

**DELTA AREA ECONOMIC
OPPORTUNITY CORPORATION**
Portageville, Missouri

Independent Auditors' Report and
Consolidated Financial Statements with
Supplemental Information

For the Year Ended December 31, 2013

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri

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DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri

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JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Delta Area Economic Opportunity Corporation
Portageville, Missouri

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Delta Area Economic Opportunity Corporation (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2013, and the related consolidated 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 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 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 consolidated 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 consolidated financial statements. The procedures selected depend on the auditors' 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 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.

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

Basis for Qualified Opinion

The financial statements of Scott City Apartments, LLC and Allgeier Manor have not been audited, and we were not engaged to audit the wholly owned subsidiaries. These wholly owned subsidiaries are included in the basic financial statements and represent 3.45%, 0.98%, and 2.30% of the assets, net assets, and revenues, respectively.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Delta Area Economic Opportunity Corporation as of December 31, 2013, 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.

Other Matters

Supplemental 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 Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The combining schedule of activities (presented on pages 19-24) is prepared for additional analysis and is 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 consolidated 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 financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental schedules (presented on pages 25-40) are presented for purposes of additional analysis as required by grantors and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we express no opinion on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2014, on our consideration of Delta Area Economic Opportunity Corporation'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 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 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 Delta Area Economic Opportunity Corporation's internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 15, 2014
Chanute, Kansas

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Consolidated Statement of Financial Position

December 31, 2013

ASSETS

Current Assets

Cash in Bank - Cash and Cash Equivalents	\$ 1,594,044.76
Grant and Contracts Receivable, Net	1,328,951.36
Prepaid Expenses	198,057.51
Inventory	25,390.28
Total Current Assets	<u>3,146,443.91</u>

Capital Assets, Net	4,748,175.52
Restricted Cash from USDA Debt Service Reserve	<u>127,862.32</u>

TOTAL ASSETS	<u>\$ 8,022,481.75</u>
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LIABILITIES AND NET ASSETS

Liabilities

Current Liabilities

Accounts Payable	\$ 429,399.55
Accrued Annual Leave	78,747.89
Accrued Payroll and Withholdings	405,393.22
Refundable Grant Advances	656,376.50
Due to Grantor	-
Accrued Interest	14,178.97
Current Portion of Long-Term Debt	93,122.07
Total Current Liabilities	<u>1,677,218.20</u>

Long-Term Liabilities

Notes Payable	2,284,576.38
Less: Current Portion	<u>(93,122.07)</u>
Total Long-Term Liabilities	<u>2,191,454.31</u>

TOTAL LIABILITIES	<u>3,868,672.51</u>
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Net Assets

Unrestricted Net Assets	4,004,746.77
Temporarily Restricted Net Assets	<u>149,062.47</u>

TOTAL NET ASSETS	<u>4,153,809.24</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,022,481.75</u>
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The accompanying notes are an integral
part of the financial statements

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri
Consolidated Statement of Activities
For the Year Ended December 31, 2013

CHANGES IN NET ASSETS**Unrestricted Net Assets****Revenues and Gains**

Contributions	\$ 15,431,840.83
Program Fee Income	126,710.64
Housing Rent	237,548.60
Reimbursements	59,483.90
Other Income	140,504.80
Interest Income	3,160.27
Gain (Loss) on Sale of Assets	184,089.31
Total Revenues and Gains	<u>16,183,338.35</u>

Expenses**Program Services**

Early Childhood	10,786,856.74
Community Services	980,029.64
Weatherization Services	341,022.67
Energy Assistance	1,429,359.49
Family Planning	129.11
Emergency Services	223,181.19
Housing Services	1,464,999.61

Supporting Activities

Management and General	1,160,725.66
Fundraising	90,532.25

Total Expenses16,476,836.36**Net Assets Released From Restrictions**

through Satisfaction of Program Restrictions	355,466.20
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Increase (Decrease) in Unrestricted Net Assets61,968.19**Temporarily Restricted Net Assets**

Contributions	295,017.11
Other Income	57,524.56
Interest Income	83.30

Net Assets Released From Restrictions

Through Satisfaction of Program Restrictions	(355,466.20)
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Increase (Decrease) in Temporarily Restricted Net Assets(2,841.23)**Increase (Decrease) in Net Assets**

59,126.96

Net Assets - Beginning of the Year4,094,682.28**Net Assets - End of the Year**\$ 4,153,809.24

The accompanying notes are an integral
part of the financial statements

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2013

	Program Services								Supporting Activities		Total Organization Services
	Early Childhood	Community Services	Weatherization Services	Energy Assistance	Family Planning	Emergency Services	Housing Services	Total Program Services	Management and General	Fundraising	
Salaries & Wages	\$ 4,628,839.53	\$ 454,387.97	\$ 48,677.03	\$ 161,807.72	\$ -	\$ 138,920.76	\$ 180,913.72	\$ 5,613,546.73	\$ 484,015.01	\$ 38,205.44	\$ 6,135,767.18
Fringe Benefits	1,800,164.79	206,611.32	18,058.68	60,905.24	91.00	44,131.71	129,382.63	2,259,345.37	219,878.29	17,355.96	2,496,579.62
Advertising	8,525.05	891.30	-	-	-	475.25	1,153.83	11,045.43	3,224.52	254.53	14,524.48
Board Expense	-	-	-	-	-	-	-	-	6,549.60	516.99	7,066.59
Building Acquisition & Renovation	180,146.34	-	-	-	-	-	-	180,146.34	-	-	180,146.34
Client Assistance & Program Costs	1,558,384.29	116,964.23	189,275.54	1,158,126.58	-	5,507.67	800,588.30	3,828,846.61	5,955.54	-	3,834,802.15
Computer Software	-	434.88	-	-	-	-	495.00	929.88	439.32	34.68	1,403.88
Contractual	76,120.15	81,427.73	3,577.90	1,172.87	-	421.80	89,506.78	252,227.23	22,525.21	1,778.01	276,530.45
Depreciation Expense	191,726.61	4,140.00	55,554.40	-	-	-	50,468.14	301,889.15	84,201.63	6,646.41	392,737.19
Dues & Subscriptions	11,491.98	250.50	300.00	-	-	22.00	-	12,064.48	14,216.36	1,122.16	27,403.00
Equipment	89,684.01	2,668.02	373.52	543.22	-	-	1,547.79	94,816.56	3,848.81	303.80	98,969.17
Insurance	58,658.67	6,350.53	2,247.98	5,686.30	-	1,004.00	22,499.07	96,446.55	41,686.54	3,290.50	141,423.59
Interest Expense	-	-	-	-	-	-	70,323.00	70,323.00	82,958.49	6,548.28	159,829.77
Materials	-	15.00	-	-	-	-	1.56	16.56	38,927.75	3,072.74	42,017.05
Postage	6,905.52	985.33	726.73	2,336.92	-	184.20	1,833.03	12,971.73	7,840.15	-	20,811.88
Printing & Publications	3,134.06	80.00	-	6,000.00	-	-	-	9,214.06	881.89	69.61	10,165.56
Professional Fees	23,690.58	1,298.27	1,429.67	3,938.38	38.11	498.79	17,022.62	47,916.42	4,445.39	350.89	52,712.70
Rent	1,030,642.54	1,848.00	-	924.00	-	-	1,056.00	1,034,470.54	5,425.72	428.28	1,040,324.54
Repairs & Maintenance	17,081.28	8,931.38	2,405.95	2,458.01	-	3,355.84	32,618.27	66,850.73	5,345.15	421.92	72,617.80
Supplies	326,652.33	39,355.85	1,117.17	13,478.22	-	3,109.89	10,361.23	394,074.69	22,820.67	1,801.34	418,696.70
Telephone	46,737.58	6,473.21	887.38	4,703.28	-	4,223.85	5,314.64	68,339.94	5,784.07	456.56	74,580.57
Training	81,918.59	2,830.16	1,625.00	350.92	-	596.12	1,992.72	89,313.51	7,421.85	585.84	97,321.20
College Classes	66,558.03	-	-	-	-	-	-	66,558.03	-	-	66,558.03
Travel	125,117.82	11,830.27	1,867.63	616.55	-	3,076.12	5,400.15	147,908.54	26,332.09	2,078.51	176,319.14
Utilities	184,311.68	5,315.95	5,557.84	4,077.77	-	10,786.70	18,673.41	228,723.35	10,896.98	860.15	240,480.48
Vehicle Expense	270,120.31	25,428.89	6,680.95	2,233.51	-	6,768.20	11,336.21	322,568.07	52,304.72	4,128.64	379,001.43
Bad Debt Expense	-	-	659.30	-	-	-	-	659.30	-	-	659.30
Miscellaneous Expense	245.00	1,510.85	-	-	-	98.29	12,511.51	14,365.65	2,799.91	221.01	17,386.57
Total Expenses	\$10,786,856.74	\$ 980,029.64	\$ 341,022.67	\$1,429,359.49	\$ 129.11	\$ 223,181.19	\$ 1,464,999.61	\$15,225,578.45	\$ 1,160,725.66	\$ 90,532.25	\$ 16,476,836.36

The accompanying notes are an integral part of the financial statements

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 59,126.96
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities	
Depreciation Expense	392,737.19
(Gain) Loss of Sale of Assets	(184,089.31)
(Increase) Decrease in Grant and Contracts Receivable	148,421.55
(Increase) Decrease in Prepaid Expense	(396.29)
(Increase) Decrease in Inventory	40,803.04
Increase (Decrease) in Accounts Payable	(32,852.21)
Increase (Decrease) in Accrued Annual Leave	6,664.80
Increase (Decrease) in Accrued Payroll Withholdings	105,431.11
Increase (Decrease) in Refundable Grant Advances	(49,834.01)
Increase (Decrease) in Due to Grantor	(2,313.86)
Increase (Decrease) in Accrued Interest	(39,591.36)
Net Cash Provided by (Used in) Operating Activities	<u>444,107.61</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for Purchase of Capital Assets	(247,071.22)
Proceeds from the Sale of Capital Assets	51,732.47
Payments to USDA Debt Service Reserve	(17,505.17)
Net Cash Provided by (Used in) Investing Activities	<u>(212,843.92)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Principal Payments on Long-Term Debt	(164,254.30)
Net Cash Provided by (Used in) Financing Activities	<u>(164,254.30)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	67,009.39
Cash and Cash Equivalents, Beginning of the Year	<u>1,527,035.37</u>
Cash and Cash Equivalents, End of the Year	<u>\$ 1,594,044.76</u>

Supplemental Information:

Cash Paid for Interest	<u>\$ 199,270.47</u>
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The accompanying notes are an integral
part of the financial statements

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Notes to the Consolidated Financial Statements

December 31, 2013

1. NATURE OF ACTIVITIES

Delta Area Economic Opportunity Corporation (the "Organization") is a nonprofit organization which serves the economically and socially disadvantaged persons in Scott, Stoddard, Mississippi, New Madrid, Dunklin, and Pemiscot counties in southeast Missouri. The consolidated financial statements include the accounts of Delta Area Economic Opportunity Corporation and an affiliated organization, Delta Area Community Development Corporation (DACDC). Material intercompany transactions and balances have been eliminated. The consolidated financial statements include the accounts of Scott City Apartments II, a 12 unit apartment complex located in Scott City, Missouri and Allgeier Manor, a 48 Unit apartment complex located in Aurora, Missouri, which are both 100% owned affiliated organizations.

DACDC is the general partner for the twenty nine limited partnerships established to provide affordable housing for low income individuals. DACDC did not have any activity for the year ended December 31, 2013.

The Organization provides services, assistance, and activities to aid those of low income by enlarging employment opportunities, by improving human performance, motivation and productivity, and by bettering the conditions in which people live, learn, and work. The Organization administers the following grants to meet the needs of the area it serves: Head Start Programs, Low-Income Home Energy Assistance Programs, Community Services Block Grant Programs, Supportive Housing Assistance and Counseling, Family Planning, Employment and Training, and others. Expenses are broken down by program services. The following is a description of the program services:

Early Childhood Development - Provides educational, nutritional, health, social and special services to children of low-income families.

Community Services - Community services programs strive to reduce poverty and empower low-income families to become self-sufficient.

Weatherization Services - Provides services to help low-income people improve residential energy efficiency.

Energy Assistance - Provides utility assistance to low-income individuals to assist them with energy bills, this could be gas, electric, Propane, etc.

Emergency Services - Provides emergency shelter for up to 90 days and is equipped with a bed size for a maximum of 18 occupants.

Housing Services - Provides rental assistance to help low-income families afford decent, safe, and sanitary rental housing.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's program policy is to prepare financial statements on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Assets are recorded at cost when purchased, or in the case of gifts, at fair value at the date of the gift.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid instruments with a maturity of three months or less when acquired.

Inventory

Inventory consists of weatherization materials and work in progress and are valued at cost, using the first-in, first-out method (FIFO).

Allowance for Doubtful Accounts

Grant and contract receivables are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on receivables using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of others to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Capital Assets

It is the Organization's policy to capitalize costs with a useful life of more than one year and a value over \$5,000.00. Capital assets are stated at cost if purchased, and at fair value at the date of donation, if donated. Such items acquired under grants from Federal and state sources are considered to be owned by the Organization while used in the programs for which they are purchased or in programs authorized in the future. However, the funding source has a reversionary interest in the property. The Organization has \$2,595,586.41, net book value, of property in which the funding sources have a reversionary interest. Capital assets purchased or donated are accounted for in the corporate account and are depreciated based on estimated useful lives using the straight-line method as follows:

Buildings	40 Years
Leasehold Improvements	15-20 Years
Equipment	3-10 Years
Vehicles	5 Years

Net Assets

The Organization's net assets are classified as follows:

Unrestricted net assets: Unrestricted net assets represent those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transactions are included as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board to meet current expenses for any purpose.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net Assets (Continued)

Temporarily restricted net assets: Temporarily restricted net assets consist of those net assets whose use by the Organization has been limited by donors to later periods of time or after specified dates or to specified purposes.

Permanently restricted net assets: Permanently restricted net assets consist of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the donor restrictions. If a restriction is satisfied in the same period the contribution is received, the contribution is reported as unrestricted.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The Organization had no promises to give at December 31, 2013.

Income Taxes

The Organization is exempt from Federal income taxes under IRS Code Section 501(c)3. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organization is no longer subject to examination by tax authorities for years before December 31, 2010.

In-Kind Goods/Services

The Organization receives donated services as part of its Head Start program. In-kind contributions are shown both as support and expenditures in this program, and is recorded at the fair value of the goods or services at the time of donation. Amounts included are only those allowable under generally accepted accounting principles.

Allocated Costs

The Organization allocates its expenses on a functional basis among its various programs and support activities. Expenses that can be identified with a specific program and support activity are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using various allocation methods.

3. CONCENTRATION OF CREDIT RISK

At year-end, the Organization's carrying amount of deposits including the USDA restricted cash was \$1,713,557.08. The bank balance was held by two banks resulting in a concentration of credit risk. The bank balance was \$1,947,641.63. Of the bank balance, \$317,975.20 was covered by FDIC insurance, \$1,629,666.43 was collateralized by pledged securities held under joint custody receipts by a third-party bank in the Organization's name.

4. GRANT AND CONTRACTS RECEIVABLE, NET

Grant and contracts receivable at December 31, 2013, consist of amounts due under the following programs, net of allowances for uncollectible amounts:

Community Services Block Grant	\$ 61,997.27
DOE/Weatherization Grant	5,124.70
DOE/LIHEAP	3,178.37
Ameren UE	211.69
Ameren UE II	15,015.38
Atmos	542.12
BRAVE - DVSS Federal Grant	7,560.00
BRAVE - DVSS State Grant	20,100.00
BRAVE - SSVF State Grant	19,192.79
HUD-SHP Transitional Housing Grant	31,066.03
HUD-SHP Permanent Housing Grant	33,511.37
MHTF - Rental Assistance Grant	32,965.54
USDA/CCFP Grant	87,355.15
Head Start - USDA	21,280.70
Head Start Grant	725,504.69
Early Head Start Subsidy Program	594.64
MIECHV EHS Grant	113,013.00
SMAAA Navigator	1,038.64
DRA MO Bootheel Local Food Initiative	12,073.32
Housing Unrestricted	111,680.76
Bootheel Home Repair	25,175.40
Employee Advances	<u>769.80</u>
	<u>\$ 1,328,951.36</u>

All grant and contracts receivable at December 31, 2013, are considered collectible. Accordingly, the allowance for uncollectibility is zero.

5. INVENTORY

Inventory consists of the following at December 31, 2013:

Work in Progress	\$ 25,390.28
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Work in progress consists of expenses applied to houses in the weatherization program that have not yet been billed due to the homes not being complete.

6. CAPITAL ASSETS

Following are the changes in capital assets for the year ended December 31, 2013:

AGENCY:	Balance 12/31/2012	Additions	Retirements	Balance 12/31/2013
Capital Assets				
Land	\$ 236,705.75	\$ -	\$ -	\$ 236,705.75
Buildings and Improvements	4,441,080.94	11,200.00	-	4,452,280.94
Equipment	343,187.41	5,286.00	-	348,473.41
Vehicles	2,264,819.46	197,262.00	99,867.00	2,362,214.46
Total Capital Assets	7,285,793.56	213,748.00	99,867.00	7,399,674.56
Accumulated Depreciation				
Buildings and Improvements	(641,440.64)	(116,504.19)	-	(757,944.83)
Equipment	(208,673.71)	(32,112.23)	-	(240,785.94)
Vehicles	(1,761,658.66)	(200,164.51)	(99,867.00)	(1,861,956.17)
Total Accumulated Depreciation	(2,611,773.01)	(348,780.93)	(99,867.00)	(2,860,686.94)
Total Net Capital Assets	\$ 4,674,020.55	\$ (135,032.93)	\$ -	\$ 4,538,987.62
SCOTT CITY:	Balance 12/31/2012	Additions	Retirements	Balance 12/31/2013
Capital Assets				
Land	\$ 23,650.00	\$ -	\$ -	\$ 23,650.00
Buildings and Improvements	221,187.08	-	-	221,187.08
Equipment	48,337.16	26,112.75	-	74,449.91
Total Capital Assets	293,174.24	26,112.75	-	319,286.99
Accumulated Depreciation	(94,220.71)	(15,878.38)	-	(110,099.09)
Total Net Capital Assets	\$ 198,953.53	\$ 10,234.37	\$ -	\$ 209,187.90
ALLGEIER:	Balance 12/31/2012	Additions	Retirements	Balance 12/31/2013
Capital Assets				
Land	\$ 24,000.00	\$ -	\$ 24,000.00	\$ -
Buildings and Improvements	936,503.65	-	936,503.65	-
Equipment	100,484.53	7,210.47	107,695.00	-
Total Capital Assets	1,060,988.18	7,210.47	1,068,198.65	-
Accumulated Depreciation	(150,082.83)	(28,077.88)	(178,160.71)	-
Total Net Capital Assets	\$ 910,905.35	\$ (20,867.41)	\$ 890,037.94	\$ -
TOTALS:	Balance 12/31/2012	Additions	Retirements	Balance 12/31/2013
Capital Assets				
Land	\$ 284,355.75	\$ -	\$ 24,000.00	\$ 260,355.75
Buildings and Improvements	5,598,771.67	11,200.00	936,503.65	4,673,468.02
Equipment	492,009.10	38,609.22	107,695.00	422,923.32
Vehicles	2,264,819.46	197,262.00	99,867.00	2,362,214.46
Total Capital Assets	8,639,955.98	247,071.22	1,168,065.65	7,718,961.55
Accumulated Depreciation	(2,856,076.55)	(392,737.19)	(278,027.71)	(2,970,786.03)
Total Net Capital Assets	\$ 5,783,879.43	\$ (145,665.97)	\$ 890,037.94	\$ 4,748,175.52

7. REFUNDABLE GRANT ADVANCES

Refundable grant advances at December 31, 2013, consist of grant funds received in excess of expenditures in the following programs:

LIHEAP/ECIP Grant	\$ 640,756.91
USDA/CACFP Grant	10,300.00
Shelter Plus Care Grant	<u>5,319.59</u>
	<u>\$ 656,376.50</u>

8. NOTES PAYABLE

The Organization has the following notes payable which are secured by real estate mortgages.

The Organization signed an agreement dated May 27, 2004, with First State Bank and Trust Company, Inc. to assist in the building of the family planning center in Malden, Missouri, which requires 120 monthly consecutive principal and interest payments at \$681.65 each, beginning June 27, 2004, including interest at 4.750% through May 27, 2014. The note is secured by real property located in Malden, Missouri. The balance on this note at December 31, 2013 is:

\$ 1,312.94

The Organization signed an agreement dated July 15, 2004, with USDA Rural Development to assist in the renovation of a commercial building to house the Sikeston Head Start, which requires 25 annual principal and interest payments at \$22,764.00 each, beginning July 15, 2005, including interest at 4.75% through July 15, 2030. The note is secured by real property located in Sikeston, Missouri and includes a Federal interest on the property. The balance on this note at December 31, 2013, is:

226,114.38

The Organization signed an agreement dated July 15, 2004, with USDA Rural Development to assist in the purchase of a commercial building to house the Sikeston Head Start, which requires 25 annual principal and interest payments at \$24,102.00 each, beginning July 15, 2005, including interest at 4.375% through July 15, 2030. The note is secured by real property located in Sikeston, Missouri and includes a Federal interest on the property. The balance on this note at December 31, 2013, is:

259,845.58

The Organization signed an agreement dated June 16, 2005, with USDA Rural Development to assist in the renovation of the Head Start building in Kennett, Missouri, which requires 25 annual principal and interest payments at \$55,402.00 each, beginning June 16, 2006, including interest at 4.25% through June 16, 2031. The note is secured by real property located in Kennett, Missouri and includes a Federal interest on the property. The balance on this note at December 31, 2013, is:

620,006.63

8. NOTES PAYABLE (Continued)

The Organization signed an agreement dated January 5, 2006, with USDA Rural Development to assist in the purchase of a commercial building to be used to house the Dexter Head Start center, which requires 25 annual principal and interest payments at \$14,596.00 each, beginning January 5, 2007, including interest at 4.125% through January 5, 2032. The note is secured by real property located in Dexter, Missouri. The balance on this note at December 31, 2013, is: \$ 182,614.40

The Organization signed an agreement dated February 25, 2008, with USDA Rural Development to assist in the purchase of a commercial building to be used to house the Caruthersville Head Start center, which requires 25 annual principal and interest payments at \$54,426.00 each, beginning February 26, 2010, including interest at 4.125% through February 26, 2033. The note is secured by real property located in Dexter, Missouri. The balance on this note at December 31, 2013, is: 673,901.82

The Organization signed an agreement dated May 6, 2010, with USDA Rural Development to assist in the purchase of a commercial building to be used to house the Bootheel Regional Anti-Violence Experiment Domestic Violence, which requires 15 annual principal and interest payments at \$4,083.00 each, beginning May 6, 2011, including interest at 4.125% through May 2025. The note is secured by real property located in Malden, Missouri. The balance on this note at December 31, 2013, is: 36,486.11

The Organization signed an agreement dated September 24, 1984, with USDA Rural Development to assist in the purchase of a multi-family housing unit, which requires 600 monthly consecutive principal and interest payments at \$2,503.00 each, including interest at 11.875% through August 1, 2034. The note is secured by real property located in Webster Groves Missouri. The balance on this note at December 31, 2013 is: 231,631.64

The Organization signed an agreement dated March 25, 2011, with USDA Rural Development to assist in the purchase of a single family home, which requires 240 monthly consecutive principal and interest payments at \$63.98 each, including interest at 4.75% through March 25, 2031. The note is secured by real property located 518 Cole Avenue, Sikeston, Missouri. The balance on this note at December 31, 2013 is: 8,982.66

The Organization signed an agreement dated March 25, 2011, with USDA Rural Development to assist in the purchase of a single family home, which requires 240 monthly consecutive principal and interest payments at \$58.16 each, including interest at 4.75% through March 25, 2031. The note is secured by real property located 509 John R Boulevard, Sikeston, Missouri. The balance on this note at December 31, 2013 is: 8,207.28

The Organization signed an agreement dated March 25, 2011, with USDA Rural Development to assist in the purchase of a single family home, which requires 240 monthly consecutive principal and interest payments at \$58.16 each, including interest at 4.75% through March 25, 2031. The note is secured by real property located 503 Cole Avenue, Sikeston, Missouri. The balance on this note at December 31, 2013 is: 8,207.23

8. NOTES PAYABLE (Continued)

The Organization signed an agreement dated March 25, 2011, with USDA Rural Development to assist in the purchase of a single family home, which requires 240 monthly consecutive principal and interest payments at \$55.26 each, including interest at 4.75% through March 25, 2031. The note is secured by real property located 510 Cole Avenue, Sikeston, Missouri. The balance on this note at December 31, 2013 is: \$ 7,796.62

The Organization signed an agreement dated March 25, 2011, with USDA Rural Development to assist in the purchase of a single family home, which requires 240 monthly consecutive principal and interest payments at \$68.18 each, including interest at 4.75% through March 25, 2031. The note is secured by real property located 1344 Shelby Street, Sikeston, Missouri. The balance on this note at December 31, 2013 is: 9,620.64

The Organization signed an agreement dated March 25, 2011, with USDA Rural Development to assist in the purchase of a single family home, which requires 240 monthly consecutive principal and interest payments at \$69.80 each, including interest at 4.75% through March 25, 2031. The note is secured by real property located 1304 McDougal Avenue, Sikeston, Missouri. The balance on this note at December 31, 2013 is: 9,848.45

Total Notes Payable \$ 2,284,576.38

The following is a summary of changes in notes payable for the year ended December 31, 2013:

	Principal December 31, 2012	Principal Received (Paid)	Principal December 31, 2013	Interest Paid
Obligations:				
Malden Building	\$ 9,353.99	\$ (8,041.05)	\$ 1,312.94	\$ 138.75
Sikeston Building	242,659.32	(16,544.94)	226,114.38	15,704.06
Sikeston Renovations	277,435.28	(17,589.70)	259,845.58	16,557.30
Kennett Renovations	662,891.99	(42,885.36)	620,006.63	40,218.64
Dexter Building	182,614.40	0.00	182,614.40	0.00
Caruthersville Building	721,351.73	(47,449.91)	673,901.82	52,336.09
BRAVE	40,398.85	(3,912.74)	36,486.11	2,557.26
Scott City Building	233,987.87	(2,356.23)	231,631.64	25,681.25
Allgeier Manor	1,036,961.35	(1,036,961.35)	0.00	43,354.49
Vehicles	8,976.88	(8,976.88)	0.00	171.07
518 Cole Avenue	9,315.13	(332.47)	8,982.66	435.29
509 John R Boulevard	8,507.56	(300.28)	8,207.28	397.64
503 Cole Avenue	8,507.51	(300.28)	8,207.23	397.64
510 Cole Avenue	8,082.01	(285.39)	7,796.62	377.73
1344 Shelby Street	9,972.69	(352.05)	9,620.64	466.11
1304 McDougal Avenue	10,208.90	(360.45)	9,848.45	477.15
	<u>\$ 3,471,225.46</u>	<u>\$(1,186,649.08)</u>	<u>\$ 2,284,576.38</u>	<u>\$ 199,270.47</u>

8. NOTES PAYABLE (Continued)

The schedule of maturities of notes payable is as follows:

<u>Year Ending December 31:</u>	<u>Amount</u>
2014	\$ 93,122.07
2015	96,012.71
2016	100,426.96
2017	105,064.60
2018	109,939.31
2019-2023	632,220.75
2024-2028	761,980.66
2029-2033	364,116.92
2034-2036	21,692.40
Total	<u>\$ 2,284,576.38</u>

9. OPERATING LEASES

As of December 31, 2013, the Organization has entered into a number of operating leases for various office equipment, classroom and office space. Total payments for the year ended December 31, 2013, was \$132,017.54. Under the current lease agreements, the future minimum lease rentals are as follows:

2014	\$ 50,400.00
2015	50,400.00
2016	43,900.00
2017	15,600.00
2018	9,600.00
2019-2023	6,000.00
2024-2028	6,000.00
2029-2030	2,800.00

10. COMPENSATED ABSENCES

Vacation Pay

All regular, full-time employees are eligible for paid time off benefits based upon the employee's anniversary date. Vacation time is accrued or earned based upon the employee's length of service and on the time actually worked. Unused vacation time may be carried over to the next year up to a maximum of 36 hours unless specifically approved by the executive director in advance. Vacation time is earned at a rate of one hour for every sixteen hours worked for employees with zero to five years of service, and at a rate of one hours for every fourteen hours worked for employees with over five years of service.

Sick Leave

All regular, full-time employees earn paid sick leave annually. All employees accrue sick leave at a rate of one hours for every sixteen hours worked up to a maximum of 528 hours. Unused time earned for sick leave is lost if the employee is terminated for any reason.

10. **COMPENSATED ABSENCES** (Continued)

The Organization determines a liability for compensated absences when the following conditions are met:

1. The Organization's obligation relating to employees' rights to receive compensation for future absences is attributable to employee services already rendered.
2. The obligation relates to the rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the Organization has accrued a liability for vacation pay which has been earned, but not taken, by Organization employees. The Organization has not accrued a liability for sick leave earned, but not taken, by Organization employees, in accordance with guidance provided by FASB ASC 710-10-25-7, as the amounts cannot be reasonably estimated at this time.

11. **EMPLOYEE BENEFIT PLANS**

The Organization has a 403(B) plan available for its employees. Employees are eligible to contribute from day 1 of employment and eligible for company match after one complete full year of service and 1000 hours of service. The Organization will contribute a portion equal to 2% of an employee's gross wage after one year of service. The Organization will also match a percent contributed by the employee up to 3%. Total contributions made by the Organization into the plan on behalf of the employees for the year ended December 31, 2013 was \$160,264.78.

12. **TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of donations and other revenues restricted by purpose and are tracked through the use of program codes in the accounting software. Amounts presented below are the balances by program.

Head Start Non-Federal Donations	\$ 2,292.06
Municipal Light Donations	2,612.57
Atmos - Share the Warmth	26,342.38
County Donations	16,534.95
Bootheel Regional Anti Violence Experiment	83,793.93
Missouri Foundation for Health	<u>17,486.58</u>
Total Temporarily Restricted Net Assets	<u>\$ 149,062.47</u>

13. IN-KIND CONTRIBUTIONS

Under the grant agreements, the Organization (grantee) receives a percentage of total estimated project funds from the Federal government. The balance of the project funds is contributed to the Organization from non-Federal sources in the form of "in-kind" contributions of services or property from the Organization, delegated agencies, the community, or non-Federal governmental organizations. The services and goods donated are valued according to the grant guidelines. Presently, the Head Start program is the only program requiring in-kind match. In-kind revenues and in-kind expenses that are allowable under generally accepted accounting principles (GAAP) have been recognized in the Head Start programs.

Head Start	Travel	\$ 36,003.00
07CH0974/48	Supplies	25,000.00
	Space	907,997.00
	Volunteers - Parents	928,987.72
	Volunteers - Professionals	<u>152,760.28</u>
	Total In-Kind	2,050,748.00
	Non-GAAP	<u>(928,987.72)</u>
	GAAP In-Kind	<u>\$ 1,121,760.28</u>

14. REAL ESTATE JOINT VENTURES

The Organization is involved in 3 real estate joint ventures and Delta Area Community Development Corporation (DACDC) is involved in 29 real estate joint ventures. All joint ventures are for affordable housing development projects in their service area. The Organization and DACDC ownership interest is .01% in 18 of the properties, .0051% in 12 of the properties, .0049% in one property, and 5% in one property. The original capital contributions ranged from \$5.00 to \$100.00 at the initial startup time. Federal and state grants and tax credits, permanent loan financing, and the capital contributions of the limited partners financed a significant portion of each of the project's total cost.

The primary reason for admission of the Organization and Delta Area Community Development Corporation (a related entity) as a general partner in these real estate joint ventures is to qualify the projects for federal and state grants, tax credits, and permanent financing which are favorable to the development of the low income housing projects. While the Organization and Delta Area Community Development Corporation (a related entity) have an ownership interest in these real estate joint ventures, the financial nature of these interests are de minimis and are, therefore, not reported in the financial statements.

15. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

16. CONCENTRATION OF RISK

Most of the Organization's revenues are in the form of grants from federal and state sources. The Organization's ability to continue operations if the grant programs were lost or canceled is unknown.

17. SUBSEQUENT EVENTS

The Organization evaluated events and transactions occurring subsequent to December 31, 2013, through August 15, 2014, the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTAL INFORMATION

For the Year Ended December 31, 2013

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DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Combining Schedule of Activities (Continued)

For the Year Ended December 31, 2013

	Community Services					Weatherization Services				
	United Way - FEMA	MO Boothel Local Foods Initiative	SMAAA Navigator	County Donations	Missouri Foundation for Health	DOE Weatherization ARRA	DOE/LIHEAP	Ameren UE II	Ameren UE II	Ameren UE
Program:	12/31/2013	12/31/2013	12/31/2013	12/31/2013	12/31/2013	3/31/2013	6/30/2013	10/31/2013	10/31/2014	10/31/2013
Fund:	290	375	385	230	380	352	351	366	366	360
CFDA:	97.024	10.773	N/A	N/A	N/A	81.042	93.568	N/A	N/A	N/A
Revenues and Gains										
Contributions										
Grant Revenue - Federal	\$ 13,678.00	\$ 12,048.32	\$ -	\$ -	\$ -	\$ -	\$ 81,361.37	\$ -	\$ -	\$ -
Grant Revenue - State	-	-	1,063.64	-	106,771.00	-	-	33,270.00	15,015.38	8,139.00
Local	-	25.00	-	1,000.00	-	-	-	-	-	-
Local - Non-Cash	-	-	-	-	-	-	-	-	-	-
Program Fee Income	-	-	-	-	-	-	-	-	-	-
Housing Rent	-	-	-	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-
Total Revenues and Gains	13,678.00	12,073.32	1,063.64	1,000.00	106,771.00	108,577.96	81,361.37	33,270.00	15,015.38	8,139.00
Expenditures										
Salaries & Wages	-	1,823.25	647.43	-	12,096.51	-	21,754.10	13,293.24	-	4,557.34
Salaries & Wages Non-Cash	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	(0.12)	636.30	209.96	-	3,512.38	81.59	8,447.42	(0.15)	-	(0.15)
Advertising	-	-	-	-	581.65	-	-	-	-	-
Board Expense	-	-	-	-	-	-	-	-	-	-
Building Acquisition & Renovation	-	-	-	-	-	-	-	-	-	-
Client Assistance & Program Costs	13,864.00	-	-	-	-	81,771.51	43,430.19	31,848.71	-	2,641.00
Computer Software	-	9,069.06	-	-	67,163.25	-	212.43	-	-	-
Contractual	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-
Dues & Subscriptions	-	-	-	-	50.00	-	-	-	-	-
Equipment	-	-	-	-	1,676.00	-	-	12.35	11.31	28.33
Indirect Cost	-	295.15	102.89	-	1,873.07	-	3,624.18	1,297.97	297.20	428.93
Insurance	-	-	-	-	-	-	-	921.49	-	314.76
Interest Expense	-	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	-
Postage	-	-	3.36	-	62.41	-	53.92	-	-	-
Printing & Publications	-	-	-	-	-	-	-	-	-	-
Professional Fees	41.36	-	-	0.07	-	-	-	143.18	-	54.00
Rent	-	-	-	-	-	-	125.36	-	-	-
Rent Non-Cash	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	709.09	-	-	-
Supplies	-	170.36	100.00	-	1,232.73	-	168.34	21.81	40.65	2.67
Supplies Non-Cash	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	52.63	-	-	-
Training	-	-	-	-	-	-	-	-	-	-
College Classes	-	-	-	-	-	-	-	-	-	-
Transfers To/From	(1,713.09)	-	-	-	-	(1,704.56)	-	(14,599.47)	14,599.47	(1.06)
Travel	-	-	-	-	147.62	-	662.45	-	-	-
Travel Non-Cash	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	927.73	-	-	-
Vehicle Expense	-	79.20	-	-	888.80	-	1,165.53	330.87	66.75	112.98
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	1,485.85	-	-	-	-	659.30	-	-	-	-
Total Expenditures	13,678.00	12,073.32	1,063.64	0.07	89,284.42	108,577.96	81,361.37	33,270.00	15,015.38	8,139.00
Excess Revenues and Gains	-	-	-	999.93	17,486.58	-	-	-	-	-
Over (Under) Expenditures	-	-	-	15,535.02	-	-	-	-	-	-
Net Assets, 12/31/2012	-	-	-	-	-	-	-	-	-	-
Net Assets, 12/31/2013	\$ -	\$ -	\$ -	\$ 16,534.95	\$ 17,486.58	\$ -	\$ -	\$ -	\$ -	\$ -

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Combining Schedule of Activities (Continued)

For the Year Ended December 31, 2013

	Weatherization Services						Energy Assistance			Family Planning		
	Ameren UE	Ameren UE Pilot	Liberty Gas Project - Weatherization	Liberty Gas Project - Weatherization	Ameren Energy Assistance	LIHEAP - Energy Assistance	LIHEAP - Energy Assistance	Atmos-Share The Warmth	Municipal Light - Dollar More	Family Planning - Show Me Healthy Women	Family Planning - Program Income	Family Planning - Program Income
Program:	10/31/2014	12/31/2013	10/31/2013	10/31/2014	12/31/2013	9/30/2013	9/30/2014	12/31/2013	12/31/2013	12/31/2013	12/31/2013	12/31/2013
Fund:	360	355	325	325	415	425	425	450	451	510	540	
CPDA:	N/A	N/A	N/A	N/A	N/A	93.568	93.568	N/A	N/A	93.283	N/A	N/A
Revenues and Gains												
Contributions												
Grant Revenue - Federal	\$ 211.69	\$ 17.69	\$ 47,124.00	\$ 542.12	\$ -	\$ 1,076,705.86	\$ 371,947.09	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue - State	-	-	165.00	-	-	-	-	9,001.49	-	-	-	-
Local	-	-	-	-	-	-	-	-	-	-	-	-
Local - Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-
Program Fee Income	-	-	-	-	-	-	-	-	-	-	-	-
Housing Rent	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	614.00	-	-	289.27	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues and Gains	211.69	17.69	47,289.00	542.12	-	1,077,319.86	371,947.09	9,001.49	289.27	-	-	-
Expenditures												
Salaries & Wages	-	-	14,703.00	-	-	88,925.20	72,882.52	-	-	-	-	-
Salaries & Wages Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	29,065.44	31,839.80	-	-	91.00	-	-
Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Board Expense	-	-	-	-	-	-	-	-	-	-	-	-
Building Acquisition & Renovation	-	-	-	-	-	-	-	-	-	-	-	-
Client Assistance & Program Costs	-	-	29,584.13	-	-	885,372.99	266,360.00	6,344.33	49.26	-	-	-
Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
Contractual	-	-	-	-	-	1,000.34	172.53	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
Dues & Subscriptions	25.92	-	31.96	29.26	-	310.38	232.84	-	-	-	-	-
Equipment	117.96	-	1,711.36	53.00	-	14,890.53	11,835.03	-	-	-	-	-
Indirect Cost	-	-	1,011.73	-	-	5,686.30	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	369.32	1,290.10	677.50	-	-	-	-
Printing & Publications	-	-	-	-	-	6,000.00	-	-	-	-	-	-
Professional Fees	-	-	156.82	-	4.00	3,926.89	-	7.49	-	23.54	-	14.57
Rent	-	-	-	-	-	805.86	268.62	-	-	-	-	-
Rent Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	2,456.27	115.74	-	-	-	-	-
Supplies	-	-	40.71	135.00	-	11,713.58	1,764.64	-	-	-	-	-
Supplies Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	3,363.98	1,339.30	-	-	-	-	-
Training	-	-	-	-	-	350.92	-	-	-	-	-	-
College Classes	-	-	-	-	-	-	-	-	-	-	-	-
Transfers To/From	1.06	-	(313.86)	313.86	(4.00)	18,114.11	(18,114.11)	-	-	(114.54)	-	(14.57)
Travel	-	-	-	-	-	577.43	39.12	-	-	-	-	-
Travel Non-Cash	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	3,332.71	745.06	-	-	-	-	-
Vehicle Expense	-	-	363.15	11.00	-	1,057.61	1,175.90	-	-	-	-	-
Bad Debt Expense	66.75	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	211.69	-	47,289.00	542.12	-	1,077,319.86	371,947.09	7,029.32	49.26	-	-	-
Excess Revenues and Gains	-	17.69	-	-	-	-	-	1,972.17	240.01	-	-	-
Over (Under) Expenditures	-	24.99	-	-	-	-	-	24,370.21	2,372.56	-	-	-
Net Assets, 12/31/2012	-	-	-	-	-	-	-	-	-	-	-	-
Net Assets, 12/31/2013	\$ -	\$ 42.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,342.38	\$ 2,612.57	\$ -	\$ -	\$ -

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Combining Schedule of Activities (Continued)

For the Year Ended December 31, 2013

Program:	Housing Services											
	Emergency Services				Housing Services							
	Bonheer Regional Anti Violence Experiment	Emergency Shelter	HUD SHP- Transitional Housing	HUD SHP- Transitional Housing	HUD SHP- Permanent Housing	HUD SHP- Permanent Housing	MHTC - Operating	MHTC - Operating	MHTF - Rental Assistance	MHTF - Rental Assistance	MHTP - Emergency Assistance	
6/30/2014	12/31/2013	10/31/2013	10/31/2014	10/31/2013	10/31/2014	3/31/2013	3/31/2014	3/31/2013	3/31/2014	3/31/2013	3/31/2013	
Fund:	190	710	715	715	716	716	720	720	740	740	760	
CFDA:	93.671	N/A	14.235	14.235	14.235	14.235	N/A	N/A	N/A	N/A	N/A	
Revenues and Gains												
Contributions	\$ 18,442.75	\$ -	\$ 84,950.00	\$ 31,066.03	\$ 85,771.00	\$ 33,511.37	\$ -	\$ -	\$ -	\$ -	\$ -	
Grant Revenue - Federal	143,010.94	-	-	-	-	-	4,275.75	6,978.87	7,923.48	102,830.72	300.00	
Grant Revenue - State	2,962.73	-	-	-	-	-	-	-	-	-	-	
Local	-	-	-	-	-	-	-	-	-	-	-	
Local - Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Program Fee Income	-	-	-	-	-	-	-	-	-	-	-	
Housing Rent	-	-	-	-	-	-	-	-	-	-	-	
Reimbursements	-	-	-	-	-	-	-	-	-	-	-	
Other Income	57,235.29	-	-	-	-	-	-	-	0.02	-	-	
Interest Income	83.30	-	-	-	-	-	-	-	-	-	-	
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	
Total Revenues and Gains	221,735.01	-	84,950.00	31,066.03	85,771.00	33,511.37	4,275.75	6,978.87	7,923.50	102,830.72	300.00	
Expenditures												
Salaries & Wages	138,920.76	12,448.28	22,887.73	8,128.71	26,180.52	8,432.71	8,116.50	(55.85)	-	25,247.27	-	
Salaries & Wages Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Fringe Benefits	44,131.71	4,845.47	10,146.41	2,833.83	11,715.73	3,180.82	4,456.87	(21.94)	-	8,725.94	-	
Advertising	475.25	-	-	-	-	-	-	-	-	-	-	
Board Expense	-	-	-	-	-	-	-	-	-	-	-	
Building Acquisition & Renovation	-	-	-	-	-	-	-	-	-	-	-	
Client Assistance & Program Costs	5,507.67	587.20	52,370.65	11,433.42	53,994.73	8,500.75	-	-	13,592.67	92,276.89	875.00	
Computer Software	-	-	-	-	-	-	-	-	-	-	-	
Contractual	421.80	1,485.48	141.72	14.03	155.49	33.24	-	-	-	-	-	
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	
Dues & Subscriptions	22.00	-	-	-	-	-	-	-	-	-	-	
Equipment	-	988.46	59.62	8.73	53.53	7.53	-	-	-	-	-	
Indirect Cost	21,966.30	2,075.25	3,920.63	1,358.97	4,504.08	1,437.09	1,080.13	419.34	-	4,076.79	-	
Insurance	1,004.00	936.90	109.90	-	109.90	-	-	-	-	-	-	
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	
Materials	-	-	-	-	-	-	-	-	-	-	-	
Postage	184.20	294.16	95.40	12.42	113.48	13.34	32.24	95.70	32.23	137.63	-	
Printing & Publications	-	-	-	-	-	-	-	-	-	-	-	
Professional Fees	498.79	40.99	221.43	-	178.57	-	-	94.21	-	30.98	-	
Rent	-	37.64	31.30	6.26	471.30	94.26	-	-	-	-	-	
Rent Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	3,355.84	5,527.71	247.15	5.51	894.96	9.23	-	10.99	-	16.25	-	
Supplies	3,109.89	1,131.18	458.60	50.99	545.72	35.85	15.00	99.00	-	165.22	-	
Supplies Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Telephone	4,223.85	2,907.48	242.62	36.99	463.98	95.26	-	-	-	-	-	
Training	596.12	8.75	27.50	-	28.13	-	-	-	-	17.50	-	
College Classes	-	-	-	-	-	-	-	-	-	-	-	
Transfers To/From	-	(38,902.51)	(11,096.40)	6,488.39	(17,098.25)	10,815.79	(9,650.20)	2,735.46	(5,828.47)	(29,299.61)	(575.00)	
Travel	3,076.12	105.24	508.44	488.85	1,855.99	677.07	221.91	199.46	99.02	944.71	-	
Travel Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Utilities	10,786.70	4,230.22	181.25	32.74	405.64	78.39	-	-	-	-	-	
Vehicle Expense	6,768.20	1,252.10	4,396.05	166.19	1,194.50	100.04	3.30	108.90	28.05	491.15	-	
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Expense	98.29	-	-	-	3.00	-	-	3,293.60	-	-	-	
Total Expenditures	245,147.49	-	84,950.00	31,066.03	85,771.00	33,511.37	4,275.75	6,978.87	7,923.50	102,830.72	300.00	
Excess Revenues and Gains	(23,412.48)	-	-	-	-	-	-	-	-	-	-	
Over (Under) Expenditures												
Net Assets, 12/31/2012	107,206.41	-	-	-	-	-	-	-	-	-	-	
Net Assets, 12/31/2013	\$ 83,793.93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Combining Schedule of Activities (Continued)

For the Year Ended December 31, 2013

Program:	Housing Services											
	MHTF - Emergency Assistance 3/31/2014	Housing Administration 12/31/2013	Shelter Plus Care 3/31/2013	Shelter Plus Care 3/31/2014	MHDC - Home Repair 10/31/2014	Boothel Home Repair-Affordable Housing Program 12/31/2013	Housing Unrestricted Funds 12/31/2013	Missouri Housing Trust Fund Disaster Relief 6/30/2013	DAHP 12/31/2013	UHC-JP Morgan 12/31/2013	Caruthersville Project 12/31/2013	
Fund:	760	250	270	270	285	255	251	370	252	910	901	
CPDA:	N/A	10,446	14,238	14,238	14,239	N/A	N/A	N/A	N/A	N/A	N/A	
Revenues and Gains												
Contributions	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Grant Revenue - Federal	200.00	-	-	-	-	-	-	-	-	-	-	
Grant Revenue - State	-	-	-	-	-	-	-	31,578.03	-	-	-	
Local	-	-	-	-	-	365,053.26	-	-	-	-	-	
Local - Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Program Fee Income	-	-	-	-	-	-	126,710.64	-	-	-	-	
Housing Rent	-	-	-	-	-	-	-	-	22,266.12	-	-	
Reimbursements	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	62,511.00	-	10.65	-	-	
Interest Income	-	-	-	-	-	-	-	-	-	-	-	
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	
Total Revenues and Gains	200.00	-	36,973.42	96,973.41	102,898.84	365,053.26	189,221.64	31,578.03	22,276.77	-	-	
Expenditures												
Salaries & Wages	-	362.43	885.15	7,776.23	15,562.36	13,978.36	-	29,844.60	1,118.72	-	-	
Salaries & Wages Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Fringe Benefits	-	146.33	437.73	2,741.76	12,938.22	12,510.74	52,208.76	2,216.37	299.59	-	-	
Advertising	-	-	-	-	392.25	645.38	-	-	-	-	-	
Board Expense	-	-	-	-	-	-	-	-	-	-	-	
Building Acquisition & Renovation	-	-	-	-	-	-	-	-	-	-	-	
Client Assistance & Program Costs	1,355.00	-	30,780.74	86,095.55	55,632.62	330,684.88	62,511.00	(102.80)	-	-	-	
Computer Software	-	78.73	131.20	46.54	456.25	293.22	-	-	495.00	-	-	
Contractual	-	-	-	-	-	-	-	-	3,874.26	-	-	
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	
Dues & Subscriptions	-	-	-	-	-	-	-	-	-	-	-	
Equipment	-	-	23.60	30.71	16.45	21.68	-	-	-	-	-	
Indirect Cost	-	61.05	134.88	1,286.02	3,420.07	3,178.69	6,265.05	3,843.73	170.20	-	-	
Insurance	-	-	-	109.90	329.67	329.69	4,338.60	-	2,976.00	-	-	
Interest Expense	-	-	-	-	-	-	-	-	1,287.26	-	-	
Materials	-	-	-	-	-	-	-	-	1.56	-	-	
Postage	-	340.47	40.88	87.19	408.32	7.77	-	-	121.80	-	-	
Printing & Publications	-	-	-	-	-	-	-	-	-	-	-	
Professional Fees	22.54	-	-	173.83	11,076.52	430.75	585.83	778.32	889.65	-	-	
Rent	-	-	141.39	424.17	206.88	18.84	-	-	-	-	-	
Rent Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	670.42	234.41	378.16	34.40	200.00	-	4,833.64	-	-	
Supplies	-	-	158.75	169.23	516.40	389.73	-	328.81	397.54	-	-	
Supplies Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Telephone	-	-	174.25	419.05	425.38	380.83	-	-	-	-	-	
Training	-	-	-	6.25	40.00	-	-	-	-	-	-	
College Classes	-	-	-	-	-	-	-	-	-	-	-	
Transfers To/From	(1,177.54)	(1,597.31)	3,139.58	(3,139.58)	-	-	1,597.31	(5,749.55)	-	1,000.00	9,941.72	
Travel	-	-	10.44	3.54	186.48	-	99.00	-	-	-	-	
Travel Non-Cash	-	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	146.70	360.48	660.96	165.26	-	-	1,322.55	-	-	
Vehicle Expense	-	608.30	97.71	148.13	251.85	1,743.04	-	418.55	328.35	-	-	
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous Expense	-	-	-	-	-	240.00	-	-	1.50	-	-	
Total Expenditures	200.00	-	36,973.42	96,973.41	102,898.84	365,053.26	127,805.55	31,578.03	18,117.62	1,000.00	9,941.72	
Excess Revenues and Gains	-	-	-	-	-	-	61,416.09	-	4,159.15	(1,000.00)	(9,941.72)	
Over (Under) Expenditures	-	-	-	-	-	-	831,907.69	-	29,474.19	1,000.00	9,941.72	
Net Assets, 12/31/2012	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Net Assets, 12/31/2013	-	-	-	-	-	-	-	-	-	-	-	

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

Combining Schedule of Activities (Continued)

For the Year Ended December 31, 2013

	Housing Services				Management and General				Housing Services				Elimination of Intercompany Transactions	Organization Wide Total
	Kennett Project		Agency Funds		Indirect Costs		Organization Wide Sub-Total	Scott City Apartments, LLC		Algeier Manor, LLC				
	12/31/2013	902	12/31/2013	120	12/31/2013	130		12/31/2013	256	12/31/2013	253			
Program:	N/A	N/A	N/A	N/A	N/A	N/A			N/A	N/A	N/A			
Fund:														
CYDA:														
Revenues and Gains														
Contributions														
Grant Revenue - Federal	\$	-	\$	-	\$	-	\$	13,704,522.59	\$	-	\$	-	\$	13,704,522.59
Grant Revenue - State	-	-	-	-	-	-	-	519,668.71	-	-	-	-	-	519,668.71
Local	-	-	213,873.00	-	-	-	-	594,654.36	-	-	(213,748.00)	-	-	380,906.36
Local - Non-Cash	-	-	-	-	-	-	-	2,050,748.00	-	-	(928,987.72)	-	-	1,121,760.28
Program Fee Income	-	-	-	-	-	-	-	126,710.64	-	-	-	-	-	126,710.64
Housing Rent	-	-	-	-	-	-	-	22,266.12	79,256.72	136,025.76	-	-	-	237,548.60
Reimbursements	-	-	255,509.86	-	926,387.35	-	-	1,181,897.21	-	-	(1,122,413.31)	-	-	59,483.90
Other Income	-	-	55,821.62	-	1,500.00	-	-	193,476.59	1,800.00	2,752.77	-	-	-	198,029.36
Interest Income	-	-	3,029.88	-	-	-	-	3,113.18	124.32	6.07	-	-	-	3,243.57
Gain (Loss) on Sale of Assets	-	-	18,409.25	-	-	-	-	18,409.25	-	165,680.06	-	-	-	184,089.31
Total Revenues and Gains			546,643.61		927,887.35			18,415,466.65	81,181.04	304,464.66	(2,265,149.03)			16,535,963.32
Expenditures														
Salaries & Wages	-	-	7,651.33	-	514,569.12	-	-	5,983,006.90	-	-	-	-	-	5,983,006.90
Salaries & Wages Non-Cash	-	-	-	-	-	-	-	1,081,748.00	-	-	(928,987.72)	-	-	152,760.28
Fringe Benefits	-	-	28,045.74	-	209,188.51	-	-	2,496,579.62	-	-	-	-	-	2,496,579.62
Advertising	-	-	174.48	-	3,304.57	-	-	14,408.28	66.40	49.80	-	-	-	14,524.48
Board Expense	-	-	-	-	7,066.59	-	-	7,066.59	-	-	-	-	-	7,066.59
Building Acquisition & Renovation	-	-	-	-	-	-	-	180,146.34	-	-	-	-	-	180,146.34
Client Assistance & Program Costs	-	-	304.50	-	5,651.04	-	-	3,834,802.15	-	-	-	-	-	3,834,802.15
Computer Software	-	-	-	-	474.00	-	-	1,403.88	-	-	-	-	-	1,403.88
Contractual	-	-	236.70	-	24,066.52	-	-	193,733.83	14,346.95	68,449.67	-	-	-	276,530.45
Depreciation Expense	-	-	348,780.93	-	-	-	-	348,780.93	15,878.38	28,077.88	-	-	-	392,737.19
Dues & Subscriptions	-	-	163.40	-	15,175.12	-	-	27,403.00	-	-	-	-	-	27,403.00
Equipment	-	-	258.47	-	3,894.14	-	-	295,893.69	337.48	-	(197,262.00)	-	-	98,969.17
Indirect Cost	-	-	-	-	-	-	-	926,387.35	-	-	(926,387.35)	-	-	-
Insurance	-	-	14,201.77	-	30,775.27	-	-	128,165.08	2,709.00	10,549.51	-	-	-	141,423.59
Interest Expense	-	-	89,379.43	-	127.34	-	-	90,794.03	25,681.25	43,354.49	-	-	-	159,829.77
Materials	-	-	42,000.49	-	-	-	-	42,017.05	-	-	-	-	-	42,017.05
Postage	-	-	(49.73)	-	7,889.88	-	-	20,811.88	-	-	-	-	-	20,811.88
Printing & Publications	-	-	-	-	951.50	-	-	10,165.56	-	-	-	-	-	10,165.56
Professional Fees	-	-	990.70	-	3,805.58	-	-	50,213.70	-	-	-	-	-	52,712.70
Rent	-	-	5,392.00	-	2,868.96	-	-	328,353.50	1,462.00	1,037.00	(196,025.96)	-	-	132,327.54
Rent Non-Cash	-	-	-	-	-	-	-	907,997.00	-	-	-	-	-	907,997.00
Repairs & Maintenance	-	-	117.53	-	7,473.54	-	-	69,263.36	5,527.75	14,312.69	(16,486.00)	-	-	72,617.80
Supplies	-	-	2,416.84	-	22,205.17	-	-	387,797.49	382.47	5,516.74	-	-	-	393,696.70
Supplies Non-Cash	-	-	-	-	-	-	-	25,000.00	-	-	-	-	-	25,000.00
Telephone	-	-	154.20	-	6,086.43	-	-	74,411.77	168.80	-	-	-	-	74,580.57
Training	-	-	-	-	8,007.69	-	-	95,456.61	81.00	1,783.59	-	-	-	97,321.20
College Classes	-	-	-	-	-	-	-	66,558.03	-	-	-	-	-	66,558.03
Transfers To/From	6,331.90	-	(16,615.28)	-	0.96	-	-	-	-	-	-	-	-	-
Travel	-	-	(976.15)	-	29,386.75	-	-	140,316.14	-	-	-	-	-	140,316.14
Travel Non-Cash	-	-	-	-	-	-	-	36,003.00	-	-	-	-	-	36,003.00
Utilities	-	-	578.64	-	11,178.49	-	-	229,391.26	2,581.46	8,507.76	-	-	-	240,480.48
Vehicle Expense	-	-	-	-	13,260.10	-	-	379,001.43	-	-	-	-	-	379,001.43
Bad Debt Expense	-	-	-	-	-	-	-	659.30	-	-	-	-	-	659.30
Miscellaneous Expense	-	-	2,540.84	-	480.08	-	-	8,413.16	1,956.00	7,017.41	-	-	-	17,386.57
Total Expenditures	6,331.90		568,920.09		927,887.35			18,482,149.91	71,178.94	188,656.54	(2,265,149.03)			16,476,836.36
Excess Revenues and Gains Over (Under) Expenditures	(6,331.90)		(22,276.48)		-			(66,683.26)	10,002.10	115,808.12	-	-	-	59,126.96
Net Assets, 12/31/2012	6,331.90		2,059,438.18		-			4,179,900.61	31,130.12	(116,348.45)	-	-	-	4,094,682.28
Net Assets, 12/31/2013	\$ -		\$ 2,037,161.70		\$ -			\$ 4,113,217.35	\$ 41,132.22	\$ (540.33)	\$ -	\$ -	\$ -	\$ 4,153,809.24

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

COMMUNITY SERVICES BLOCK GRANT PROGRAM

GRANT NO. PG281300005

For the Program Period October 1, 2012 to September 30, 2013

Schedule of Revenue and Expenses

	<u>10/01/2012 to</u> <u>12/31/2012</u>	<u>01/01/2013 to</u> <u>09/30/2013</u>	<u>Total</u> <u>Grant</u>
Beginning CSBG Residual Receipts			\$ 1,073,060.08
Revenue			
Grant Revenue-CSBG	\$ 183,200.94	\$ 808,826.93	992,027.87
Other Income	-	-	-
Total Revenue	<u>183,200.94</u>	<u>808,826.93</u>	<u>992,027.87</u>
Expenditures			
Personnel	80,243.61	525,189.04	605,432.65
Contract Services	2,107.63	6,783.28	8,890.91
Travel	14,010.93	32,469.78	46,480.71
Payment to/for Participants	3,758.58	89,329.37	93,087.95
Occupancy	7,632.86	42,010.41	49,643.27
Other Expenses	1,539.84	8,660.59	10,200.43
Indirect Cost	9,707.25	62,458.46	72,165.71
Subtotal of Operating Expense	<u>119,000.70</u>	<u>766,900.93</u>	<u>885,901.63</u>
Leveraging - EHS/HS	11,097.03	-	11,097.03
Leveraging - CCFP	-	836.20	836.20
Leveraging - WX	-	5,559.87	5,559.87
Leveraging - Women's Health	898.86	15,032.01	15,930.87
Leveraging - Homeless Programs	34,386.19	18.89	34,405.08
Total Expenditures	<u>165,382.78</u>	<u>788,347.90</u>	<u>953,730.68</u>
Revenue over(under) Expense	<u>\$ 17,818.16</u>	<u>\$ 20,479.03</u>	<u>38,297.19</u>
Ending CSBG Residuals			<u>\$ 1,111,357.27</u>

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION

Portageville, Missouri

HEAD START PROGRAM

GRANT NO. 07CH0974/48

For the Program Year Ended December 31, 2013

Schedule of Revenue and Expenses Compared with Budget

	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUE			
Grant Revenue - Head Start	\$ 8,202,990.00	\$ 8,202,990.00	\$ -
Grantee's In-Kind Contributions	2,050,748.00	2,050,748.00	-
TOTAL REVENUE	10,253,738.00	10,253,738.00	-
EXPENSES			
Direct Costs			
Personnel	4,373,316.00	4,042,764.54	330,551.46
Fringe Benefits	1,572,423.00	1,641,210.85	(68,787.85)
Travel	34,661.00	75,437.25	(40,776.25)
Equipment	225,000.00	275,916.24	(50,916.24)
Supplies	188,112.00	208,142.66	(20,030.66)
Contractual	58,900.00	47,780.70	11,119.30
Other	1,037,087.00	1,229,664.91	(192,577.91)
Indirect Costs	713,491.00	682,072.85	31,418.15
Total Expenses	8,202,990.00	8,202,990.00	-
Grantee's In-Kind Expenses			
Personnel and Supplies	2,050,748.00	2,050,748.00	-
TOTAL EXPENSES	10,253,738.00	10,253,738.00	-
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -	\$ -

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri
HEAD START PROGRAM
GRANT NO. 07CH0974/48
For the Program Year Ended December 31, 2013
Reconciliation of Final Financial Report to Audited Financial Statements

	<u>UNOBLIGATED BALANCE OF FEDERAL FUNDS</u>
Unobligated Balance of Federal Funds on Financial Status Report	\$ -
Adjustments:	
Program income incorrectly reported	-
Balance of Grant Funds Not Received to Carryover to Program Year Ending December 31, 2014	<u>\$ -</u>

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
DOE LIHEAP
Subgrant Number: G-12-LIHEAP-13-02**

**RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF July 1, 2012 to June 30, 2013**

DIVISION OF ENERGY**SUBGRANTEE**

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	130,000	Grant Income	130,000
Program Income	0	Program Income	0
Total Revenue	130,000	Total Revenue	130,000
Expenditures		Expenditures	
Administration	7,200	Administration	7,200
Insurance	448	Insurance	448
Financial Audit	147	Financial Audit	147
Leveraging	0	Leveraging	0
T&TA	636	T&TA	636
Program Operations	121,569	Program Operations	121,569
Total Expenditures	130,000	Total Expenditures	130,000
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
DOE LIHEAP
Subgrant Number: G-13-LIHEAP-14-02**

Schedule A

**RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF October 1, 2013 to December 31, 2013**

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	0	Grant Income	3,178
Program Income	0	Program Income	0
Total Revenue	0	Total Revenue	3,178
Expenditures		Expenditures	
Administration	0	Administration	0
Insurance	0	Insurance	0
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	0	T&TA	0
Program Operations	0	Program Operations	3,178
Total Expenditures	0	Total Expenditures	3,178
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

Subgrantee amounts differ from Energy Center due to generally accepted accounting principles accrual accounting adjustments. Amounts reported were accurate and support was available at time of filing.

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
LIBERTY UTILITIES
Subgrant Number: G-13-10-0192-2-02**

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2012 to October 31, 2013

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	47,124	Grant Income	47,124
Program Income	0	Program Income	0
Total Revenue	47,124	Total Revenue	47,124
Expenditures		Expenditures	
Administration	1,663	Administration	1,663
Insurance	1,012	Insurance	1,012
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	0	T&TA	0
Program Operations	44,449	Program Operations	44,449
Total Expenditures	47,124	Total Expenditures	47,124
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
LIBERTY UTILITIES
Subgrant Number: G-14-10-0192-3-02**

Schedule A

**RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF November 1, 2013 to December 31, 2013**

DIVISION OF ENERGY		SUBGRANTEE	
Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	0	Grant Income	542
Program Income	0	Program Income	0
Total Revenue	0	Total Revenue	542
Expenditures		Expenditures	
Administration	0	Administration	0
Insurance	0	Insurance	0
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	0	T&TA	0
Program Operations	0	Program Operations	542
Total Expenditures	0	Total Expenditures	542
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

Subgrantee amounts differ from Energy Center due to generally accepted accounting principles accrual accounting adjustments. Amounts reported were accurate and support was available at time of filing.

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
AMEREN UE ELECTRIC
Subgrant Number: G13-11-0028-2-02**

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2012 to October 31, 2013

DIVISION OF ENERGY

Beginning Fund Balance 0

Revenue

Grant Income 33,270

Program Income 0

Total Revenue 33,270

Expenditures

Administration 1,503

Insurance 921

Financial Audit 0

Leveraging 0

T&TA 0

Program Operations 30,846

Total Expenditures 33,270

Ending Fund Balance 0

SUBGRANTEE

Beginning Fund Balance 0

Revenue

Grant Income 33,270

Program Income 0

Total Revenue 33,270

Expenditures

Administration 1,503

Insurance 921

Financial Audit 0

Leveraging 0

T&TA 0

Program Operations 30,846

Total Expenditures 33,270

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
AMEREN UE ELECTRIC
Subgrant Number: G14-11-0028-3-02

Schedule A

RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF November 1, 2013 to December 31, 2013

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	0	Grant Income	15,015
Program Income	0	Program Income	0
Total Revenue	0	Total Revenue	15,015
Expenditures		Expenditures	
Administration	0	Administration	0
Insurance	0	Insurance	0
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	0	T&TA	0
Program Operations	0	Program Operations	15,015
Total Expenditures	0	Total Expenditures	15,015
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

Subgrantee amounts differ from Energy Center due to generally accepted accounting principles accrual accounting adjustments. Amounts reported were accurate and support was available at time of filing.

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
AMEREN UE GAS
Subgrant Number: G13-10-0363-2-02

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF November 1, 2012 to October 31, 2013

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	8,139	Grant Income	8,139
Program Income	0	Program Income	0
Total Revenue	8,139	Total Revenue	8,139
Expenditures		Expenditures	
Administration	521	Administration	521
Insurance	315	Insurance	315
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	0	T&TA	0
Program Operations	7,303	Program Operations	7,303
Total Expenditures	8,139	Total Expenditures	8,139
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
AMEREN UE GAS
Subgrant Number: G14-10-0363-3-02

Schedule A

RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF November 1, 2013 to December 31, 2013

DIVISION OF ENERGY

Beginning Fund Balance	0
Revenue	
Grant Income	0
Program Income	0
Total Revenue	0
Expenditures	
Administration	0
Insurance	0
Financial Audit	0
Leveraging	0
T&TA	0
Program Operations	0
Total Expenditures	0
Ending Fund Balance	0

SUBGRANTEE

Beginning Fund Balance	0
Revenue	
Grant Income	212
Program Income	0
Total Revenue	212
Expenditures	
Administration	0
Insurance	0
Financial Audit	0
Leveraging	0
T&TA	0
Program Operations	212
Total Expenditures	212
Ending Fund Balance	0
Ending Cash on Hand	0
Ending Inventory	0

Subgrantee amounts differ from Energy Center due to generally accepted accounting principles accrual accounting adjustments. Amounts reported were accurate and support was available at time of filing.

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
DOE
Subgrant Number: G-12-EE00195-4-02**

**RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF July 1, 2012 to December 31, 2013**

DIVISION OF ENERGY**SUBGRANTEE**

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	179,359	Grant Income	179,359
Program Income	0	Program Income	0
Total Revenue	179,359	Total Revenue	179,359
Expenditures		Expenditures	
Administration	4,380	Administration	4,380
Insurance	1,000	Insurance	1,000
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	2,000	T&TA	2,000
Program Operations	171,979	Program Operations	171,979
Total Expenditures	179,359	Total Expenditures	179,359
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
DOE
Subgrant Number: G-13-EE0006164-02**

Schedule A

**RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF July 1, 2013 to December 31, 2013**

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance	0	Beginning Fund Balance	0
Revenue		Revenue	
Grant Income	5,063	Grant Income	18,907
Program Income	0	Program Income	0
Total Revenue	5,063	Total Revenue	18,907
Expenditures		Expenditures	
Administration	0	Administration	0
Insurance	0	Insurance	0
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	1,061	T&TA	1,061
Program Operations	4,002	Program Operations	17,846
Total Expenditures	5,063	Total Expenditures	18,907
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

Subgrantee amounts differ from Energy Center due to generally accepted accounting principles accrual accounting adjustments. Amounts reported were accurate and support was available at time of filing.

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
DOE ARRA
Subgrant Number: G-09-EE00151-02**

RECONCILIATION OF REVENUES AND EXPENSES

FOR THE PERIOD OF April 1, 2009 to March 31, 2013

DIVISION OF ENERGY

Beginning Fund Balance 0

Revenue

Grant Income 5,761,912

Program Income 0

Total Revenue 5,761,912

Expenditures

Administration 229,943

Insurance 21,733

Financial Audit 1,898

Leveraging 104,383

T&TA 96,816

Program Operations 5,307,139

Total Expenditures 5,761,912

Ending Fund Balance 0

SUBGRANTEE

Beginning Fund Balance 0

Revenue

Grant Income 5,761,912

Program Income 0

Total Revenue 5,761,912

Expenditures

Administration 229,943

Insurance 21,733

Financial Audit 1,898

Leveraging 104,383

T&TA 96,816

Program Operations 5,307,139

Total Expenditures 5,761,912

Ending Fund Balance 0

Ending Cash on Hand 0

Ending Inventory 0

**DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
EMHI ARRA
Subgrant Number: G-09-EE0151A-02**

Schedule A

**RECONCILIATION OF REVENUES AND EXPENSES
FOR THE PERIOD OF June 1, 2010 to March 31, 2013**

DIVISION OF ENERGY

SUBGRANTEE

Beginning Fund Balance	0	Beginning Fund Balance	0
<u>Revenue</u>		<u>Revenue</u>	
Grant Income	300,000	Grant Income	300,000
Program Income	0	Program Income	0
Total Revenue	300,000	Total Revenue	300,000
<u>Expenditures</u>		<u>Expenditures</u>	
Administration	9,280	Administration	9,280
Insurance	0	Insurance	0
Financial Audit	0	Financial Audit	0
Leveraging	0	Leveraging	0
T&TA	2,565	T&TA	2,565
Program Operations	288,155	Program Operations	288,155
Total Expenditures	300,000	Total Expenditures	300,000
Ending Fund Balance	0	Ending Fund Balance	0
		Ending Cash on Hand	0
		Ending Inventory	0

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri
LOW INCOME HOUSING ENERGY ASSISTANCE PROGRAM
CONTRACT NUMBER: ERS11013003
For the Program Period October 1, 2012 to September 30, 2013
Schedule of Contracted Revenues and Expenses

Revenue	
Contracted Grant Revenue-LIHEAP	
Special Start-up	\$ -
Current (initial + amendments)	1,530,656.00
Carryover	<u>53,636.00</u>
Total Contracted Grant Revenues	<u>1,584,292.00</u>
Expenditures	
Personnel	236,069.56
Travel/Training	2,245.05
Rent/Fuel/Utilities/Insurance	10,851.17
Equipment	-
Supplies	11,682.81
Communication Services	4,291.82
Repair and Maintenance	3,989.86
Other - Contractual	<u>5,794.14</u>
Total Administrative/ Program Services	<u>274,924.41</u>
ECIP Direct Services	
Winter	1,007,058.99
Summer	270,914.00
Amerigas Settlement	-
Total ECIP Direct Services	<u>1,277,972.99</u>
Outreach & Education	<u>11,870.00</u>
Total Outreach & Education	<u>11,870.00</u>
Total Expenditures	<u>1,564,767.40</u>
Contracted Revenue over (under) Expenditures	19,524.60
Transfer from CSBG	-
Ending Program Balance	<u><u>\$ 19,524.60</u></u>

DELTA AREA ECONOMIC OPPORTUNITY COPORATION

Portageville, Missouri

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2013

Federal Grantor/Pass-Through Grantor/Program Title	Pass - Through Identifying Number	CFDA #	Federal Expenditures
<u>U.S. Department of Homeland Security</u>			
Direct Programs:			
Emergency Food and Shelter Program - New Madrid County	12/31/2013	N/A	\$ 7,730.00
Emergency Food and Shelter Program - Mississippi County	12/31/2013	N/A	5,948.00
		TOTAL 97.024	13,678.00
Total U.S. Department of Homeland Security			13,678.00
<u>U.S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start	12/31/2013	N/A	8,202,990.00
Passed Through:			
State of Missouri Department of Social Services - Family Support Division			
Low-Income Home Energy Assistance Program (EICP)	9/30/2013	93.568	1,076,705.86
Low-Income Home Energy Assistance Program (EICP)	9/30/2014	93.568	371,947.09
State of Missouri Department of Natural Resources			
Weatherization Assistance for Low-Income Individuals	6/30/2013	93.568	81,361.37
		TOTAL 93.568 (M)	1,530,014.32
State of Missouri Department of Social Services - Family Support Division			
Community Services Block Grant	9/30/2013	93.569	808,826.93
Community Services Block Grant	9/30/2014	93.569	154,856.61
		TOTAL 93.569 (M)	963,683.54
State of Missouri Department of Health and Senior Services			
Maternal, Infant, and Early Childhood Home Visiting Program	9/30/2013	93.505	491,737.25
Maternal, Infant, and Early Childhood Home Visiting Program	9/30/2014	93.505	140,916.30
		TOTAL 93.505 (M)	632,653.55
State of Missouri Department of Social Services - Family Support Division			
Dunklin County			
Family Violence and Prevention Services	6/30/2014	93.671	18,442.75
Total U.S. Department of Health and Human Services			11,347,784.16
<u>U.S. Department of Energy</u>			
Passed Through:			
State of Missouri Department of Natural Resources			
Weatherization Assistance for Low-Income Individuals	6/30/2014	81.042	99,858.96
Total U.S. Department of Energy			99,858.96

DELTA AREA ECONOMIC OPPORTUNITY COPORATION

Portageville, Missouri

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2013

Pass - Through

Federal Grantor/Pass-Through

Grantor/Program Title

CFDA
#

Federal
Expenditures

U.S. Department of Housing and Urban Development

Direct Programs:

Supportive Housing Program - Transitional Housing
Supportive Housing Program - Transitional Housing
Supportive Housing Program - Permanent Housing
Supportive Housing Program - Permanent Housing

10/31/2013 N/A 14.235 \$ 84,950.00
10/31/2014 N/A 14.235 31,066.03
10/31/2013 N/A 14.235 85,771.00
10/31/2014 N/A 14.235 33,511.37
TOTAL 14.235 235,298.40

Passed Through:

Missouri Housing Development Corporation
HOME Repair Opportunity
State of Missouri Department of Mental Health
Shelter Plus Program
Shelter Plus Program

10/31/2014 13-HERO-14 14.239 102,898.84
3/31/2013 ER197 SCB2-MO0080C7E061104 14.238 36,973.42
3/31/2014 ER197 SCB3-MO0080L7E061205 14.238 96,973.41
TOTAL 14.238 133,946.83
472,144.07

Total U.S. Department of Housing and Urban Development

U.S. Department of Agriculture

Passed Through:

State of Missouri Department of Health and Senior Services
Child and Adult Care Food Program - Home Sponsor Program
Child and Adult Care Food Program - Home Sponsor Program
Child and Adult Care Food Program - Center Reimbursement
Child and Adult Care Food Program - Center Reimbursement

9/30/2013 ERS46-11-1736 10.558 929,166.94
9/30/2014 ERS46-11-1736 10.558 280,762.79
9/30/2013 ERS46-11-0024 10.558 372,136.27
9/30/2014 ERS46-11-0024 10.558 176,943.08
TOTAL 10.558 (M) 1,759,009.08

The Curators of the University of Missouri

Rural Business Opportunity Grants

Total U.S. Department of Agriculture

5/31/2014 C00039679 10.773 12,048.32
1,771,057.40

Total Expenditures of Federal Awards

\$ 13,704,522.59

NOTE A -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Delta Area Economic Opportunity Corporation and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(M) = Major Program

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

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

Board of Directors
Delta Area Economic Opportunity Corporation
Portageville, Missouri

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 financial statements of Delta Area Economic Opportunity Corporation (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2013, 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 August 15, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Delta Area Economic Opportunity Corporation's internal control over financial reporting (internal control) to determine 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 Delta Area Economic Opportunity Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Delta Area Economic Opportunity Corporation'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 Organization's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Delta Area Economic Opportunity Corporation'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 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*.

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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 15, 2014
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Directors
Delta Area Economic Opportunity Corporation
Portageville, Missouri

Report on Compliance for Each Major Federal Program

We have audited Delta Area Economic Opportunity Corporation's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Delta Area Economic Opportunity Corporation's major federal programs for the year ended December 31, 2013. Delta Area Economic Opportunity Corporation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Delta Area Economic Opportunity Corporation'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Delta Area Economic Opportunity Corporation'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 Delta Area Economic Opportunity Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, Delta Area Economic Opportunity Corporation 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 December 31, 2013.

Report on Internal Control Over Compliance

Management of Delta Area Economic Opportunity Corporation 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 Delta Area Economic Opportunity Corporation'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 OMB Circular A-133, 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 Delta Area Economic Opportunity Corporation's internal control over compliance.

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

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.

Purpose of this Report

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 15, 2014
Chanute, Kansas

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2013

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

The auditors' report expresses a qualified opinion on the consolidated financial statements of Delta Area Economic Opportunity Corporation.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____ Yes	<u> X </u>	None Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____ Yes	<u> X </u>	No

Federal Awards:

Internal control over major programs:			
Material weakness(es) identified?	_____ Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____ Yes	<u> X </u>	None Reported

The auditors' report on compliance for the major federal award programs for Delta Area Economic Opportunity Corporation expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____ Yes	<u> X </u>	No
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Identification of major programs:

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Head Start	CFDA 93.600
Low-Income Home Energy Assistance Program	CFDA 93.568
Maternal, Infant, and Early Childhood Home Visiting Program	CFDA 93.505
Community Services Block Grant	CFDA 93.569

U.S. DEPARTMENT OF AGRICULTURE

Child and Adult Care Food Program	CFDA 10.558
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The threshold for distinguishing Types A and B programs was	\$ 411,135.68
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Auditee qualified as a low risk auditee?	_____ Yes	<u> X </u>	No
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II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

DELTA AREA ECONOMIC OPPORTUNITY CORPORATION
Portageville, Missouri

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2013

Period Year Ended/Findings:

Finding 2012-001 – Recommended Audit Adjustments

Condition: As a result of audit procedures performed, material amounts of misstatements were detected.

Status: The Organization has hired staff and obtained training to ensure account balances are correct on an on-going basis.