



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

**COMMUNITY ACTION WAYNE/MEDINA
WOOSTER, OHIO**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Action Wayne/Medina
Wooster, Ohio

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Community Action Wayne/Medina, (a not-for-profit corporation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Community Action Wayne/Medina, as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Community Action Wayne/Medina, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Community Action Way/Medina as of December 31, 2023 were audited by other auditors whose report dated September 27, 2024 expressed an unmodified opinion on those statements.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Community Action Wayne/Medina's ability to continue as a going concern for one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued, when applicable).

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Community Action Wayne/Medina's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Community Action Wayne/Medina's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Community Action Wayne/Medina's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule is fairly stated, in all material respects, in relation to the basic 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 30, 2025, on our consideration of the Community Action Wayne/Medina'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 solely 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 effectiveness of the Community Action Wayne/Medina'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 Community Action Wayne/Medina's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.
Worthington, Ohio
September 30, 2025

COMMUNITY ACTION WAYNE/MEDINA

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

<i>ASSETS</i>	<u>2024</u>	<u>2023</u>
<i>CURRENT ASSETS</i>		
Cash and cash equivalents	\$ 1,431,323	\$ 1,599,595
Program grants receivable	184,663	526,546
Prepaid expenses	-	21,486
Inventory	6,968	8,303
<i>TOTAL CURRENT ASSETS</i>	<u>1,622,954</u>	<u>2,155,930</u>
 <i>NET PROPERTY AND EQUIPMENT</i>	 3,146,659	 3,219,402
 <i>OTHER ASSETS</i>		
Investments	87,674	72,592
Right of use asset, net	338,049	286,403
<i>TOTAL OTHER ASSETS</i>	<u>425,723</u>	<u>358,995</u>
 <i>TOTAL ASSETS</i>	 <u>\$ 5,195,336</u>	 <u>\$ 5,734,327</u>

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

	<u>2024</u>	<u>2023</u>
<i>LIABILITIES AND NET ASSETS</i>		
<i>CURRENT LIABILITIES</i>		
Current portion of long-term debt	1,046,155	\$ 1,127,934
Current portion of operating lease liability	179,391	125,539
Accounts payable	17,373	436,880
Accrued expenses	151,675	225,076
Deferred Support	926,180	1,187,421
<i>TOTAL CURRENT LIABILITIES</i>	<u>2,320,774</u>	<u>3,102,850</u>
Operating lease liability, net of current portion	<u>158,658</u>	<u>160,863</u>
<i>TOTAL LIABILITIES</i>	2,479,432	3,263,713
<i>NET ASSETS</i>		
Without donor restrictions		
Board designated operating reserve	300,000	300,000
Unappropriated	<u>2,326,759</u>	<u>2,081,469</u>
	2,626,759	2,381,469
Withdonor restrictions	<u>89,145</u>	<u>89,145</u>
<i>TOTAL NET ASSETS</i>	<u>2,715,904</u>	<u>2,470,614</u>
<i>TOTAL LIABILITIES AND NET ASSETS</i>	<u>\$ 5,195,336</u>	<u>\$ 5,734,327</u>

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

COMMUNITY ACTION WAYNE/MEDINA

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS -

For The Years Ended December 31, 2024 and 2023

	2024			2023
	<u>Without Donor</u>	<u>With Donor</u>	<u>Total</u>	<u>Total</u>
<i>Support and revenue:</i>				
Grants and contracts	13,708,362	-	13,708,362	\$ 14,821,808
Support in-kind	367,814	-	367,814	413,427
Fees	23,358	-	23,358	49,545
Other income	64,026	-	64,026	29,372
<i>TOTAL SUPPORT AND REVENUE</i>	<u>14,163,560</u>	<u>-</u>	<u>14,163,560</u>	<u>15,314,152</u>
<i>Expenses:</i>				
Program services	12,613,107	-	12,613,107	13,798,026
Management and general	1,305,163	-	1,305,163	1,328,328
<i>Total program services</i>	<u>13,918,270</u>	<u>-</u>	<u>13,918,270</u>	<u>15,126,354</u>
<i>TOTAL EXPENSES</i>	<u>13,918,270</u>	<u>-</u>	<u>13,918,270</u>	<u>15,126,354</u>
<i>INCREASE (DECREASE) IN NET ASSETS</i>	<u>245,290</u>	<u>-</u>	<u>245,290</u>	<u>187,798</u>
<i>Net assets, beginning of year</i>	2,381,469	89,145	\$ 2,470,614	2,282,816
<i>Net assets, end of year</i>	<u>\$ 2,626,759</u>	<u>\$ 89,145</u>	<u>\$ 2,715,904</u>	<u>\$ 2,470,614</u>

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

COMMUNITY ACTION WAYNE/MEDINA

STATEMENT OF FUNCTIONAL EXPENSES

December 31, 2024

	<i>Program Services</i>							<i>Support Services</i>	
	<u>Totals</u>	<u>Head Start</u>	<u>CACFP</u>	<u>HWAP</u>	<u>HEAP</u>	<u>CSBG</u>	<u>MM</u>	<u>MISC.</u>	<u>Totals</u>
Salaries and wages	\$ 4,670,888	3,747,172	-	161,095	256,014	190,708	67,024	248,875	539,619
Employee benefits	2,032,669	1,645,708	-	68,589	105,456	76,746	28,599	107,571	246,785
Total salaries, wages, and employee benefits	6,703,557	5,392,880	-	229,684	361,470	267,454	95,623	356,446	786,404
In-kind donations	510,748	510,748	-	-	-	-	-	-	-
Professional and consulting	58,113	16,991	-	534	15,839	4,598	-	20,151	129,899
Travel and education	315,002	247,613	-	6,586	2,935	5,067	3,214	49,587	33,393
Occupancy	586,818	482,220	-	6,814	26,974	30,585	1,232	38,993	63,202
Supplies	316,331	220,474	-	9,077	4,263	4,056	421	78,040	26,353
Office	49,101	34,658	-	699	1,119	1,854	2,073	8,698	49,627
Telephone and internet	109,582	87,475	-	5,164	7,550	7,947	992	454	43,986
Equipment rent, purchases, and maintenance	87,038	60,323	-	9,149	8,888	5,591	1,029	2,058	103,862
Staff related	7,370	6,876	-	-	-	95	-	399	4,117
Insurance	35,913	25,046	-	5,382	1,477	2,803	77	1,128	39,341
Program service	3,689,187	32,266	263,105	805,874	645,135	67,526	-	1,875,281	-
Depreciation and amortization	144,347	125,457	-	3,276	7,662	6,087	521	1,344	22,580
Interest	-	-	-	-	-	-	-	-	2,399
Total expenses	\$ 12,613,107	\$ 7,243,027	\$ 263,105	\$ 1,082,239	\$ 1,083,312	\$ 403,663	\$ 105,182	\$ 2,432,579	\$ 1,305,163

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

COMMUNITY ACTION WAYNE/MEDINA

STATEMENT OF FUNCTIONAL EXPENSES

December 31, 2023

	Program Services									Support Services
	Totals	Head Start	CACFP	HWAP	HEAP	CSBG	MM	CARES	Corporate	Totals
Salaries and wages	\$ 4,512,654	\$ 3,339,256	\$ 228,380	\$ 249,274	\$ 222,412	\$ 186,296	\$ 72,144	\$ 2,928	\$ 211,964	\$ 618,969
Employee benefits	1,812,514	1,372,985	91,249	101,834	86,263	75,259	30,757	-	54,167	252,581
Total salaries, wages, and employee benefits	6,325,168	4,712,241	319,629	351,108	308,675	261,555	102,901	2,928	266,131	871,550
In-kind donations	690,873	690,873	-	-	-	-	-	-	-	-
Professional and consulting	87,108	49,296	1,192	2,100	10,891	12,699	-	-	10,930	130,370
Travel and education	315,189	297,185	3,462	1,495	2,510	3,752	1,899	-	4,886	25,209
Occupancy	809,493	448,973	5,178	6,651	40,607	30,720	974	-	276,390	60,537
Supplies	566,142	287,958	32,946	4,009	6,518	6,637	1,010	-	227,064	34,204
Office	31,378	21,594	144	715	1,487	1,189	1,252	-	4,997	38,964
Telephone and internet	102,881	80,207	186	5,035	6,077	8,786	1,139	-	1,451	61,214
Equipment rent, purchases, and maintenance	138,968	99,429	8,971	7,896	12,374	3,774	240	-	6,284	27,931
Staff related	12,828	12,019	-	-	70	370	-	-	369	1,586
Insurance	29,817	22,504	-	4,468	445	2,031	47	-	322	35,455
Program service	4,515,800	24,027	228,172	1,036,656	463,895	235,014	185	-	2,527,851	-
Depreciation and amortization	134,653	102,211	-	2,606	2,946	5,137	473	-	21,280	5,335
Interest	37,167	-	-	1,234	29	1,749	310	-	33,845	35,973
Miscellaneous	561	-	-	-	-	-	-	-	561	-
Total expenses	\$ 13,798,026	\$ 6,848,517	\$ 599,880	\$ 1,423,973	\$ 856,524	\$ 573,413	\$ 110,430	\$ 2,928	\$ 3,382,361	\$ 1,328,328

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

COMMUNITY ACTION WAYNE/MEDINA

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2024 and 2023

	2024	2023
<i>CASH FLOW FROM OPERATING ACTIVITIES</i>		
Change in net assets	\$ 245,290	\$ 187,798
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	144,347	139,988
Net change in investments	(15,082)	(8,152)
Changes in assets and liabilities:		
Accounts receivable	341,883	(163,089)
Prepaid expenses	21,486	11,184
Inventory	1,335	3,102
Accounts payable	(419,507)	187,691
Accrued expenses	(73,401)	(5,654)
Deferred support	(261,241)	(229,003)
<i>Net cash provided (used) by operating activities</i>	(14,890)	123,865
 <i>CASH FLOW FROM INVESTING ACTIVITIES</i>		
Purchase of property and equipment	(71,603)	(697,156)
<i>Net cash used by investing activities</i>	(71,603)	(697,156)
 <i>CASH FLOW FROM FINANCING ACTIVITIES</i>		
Payments on debt	(81,779)	(85,346)
<i>Net cash used by financing activities</i>	(81,779)	(85,346)
 Net change in cash and cash equivalents	 (168,272)	 (658,637)
Cash and cash equivalents at beginning of year	1,599,595	2,258,232
 Cash and cash equivalents at end of year	 \$ 1,431,323	 \$ 1,599,595

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

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Community Action Wayne/Medina (CAW/M or the Organization) is a non-profit corporation organized to provide educational, economic and social opportunities for underprivileged citizens of Wayne and Medina Counties of Ohio. Substantially all of the grants received by CAW/M and all amounts reported as grants receivable on the statements of financial position are grants which originated from the government of the United States of America and the State of Ohio.

Accounting Basis

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The following information summarizes the accounting basis:

Inventories

Inventories are stated at the lower of cost or market determined by the first-in, first-out method.

Equipment

Acquisitions of property and equipment in excess of \$5,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation and amortization are recognized using the straight-line method over the estimated useful lives of the related assets, ranging from 5 years to 39 years. Maintenance and repairs of property and equipment are charged to expense. Substantially all property and equipment owned by CAW/M was acquired with grant funds restricted for that purpose. The various funding sources have a reversionary interest in the property and equipment purchased with grant funds, and any dispositions, as well as the ownership of any disposition proceeds, are subject to funding source regulations.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents consist of demand deposits and certificates of deposits. Money market investments and certificates of deposit are considered to be part of investment activity and not cash equivalents.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenues

Revenues are recognized in the accompanying financial statements as follows:

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

A. Grants and Reimbursement Contracts

The Organization operates as a charitable non-profit organization and its accounts receivable are primarily derived from program grants and other receivables. Effective January 1, 2023, at each balance sheet date, the Organization recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist. The allowance estimate is derived from a review of the Organization's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions and reasonable and supportable forecasts regarding future events. The allowance for credit losses was \$0 as of December 31, 2024 and 2023, as the Organization deemed the receivables fully collectible.

B. Service Fees

Service fees consist primarily of charges incurred in conjunction with the Rural Health and Childcare programs. The fees are recognized as revenue in the accounting period in which they are earned.

C. Program Income

Funds from various sources are recognized as revenue in the accounting period in which they are earned.

D. Miscellaneous Income

Funds from miscellaneous sources are recognized in the accounting period in which they are earned.

E. In-kind Contributions

Donated services are recognized if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased by Community Action Wayne/Medina. Donated items are recognized as income at the fair market value of the items at the date the donation occurred. Volunteers also provided substantial amounts of time to program services that are not recognized as contributions in the financial statements since the recognition criteria were not met. The Organization also receives in-kind rent contributions.

F. Social Enterprise

The Organization receives funding for the installation of certain utility related items. CAW/M outsources the installation to a third-party, pays the subcontractor, and receives a flat fee for the service from the granting agency. The difference between the contract fee and what is funded by the agency is recognized as revenue. Revenue from government contracts is recognized when allowable and reimbursable expenditures are incurred, and upon meeting the legal or contractual requirements of the funding source.

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

G. Contributions

The Organization receives contributions from individuals, corporations, and other charitable organizations. Contributions are recognized as revenue, at fair value, on the earlier of the receipt of cash and an unconditional promise to give. Contributions which impose restrictions that are met in the same fiscal year the contribution is received are reported as increases in net assets without donor restrictions. Expirations of donor restrictions (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) in subsequent years are reported as “Net assets released from restrictions” in the statements of activities and changes in net assets.

Grant Expense Allocation

Certain personnel leave and fringe benefit costs are allocated to the various grant programs monthly based on interim calculations and are subsequently reallocated when expenses become fixed at year end. Fiscal year grant reports issued by the Organization may accordingly differ from costs reflected on the Schedule of Expenditures of Federal Awards herein. The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and change in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Net Assets

Net assets, revenue, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with restrictions, depending on the nature of the restrictions. When restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The donor-restricted net assets for 2024 and 2023 are restricted for use within the Getting Ahead, Transportation, and Food Pantry programs.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from Ohio income tax.

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

Advertising

The cost of advertising is expensed as it is incurred. Advertising expense for the years ending December 31, 2024 and 2023 were not significant.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities.

Costs are allocated between management and general or the appropriate program based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with other specific functions but provide for the overall support and direction of the Organization.

(2) LEASE AGREEMENTS

The Company uses the rate implicit in the lease at the time of lease inception which ranged from 6.3% to 7.3%. The Company has lease agreements, classified as operating leases, covering various items of equipment and buildings. Payments are made annually and range from \$1,185 to \$8,167 and expire at various times through December 2031. For the years ended December 31, 2024 and 2023, net right of use assets and liabilities of \$338,049 and \$486,403, respectively, was recorded. The right-of-use asset had a gross amount of \$923,141 as of December 31, 2024, with accumulated amortization of \$585,092.

All Leases

The Organization has no material related-party leases.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Following is a schedule of future minimum lease payments through the lease expiration dates.

2025	\$	175,663
2026		32,667
2027		32,667
2028		32,667
2029 and thereafter		98,001
Total lease payments		371,665
Less: present value discount		(33,616)
Present value of lease liabilities	\$	338,049

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

(3) LAND, PROPERTY AND EQUIPMENT

	2024	2023
Buildings and improvements	\$ 3,412,502	\$ 3,412,502
Leasehold improvements	246,237	246,237
Land and land improvements	33,654	33,654
Equipment	188,859	188,859
Vehicles	224,043	152,439
Construction in progress	264,915	264,915
Less: accumulated depreciation and amortization	(1,223,551)	(1,079,204)
Total	\$ 3,146,659	\$ 3,219,402

FUNCTIONAL AREA

	2024	2023
Home weatherization assistance program	\$ 14,044	\$ 14,044
Head start	1,545,968	1,529,238
Agency	2,545,283	2,490,409
Less: accumulated depreciation and amortization	(1,223,551)	(1,079,204)
Total	\$ 2,881,744	\$ 2,954,487

Depreciation and amortization expense for the years ended December 31, 2024 and 2023 was \$144,347 and \$139,988, respectively.

(4) CONCENTRATION OF CREDIT RISK

The Organization maintains cash accounts with multiple banks. The accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. Balances in excess of \$250,000 are fully collateralized with securities pledged by the banks on the Organization's behalf. The Organization depends on grants from federal, state and local sources for its continued existence.

(5) GRANTS RECEIVABLE

The balance of grants receivable at December 31, 2024, is receivable in less than one year.

(6) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available for general expenditures with one year of the statement of financial position date include cash and cash equivalents, certificates of deposit, accounts receivable, grants receivable and current portion of notes receivable. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

(7) LONG-TERM LIABILITIES

Long term debt consists of the following at December 31, 2024 and 2023:

	2024	2023
PNC Bank, note loan, interest rate 5.30%, due in monthly installments of \$2,698, including interest, through March 14, 2025	\$ 99,481	\$ 121,000
PNC Bank, mortgage loan, interest rate 5.15%, due in monthly installments of \$9,718, including interest, through March 14, 2025	946,674	1,006,934
Less: Current maturities of long-term debt	(1,046,155)	(1,127,934)
Total long-term debt	\$ -	\$ -

Principal requirements on the long-term debt for years ending after December 31, 2024 are as follows:

2025	\$ 1,046,155
------	--------------

INVESTMENTS

The fair market value of the Fund was \$87,674 and \$72,592 at December 31, 2024 and 2023, respectively, as follows:

	2024	2023
Beginning balance	\$ 72,592	\$ 64,440
Interest and dividend	4,536	2,640
Realized and unrealized gains	11,062	5,801
Administrative fees	(516)	(289)
Total	\$ 87,674	\$ 72,592

The Organization complies with ASC 820 *Fair Value Measurements and Disclosures* to account for and report fair value. ASC 820 provides a single definition of fair value, a framework for measuring fair value and expanded disclosures concerning fair value. The standard defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Fair values of certain assets are determined based on the fair value hierarchy established in this standard, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are inputs that reflect assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances.

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

The standard describes three levels within its hierarchy that may be used to measure fair value which are:

Level 1

Values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2

Values are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3

Values are generated from unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities. These unobservable inputs would reflect management's estimates of assumptions that market participants would use in pricing related assets or liabilities. Valuation techniques might include the use of pricing models, discounted cash flow models or similar techniques.

The following table presents the assets and liabilities included in the balance sheets that are carried at fair value measured on a recurring basis and indicates the level within the fair value hierarchy utilized to determine such value as of December 31, 2024 and 2023:

	<u>Fair Value</u>	<u>Fair Value Measurements using:</u>		
		<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<i>December 31, 2024:</i>				
Money market funds	\$ 87,674	\$ -	\$ -	\$ 87,674
<i>December 31, 2023:</i>				
Money market funds	\$ 72,592	\$ -	\$ -	\$ 72,592

(8) EMPLOYEE RETIREMENT

All employees with more than 1,000 hours of annual service and who have been employed for more than 180 days are eligible to participate in two defined contribution pension plans, money purchase and 403b. The employer contributes 3% of the employees' annual wages to the money purchase plan and up to 3% match on the 403b plan. The employer contributions vest with the employee in the third year. Contributions to the purchase money and 403b plans for the year ended December 31, 2023, were \$279,324 and \$279,767 respectively.

COMMUNITY ACTION WAYNE/MEDINA
Notes to Financial Statements
For the Year Ended December 31, 2024 and 2023

(9) NET ASSETS

Net assets with donor restrictions as of December 31, 2024 and 2023, amount to \$89,145.

(10) SUBSEQUENT EVENTS

Subsequent events were evaluated through September 30, 2025, which is the date of the auditor's report.

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Federal Grantor/Pass-through Grantor/Program Title	Federal Expenditures
U.S Department of Health and Human Services			
<i>Direct Programs</i>			
Head Start - American Rescue Plan	93.600	2123 05HE000713-01-01	97,157
Head Start One-Time Funds	93.600	2122-43 05CH011946-02-02	(55,429)
Head Start - 2024	93.600	2122-43 05CH011946-03-02	877,358
Head Start - 2025	93.600	2122-43 05CH011946-04-03	6,828,777
Total Head Start Cluster			<u>7,747,862</u>
<i>Low-Income Home Energy Assistance</i>			
Home Energy Assistance (HEAP)	93.568	HEAP-2024-148	385,097
Home Energy Assistance (HEAP)	93.568	HEAP-2025-148	125,198
Home Energy Assistance (HEAP)	93.568	WCP-2024-148	244,170
Home Energy Assistance (HEAP)	93.568	WCP-2025-148	91,311
Home Energy Assistance (HEAP)	93.568	SCP-2024-148	309,654
Total Home Energy Assistance			<u>1,155,430</u>
<i>Passed through Ohio Department of Development</i>			
Home Weatherization Assistance (HWAP)	93.568	23-HE-132	256,249
Home Weatherization Assistance (HWAP)	93.568	24-HE-132	164,484
Home Weatherization Assistance (HWAP)	93.568	23-132	301,776
Home Weatherization Assistance (HWAP)	93.568	24-132	86,085
Low-Income Household Water Assistance Program (LIHWAP)	93.568	LIHWAP 2021-148	454,877
Total Home Weatherization Assistance (HWAP)			<u>1,263,471</u>
<i>Passed through Ohio Department of Development</i>			
Community Services Block Grant (CSBG)2022	93.569	2022-2023-38	20,720
Community Services Block Grant (CSBG)2024	93.569	2024-2025-38	434,992
Total Community Services Block Grant (CSBG)			<u>455,711</u>
Total U.S. Department of HHS			10,622,475
<i>Passed through Ohio Department of Development</i>			
Bipartisan Infrastructure Law Program	81.042	23-BIL-132	144,054
HWAP Readiness	81.042	23-HR-132	8,343
HWAP Readiness	81.042	24-HR-132	32,774
Home Weatherization Assistance (HWAP)	81.042	23-132	117,512
Home Weatherization Assistance (HWAP)	81.042	24-132	160,500
Total HWAP Readiness			<u>463,183</u>
Total U.S. Department of Energy			463,183
<i>Direct Programs</i>			
Child and Adult Care Food Program (CACFP)	10.558	95570	205,566
Child and Adult Care Food Program (CACFP)	10.558	95570	39,492
Total Child and Adult Care Food Program (CACFP)			<u>245,058</u>
Total U.S. Department of Agriculture			245,058
<i>Transit Services Programs Cluster</i>			
5310 Program Specialized Transportation	20.513	SPEC-0188-058-221	34,491
5310 Program Specialized Transportation	20.513	SPEC-0188-058-221	6,736
5310 Program Mobility Manager 2023	20.513	OCPX-0188-004-231	5,788
5310 Program Mobility Manager 2024 (6 months)	20.513	OCPX-0188-004-231	62,725
5310 Program Mobility Manager 2025	20.513	OCPX-0188-025-100	55,537
Total Program Mobility Manager			<u>165,278</u>
Total U.S. Department of Transportation			165,278
Total Expenditures of Federal Awards			11,495,993

SUPPLEMENTAL INFORMATION

COMMUNITY ACTION WAYNE/MEDINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE A--SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation---The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Community Action Wayne/Medina under programs of the federal government for the year ended December 31, 2024. 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 Community Action Wayne/Medina, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Community Action Wayne/Medina.

Basis of Accounting---Expenditures reported on 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 limited as to reimbursement.

Indirect Costs--- The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Community Action Wayne/Medina
Wooster, Ohio

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the statement of financial position of the Community Action Wayne/Medina as of December 31, 2024 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 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Community Action Wayne/Medina’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community Action Wayne/Medina’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Community Action Wayne/Medina’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 Community Action Wayne/Medina’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 or significant deficiencies may exist that were not identified.

Board of Directors
Community Action Wayne/Medina
Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Community Action Wayne/Medina's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Community Action Wayne/Medina'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 Community Action Wayne/Medina's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BHM CPA Group

BHM CPA Group, Inc.
Worthington, Ohio
September 30, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Community Action Wayne/Medina
Wooster, Ohio

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Community Action Wayne/Medina's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Community Action Wayne/Medina's major federal program for the year ended December 31, 2024. The Community Action Wayne/Medina's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

In our opinion, the Community Action Wayne/Medina complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Community Action Wayne/Medina and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Community Action Wayne/Medina's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The Community Action Wayne/Medina's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Community Action Wayne/Medina's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Community Action Wayne/Medina's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Community Action Wayne/Medina's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Community Action Wayne/Medina's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Community Action Wayne/Medina's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Community Action Wayne/Medina's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



BHM CPA Group, Inc.
Worthington, Ohio
September 30, 2025

**COMMUNITY ACTION WAYNE/MEDINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

A. SUMMARY OF AUDITOR'S RESULTS

- 1) The auditor's report expresses an unmodified opinion on whether the financial statements of Community Action Wayne/Medina were prepared in accordance with GAAP.
- 2) No significant deficiencies relating to the audit of the financial statements are reported in the report on internal control over financial reporting and on compliance and other matters.
- 3) No instances of noncompliance material to the financial statements of Community Action Wayne/Medina were disclosed during the audit.
- 4) No significant deficiencies relating to the audit of the major federal award programs are reported in the report on compliance for the major program and on internal control over compliance.
- 5) The auditor's report on compliance for the major federal award program for Community Action Wayne/Medina expresses an unmodified opinion on the major federal program.
- 6) There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
- 7) The programs tested as major programs were:

HEAP/HWAP. ALN93.568
- 8) The threshold used for distinguishing between Type A and Type B programs was \$750,000.
- 9) Community Action Wayne/Medina was determined to be a low-risk auditee.

**B. FINDINGS RELATING TO THE FINANCIAL STATEMENTS IN ACCORDANCE WITH
GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS**

There were no findings in the current year.

C. FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS

There were no findings in the current year.

**COMMUNITY ACTION WAYNE/MEDINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

There were no findings or questioned costs noted during the prior period.

**COMMUNITY ACTION WAYNE/MEDINA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2024**

There were no findings reported in the current year.

Agency:	Contact person	DON ACKERMAN, CFO & SR VP
	Address	Community Action Wayne/Medina 905 Pittsburgh Avenue Wooster, Ohio 44691
	Telephone	330-264-8677
Auditor:	Contact person	TIM LOPER
	Address	BHM CPA Group, Inc. 1 E Campus View Blvd. Worthington, Ohio 43235
	Telephone	614-708-4648
	EIN Number	31-1413363



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

EXIT CONFERENCE

October 2, 2025
Community Action Wayne/Medina

January 1, 2024 through December 31, 2024

AUDIT PERSONNEL ASSIGNED:

Audit Partner:	Tim Loper, CPA
Auditor Managers:	Leroy Gifford and Brad Wanda, CPA

INVITATION TO ATTEND:

The exit conference was scheduled in consultation with the CFO, Don Ackerman, and the board of directors.

ATTENDEES:

All attendees will be asked to sign on the acknowledgment page.

AUDIT APPROACH:

In line with the current *AICPA Audit and Accounting Guide – Not-For-Profit Organizations, Government Auditing Standards*, and the uniform guidance as well as BHM CPA Group Inc. current policy, current audits are performed utilizing a sample of all transactions rather than attempting to audit all assets, liabilities, net position, revenues, expenses/expenditures, etc. The sample size is determined based on materiality amounts and existence of controls. The percentages used for materiality purposes were 7% of total revenues for the Organization.

ADJUSTMENTS:

No adjustments noted.

CONCLUSION OF AUDIT:

Our audit field work was completed on September 29, 2025.

REPORTS ISSUED:

- Independent Auditor’s Report
 - Opinion that the financial statements are free from material misstatement
 - Opinion that the supplemental information (Schedule Expenditures of Federal Awards) is fairly stated in relation to the financial statements as a whole.
- Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*
- Independent Auditor’s Report on Compliance for Each Major Program and Internal Control over Compliance Required by the *Uniform Guidance*.
 - Low-Income Home Energy Assistance, ALN 93.568

AUDIT REPORT:

Copies of the single audit report have been supplied.

COMMUNICATION TO AUDIT COMMITTEES (AND EQUIVALENT BODIES) REQUIRED BY SAS 114

REQUIRED COMMUNICATION	BHM CPA Group Inc. RESPONSE
The auditor's responsibility under generally accepted auditing standards and <i>Government Auditing Standards</i> .	We communicated our responsibilities in our original contracts with the Organization.
Overview of the planned timing and scope of the audit	We discussed these matters in our pre-audit call and email.
Qualitative aspects of the entity's significant accounting practices:	
Accounting policies	No new material accounting policies
Significant accounting estimates	The Organization's most significant estimates are depreciation (useful lives of assets).
Financial statement disclosures	No unusual disclosures to address.
Significant difficulties encountered in performing the audit	None noted.
Audit adjustments	No adjustments were posted to the Organization's report.
Disagreements with management, whether or not satisfactorily resolved.	There were no disagreements with management.
Consultation with other accountants.	There was no consultation with other accountants.
Significant issues discussed or subject to correspondence with management	None noted.
Independence	BHM has implemented certain safeguards to ensure we maintain independence from the Organization in conformity with Government Auditing Standards (Yellow Book). BHM is independent in fact and appearance from the Organization.

AUDIT FINDINGS:

None

MANAGEMENT LETTER FINDINGS:

None noted

VERBAL ITEMS DISCUSSED WITH CLIENT:

None noted

