

**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Financial Statements and Schedules  
with  
Auditor's Reports**

**Year ended June 30, 2021 and 2020**

DOUGLAS P. KIENITZ, CPA, P.C.

**DOUGLAS P. KIENITZ, CPA, P.C.**

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P.O. BOX 21288 ■ MESA, ARIZONA 85277  
(480) 854-9915 PHONE/FAX

January 12, 2022

Mr. Todd Hirsch  
Tempe Community Action Agency, Inc.  
1208 E. Broadway Rd., Suite 111  
Tempe, AZ 85281

Dear Todd:

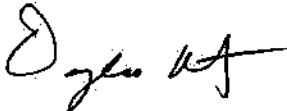
I have audited the financial statements of Tempe Community Action Agency, Inc. as of June 30, 2021 and issued my auditor's reports dated January 11, 2022.

In connection with that audit, no separate letter of recommendations was issued for the year ended June 30, 2021.

If you have further questions, please feel free to contact me.

Sincerely,

DOUGLAS P. KIENITZ, CPA, P.C.



Douglas Kienitz

DK:sk

## TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1 - 2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 15
Schedule of Expenditures of Federal Awards	16 - 17
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18 - 19
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	20 - 21
Schedule of Findings and Questioned Costs	22
Status of Prior Year's Findings	<u>23</u>

# DOUGLAS P. KIENITZ, CPA, P.C.

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P.O. BOX 21288 ■ MESA, ARIZONA 85277  
(480)854-9915 PHONE/FAX

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Tempe Community Action Agency, Inc.:

### Report on the Financial Statements

I have audited the accompanying financial statements of Tempe Community Action Agency, Inc., which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tempe Community Action Agency, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

The financial statements of Tempe Community Action Agency, Inc. as of June 30, 2020 were audited by other auditors whose report dated December 11, 2020 expressed an unmodified opinion on those statements.

### **Other Matters**

#### *Other Information*

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of *Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* on pages 16 - 17 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, I have also issued my report dated January 11, 2022, on my consideration of Tempe Community Action Agency, Inc.'s internal control over financial reporting and on my 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 my 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 Tempe Community Action Agency, Inc.'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 Tempe Community Action Agency, Inc.'s internal control over financial reporting and compliance.

January 11, 2022

*Dylan P. Wolf, CPA, P.C.*

TEMPE COMMUNITY ACTION AGENCY, INC.

Statements of Financial Position

June 30, 2021

(with comparative totals at June 30, 2020)

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Current Assets:		
Cash and cash equivalents	\$ 1,303,963	1,528,496
Grants receivable	327,696	176,037
Promises to give (current portion)	60,000	60,000
Prepaid expenses	49,931	27,609
Total current assets	<u>1,741,590</u>	<u>1,792,142</u>
Property and equipment, net	145,568	179,853
Promises to give, net	237,817	347,845
Investments	<u>496,241</u>	<u>154,223</u>
Total assets	\$ <u>2,621,216</u>	<u>2,474,063</u>
 <u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	\$ 3,849	9,094
Accrued payroll and related expenses	149,660	122,474
Paycheck Protection Program loan	-	262,500
Deferred revenue	7,985	4,707
Total current liabilities	<u>161,494</u>	<u>398,775</u>
 <u>NET ASSETS</u>		
Net assets:		
With donor restrictions	1,019,842	974,884
Board designated reserves (without donor restrictions)	6,000	51,000
Without donor restrictions	<u>1,433,880</u>	<u>1,049,404</u>
Total net assets	<u>2,459,722</u>	<u>2,075,288</u>
Total liabilities and net assets	\$ <u>2,621,216</u>	<u>2,474,063</u>

See accompanying notes to financial statements

**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Statements of Activities**

**Year ended June 30, 2021  
(with comparative totals for year ended June 30, 2020)**

	Without Donor Restrictions	With Donor Restrictions	2021	2020
<b>Revenue and Support:</b>				
Grant income	\$ 2,251,931	-	2,251,931	1,609,326
United Way contributions	197,800	-	197,800	178,349
Contributions	537,339	565,090	1,102,429	1,039,043
In-kind contributions	1,046,236	-	1,046,236	1,550,178
Project income	49,216	-	49,216	79,817
Investment earnings	42,809	-	42,809	(423)
Other income	262,500	-	262,500	116
	<u>4,387,831</u>	<u>565,090</u>	<u>4,952,921</u>	<u>4,456,406</u>
<b>Special Events:</b>				
Revenues from special events	12,117	-	12,117	106,705
Less direct donor benefits	(29,778)	-	(29,778)	(49,186)
Gross profit (loss) on special events	(17,661)	-	(17,661)	57,519
Net assets released from restrictions	520,132	(520,132)	-	-
Total revenue and support	<u>4,890,302</u>	<u>44,958</u>	<u>4,935,260</u>	<u>4,513,925</u>
<b>Expenses:</b>				
Program services expense:				
Adult & family services	2,966,279	-	2,966,279	2,965,753
Senior services	1,124,748	-	1,124,748	998,905
Program services expense:				
Management and general	240,489	-	240,489	158,111
Fundraising	219,310	-	219,310	192,824
Total expenses	<u>4,550,826</u>	<u>-</u>	<u>4,550,826</u>	<u>4,315,593</u>
Change in Net Assets	339,476	44,958	384,434	198,332
Net Assets, Beginning of Year	1,100,404	974,884	2,075,288	1,876,956
Net Assets, End of Year	\$ <u>1,439,880</u>	<u>1,019,842</u>	<u>2,459,722</u>	<u>2,075,288</u>

See accompanying notes to financial statements

**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Statements of Functional Expenses**

**Year ended June 30, 2021  
(with comparative totals for year ended June 30, 2020)**

	Program Services			Supporting Services			Totals	
	Adult & Family Services	Senior Services	Total Program Services	Management and General	Fund Raising	Total Supporting Services	2021	2020
Salaries and wages	\$ 958,147	367,908	1,326,055	119,167	160,867	280,034	1,606,089	1,342,637
Employee related expenses	223,281	91,641	314,922	17,086	27,406	44,492	359,414	299,593
Professional and outside services	42,864	7,384	50,248	19,523	5,376	24,899	75,147	41,950
Travel and transportation	33,024	24,773	57,797	-	662	662	58,459	57,074
Materials and supplies	13,216	1,716	14,932	7,335	1,026	8,361	23,293	13,870
Meals and dining supplies	847,466	487,258	1,334,724	-	-	-	1,334,724	1,687,704
Operating services	324,712	23,623	348,335	74,817	23,973	98,790	447,125	256,718
Occupancy	116,209	93,192	209,401	-	-	-	209,401	209,401
Program services/direct assistance to individuals	<u>334,432</u>	<u>27,253</u>	<u>361,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>361,685</u>	<u>327,402</u>
Total functional expenses before depreciation	2,893,351	1,124,748	4,018,099	237,928	219,310	457,238	4,475,337	4,236,349
Depreciation	<u>72,928</u>	<u>-</u>	<u>72,928</u>	<u>2,561</u>	<u>-</u>	<u>2,561</u>	<u>75,489</u>	<u>79,244</u>
Total functional expenses	<u>\$ 2,966,279</u>	<u>1,124,748</u>	<u>4,091,027</u>	<u>240,489</u>	<u>219,310</u>	<u>459,799</u>	<u>4,550,826</u>	<u>4,315,593</u>

See accompanying notes to financial statements.



**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Statements of Cash Flows**

**Year ended June 30, 2021  
(with comparative totals for year ended June 30, 2020)**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Cash received from contributions and grantor agencies	\$ 3,611,655	3,164,854
Interest income	9,987	4,122
Cash paid to vendors and employees	(3,504,971)	(2,578,734)
Net cash provided by (used for) operating activities	<u>116,671</u>	<u>590,242</u>
Cash flows from investing activities:		
Purchase of investments	(300,000)	-
Purchase of property and equipment	(41,204)	-
Net cash used for investing activities	<u>(341,204)</u>	<u>-</u>
Cash flows from financing activities:		
Proceeds from Paycheck Protection Program loan	-	262,500
Net cash provided by investing activities	<u>-</u>	<u>262,500</u>
Net increase (decrease) in cash and cash equivalents	(224,533)	852,742
Cash and cash equivalents, beginning of year	<u>1,528,496</u>	<u>675,754</u>
Cash and cash equivalents, end of year	\$ <u>1,303,963</u>	<u>1,528,496</u>
Reconciliation of change in net assets to net cash (used for) provided for operating activities:		
Change in net assets	\$ 384,434	198,332
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Change in present value discount on promises to give Depreciation	110,028	88,547
Unrealized/realized (gain) loss on investments	75,489	79,244
Forgiveness of Paycheck Protection Program Loan	(42,018)	3,554
	<u>(262,500)</u>	<u>-</u>
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants receivable	(151,659)	159,410
United Way receivable	-	60,000
Prepaid expenses	(22,322)	(5,545)
Increase (decrease) in:		
Accounts payable	(5,245)	(4,365)
Accrued expenses	27,186	25,246
Deferred revenue	3,278	(14,181)
Net cash provided by (used for) operating expenses	\$ <u>116,671</u>	<u>590,242</u>

See accompanying notes to financial statements

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(1) Nature of Operations

Nature of Activities - Tempe Community Action Agency, Inc. (TCAA) was founded in 1966 and is an Arizona not-for-profit corporation located in Tempe, Arizona. TCAA is Tempe's largest social service agency in terms of the volume of people served and range of programs offered. Our mission is to foster dignity and self-reliance for the economically vulnerable in the communities we serve. Our capacity to bring about positive change impacts over 38,000 unduplicated children and adults annually. This is equivalent to one in seven Tempe residents.

The capabilities of our experienced staff of 45 are monumentally enhanced by the active engagement of more than 476 volunteers contributing in excess of 26,989 hours annually - the equivalent of an additional 12 full-time position.

TCAA customers include men and women at risk of or experiencing homelessness, families in crisis, disabled and older adults seeking help to live independently, food insecure households, low income, minority households seeking help to ensure a health head start for their infants and toddlers, and under or un-employed individuals desiring to improve their economic status.

TCAA's services are provided through the following programs:

**Adult and Family Services:** TCAA operates seven programs designed to intervene with an individual or family during a crisis and/or help move them towards greater self-reliance. These programs include:

**Community Action Program (CAP):** TCAA's CAP prevents homelessness during a time of financial crisis through the provision of emergency rent, mortgage, and utility assistance. The financial assistance is supplemented with crisis case management and financial coaching services designed to help prevent a future/repeat crisis. The program benefits adults of all ages and families with dependent children, serving 11,073 individuals in FY 2021.

**Interfaith Emergency Lodging Program (I-HELP):** The I-HELP emergency shelter program serves as Tempe's sole shelter resource for men and women who are experiencing homelessness. In partnership with a network of faith and community-based organizations, I-HELP utilizes existing capital structures (e.g., churches) to provide safe overnight sleeping space for up to 40 adults and seniors, while evening meals are provided by volunteer groups each night. TCAA brings case management, resource navigation, employment assistance, housing placement assistance, and mobile shower and laundry trailers to the program to help clients with transitioning out of homelessness and into permanent housing. I-HELP has operated successfully since 2006. The program serves an average of 600 men and women and shelters an average of 350 each year.

**The Oasis:** Opened in July 2020, our unsheltered neighbors need a place to go so they can get off the streets and find a temporary safe haven. Over 7,200 visits were made last year. The Oasis Drop-In Center is made possible through financial contributions from a private donor, State Farm, Silicon Valley Bank, and the involvement of Circle the City, Shoebox Ministries, and Homeless ID project.

**Health Start:** The Health Start program fosters health pregnancies and early childhood upbringings for children raised by low-income, minority families. TCAA's Community Health Workers (CHW) conduct outreach, monthly home visits, weekly educational sessions, and parenting support, and encourage pregnant women to obtain early and consistent prenatal care and timely immunizations for their children. The CHW provides education, support and advocacy to the families they serve. On an annual basis the Health Start program serves 294 families (1,400 individuals) living throughout Maricopa County.

**Hunger Relief:** TCAA operates Tempe's largest Food Pantry, offering emergency food boxes, senior food boxes, and supplemental food to assist adults and families in crisis to meet their nutritional needs. Emergency food boxes containing enough food for 12 meals per household member are distributed at TCAA during seven weekly shifts. Our Hunger Relief programming also assists individuals with securing SNAP (food stamp) benefits to help supplement their food budgets and accessing community garden resources to grow and harvest fresh produce. Additionally, TCAA transports emergency food boxes to Tempe elementary, middle, and high school sites each month for students/families who are experiencing homelessness or otherwise in crisis. The program serves 14,000 seniors, adults and children each year.

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(1) Nature of Operations (continued)

**Community Gardens:** TCAA manages the Escalante and Clark Park Community Gardens, two of Tempe's first community gardens. Neighborhood residents make use of the community garden beds to grow or harvest fresh fruit and vegetables, while surplus is used in the Clark Park Farmer's Market and in the Food Pantry program to supplement emergency food boxes.

**Financial Services Center:** The FSC assists un- and under-employed adults with improving their economic security. Under the FSC model, TCAA provides financial coaching, employment assistance, and income supports to help individuals and families achieve their financial goals. The program serves up to 100 adults annually.

**Senior Services:** TCAA's Senior Independence programming provides the necessary resources and services to enhance the lives of older adults and adults with disabilities and promotes independent living. Services are offered in senior centers as well as in the homes of seniors and adults with disabilities who are homebound. More than 900 individuals participate in program services each year.

**Senior Nutrition Services:** TCAA serves a congregate meal to help meet the nutritional needs of area seniors. The congregate meal service is offered at Tempe's Escalante, Cahill, and North Tempe Senior Centers and the Granite Reef Senior Center in Scottsdale. In Tempe, TCAA also provides transportation to those who no longer drive and have difficulty with public transportation. Social service assistance, such as information and referral, are offered when needed. TCAA also operates a Home Delivered Meal program, which provides over 99,000 hot nutritious meals annually to homebound seniors 60+ and disabled individuals throughout Tempe and South Scottsdale. Not only does the Home Delivered Meals program provide meals for those who are unable to obtain food on their own, but both staff and volunteers act as a lifeline making sure all is well with the person receiving the meal.

**Neighbors Helping Neighbors:** In Spring 2019, TCAA completed a merger with Tempe Neighbors Helping Neighbors and assumed responsibility for their program. TCAA now offers in-home care for Tempe seniors who are struggling to age in place. A team of social workers provides case management for enrolled seniors. In-home care includes but is not limited to friendly visits, home and yard care and rides to access food and medical care. The Neighbors Helping Neighbors program serves up to 150 aging adults annually.

(2) Summary of Significant Accounting Policies

**New Accounting Pronouncement -** In May, 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-19, Revenue from Contracts with Customers (Topic 606), that will supersede most current revenue recognition guidance, including industry-specific guidance. The core principle of the new guidance is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include the capitalization and amortization of certain contract costs, ensuring the time value of money is considered in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. Additionally, the guidance requires disclosures related to the nature, amount, timing, and uncertainty of revenue that is recognized. The effective date for non-public entities is for annual reporting periods beginning after December 15, 2019, with earlier application permitted. Management has evaluated the guidance and is of the opinion there will be no significant impact on the financial statements. Significant accounting policies follow:

- (a) Assets, liabilities, revenues, and expenses are recognized on the accrual basis of accounting in which revenues are recognized when earned and expenditures are recognized when the obligation has been incurred.
- (b) Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(2) Summary of Significant Accounting Policies (continued)

- (c) Investments consist of pooled funds held with Arizona Community Foundation that have readily determinable fair values and donated land that is reported at the property tax appraised value at the date of donation. Investment income or loss (including gains and losses on investments) is included in the statement of activities as increases or decreases in unrestricted net assets unless the income is restricted by donor or law.
- (d) The carrying value of grants and contributions receivable, other current assets, accounts payable, accrued salaries and related expenses, and deferred revenues approximate fair value due to the short-term nature of those instruments.
- (e) Unconditional promises to give (pledges) are recognized as assets and contribution revenue in the period the promise to give are received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Unconditional promises to give that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promises to give through the use of an expected present value calculation that discounts the risk adjusted cash flows by an estimated risk-free interest rate. In periods subsequent to initial recognition, promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same interest rate determined at the time of initial recognition. The change in estimated value of the future cash is recorded as a change on the statement of activities and the estimate is adjusted up or down as the estimate changes each year.

An allowance for uncollectible promises to give is estimated based on TCAA's collection history and is presented as a component of net promise to give receivable. The change in estimate for uncollectible promises to give is recorded as a change on the statement of activities and the allowance is adjusted up or down as the estimate changes each year.

- (f) Property and equipment are carried at cost or, if donated, at estimated fair value at date donated. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to seven years. Expenditures of \$5,000 or more are capitalized as property and equipment.

Major additions and improvements are capitalized. Maintenance and repairs, which do not extend the useful lives, are charged to expenses as incurred. When the assets are retired or otherwise disposed of, the related costs and accumulated depreciation are removed from the accounts and any related gain or loss is included in operations.

- (g) For purposes of the statement of cash flows, TCAA considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents.
- (h) TCAA reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed are reported at the lower of the carrying amount or fair value less costs to sell. Management does not believe impairment indicators are present as of June 30, 2021 and 2020.

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

**(2) Summary of Significant Accounting Policies (continued)**

- (i) Grants receivable is recorded for cost reimbursements in the period the costs were incurred and according to the time periods specified in grant agreements. Grants from governmental agencies and others are recognized as support in the period made or in the period the associated costs were incurred. Contributions received are recorded as unrestricted or donor restricted support, depending on the existence and/or nature of any donor restrictions.

TCAA evaluates the collectability of its receivables based on their awareness of a specific payer source's inability to meet its financial obligations. In that case, a specific allowance is recorded to reduce the amount to what TCAA believes will be collected. Accounts are charged off against the allowance when they are deemed to be uncollectible. There was no allowance as of June 30, 2021 and 2020, as TCAA expects to collect all grants receivable.

- (j) The capabilities of our experienced staff of 45 are monumentally enhanced by the active engagement of more than 476 volunteers contributing in excess of 26,989 hours annually - the equivalent of an additional 12 full-time positions. Donated services are recognized if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by TCAA. These volunteer services were not recognized as contributions in the financial statements since the recognition criteria were not met.

Donations of property are recorded as contributions at fair value at the date of donation. These donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose.

- (k) Management necessarily uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results may vary from such estimates and assumptions.
- (l) TCAA's credit risk consists of amounts earned and receivable under agreements with several various agencies. Also, cash on deposit with three banks, approximating \$1,303,220 at June 30, 2021 was insured for a maximum amount of \$250,000 by the U.S. Federal Deposit Insurance Corporation.
- (m) The costs of TCAA's various programs and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefitted based on the best estimates of management. The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and related	FTE, and time and effort
Security	Square Footage
Occupancy and facilities maintenance	Square Footage
Insurance	Square Footage
Depreciation	Square Footage/Life of the asset

- (n) TCAA uses advertising to promote awareness of their programs available to the public. The production costs of advertising are expensed as incurred. Total advertising expense for the years ended June 30, 2021 and 2020 was \$12,026 and \$1,297, respectively.
- (o) The financial statements do not reflect a provision for income taxes as TCAA has been granted an exemption from Federal and Arizona income taxes under Section 501 (c)(3) of the Internal Revenue Code and Section 43-1201-4 of the Arizona Revised Statutes on income related to its tax exempt purpose.

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

**(3) Available Resources and Liquidity**

As of June 30, 2021, TCAA has net assets without donor restrictions of \$1,439,880 and unrestricted cash of \$1,303,963.

TCAA regularly monitors liquidity required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a twelve month period, TCAA considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities, to be general expenditures.

In addition to financial assets available to meet general expenditures over the next twelve months, TCAA operates with a budget and anticipates collecting sufficient revenue to cover general expenditures. Refer to the statement of cash flows which identifies the sources and uses of TCAA's cash and shows cash generated and used by operations for 2021.

Financial assets available for general expenditure within one year at June 30, 2021 and 2020 consist of the following:

Financial assets at year-end:	2021	2020
Cash and cash equivalents	\$ 1,303,963	1,528,496
Accounts receivable	327,696	176,037
Promises to give-current	60,000	60,000
Investments	302,478	-
Less restricted by donors with purpose restrictions	(513,687)	(413,269)
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,480,450</u>	<u>1,351,264</u>

**(4) Grants and Contracts**

Revenue during the years ended June 30, 2021 and 2020 from grants and contract consisted of revenue recognized under contracts with various agencies as follows:

	2021			
	Grants and United Way Receivable	Percentage of Total	Grant Income	Percentage of Total
Area Agency on Aging	\$ 104,555	31.9%	489,000	20.0%
Maricopa County Human Services Department.	42,701	13.0	620,075	25.3
City of Tempe	-	-	368,865	15.1
Arizona Department of Health Services	46,979	14.3	336,000	13.7
Other	133,461	40.8	437,991	17.8
	<u>327,696</u>	<u>100</u>	<u>2,251,931</u>	<u>91.9</u>
United Way	-	-	197,800	8.1
Total	<u>\$ 327,696</u>	<u>100</u>	<u>2,449,731</u>	<u>100</u>
	2020			
	Grants and United Way Receivable	Percentage of Total	Grant Income	Percentage of Total
Area Agency on Aging	\$ 52,830	30.0%	316,992	17.7%
Maricopa County Human Services Department.	5,667	3.2	-	-
City of Tempe	-	-	326,337	18.3
Arizona Department of Health Services	35,962	20.4	320,000	17.9
Other	81,578	46.4	645,997	36.1
	<u>176,037</u>	<u>100</u>	<u>1,609,326</u>	<u>90</u>
United Way	-	-	178,349	10
Total	<u>\$ 176,037</u>	<u>100</u>	<u>1,787,675</u>	<u>100</u>

Costs and level of service are subject to review and audit by the funding agencies.

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(4) Grants and Contracts (continued)

Concentrations with respect to receivables and revenue are limited due to TCAA's historical collection experience with these payer sources. However, significant reductions in future levels of support from these sources may have a material effect on TCAA's continuing operations. TCAA also has concentrations related to promises to give stated in Note 2.

(5) Investments

TCAA has established charitable funds to provide future financial assistance for community services provided by TCAA. These funds have been established as an expendable Endowment and Designated Funds and are invested with the Arizona Community Foundation. \$300,000 was contributed to the fund for the year ended June 30, 2021 for the purpose of starting a capital campaign fund. There were no contributions to the funds during the year ended June 30, 2020. The change in the investment funds for the years ended June 30, 2021 and 2020 are as follows:

	2021	2020
Beginning of year balance	\$ 150,223	153,777
Contributions	300,000	-
Gain (loss) on investment	<u>42,018</u>	<u>(3,554)</u>
End of year balance	\$ <u>492,241</u>	<u>150,223</u>

(6) Fair Value Measurements

Financial accounting standards establish a framework for measuring investments at fair value and expand the disclosure requirements for fair value information. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

The fair value hierarchy prioritizes valuation techniques used to measure fair value into three broad levels:

Level 1 - Valuation based on unadjusted quoted prices within active markets for identical assets accessible by TCAA (e.g., prices derived from New York Stock Exchange, NASDAQ or Chicago Board of Trade).

Level 2 - Valuation based on quoted market prices for similar assets within active or inactive markets or information other than quoted market prices observable through market data for substantially the full term of the asset or liability.

Level 3 - Valuation based on inputs other than quoted market prices that reflect assumptions about the asset or liability that market participants would use when performing the valuation based on the best information available in the circumstances.

The following table presents the fair value of TCAA's investments subject to fair value measurements:

	2021			
	Level 1	Level 2	Level 3	Level 4
Land	\$ -	-	4,000	4,000
Pooled funds	<u>-</u>	<u>492,241</u>	<u>-</u>	<u>492,241</u>
	\$ <u>-</u>	<u>492,241</u>	<u>4,000</u>	<u>496,241</u>
	2020			
	Level 1	Level 2	Level 3	Level 4
Land	\$ -	-	4,000	4,000
Pooled funds	<u>-</u>	<u>150,223</u>	<u>-</u>	<u>150,223</u>
	\$ <u>-</u>	<u>150,223</u>	<u>4,000</u>	<u>154,223</u>

During 2021 and 2020, TCAA did not have any assets or liabilities measured on a non-recurring basis.

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(7) Promises to Give, Net

Unconditional promises to give are estimated to be collected as follows at June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
In less than one year	\$ 110,000	60,000
Receivable in two to five years	195,000	340,000
Greater than five years	-	25,000
Total promise to give receivable	<u>\$ 305,000</u>	<u>425,000</u>
Less - present value discount	7,183	17,155
Less - allowance for uncollectible pledges	<u>-</u>	<u>-</u>
Promise to give, net	<u>\$ 297,817</u>	<u>407,845</u>

At June 30, 2021, a single donor accounts for the entire promises to give. The present value discount was calculated using a discount factor of 1.83% based on 10-year U.S. Treasury note at time of promises to give.

Gross promises to give are as follows:

<u>Fiscal years ending June 30</u>	
2022	\$ 110,000
2023	60,000
2024	60,000
2025	<u>75,000</u>
	<u>\$ 305,000</u>

(8) Property and Equipment

Property and equipment consists of the following at June 30:

	<u>2021</u>	<u>2020</u>
Computers and software	\$ 69,958	69,958
Machinery and equipment	120,911	79,707
Furniture and fixtures	85,385	85,385
Vehicles	248,116	248,116
Total cost or donated value	<u>524,370</u>	<u>483,166</u>
Less accumulated depreciation	<u>(378,802)</u>	<u>(303,313)</u>
Property and equipment, net	<u>\$ 145,568</u>	<u>179,853</u>

(9) COVID-19 Uncertainties - Paycheck Protection Program Loan

On March 11, 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) a pandemic. The COVID-19 outbreak has resulted in significant economic uncertainties. Management is unable to quantify the potential effects of this pandemic on future financial statements.

In an effort to help small business and eligible nonprofit organizations during the State's imposed operating restrictions on businesses to address the outbreak, the United States government established the Paycheck Protection Program (PPP) through the CARES Act. The PPP allows eligible organizations to obtain forgivable loans to cover up to 24 weeks of payroll and benefit cost. The program also allows funds to be used to pay interest on mortgages, rent and utilities. TCAA received a PPP forgivable loan in fiscal year 2020 for \$262,500 which is eligible to be forgiven in full as long as the terms of the agreement are met. The loan was forgiven in 2021 and is included in the statement of activities revenue - other income.



**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(10) In-Kind Contributions

In-Kind contributions include the following for the year ended June 30:

	<u>2021</u>	<u>2020</u>
Administration	\$ 57,188	74,520
Senior centers	93,192	75,859
I HELP	59,021	59,022
Donated meals - I HELP	37,883	33,657
Donated supplies and food items	<u>798,952</u>	<u>1,307,120</u>
	<u>\$ 1,046,236</u>	<u>1,550,178</u>

Donated supplies are based on their estimated fair market value at the time of receipt. Donated food items are valued at a rate of \$1.74 per pound as determined by the local United Food Bank in Mesa, Arizona.

(11) Emergency Services Agency Transactions

During the years ended June 30, 2021 and 2020, TCAA wrote checks in a fiduciary capacity on behalf of Maricopa County Human Services Department totaling \$117,003 and \$726,199 respectively to the residents of Maricopa County in Arizona.

(12) Operating Leases

In November 2001, TCAA entered into a lease for certain facilities at the Escalante Senior Center, North Tempe Senior Center and Granite Reef Senior Center where Senior Programming, Health Start, and Community Gardens are located. The lease term extends through June 30, 2021. Under this operating lease with the City of Tempe, the annual lease payment is \$1 per year. Donated rent and donated utilities for the Escalante Senior Center were recorded at an estimated fair value of \$20,100 and \$20,094 for years ended June 30, 2021 and 2020 respectively. The terms of the lease restrict the use of the facilities to providing services consistent with TCAA's mission. Because the lease provides a significant degree of discretion by the donors for early termination including the right of either party to terminate the lease agreement without cause at any time upon giving 90 days written notice, the contributed use of the facilities has not been recognized as long-lived assets in the accompanying financial statements.

TCAA has a facility where its programs and administrative offices are located in Tempe in which they entered into a lease with Tempe Housing, LLC. The lease was entered into on January 1, 2017 and extends through December 31, 2031. Donated rent for the new facility totaled \$74,520 and \$74,520 for the years ended June 30, 2021 and 2020 respectively.

TCAA also operated meal service programs out of two other locations in Tempe and Scottsdale, Arizona. TCAA entered into a lease agreement with the City of Tempe for one of these locations in August 2006, for a term of ten years and an annual lease payment of \$1 per year. Donated rent and donated utilities for this location and for one of the other meal service programs locations were recorded at an estimated fair value of \$38,590 and \$55,766 for years ended June 30, 2021 and 2020, respectively. Donated rent was not recorded for the other two locations since only the cafeteria was used on a part time basis.

TCAA also collaborates with approximately 30 local churches to provide food and shelter to homeless individuals for the I-HELP program. Approximately 12 churches donated space and utilities to TCAA for this program, which operates seven nights per week. There are no written lease agreements in place with the churches, and TCAA has requested they receive verbal notice of at least thirty days from any church that intends to end their I-HELP involvement. Donated rent and donated utilities for these locations were recorded at an estimated fair value of \$59,021 and \$59,021 for years ended June 30, 2021 and 2020 respectively.

TCAA leases various office locations in Tempe, Arizona. The leases require minimum monthly rental payments of \$5,891 and expire at various dates through June 2023. Rent expense for 2021 and 2020 was \$70,693 and \$18,000, respectively. Future minimum annual rentals are required as follows:

2022	\$ 34,000
2023	<u>34,000</u>

**TEMPE COMMUNITY ACTION AGENCY, INC.**  
**Notes to Financial Statements**  
**For the Years Ended June 30, 2021 and 2020**  
**(with comparative totals for June 30, 2020)**

(12) Operating Leases (continued)

TCAA also leases copy machines. The lease requires minimum monthly rental payments of \$1,970 and expires September 2022. Rent expense for 2021 and 2020 was \$23,640 and \$23,640, respectively. Future minimum annual rentals are required as follows:

2022 \$ 5,910

(13) Net Assets with Donor Restrictions

As of June 30, 2021 and 2020, net assets with donor imposed restrictions consisted of the following:

	<u>2021</u>	<u>2020</u>
Time Restrictions:		
Norton & Ramsey Pledge	\$ 316,392	396,392
United Way	-	15,000
Purpose Restrictions:		
UCC Church for I-HELP Program	278,186	278,186
Dignity Health	6,667	8,333
Edward Jones	-	20,000
Tempe Community Council	-	57,000
State Farm	33,000	29,750
Satterberg Foundation	25,000	-
Arizona Republic Season for Sharing	10,000	10,000
Bank of America	10,000	10,000
Redemption Church	27,121	-
Virginia Piper Foundation	79,713	-
Nina Mason Pulliam Charitable Trust	24,000	-
Meals on Wheels	20,000	-
Investments held with Arizona Community Foundation	<u>189,763</u>	<u>150,223</u>
Total temporarily restricted net assets	<u>\$ 1,019,842</u>	<u>974,884</u>

(14) Retirement Plan

TCAA sponsors a SIMPLE (Saving Incentive Match Plan for Employees of Small Employers) employee retirement plan. According to the Plan arrangements, TCAA will match dollar for dollar of employee contributions up to 3% of the employees' yearly salary. All contributions made under the TCAA SIMPLE plan are fully vested and non-forfeitable. For the years ended June 30, 2021 and 2020, total TCAA match for the plan was \$27,206 and \$22,856 respectively.

(15) Subsequent Events

Management has evaluated subsequent events through January 11, 2022, the date the financial statements were available to be issued. No events or transactions occurred after year end that require additional disclosure or adjustment to the financial statements.

**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Schedule of Expenditures of Federal Awards**

**Year ended June 30, 2021**

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Arizona State Treasurer:			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2021-39-TCAA	\$ 113,900
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	2021-39-TCAA	348,100
Nutrition Services Incentive Program	93.053	2021-39-TCAA	<u>12,000</u>
Total Aging Cluster			<u>474,000</u>
Social Services Block Grant	93.667	2021-39-TCAA	<u>15,000</u>
Passed through Maricopa County:			
Community Services Block Grant	93.568	16097-RFP	<u>283,719</u>
Community Services Block Grant	93.558	16097-RFP	<u>19,763</u>
Community Services Block Grant	93.569	16097-RFP	<u>11,558</u>
Passed through Corporation for National and Community Services:			
Emerging Food and Shelter National Board Program	97.024		<u>49,786</u>
<u>U.S. Department of Agriculture</u>			
Passed through Arizona State Treasurer:			
Supplemental Nutrition Assistance Program	10.591		<u>152,884</u>
<u>U.S. Department of the Treasury</u>			
Passed through Maricopa County:			
Coronavirus Relief Fund	20.019	16097-RFP	<u>305,035</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed through Arizona State Treasurer:			
Emerging Solutions Grant Program	14.231		<u>40,605</u>
Total Federal Awards:			\$ <u>1,352,350</u>

**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Schedule of Expenditures of Federal Awards**

**Year ended June 30, 2021**

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Tempe Community Action Agency, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Tempe Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Tempe Community Action Agency, Inc.

Note B - Summary of Significant Accounting Policies

- (1) 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, where in certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Tempe Community Action Agency, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance, except for CFDA Number 14.231, Emerging Solutions Grant Program.

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

Board of Directors  
Tempe Community Action Agency, Inc.:

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Tempe Community Action Agency, Inc., which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated January 11, 2022.

### Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

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

My consideration of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instance 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 11, 2022

Douglas P. Uff, CIA, P.C.

# DOUGLAS P. KIENITZ, CPA, P.C.

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

Board of Directors  
Tempe Community Action Agency, Inc.:

### Report on Compliance for Each Major Federal Program

I have audited Tempe Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Organization's compliance.

### Opinion on Each Major Federal Program

In my opinion, Tempe Community Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over compliance.

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

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

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

January 11, 2022

*John P. WT. CPA, P.C.*



**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Schedule of Findings and Questioned Costs**

**Year ended June 30, 2021**

Section I - Summary of Auditor's Results

Financial Statements

Type of Auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiencies identified that are not considered to be material weaknesses? No

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

Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR Section 200.516(a)? No

Identification of major programs:

CFDA 93.045 Special Program for the Aging, Title III, Part C, Nutrition Services

CFDA 20.019 Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

**TEMPE COMMUNITY ACTION AGENCY, INC.**

**Status of Prior Year's Findings**

**Year ended June 30, 2021**

There were no findings or questioned costs for the year ended June 30, 2020.

