



**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC.
AND SUBSIDIARIES**

**AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

JUNE 30, 2021



**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC.
AND SUBSIDIARIES**

**AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS**

June 30, 2021

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**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

OFFICERS

Craig Balzer
Roanoke, Virginia
Chairman

Annette Lewis
Roanoke, Virginia
President

Sandra Pratt
Roanoke, Virginia
First Vice Chair

Kevin Lockhart
Roanoke Virginia
Treasurer

Brenda Hale
Roanoke, Virginia
Secretary

Michael J. Hertz
Roanoke, Virginia
Assistant Secretary

Charlotte Moore
Roanoke, Virginia
Chair Emeritus

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

BOARD OF DIRECTORS

Robby Bailey (City of Lexington)
Lexington, Virginia

Craig Balzer (TVW Board of Commissioners)
Roanoke, Virginia
Board Chair

Ron D. Boyd (Local Office on Aging, Inc.)
Roanoke, Virginia

Xena Callaham (Head Start Policy Council)
Roanoke, Virginia

Angie Campbell (Alleghany County)
Covington, Virginia

Lee Clark (Rescue Mission)
Roanoke, Virginia

Monique Clemont (Homeless Advisory Council)
Roanoke, Virginia

Robert Dan Collins (Craig County)
New Castle, Virginia

Matt Crookshank (Blue Ridge Continuum of Care)
Roanoke, Virginia

Deneen Evans (Radford University School of Social Work)
Roanoke, Virginia

Jennifer Eversole (RAKE Digital)
Roanoke, Virginia

Leslie Floyd (Early Childhood Education)
Roanoke, Virginia

Randy Foley (City of Salem)
Salem, Virginia

Brenda Hale (Local Colors)
Roanoke, Virginia
Secretary

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**BOARD OF DIRECTORS
(Continued)**

Lisa Hamm (Pinnacle Bank)
Roanoke, Virginia

Mike Heller (Roanoke Branch NAACP)
Roanoke, Virginia

Michael J. Hertz (Roanoke Bar Association)
Roanoke, Virginia
Assistant Secretary

Rita Joyce (Susan G. Komen Virginia Blue Ridge Affiliate)
Roanoke, Virginia

Baraka Kasongo (Family Services of the Roanoke Valley)
Roanoke, Virginia

Kevin Lockhart (Carter Bank and Trust)
Roanoke, Virginia
Treasurer

Paul Mahoney (Roanoke County)
Roanoke, Virginia

Billy W. Martin Sr. (Botetourt County)
Blue Ridge, Virginia

Charlotte Moore (Dream Scapes Landscaping/Realstar Realtors)
Roanoke, Virginia
Chair Emeritus

Paul Nester (RCG Resources)
Roanoke, Virginia

Sandra Pratt (CCS Nonprofit Resource Center)
Roanoke, Virginia
First Vice Chair

Anita Price (Harrison Museum)
Roanoke, Virginia

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**BOARD OF DIRECTORS
(Continued)**

Vivian Sanchez-Jones (City of Roanoke)
Roanoke, Virginia

Thomas H. Sibold (Covington)
Covington, Virginia

Bruce Sigler (Rockbridge County)
Lexington, Virginia

David Trinkle M.D. (The Fork Restaurants and
Valley Geropsychiatry)
Roanoke, Virginia

Clarice Walker (Loudon/Melrose Neighborhood)
Roanoke, Virginia



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Total Action Against Poverty in the Roanoke Valley, Inc.
Roanoke, Virginia

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Total Action Against Poverty in the Roanoke Valley, Inc. and Subsidiaries (a nonprofit organization, and hereinafter referred to as the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

Your Success is Our Focus

Report on the Consolidated Financial Statements (Continued)

Auditor's Responsibility (Continued)

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Total Action Against Poverty in the Roanoke Valley, Inc. and Subsidiaries as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, beginning net assets at July 1, 2019 were restated during the 2020 audit for the correction of an error. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other supplemental schedules on pages 24-34, are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated 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 consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated 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 February 3, 2022, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
February 3, 2022

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 768,028	\$ 709,927
Restricted cash and cash equivalents	512,230	341,859
Grants receivable	1,405,024	1,087,773
Other receivables – related party	300,277	221,477
Notes receivable – current	81,884	271,611
Other assets	41,754	136,654
Total current assets	3,109,197	2,769,301
PROPERTY AND EQUIPMENT, net (Note 2)	3,922,472	4,190,537
OTHER ASSETS		
Notes receivable	225,749	118,475
Notes receivable – related party	968,000	968,000
Total other assets	1,193,749	1,086,475
Total assets	\$ 8,225,418	\$ 8,046,313
LIABILITIES AND STOCKHOLDER’S EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 631,076	\$ 616,649
Current portion of notes payable (Note 3)	52,936	128,524
Annual leave	140,712	109,999
Healthcare benefits accrued	71,993	60,711
Deferred revenue	170,000	610,205
Refundable advance from grantor	528,404	488,404
Total current liabilities	1,595,121	2,014,492
LONG-TERM PORTION OF NOTES PAYABLE (Note 3)	242,422	295,077
Total liabilities	1,837,543	2,309,569
NET ASSETS WITHOUT DONOR RESTRICTIONS, as restated in 2020 (Note1)	6,387,875	5,736,744
Total liabilities and net assets	\$ 8,225,418	\$ 8,046,313

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2021 and 2020**

	2021	2020
NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Grants	\$ 23,154,020	\$ 19,719,278
USDA	275,481	494,440
Program income	88,110	56,702
Rental income	205,590	198,346
Other earned income	345,495	748,241
Local cash (Note 5)	266,445	297,755
Contributions	261,787	178,993
Interest	5,537	7,932
In kind	2,362,873	2,515,556
	26,965,338	24,217,243
EXPENSES		
Program services	23,793,406	21,135,824
Supporting services:		
Management and general	1,933,185	1,729,109
Fundraising	587,616	569,929
	2,520,801	2,299,038
Total supporting services		
	26,314,207	23,434,862
Total expenses		
	651,131	782,381
Change in net assets		
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Beginning, as restated in 2020 (Note1)	5,736,744	4,954,363
Ending	\$ 6,387,875	\$ 5,736,744

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2021 and 2020**

	2021			
	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 9,163,250	\$ 586,329	\$ 330,306	\$ 10,079,885
Payroll taxes and fringe benefits	2,484,718	128,965	105,016	2,718,699
Contractual	3,286,049	465,661	44,673	3,796,383
Travel	180,722	7,707	3,360	191,789
Space	764,242	195,252	42,502	1,001,996
Supplies	1,738,041	50,570	18,044	1,806,655
Emergency assistance	1,423,937	-	-	1,423,937
Participant expense	853,148	-	-	853,148
Other	1,377,495	142,751	41,314	1,561,560
Depreciation	145,427	204,953	2,401	352,781
In kind	2,362,873	-	-	2,362,873
Operating expense rental property	-	104,225	-	104,225
Interest	13,504	46,772	-	60,276
Total	\$ 23,793,406	\$ 1,933,185	\$ 587,616	\$ 26,314,207

	2020			
	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 8,233,038	\$ 585,009	\$ 311,816	\$ 9,129,863
Payroll taxes and fringe benefits	2,239,318	185,002	112,472	2,536,792
Contractual	3,583,390	253,869	46,538	3,883,797
Travel	301,253	16,839	4,048	322,140
Space	606,127	120,742	25,026	751,895
Supplies	1,628,151	32,320	8,026	1,668,497
Emergency assistance	154,087	-	-	154,087
Participant expense	474,715	-	-	474,715
Other	1,223,180	92,758	59,392	1,375,330
Depreciation	161,474	205,770	2,426	369,670
In kind	2,515,556	-	-	2,515,556
Operating expense rental property	-	181,605	-	181,605
Interest	15,535	55,195	185	70,915
Total	\$ 21,135,824	\$ 1,729,109	\$ 569,929	\$ 23,434,862

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2021 and 2020**

	2021	2020
OPERATING ACTIVITIES		
Change in net assets	\$ 651,131	\$ 782,381
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	352,781	369,670
Gain on sale of building	-	(441,302)
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants receivable	(317,251)	359,547
Other receivables- related party	(78,800)	(75,927)
Other assets	94,900	(108,125)
Increase (decrease) in:		
Accounts payable and accrued expenses	14,427	(64,140)
Annual leave	30,713	86,549
Healthcare benefits accrued	11,282	(338,793)
Deferred revenue	(440,205)	450,000
Refundable advance from grantor	40,000	-
Net cash provided by operating activities	358,978	1,019,860
INVESTING ACTIVITIES		
Purchase of fixed assets	(84,699)	(168,509)
Proceeds from sale of building	-	608,485
Change in notes receivable, net	82,454	61,879
Net cash provided by (used in) investing activities	(2,245)	501,855
FINANCING ACTIVITIES		
Net proceeds from notes payable	-	126,960
Principal payments on notes payable	(128,261)	(175,683)
Net payments on lines of credit	-	(449,621)
Net cash used in financing activities	(128,261)	(498,344)
Net increase in cash and cash equivalents	228,472	1,023,371
CASH AND CASH EQUIVALENTS		
Beginning	1,051,786	28,415
Ending	\$ 1,280,258	\$ 1,051,786
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	\$ 60,276	\$ 91,072
SUPPLEMENTAL DISCLOSURES OF NONCASH FINANCING ACTIVITIES		
Note payable paid from sale of building	\$ -	\$ 309,551
CASH IS REPORTED ON THE STATEMENT OF FINANCIAL POSITION AS:		
Cash and cash equivalents	\$ 768,028	\$ 709,927
Restricted cash and cash equivalents	512,230	341,859
	\$ 1,280,258	\$ 1,051,786

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 1. Nature of Operations and Significant Accounting Policies

Nature of operations

Total Action Against Poverty in the Roanoke Valley, Inc. (the “Organization”) is a nonprofit corporation organized to carry out community action programs which are generally funded by grants from local, state and federal agencies. Such grants usually require compliance with prescribed grant conditions and other special requirements, including the furnishing of certain amounts of cash or non-cash contributions.

Consolidation policy

The consolidated financial statements include the accounts of the Organization and its wholly-owned subsidiaries, TAAP Real Property I, LLC, TAAP Real Property II, LLC, Terrace Management LLC, and TAP Neighborhood Strategies, LLC. All material intra-organization accounts and transactions have been eliminated in consolidation.

The Organization is a general partner and a .01% owner in the limited partnerships of Terrace North, LP and Terrace South, LP. These limited partnerships were formed to maintain and operate two affordable apartment developments, of which all of the dwelling units are being set aside for rental to persons of low income.

Basis of financial statement presentation and accounting

The consolidated financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

The accompanying financial statements present information regarding the Organization’s consolidated financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported in two classes as follows:

Net Assets without Donor Restrictions are net assets available for use in general operations and not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Revenues, gains, and losses that are not restricted by donors are included in this classification. Expenses are reported as decreases in this classification. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Basis of financial statement presentation and accounting (Continued)

Net Assets with Donor Restrictions are limited in use by donor-imposed stipulations that expire either by the passage of time or that can be fulfilled by action of the Organization pursuant to those stipulations. Net assets with donor restrictions also includes amounts required by donors to be held in perpetuity; however, generally, the income on these assets is available to meet various operating needs.

Prior period adjustment

During the 2020 audit, an error resulting in the understatement of beginning net assets, without donor restriction was discovered. In previous years, depreciation for a building was not calculated using the impaired basis resulting in an understatement of beginning net assets, with donor restriction and an overstatement of accumulated depreciation of \$151,582.

Recent accounting pronouncements

Effective October 1, 2020, the Organization adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (“Topic 606”), using the modified retrospective transition method. This standard applies to all contracts with customers, except for contracts that are within the scope of other standards, such as leases, insurance, collaboration arrangements, and financial instruments. Under Topic 606, the Organization recognizes revenue when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the Organization expects to receive in exchange for those goods or services. The adoption of ASU No. 2014-09 did not result in any significant changes to the accounting of the Organization’s material revenue streams.

Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Cash and cash equivalents are stated at cost, which approximates market value. Cash held for refundable advances is classified as restricted cash.

Receivables

Grants and other receivables represent amounts for which the Organization has an unconditional right to receive. Grants and other receivables are stated at the amount management expects to be collected from the outstanding balance. As of June 30, 2021, management has determined, based on historical experience that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Property and equipment

Property and equipment in excess of \$5,000 are capitalized. Acquisitions are recorded at cost if purchased and at fair value if donated. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Notes receivable

The Organization accounts for its notes receivable at cost and recognizes interest income as it is earned.

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Contributions

Contributions, including unconditional promises to give, are recognized as contributions without donor restrictions or contributions with donor restrictions depending on the existence and/or nature of any donor-restrictions, in the period the donor's commitment is received. Unconditional promises to give without donor restrictions are recognized as revenues with donor restrictions unless the donor explicitly stipulates its use to support current period activities.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues without donor restrictions.

The Organization reports gifts of property and equipment as net assets support without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restriction. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when donated or acquired long-lived assets are placed in service.

In-kind contributions are recorded at fair market value and recognized as revenue in the accounting period when they are received.

Accrued compensation

The Organization accrues for salaries and all other compensation earned but not paid.

Cost allocation

Cost allocation operates in accordance with a cost allocation plan and indirect cost proposal developed annually. The plan/proposal identifies direct and indirect shared costs and the financial basis for cost sharing. It also identifies various nonfinancial bases for allocating certain costs as direct costs.

Total modified direct costs (excluding capital expenditures, subawards, and flow-through funds) have been selected as the most appropriate base in relation to the kinds of indirect costs incurred. Total direct costs constitute a relatively broad financial base that is quickly determinable and self-adjusting in reflecting changes in cost distributions. The indirect costs include an amount from agencies for which the Organization provides contractual services.

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Cost allocation (Continued)

Joint costs are allocated to benefiting programs using an indirect cost rate not to exceed 13% based on direct costs. Joint costs are those costs incurred for the common benefit of all agency programs, but which cannot be readily identified with a final cost objective.

Other cost allocation methods are as follows:

Personnel – Agency administrative and financial personnel (executive director, deputy director, finance director, personnel director, etc.) charge their time to a joint cost administrative account for allocation to benefiting programs as noted above (to the extent of available indirect costs based on the cost rate stated above). Programmatic employees working on specific programs are charged directly to the accounts for those programs.

Supplies – All supplies are charged to the program that benefits from the use of the supplies. For the most part, supplies are not stockpiled but are purchased specifically for use in a particular program.

Building – Space costs (rent and maintenance costs) are allocated based on the number of square feet of space each program occupies. Space occupied by administrative staff is allocated based upon the joint cost allocation.

Insurance – Insurance is allocated to benefiting programs based primarily on a percentage of payroll.

Income taxes

The Organization is classified as an exempt organization for federal income tax purposes under Section 501(c)(3) of the *Internal Revenue Code*.

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 vary from the estimates that were used.

Advertising costs

The Organization expenses advertising costs as incurred.

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Reclassifications

Certain reclassifications have been made to prior year amounts in order to conform to the current year presentation.

Subsequent events

Management has evaluated subsequent events through February 3, 2022, the date which the consolidated financial statements were available for issue.

Note 2. Property and Equipment

Property and equipment consist of the following at June 30:

	<u>Estimated Useful Life</u>	<u>2021</u>	<u>2020</u>
Building and improvements	10 – 40 years	\$ 6,574,175	\$ 6,574,175
Fixtures and equipment	5 – 10 years	1,274,952	1,310,517
Vehicles	5 years	1,259,766	1,280,505
		<u>9,108,893</u>	<u>9,165,197</u>
Less accumulated depreciation		<u>(6,096,469)</u>	<u>(5,884,708)</u>
		3,012,424	3,280,489
Land		<u>910,048</u>	<u>910,048</u>
		<u>\$ 3,922,472</u>	<u>\$ 4,190,537</u>

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 3. Notes Payable

Notes payable consists of the following at June 30:

	2021	2020
Note payable to BB&T in monthly installments of \$1,639, including interest at the prime rate plus 1.25% with balloon payment due November 2020. Note was secured by real estate. Note was paid in full during 2021.	\$ -	\$ 50,151
Note payable to BB&T in monthly principal installments of \$3,299, plus interest at 2.95% with balloon payment due May 2023. Note is secured by real estate with a net book value of \$1,817,224.	207,919	247,504
Note payable to SunTrust Bank in monthly installments of \$1,403, including interest at 4.46%, maturing May 2027. Note is secured by real estate with a net book value of \$129,498.	87,439	99,946
Other	-	26,000
	295,358	423,601
Less: current portion	(52,936)	(128,524)
	\$ 242,422	\$ 295,077

Debt matures as follows at June 30:

2022		\$ 52,936
2023		182,292
2024		14,594
2025		15,799
2026		15,953
2027		13,784
		\$ 295,358

Note 4. Lines of Credit

The Organization has a \$1.0 million line of credit payable on demand with BB&T. Interest is payable at the bank's prime rate plus 1% with a minimum rate of 5.25%. The line is secured by the Organization's assets and had a balance of \$-0- at June 30, 2021 and 2020.

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021

Note 5. Local Government Support

Local governments within the Organization's service area provided the following support for various programs as of June 30:

	<u>2021</u>	<u>2020</u>
Alleghany County	\$ 5,775	\$ 5,775
Bath County	2,000	4,750
Botetourt County	1,000	1,000
City of Lexington	-	2,000
Covington	5,400	6,000
Craig County	365	365
Roanoke City	170,000	160,000
Roanoke County	34,600	69,200
Rockbridge County	12,240	13,600
Salem	35,065	35,065
	<u>\$ 266,445</u>	<u>\$ 297,755</u>

Note 6. Pension Plan

The Organization participates in a retirement and 401(k) plan for the benefit of its employees. Employees become eligible to participate in the plan on the first day of a new quarter (April 1, July 1, October 1, and January 1) following the completion of three months of service. After two years of service, employees become eligible for the Organization's contribution to the plan. The Organization contributes an amount equal to 4% of each participant's compensation for the fiscal year and a 4% match of eligible employees' deferred contributions for the years ended June 30, 2021 and 2020, and totaled \$425,629 and \$330,979, respectively.

Note 7. Related Party Transactions

The Organization has notes receivable from Terrace North, LP and Terrace South, LP of \$968,000 for June 30, 2021 and 2020, respectively. The notes bear no interest and are due in December 2026.

At June 30, 2021 and 2020, the Organization also has other receivables due from Terrace North, LP and Terrace South, LP of \$272,684 and \$211,860, respectively, included in other receivables.

(Continued)

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021**

Note 8. Financial Assets and Liquidity Resources

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

	2021	2020
Cash	\$ 768,028	\$ 709,927
Grants receivable	1,405,024	1,087,773
Financial assets available for general expenditures	\$ 2,173,052	\$ 1,797,700

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.

The Organization also has a line of credit totaling \$1,000,000 to cover operating cash needs periodically throughout the year. At June 30, 2021 and 2020, the full amount was available.

Note 9. COVID-19 Outbreak

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The Organization is not able to estimate the effects of the COVID-19 outbreak on its financial condition, liquidity, or results of operations for fiscal year 2020 given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread.

Note 10. Pending Pronouncements

Lease accounting

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. ASU No. 2016-02, requires that lessees recognize all leases (other than leases with a term of 12 months or fewer) on the balance sheet as lease liabilities, based upon the present value of the lease payments, with corresponding right of use assets. ASU No. 2016-02 also makes targeted changes to other aspects of current guidance, including identifying a lease and lease classification criteria as well as the lessor accounting model, including guidance on separating components of a contract and consideration in the contract. The amendments in ASU No. 2016-02 will be effective for the Organization on July 1, 2022 and will require modified retrospective application as of the beginning of the earliest period presented on the consolidated financial statements. Early application is permitted.



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

To the Board of Directors
Total Action Against Poverty in the Roanoke Valley, Inc.
Roanoke, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Total Action Against Poverty in the Roanoke Valley, Inc. and Subsidiaries (a nonprofit organization) (the “Organization”), which comprise the consolidated statements of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 3, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we 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.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiency in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Your Success is Our Focus

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
February 3, 2022



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

To the Board of Directors
Total Action Against Poverty in the Roanoke Valley, Inc.
Roanoke, Virginia

Report on Compliance for Each Major Federal Program

We have audited Total Action Against Poverty in the Roanoke Valley, Inc. (the "Organization") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Organization 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 our audit of compliance, we 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, we 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
February 3, 2022

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

	Federal CFDA Number	Expenditures
Department of Health and Human Services:		
Direct program		
Head Start	93.600	\$ 10,661,595
Head Start COVID	93.600	867,196
Early Head Start Partner	93.600	2,956,059
Early Head Start Partner COVID	93.600	79,566
Subtotal Department of Health and Human Services – direct program		14,564,416
Pass-through programs from:		
Virginia Department of Housing and Community Development – LIHEAP	93.568	905,791
Virginia Department of Housing and Urban Development		
HOME	14.239	90,047
RMRP	21.023	84,524
RMRP COVID	21.023	1,185,691
Virginia Department of Criminal Justice Services		
Victims of Crime	16.575	158,196
Virginia Department of Social Services		
CSBG	93.569	698,740
CSBG CARES	93.569	287,762
CSBG TANF	93.558	465,000
Subtotal Department of Health and Human Services – pass-through programs		3,875,751
Total Department of Health and Human Services		18,440,167
Department of Housing and Urban Development:		
Direct programs:		
Housing Counseling Assistance Program	14.169	14,110
United States Department of Agriculture (USDA):		
Direct programs:		
Child and Adult Care Food Program	10.558	275,481
Department of Labor:		
Direct programs:		
Homeless Veterans' Reintegration Program	17.805	197,611
YouthBuild	17.274	204,135
National Dislocated Worker	17.277	246,677
Workforce Opportunity for Rural Communities	17.280	208,822
Swift Start	17.268	478,448
Reintegration of Ex-Offenders	17.270	297,857
Total Department of Labor		1,633,550
Department of Veterans Affairs:		
Direct program:		
Supportive Services for Veteran Families	64.033	395,403
Supportive Services for Veteran Families COVID	64.033	419,922
		815,325
Department of Energy:		
Pass-through programs from:		
Virginia Department of Housing and Community Development:		
Weatherization Assistance for Low-Income Persons	81.042	257,749

(Continued)

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

	Federal CFDA Number	Expenditures
Department of Justice:		
Direct program:		
Young Father	16.831	\$ 72,245
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	239,455
Second Chance Act Reentry Initiative	16.812	62,440
Juvenile Mentoring Program	16.726	53,571
		427,711
Pass-through programs from:		
Virginia Department of Criminal Justice:		
BYRNE	16.579	189,055
Total Department of Justice		616,766
Department of the Treasury:		
Direct program:		
VITA	21.009	6,339
Total Expenditures of Federal Awards		\$ 22,059,487

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the 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 the Organization 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 operation of the Organization, it is not intended to, and does not present, the financial position, changes in net assets or cash flows of the Organization.

Note B. Summary of Significant Accounting Policies

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 are limited as to reimbursement.

Note C. Indirect Cost Rate

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

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021**

A. SUMMARY OF AUDITOR’S RESULTS

1. The auditor’s report expresses an **unmodified opinion** on whether the consolidated financial statements of the Organization were prepared in accordance with GAAP.
2. **No significant deficiencies** relating to the audit of the consolidated financial statements were reported in the 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*.
3. **No instances of noncompliance** material to the consolidated financial statements of the Organization were disclosed during the audit.
4. **No significant deficiencies in internal control** relating to the audit of the major federal award programs were reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance.
5. The auditor’s report on compliance for the major federal award programs for the Organization expresses an **unmodified opinion on all major federal programs**.
6. The audit disclosed **no audit findings relative to the major programs**.
7. The programs tested as a major federal program were:

Department of Social Services	
Community Services Block Grant Cluster:	
Community Services Block Grant	93.569
Temporary Assistance for Needy Families	93.558
Department of Health and Human Services	
Head Start	93.600
Department of Veterans Affairs	
Supportive Services for Veteran Families	64.033
Department of Housing and Urban Development	
Rent and Mortgage Relief Program	21.023

8. The **threshold** for distinguishing Type A and B programs was \$750,000.
9. **Total Action Against Poverty in the Roanoke Valley, Inc. was determined to be a low-risk auditee.**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2021**

A. FINDINGS – FINANCIAL STATEMENT AUDIT

2020.001 Audit Adjustments (Significant Deficiency)

Criteria: *Financial statements should be recorded in accordance with GAAP with adjustments made as necessary.*

Cause: *Outdated information was used in certain financial statement line items.*

Effect: *Journal entries were necessary to adjust balances to align with GAAP.*

Recommendation: *We recommend management more frequently review information used in calculating the healthcare accrual and depreciation.*

Management's response: *TAP has decided to change the terms of reimbursement of employee deductibles. Presently all reimbursement requests must be submitted before January 31st following the end of the insurance year in October. This presents a problem by not giving us a true number for audit purposes until February. This would delay our audit being ready for approval until February and this delay could cause adverse consequences for the agency. Therefore, we have decided to change our deductible reimbursement rules to require that requests for reimbursement be submitted no later than 90 days after occurrence (Doctor Visit, Surgery, etc.). This will allow TAP to properly allocate payments for the entire audit year before completion of the audit. In addition to the above, TAP will directly allocate insurance deductible costs by expensing as paid, or shortly after payment by using this account as a clearing account. The Additional Benefit account (starting July 1st, 2021) will only be used as a clearing account and should have a balance equal to the payments made by TAP after the end of our audit year for deductibles incurred before our audit year end of June 30th. Since we are almost to the end of our audit year ending June 30, 2021, we will adjust this account by charging the appropriate expense account to make sure the account balance reflects the sum of deductible payments made after June 30, 2021 for charges incurred before that date. This adjustment will be done when we receive the explanation of payments from the company who handles deductible reimbursements for us dated September 30, 2021.*

Current Status: *Condition corrected in the current year.*

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SUMMARY OF LEASE AGREEMENTS
For the Year Ended June 30, 2021**

Lessor	Property Location	Lease Duration	Amount	Program Use
City of Salem	Old Train Station in Salem	7/1/19 - 6/30/21	Contribution	Head Start
Caru Realty	Caru Community Center 3417 Bennett Drive, N.W. Roanoke, Virginia	Month to Month	Contribution	Head Start
First Baptist Church	413 N. Jefferson Street Roanoke Virginia	Month to Month	\$ 1,800	Head Start
Northwest Neighborhood Environmental Organization, Inc.	206 Ninth Street, N.W. Roanoke, Virginia	2/1/20 - 1/31/21	106,125	Head Start
Roanoke Redevelopment and Housing	Lansdowne Park Admin. Building 2624 Salem Turnpike, N.W. Roanoke, Virginia	7/27/20 - 7/31/21	5,484	Head Start
Roanoke Redevelopment and Housing	Indian Rock Village Child Development Center 1916 Wise Avenue, S.E. Roanoke, Virginia	7/27/20 - 7/31/21	15,612	Head Start
Diocese of Southwestern Virginia	1000 First Street Roanoke, Virginia	Month to Month	Contribution	Head Start
St. John's Episcopal Church	Jefferson Street Roanoke, Virginia	1/1/20 - 12/31/21	14,400	Head Start
Belmont Christian Church	1101 Jamison Avenue Roanoke, Virginia	3/24/20 - 12/31/21	8,400	Head Start
Kirk Avenue Properties, LLC	112 Kirk Avenue Roanoke, Virginia	Month to Month	38,676	Safe Haven
Roanoke Higher Education Authority	108 N. Jefferson Street Roanoke, Virginia	7/27/20 - 7/31/21	112,594	Head Start
Roanoke City Public Schools	2102 Grandin Road Roanoke, Virginia	Month to Month	Contribution	Head Start
Summerdean Farms, Inc.	2164 E. Midland Trail Buena Vista, Virginia	1/1/19 - 1/31/21	66,000	Head Start
T Building, LLC – First Floor	302 2nd Street, S.W. Roanoke, Virginia	2/26/20 - 2/26/21	92,000	Various
T Building, LLC – 4th Floor	302 2nd Street, S.W. Roanoke, Virginia	2/26/20 - 2/26/28	100,000	Various
Lease commitments are as follows at June 30:				
	2022	\$	310,062	
	2023		317,814	
	2024		325,759	
	2025		333,903	
	2026		342,251	
	2027 and after		588,545	
		<u>\$</u>	<u>2,218,334</u>	

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
HEAD START PROGRAM**

For the Year Ended June 30, 2021

	Head Start Full Year Part Day		Head Start Kitchen Full Year Part Day		Total
	April 30,		April 30,		
	2021	2022	2021	2022	
	Ten Months	Two Months	Ten Months	Two Months	
REVENUE					
Grants	\$ 5,790,205	\$ 1,182,123	\$ 391,979	\$ 94,638	\$ 7,458,945
USDA	-	-	144,269	62,488	206,757
Other revenue	772	-	-	-	772
Contributions	2,150	-	-	-	2,150
In-kind	1,821,668	412,682	-	-	2,234,350
Total revenue	7,614,795	1,594,805	536,248	157,126	9,902,974
EXPENDITURES					
Salaries and wages	2,961,399	660,158	202,025	64,748	3,888,330
Fringe benefits	993,249	39,006	81,746	9,474	1,123,475
Contractual	236,088	23,748	1,872	684	262,392
Travel	22,819	2,384	6,792	1,069	33,064
Space	179,608	41,424	44,219	8,844	274,095
Supplies	25,026	8,068	157,384	27,441	217,919
Equipment	3,213	241	10,482	79	14,015
Other	1,365,525	239,740	35,546	6,650	1,647,461
In-kind	1,821,667	412,682	-	-	2,234,349
Total expenditures	7,608,594	1,427,451	540,066	118,989	9,695,100
Revenue over (under) expenditures	6,201	167,354	(3,818)	38,137	207,874
FUND BALANCE					
Beginning	(6,201)	-	3,818	-	(2,383)
Ending	\$ -	\$ 167,354	\$ -	\$ 38,137	\$ 205,491

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
EARLY HEAD START PROGRAM**

For the Year Ended June 30, 2021

	Early Head Start Full Year Part Day		Early Head Start Training and Technical Assistance		Total
	April 30,		April 30,		
	2021	2022	2021	2022	
	Ten Months	Two Months	Ten Months	Two Months	
REVENUE					
Grants	\$ 2,519,542	\$ 577,121	\$ 57,108	\$ 300	\$ 3,154,071
USDA	47,895	20,829	-	-	68,724
Other revenue	-	-	-	-	-
Contributions	500	-	-	-	500
In-kind	359,277	113,574	-	-	472,851
Total revenue	2,927,214	711,524	57,108	300	3,696,146
EXPENDITURES					
Salaries and wages	1,534,186	379,560	-	-	1,913,746
Fringe benefits	431,066	28,547	-	-	459,613
Contractual	6,423	1,430	-	-	7,853
Travel	8,064	644	-	-	8,708
Space	62,995	13,947	-	-	76,942
Supplies	57,440	13,901	42,097	-	113,438
Equipment	5,086	76	-	-	5,162
Other	461,163	83,257	15,011	300	559,731
In-kind	359,277	113,574	-	-	472,851
Total expenditures	2,925,700	634,936	57,108	300	3,618,044
Revenue over (under) expenditures	1,514	76,588	-	-	78,102
FUND BALANCE					
Beginning	(1,514)	-	-	-	(1,514)
Ending	\$ -	\$ 76,588	\$ -	\$ -	\$ 76,588

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
HEAD START PARTNERSHIP GRANT
For the Year Ended June 30, 2021**

	<u>Partnership</u>	<u>Training & Technical Assistance</u>	<u>Total</u>
REVENUE			
Grants	\$ 2,911,861	\$ 44,198	\$ 2,956,059
Other revenue	60	-	60
In-kind	901,656	-	901,656
Total revenue	<u>3,813,577</u>	<u>44,198</u>	<u>3,857,775</u>
EXPENDITURES			
Salaries and wages	275,751	-	275,751
Fringe benefits	99,774	-	99,774
Contractual	1,725,203	-	1,725,203
Travel	14,941	(17)	14,924
Space	12,570	1,978	14,548
Supplies	265,724	13,965	279,689
Equipment	166,939	-	166,939
Other	350,560	27,875	378,435
In-kind	901,656	-	901,656
Total expenditures	<u>3,813,118</u>	<u>43,801</u>	<u>3,856,919</u>
Revenue over (under) expenditures	459	397	856
FUND BALANCE			
Beginning	<u>-</u>	<u>(397)</u>	<u>(397)</u>
Ending	<u>\$ 459</u>	<u>\$ -</u>	<u>\$ 459</u>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
VIRGINIA DEPARTMENT OF SOCIAL SERVICES
For the Year Ended June 30, 2021**

	Community Service Block Grant Federal	TANF State	Domestic Violence	Total
REVENUE				
Grants	\$ 698,740	\$ 465,000	\$ 175,314	\$ 1,339,054
In-kind	4,995	-	-	4,995
Total revenue	<u>703,735</u>	<u>465,000</u>	<u>175,314</u>	<u>1,344,049</u>
EXPENDITURES				
Salaries and wages	343,619	108,834	68,652	521,105
Fringe benefits	117,869	35,362	14,757	167,988
Contractual	26,866	8,929	13,855	49,650
Travel	10,238	68,079	23,312	101,629
Space	93,371	46,974	-	140,345
Supplies	2,263	4,790	2,940	9,993
Equipment	9,174	12,245	-	21,419
Emergency assistance	6,550	13,345	-	19,895
Other	88,790	166,722	34,680	290,192
Total expenditures	<u>698,740</u>	<u>465,280</u>	<u>158,196</u>	<u>1,322,216</u>
Revenue over (under) expenditures	4,995	(280)	17,118	21,833
FUND BALANCE				
Beginning	<u>(388)</u>	<u>(728)</u>	<u>(27,959)</u>	<u>(29,075)</u>
Ending	<u>\$ 4,607</u>	<u>\$ (1,008)</u>	<u>\$ (10,841)</u>	<u>\$ (7,242)</u>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
HOUSING REVITALIZATION PROGRAMS**

For the Year Ended June 30, 2021

	Roanoke City Homeless Solutions Total
REVENUE	
Local cash	\$ 39,000
Total revenue	39,000
EXPENDITURES	
Salaries and wages	16,083
Fringe benefits	8,221
Contractual	41
Travel	692
Space	2,448
Supplies	214
Emergency assistance	-
Other	5,377
Total expenditures	33,076
Revenue over (under) expenditures	5,924
FUND BALANCE	
Beginning	(351)
Ending	\$ 5,573

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**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS
For the Year Ended June 30, 2021**

	<u>Weatherization</u>	<u>Emergency Home Repair</u>	<u>Indoor Plumbing</u>	<u>Total</u>
REVENUE				
Grants	\$ 1,143,318	\$ 98,449	\$ 184,425	\$ 1,426,192
Program income	-	-	7,600	7,600
Other revenue	-	-	-	-
Total revenue	<u>1,143,318</u>	<u>98,449</u>	<u>192,025</u>	<u>1,433,792</u>
EXPENDITURES				
Salaries and wages	413,389	5,352	8,389	427,130
Fringe benefits	133,858	2,003	1,693	137,554
Contractual	228,608	100,331	205,996	534,935
Travel	39,806	-	-	39,806
Space	38,353	-	-	38,353
Supplies	95,927	-	345	96,272
Equipment	94,609	-	-	94,609
Emergency assistance	-	-	450	450
Other	118,990	10,027	4,299	133,316
Total expenditures	<u>1,163,540</u>	<u>117,713</u>	<u>221,172</u>	<u>1,502,425</u>
Revenue over (under) expenditures	(20,222)	(19,264)	(29,147)	(68,633)
FUND BALANCE				
Beginning	(73,898)	(21,008)	34,039	(60,867)
Ending	<u>\$ (94,120)</u>	<u>\$ (40,272)</u>	<u>\$ 4,892</u>	<u>\$ (129,500)</u>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
WEATHERIZATION**

For the Year Ended June 30, 2021

	Department of Energy	Low Income Home Energy Assistance	Total
REVENUE			
Grants	\$ 257,749	\$ 885,569	\$ 1,143,318
Total revenue	257,749	885,569	1,143,318
EXPENDITURES			
Salaries and wages	106,901	306,488	413,389
Fringe benefits	34,952	98,906	133,858
Contractual	57,792	170,816	228,608
Travel	7,555	32,251	39,806
Space	8,162	30,191	38,353
Supplies	18,664	77,263	95,927
Equipment	2,230	92,379	94,609
Other	21,493	97,497	118,990
Total expenditures	257,749	905,791	1,163,540
Revenue over (under) expenditures	-	(20,222)	(20,222)
FUND BALANCE			
Beginning	(112,007)	38,109	(73,898)
Ending	\$ (112,007)	\$ 17,887	\$ (94,120)

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**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
ROANOKE CITY REVENUE
For the Year Ended June 30, 2021**

	Total
REVENUE	
Grants	\$ 36,142
Program income	6,486
Local cash	124,000
Other revenue	-
	-
Total revenue	166,628
EXPENDITURES	
Salaries and wages	62,455
Fringe benefits	13,048
Contractual	(18,134)
Travel	31,553
Space	16,292
Supplies	13,081
Other	19,779
	19,779
Total expenditures	138,074
Revenue over (under) expenditures	28,554
FUND BALANCE	
Beginning	40,538
Ending	\$ 69,092

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**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
EDUCATION REVENUE**

For the Year Ended June 30, 2021

	<u>Project Discovery of Virginia</u>
REVENUE	
Grants	\$ 55,785
In-kind	77,460
Total revenue	<u>133,245</u>
EXPENDITURES	
Salaries and wages	24,417
Fringe benefits	9,834
Contractual	130
Travel	9,195
Space	3,174
Supplies	1,862
Other	8,119
In-kind	77,460
Total expenditures	<u>134,191</u>
Revenue over (under) expenditures	(946)
FUND BALANCE	
Beginning	<u>(18,592)</u>
Ending	<u><u>\$ (19,538)</u></u>

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**TOTAL ACTION AGAINST POVERTY
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS
For the Year Ended June 30, 2021**

	Virginia Cares	United Way
REVENUE		
Grants	\$ 176,212	\$ 186,976
Total revenue	176,212	186,976
EXPENDITURES		
Salaries and wages	94,758	56,171
Fringe benefits	35,628	17,187
Contractual	-	23,263
Travel	7,584	51,112
Space	10,069	7,630
Supplies	6,217	947
Equipment	-	-
Emergency assistance	-	4,978
Other	21,956	21,398
Total expenditures	176,212	182,686
Revenue over (under) expenditures	-	4,290
FUND BALANCE		
Beginning	-	160,506
Ending	\$ -	\$ 164,796

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