

LONG BEACH COMMUNITY ACTION PARTNERSHIP

FINANCIAL STATEMENTS

December 31, 2018

with Summary Comparative Information for 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Long Beach Community Action Partnership:

Report on the Financial Statements

We have audited the accompanying financial statements of Long Beach Community Action Partnership (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Long Beach Community Action Partnership as of December 31, 2018, 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 2, during the year ended December 31, 2018, Long Beach Community Action Partnership adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information


We have previously audited the Long Beach Community Action Partnership's 2017 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated July 25, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it was derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental statements of revenue and expenditures (supplementary schedules) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2019, on our consideration of Long Beach Community Action Partnership'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 Long Beach Community Action Partnership'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 Long Beach Community Action Partnership's internal control over financial reporting and compliance.



Long Beach, California
July 31, 2019

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

ASSETS

	December 31,	
	2018	2017
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,344,432	\$ 1,052,911
Grants and contracts receivable (Note 4)	805,395	878,439
Work-in-process	41,948	38,106
Inventory	85,560	57,172
Prepaid expenses	58,616	54,943
	<u>2,335,951</u>	<u>2,081,571</u>
PROPERTY AND EQUIPMENT, NET (Note 5)	212,332	375,778
DEPOSITS	<u>32,023</u>	<u>31,523</u>
TOTAL ASSETS	<u><u>\$ 2,580,306</u></u>	<u><u>\$ 2,488,872</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 166,190	\$ 126,831
Accrued expenses	193,531	196,426
Refundable contract advances (Note 6)	1,005,185	893,785
	<u>1,364,906</u>	<u>1,217,042</u>
DEFERRED RENT PAYABLE	<u>49,216</u>	<u>55,754</u>
TOTAL LIABILITIES	<u>1,414,122</u>	<u>1,272,796</u>
COMMITMENTS AND CONTINGENCIES (Note 8)		
NET ASSETS		
Without donor restrictions		
Operating fund	887,324	758,770
Net investment in capital assets	212,332	375,778
	<u>1,099,656</u>	<u>1,134,548</u>
With donor restrictions (Note 7)	66,528	81,528
	<u>1,166,184</u>	<u>1,216,076</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,580,306</u></u>	<u><u>\$ 2,488,872</u></u>

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

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>2018</u>	<u>2017</u>
OPERATING SUPPORT AND REVENUE					
Grants and contracts	\$ 5,087,858	\$ -	\$ 5,087,858	\$ 5,935,344	
Contributions	26,295	46,000	72,295	103,576	
Other	43,593	-	43,593	62,023	
Net assets released from restrictions:					
Satisfaction of program requirements	61,000	(61,000)	-	-	
	<u>5,218,746</u>	<u>(15,000)</u>	<u>5,203,746</u>	<u>6,100,943</u>	
OPERATING EXPENSES					
Program services					
Energy assistance	3,640,181	-	3,640,181	4,362,359	
Youth programs	513,835	-	513,835	570,257	
Community advocacy and family services	81,736	-	81,736	72,583	
Public access digital network	288,658	-	288,658	322,266	
Supporting services					
Fundraising	15,953	-	15,953	17,600	
Management and general	549,830	-	549,830	551,068	
	<u>5,090,193</u>	<u>-</u>	<u>5,090,193</u>	<u>5,896,133</u>	
CHANGE IN NET ASSETS FROM OPERATIONS	<u>128,553</u>	<u>(15,000)</u>	<u>113,553</u>	<u>204,810</u>	
CAPITAL SUPPORT AND EXPENSES					
Grant and contract support for capital equipment purchases	151,240	-	151,240	132,943	
Depreciation expense	(314,685)	-	(314,685)	(314,021)	
	<u>(163,445)</u>	<u>-</u>	<u>(163,445)</u>	<u>(181,078)</u>	
CHANGE IN NET ASSETS	(34,892)	(15,000)	(49,892)	23,732	
NET ASSETS AT BEGINNING OF YEAR	<u>1,134,548</u>	<u>81,528</u>	<u>1,216,076</u>	<u>1,192,344</u>	
NET ASSETS AT END OF YEAR	<u>\$ 1,099,656</u>	<u>\$ 66,528</u>	<u>\$ 1,166,184</u>	<u>\$ 1,216,076</u>	

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

LONG BEACH COMMUNITY ACTION PARTNERSHIP

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2018 (WITH COMPARATIVE TOTALS FOR 2017)

	2018									2017
	Program Services					Support Services				
	Energy Assistance	Youth Programs	Community Advocacy and Family Services	Public Access Digital Network	Total Program Services	Management and General	Fundraising	Total Support Services	Total Expenses	Total Expenses
Salaries and wages	\$ 1,298,492	\$ 266,927	\$ 39,372	\$ 126,273	\$ 1,731,064	\$ 262,747	\$ -	\$ 262,747	\$ 1,993,811	\$ 2,025,022
Benefits and taxes	605,854	65,918	15,981	43,579	731,332	97,509	-	97,509	828,841	889,910
Subcontractor fees	719,009	-	-	-	719,009	-	-	-	719,009	1,406,707
Weatherization materials	357,290	-	-	-	357,290	-	-	-	357,290	396,356
Occupancy	269,482	58,946	2,085	51,328	381,841	20,727	-	20,727	402,568	390,266
Office expenses	191,711	25,445	9,437	42,942	269,535	28,068	995	29,063	298,598	274,787
Information technology	56,147	17,106	2,850	8,857	84,960	12,776	-	12,776	97,736	125,254
Insurance	49,336	9,934	1,145	3,997	64,412	25,432	-	25,432	89,844	91,124
Travel	63,552	2,870	1,494	2,752	70,668	10,280	419	10,699	81,367	75,110
Accounting	-	-	-	-	-	56,472	-	56,472	56,472	58,378
Client assistance and supportive services	-	54,649	540	-	55,189	-	-	-	55,189	53,180
Consulting fees	15,660	-	4,879	4,741	25,280	27,385	2,500	29,885	55,165	62,636
Conferences, conventions and meetings	2,418	9,746	408	2,994	15,566	6,679	10,008	16,687	32,253	30,177
Miscellaneous	11,230	2,294	3,545	1,195	18,264	1,005	2,031	3,036	21,300	16,026
Legal	-	-	-	-	-	750	-	750	750	1,200
	<u>\$ 3,640,181</u>	<u>\$ 513,835</u>	<u>\$ 81,736</u>	<u>\$ 288,658</u>	<u>\$ 4,524,410</u>	<u>\$ 549,830</u>	<u>\$ 15,953</u>	<u>\$ 565,783</u>	<u>\$ 5,090,193</u>	<u>\$ 5,896,133</u>

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

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

	For the Year Ended December 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants and contracts	\$ 5,272,302	\$ 5,992,893
Cash paid to employees and vendors	(4,197,299)	(4,904,571)
Cash paid to subcontractors	(704,932)	(551,256)
Cash received from donors	72,295	103,576
Interest and dividends received	395	364
Net Cash Provided By Operating Activities	<u>442,761</u>	<u>641,006</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(151,240)</u>	<u>(132,943)</u>
Net Cash Used In Investing Activities	<u>(151,240)</u>	<u>(132,943)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	291,521	508,063
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,052,911</u>	<u>544,848</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,344,432</u>	<u>\$ 1,052,911</u>

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

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 1 – Organization

Long Beach Community Services Development Corporation was incorporated in the state of California on August 6, 1979. Effective June 2012, the Corporation's name was amended with the state of California to be Long Beach Community Action Partnership (the Organization).

Mission Statement: Long Beach Community Action Partnership is passionately committed to providing dynamic pathways to self-sustainability for low-income individuals and families through advocacy, education, and energy assistance. With our collaborative partners, community resources, and strength-based leadership, we coordinate and mobilize comprehensive training and technical assistance vital to building and sustaining an enriched community.

Vision Statement: Long Beach Community Action Partnership strives to be a recognized leader creating the standard for service excellence in the fight against poverty. Long Beach Community Action Partnership collaborates with a cohesive alliance of partners and stakeholders offering innovative programs and services that promote self-sustainability and celebrates community diversity and cultural differences while preserving the dignity and integrity of each individual.

As one of over 1,000 Community Action Agencies in the nation, the Organization is part of a poverty-fighting network that embraces the promise to change lives, embodies the spirit of hope, improve communities, and makes America a better place to live. As the Community Action Agency for the City of Long Beach and a provider of energy services throughout Eastern Los Angeles County, Long Beach Community Action Partnership serves a population of over 2.4 million residents, including more than 376,000 individuals living in poverty. To serve this community, the Organization maintains a tripartite board of 12 members and a staff of 124, deployed at six program sites throughout Los Angeles County.

The approach that the agency takes is client-driven and results-oriented. As a private nonprofit organization, Long Beach Community Action Partnership has operated programs targeted at low-income individuals and families since 1979. The programs and services of the Organization are diverse, but have a common, overriding goal: to help individuals and families achieve and maintain self-sustainability.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 1 – Organization (Continued)

Programs and services are developed, modified, and expanded based upon three factors:

- The needs of the community as expressed by its residents;
- Relevant statistical data and socio-economic characteristics of the community; and
- Feasibility of service provision based upon the availability of resources, presence of like-kind services in the community and existence of gaps in services and/or unmet community needs.

The Organization's programs have evolved over the years, but have generally fallen into one of four categories: energy conservation, education, training, and community development. Long Beach Community Action Partnership currently operates the following programs:

Energy Assistance

For low-income households, the Organization offers assistance with utility bill payments and weatherization services to improve energy efficiency as well as critical heating and cooling services to vulnerable populations during severe weather emergencies.

Youth Programs

The Organization offers a variety of educational opportunities, job training, skill enhancement classes, and support systems to eligible participants so that they can acquire the necessary job readiness skills to obtain and retain employment, as well as the necessary money management skills to build a savings plan or apply investment strategies. The Organization also offers youth programs to provide academic assistance, career development, and personal enrichment.

Community Advocacy and Family Services

Through its collaborative efforts with other organizations and partner agencies, the Organization provides a gateway for individuals and families to have convenient access to a coordinated continuum of comprehensive programs and services designed to help them achieve self-sufficiency.

Public Access Digital Network (PADNET)

The Organization provides production classes, equipment, facilities, and low-cost production services to the community in support of locally produced news, information and entertainment cablecasts.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with US Generally Accepted Accounting Principles (GAAP).

Recently Adopted Accounting Standards

In 2018, the Organization adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic): Presentation of Financial Statements of Not-for-Profit Entities*. The main provisions include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; and, recognition of underwater endowment funds as a reduction to net assets with donor restrictions. The guidance also enhances disclosures for board-designated amounts, components of net assets without donor restrictions, liquidity, and expenses by both their natural and functional classification. With the adoption of the standard, the Organization updated net asset presentation in the financial statements and included additional disclosures as required. No significant reclassifications to prior-year amounts were necessary in order to adopt the new standard.

Classification of Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified according to two classes of net assets: with donor restrictions and without donor restrictions.

Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization or the passage of time. As the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions. Other donor stipulations may be perpetual in nature, where the donor stipulates that the corpus be maintained intact in perpetuity. At December 31, 2018, there were no net assets with perpetual donor restrictions.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Use of Estimates

The Organization uses estimates and assumptions in preparing these financial statements in accordance with GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, the reported amounts of revenues and other support, and expenses during the reporting period. Actual results could vary from those estimates.

Recognition of Revenue

Contributions received are recorded as revenue in the period received and classified in net assets depending on the existence and/or nature of any donor restrictions. When donor restriction on contributions is met and/or the implied time restriction has expired, the net assets are released from restriction in the statement of activities. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Transfers of assets under conditional promises, which are received by the Organization prior to fulfilling these conditions, are recorded as a liability until the conditions are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date the gift was received. Contributions to be received after one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using federal fund (risk-free) interest rates. Amortization of the discount is recorded as additional contribution revenue and used in accordance with any donor-imposed restrictions on the contributions. Allowance is made for uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience, and other relevant factors.

During the years ended December 31, 2018 and 2017, the Organization facilitated the distribution of approximately \$5,806,000 and \$4,804,000, respectively, of utility payments from the state of California for the benefit of eligible energy program participants. Although the Organization was an integral part of distributing the state-directed donations by coordinating, arranging, and monitoring their distribution, the Organization has neither taken custody of these funds nor processed these payments. Therefore, in accordance with ASC 958-605-15, *Accounting for Contributions Received and Contributions Made*, these transactions were considered agency transactions and are not included in revenue and expenses on the statement of activities. However, the Organization is a recipient of funding from the state to offset the administrative expenses incurred from these agency transactions.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Recognition of Revenue (Continued)

The Organization's grants and contracts revenue are reported at the net estimated net realizable amounts due from government agencies. These grants and contracts awards generally specify the purpose for which the funds are to be used. Revenue from grants and contracts are recognized when allowable expenditures are incurred under such agreements.

Cash and Cash Equivalents

The Organization considers cash on hand, deposits in banks, and short-term marketable securities with an original maturity of less than 90 days to be cash and cash equivalents for purposes of the statement of cash flows.

Property and Equipment

All assets purchased or received by donation that cost \$5,000 or more individually are capitalized. Assets purchased or received by donation that cost less than \$5,000 individually are expensed in the year purchased or received. All repairs and improvements to property or leasehold improvements that cost \$5,000 or more are also capitalized. The Organization provides for depreciation and amortization using the straight-line method over the estimated useful lives of the applicable assets, which are 10 to 25 years for leasehold improvements, 3 to 15 years for vehicles and equipment, and 7 to 10 years for capitalized software. Leasehold improvements are amortized on the straight-line basis using the shorter of the estimated useful lives of the assets or terms of the lease.

Deferred Rent Payable

The Organization leases office facilities under a lease agreement that is subject to rent abatement and scheduled rent escalations. The total rent payments for the entire lease agreement is amortized evenly over the life of the lease. The deferred rent payable represents the difference between the cash payments and the amount expensed since inception of the lease.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Donated Materials, Services, and Facilities

Donated materials and other noncash contributions when received, are reflected in the accompanying statements at their estimated market values at date of receipt. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Other volunteer services that do not meet these criteria are not recognized in the financial statements. A number of volunteers donate their time to the Organization. The volunteer services received by the Organization did not meet the above criteria and, therefore, are not reflected in the accompanying financial statements.

Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation. The Organization reports gifts of land, buildings, and equipment as support without donor restrictions 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 are considered donor-restricted support, with the release of the restriction occurring over the life of the long-lived asset in an amount equal to the depreciation expense on the long-lived asset. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as donor-restricted support and released from restriction by reclassifying net assets with donor restrictions to net assets without donor restrictions when the asset is acquired and placed in service.

Functional Expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on an appropriate distribution as determined by management, such as square footage or salaries and wages.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Concentrations of Credit Risk

The Organization maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization's management believes that it is not exposed to any significant credit risk of cash or cash equivalents maintained in US financial institutions.

Income Taxes

The Organization has received tax-exempt status from the Internal Revenue Service and California Franchise Tax Board under Section 501(c)(3) of the Internal Revenue Code, and Section 23701(d) of the Revenue and Taxation Code, respectively.

The Organization recognizes the financial statement benefit of tax positions, such as filing status of tax-exempt, only after determining that the relevant tax authority would more likely than not sustain the position following an audit. The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

Summarized Comparative Totals

The financial statements include certain prior-year summarized financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such financial information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2017, from which the summarized financial information was derived.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) issued ASU 2014-09, *Revenue from Contracts with Customers*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The new revenue recognition standard provides a five-step analysis of transactions to determine when and how revenue is recognized. The effective date for the ASU 2014-09 is deferred by ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, to annual reporting periods beginning after December 15, 2018. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. The new standard, which permits the use of either the retrospective or cumulative effect transition method, will replace most existing revenue recognition guidance in U.S. GAAP. Management is currently evaluating the impact of this ASU on its financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and lessors. The new standard applies a right-of-use (ROU) model that requires, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded. The ASU is effective for the Organization's fiscal years beginning after December 15, 2019, with early adoption permitted. Management is currently evaluating the impact of this ASU on its financial statements.

In June 2018, the FASB issues ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08), which provides additional guidance on characterizing grants and similar contracts with resource providers as either exchange transactions or contributions, as well as distinguishing between conditional and unconditional contributions. The updated standard will be effective for annual reporting periods beginning after December 15, 2018. Management is currently evaluating the impact of this ASU on its financial statements.

LONG BEACH COMMUNITY ACTION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 3 – Liquidity and Availability

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

Cash and cash equivalents	\$ 1,277,904
Grants and contracts receivable	<u>805,395</u>
	<u>\$ 2,083,299</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 4 – Grants and Contracts Receivable

Grants and contracts receivable represent amounts accrued for work completed under grants and contracts not paid as of year-end. All amounts are due within twelve months of year-end and, therefore, are recorded at face value without discounting. No valuation allowance has been recorded against grants and contracts receivable as they are deemed by management to be fully collectible. At December 31, 2018 and 2017, approximately 92% and 93%, respectively, of grants and contracts receivable are due from the state of California.

NOTE 5 – Property and Equipment

Property and equipment is summarized as follows:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Equipment	\$ 1,983,454	\$ 1,832,214
Leasehold improvements	221,363	221,364
Accumulated depreciation and amortization	<u>(1,992,485)</u>	<u>(1,677,800)</u>
Property and equipment, net	<u>\$ 212,332</u>	<u>\$ 375,778</u>

Depreciation of \$314,685 and \$314,021 for the years ended December 31, 2018 and 2017, respectively, is included in the statement of activities.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 5 – Property and Equipment (Continued)

Purchases of property and equipment with grant funds are considered assets of the Organization while used in the program for which it was purchased or in other future authorized programs. However, the funding sources have a reversionary interest in the property and equipment purchased with grant funds; its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. At December 31, 2018 and 2017, the net book value of property and equipment subject to reversionary interests approximates \$200,000 and \$300,000, respectively.

NOTE 6 – Refundable Contract Advances

Refundable contract advances represents monies received by the Organization from government agencies under existing contracts, which have not been earned as of year-end. At December 31, 2018 and 2017, advances on contracts amounted to \$1,005,185 and \$891,993, respectively.

Refundable advances are recognized as revenue as the Organization meets the conditions as stipulated in the contract between the Organization and the agencies providing the funding.

NOTE 7 – Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2018 and 2017 were restricted for the Leadership Academy Mentoring Program (LAMP) in the amount of \$66,528 and \$81,528, respectively.

NOTE 8 – Commitments and Contingencies

Commitments

The Organization entered into several operating leases for training, office and warehouse space, and equipment that expire at various dates through August 2022.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 8 – Commitments and Contingencies (Continued)

Commitments (Continued)

Future minimum facilities and equipment lease commitments as of December 31, 2018 are payable as follows:

<u>Year Ending December 31,</u>	
2019	\$ 349,905
2020	306,338
2021	308,808
2022	<u>150,697</u>
	<u>\$ 1,115,748</u>

Rent expenses for facilities and equipment for the years ended December 31, 2018 and 2017 totaled \$335,661 and \$319,702, respectively, and are included in the statement of activities. Rent expense consisted of the following:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Base rent and common area maintenance expense	\$ 342,199	\$ 324,139
Change in deferred rent payable	<u>(6,538)</u>	<u>(4,437)</u>
	<u>\$ 335,661</u>	<u>\$ 319,702</u>

Government Contract Contingencies and Economic Dependency

The Organization is dependent on continued funding provided by governmental agencies. The Department of Community Services and Development of the State of California (CSD) is the Organization's primary funding agency for Community Service Block Grant (CSBG), Low Income Home Energy Assistance Program (LIHEAP), and Department of Energy (DOE) programs. These programs are subject to change by an act of Congress or administrative changes mandated by the U.S. Department of Health and Human Services.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 8 – Commitments and Contingencies (Continued)

Government Contract Contingencies and Economic Dependency (Continued)

Current grant agreements with government agencies generally expire and renew annually; however, there can be no assurances that the Organization will be able to obtain future grant agreements from government agencies. Contracts from CSD are in place for CSBG LIHEAP and DOE through 2020.

During the years ended December 31, 2018 and 2017, approximately 87% and 91%, respectively, of the Organization's total support and revenue was provided by CSD.

Support and revenue from government grants are subject to government audit. The ultimate determination of amounts received under these programs is generally based upon allowable costs reported to and audited by the government. Until any such audit has been completed and a final settlement reached, there exists a contingent liability to refund any amount received in excess of allowable costs.

Legal Contingency

The Organization is exposed to various asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on the Organization's financial position or results of operations.

NOTE 9 – Employee Benefit Plan

On January 1, 2009, the Organization adopted the Long Beach Community Services Development Corporation 401(k) Plan (the Plan) to provide retirement benefits for its employees. The Plan provides tax-deferred salary deductions for substantially all employees as allowed under Section 401(k) of the Internal Revenue Code. Employees may contribute a portion of their annual compensation to the Plan, limited to a maximum annual amount as set periodically by the Internal Revenue Service. The Organization can also elect to make a contribution to the plan at its discretion. Employees vest in employer contributions ratably over a five-year period. The Organization's discretionary contributions to the Plan were \$29,091 and \$30,983 for the years ended December 31, 2018 and 2017, respectively.

LONG BEACH COMMUNITY ACTION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(WITH SUMMARY COMPARTIVE INFORMATION FOR 2017)

NOTE 10 – Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 31, 2019, the date the financial statements were available to be issued and, except as noted above, the Organization determined there are no other items to disclose.

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 17B-3018 EHA-16
FOR THE PERIOD OCTOBER 1, 2016 THROUGH DECEMBER 31, 2018**

	October 1, 2016 through December 31, 2016	January 1, 2017 through December 31, 2017	January 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE						
Grant revenue	\$ 403	\$ 1,133,619	\$ 297,910	\$ 1,431,932		\$ 1,431,932
Total Revenue	<u>403</u>	<u>1,133,619</u>	<u>297,910</u>	<u>1,431,932</u>		<u>1,431,932</u>
EXPENDITURES						
Administration						
Administrative costs	<u>60</u>	<u>268,744</u>	<u>35,834</u>	<u>304,638</u>	\$ 304,637	308,146
Total Administration Costs	<u>60</u>	<u>268,744</u>	<u>35,834</u>	<u>304,638</u>	<u>304,637</u>	<u>308,146</u>
Program						
Assurance 16 Activities	115	250,932	48,401	299,448	299,448	301,542
Intake	51	100,783	20,010	120,844	120,844	125,256
Outreach	79	161,685	32,542	194,306	194,306	201,559
Training and Technical Assistance	8	21,815	2,931	24,754	24,754	25,809
Major Vehicle and Equipment	-	-	-	-	-	-
Liability Insurance	5	11,022	1,761	12,788	12,788	13,225
General Operating Expenditures	78	150,170	27,450	177,698	177,698	181,816
Automation Supplemental	7	17,844	3,839	21,690	21,691	21,751
ECIP Emergency Heating & Cooling Services	-	142,897	122,905	265,802	265,802	242,675
Severe Weather Energy Asst (SWEATS)	-	750	-	750	750	751
Other Program Costs	<u>-</u>	<u>6,977</u>	<u>2,237</u>	<u>9,214</u>	<u>9,214</u>	<u>9,402</u>
Total Program Costs	<u>343</u>	<u>864,875</u>	<u>262,076</u>	<u>1,127,294</u>	<u>1,127,295</u>	<u>1,123,786</u>
TOTAL EXPENDITURES	<u>\$ 403</u>	<u>\$ 1,133,619</u>	<u>\$ 297,910</u>	<u>\$ 1,431,932</u>	<u>\$ 1,431,932</u>	<u>\$ 1,431,932</u>
Federal expenditures	\$ 403	\$ 1,133,619	\$ 297,910	\$ 1,431,932		
Nonfederal expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u>\$ 403</u>	<u>\$ 1,133,619</u>	<u>\$ 297,910</u>	<u>\$ 1,431,932</u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 17B-3018 WEATHERIZATION
FOR THE PERIOD JANUARY 1, 2017 THROUGH DECEMBER 31, 2018**

	January 1, 2017 through December 31, 2017	January 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE					
Grant revenue	\$ 2,135,578	\$ 104,325	\$ 2,239,903		\$ 2,239,903
Total Revenue	<u>2,135,578</u>	<u>104,325</u>	<u>2,239,903</u>		<u>2,239,903</u>
EXPENDITURES					
Program					
Intake	46,790	6,512	53,302	\$ 53,302	54,500
Outreach	73,729	9,858	83,587	83,587	85,500
Training and Technical Assistance	29,303	1,669	30,972	30,972	32,250
Liability Insurance	24,153	1,695	25,848	25,838	25,010
Direct Program Activities	1,848,719	73,839	1,922,558	1,922,568	1,941,473
General Operating Activities	<u>112,884</u>	<u>10,752</u>	<u>123,636</u>	<u>123,636</u>	<u>101,170</u>
Total Program Costs	<u>2,135,578</u>	<u>104,325</u>	<u>2,239,903</u>	<u>2,239,903</u>	<u>2,239,903</u>
TOTAL EXPENDITURES	<u>\$ 2,135,578</u>	<u>\$ 104,325</u>	<u>\$ 2,239,903</u>	<u>\$ 2,239,903</u>	<u>\$ 2,239,903</u>
Federal expenditures	\$ 2,135,578	\$ 104,325	\$ 2,239,903		
Nonfederal expenditures	<u>-</u>	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u>\$ 2,135,578</u>	<u>\$ 104,325</u>	<u>\$ 2,239,903</u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 17C-4014
FOR THE PERIOD JUNE 1, 2018 THROUGH DECEMBER 31, 2018**

	June 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE				
Grant revenue	\$ 48,553	\$ 48,553		\$ 1,008,349
Total Revenue	<u>48,553</u>	<u>48,553</u>		<u>1,008,349</u>
EXPENDITURES				
Administration costs	<u>2,212</u>	<u>2,212</u>	\$ 2,212	<u>57,829</u>
Total Administration Costs	<u>2,212</u>	<u>2,212</u>	<u>2,212</u>	<u>57,829</u>
Program				
Training and technical assistance	2,930	2,930	2,930	25,250
Liability insurance	345	345	345	9,065
Intake	716	716	716	20,470
Outreach	936	936	936	37,740
Direct program activities	21,258	21,258	21,258	402,750
General/operating expenditures	1,494	1,494	1,494	51,360
Other program costs	6,619	6,619	6,619	181,775
Health and safety activities	<u>12,043</u>	<u>12,043</u>	<u>12,043</u>	<u>222,110</u>
Total Program Costs	<u>46,341</u>	<u>46,341</u>	<u>46,341</u>	<u>950,520</u>
TOTAL EXPENDITURES	<u>\$ 48,553</u>	<u>\$ 48,553</u>	<u>\$ 48,553</u>	<u>\$ 1,008,349</u>
Federal expenditures	\$ 48,553	\$ 48,553		
Nonfederal expenditures	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u>\$ 48,553</u>	<u>\$ 48,553</u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 18B-4018 EHA-16
FOR THE PERIOD OCTOBER 1, 2017 THROUGH DECEMBER 31, 2018**

	October 1, 2017 through December 31, 2017	January 1 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE					
Grant revenue	\$ 29,837	\$ 1,306,809	\$ 1,336,646		\$ 1,529,490
Total Revenue	<u>29,837</u>	<u>1,306,809</u>	<u>1,336,646</u>		<u>1,529,490</u>
EXPENDITURES					
Administration					
Administrative costs	<u>390</u>	<u>372,199</u>	<u>372,589</u>	\$ 372,589	441,521
Total Administration Costs	<u>390</u>	<u>372,199</u>	<u>372,589</u>	<u>372,589</u>	<u>441,521</u>
Program					
Assurance 16 Activities	8,320	245,154	253,474	259,102	391,521
Intake	3,776	116,740	120,516	120,516	293,438
Outreach	6,603	205,123	211,726	215,858	248,712
Training and Technical Assistance	542	21,607	22,149	22,148	64,485
Major Vehicle and Equipment	-	-	-	-	-
General Operating Expenditures	<u>10,206</u>	<u>345,986</u>	<u>356,192</u>	<u>346,433</u>	<u>89,813</u>
Total Program Costs	<u>29,447</u>	<u>934,610</u>	<u>964,057</u>	<u>964,057</u>	<u>1,087,969</u>
TOTAL EXPENDITURES	<u>\$ 29,837</u>	<u>\$ 1,306,809</u>	<u>\$ 1,336,646</u>	<u>\$ 1,336,646</u>	<u>\$ 1,529,490</u>
Federal expenditures	\$ 29,837	\$ 1,306,809	\$ 1,336,646		
Nonfederal expenditures	<u>-</u>	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u>\$ 29,837</u>	<u>\$ 1,306,809</u>	<u>\$ 1,336,646</u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 18B-5018 WEATHERIZATION
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018**

	January 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE				
Grant revenue	\$ 2,126,763	\$ 2,126,763		\$ 2,511,148
Total Revenue	<u>2,126,763</u>	<u>2,126,763</u>		<u>2,511,148</u>
EXPENDITURES				
Program				
Intake	66,538	66,538	\$ 66,538	200,892
Outreach	96,723	96,723	96,723	125,557
Training and technical assistance	31,675	31,675	31,675	125,557
Direct program activities	<u>1,931,827</u>	<u>1,931,827</u>	<u>1,931,827</u>	<u>2,059,142</u>
Total Program Costs	<u>2,126,763</u>	<u>2,126,763</u>	<u>2,126,763</u>	<u>2,511,148</u>
TOTAL EXPENDITURES	<u><u>\$ 2,126,763</u></u>	<u><u>\$ 2,126,763</u></u>	<u><u>\$ 2,126,763</u></u>	<u><u>\$ 2,511,148</u></u>
Federal expenditures	\$ 2,126,763	\$ 2,126,763		
Nonfederal expenditures	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u><u>\$ 2,126,763</u></u>	<u><u>\$ 2,126,763</u></u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 18F-5020
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018**

	January 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE				
Grant revenue	\$ 592,949	\$ 592,949		\$ 796,147
Total Revenue	<u>592,949</u>	<u>592,949</u>		<u>796,147</u>
EXPENDITURES				
Administration				
Salaries and Wages	47,638	47,638	\$ 47,638	60,778
Fringe Benefits	17,575	17,575	17,575	21,978
Operating Expenses	35,025	35,025	35,025	42,079
Out-of-State Travel	1,409	1,409	1,409	1,500
Contract/Consultant Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Administration Costs	<u>101,647</u>	<u>101,647</u>	<u>101,647</u>	<u>126,335</u>
Program				
Salaries and Wages	191,160	191,160	191,160	257,719
Fringe Benefits	67,340	67,340	67,340	90,786
Operating Expenses	231,334	231,334	231,334	319,807
Out-of-State Travel	1,468	1,468	1,468	1,500
Subcontractor Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Program Costs	<u>491,302</u>	<u>491,302</u>	<u>491,302</u>	<u>669,812</u>
TOTAL EXPENDITURES	<u><u>\$ 592,949</u></u>	<u><u>\$ 592,949</u></u>	<u><u>\$ 592,949</u></u>	<u><u>\$ 796,147</u></u>
Federal expenditures	\$ 592,949	\$ 592,949		
Nonfederal expenditures	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u><u>\$ 592,949</u></u>	<u><u>\$ 592,949</u></u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 18F-5020 - DISCRETIONARY
FOR THE PERIOD JUNE 1, 2018 THROUGH DECEMBER 31, 2018**

	June 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE				
Grant revenue	\$ 9,772	\$ 9,772		\$ 35,000
Total Revenue	<u>9,772</u>	<u>9,772</u>		<u>35,000</u>
EXPENDITURES				
Administration				
Salaries and Wages	434	434	\$ 434	1,323
Fringe Benefits	141	141	141	746
Operating Expenses	331	331	331	2,131
Out-of-State Travel	-	-	-	-
Contract/Consultant Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Administration Costs	<u>906</u>	<u>906</u>	<u>906</u>	<u>4,200</u>
Program				
Salaries and Wages	735	735	735	13,360
Fringe Benefits	188	188	188	2,507
Operating Expenses	7,943	7,943	7,943	14,933
Out-of-State Travel	-	-	-	-
Subcontractor Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Program Costs	<u>8,866</u>	<u>8,866</u>	<u>8,866</u>	<u>30,800</u>
TOTAL EXPENDITURES	<u>\$ 9,772</u>	<u>\$ 9,772</u>	<u>\$ 9,772</u>	<u>\$ 35,000</u>
Federal expenditures	\$ 9,772	\$ 9,772		
Nonfederal expenditures	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u>\$ 9,772</u>	<u>\$ 9,772</u>		

LONG BEACH COMMUNITY ACTION PARTNERSHIP

**SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES
CSD CONTRACT NO. 19B-5018, EHA-16
FOR THE PERIOD OCTOBER 1, 2018 THROUGH DECEMBER 31, 2018**

	October 1, 2018 through December 31, 2018	Total Audited Costs	Total Reported Expenses	Total Budget
REVENUE				
Grant revenue	\$ 29,837	\$ 29,837		\$ 2,183,631
Total Revenue	<u>29,837</u>	<u>29,837</u>		<u>2,183,631</u>
EXPENDITURES				
Administration				
Administrative costs	<u>19,798</u>	<u>19,798</u>	\$ 19,798	<u>557,827</u>
Total Administration Costs	<u>19,798</u>	<u>19,798</u>	<u>19,798</u>	<u>557,827</u>
Program				
Assurance 16 activities	46,325	46,325	46,325	557,827
Intake	21,009	21,009	21,009	533,988
Outreach	38,752	38,752	38,752	333,743
Training and technical assistance	3,301	3,301	3,301	133,497
General operating expenditures	<u>38,011</u>	<u>38,011</u>	<u>38,011</u>	<u>66,749</u>
Total Program Costs	<u>147,398</u>	<u>147,398</u>	<u>147,398</u>	<u>1,625,804</u>
TOTAL EXPENDITURES	<u><u>\$ 167,196</u></u>	<u><u>\$ 167,196</u></u>	<u><u>\$ 167,196</u></u>	<u><u>\$ 2,183,631</u></u>
Federal expenditures	\$ 167,196	\$ 167,196		
Nonfederal expenditures	<u>-</u>	<u>-</u>		
TOTAL EXPENDITURES	<u><u>\$ 167,196</u></u>	<u><u>\$ 167,196</u></u>		