

NORTHEAST MICHIGAN
COMMUNITY SERVICE AGENCY, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2016



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NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
FINANCIAL STATEMENTS
TABLE OF CONTENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2016

INDEPENDENT AUDITOR’S REPORT.....	1 – 2
-----------------------------------	-------

FINANCIAL STATEMENTS:

STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5 – 7
STATEMENT OF CASH FLOWS	8

NOTES TO FINANCIAL STATEMENTS	9 – 20
-------------------------------------	--------

SUPPLEMENTAL FINANCIAL DATA:

SCHEDULE OF ACTIVITIES:

EARLY CHILDHOOD PROGRAMS	21 – 22
COMMUNITY BASED CARE PROGRAMS	23 – 24
AGING PROGRAMS	25 – 31
CLIENT SERVICE PROGRAMS.....	32 – 39
YOUTH SERVICES PROGRAMS	40 – 41
VOLUNTEER PROGRAMS	42 – 44
COMMUNITY DEVELOPMENT PROGRAMS	45
MANAGEMENT AND GENERAL	46 – 47
OFFICE OF SERVICES TO THE AGING GRANTS – REGION IX	48
COMMUNITY SERVICE BLOCK GRANT (CSBG-14-04022).....	49

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEAD START COMPARISON OF ACTUAL EXPENDITURES TO BUDGET.....	50 – 51
-------------------------------------------------------------	---------

AASA SCHEDULE OF SERVICE CATEGORIES BY FUNDING SOURCE – UNAUDITED.....	52 – 53
------------------------------------------------------------------------	---------

LIST OF PROGRAMS	54 – 59
------------------------	---------

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	60 – 62
-------------------------------------------------	---------

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	63
-----------------------------------------------------------	----

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL

REPORTING AND ON COMPLIANCE AND OTHER MATTERS	64 – 65
-----------------------------------------------------	---------

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR

FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE	66– 67
---------------------------------------------------------------	--------

SCHEDULE OF FINDINGS AND QUESTIONED COSTS.....	68
------------------------------------------------	----

INDEPENDENT AUDITOR'S REPORT

March 3, 2017

To the Board of Directors of
Northeast Michigan Community Service Agency, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Northeast Michigan Community Service Agency, Inc. (a Michigan nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Michigan Community Service Agency, Inc. as of September 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. GAAP.

Other Matters

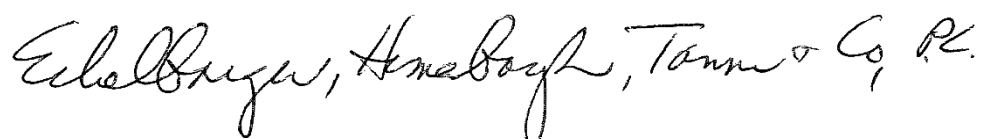
Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental financial data included on pages 21 – 53, List of Programs on pages 54 – 59, and the Notes to Schedule of Expenditures of Federal Awards on page 63 is presented for purposes of additional analysis and are not a required part of the basic financial statements of the Organization. The accompanying schedule of expenditures of federal awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for that portion marked “unaudited,” on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information, except for that portion marked “unaudited,” on which we express no opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2017, on our consideration of Northeast Michigan Community Service Agency, Inc.’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 Northeast Michigan Community Service Agency, Inc. internal control over financial reporting and compliance.

Respectfully submitted,



Echelbarger, Himebaugh, Tamm & Co., P.C.
Grand Rapids, MI

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2016

ASSETS

Current Assets:	
Cash	\$ 7,326,911
Receivables:	
Grants	2,745,926
Accounts	473,385
Inventory	354,318
Prepaid expenses	26,967
	<hr/>
Total Current Assets	10,927,507
	<hr/>
Noncurrent Assets:	
Certificates of deposit	208,803
Land, building, and equipment, net	1,620,090
	<hr/>
Total Noncurrent Assets	1,828,893
	<hr/>
TOTAL ASSETS	\$ 12,756,400
	<hr/> <hr/>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts payable	\$ 2,161,110
Accrued payroll and related taxes	1,327,004
Due to grantor	4,892,828
Deferred revenue	728,823
Current portion of capital lease	4,765
	<hr/>
Total Current Liabilities	9,114,530
	<hr/>
Long-Term Debt - Capital lease obligation	5,410
	<hr/>
Total Liabilities	9,119,940
	<hr/>
Net Assets:	
Unrestricted:	
Designated	1,011,176
Undesignated	1,004,143
Investment in land, building, and equipment	1,146,750
Temporarily restricted	474,391
	<hr/>
Total Net Assets	3,636,460
	<hr/>
TOTAL LIABILITIES AND NET ASSETS	\$ 12,756,400
	<hr/> <hr/>

See accompanying notes to financial statements.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Unrestricted	Temporarily Restricted	Total
Public support and other revenues:			
Public support:			
Grants and contracts	\$ 45,495,575	\$ -	\$ 45,495,575
Prior year's unearned revenue	218,172	-	218,172
Funds deobligated	(1,491,424)	-	(1,491,424)
Food commodities received	1,576,787	-	1,576,787
Contribution income	42,972	-	42,972
In kind contributions	523,780	101,903	625,683
Total public support	46,365,862	101,903	46,467,765
Other revenues:			
Program income	1,307,193	-	1,307,193
Interest income	4,193	-	4,193
Loss on asset disposal	(6,146)	-	(6,146)
Other	219,009	-	219,009
Net assets released from restrictions -			
Expiration of purpose restrictions	144,936	(144,936)	-
Total other revenues	1,669,185	(144,936)	1,524,249
Total public support and other revenues	48,035,047	(43,033)	47,992,014
Expenses:			
<i>Program Services:</i>			
Early childhood programs	23,295,594	-	23,295,594
Community based care programs	11,840,171	-	11,840,171
Aging programs	4,679,406	-	4,679,406
Client service programs	4,046,749	-	4,046,749
Youth services programs	1,477,785	-	1,477,785
Volunteer programs	592,519	-	592,519
Community development programs	239,269	-	239,269
<i>Total program services</i>	46,171,493	-	46,171,493
Management and general	2,020,213	-	2,020,213
Total expenses	48,191,706	-	48,191,706
Change in net assets	(156,659)	(43,033)	(199,692)
Net assets - Beginning of year	3,318,728	517,424	3,836,152
NET ASSETS - END OF YEAR	\$ 3,162,069	\$ 474,391	\$ 3,636,460

See accompanying notes to financial statements.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	P Early Childhood Programs	O Community Based Care Programs	M Aging Programs
Expenses:			
Salaries	\$ 10,684,555	\$ 1,513,491	\$ 379,362
Payroll taxes and fringe benefits	4,740,812	651,168	143,735
Occupancy	1,360,500	45,282	7,404
Travel and transportation:			
Out of area travel	12,978	-	-
Travel and transportation	877,576	83,249	61,767
Supplies	2,405,020	47,923	27,109
Equipment:			
Repairs and maintenance	36,338	3,835	2,997
Purchases funding source (exempt)	79,811	-	-
Audit and legal services	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	1,266,051	-	1,715,931
Subawards and contracts	461,271	56,179	2,203,068
Training and meetings	243,991	3,187	8,496
Participant costs (exempt)	-	-	-
Client services	19,444	9,399,583	110,681
Printing and publications	46,952	2,537	1
Communication	162,422	24,270	3,670
Insurance	56,356	3,054	851
Dues and memberships	11,456	351	9,210
Other	287,302	6,062	5,124
Other (exempt)	18,979	-	-
Depreciation	-	-	-
Food commodities distributed	-	-	-
In kind expense:			
Indirect exempt	30,144	-	-
Other	493,636	-	-
Total expenses	\$ 23,295,594	\$ 11,840,171	\$ 4,679,406

See accompanying notes to financial statements.

S	E	R	V	I	C	E	S	
Client Service Programs	Youth Services Programs	Volunteer Programs	Community Development Programs	Total				
\$ 601,590	\$ 947,743	\$ 141,591	\$ 139,028	\$ 14,407,360				
253,962	480,753	59,169	61,703	6,391,302				
63,048	-	4,953	3,207	1,484,394				
1,375	-	711	-	15,064				
52,634	20,540	99,790	4,410	1,199,966				
53,692	23,870	9,982	2,463	2,570,059				
7,335	-	488	710	51,703				
5,169	-	-	-	84,980				
1,200	-	-	-	1,200				
-	-	-	-	2,981,982				
27,835	-	-	24,499	2,772,852				
12,111	1,066	2,497	470	271,818				
-	-	267,261	-	267,261				
1,263,574	-	-	-	10,793,282				
3,199	-	-	273	52,962				
18,149	729	3,829	875	213,944				
6,763	1,560	300	290	69,174				
12	-	-	827	21,856				
107,458	1,524	1,798	514	409,782				
-	-	150	-	19,129				
-	-	-	-	-				
1,567,643	-	-	-	1,567,643				
-	-	-	-	30,144				
-	-	-	-	493,636				
\$ 4,046,749	\$ 1,477,785	\$ 592,519	\$ 239,269	\$ 46,171,493				

See accompanying notes to financial statements.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	SUPPORTING SERVICES		TOTAL FUNCTIONAL EXPENSES
	Management and General		
Expenses:			
Salaries	\$ 914,002	\$	15,321,362
Payroll taxes and fringe benefits	410,320		6,801,622
Occupancy	62,039		1,546,433
Travel and transportation:			
Out of area travel	3,466		18,530
Travel and transportation	44,615		1,244,581
Supplies	33,980		2,604,039
Equipment:			
Repairs and maintenance	12,853		64,556
Purchases funding source (exempt)	1,443		86,423
Audit and legal services	64,898		66,098
Contractual:			
Subawards and flowthroughs (exempt)	-		2,981,982
Subawards and contracts	9,267		2,782,119
Training and meetings	21,011		292,829
Participant costs (exempt)	-		267,261
Client services	-		10,793,282
Printing and publications	21,207		74,169
Communication	14,900		228,844
Insurance	21,556		90,730
Dues and memberships	5,110		26,966
Other	85,936		495,718
Other (exempt)	-		19,129
Depreciation	293,610		293,610
Food commodities distributed	-		1,567,643
In kind expense:			
Indirect exempt	-		30,144
Other	-		493,636
Total expenses	\$ 2,020,213	\$	48,191,706

See accompanying notes to financial statements.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Cash flows from operating activities	
Change in net assets	\$ (199,692)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Loss on disposal of asset	5,146
Depreciation	293,610
Increase in grants and accounts receivable	627,489
Decrease in prepaid expense	9,375
Increase in inventories	(9,144)
Decrease in accounts payable	(105,041)
Increase in deferred revenues	613,821
Increase in accrued expenses	(17,417)
	<hr/>
Total Adjustments	1,417,839
	<hr/>
Net cash provided by operating activities	1,218,147
	<hr/>
Cash flows from investing activities:	
Payments for purchase of building and equipment	(172,646)
Proceeds from the sale of property	1,000
Interest reinvested in certificate of deposits	(1,145)
	<hr/>
Net cash used by investing activities	(172,791)
	<hr/>
Cash flows from financing activities -	
Principal payments under capital lease obligations	(4,555)
	<hr/>
Net cash used by financing activities	(4,555)
	<hr/>
Net increase in cash and cash equivalents	1,040,801
Cash and cash equivalents at beginning of year	6,286,110
	<hr/>
Cash and cash equivalents at end of year	\$ 7,326,911
	<hr/> <hr/>
 Supplemental disclosure of cash flow information	
 Operating activities include cash payments for:	
Interest	\$ 572
	<hr/> <hr/>

See accompanying notes to financial statements.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE A - NATURE OF BUSINESS

Northeast Michigan Community Service Agency, Inc. (NEMCSA) was organized as a Michigan nonprofit corporation on August 15, 1968, as Northeast Michigan Community Action, Inc. NEMCSA was formed to plan, establish, coordinate and operate programs to promote the health, education and welfare of the residents of the eleven counties of northeastern Michigan, which remains its primary service area. Several of NEMCSA's programs encompass additional counties. NEMCSA's principal programs include:

Early Childhood Programs – provide education, social services, health/dental, nutrition, mental health, and disability services to participating families for children 3 – 5 years of age whose family incomes are at or below 100% of poverty; provide Early Head Start programs for 0 - 3 year olds which focus on a healthy childhood with proper nutrition, parental nurturing, and strengthening the parent-child bond to prepare infants and toddlers for healthy growth and development; provide Great Start Readiness Program preschool and supportive services for 4 year olds with family income up to 250% of poverty. Head Start and Great Start Readiness operates in twenty-one counties. Early Head Start operates in twelve counties. NEMCSA has delegated a portion of Head Start program services to one other nonprofit agency in Clare, Michigan. Approximately 49% of NEMCSA's revenue and support is derived from Early Childhood Programs.

Community Based Care Programs – provide assistance to clients eligible for Medicaid-covered nursing home services to remain in their own home with the same level of care; provide a service designed to locate, mobilize and manage a variety of home care and other services needed by disabled persons aged 18 and older at risk of nursing home placement. Approximately 25% of NEMCSA's revenue and support is derived from Community Based Care Programs.

Aging Programs – provide in-home services, including homemaking, personal care, home delivered meals and respite care for recipients 60 years of age and older, and respite care for recipients or caregivers 18 and older who possess a need for assistance with certain activities of daily living; provide evidence-based disease prevention, health promotion and caregiver educational programs; provide congregate meal sites in all twelve counties served by the Area Agency on Aging; provide information and education to families and individuals about long-term care facilities and services through an Ombudsman, who acts as a liaison between residents, care providers and state regulatory agencies. Approximately 10% of NEMCSA's revenue and support is derived from Aging Programs

Client Service Programs – provide the following services to individuals that have income at or below a certain percentage of Federal Poverty guidelines: income tax preparation; assist Medicaid recipients in making educated decisions choosing a managed health plan; provide rental and utility assistance to persons facing homelessness, or re-house those already homeless; provide utility and deliverable fuel assistance to households who are disconnected or in threat thereof; provide energy-efficiency upgrades to homes in an effort to reduce energy costs incurred by households; provide nutritious food items and nutrition education to individuals most vulnerable to malnutrition. Approximately 8% of NEMCSA's revenue and support is derived from Client Service Programs.

NEMCSA has its corporate office in Alpena, Michigan, and is supported primarily through federal and state governmental grants and contracts. In the current year, a significant amount of grants and contract revenues were provided by a few major sources. It is always considered reasonably possible that projects, grantors or contributions might be lost in the near term. NEMCSA's mission is to provide quality planning, programs and services to individuals, families and communities through the best use of human and financial resources.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF ACCOUNTING

The financial statements of NEMCSA have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities. The Statement of Activities has been prepared for the Organization as a whole. NEMCSA includes intra-program transactions in its activities which have been eliminated in the accompanying financial statements.

BASIS OF PRESENTATION

Financial Statement presentation follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958-210 on "*Presentation of Financial Statements*" for Not-for-Profit Entities. Accordingly, NEMCSA is required to report information regarding its financial position and activities according to three classes of net assets based upon the existence or absence of restrictions on use that are placed by its donors: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

FAIR VALUE MEASUREMENTS

NEMCSA follows FASB ASC Topic 820-20 on "*Fair Value Measurements*," which provides a framework for measuring the fair value of financial instruments under accounting practices generally accepted in the United States of America (U.S. GAAP). This standard applies to all financial instruments that are being measured and reported on a fair value basis.

The standard clarifies how organizations are required to use a fair value measurement for recognition and disclosure by establishing a common definition of fair value, creating a framework for measuring fair value and expanding disclosures about fair value measurements. The standard also establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets which are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an organization to develop its own assumptions. NEMCSA does not have any financial instruments requiring a fair value measure as of September 30, 2016.

CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, cash equivalents include all unrestricted, highly liquid investments and certificates of deposit with an initial maturity of thirty days or less.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECEIVABLES

Northeast Michigan Community Service Agency, Inc. provides many services to individuals that do not have the ability to pay for the services received. NEMCSA has contracts with governmental and quasi-governmental agencies to provide payment for these services rendered, along with other performance-related objectives achieved, up to a maximum contractual dollar amount. Receivables are stated at unpaid balances, less an allowance for doubtful accounts, if applicable. The allowance is based on experience, contract terms and other circumstances which may affect the ability of grantors to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with contractual terms. It is NEMCSA's policy to charge off uncollectible receivables when management determines the receivable will not be collected. All outstanding receivables are considered fully collectible in less than one year.

INVENTORY

Inventory consists of food commodities and is stated at the lower of cost or market determined by the first-in, first-out method. NEMCSA receives all of its food commodities from the U.S. Department of Agriculture, as passed through the State of Michigan Department of Education.

PROPERTY AND EQUIPMENT

NEMCSA capitalizes all expenditures for property and equipment in excess of \$5,000. Property and equipment are carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed on a straight-line basis over the useful lives of the respective assets acquired since October 1, 1996, as follows:

Buildings	Up to 40 years
Furniture and fixtures	Up to 10 years
Student buses	7 years
Copiers and communication equipment	Up to 7 years
Passenger vehicles	5 years
General office equipment	5 years
Computer hardware, peripherals and software	3 – 5 years
Leasehold improvements	Up to 10 years or remaining lease term

Property and equipment includes assets purchased with grants when it is probable that NEMCSA will retain title to the asset when the grants terminate. The use of such equipment is restricted to the specific grant program. Depreciation expense for the year ended September 30, 2016, was \$293,610.

DESIGNATION OF UNRESTRICTED NET ASSETS

It is the policy of the Board of Directors of NEMCSA to review its plans for future activities and to designate appropriate sums of unrestricted net assets to assure adequate financing of such activities and related contingencies. Designated net assets earmarked for ongoing grants and contract programs were \$1,011,176 as of September 30, 2016.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES

NEMCSA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to NEMCSA's tax-exempt purpose is subject to taxation as unrelated business income, if applicable. In addition, NEMCSA 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). NEMCSA is also exempt from Michigan corporate income tax.

PUBLIC SUPPORT AND OTHER REVENUES

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. Grants awarded to NEMCSA are classified as unrestricted revenue since the purpose restriction stipulated in the grant award is met in the same period in which the support is received.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or the purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. NEMCSA does not have any permanently restricted net assets as of September 30, 2016.

Funds Deobligated/Due to Grantor/Deferred Revenue/Prior Year's Unearned Revenue

Amounts deobligated represent grant funds awarded and received in excess of funds earned. These funds have either been repaid to grantor (funding source) or recorded as deferred revenue until related services have been performed, at which time they will be recognized as revenue (as "Prior Year's Unearned Revenue"). The amount reported as "Deferred Revenue" as of September 30, 2016, consists of amounts received for the following programs:

MI Choice HCBS	\$ 626,238
MCAAA Michigan Enrolls	30,927
AAAAM Fall Prevention	27,199
Great Start Readiness Programs	11,179
MSHDA FSS	9,425
MI Coalition	8,834
MIPPA	5,472
MIDAP (MI Individual Development Accounts Program)	5,385
Other	4,164
Total	<u>\$ 728,823</u>

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PUBLIC SUPPORT AND OTHER REVENUES (CONTINUED)

Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment, are reported as restricted support. Equipment purchased with grant funds are charged as an expense to the grant and recorded as temporarily restricted contributions when it is probable that NEMCSA will retain title to the asset when the grant terminates.

Absent donor stipulations regarding how long those donated assets must be maintained, NEMCSA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. NEMCSA reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated Services

NEMCSA recognizes in-kind donated services in accordance with FASB ASC 958-605-25 (formerly Statement of Financial Accounting Standards No. 116 "*Accounting for Contributions Received and Contributions Made*"). ASC 958-605-25-16 requires that only contributions that create or enhance non-financial assets, or that require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation be recorded. NEMCSA benefitted from donated professional services for preventive and primary health care (which includes medical, dental and mental health) for certain Head Start and Early Head Start children. These services were valued at \$523,780 for the year ended September 30, 2016, and have been reported as both in-kind contributions and as in-kind expense on the Statement of Activities.

These requirements are different than the in-kind requirements of several of NEMCSA's grants and awards. For these grants and awards, NEMCSA also recognizes volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor if the service is an integral and necessary part of an approved project or program grant award. The total value of these donated services from nonprofessional volunteers, which are not recorded in the Statement of Activities, was \$4,582,582 and relates primarily to the Head Start and Early Childhood, Aging and Client Services programs and consists of volunteer services.

Matching Funds

Various grants and contracts are funded at less than 100% of the project's total forecasted expenditures, with the difference being NEMCSA's responsibility. These additional funds, or matching funds, may be comprised of third-party contributions, valuation of donated services and goods or program income unique to that grant. Additionally, other NEMCSA non-federal grants and projects may be used to fulfill the matching requirement, as approved by the original funding source. Other NEMCSA non-federal program activities used for matching requirement are reported to federal funding source as revenues and expenditures. These financial statements include only externally generated matching funds. The Organization's federal matching funds required from non-federal sources were all satisfied.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FOOD COMMODITIES DISTRIBUTED

Food commodities distributed represents the value of food received through the State of Michigan then distributed to low-income households. Valuation of these commodities is provided by the Michigan Department of Education. Commodity inventory is charged to expense when commodities are distributed. Those commodities not distributed are recognized as an asset, stated at the value provided by the Department of Education, in the Statement of Financial Position.

COST ALLOCATION

Expenses identified as applicable to a specific program or supporting service are recorded in the appropriate service area as incurred. Joint costs, which are those costs incurred for the common benefit of all agency programs and cannot be readily identified with a final cost objective, are allocated to benefiting programs using various allocation methods, depending on the type of joint cost being allocated. Cost allocation methods are as follows:

Administrative Indirect Cost

NEMCSA's executives, executive support staff and financial personnel salaries, benefits, space costs, etc. related to the executive oversight activities of the agency are allocated to benefiting programs using an indirect cost rate. This cost rate is reviewed and approved annually by the Department of Health and Human Services, Division of Cost Allocation. Effective October 1, 2015, until amended, the provisional indirect rate shall be 4.0%.

Personnel

Agency personnel record the time they spend working on specific programs and general agency matters on their Time and Activity Reports. The time specifically identifiable to a particular program is charged to that program for agency personnel, excluding executives, executive support staff and financial personnel listed above. The time specifically spent on general agency matters is charged to programs using a percentage which is based on direct labor charges to programs.

Space Costs

Space costs are allocated based on the number of square feet of space each program occupies. Space occupied by agency executives, executive support staff and financial personnel is allocated to the administrative indirect cost pool. Space occupied by all other administrative staff is allocated based upon the allocation of the administrative staff's time.

Other Joint Costs

Other joint costs are charged to agency programs based on the amounts used by each program or other appropriate methodology.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for, and disclosure of, transactions and events that affect the financial statements. Subsequent events have been evaluated through March 3, 2017, which is the date the financial statements were readily available to be issued.

NOTE C – CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject NEMCSA to concentrations of credit risk consist principally of temporary and long-term cash investments and grants receivable. Substantially all of Northeast Michigan Community Service Agency, Inc.'s cash is on deposit with three financial institutions. Funds are held in overnight deposits, demand deposits and certificates of deposits, described as follows:

Overnight Deposits

Overnight deposits are with FirstMerit Bank and PNC Bank. At September 30, 2016, the carrying amount of the NEMCSA's overnight deposits is \$7,161,406 and the bank balance is \$7,628,577. The overnight deposits are invested in FirstMerit's Financial Management Account and PNC's repurchase agreement plan, earning interest of 0.01 - 0.15 % at September 30, 2016.

Demand Deposits

Demand deposits are held with FirstMerit Bank, PNC Bank and various credit unions. The carrying amount and bank balances are as follows:

	Carrying Amount	Bank Balance	FDIC Insured
Grant Funds	\$ 159,328	\$ 159,328	\$ 159,328
Corporate Funds	5,977	3,925	3,925
Total	<u>\$ 165,305</u>	<u>\$ 163,253</u>	<u>\$ 163,253</u>

Certificates of Deposit

NEMCSA holds two certificates of deposit with HPC Credit Union totaling \$208,803 with total NCUA standard maximum deposit insurance amount of \$250,000. As a result, all funds are considered fully insured. See Note D – Certificates of Deposit for further information.

Concentrations of credit risk with respect to grants receivable are limited due to the large number of grantors comprising NEMCSA's public support base.

NOTE D – CERTIFICATES OF DEPOSIT

Certificates of deposit (CDs) consist of:

- One twelve month CD of \$103,988 including accrued interest, which was issued on October 23, 2015 at a rate of 0.35% and matured on October 23, 2016. This CD was reinvested for eighteen months at a rate of 0.55%.
- A twenty-four month CD of \$104,815, including accrued interest which was issued October 25, 2014 and a rate of 0.70% and matured on October 25, 2016. This CD was reinvested for twenty-four months at a rate of 0.65%.

See independent auditor's report.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE D – CERTIFICATES OF DEPOSIT (CONTINUED)

Both certificates have penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

NOTE E – GRANTS AND CONTRACT RECEIVABLES

The amount reported as “Receivables - Grants” as of September 30, 2016, consists of amounts due for the following programs:

Head Start	\$ 1,081,731
GSRP- Various sites	442,725
Waiver	235,995
IIIC Nutrition	147,685
Early Head Start	136,646
CNAP	90,544
CSBG Community Service Block Grant	47,055
CSFP- Community Supplemental Food Program	41,163
LIHEAP Low Income Home Energy Assistance Program	39,786
IIIB Service	37,329
Merit Award- NW	36,668
State Care Management	35,985
IIIE National Family Caregiver	29,900
Family Re-Housing	26,687
State Senior Companion Program (SCP)	25,319
State Respite Care	23,051
State In-Home Services	22,792
School Success Partnerships	18,186
MSHDA NE CoC HML	17,240
AAA Admin	16,150
MMAF SHIP	15,323
Federal Foster Grandparents (FGP)	15,090
AASA Prevent	14,923
State Aging Network (SANS)	14,851
HMIS MI Coalition Against Homelessness	14,784
CSBG SSP	13,346
State Alternative Care	12,427
State Merit Award	11,501
State RSVP	10,520
DOE Weatherization	9,870
MSHDA COOR HMLS	8,322
State Foster Grandparents	7,847
IIID Health Services	7,197
MOACSE Title V	7,162
Federal Senior Companion Program (Fed SCP)	7,023
State Access Services	6,220
Ombudsman	5,787
Other	11,096
Total Receivables – Grants and Contracts	<u>\$ 2,745,926</u>

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE F – INVENTORY

NEMCSA receives commodity supplement food from the Michigan Department of Education for distribution to low income households through its Commodity Supplemental Food (CSFP) and Temporary Emergency Family Assistance (TEFAP) programs. Inventory at September 30, 2016, consists of the value of the undistributed CSFP commodities. All commodities issued through TEFAP are distributed immediately when received.

NOTE G – LAND, BUILDING AND EQUIPMENT

The following is a summary of land, building and equipment, at cost, and accumulated depreciation at September 30, 2016:

<u>Non-depreciable:</u>	
Land and land improvements	\$ 144,136
<u>Depreciable:</u>	
Buildings	368,739
Leasehold improvements	1,482,398
Equipment and vehicles	<u>1,703,252</u>
	3,698,525
Less accumulated depreciation	<u>(2,078,435)</u>
Total land, building, and equipment	<u>\$ 1,620,090</u>

NOTE H – DUE TO GRANTOR

Due to grantor as of September 30, 2016, consists of unobligated amounts due to funding source providers (grantors) for the following programs:

MI Choice HCBS – Prior Fiscal Year (2014-2015)	\$ 4,009,155
MI Choice HCBS – Current Fiscal Year	853,032
MSHDA NMSF #2	20,708
MSHDA National Mortgage	9,101
GSRP North Branch	<u>832</u>
	<u>\$ 4,892,828</u>

NOTE I – CAPITAL LEASE

NEMCSA leases a forklift under the terms of a capital lease expiring in October 2018. The asset and liabilities under the capital lease are recorded at the lower of the present value of minimum lease payments or the fair value of the asset and is amortized over the estimated useful life. Amortization totaling \$6,432 is included in depreciation expense in the accompanying financial statements for the year ended September 30, 2016. The forklift has a net book value of \$12,865 as of September 30, 2016.

Total remaining minimum lease payments under the aforementioned lease as of September 30, 2016, are as follows:

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE I – CAPITAL LEASE (CONTINUED)

For the year ending September 30:	2017	5,127
	2018	5,127
	2019	<u>426</u>
Net Minimum Lease Payments		10,680
Amount representing interest		<u>(505)</u>
Present value of net minimum lease payments		<u>\$ 10,175</u>

NOTE J – COMPENSATED BALANCES

Compensated absences represent NEMCSA's obligations to its employees for earned but unused vacation. These obligations were valued at \$101,242 as of September 30, 2016. All employees must utilize annual leave in the year it is accumulated, except for 16 hours which may be carried over to the succeeding year. When eligible, all full-time, full-year employees accrue Annual Leave (AL) at a rate of 5% of hours paid (up to 80 hours) each pay period. Full-time, part-year employees accrue AL at a rate of 2.5% of hours paid (up to 80 hours) each pay period when eligible. Eligibility begins the first of the month following 60 calendar days of employment (not including temporary employees). In addition to AL, employees are granted Other Leave that may be used for illness, funerals and personal reasons. Other Leave is not payable upon termination, therefore it is not recorded as an Agency liability.

NOTE K – RESTRICTION ON NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods:

Equipment restricted for use by program	\$ 473,340
Youth and Family Services	<u>1,051</u>
	<u>\$ 474,391</u>

NOTE L – ADVERTISING COSTS

It is NEMCSA's policy to expense all costs associated with advertising when incurred. Advertising costs totaled \$10,763 for the year ended September 30, 2016, and are included in Other expenses on the Statement of Functional Expenses.

NOTE M – OPERATING LEASES

Northeast Michigan Community Service Agency, Inc. leases a postage machine and virtually all of its office space under non-cancelable operating leases expiring at various dates through September 30, 2021. The office space leases generally contain renewal options for periods ranging from one to ten years. The total rental expense under all operating leases during the year ended September 30, 2016, was \$1,301,871.

Future minimum lease payments under operating leases which have original terms in excess of one year as of September 30, 2016, are as follows:

For the year ending September 30:	2017	1,179,368
	2018	519,034
	2019	281,458
	2020	101,700
	2021	<u>98,600</u>
		<u>\$ 2,180,160</u>

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE N – RETIREMENT

NEMCSA has a defined contribution pension plan (the Plan) covering employees working in eligible classes who have completed one year of service, worked at least 1,000 hours in the determination year and have attained twenty-one years of age. NEMCSA's contributions to the Plan are 10% of the total earned compensation for participants hired prior to January 1, 2005. Contributions to the Plan for participants hired on or after January 1, 2005 are 5% of the total earned compensation for the eligible employee through their fifth year of employment, and increases to 10% of the total earned compensation beginning their sixth year. Each participant has a 100% vested interest in all amounts credited to their account upon entry into the Plan. NEMCSA's contributions to the Plan for the year ended September 30, 2016, was \$1,092,337.

NOTE O – CONTINGENCIES

Certain funded contractual programs are subject to audit by the grantors. Upon audit, some expenditures may be disallowed and, as a result, those amounts may be refundable to the grantor. Such refunds, if any, are generally payable from NEMCSA's unrestricted fund balance. Management feels any potential disallowances are immaterial.

NOTE P – INTRA-PROGRAM TRANSACTIONS

Certain expenditures, such as rent, supplies, copy charges, etc., are paid by the indirect cost pool and the unrestricted Corporate Discretionary Account (CDA). These expenditures are charged directly, after the fact, to programs based upon square footage, consumption of supplies, number of copies made, etc., with reimbursement to the indirect cost pool and CDA.

The following are intra-program transactions that have been eliminated from the accompanying financial statements, but are allowable charges to programs for purposes of determining the indirect cost pool and rate:

	<u>Program Services</u>	<u>Supporting Services</u>
Copy and Supplies	\$ 11,407	\$ 6,832
Occupancy	66,955	21,250
	<u>\$ 78,362</u>	<u>\$ 28,082</u>

Additionally, NEMCSA has \$2,648,541 of in-kind match contributions which are excluded from the modified total direct cost base when determining computed indirect cost rate for the fiscal year ended September 30, 2016.

NOTE Q – ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES

FASB ASC 740-10-25, "Accounting for Uncertainty in Income Taxes," addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, NEMCSA may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year ended September 30, 2016.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE Q – ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES (CONTINUED)

The Organization files its Form 990 annually in the U.S. federal jurisdiction and the office of the state's attorney general for the State of Michigan. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before 2012.

SUPPLEMENTAL FINANCIAL DATA

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - EARLY CHILDHOOD PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	Head Start 30316 1	Head Start 30317 2	Early Head Start 31916 3	Early Head Start 31917 4
Public support and other revenues:				
Public support:				
Federal Grants and contracts	\$ 6,490,081	\$ 9,468,817	\$ 1,079,341	\$ 1,906,681
State Grants and contracts	-	-	-	-
Agency Contribution	-	-	-	-
Prior year's unearned revenue	-	-	-	-
Funds deobligated	-	-	-	-
Food Commodities	-	-	-	-
Contribution income (cash match)	5,800	35,689	100	-
Match - Internal Grants	709,862	1,356,979	-	-
Match - External Source	906,858	974,459	269,736	476,671
Total public support	<u>8,112,601</u>	<u>11,835,944</u>	<u>1,349,177</u>	<u>2,383,352</u>
Other revenues:				
Program income	1,500	455	-	-
Other	-	1,000	-	-
Total other revenues	<u>1,500</u>	<u>1,455</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>8,114,101</u>	<u>11,837,399</u>	<u>1,349,177</u>	<u>2,383,352</u>
Expenses:				
Salaries	2,706,555	4,324,215	478,806	1,011,107
Payroll taxes and fringe benefits	1,231,921	1,879,060	225,923	420,806
Occupancy	337,890	630,207	66,177	122,285
Travel and transportation:				
Out of area travel	5,936	2,142	2,216	2,684
Travel and transportation	261,813	397,366	53,274	109,577
Travel and transportation (exempt)	-	-	-	-
Supplies	821,539	318,202	134,362	64,204
Equipment:				
Repairs and maintenance	4,479	22,293	2,721	6,833
Purchases Funding Source (exempt)	79,811	-	-	-
Audit and Legal Services	-	-	-	-
Contractual:				
Subawards and flowthroughs (exempt)	328,605	937,446	-	-
Subawards and contracts	151,308	171,516	-	-
Trainings and Meetings	35,541	127,666	37,848	25,686
Participant Costs	-	-	-	-
Client services	9,966	8,751	229	242
Printing and publications	10,117	27,748	3,742	4,830
Communication	47,909	79,167	9,249	20,973
Insurance	14,036	35,083	1,406	3,261
Dues and memberships	7,356	2,403	897	800
Other	112,480	131,426	10,701	21,726
Other (Exempt)	66,777	56,006	-	-
Food Commodities Distributed (exempt)	-	-	-	-
Match expense:				
Match - Indirect exempt (Non-GAAP)	777,826	1,591,164	-	-
Match - Indirect exempt (GAAP)	14,187	15,957	-	-
Match (Non-GAAP)	583,237	472,832	269,724	476,002
Match (GAAP)	241,470	251,485	12	669
Indirect	263,342	355,263	51,891	91,667
Total expenses	<u>8,114,101</u>	<u>11,837,398</u>	<u>1,349,178</u>	<u>2,383,352</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ -</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

CACFP 32216	Total GSRP Group 10.01.15 - 09.30.16	CSBG - HS GSRP Spprt Staff 302116	Total before Eliminations	Eliminations	Total
5	6	7			
\$ 1,078,532	\$ -	\$ 15,504	\$ 20,038,956	\$ -	\$ 20,038,956
-	3,358,508	-	3,358,508	-	3,358,508
-	28,765	-	28,765	(28,765)	-
-	218,172	-	218,172	-	218,172
-	(12,011)	-	(12,011)	-	(12,011)
-	-	-	-	-	-
-	-	-	41,589	-	41,589
-	-	-	2,066,841	(2,066,841)	-
-	-	-	2,627,724	(2,103,944)	523,780
<u>1,078,532</u>	<u>3,572,121</u>	<u>15,504</u>	<u>28,368,544</u>	<u>(4,199,550)</u>	<u>24,168,994</u>
-	-	-	-	-	-
-	1,621	-	3,576	-	3,576
-	167,174	-	168,174	-	168,174
-	168,795	-	171,750	-	171,750
<u>1,078,532</u>	<u>3,762,229</u>	<u>15,504</u>	<u>28,540,294</u>	<u>(4,199,550)</u>	<u>24,340,744</u>
58,534	2,094,890	10,448	10,684,555	-	10,684,555
20,502	958,140	4,460	4,740,812	-	4,740,812
-	223,667	-	1,380,226	(19,726)	1,360,500
-	-	-	12,978	-	12,978
-	55,546	-	877,576	-	877,576
-	-	-	-	-	-
958,014	109,592	-	2,405,913	(893)	2,405,020
-	12	-	36,338	-	36,338
-	-	-	79,811	-	79,811
-	-	-	-	-	-
-	-	-	1,266,051	-	1,266,051
-	138,447	-	461,271	-	461,271
-	17,250	-	243,991	-	243,991
-	-	-	-	-	-
-	256	-	19,444	-	19,444
-	1,062	-	47,499	(547)	46,952
-	5,124	-	162,422	-	162,422
-	2,570	-	56,356	-	56,356
-	-	-	11,456	-	11,456
-	10,969	-	287,302	-	287,302
-	-	-	122,783	(103,804)	18,979
-	-	-	-	-	-
-	-	-	2,368,990	(2,368,990)	-
-	-	-	30,144	-	30,144
-	-	-	1,801,795	(1,801,795)	-
-	-	-	493,636	-	493,636
41,482	144,704	596	948,945	(948,945)	-
<u>1,078,532</u>	<u>3,762,229</u>	<u>15,504</u>	<u>28,540,294</u>	<u>(5,244,700)</u>	<u>23,295,594</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,045,150</u>	<u>\$ 1,045,150</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - COMMUNITY BASED CARE PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	Care Management 31616 8	HCBS Waiver 34016 9	UCP Mich Assistive Tech 34116 10
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ -	\$ 13,341,460	\$ -
State Grants and contracts	431,825	-	400
Agency Contribution	-	-	-
Funds deobligated	-	(1,479,270)	-
Food Commodities	-	-	-
Contribution income (cash match)	933	-	-
Match - Internal Grants	47,048	-	-
Match - External Source	-	-	-
Total public support	<u>479,806</u>	<u>11,862,190</u>	<u>400</u>
Other revenues:			
Program income	-	250	-
Other	-	1,303	-
Total other revenues	<u>-</u>	<u>1,553</u>	<u>-</u>
Total public support and other revenues	<u>479,806</u>	<u>11,863,743</u>	<u>400</u>
Expenses:			
Salaries	279,251	1,233,971	269
Payroll taxes and fringe benefits	121,037	530,015	116
Occupancy	16,967	53,333	-
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	12,904	70,345	-
Travel and transportation (exempt)	-	-	-
Supplies	16,730	31,578	-
Equipment:			
Repairs and maintenance	1,714	2,121	-
Purchases Funding Source (exempt)	-	-	-
Audit and Legal Services	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	1,628	54,551	-
Trainings and Meetings	492	2,695	-
Participant Costs	-	-	-
Client services	-	9,399,583	-
Printing and publications	915	5,229	-
Communication	7,508	16,762	-
Insurance	1,076	1,978	-
Dues and memberships	10	341	-
Other	1,119	4,943	-
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	18,454	456,298	15
Total expenses	<u>479,805</u>	<u>11,863,743</u>	<u>400</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

Total before Eliminations	Eliminations	Total
\$ 13,341,460	\$ -	\$ 13,341,460
432,225	-	432,225
-	-	-
(1,479,270)	-	(1,479,270)
-	-	-
933	-	933
47,048	(47,048)	-
-	-	-
<u>12,342,396</u>	<u>(47,048)</u>	<u>12,295,348</u>
250	-	250
<u>1,303</u>	<u>-</u>	<u>1,303</u>
<u>1,553</u>	<u>-</u>	<u>1,553</u>
<u>12,343,949</u>	<u>(47,048)</u>	<u>12,296,901</u>
1,513,491	-	1,513,491
651,168	-	651,168
70,300	(25,018)	45,282
-	-	-
83,249	-	83,249
-	-	-
48,308	(385)	47,923
3,835	-	3,835
-	-	-
-	-	-
-	-	-
56,179	-	56,179
3,187	-	3,187
-	-	-
9,399,583	-	9,399,583
6,144	(3,607)	2,537
24,270	-	24,270
3,054	-	3,054
351	-	351
6,062	-	6,062
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
474,767	(474,767)	-
<u>12,343,948</u>	<u>(503,777)</u>	<u>11,840,171</u>
<u>\$ 1</u>	<u>\$ 456,729</u>	<u>\$ 456,730</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - AGING PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	Title III Administration 30916	IIIB Svcs 31016	IIIC Nutrition 31216
	11	12	13
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 152,809	\$ 402,962	\$ 1,218,465
State Grants and contracts	26,309	-	451,224
Agency Contribution	-	-	-
Funds deobligated	-	-	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	300
Match - Internal Grants	-	-	-
Match - External Source	24,627	44,777	137,746
Total public support	<u>203,745</u>	<u>447,739</u>	<u>1,807,735</u>
Other revenues:			
Program income	-	84,770	978,012
Other	-	-	-
Total other revenues	<u>-</u>	<u>84,770</u>	<u>978,012</u>
Total public support and other revenues	<u>203,745</u>	<u>532,509</u>	<u>2,785,747</u>
Expenses:			
Salaries	66,183	20,692	68,054
Payroll taxes and fringe benefits	29,391	8,748	29,403
Occupancy	7,548	-	2,142
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	13,056	5,200	4,222
Travel and transportation (exempt)	-	-	-
Supplies	3,691	-	2,070
Equipment:			
Repairs and maintenance	2,725	-	68
Purchases Funding Source (exempt)	-	-	-
Contractual			
Subawards and flowthroughs (exempt)	-	130,799	1,374,741
Contractual & Subawards	-	317,766	1,117,371
Trainings and Meetings	1,154	172	124
Participant Costs	-	-	-
Client services	-	-	-
Printing and publications	1,361	-	173
Communication	2,117	98	139
Insurance	310	-	94
Dues and memberships	7,950	-	-
Other	1,100	2,751	34
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	44,777	127,480
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	24,627	-	10,266
Match (GAAP)	-	-	-
Indirect	42,533	1,506	49,366
Total expenses	<u>203,746</u>	<u>532,509</u>	<u>2,785,747</u>
Excess of total public support and other revenues over expenses (expenses over revenues)			
	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

T-V Senior Employment 31316 14	T-V Senior Employment 31317 15	State Alt. Care 31516 16	Nursing Home Ombud. 31716 17	Best Practices Ombudsman 31799 18	MIPPA 31815 19
\$ 36,250	\$ 13,013	\$ -	\$ 12,627	\$ -	\$ 4,100
-	-	118,212	36,376	-	-
-	-	-	-	-	-
-	-	-	-	1,105	(3,300)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,040	1,437	13,135	4,042	-	-
<u>40,290</u>	<u>14,450</u>	<u>131,347</u>	<u>53,045</u>	<u>1,105</u>	<u>800</u>
-	-	35,015	-	2,915	-
-	-	-	-	-	-
-	-	<u>35,015</u>	<u>-</u>	<u>2,915</u>	<u>-</u>
<u>40,290</u>	<u>14,450</u>	<u>166,362</u>	<u>53,045</u>	<u>4,020</u>	<u>800</u>
28,925	10,629	-	25,264	-	-
4,104	1,450	-	9,412	-	-
-	-	-	1,692	-	-
-	-	-	-	-	-
406	178	-	7,405	-	-
-	-	-	-	-	-
-	-	-	2,465	130	18
-	-	-	34	-	-
-	-	-	-	-	-
-	-	35,015	-	-	-
-	-	118,212	-	-	-
447	-	-	15	3,689	266
-	-	-	-	-	-
-	77	-	-	-	-
-	-	-	162	33	-
49	-	-	400	14	-
208	-	-	79	-	-
-	-	-	-	-	-
562	123	-	34	-	486
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,040	1,437	13,135	4,042	-	-
-	-	-	-	-	-
1,550	556	-	2,040	155	31
<u>40,291</u>	<u>14,450</u>	<u>166,362</u>	<u>53,044</u>	<u>4,021</u>	<u>801</u>
<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ (1)</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - AGING PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	State Respite Care 33316 20	Tobacco Respite Care 33616 21	State Care- giver Support 33669 22
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ -	\$ -	\$ -
State Grants and contracts	129,676	138,011	9,227
Agency Contribution	-	-	-
Funds deobligated	-	-	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	14,408	-	1,025
Total public support	<u>144,084</u>	<u>138,011</u>	<u>10,252</u>
Other revenues:			
Program income	17,690	81,168	593
Other	-	-	-
Total other revenues	<u>17,690</u>	<u>81,168</u>	<u>593</u>
Total public support and other revenues	<u>161,774</u>	<u>219,179</u>	<u>10,845</u>
Expenses:			
Salaries	-	4,186	221
Payroll taxes and fringe benefits	-	1,855	98
Occupancy	-	-	-
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	-	1,138	-
Travel and transportation (exempt)	-	-	-
Supplies	-	-	-
Equipment:			
Repairs and maintenance	-	-	-
Purchases Funding Source (exempt)	-	-	-
Contractual			
Subawards and flowthroughs (exempt)	17,690	82,921	593
Contractual & Subawards	129,676	67,253	8,514
Trainings and Meetings	-	-	-
Participant Costs	-	-	-
Client services	-	56,585	-
Printing and publications	-	-	-
Communication	-	-	-
Insurance	-	-	-
Dues and memberships	-	-	-
Other	-	-	-
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	14,408	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	1,025
Match (GAAP)	-	-	-
Indirect	-	5,241	394
Total expenses	<u>161,774</u>	<u>219,179</u>	<u>10,845</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NE R9 - Merit 33716 23	III E Nat'l Fmly Caregiver 33816 24	State Access Services 36016 25	State Aging Network Svcs 36416 26	State In-Home Svcs 36516 27	SHIP and SMP 36616 28
\$ -	\$ 175,192	\$ -	\$ -	\$ -	\$ 21,021
87,191	-	30,029	46,827	235,169	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,337	-	-	-
-	19,467	-	5,203	26,130	-
87,191	194,659	33,366	52,030	261,299	21,021
7,866	11,974	-	4,484	41,093	1,019
-	-	-	-	-	-
7,866	11,974	-	4,484	41,093	1,019
95,057	206,633	33,366	56,514	302,392	22,040
3,060	29,842	18,591	-	-	11,619
1,357	12,441	8,024	-	-	5,545
-	3,424	-	-	-	771
-	-	-	-	-	-
-	2,983	1,667	-	-	2,488
-	-	-	-	-	-
-	9,765	-	-	-	164
-	34	-	-	-	-
-	-	-	-	-	-
9,619	12,119	-	4,484	47,862	-
42,934	103,405	-	31,426	228,400	-
-	249	-	-	-	209
-	-	-	-	-	-
34,801	3,817	-	15,401	-	-
-	5	-	-	-	161
-	193	-	-	-	234
-	114	-	-	-	-
-	1,260	-	-	-	-
-	34	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,337	-	-	-
-	-	-	-	-	-
-	19,467	-	5,203	26,130	-
-	-	-	-	-	-
3,286	7,481	1,747	-	-	848
95,057	206,633	33,366	56,514	302,392	22,039
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - AGING PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	State Health Ins Assis Pgm <u>36617</u> 29	MMAPI SHIP Extension <u>36679</u> 30	MMAPI SHIP PIIPC <u>36688</u> 31
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 22,927	\$ 1,338	\$ 2,308
State Grants and contracts	-	-	-
Agency Contribution	-	-	-
Funds deobligated	-	-	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>22,927</u>	<u>1,338</u>	<u>2,308</u>
Other revenues:			
Program income	2,476	-	-
Other	-	-	-
Total other revenues	<u>2,476</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>25,403</u>	<u>1,338</u>	<u>2,308</u>
Expenses:			
Salaries	11,763	-	897
Payroll taxes and fringe benefits	5,073	-	442
Occupancy	1,945	-	-
Travel and transportation:			
Out of area travel			
Travel and transportation	4,823	1,097	114
Travel and transportation (exempt)	-	-	-
Supplies	307	-	766
Equipment:			
Repairs and maintenance	68	-	-
Purchases Funding Source (exempt)	-	-	-
Contractual			
Subawards and flowthroughs (exempt)	-	-	-
Contractual & Subawards	-	-	-
Trainings and Meetings	104	190	-
Participant Costs	-	-	-
Client services	-	-	-
Printing and publications	113	-	-
Communication	184	-	-
Insurance	46	-	-
Dues and memberships	-	-	-
Other	-	-	-
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	977	51	89
Total expenses	<u>25,403</u>	<u>1,338</u>	<u>2,308</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

SMP 1 & 2 36697 32	SMP FY17 Yr 2 of 3 36698 33	T-VII EAP 36716 34	IIID Services 36816 35	AAAAM Fall Prevention 36916 36	AASA PREVENT Initiative 36979 37
\$ 8,997	\$ 2,000	\$ 4,446	\$ 31,887	\$ -	\$ -
-	-	-	-	81,577	29,723
-	-	-	-	-	-
-	(107)	-	-	17,477	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,427	-	-	3,543	-	-
11,424	1,893	4,446	35,430	99,054	29,723
-	-	418	-	-	-
-	-	-	-	-	-
-	-	418	-	-	-
11,424	1,893	4,864	35,430	99,054	29,723
5,379	1,108	-	1,330	57,650	12,456
1,925	496	-	590	18,147	4,563
-	-	-	-	1,692	-
1,253	215	124	229	13,483	1,604
-	-	-	-	-	-
-	-	-	444	817	5,374
-	-	-	-	68	-
-	-	-	-	-	-
-	-	88	-	-	-
-	-	3,332	28,619	2,000	4,160
-	-	1,071	300	506	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	34	250	672	423
-	-	31	-	209	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,427	-	-	3,543	-	-
-	-	-	-	-	-
439	73	184	126	3,810	1,143
11,423	1,892	4,864	35,431	99,054	29,723
\$ 1	\$ 1	\$ -	\$ (1)	\$ -	\$ -

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - AGING PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	ELM - SNAP 36997 38	Total before Eliminations	Eliminations	Total
Public support and other revenues:				
Public support:				
Federal Grants and contracts	\$ -	\$ 2,110,342	\$ -	\$ 2,110,342
State Grants and contracts	2,500	1,422,051	-	1,422,051
Agency Contribution	-	-	-	-
Funds deobligated	1,045	16,220	3,129	19,349
Food Commodities	-	-	-	-
Contribution income (cash match)	-	300	-	300
Match - Internal Grants	-	3,337	(3,337)	-
Match - External Source	-	302,007	(302,007)	-
Total public support	<u>3,545</u>	<u>3,854,257</u>	<u>(302,215)</u>	<u>3,552,042</u>
Other revenues:				
Program income	180	1,269,673	-	1,269,673
Other	-	-	-	-
Total other revenues	<u>180</u>	<u>1,269,673</u>	<u>-</u>	<u>1,269,673</u>
Total public support and other revenues	<u>3,725</u>	<u>5,123,930</u>	<u>(302,215)</u>	<u>4,821,715</u>
Expenses:				
Salaries	1,513	379,362	-	379,362
Payroll taxes and fringe benefits	671	143,735	-	143,735
Occupancy	-	19,214	(11,810)	7,404
Travel and transportation:				
Out of area travel	-	-	-	-
Travel and transportation	82	61,767	-	61,767
Travel and transportation (exempt)	-	-	-	-
Supplies	1,276	27,287	(178)	27,109
Equipment:				
Repairs and maintenance	-	2,997	-	2,997
Purchases Funding Source (exempt)	-	-	-	-
Contractual				
Subawards and flowthroughs (exempt)	-	1,715,931	-	1,715,931
Contractual & Subawards	-	2,203,068	-	2,203,068
Trainings and Meetings	-	8,496	-	8,496
Participant Costs	-	-	-	-
Client services	-	110,681	-	110,681
Printing and publications	37	3,424	(3,423)	1
Communication	2	3,670	-	3,670
Insurance	-	851	-	851
Dues and memberships	-	9,210	-	9,210
Other	-	5,124	-	5,124
Other (exempt)	-	-	-	-
Food Commodities Distributed (exempt)	-	-	-	-
Match expense:				
Match - Indirect exempt (Non-GAAP)	-	190,002	(190,002)	-
Match - Indirect exempt (GAAP)	-	-	-	-
Match (Non-GAAP)	-	115,342	(115,342)	-
Match (GAAP)	-	-	-	-
Indirect	143	123,769	(123,769)	-
Total expenses	<u>3,724</u>	<u>5,123,930</u>	<u>(444,524)</u>	<u>4,679,406</u>
Excess of total public support and other revenues over expenses (expenses over revenues)				
	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 142,309</u>	<u>\$ 142,309</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - CLIENT SERVICE PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	LIHEAP 33516 39	Mich Enrolls and Maximus 33917 40	MPSC/MCAAA EAP 34516 41
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 145,277	\$ -	\$ 87,651
State Grants and contracts	-	50,238	93,147
Agency Contribution	133	-	3,452
Prior year's unearned revenue	-	-	-
Funds deobligated	-	(20,623)	(314)
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>145,410</u>	<u>29,615</u>	<u>183,936</u>
Other revenues:			
Program income	-	-	-
Other	-	-	-
Total other revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>145,410</u>	<u>29,615</u>	<u>183,936</u>
Expenses:			
Salaries	32,469	12,974	14,958
Payroll taxes and fringe benefits	14,026	4,934	6,292
Occupancy	690	1,599	429
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	698	130	-
Travel and transportation (exempt)	-	-	-
Supplies	826	2,923	2,476
Equipment:			
Repairs and maintenance	473	654	34
Purchases Funding Source (exempt)	-	-	-
Audit and Legal Services	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	4,829	-	-
Trainings and Meetings	248	-	7
Participant Costs	-	-	-
Client services	85,207	-	147,179
Printing and publications	43	423	394
Communication	310	2,056	775
Insurance	-	385	150
Dues and memberships	-	3	-
Other	-	34	86
Other (exempt)	-	2,455	4,244
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	5,593	1,045	6,911
Total expenses	<u>145,412</u>	<u>29,615</u>	<u>183,935</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ 1</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

MDHS LIHEAP LCA 34616 42	LCA LIHEAP Summer Fuel 34688 43	MCAAA Energy Optimization 34710 44	Emergency Food Assist 34816 45	Commodity Supp. Food 34916 46	DOE FY 16 Year 3 of 3 35488 47
\$ -	\$ 22,294	\$ -	\$ 102,336	\$ 312,279	\$ 263,814
506,134	-	-	-	-	-
3,352	892	-	-	-	-
-	-	-	-	-	-
-	-	(135)	-	-	-
-	-	-	566,632	1,010,155	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>509,486</u>	<u>23,186</u>	<u>(135)</u>	<u>668,968</u>	<u>1,322,434</u>	<u>263,814</u>
-	-	20,000	-	-	-
-	-	-	-	-	-
-	-	20,000	-	-	-
<u>509,486</u>	<u>23,186</u>	<u>19,865</u>	<u>668,968</u>	<u>1,322,434</u>	<u>263,814</u>
10,636	-	-	17,370	123,151	60,828
4,523	-	-	7,714	54,337	26,867
240	-	-	2,405	41,598	4,956
-	-	-	-	-	-
-	-	-	2,192	11,431	3,950
-	-	-	-	-	-
2,015	-	-	2,407	28,630	479
-	-	-	-	-	-
181	-	-	654	4,965	68
-	-	-	-	5,169	-
-	-	-	-	1,200	-
-	-	-	-	-	-
-	-	-	4,661	202	15,610
-	-	-	-	-	3,865
-	-	-	-	-	-
470,212	22,294	18,930	-	-	133,710
561	-	12	132	847	144
1,428	-	8	396	2,365	1,855
-	-	24	52	3,619	1,264
-	-	-	3	3	3
94	-	-	60,413	22,950	68
-	-	133	-	-	-
-	-	-	566,632	1,001,011	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
19,596	892	759	3,936	11,812	10,147
<u>509,486</u>	<u>23,186</u>	<u>19,866</u>	<u>668,967</u>	<u>1,313,290</u>	<u>263,814</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ 9,144</u>	<u>\$ -</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - CLIENT SERVICE PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	DOE FY 17 Year 1 of 3 <u>35417</u> 48	MSHDA HMLS NE Consort <u>37615</u> 49	MSHDA NE HML <u>37616</u> 50
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 39,376	\$ -	\$ -
State Grants and contracts	-	3,436	157,740
Agency Contribution	-	-	-
Prior year's unearned revenue	-	-	-
Funds deobligated	-	-	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>39,376</u>	<u>3,436</u>	<u>157,740</u>
Other revenues:			
Program income	-	-	-
Other	-	-	-
Total other revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>39,376</u>	<u>3,436</u>	<u>157,740</u>
Expenses:			
Salaries	16,014	903	43,902
Payroll taxes and fringe benefits	6,921	360	17,680
Occupancy	905	-	1,240
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	1,654	-	2,085
Travel and transportation (exempt)	-	-	-
Supplies	1,027	-	247
Equipment:	-	-	-
Repairs and maintenance	-	-	-
Purchases Funding Source (exempt)	-	-	-
Audit and Legal Services	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	2,533	-	-
Trainings and Meetings	1,450	-	-
Participant Costs	-	-	-
Client services	6,666	1,993	84,888
Printing and publications	25	-	75
Communication	257	48	1,432
Insurance	408	-	91
Dues and memberships	-	-	-
Other	-	-	34
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	1,514	132	6,067
Total expenses	<u>39,374</u>	<u>3,436</u>	<u>157,741</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ (1)</u>

See independent auditor's report.

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NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - CLIENT SERVICE PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	IDA MIDAP 2011-2016 DS <u>37712</u> 57	IDA MIDAP 2012-2017 DS <u>37717</u> 58	Aldersgate Housing <u>37816</u> 59
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ -	\$ -	\$ 4,494
State Grants and contracts	2,500	2,000	-
Agency Contribution	-	-	-
Prior year's unearned revenue	-	-	-
Funds deobligated	897	(1,385)	3,342
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>3,397</u>	<u>615</u>	<u>7,836</u>
Other revenues:			
Program income	-	-	5,727
Other	-	-	-
Total other revenues	<u>-</u>	<u>-</u>	<u>5,727</u>
Total public support and other revenues	<u>3,397</u>	<u>615</u>	<u>13,563</u>
Expenses:			
Salaries	2,082	410	-
Payroll taxes and fringe benefits	924	182	-
Occupancy	-	-	282
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	-	-	2,021
Travel and transportation (exempt)	-	-	-
Supplies	127	-	5,947
Equipment:	-	-	-
Repairs and maintenance	-	-	102
Purchases Funding Source (exempt)	-	-	-
Audit and Legal Services	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	-	-	-
Trainings and Meetings	-	-	1,762
Participant Costs	-	-	-
Client services	133	-	2,911
Printing and publications	-	-	-
Communication	-	-	15
Insurance	-	-	-
Dues and memberships	-	-	-
Other	-	-	-
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	131	24	522
Total expenses	<u>3,397</u>	<u>616</u>	<u>13,562</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 1</u>

See independent auditor's report.

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NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - CLIENT SERVICE PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	MSHDA House Ed Pgm <u>38779</u> 66	MSHDA HEP FY 17 <u>38789</u> 67	MSHDA Nat'l Mort Sttl 6 <u>38796</u> 68
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ -	\$ -	\$ -
State Grants and contracts	3,300	97	1,900
Agency Contribution	187	-	-
Prior year's unearned revenue	-	-	-
Funds deobligated	-	-	19,320
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>3,487</u>	<u>97</u>	<u>21,220</u>
Other revenues:			
Program income	900	-	-
Other	-	-	-
Total other revenues	<u>900</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>4,387</u>	<u>97</u>	<u>21,220</u>
Expenses:			
Salaries	2,145	65	5,745
Payroll taxes and fringe benefits	700	29	2,372
Occupancy	-	-	1,775
Travel and transportation:			
Out of area travel	443	-	-
Travel and transportation	930	-	6,901
Travel and transportation (exempt)	-	-	-
Supplies	-	-	436
Equipment:			
Repairs and maintenance	-	-	34
Purchases Funding Source (exempt)	-	-	-
Audit and Legal Services	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	-	-	-
Trainings and Meetings	-	-	2,780
Participant Costs	-	-	-
Client services	-	-	100
Printing and publications	-	-	-
Communication	-	-	261
Insurance	-	-	-
Dues and memberships	-	-	-
Other	-	-	-
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	169	4	816
Total expenses	<u>4,387</u>	<u>98</u>	<u>21,220</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

CSGB - CS 302516; 616 69	Total before Eliminations	Eliminations	Total
\$ 97,061	\$ 1,451,446	\$ -	\$ 1,451,446
-	1,122,666	-	1,122,666
-	8,016	(8,016)	-
-	-	-	-
-	(24,149)	4,657	(19,492)
-	1,576,787	-	1,576,787
-	-	-	-
-	-	-	-
-	-	-	-
97,061	4,134,766	(3,359)	4,131,407
-	28,227	-	28,227
-	3,000	-	3,000
-	31,227	-	31,227
97,061	4,165,993	(3,359)	4,162,634
36,685	601,590	-	601,590
15,867	253,962	-	253,962
1,697	66,162	(3,114)	63,048
-	1,375	-	1,375
3,139	52,634	-	52,634
-	-	-	-
1,530	53,692	-	53,692
-	-	-	-
34	7,335	-	7,335
-	5,169	-	5,169
-	1,200	-	1,200
-	-	-	-
-	27,835	-	27,835
175	12,111	-	12,111
-	-	-	-
1,562	1,263,574	-	1,263,574
610	4,226	(1,027)	3,199
1,111	18,149	-	18,149
106	6,763	-	6,763
-	12	-	12
23,509	107,458	-	107,458
-	6,832	(6,832)	-
-	1,567,643	-	1,567,643
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
11,036	99,125	(99,125)	-
97,061	4,156,847	(110,098)	4,046,749
\$ -	\$ 9,146	\$ 106,739	\$ 115,885

See independent auditor's report.

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NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - YOUTH SERVICES PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	CSBG - School Success Prtnr 30204 70	School Success FY16 32116 71	School Success FY17 32117 72
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 450,000	\$ -	\$ -
State Grants and contracts	-	700,839	54,447
Agency Contribution	-	172,533	24,148
Prior year's unearned revenue	-	-	-
Funds deobligated	-	(13,423)	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>450,000</u>	<u>859,949</u>	<u>78,595</u>
Other revenues:			
Program income	-	-	-
Other	-	37,000	-
Total other revenues	<u>-</u>	<u>37,000</u>	<u>-</u>
Total public support and other revenues	<u>450,000</u>	<u>896,949</u>	<u>78,595</u>
Expenses:			
Salaries	272,510	526,842	49,910
Payroll taxes and fringe benefits	134,827	274,127	25,229
Occupancy	-	-	-
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	9,536	9,141	434
Travel and transportation (exempt)	-	-	-
Supplies	12,519	11,230	-
Equipment:			
Repairs and maintenance	-	-	-
Purchases Funding Source (exempt)	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	-	-	-
Trainings and Meetings	420	553	-
Participant Costs	-	-	-
Client services	-	-	-
Printing and publications	1	-	-
Communication	2	-	-
Insurance	1,560	-	-
Dues and memberships	-	-	-
Other	1,317	173	-
Other (exempt)	-	42,000	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	17,308	32,883	3,023
Total expenses	<u>450,000</u>	<u>896,949</u>	<u>78,596</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

CSBG - SS 302716; 816 73	Total before Eliminations	Eliminations	Total
\$ 153,353	\$ 603,353	\$ -	\$ 603,353
-	755,286	-	755,286
-	196,681	(196,681)	-
-	-	-	-
-	(13,423)	13,423	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>153,353</u>	<u>1,541,897</u>	<u>(183,258)</u>	<u>1,358,639</u>
-	-	-	-
-	37,000	-	37,000
-	37,000	-	37,000
<u>153,353</u>	<u>1,578,897</u>	<u>(183,258)</u>	<u>1,395,639</u>
98,481	947,743	-	947,743
46,570	480,753	-	480,753
-	-	-	-
-	-	-	-
1,429	20,540	-	20,540
-	-	-	-
121	23,870	-	23,870
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
93	1,066	-	1,066
-	-	-	-
-	-	-	-
-	1	(1)	-
727	729	-	729
-	1,560	-	1,560
-	-	-	-
34	1,524	-	1,524
-	42,000	(42,000)	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
5,898	59,112	(59,112)	-
<u>153,353</u>	<u>1,578,898</u>	<u>(101,113)</u>	<u>1,477,785</u>
<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (82,145)</u>	<u>\$ (82,146)</u>

See independent auditor's report.
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NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - VOLUNTEER PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	RSVP Fed 30116 74	RSVP Fed 30117 75	State Senior Companion 30516 76
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 34,902	\$ 976	\$ -
State Grants and contracts	-	-	67,385
Agency Contribution	-	-	-
Funds deobligated	-	-	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	3,880	244	410
Match - External Source	-	-	7,077
Total public support	<u>38,782</u>	<u>1,220</u>	<u>74,872</u>
Other revenues:			
Program income	-	-	-
Other	-	-	-
Total other revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>38,782</u>	<u>1,220</u>	<u>74,872</u>
Expenses:			
Salaries	18,277	-	5,081
Payroll taxes and fringe benefits	8,370	-	2,166
Occupancy	1,062	-	1,400
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	1,712	-	724
Travel Participant (exempt)	2,279	-	16,385
Supplies	1,041	-	73
Equipment:			
Repairs and maintenance	-	-	34
Purchases Funding Source (exempt)	-	-	-
Contractual			
Subawards and flowthroughs (exempt)	-	-	-
Contracts and Subawards	-	-	-
Trainings and Meetings	91	476	168
Participant Costs (Exempt)	647	482	40,444
Client services	-	-	-
Printing and publications	-	-	91
Communication	108	-	241
Insurance	52	-	95
Dues and memberships	-	-	-
Other	34	-	77
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	3,880	244	7,487
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	1,230	19	406
Total expenses	<u>38,783</u>	<u>1,221</u>	<u>74,872</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>

See independent auditor's report.
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Fed Senior Companion 30616 77	Fed Senior Companion 30617 78	Foster Grandparent 30716 79	Foster Grandparent 30717 80	State Foster Grandparent 30816 81	RSVP State 36216 82
\$ 164,881	\$ 18,351	\$ 221,871	\$ 26,249	\$ -	\$ -
-	-	-	-	16,166	22,777
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	150	-	-	-
15,698	-	3,163	1,889	1,796	9,262
	2,039	12,418	1,029	-	500
<u>180,579</u>	<u>20,390</u>	<u>237,602</u>	<u>29,167</u>	<u>17,962</u>	<u>32,539</u>
20	-	20	-	-	-
-	-	-	-	-	259
<u>20</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>259</u>
<u>180,599</u>	<u>20,390</u>	<u>237,622</u>	<u>29,167</u>	<u>17,962</u>	<u>32,798</u>
24,096	7,865	50,141	7,877	1,206	5,720
10,618	3,118	21,514	2,621	449	1,810
1,214	959	1,738	959	35	354
-	155	-	305	251	-
365	729	1,808	982	-	2,533
34,656	1,041	25,950	3,393	3,479	3,148
319	2,113	444	1,176	42	4,835
210	-	210	-	34	-
-	-	-	-	-	-
-	-	-	-	-	-
1	405	126	180	150	625
90,671	895	114,211	7,234	10,038	2,639
-	-	-	-	-	-
109	95	475	145	22	116
895	313	1,572	292	88	320
26	-	26	-	95	6
-	-	-	-	-	-
200	30	531	484	176	266
-	-	150	-	-	-
-	-	-	-	-	-
15,698	2,039	15,581	2,918	1,796	9,762
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,522	631	3,143	601	102	663
<u>180,600</u>	<u>20,388</u>	<u>237,620</u>	<u>29,167</u>	<u>17,963</u>	<u>32,797</u>
<u>\$ (1)</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 1</u>

See independent auditor's report.
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NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - VOLUNTEER PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	CSBG 302316 83	Total before Eliminations	Eliminations	Total
Public support and other revenues:				
Public support:				
Federal Grants and contracts	\$ 32,816	\$ 500,046	\$ -	\$ 500,046
State Grants and contracts	-	106,328	-	106,328
Agency Contribution	-	-	-	-
Funds deobligated	-	-	-	-
Food Commodities	-	-	-	-
Contribution income (cash match)	-	150	-	150
Match - Internal Grants	-	36,342	(36,342)	-
Match - External Source	-	23,063	(23,063)	-
Total public support	<u>32,816</u>	<u>665,929</u>	<u>(59,405)</u>	<u>606,524</u>
Other revenues:				
Program income	-	40	-	40
Other	-	259	-	259
Total other revenues	<u>-</u>	<u>299</u>	<u>-</u>	<u>299</u>
Total public support and other revenues	<u>32,816</u>	<u>666,228</u>	<u>(59,405)</u>	<u>606,823</u>
Expenses:				
Salaries	21,328	141,591	-	141,591
Payroll taxes and fringe benefits	8,503	59,169	-	59,169
Occupancy	842	8,563	(3,610)	4,953
Travel and transportation:				
Out of area travel	-	711	-	711
Travel and transportation	606	9,459	-	9,459
Travel Participant (exempt)	-	90,331	-	90,331
Supplies	-	10,043	(61)	9,982
Equipment:				
Repairs and maintenance	-	488	-	488
Purchases Funding Source (exempt)	-	-	-	-
Contractual				
Subawards and flowthroughs (exempt)	-	-	-	-
Contracts and Subawards	-	-	-	-
Trainings and Meetings	275	2,497	-	2,497
Participant Costs (Exempt)	-	267,261	-	267,261
Client services	-	-	-	-
Printing and publications	-	1,053	(1,053)	-
Communication	-	3,829	-	3,829
Insurance	-	300	-	300
Dues and memberships	-	-	-	-
Other	-	1,798	-	1,798
Other (exempt)	-	150	-	150
Food Commodities Distributed (exempt)	-	-	-	-
Match expense:				
Match - Indirect exempt (Non-GAAP)	-	59,405	(59,405)	-
Match - Indirect exempt (GAAP)	-	-	-	-
Match (Non-GAAP)	-	-	-	-
Match (GAAP)	-	-	-	-
Indirect	1,262	9,579	(9,579)	-
Total expenses	<u>32,816</u>	<u>666,227</u>	<u>(73,708)</u>	<u>592,519</u>
Excess of total public support and other revenues over expenses (expenses over revenues)				
	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 14,303</u>	<u>\$ 14,304</u>

See independent auditor's report.
Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - COMMUNITY DEVELOPMENT PROGRAMS
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	302016; 216; 416 84	Eliminations	Total
Public support and other revenues:			
Public support:			
Federal Grants and contracts	\$ 252,905	\$ -	\$ 252,905
State Grants and contracts	-	-	-
Agency Contribution	-	-	-
Funds deobligated	-	-	-
Food Commodities	-	-	-
Contribution income (cash match)	-	-	-
Match - Internal Grants	-	-	-
Match - External Source	-	-	-
Total public support	<u>252,905</u>	<u>-</u>	<u>252,905</u>
Other revenues:			
Program income	-	-	-
Other	-	-	-
Total other revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>252,905</u>	<u>-</u>	<u>252,905</u>
Expenses:			
Salaries	139,028	-	139,028
Payroll taxes and fringe benefits	61,703	-	61,703
Occupancy	6,884	(3,677)	3,207
Travel and transportation:			
Out of area travel	-	-	-
Travel and transportation	4,410	-	4,410
Travel and transportation (exempt)	-	-	-
Supplies	2,532	(69)	2,463
Equipment:			
Repairs and maintenance	710	-	710
Purchases Funding Source (exempt)	-	-	-
Contractual:			
Subawards and flowthroughs (exempt)	-	-	-
Subawards and contracts	24,499	-	24,499
Trainings and Meetings	470	-	470
Participant Costs	-	-	-
Client services	-	-	-
Printing and publications	436	(163)	273
Communication	875	-	875
Insurance	290	-	290
Dues and memberships	827	-	827
Other	514	-	514
Other (exempt)	-	-	-
Food Commodities Distributed (exempt)	-	-	-
Match expense:			
Match - Indirect exempt (Non-GAAP)	-	-	-
Match - Indirect exempt (GAAP)	-	-	-
Match (Non-GAAP)	-	-	-
Match (GAAP)	-	-	-
Indirect	9,727	(9,727)	-
Total expenses	<u>252,905</u>	<u>(13,636)</u>	<u>239,269</u>
Excess of total public support and other revenues over expenses (expenses over revenues)	<u>\$ -</u>	<u>\$ 13,636</u>	<u>\$ 13,636</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF ACTIVITIES - MANAGEMENT AND GENERAL
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NEMCSA ID Numbers	Administrative Indirect Cost 999000	Corporate Activities N/A	Total before Eliminations
	85	86	
Public support and other revenues:			
Public support:			
Contribution income - donated equipment	\$ -	\$ 101,903	\$ 101,903
Total public support	-	101,903	101,903
Other revenues:			
Program income	-	114,326	114,326
Interest income	-	4,193	4,193
Administrative income	1,725,023	-	1,725,023
Other	-	30,480	30,480
Total other revenues	1,725,023	148,999	1,874,022
Total public support and other revenues	1,725,023	250,902	1,975,925
Expenses:			
Salaries	914,002	-	914,002
Payroll taxes and fringe benefits	410,320	-	410,320
Occupancy	83,289	-	83,289
Travel and transportation:			
Out of area travel	3,466	-	3,466
Travel and transportation	44,615	-	44,615
Supplies	35,163	-	35,163
Equipment:			
Repairs and maintenance	7,075	5,778	12,853
Purchases	-	1,443	1,443
Audit and legal services	64,898	-	64,898
Contractual - subawards and contracts	6,767	2,500	9,267
Training and meetings	20,859	152	21,011
Printing and publications	14,918	11,938	26,856
Communication	14,900	-	14,900
Insurance	17,071	4,485	21,556
Advertising	120	-	120
Dues and memberships	5,110	-	5,110
Other	62,164	150,529	212,693
Depreciation	-	293,610	293,610
Total expenses	1,704,737	470,435	2,175,172
Excess of total public support and other revenues over expenses (expenses over revenues)	\$ 20,286	\$ (219,533)	\$ (199,247)

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

Eliminations	Total
\$ -	\$ 101,903
-	101,903
(108,899)	5,427
-	4,193
(1,725,023)	-
(21,209)	9,271
(1,855,131)	18,891
(1,855,131)	120,794
-	914,002
-	410,320
(21,250)	62,039
-	3,466
-	44,615
(1,183)	33,980
-	12,853
-	1,443
-	64,898
-	9,267
-	21,011
(5,649)	21,207
-	14,900
-	21,556
-	120
-	5,110
(126,877)	85,816
-	293,610
(154,959)	2,020,213
\$ (1,700,172)	\$ (1,899,419)

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF ACTIVITIES - AGING & ADULT SERVICES GRANTS - REGION IX
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Public support:	
Grants and contracts	\$ 3,738,464.00
Funds deobligated	-
Contribution income	1,233
In kind contributions	344,488
Total public support	<u>4,084,185</u>
Other revenues:	
Program income	1,263,083
Other	-
Contribution income (cash match)	<u>1,263,083</u>
Total public support and other revenues	<u>5,347,268</u>
Direct Expenses:	
Salaries	516,674
Payroll taxes and fringe benefits	222,356
Occupancy	31,773
Travel and transportation:	
Travel and transportation	48,928
Supplies	35,165
Trainings and Meetings	3,577
Client services	110,604
Printing and publications	2,900
Communication	10,486
Insurance	1,673
Dues and memberships	9,220
Other	9,647
In kind expense:	
In-kind Indirect exempt	190,002
Other	107,438
Indirect	132,358
Total Direct Expenses	<u>1,432,801</u>
Subawards and flowthroughs:	
Alcona	226,431
Alpena	466,578
Arenac	258,451
Cheboygan	405,730
Crawford	250,046
Iosco	349,255
Montmorency	229,138
Ogemaw	355,562
Oscoda	165,079
Otsego	423,429
Presque Isle	254,191
Roscommon	465,891
Legal services	27,751
Other	36,936
Total subawards and flowthroughs	<u>3,914,468</u>
Total Expenses	<u>5,347,269</u>
Excess of total public support and other revenues over expenses	<u>\$ (1)</u>

See independent auditor's report.

Due to rounding, minor differences may appear in various cost categories.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
STATEMENT OF ACTIVITIES - COMMUNITY SERVICE BLOCK GRANT
CSBG - 14-04022 (FY16)
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	<u>Budget</u>	<u>Expenditures</u>
Public support and other revenues:		
Public support:		
CSBG grant	\$ 782,701	\$ 551,636
Total public support	<u>782,701</u>	<u>551,636</u>
Other revenues:		
Program Income	-	-
Other	-	-
Total other revenues	<u>-</u>	<u>-</u>
Total public support and other revenues	<u>782,701</u>	<u>551,636</u>
Expenses:		
Salaries	401,313	305,969
Fringe Benefits	181,142	137,104
Occupancy/space	18,952	9,662
Communication	26,027	5,285
Supplies	13,867	3,838
Travel / Local Transportation	24,690	9,583
Contractual	33,100	24,499
Miscellaneous	83,610	55,696
Budget Revision in Process	-	-
Total	<u>782,701</u>	<u>551,636</u>
Excess of total public support and other revenues over expenses		<u><u>\$ -</u></u>

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

Alpena, Michigan

U.S. Department of Health and Human Services

Head Start Program

Comparison of Actual Expenditures to Budget

<u>Program</u>	<u>Category</u>	<u>Current Fiscal Year Expenditures</u>	<u>Fiscal Year Expenditures</u>	<u>Total Expenditures</u>	<u>Budget</u>	<u>Expenditures (Over) Under Budget</u>
02 & 04 - Training and Technical						
Assistance	Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
(05CH8420-02-01)	Fringe benefits	-	-	-	-	-
	Travel	4,826	-	4,826	17,302	12,476
	Equipment	-	-	-	-	-
	Supplies	-	-	-	300	300
	Contractual	7,886	-	7,886	15,259	7,373
	Facilities/Construction	-	-	-	-	-
	Other	172,637	-	172,637	208,347	35,710
	Indirect	7,099	-	7,099	9,715	2,616
	Total PA 20 & 26	192,448	-	192,448	250,923	58,475
02 & 04 - Full Year, Part Day						
(05CH8420-02-01)	Personnel	5,335,323	-	5,335,323	8,765,141	3,429,818
	Fringe benefits	2,299,866	-	2,299,866	3,859,787	1,559,921
	Travel	-	-	-	-	-
	Equipment	-	-	-	-	-
	Supplies	331,918	-	331,918	555,598	223,680
	Contractual	1,098,494	-	1,098,494	1,691,716	593,222
	Facilities/Construction	-	-	-	-	-
	Other	1,714,761	-	1,714,761	2,994,354	1,279,593
	Indirect	439,831	-	439,831	897,311	457,480
	Total PA 22 & 25	11,220,193	-	11,220,193	18,763,907	7,543,714
	Total Project Expense	11,412,641	-	11,412,641	19,014,830	7,602,189
	Sale of Assets	(1,000)	-	(1,000)	-	1,000
	Program Income	(455)	-	(455)	-	455
	Program Donation (Match)	(35,689)	-	(35,689)	-	35,689
	Net Federal Share of Expenses	\$ 11,375,497	\$ -	\$ 11,375,497	\$ 19,014,830	\$ 7,639,333
	In kind & Donation Expense					
	Recipient Share (Match)	\$ 2,843,798	\$ -	\$ 2,843,798	\$ 4,753,708	\$ 1,909,910

The grant period is from February 1, 2016, to January 31, 2017.

See independent auditor's report.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

Alpena, Michigan

U.S. Department of Health and Human Services

Head Start Program

Comparison of Actual Expenditures to Budget

<u>Program</u>	<u>Category</u>	<u>Prior Fiscal Year Expenditures</u>	<u>Current Fiscal Year Expenditures</u>	<u>Total Expenditures</u>	<u>Budget</u>	<u>Expenditures (Over) Under Budget</u>
01 & 03 - Training and Technical Assistance (05CH8420-01-03)	Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
	Fringe benefits	-	-	-	-	-
	Travel	10,835	7,444	18,279	20,753	2,474
	Equipment	-	-	-	-	-
	Supplies	-	-	-	300	300
	Contractual	8,216	6,754	14,970	14,970	-
	Facilities/Construction	-	-	-	-	-
	Other	169,021	39,059	208,080	205,161	(2,919)
	Indirect	7,734	1,860	9,594	9,739	145
	Total PA 20 & 26	195,806	55,117	250,923	250,923	-
01 & 03 - Full Year, Part Day (05CH8420-01-03)	Personnel	4,820,297	3,185,361	8,005,658	8,120,984	115,326
	Fringe benefits	1,950,756	1,457,843	3,408,599	3,421,018	12,419
	Travel	-	708	708	-	(708)
	Equipment	23,837	79,811	103,648	103,648	-
	Supplies	305,195	878,554	1,183,749	1,281,265	97,515
	Contractual	1,168,841	468,312	1,637,153	1,636,703	(450)
	Facilities/Construction	-	-	-	-	-
	Other	1,689,847	1,137,741	2,827,588	3,060,886	233,298
	Indirect	438,810	313,374	752,184	807,624	55,440
	Total PA 22 & 25	10,397,583	7,521,704	17,919,287	18,432,128	512,840
	Total Project Expense	10,593,389	7,576,821	18,170,210	18,683,051	512,840
	Sale of Assets	-	-	-	-	-
	Program Income	(1,745)	(1,500)	(3,245)	-	3,245
	Program Donation (Match)	(48,307)	(5,900)	(54,207)	-	54,207
	Net Federal Share of Expenses	\$ 10,543,337	\$ 7,569,421	\$ 18,112,758	\$ 18,683,051	\$ 570,292
	In kind & Donation Expense					
	Recipient Share (Match)	\$ 2,635,834	\$ 1,838,149	\$ 4,473,983	\$ 4,670,763	\$ 196,780

The grant period is from February 1, 2015, to January 31, 2016.

See independent auditor's report.

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
AASA SCHEDULE OF SERVICE CATEGORIES BY FUNDING SOURCE - UNAUDITED
FOR YEAR ENDING SEPTEMBER 30, 2016

SERVICE CATEGORY	Title III-B	Title III C-1	Title III C-2	Title III-D	Title III - E	NSIP	Title 7/A Title 7/EAP	Federal Admin	State Admin	State Access	State In-Home
1. Access											
a. Care Management	2,000									23,821	
b. Case Coord/supp											
c. Disaster Advocacy											
d. Information & Assis										6,208	
e. Outreach					65,349						
f. Transportation											
g. ARRA											
2. In-Home											
a. Chore											
b. Home Care Assis											
c. Home Injury Cntrl											
d. Homemaker	238,413										198,029
e. Home Health Aide											
f. Medication Mgt											
g. Personal Care	99,186										37,140
h. Asst Device & Tech					1,375						
i. Respite Care					71,139						
j. Friendly Reassure											
3. Legal Assistance	26,196										
4. Community Services											
a. Adult Day Care											
b. Dementia ADC											
c. Disease Prevent				31,887	2,550						
d. Health Screening											
e. Assist to Deaf											
f. Home Repair											
g. LTC Ombudsman	4,949						12,627				
h. Sr Ctr Operations											
i. Sr Ctr Staffing											
j. Vision Services											
k. Elder Abuse Prevnt							4,446				
l. Options Counseling											
m. Spec Respite Care											
n. Caregiver Supplmt											
o. Kinship Respite					10,530						
p. ADSSP											
q. ADRC/PCC											
q. Caregiver E,S,T					21,774						
r. Caregiver I & A					2,475						
5. Program Develop	32,218										
6. Nutrition Services											
a. Congregate		500,176				117,387					
b. Home Delivered			288,010			312,892					
7. Administration								152,809	26,309		
SUPPORT SERV TOTAL	402,962	500,176	288,010	31,887	175,192	430,279	17,073	152,809	26,309	30,029	235,169

St Cong	State HDM	St. Alt. Care	State MSO	State Care Mgmt	St. ANS St. NHO	St. Respite (Escheat)	State Merit Award	ST. CG Support	Merit Award Region 9 NE	Program Income	Cash Match	In-Kind Match	TOTAL
													-
				431,825							61,927		519,573
													-
													-
											690		6,898
													65,349
													-
													-
													-
													-
													-
													-
		118,212			23,047					137,974	68,266		783,941
													-
					15,401								15,401
					8,379					25,833	6,769		177,307
													1,375
						129,676	56,585		34,801	29,014	24,351		345,566
													-
										1,555	2,911		30,662
													-
							69,006	8,514	44,687	86,791	1,025		210,023
													-
											2,963	863	38,263
													-
													-
													-
			11,513		24,863							4,042	57,994
													-
													-
													-
										418			4,864
													-
													-
													-
											1,320		11,850
													-
													-
										650	7,921		30,345
													2,475
													32,218
													-
10,060										417,587	56,838		1,102,048
	441,164									560,425	81,208		1,683,699
							12,420	713	7,703			24,627	224,581
10,060	441,164	118,212	11,513	431,825	71,690	129,676	138,011	9,227	87,191	1,260,247	316,189	29,532	5,344,432

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

List of Programs

<u>Program</u>	<u>Funding Source</u>	<u>Program Period</u>
<u>Head Start and Early Childhood Programs</u>		
-1 Head Start (05CH8420/01)	U.S. Dept. of Health and Human Services	02/01/15 - 01/31/16
-2 Head Start (05CH8420/02)	U.S. Dept. of Health and Human Services	02/01/16 - 01/31/17
-3 Early Head Start (05CH8420/01)	U.S. Dept. of Health and Human Services	02/01/15 - 01/31/16
-4 Early Head Start (05CH8420/02)	U.S. Dept. of Health and Human Services	02/01/16 - 01/31/17
-5 Child and Adult Care Food Program (040000001)	MI Dept. of Education	10/01/15 - 09/30/16
-6 Great Start Readiness Programs	Various School Districts	10/01/15 - 09/30/16
-7 Community Services Block Grant	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
<u>Community Based Care Programs</u>		
-8 Care Management (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-9 Home and Community Based Svcs for the Elderly and Disabled (HCBS E/D) Waiver Program (20160807)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
-10 UCP Michigan Assistive Tech. Loan Fund	UCP of Michigan	10/01/15 - 09/30/16
<u>Aging Programs</u>		
-11 Title III Administration (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-12 Title III-B Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-13 Title III-C Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-14 Title V –Senior Community Service Employment (20161839)	State of Michigan - Aging & Adult Services Agency	07/01/15 – 06/30/16
-15 Title V – Senior Community Service Employment (20161839)	State of Michigan - Aging & Adult Services Agency	07/01/16 – 06/30/17

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

List of Programs (Continued)

<u>Program</u>	<u>Funding Source</u>	<u>Program Period</u>
<i>Aging Programs (Continued)</i>		
-16 State Alternative Care (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-17 Nursing Home Ombudsman Programs & MSO (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-18 Best Practices - Ombudsman (Internal)	Various	10/01/15 - 09/30/16
-19 Medicare Improvement for Patients And Providers Act	MMAP, Inc.	10/01/14 - 09/29/17
-20 State Respite Care (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-21 State Merit Award (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-22 State Caregiver Support (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-23 State Merit Award (Region – 9 NE) (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-24 Title III–E National Family Caregiver Support (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-25 State Access Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-26 State Aging Network Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-27 State In-Home Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-28 SHIP/Core (90SA0027-02-00)	MMAP, Inc.	04/01/15 - 03/31/16
-29 SHIP/Core (90SA0073-01-00)	MMAP, Inc.	04/01/16 - 03/31/17
-30 SHIP/Core Extension (90SA0027-01-00)	MMAP, Inc.	06/01/16 - 08/31/16
-31 SHIP Performance Improvement & Innovation (90SO0008-01-00)	MMAP, Inc.	10/01/15 - 02/28/16
-32 Senior Medicare Patrol Project (90MP0218-01-01)	MMAP, Inc.	06/01/15 - 05/31/16
-33 Senior Medicare Patrol Project (90MP0218-02-00)	MMAP, Inc.	06/01/16 - 05/31/17

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

List of Programs (Continued)

<u>Program</u>	<u>Funding Source</u>	<u>Program Period</u>
<i><u>Aging Programs (Continued)</u></i>		
-34 Title VII/EAP Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-35 Title III–D Services (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-36 Fall Prevention	AAAA of Michigan	11/01/14 - 10/31/16
-37 PREVNT Initiative	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-38 Supplemental Nutrition Assistance Program	Elder Law of Michigan, Inc.	05/01/15 - 04/30/16
<i><u>Client Service Programs</u></i>		
-39 Low Income Home Energy Asst. Program (LIHEAP) (LIHEAP-13-04022)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
-40 Michigan ENROLLS and MAXIMUS	Michigan Community Action	04/01/11 – 03/31/17
-41 MCAAA/Michigan Energy Assistance Program	Michigan Community Action	10/01/15 - 09/30/16
-42 Low Income Home Energy Asst. Program – Deliverable Fuel Agreement (LCA-13-04022)	Michigan Department of Health and Human Services	10/01/15 - 08/31/16
-43 Low Income Home Energy Asst. Program - Summer Fuel Program (LCA-13-04022)	Michigan Department of Health and Human Services	08/01/16 - 08/31/16
-44 MCAAA Energy Optimization	Michigan Community Action	10/01/09 - 09/30/16
-45 The Emergency Food Assistance Program (TEFAP) (04-000-1021)	MI Dept. of Education	10/01/15 - 09/30/16
-46 Commodity Supplemental Food Program (CSFP) (04-000-1021)	MI Dept. of Education	10/01/15 - 09/30/16
-47 Weatherization Program (DOE-13-04022)	Michigan Department of Health and Human Services	07/01/15 - 06/30/16
-48 Weatherization Program (WAP-16-04022)	Michigan Department of Health and Human Services	07/01/16 - 06/30/17
-49 Emergency Solutions Grant (HML-2015-Northeas-103-ESM-04)	MI State Housing Development Authority	10/07/14 - 03/31/16
-50 Emergency Solutions Grant (HML-2016-Northeas-103-ESM-02)	MI State Housing Development Authority	10/01/15 - 09/30/16

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

List of Programs (Continued)

<u>Program</u>	<u>Funding Source</u>	<u>Program Period</u>
<i><u>Client Service Programs (Continued)</u></i>		
-51 Emergency Solutions Grant (HML-2015-Northeas-103-ESM-02)	MI State Housing Development Authority	10/07/14 - 03/31/16
-52 Emergency Solutions Grant (HML-2016-Northeas-103-ESM-03)	MI State Housing Development Authority	10/01/15 - 12/31/16
-53 Emergency Solutions Grant (HML-2015-Northeas-103-EMS)	MI State Housing Development Authority	10/07/14 - 03/31/16
-54 Emergency Solutions Grant (HML-2016-Northeas-103-ESM-04)	MI State Housing Development Authority	10/01/15 - 12/31/16
-55 Emergency Solutions Grant (HML-2015-Northeas-103-EMS-03)	MI State Housing Development Authority	10/07/14 - 03/31/16
-56 Emergency Solutions Grant (HML-2016-Northeas-103-EMS)	MI State Housing Development Authority	10/01/15 - 12/31/16
-57 Individual Development Account (MIDAP 2011-2016)	Northwest Michigan Community Action Agency, Inc.	10/01/11 – 09/29/16
-58 Individual Development Account (MIDAP 2012-2017)	Northwest Michigan Community Action Agency, Inc.	10/01/13 – 09/30/17
-59 Aldersgate Housing	Aldersgate I Limited Dividend Housing Association Limited Partnership	01/01/15 - 12/31/16
-60 Michigan Coalition Against Homelessness	Michigan Coalition Against Homelessness	10/01/15 - 09/30/16
-61 Michigan Coalition Against Homelessness (HMIS)	Michigan Coalition Against Homelessness	03/01/15 - 12/31/15
-62 Michigan Coalition Against Homelessness (HMIS)	Michigan Coalition Against Homelessness	03/01/16 - 01/31/17
-63 Family Re-Housing Program (SHP-16-01005)	Michigan Department of Health and Human Services	10/06/15 - 09/30/16
-64 MSHDA Home FSS (15-19)	MI State Housing Development Authority	01/01/15 - 12/31/16
-65 MSHDA National Mortgage Settlement Funds (NMSF-043)	MI State Housing Development Authority	02/10/14 – 09/30/16
-66 MSHDA Housing Education Services (2015-HEP-026)	MI State Housing Development Authority	07/01/15 - 06/30/16
-67 MSHDA Housing Education Services (16-49-HEP)	MI State Housing Development Authority	07/01/16 - 06/30/17

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

List of Programs (Continued)

<u>Program</u>	<u>Funding Source</u>	<u>Program Period</u>
<i><u>Client Service Programs (Continued)</u></i>		
-68 MSHDA National Mortgage Settlement Funds (NMS-2014-Northeast Mi-00004)	MI State Housing Development Authority	12/01/14 - 09/30/16
-69 Community Services Block Grant (CSBG-14-04022)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
<i><u>Youth Services Programs</u></i>		
-70 Community Services Block Grant School Success (CSBG-14-04022)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
-71 School Success Partnership	Various School Districts	09/06/15 - 09/03/16
-72 School Success Partnership	Various School Districts	09/04/16 - 09/03/17
-73 Community Services Block Grant (CSBG-14-04022)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
<i><u>Volunteer Programs</u></i>		
-74 Retired Senior Volunteer Program (15SRNMI003)	Corporation for National Service	07/01/15 - 06/30/16
-75 Retired Senior Volunteer Program (15SRNMI003)	Corporation for National Service	07/01/16 - 06/30/17
-76 State Senior Companion Program (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-77 Senior Companion Program (13SCNMI003)	Corporation for National Service	07/01/15 – 06/30/16
-78 Senior Companion Program (16SCNMI003)	Corporation for National Service	07/01/16 - 06/30/17
-79 Foster Grandparents Program (13SFNMI002)	Corporation for National Service	07/01/15 – 06/30/16
-80 Foster Grandparents Program (16SFNMI005)	Corporation for National Service	07/01/16 – 06/30/17
-81 State Foster Grandparent Program (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-82 State Retired Senior Volunteer Program (20161839)	State of Michigan - Aging & Adult Services Agency	10/01/15 - 09/30/16
-83 Community Services Block Grant (CSBG-14-04022)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.

List of Programs (Continued)

<u>Program</u>	<u>Funding Source</u>	<u>Program Period</u>
<i><u>Community Development Program</u></i>		
-84 Community Services Block Grant (CSBG-14-04022)	Michigan Department of Health and Human Services	10/01/15 - 09/30/16
<i><u>Management and General</u></i>		
-85 Administrative Indirect Cost Pool	Various	10/01/15 - 09/30/16
-86 Corporate	Various	10/01/15 - 09/30/16

Northeast Michigan Community Service Agency, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2016

CFDA Number	Grant Number	Program Name	Grantor Agency	Federal Expenditures
DEPARTMENT OF AGRICULTURE				
<i>Food Distribution Program Cluster</i>				
10.565	04-000-1021	Commodity Supplement Food Program	State of Michigan - Department of Education	\$ 312,279
	04-000-1021	Commodity Supplemental Food Distribution	State of Michigan - Department of Education	1,001,011
			Total Federal Expenditures CFDA # 10.565	<u>1,313,290</u>
10.568	04-000-1021	Emergency Food Assistance Program	State of Michigan - Department of Education	102,336
10.569	04-000-1021	Emergency Food Asst. Prgm - Food Commodities	State of Michigan - Department of Education	566,632
			Total Federal Expenditures CFDA # 10.568 and CFDA # 10.569	<u>668,968</u>
			Total Food Distribution Program Cluster	<u>1,982,258</u>
10.558	040000001	Child and Adult Care Food Program - Meal Reimbursement	State of Michigan - Department of Education	1,030,121
	040000001	Child Care Cash in lieu of Commodities	State of Michigan - Department of Education	48,411
			Total Federal Expenditures CFDA # 10.558	<u>1,078,532</u>
			Total Department of Agriculture	<u>\$ 3,060,790</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
14.235	SHP 16-01005 N/A (3 Prgms)	Supportive Housing Program Supportive Housing Program	State of Michigan - Department of Health and Human Services Michigan Coalition Against Homelessness	\$ 332,950 24,789
			Total Federal Expenditures CFDA # 14.235	<u>357,739</u>
14.267	N/A	Continuum of Care Program	Michigan Coalition Against Homelessness	14,784
			Total Department of Housing and Urban Development	<u>\$ 372,523</u>
DEPARTMENT OF LABOR				
17.235	20161839	Senior Community Service Employment Program	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	\$ 36,250
	20161839	Senior Community Service Employment Program	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	13,013
			Total Federal Expenditures CFDA # 17.235	<u>49,263</u>
			Total Department of Labor	<u>\$ 49,263</u>
DEPARTMENT OF ENERGY				
81.042	WAP-16-04022	Weatherization Assistance for Low Income Persons	State of Michigan - Department of Health & Human Services	\$ 39,376
	DOE-13-04022	Weatherization Assistance for Low Income Persons	State of Michigan - Department of Health & Human Services	263,814
			Total Federal Expenditures CFDA # 81.042	<u>303,190</u>
			Total Department of Energy	<u>\$ 303,190</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
93.600	05CH8420-01-04	Head Start	U.S. Department of Health and Human Services	\$ 7,569,422
	05CH8420-02-00	Head Start	U.S. Department of Health and Human Services	11,375,498
			Total Federal Expenditures CFDA # 93.600	<u>18,944,920</u>
			(Includes subcontractor expenses of \$ 1,291,051)	

Northeast Michigan Community Service Agency, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2016

CFDA Number	Grant Number	Program Name	Grantor Agency	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
<i>Aging Cluster</i>				
93.044	20161839	Title III, Part B-Grants for Supportive Services & Senior Centers	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	\$ 45,843
	20161839	Title III, Part B-Grants for Supportive Services & Senior Centers	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	402,962
			Total Federal Expenditures CFDA # 93.044	448,805
			(Includes subcontractor expenses of \$ 363,795)	
93.045	20161839	Title III, Part C - Nutrition Services	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	87,101
	20161839	Title III, Part C - Nutrition Services	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	788,186
			Total Federal Expenditures CFDA # 93.045	875,287
			(Includes subcontractor expenses of \$ 678,890)	
93.053	20161839	Nutrition Services Incentive Program	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	430,279
			(Includes subcontractor expenses of \$ 430,279)	
			Total Aging Cluster	1,754,371
93.041	20161839	Title VII, Ch. 3-Prgms for Prev. of Elder Abuse, Neglect & Expl.	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	4,446
			(Includes subcontractor expenses of \$ 3,332)	
93.042	20161839	Title VII, Ch. 2 - LT Care for Ombudsman Svcs for Older Individuals	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	12,627
93.043	20161839	Title III, Part D - Disease Prevention & Health Promotion Services	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	31,887
			(Includes subcontractor expenses of \$ 28,619)	
93.048	90MP0218-01-01	Special Programs for Aging _Title IV and Title II - Disc.Projects	MMAP, Inc.	8,997
	90MP0218-02-00	Special Programs for Aging _Title IV and Title II - Disc.Projects	MMAP, Inc.	1,893
			Total Federal Expenditures CFDA # 93.048	10,890
93.052	20161839	National Family Caregiver Support , Title III, Part E	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	175,192
	20161839	National Family Caregiver Support , Title III, Part E	State of Michigan - Dept. of Health & Human Services - Aging and Adult Services Agency	19,865
			Total Federal Expenditures CFDA # 93.052	195,057
			(Includes subcontractor expenses of \$ 103,551)	
93.071	N/A	Medicare Enrollment Assistance Program	MMAP, Inc.	800
93.324	90SA0027-01-00	State Health Insurance Assistance Program	MMAP, Inc.	1,338
	90SA0027-02-00	State Health Insurance Assistance Program	MMAP, Inc.	21,021
	90SA0073-01-00	State Health Insurance Assistance Program	MMAP, Inc.	22,927
	90SO008-01-00	State Health Insurance Assistance Program	MMAP, Inc.	2,308
			Total Federal Expenditures CFDA # 93.324	47,594
93.558	CSBG-14-04022	Temporary Assistance for Needy Families	State of Michigan - Department of Health & Human Services	450,000
93.568	LIHEAP-13-04022	Low-Income Home Energy Assistance	State of Michigan - Department of Health & Human Services	145,277
	N/A	Low-Income Home Energy Assistance	Michigan Community Action	87,650
	LCA-13-04022	Low-Income Home Energy Assistance	State of Michigan - Department of Health & Human Services	22,294
			Total Federal Expenditures CFDA# 93.568	255,221
93.569	CSBG-14-04022	Community Services Block Grant	State of Michigan - Department of Health & Human Services	\$ 551,636
			Total Department of Health and Human Services	\$ 22,259,449

Northeast Michigan Community Service Agency, Inc.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2016

CFDA Number	Grant Number	Program Name	Grantor Agency	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
CORPORATION FOR NATIONAL & COMMUNITY SERVICE				
Foster Grandparent/Senior Companion Cluster				
94.011	13SFNMI002 # 3	Foster Grandparent Program	Corporation for National & Community Service	\$ 221,871
	16SFNMI005 # 1	Foster Grandparent Program	Corporation for National & Community Service	26,249
			Total Federal Expenditures CFDA # 94.011	248,120
94.016	13SCNMI003 # 3	Senior Companion Program	Corporation for National & Community Service	164,881
	16SCNMI003 # 1	Senior Companion Program	Corporation for National & Community Service	18,351
			Total Federal Expenditures CFDA # 94.016	183,232
		Total Foster Grandparent/Senior Companion Cluster		431,352
94.002	15SRNMI003 # 1	Retired and Senior Volunteer Program	Corporation for National & Community Service	34,902
	15SRNMI003 # 2	Retired and Senior Volunteer Program	Corporation for National & Community Service	976
			Total Federal Expenditures CFDA # 94.002	35,878
		Total Corporation for National & Community Service	\$	467,230
		TOTAL FEDERAL EXPENDITURES	\$	26,512,445

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Northeast Michigan Community Service Agency, Inc. under programs of the federal government for the year ended September 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of NEMCSA, it is not intended to and does not present the financial position, changes in net assets or cash flows of NEMCSA.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, whereas certain types of expenditures are not allowable or are limited as to reimbursements. Pass-through entity identifying numbers are presented where available.

NOTE C – INDIRECT COST ALLOCATION

Northeast Michigan Community Service Agency, Inc. has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE D – INVENTORY

Inventory is based on USDA value for donated food commodities. Federal commodities received passed through the State of Michigan Department of Education agree to the amount recorded as revenue on the financial statements. Commodities expenditures on the Schedule of Expenditures of Federal Awards reconcile to the commodities received as follows:

Total food commodities received	
Commodity Supplemental Food Program (CSFP)	\$ 1,010,155
Temporary Emergency Food Assistance Program (TEFAP)	566,632
Plus CSFP inventory as of September 30, 2015	345,174
Less CSFP inventory as of September 30, 2016	(354,318)
Total food commodities distributed	<u>\$ 1,567,643</u>

All TEFAP commodities received have been distributed.

NOTE E – SPOILAGE OR PILFERAGE

There is no known spoilage or pilferage of USDA donated food commodities that have not been reported to the State of Michigan.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**

March 3, 2017

To the Board of Directors of
Northeast Michigan Community Service Agency, Inc.

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 Northeast Michigan Community Service Agency, Inc. (NEMCSA), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 3, 2017

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered NEMCSA'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of NEMCSA's internal control. Accordingly, we do not express an opinion on the effectiveness of NEMCSA's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

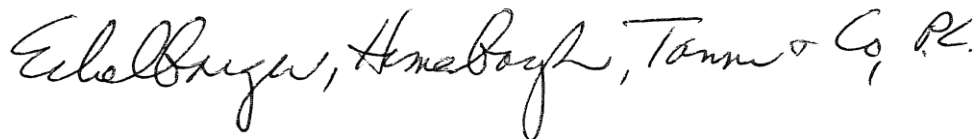
Compliance and Other Matters

As part of obtaining reasonable assurance about whether NEMCSA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 NEMCSA'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.

Respectfully,

A handwritten signature in cursive script that reads "Echelbarger, Himebaugh, Tamm & Co., P.C.".

Echelbarger, Himebaugh, Tamm & Co., P.C.
Grand Rapids, MI

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE**

March 3, 2017

Board of Directors
Northeast Michigan Community Service Agency, Inc.

Report on Compliance for Each Major Federal Program

We have audited Northeast Michigan Community Service Agency, Inc.'s (NEMCSA) compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2016. NEMCSA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

Opinion on Each Major Federal Program

In our opinion, NEMCSA 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 September 30, 2016.

Other Matters

Report on Internal Control Over Compliance

Management of NEMCSA 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 NEMCSA'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 our opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of NEMCSA'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.

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

Respectfully,



Echelbarger, Himebaugh, Tamm & Co., P.C.
Grand Rapids, MI

NORTHEAST MICHIGAN COMMUNITY SERVICE AGENCY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance (2 CFR 200.516(a))?	No

Identification of major federal programs:

<u>Name of Federal Major Program or Cluster</u>	<u>CFDA No.</u>
Food Distribution Cluster	10.565, 10.568 & 10.569
Supportive Housing Program	14.235
Aging Cluster	93.044, 93.045 & 93.053
Head Start	93.600

Dollar threshold used to distinguish between Type A and Type B programs	\$795,373
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Auditee qualified as low-risk auditee?	Yes
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B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

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

None

D. STATUS OF PRIOR YEAR FINDINGS

There are no findings from prior years required to be reported.