19,274,314</u></b>	<b><u>551,934</u></b>	<b><u>225,635</u></b>	<b><u>20,051,883</u></b>	<b><u>17,068,092</u></b>
<b>Expenses</b>							
Employee Costs	5,860,345	2,801,804	8,662,149	1,270,145	251,864	10,184,158	9,169,541
Professional Costs	51,281	-	51,281	519,819	-	571,100	414,246
Travel	82,286	69,724	152,010	28,316	2,078	182,404	166,998
Occupancy	382,947	99,858	482,805	15,050	13,920	511,775	469,413
Other Rent	130,486	38,942	169,428	159,324	-	328,752	220,029
Depreciation & Amortization	5,150	17,510	22,660	80,339	-	102,999	93,219
Supplies	143,088	59,792	202,880	101,760	16,456	321,096	302,678
Communications	116,480	98,605	215,085	83,314	36,688	335,087	282,723
Marketing	9,867	5,246	15,113	395	11,645	27,153	23,458
Insurance	29,632	7,554	37,186	42,753	-	79,939	92,219
Repairs and Maintenance	94,648	1,863	96,511	3,448	-	99,959	98,754
Miscellaneous	160,521	78,298	238,819	56,065	7,346	302,230	253,055
Client Expenses	696,409	5,737,104	6,433,513	51,826	60	6,485,399	4,960,446
Capital Outlay	60,817	-	60,817	-	-	60,817	46,569
In-Kind Expenses	189,944	54,255	244,199	7,782	150	252,131	317,990
<b>Total Expenses</b>	<b><u>8,013,901</u></b>	<b><u>9,070,555</u></b>	<b><u>17,084,456</u></b>	<b><u>2,420,336</u></b>	<b><u>340,207</u></b>	<b><u>19,844,999</u></b>	<b><u>16,911,338</u></b>
<b>Change in Net Assets before Other Revenue &amp; Expenses</b>							
	<u>1,069,412</u>	<u>1,120,446</u>	<u>2,189,858</u>	<u>(1,868,402)</u>	<u>(114,572)</u>	<u>206,884</u>	<u>156,754</u>
Transfers from CSBG	-	(182,495)	(182,495)	295,656	(113,161)	-	-
Lawsuit Proceeds	-	-	-	-	-	-	(395,542)
Administration Allocation	838,080	1,004,743	1,842,823	(1,871,366)	28,543	-	-
Other Fund Sources & Transfers	18,567	(8,798)	9,769	-	(9,859)	(90)	-
<b>Total Other</b>	<b><u>856,647</u></b>	<b><u>813,450</u></b>	<b><u>1,670,097</u></b>	<b><u>(1,575,710)</u></b>	<b><u>(94,477)</u></b>	<b><u>(90)</u></b>	<b><u>(395,542)</u></b>
<b>Change in Net Assets</b>	<b>212,765</b>	<b>306,996</b>	<b>519,761</b>	<b>(292,692)</b>	<b>(20,095)</b>	<b>206,974</b>	<b>552,296</b>
Net Assets at Beginning of Year	418,693	1,037,862	1,456,555	791,117	69,918	2,317,590	1,759,724
Prior Period Adjustments	-	-	-	-	-	-	5,570
<b>Net Assets at End of Year</b>	<b><u>\$ 631,458</u></b>	<b><u>\$ 1,344,858</u></b>	<b><u>\$ 1,976,316</u></b>	<b><u>\$ 498,425</u></b>	<b><u>\$ 49,823</u></b>	<b><u>\$ 2,524,564</u></b>	<b><u>\$ 2,317,590</u></b>

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

# COMMUNITY ACTION ORGANIZATION

## STATEMENT OF CASH FLOWS

<b>Fiscal Year Ended June 30, 2009 (With Comparative Totals for 2008)</b>	<b>2009</b>	<b>2008</b>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 206,974	\$ 552,296
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation & Amortization	102,999	93,219
Loss on Disposal of Equipment	4,875	-
(Increase) Decrease in Accounts Receivable	(896,743)	32,233
(Increase) Decrease in Pledges Receivable	(3,467)	11,825
(Increase) Decrease in Prepaid Expenses	(10,000)	-
Increase (Decrease) in Accounts Payable	206,204	(585)
Increase (Decrease) in Wages Payable	(154,644)	187,021
Increase (Decrease) in Accrued Vacation Payable	91,024	(25,249)
Increase (Decrease) in Payroll Tax & Benefits Payable	124,857	74,143
Increase (Decrease) in Deferred Revenue	(162,663)	519,820
<b>Total Adjustments</b>	<b>(697,558)</b>	<b>892,427</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(490,584)</b>	<b>1,444,723</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Equipment	(157,627)	(108,232)
<b>Net Cash Used by Investing Activities</b>	<b>(157,627)</b>	<b>(108,232)</b>
<b>Cash Flows from Financing Activities</b>		
Payments on Long-Term Debt	(29,957)	(29,807)
<b>Net Cash Used by Financing Activities</b>	<b>(29,957)</b>	<b>(29,807)</b>
Net Increase (Decrease) in Cash & Cash Equivalents	<b>(678,168)</b>	<b>1,306,684</b>
Cash and Cash Equivalents at Beginning of Year	2,326,837	1,020,153
<b>Cash and Cash Equivalents at End of Year</b>	<b>1,648,669</b>	<b>2,326,837</b>
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Cash Paid During the Fiscal Year for Interest	\$ <b>98,092</b>	\$ <b>99,523</b>

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

# COMMUNITY ACTION ORGANIZATION

## NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2009

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### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Nature of Activities

Community Action Organization (CAO) is a non-profit entity exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and is not classified as a private foundation. CAO operates primarily as the sponsoring agency of various federal, state and locally funded programs designed to provide a range of services that assist low-income residents of Washington county, in the state of Oregon, to achieve self-determination. CAO has a genuine concern and knowledge regarding issues of poverty and economic stability; is recognized, respected and works collaboratively with all sectors of the community; is a community leader in the area of early childhood development and family support; and is a catalyst in community efforts to address issues of homelessness and housing stability. Programs include Head Start and Early Head Start, Housing and Homeless Services, Energy and Emergency Rent, Weatherization, Child Care Resource and Referral, Opening Doors Prenatal and Parenting Support, and Information and Referral.

#### Support and Revenues

CAO receives a substantial amount of its annual support in the form of government grants and contributions. A significant reduction in the level of this support, if it were to occur, might have a significant effect on CAO's programs and activities.

#### Accounting Basis

CAO maintains its financial records on the accrual basis of accounting. Revenues on all grants are recognized (accrued) when qualifying expenditures under the grant are made. Grant funds are accounted for as temporarily restricted or unrestricted as provided in the particular terms of the respective grant contracts.

When restrictions on grant funds are met in the same year that the funds are awarded, it is the policy of CAO to record the grant funds as unrestricted on the statement of activities and changes in net assets.

#### Recognition of Contribution Revenue

CAO reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities and changes in net assets as net assets released from restrictions. However, restricted gifts for which the donor restriction is met in the same period that the gift is received are recorded as unrestricted.

CAO reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the assets are to be used. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, CAO reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

#### Property and Equipment

Property and equipment purchased by CAO is recorded at cost. Items of less than \$5,000 per unit cost are charged to expense as minor equipment or supplies.

For property and equipment purchased, depreciation is provided over the estimated useful lives of the assets using the straight-line method. Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of equipment are sold or are otherwise disposed of, the appropriate



COMMUNITY ACTION ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2009

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

cost and related accumulated depreciation amounts are removed from the accounts, and any gain or loss is included in income.

Straight-line depreciation is provided over the estimated useful lives of the assets as follows:

Buildings	40 years
Office equipment	3 to 5 years
Vehicles	7 years

Use of Estimates

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

Advertising Costs

It is CAO's policy to expense all advertising costs as incurred.

**NOTE 2: ACCOUNTS RECEIVABLE**

Accounts (Grants) receivable are recorded to the extent of qualifying grant expenditures made during the current year that are to be reimbursed after year end.

Historically, bad debts have been immaterial. CAO uses the direct write-off method. When an amount becomes uncollectible, it is charged to expense in the year it is deemed to be uncollectible. During 2009 and 2008, there were bad debts of \$0 and \$0, respectively. As of June 30, 2009, management estimated that all accounts receivable were collectible.

**NOTE 3: EMPLOYEE BENEFITS**

CAO sponsors a 403(b) tax sheltered annuity benefit for qualifying employees. Beginning in the third year of employment, CAO contributes between \$25 and \$100 per month to a qualified employee's tax sheltered annuity, based on an employee's number of years of service. For the fiscal years ended June 30, 2009 and 2008, the pension expense was \$76,125 and \$76,448, respectively.

CAO also provides its employees with paid annual and sick leave in accordance with its current policies. Sick leave benefits are cumulative only to the extent of use for illness. Unused annual leave is paid to the employee in cash upon termination.

**NOTE 4: DEFERRED REVENUES**

Deferred revenue is recognized for program (grant) advances received by CAO that is in excess of current grant expenditures. Such amounts are restricted funds and as such can only be maintained and used in accordance with the respective grant contracts.

COMMUNITY ACTION ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2009

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**NOTE 5: IN-KIND CONTRIBUTIONS**

Volunteers contribute services toward the fulfillment of programs sponsored by CAO. The contributed services that do not meet the requirements set out in SFAS 116 are not recorded in the financial statements. During the fiscal years ended June 30, 2009 and 2008, the estimated fair value of contributed services received but not recorded on the books was \$172,394 and \$150,097, respectively. The contributed services that meet the requirements set out in SFAS 116 are recorded in the financial statements. During the fiscal years ended June 30, 2009 and 2008, the estimated fair value for these contributed services was \$7,116 and \$33,352, respectively.

CAO receives donated materials and rent that are used in CAO programs. Donated materials and rent are recorded as in-kind revenue at estimated fair market value with an offsetting entry to in-kind expense. During the fiscal years ended June 30, 2009 and 2008, donated supplies were \$53,675 and \$56,499, respectively. During the fiscal years ended June 30, 2009 and 2008, donated rent was \$191,340 and \$228,139, respectively.

**NOTE 6: LEASE COMMITMENTS**

CAO leases various facilities and equipment. These operating leases expire at various times through 2014. Lease expense for facilities and equipment for the fiscal years ended June 30, 2009 and 2008, was \$328,752 and \$220,029, respectively.

Future obligations under currently executed non-cancelable leases are as follows:

<u>Year</u>	
2010	\$ 444,043
2011	324,347
2012	280,309
2013	235,523
2014	<u>150,200</u>
	\$ <u><u>1,434,422</u></u>

**NOTE 7: LINE-OF-CREDIT**

CAO has available a line of credit with Columbia Community Bank in the amount of \$400,000. The interest rate on the line of credit is Prime (currently 6%). At June 30, 2009 and 2008, the outstanding balance on the line of credit was \$0. The line of credit matures March 2010.

**COMMUNITY ACTION ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Fiscal Year Ended June 30, 2009**

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**NOTE 8: LONG-TERM DEBT**

As of June 30, 2009 and 2008, long-term debt was as follows:

	2009	2008
Columbia Community Bank - payable \$10,778 per month including interest accrued at the Treasury Maturities Rate plus 2.65 points (currently at 6.9%) - Secured by Building.	\$ 1,379,247	\$ 1,409,204
Less current maturities	(35,263)	(33,130)
	\$ 1,343,984	\$ 1,376,074

Maturity of debt due within 5 years:

2010	\$	35,263
2011		37,775
2012		40,466
2013		43,348
2014		46,435
Thereafter		1,175,960
Total	\$	1,379,247

**NOTE 9: SUPPLEMENTAL DISCLOSURES - STATEMENT OF CASH FLOWS**

Cash and cash equivalents include cash on hand and cash on deposit in financial institutions.

**NOTE 10: CONCENTRATIONS OF CREDIT RISK**

As of June 30, 2009 and 2008, CAO has cash accounts with Columbia Community Bank that exceeded the amount insured by the Federal Deposit Insurance Corporation (FDIC). Columbia Community Bank has collateralized the amounts that are in excess of the amount insured by FDIC.

The pledges receivable are primarily from donors located in Washington County, Oregon. Consequently, the CAO's ability to collect the pledges is affected by the economy in Washington County.

**NOTE 11: RESTRICTED CASH**

The Opening Doors program has a cash reserve that is restricted for use on expenditures for that program. As of June 30, 2009 and 2008, the unexpended balance of this cash reserve was \$235,318 and \$254,969, respectively.

The Weatherization program also has a cash reserve that is restricted for use on expenditures for that program. As of June 30, 2009 and 2008, the unexpended balance of this cash reserve was \$693,788 and \$484,782, respectively.

**COMMUNITY ACTION ORGANIZATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**Fiscal Year Ended June 30, 2009**

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**NOTE 11: RESTRICTED CASH (CONT.)**

The Head Start program also has a cash reserve that is restricted for use on expenditures for that program. As of June 30, 2009 and 2008, the unexpended balance of this cash reserve was \$631,458 and \$408,833, respectively.

**NOTE 12: PROPERTY AND EQUIPMENT**

At June 30, 2009 and 2008, property and equipment consists of the following:

	<u>2009</u>	<u>2008</u>
Land and Building	\$ 2,973,034	\$ 2,945,960
Furniture and Equipment	108,927	191,011
Vehicles	376,892	257,614
Leasehold Improvements	11,275	-
Accumulated Depreciation	<u>(1,179,270)</u>	<u>(1,154,939)</u>
	<u>\$ 2,290,858</u>	<u>\$ 2,239,646</u>

**NOTE 13: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The accompanying schedule of expenditures of federal awards include the federal grant activity of CAO and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of the financial statements.

**NOTE 14: LONG-TERM PLEDGES RECEIVABLE**

As of June 30, 2009 and 2008, the CAO has pledges that will be received over the next several years. Historically, bad debts have been immaterial. CAO uses the direct write-off method. When an amount becomes uncollectible, it is charged to expense in the year it is deemed to be uncollectible. During 2009 and 2008, there were bad debts of \$0 and \$0, respectively. As of June 30, 2009, management estimated that all pledges receivable were collectible. The long-term pledges are adjusted to present value using a risk free rate of return. Long-term pledges due in the following years are as follows:

2011	\$ 8,180
2012	2,885
2013	750
2014	100
2015	100
Thereafter	300
Present Value Adjustment	<u>( 429)</u>
Net Long-Term Pledges Receivable	<u>\$ 11,586</u>

**COMMUNITY ACTION ORGANIZATION**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Fiscal Year Ended June 30, 2009**

**NOTE 15: TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes at June 30, 2009 and 2008:

	2009	2008
Head Start	\$ 631,458	\$ 408,833
Opening Doors	235,318	254,969
Energy Assistance	23,944	24,022
Transitional Housing	13,630	11,739
Weatherization	693,788	484,782
	\$ 1,598,138	\$ 1,184,345

**NOTE 16: SUPPLEMENTAL SCHEDULE OF NON-FEDERAL AWARDS**

The CAO received certain non-federal awards through various departments of the state of Oregon, Washington county, and local government. These awards are summarized as follows:

Program Titles	Contract Number	Expenditures
<b>Local Government</b>		
Passed Through Cities:		
City of Beaverton-Energy Assistance	None	\$ 20,000
City of Beaverton-Emergency Needs	None	6,787
City of Forest Grove-Emergency Needs	None	1,000
City of Tigard-Emergency Needs	None	5,000
City of Hillsboro-Emergency Needs	None	10,000
City of North Plains-Information & Referral	None	1,000
City of Tualatin-Emergency Needs	None	2,000
		45,787
<b>Oregon Department of Education</b>		
Oregon Head Start	2001-30	3,500,242
<b>Oregon Department of Health and Human Services</b>		
Oregon Mother's Care	None	17,147
<b>Private</b>		
Various Private Grants	None	645,810

COMMUNITY ACTION ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2009

**NOTE 16: SUPPLEMENTAL SCHEDULE OF NON-FEDERAL AWARDS (CON'T.)**

<u>Program Titles</u>	<u>Contract Number</u>	<u>Expenditures</u>
<b>Oregon Housing and Community Services Department</b>		
Emergency Housing Assistance	None	292,764
State Homeless Assistance Program	None	150,369
Low Income Rental Housing Fund	None	62,717
Echo Weatherization	None	847,147
Oregon Energy Assistance	None	2,684,689
		<u>4,037,686</u>
<b>Washington County</b>		
Opening Doors	None	23,041
Shelter Levy	None	179,315
Emergency Needs	None	30,000
		<u>232,356</u>
Total		<u>\$ 8,479,028</u>

**NOTE 17: CONTINGENCIES**

Amounts received or receivable from government agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of CAO if so determined in the future. It is management's belief that no material amounts received or receivable will be required to be returned in the future.

**NOTE 18: BOARD DESIGNATED NET ASSETS**

During the fiscal year ended June 30, 2006, the CAO entered into a contractual agreement with Washington County which will provide funds for discretionary spending, capital improvement reserves and financial stability. CAO will annually receive \$25,000 for a capital reserve fund, \$30,000 for discretionary needs and \$60,000 annually, up to five years or \$300,000 maximum for financial stability. Per the contractual agreement, CAO must provide a \$60,000 match to release the \$60,000 contribution from Washington County for financial stability. During the fiscal years ended June 30, 2009 and 2008, CAO designated \$60,000 each year in unrestricted funds to be used to match the financial stability funds to be received in the following fiscal years.

**NOTE 19: PRIOR PERIOD ADJUSTMENTS**

During the audit for the fiscal year ended June 30, 2008, it was discovered that property and equipment and payroll liabilities were overstated by \$7,121 and \$12,691, respectively, for the fiscal year ended June 30, 2007. Property and equipment was reduced by \$7,121 with a corresponding entry to net assets in the financial records. Payroll liabilities were reduced by \$12,691 with a corresponding entry to net assets in the financial records.

**COMMUNITY ACTION ORGANIZATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**Fiscal Year Ended June 30, 2009**

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**NOTE 20: LAWSUIT PROCEEDS**

CAO, in previous years, had to make substantial repairs to its main facility. These repairs were required due, in the opinion of CAO, to substandard work performed during the initial construction of the facility. These repairs restored the facility to its original state, but did not extend the useful life nor increase the value of the facility. CAO initiated legal proceedings against the contractor who performed the original construction. CAO prevailed in the lawsuit against the contractor. During the fiscal year ended June 30, 2008, CAO received a final settlement of \$395,542, which is presented on the statement of activities and changes in net assets as other revenue.

**NOTE 21: UNCERTAIN TAX POSITIONS**

In December 2008, the Financial Accounting Standards Board issued FASB Staff Position FIN 48-3, "Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises." FSB FIN 48-3 permits an entity within its scope to defer the effective date of FASB Interpretation 48, Accounting for Uncertainty in Income Taxes (FASB Accounting Standards Codification (ASC) 740, Income Taxes), to its annual financial statements for fiscal years beginning after December 15, 2008. The CAO has elected to defer the application of the uncertain tax position provisions of ASC 740 for the fiscal year ended June 30, 2009.

The CAO evaluates its uncertain tax positions using the provisions of ASC 450, Contingencies. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized.

**NOTE 22: SUBSEQUENT EVENTS**

The CAO did not have any subsequent events through December 7, 2009, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the fiscal year ended June 30, 2009.

**COMMUNITY ACTION ORGANIZATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Fiscal Year Ended June 30, 2009**

<b>Federal Grantor/ Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-through Grantor's Number</b>	<b>Federal Expenditures</b>
<b>Department of Health &amp; Human Services</b>			
Head Start	93.600	None	\$ 4,232,556
<b>Passed Through Oregon Housing &amp; Community Services:</b>			
Community Services Block Grant	93.569	533	344,791
Temporary Assistance For Needy Families	93.558	533	34,820
Low Income Housing Energy Assistance Program	93.568	533	2,388,316
<b>Passed Through Childcare Resource &amp; Network DHS:</b>			
Childcare Resource & Referral	93.575	None	282,699
<b>Passed Through Washington County Dept. DHS:</b>			
Medical Assistance Program	93.778	08-1170	8,303
Childcare & Development Block Grant	93.994	124866	17,147
Stabilization of Child Care Providers	93.575	08-1170	110,421
			<b>7,419,053</b>
<b>Department of Energy</b>			
<b>Passed Through Oregon Housing &amp; Community Services:</b>			
Bonneville Power Administration	81.999	533	32,744
ARRA Weatherization Assistance For Low Income Persons	81.042	533	82,961
Weatherization Assistance For Low Income Persons	81.042	533	320,617
			<b>436,322</b>
<b>Department of Agriculture</b>			
<b>Passed Through Oregon Dept. of Education:</b>			
Child & Adult Care Food Program	10.565	None	18,681
Child & Adult Care Food Program	10.558	None	345,720
			<b>364,401</b>



**COMMUNITY ACTION ORGANIZATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT.)**

**Fiscal Year Ended June 30, 2009**

<b>Federal Grantor/ Pass-through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-through Grantor's Number</b>	<b>Federal Expenditures</b>
<b>Department of Homeland Security</b>			
Emergency Food & Shelter National Board Program	97.024	None	<u>355,325</u>
<b>Department of Housing and Urban Development</b>			
Supportive Housing Program	14.235	None	151,685
<b>Passed Through Washington County Office of Community Development:</b>			
CDBG-Self Help Weatherization	14.218	08-0575	25,000
CDBG-Comprehensive Weatherization	14.218	08-0579	20,000
CDBG-Homeless	14.218	None	3,153
CDBG-Shelter Waitlist	14.218	06-0474	22,429
CDBG-Basic Needs	14.218	08-0572	25,000
Emergency Shelter Grant	14.231	533	<u>88,662</u>
			<u><b>335,929</b></u>
<b>Total Federal Awards</b>			<b>\$ <u><u>8,911,030</u></u></b>

**COMMUNITY ACTION ORGANIZATION**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Fiscal Year Ended June 30, 2009**

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No prior year findings.

**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***

December 7, 2009

To the Board of Directors  
Community Action Organization  
1001 SW Baseline St.  
Hillsboro, OR 97123

We have audited the financial statements of the Community Action Organization (CAO) as of and for the fiscal year ended June 30, 2009, and have issued our report thereon dated December 7, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered CAO's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CAO's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of CAO's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CAO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*.

This report is intended for the information of the Board of Directors, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Aiken & Sanders".

Aiken & Sanders, Inc., PS  
Certified Public Accountants  
& Management Consultants

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

December 7, 2009

To the Board of Directors  
Community Action Organization  
1001 SW Baseline St.  
Hillsboro, OR 97123

Compliance

We have audited the compliance of the Community Action Organization (CAO) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the fiscal year ended June 30, 2009. CAO's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of CAO's management. Our responsibility is to express an opinion on CAO's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CAO'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. Our audit does not provide a legal determination on CAO's compliance with those requirements.

In our opinion, CAO complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended June 30, 2009.

Internal Control Over Compliance

The management of CAO is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered CAO's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the CAO's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of the Board of Directors, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Aiken & Sanders, Inc., PS  
Certified Public Accountants  
& Management Consultants

COMMUNITY ACTION ORGANIZATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Fiscal Year Ended June 30, 2009

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

**Financial Statements**

Type of auditor's report issued: Unqualified

**Internal control over financial reporting:**

Material weaknesses identified: No

Significant deficiencies identified not considered to be material weaknesses: No

Noncompliance material to financial statements noted: No

**Federal Awards**

**Internal control over major programs:**

Material weaknesses identified: No

Significant deficiencies identified not considered to be material weaknesses: No

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a): No

**Identification of major programs:**

<b>CFDA Numbers</b>	<b>Name of Federal Program</b>
93.569	Community Services Block Grant
93.600	Head Start
10.558	Child & Adult Care Food Program
81.042	Weatherization Assistance for Low Income Persons
81.042	ARRA Weatherization Assistance for Low Income Persons

**Dollar threshold used to distinguish between Type A and Type B programs:** \$300,000

**Auditee qualified as low-risk auditee:** Yes

**Section II – Financial Statement Findings:**

No matters were reported.

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

No matters were reported.

**Community Action Organization**

**Supplementary Schedule of Revenues, Expenses and Changes in Net Assets by Activity**

For the Fiscal Year Ended June 30, 2009

	Early Childhood Development			Family & Community Resources							Resource Development	Administration	
	Total	Head Start	A-Kids Domain	CCRR	Opening Doors	Shelter	Transitional Housing	Emergency Needs	Information Referral	Weatherization		Energy	CSBG
<b>Support and Revenue</b>													
<b>Government Revenue</b>													
Federal (1)	\$ 4,604,374	\$ 4,232,556	\$ -	\$ -	\$ 17,147	\$ -	\$ 151,685	\$ 202,986	\$ -	\$ -	\$ -	\$ -	\$ -
State (1)	12,624,670	4,650,779	-	284,187	200	443,133	99,087	-	139,415	2,086,209	4,576,869	344,791	-
Local	1,112,420	-	-	129,486	352,445	347,670	-	84,787	1,000	45,000	50,221	-	101,811
	<b>18,341,464</b>	<b>8,883,335</b>	<b>-</b>	<b>413,673</b>	<b>369,792</b>	<b>790,803</b>	<b>250,772</b>	<b>287,773</b>	<b>140,415</b>	<b>2,131,209</b>	<b>4,627,090</b>	<b>-</b>	<b>344,791</b>
<b>Private Revenue</b>													
United Way	70,524	-	-	-	-	42	-	50,653	-	-	-	19,829	-
Contributions	164,747	4,340	-	-	245	3,740	-	27,838	-	-	-	128,584	-
Corporations & Foundations	847,625	800	-	132,624	160,348	99,364	239,197	7,320	36,400	-	-	77,072	94,500
	<b>1,082,896</b>	<b>5,140</b>	<b>-</b>	<b>132,624</b>	<b>160,593</b>	<b>103,146</b>	<b>239,197</b>	<b>85,811</b>	<b>36,400</b>	<b>-</b>	<b>-</b>	<b>225,485</b>	<b>94,500</b>
<b>Income</b>													
Fees / Sales	113,690	4,894	-	105,588	-	-	-	-	3,208	-	-	-	-
Reimbursements	261,702	-	-	-	-	-	-	-	-	258,652	-	-	3,050
	<b>375,392</b>	<b>4,894</b>	<b>-</b>	<b>105,588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,208</b>	<b>258,652</b>	<b>-</b>	<b>-</b>	<b>3,050</b>
<b>Total Inkind Revenue</b>	<b>252,131</b>	<b>189,944</b>	<b>-</b>	<b>1,442</b>	<b>23,458</b>	<b>28,198</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,157</b>	<b>-</b>	<b>150</b>	<b>7,782</b>
<b>Total Revenue</b>	<b>20,051,883</b>	<b>9,083,313</b>	<b>-</b>	<b>653,327</b>	<b>553,843</b>	<b>922,147</b>	<b>489,969</b>	<b>373,584</b>	<b>180,023</b>	<b>2,391,018</b>	<b>4,627,090</b>	<b>225,635</b>	<b>344,791</b>
<b>Expenses</b>													
Employee Costs	10,184,158	5,860,345	-	409,310	522,978	373,254	230,668	-	182,521	571,526	511,547	251,864	1,270,145
Supplies	321,096	143,088	-	7,915	12,489	7,808	347	-	2,472	20,790	7,971	16,456	101,760
Professional Costs	571,100	51,281	-	-	-	-	-	-	-	-	-	-	519,819
Communications	335,087	116,480	-	23,246	13,722	10,114	774	-	8,351	22,035	20,363	36,688	83,314
Transportation & Travel	182,404	82,286	-	9,437	20,857	5,900	12,001	-	6,507	9,674	5,348	-	28,316
Marketing	27,153	9,867	-	1,398	611	902	-	37	-	1,949	349	-	395
Occupancy	511,775	382,947	-	18,996	4,391	18,448	223	-	5,964	29,575	22,261	13,920	15,050
Other Rents	328,752	130,486	-	-	1,800	-	240	-	-	8,400	28,502	-	159,324
Insurance	79,939	29,632	-	-	456	2,232	-	-	-	4,194	672	-	42,753
Repair & Maintenance	99,959	94,648	-	-	-	797	-	-	-	1,066	-	-	3,448
Miscellaneous Expenses	302,230	160,521	-	39,018	5,486	4,353	3,959	378	2,298	17,455	5,351	7,346	56,065
Capital Outlay	60,817	60,817	-	-	-	-	-	-	-	-	-	-	-
Client Expenses	6,485,399	696,409	-	37,377	200	319,173	195,780	338,236	2,813	1,261,325	3,582,200	60	51,826
Inkind	252,131	189,944	-	1,442	24,614	28,199	-	-	-	-	-	150	7,782
Depreciation Expenses	102,999	5,150	-	-	-	3,090	-	-	-	14,420	-	-	80,339
Administrative Charges	-	838,080	-	62,164	61,636	104,943	43,967	50,482	19,465	219,560	442,526	28,543	(1,920,501)
<b>Total Expenditures</b>	<b>19,844,999</b>	<b>8,851,981</b>	<b>-</b>	<b>610,303</b>	<b>669,240</b>	<b>879,213</b>	<b>487,959</b>	<b>389,133</b>	<b>230,391</b>	<b>2,181,969</b>	<b>4,627,090</b>	<b>368,750</b>	<b>49,135</b>
<b>Change in Net Assets before Other Revenue &amp; Expenses</b>	<b>206,884</b>	<b>231,332</b>	<b>-</b>	<b>43,024</b>	<b>(115,397)</b>	<b>42,934</b>	<b>2,010</b>	<b>(15,549)</b>	<b>(50,368)</b>	<b>209,049</b>	<b>-</b>	<b>(143,115)</b>	<b>295,656</b>
<b>Other Revenue &amp; Expenses</b>													
Lawsuit Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses for Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Revenue &amp; Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expense Transfers: CSBG	-	-	-	-	(96,247)	-	-	(37,114)	(49,134)	-	-	(113,161)	295,656
Expense Transfers: Other	(90)	8,708	9,859	(8,618)	500	(23,454)	120	23,454	(845)	45	-	(9,859)	-
<b>Adjusted Expenditures</b>	<b>(90)</b>	<b>8,708</b>	<b>9,859</b>	<b>(8,618)</b>	<b>(95,747)</b>	<b>(23,454)</b>	<b>120</b>	<b>(13,660)</b>	<b>(49,979)</b>	<b>45</b>	<b>-</b>	<b>(123,020)</b>	<b>295,656</b>
<b>Change in Net Assets</b>	<b>206,974</b>	<b>222,624</b>	<b>(9,859)</b>	<b>51,642</b>	<b>(19,650)</b>	<b>66,388</b>	<b>1,890</b>	<b>(1,889)</b>	<b>(389)</b>	<b>209,004</b>	<b>-</b>	<b>(20,095)</b>	<b>-</b>
<b>Beginning of Year Net Assets</b>	<b>2,317,590</b>	<b>408,834</b>	<b>9,859</b>	<b>97,799</b>	<b>254,968</b>	<b>190,742</b>	<b>11,740</b>	<b>(45,282)</b>	<b>19,167</b>	<b>484,784</b>	<b>23,944</b>	<b>69,918</b>	<b>791,117</b>
<b>Prior Period Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>End of Year Net Assets</b>	<b>\$ 2,524,564</b>	<b>\$ 631,458</b>	<b>\$ -</b>	<b>\$ 149,441</b>	<b>\$ 235,318</b>	<b>\$ 257,130</b>	<b>\$ 13,630</b>	<b>\$ (47,171)</b>	<b>\$ 18,778</b>	<b>\$ 693,788</b>	<b>\$ 23,944</b>	<b>\$ 49,823</b>	<b>\$ -</b>

(1) Federal government revenue is revenue that comes directly from a federal government agency. State government revenue includes revenue that comes from a federal government agency then is pass through to a State agency, then to CAO. State government revenue also includes revenue that are from state agencies.

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