

***FULTON-ATLANTA COMMUNITY
ACTION AUTHORITY, INC.***
EIN # 58-1926185



**Financial Statements, Supplementary Information, and
OMB Circular A-133 Audit Reports**

For the Year Ended September 30, 2013

(WITH INDEPENDENT AUDITOR'S REPORT THEREON)

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.
ANNUAL FINANCIAL STATEMENTS
For the Year Ended September 30, 2013

TABLE OF CONTENTS

Page

Independent Auditor's Report	3
------------------------------------	---

SECTION I

FINANCIAL SECTION

Statement of Financial Position.....	5
Statement of Activities.....	6
Statement of Changes in Net Assets.....	7
Statement of Functional Expenses.....	8
Statement of Cash Flows.....	10
Notes to Financial Statements.....	11

SUPPLEMENTARY INFORMATION

Statements of Revenue and Expenses - Actual and Budget

Community Services Block Grant.....	20
Low Income Home Energy Assistance Program.....	21
YouthBuild.....	22
Booker T. Washington - Conduit Fund.....	23
United Way - 211.....	24
SCANA Referral.....	25
General Fund.....	26
Fund Raising.....	27
Unrestricted Fund and Contribution.....	28
CHODO/Fairburn.....	29
Slate Road Project.....	30
Administrative.....	31
<i>Schedule of State Awards Expended.....</i>	<i>33</i>
<i>Schedule of Audited Administrative Costs Allocated - By Program.....</i>	<i>35</i>

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.
ANNUAL FINANCIAL STATEMENTS
For the Year Ended September 30, 2013

TABLE OF CONTENTS

Page

SECTION II

REPORTS REQUIRED BY GAO - GOVERNMENT AUDITING STANDARDS

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	37
---	----

SECTION III

REPORTS REQUIRED BY OMB CIRCULAR A-133

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by OMB Circular A-133.....	40
Schedule of Expenditures of Federal Awards and Other Financial Assistance.....	42
Notes to Schedule of Expenditures of Federal Awards and Other Financial Assistance.....	43

SECTION IV

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

<i>Summary of Auditor's Results</i>	45
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
**Fulton-Atlanta Community
Action Authority, Inc.**

Report on the Financial Statements

We have audited the accompanying financial statements of **Fulton-Atlanta Community Action Authority, Inc.** (the "Authority" - a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, functional expenses, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 the Authority as of September 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 20 through 35 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and other financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is 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 has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2014, on our consideration of the Authority'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 the Authority's internal control over financial reporting and compliance.

February 17, 2014
Decatur, Georgia

C. Dausell & Associates, CPAs, P.C.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

STATEMENT OF FINANCIAL POSITION

September 30, 2013

	Unrestricted	Temporarily Restricted	Total
ASSETS			
Current Assets			
Cash and cash equivalents (Note C)	\$183,040	-	\$183,040
Due from grantors (Note D)	243,241	-	243,241
Total Current Assets	426,281	-	426,281
Property and equipment at cost			
less accumulated depreciation (Note G)	25,136	15,001	40,137
Other Assets			
Other receivables	7,545	-	7,545
Deposits and other	13,232	-	13,232
Total Other Assets	20,777	-	20,777
TOTAL ASSETS	\$472,194	\$15,001	\$487,195
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts payable	\$29,661	-	\$29,661
Accrued expenses	98,545	-	98,545
Accrued vacation (Note H)	3,848	-	3,848
Due to grantor (Note I)	11,296	-	11,296
Deferred revenue (Note J)	6,383	-	6,383
Line of credit (Note K)	50,000	-	50,000
Total Current Liabilities	199,733	-	199,733
Net assets (Note L)	272,461	15,001	287,462
TOTAL LIABILITIES AND NET ASSETS	\$472,194	\$15,001	\$487,195

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2013

	Unrestricted	Temporarily Restricted	Total
REVENUE AND OTHER SUPPORT			
Intergovernmental - Federal	\$8,199,374	\$6,605	\$8,205,979
Intergovernmental - State	62,710	-	62,710
Intergovernmental - Local	6,592	-	6,592
Other revenue	1,609	-	1,609
Interest income	9	-	9
In-kind (Note O)	92,307	-	92,307
Net assets released from restrictions	6,052	(6,052)	-
Total Revenue and Other Support	8,368,653	553	8,369,206
PROGRAM SERVICES			
Community Services Block Grant	1,796,497	-	1,796,497
Low Income Home Energy Assistance Program	6,147,509	-	6,147,509
YouthBuild	372,421	-	372,421
Booker T. Washington	500	-	500
United Way - 211	6,092	-	6,092
Total Program Expenses	8,323,019	-	8,323,019
SUPPORTING SERVICES			
General	13,694	-	13,694
Fund-raising	2,407	-	2,407
Unrestricted fund and Contribution	31,494	-	31,494
CHODO/Fairburn	61	-	61
Slate Road Project	931	-	931
Administrative	(972)	-	(972)
Depreciation	6,052	-	6,052
Total Supporting Services	53,667	-	53,667
Total Expenses	8,376,686	-	8,376,686
Changes in Net Assets	(8,033)	553	(7,480)

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended September 30, 2013

	Unrestricted	Temporarily Restricted	Total
Net Assets, beginning of year	\$280,494	\$14,448	\$294,942
Changes in Net Assets	(8,033)	553	(7,480)
Net Assets, end of year	\$272,461	\$15,001	\$287,462

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2013

PROGRAM SERVICES						
	CSBG	LIHEAP	YouthBuild	Booker T. Washington	United Way 211	Page Totals
Salaries and wages	\$771,752	\$290,568	\$89,150	-	-	\$1,151,470
Fringe benefits	245,464	44,743	11,413	-	-	301,620
Total Personnel Costs	1,017,216	335,311	100,563	-	-	1,453,090
Employee travel	13,021	806	3,479	-	-	17,306
Materials and supplies	12,773	5,384	9,590	-	-	27,747
Repair and maintenance	6,475	1,817	1,941	-	-	10,233
Transportation	3,590	474	234	-	-	4,298
Equipment purchases	9,902	3,515	1,259	-	-	14,676
Meetings	4,451	73	139	-	-	4,663
Professional fees	29,880	11,953	11,366	-	-	53,199
Emergency assistance	60,049	5,635,999	19,744	500	6,092	5,722,384
Telephone/fax expense	19,714	1,480	2,503	-	-	23,697
Stipends and incentives	4,030	3,682	88,526	-	-	96,238
Staff development	3,788	-	300	-	-	4,088
Membership	11,951	-	220	-	-	12,171
Insurance	27,222	3,269	-	-	-	30,491
Postage and printing	1,691	8,423	1,361	-	-	11,475
Indirect costs	366,198	120,834	36,203	-	-	523,235
In-kind	-	-	89,547	-	-	89,547
Rent	200,627	12,378	22,603	-	-	235,608
Advertising	532	-	-	-	-	532
Interest expense	-	-	-	-	-	-
Other	9,992	2,111	737	-	-	12,840
Total Other Costs	785,886	5,812,198	289,752	500	6,092	6,894,428
Total Program Expenditures before Capital Addition Transfers	1,803,102	6,147,509	390,315	500	6,092	8,347,518
less: Capital additions	6,605	-	-	-	-	6,605
In-kind expenditures	-	-	17,894	-	-	17,894
Total Program Expenditures	\$1,796,497	\$6,147,509	\$372,421	\$500	\$6,092	\$8,323,019

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 For the Year Ended September 30, 2013

	SUPPORTING SERVICES						Page Totals
	General	Fund Raising	Unrestricted Fund and Contributions	CHODO/Fairburn	Slate Road Project	Administrative	
Salaries and wages	-	-	-	-	-	\$311,664	\$311,664
Fringe benefits	(2,580)	-	-	-	-	86,812	84,232
Total Personnel Costs	(2,580)	-	-	-	-	398,476	395,896
Employee travel	-	-	-	-	-	18,954	18,954
Materials and supplies	-	65	-	-	-	8,658	8,723
Rent and maintenance	-	-	-	-	-	2,388	2,388
Transportation	-	-	-	-	-	9,665	9,665
Equipment purchases	-	-	-	-	-	1,147	1,147
Meetings	-	-	-	-	-	1,618	1,618
Professional fees	-	-	593	-	-	3,580	4,173
Emergency assistance	-	867	2,046	-	-	-	2,913
Telephone/fax expense	-	-	-	-	-	13,152	13,152
Stipends and incentives	-	475	775	-	-	2,200	3,450
Staff development	-	-	-	-	-	4,139	4,139
Memberships	-	-	240	-	-	4,880	5,120
Insurance	-	-	-	-	-	6,580	6,580
Postage and printing	-	-	-	-	-	1,268	1,268
Indirect costs	-	-	-	-	-	-	-
In-kind	-	-	20,654	-	-	-	20,654
Rent	-	-	-	-	-	39,161	39,161
Advertising	-	-	-	-	-	-	-
Interest expense	-	-	608	-	-	-	608
Other	7,187	1,000	6,578	61	931	7,369	23,126
Depreciation	9,087	-	-	-	-	-	9,087
Total Other Costs	16,274	2,407	31,494	61	931	124,759	175,926
Total Supporting Services before Capital Addition Transfers	13,694	2,407	31,494	61	931	523,235	571,822
less: Capital additions	-	-	-	-	-	972	972
Total Supporting Services	13,694	2,407	31,494	61	931	522,263	570,850
less: Program Allocations	-	-	-	-	-	523,235	523,235
Total Supporting Services after Program Allocations	\$13,694	\$2,407	\$31,494	\$61	\$931	(\$972)	\$47,615

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

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (decrease) in net assets	(\$7,480)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	15,139
(Increase) decrease in:	
Due from grantor	4,977
Other receivable	6,204
(Decrease) increase in:	
Accounts payable	(38,787)
Accrued expenses	(45,724)
Accrued vacation	(4,238)
Due to grantor	(9,703)
Deferred revenue	1,528
	<hr/>
Net Cash Provided (Used) By Operating Activities	(78,084)

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	<hr/> <u>(7,577)</u>
Net Cash Provided (Used) By Investing Activities	<hr/> (7,577)

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from line of credit	<hr/> <u>50,000</u>
Net Cash Provided (Used) By Financing Activities	<hr/> 50,000

Net Increase (Decrease) in Cash	(35,661)
Cash and cash equivalents at beginning of year	<hr/> <u>218,701</u>
Cash and cash equivalents at end of year	<hr/> <u>\$183,040</u>

Supplemental Information:

Interest paid in cash \$0.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Nature of Activities

The *Fulton-Atlanta Community Action Authority, Inc. (Authority)* is a not-for-profit entity incorporated under the laws of the State of Georgia. The Authority is a county-based community action authority established to help alleviate poverty in Atlanta and Fulton County by providing sound intervention strategies and selected direct services. The Authority plans and administers services that are needed to improve the community it serves. The Authority is funded primarily by Federal, State and local grants. See Note F regarding affiliated organizations of the Authority.

2. Description of Major Activities

The Authority is organized and operated to provide direction and control over various human and social service programs.

Below is a summary of the principal programs administered by the Authority:

- a) The Low Income Home Energy Assistance Program provides energy assistance to low-income families.
- b) The Community Services Block Grant provides emergency assistance, counseling, and other support to alleviate the effects of poverty in the Authority's service area.
- c) The YouthBuild program provides job training, education, and other support services to at-risk youths in the Authority's service area.

3. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board as codified at FASB ASC 958-210-45-9. Under these standards, the Authority is required to report information regarding financial position and activities according to the following three classes of net assets:

- a) Unrestricted net assets - Net assets that are not subject to grantor or donor-imposed stipulations.
- b) Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Authority and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- c) Permanently restricted net assets - Net assets subject to grantor or donor-imposed stipulations that they be maintained permanently by the Authority to use all or part of the assets for general or specific purposes. There were no permanently restricted net assets at September 30, 2013.

4. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued:

5. Functional Expenses

The costs of the Authority's programs and supporting services have been reported on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Expenses are charged to each program based on direct expenses incurred. Any program expenses not directly chargeable to a program are allocated based on a prescribed cost allocation plan.

6. Income Tax Status

The Authority qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. However, income from certain activities not directly related to the Authority's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Authority 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). It is further the Authority's position that any development and/or management fees associated with the activities of its subsidiary corporations (See Note F) are not unrelated business activities with regard to the development of low-income housing. As of September 30, 2013, the Authority did not have any unrelated business income. The Authority believes more likely than not, that its tax-exempt positions will be sustained if examined by the authorities.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Authority and recognize a tax liability (or asset) if the Authority has taken an uncertain position that more likely than not would be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Authority, and has concluded that as of September 30, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Authority is subject to routine audits by taxing jurisdictions. Management believes that the Authority is no longer subject to tax examinations by taxing authorities for years prior to 2009.

7. Property and Equipment

It is the Authority's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Authority reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

8. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued:

9. Concentrations of Contributions

The Authority received approximately 95% of its annual budget from various programs administered by the Georgia Department of Human Services for the year ended September 30, 2013.

10. Support and Revenue

Services provided by the Authority are supported by federal, state, and local agencies. Programs administered include the following: Community Services Block Grant, Low Income Home Energy Assistance Program, Youth Build, and United Way programs.

11. Advertising Costs

Advertising costs are expensed as incurred. During the year ended September 30, 2013, advertising costs incurred totaled \$532.

12. Fair Value Measurements

The Authority has recorded in its financial statements certain financial instruments, none of which are held for trading purposes. The Authority estimates that the fair value of all its financial instruments at September 30, 2013, does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Authority using available market information and appropriate valuation methodologies. Considerable judgement is necessarily required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Authority could realize in a current market exchange.

13. Date of Management's Review

Subsequent events have been evaluated through February 17, 2014, which is the date the financial statements were available to be issued.

NOTE B - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS:

The preparation of financial statements in conformity with generally accepted accounting principles may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE C - CASH ON DEPOSIT:

At September 30, 2013, the amount of the Authority's deposits with the bank, in six (6) separate bank accounts, totaled \$255,944 with a book balance of \$183,040. The Authority maintained cash on deposit in the amount of \$255,831 which was insured by federal depository insurance. Excess balances totaling \$113 were uninsured.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE D - DUE FROM GRANTORS:

Amounts due from grantors represent unreimbursed expenses at September 30, 2013. The following summarizes the amounts due and related grantor/programs:

Program	Agency	Amount
CSBG	Georgia Department of Human Services	\$203,383
Youthbuild	U.S. Department of Housing and Urban Development	39,746
SCANA Referral	Georgia Department of Human Services	112
Total		\$243,241

NOTE E - DUE TOs/DUE FROMs:

The Authority maintains essentially all of its cash in six bank accounts with one account serving as an operating fund. From time-to-time certain funds or programs may have amounts on hand held in the operating fund and at times may have an obligation paid or due. The Authority tracks this activity by utilizing accounts referred to as "Due To" and "Due From" accounts. The aggregate total of these accounts at September 30, 2013 was \$546,218.

NOTE F - AFFILIATED ORGANIZATIONS AND OTHER RELATED ENTITIES:

The Authority has interest and exercises control over two affiliated organizations as described below. These entities began operation during fiscal year 1997.

1. **FA-Cascade, Inc.** - A Georgia for-profit corporation 100% owned by the Authority. FA-Cascade, Inc. is the general partner and owns .01% in Cascade Apartments, LP which engages in the rental of low income housing projects. In connection with the development of the project, the partnership borrowed certain funds from a financial institution and received certain funds from local governments and other equity partners. As guarantor, the Authority may be required to make such contributions on behalf of the general partner when the general partner is unable to do so. In addition, FA-Cascade, Inc. and the Authority are co-guarantors of certain debt obligations first secured by real estate investments of the partnership. During the 2011 fiscal year, FA-Cascade was terminated as managing agent of the Cascade Oaks Apartments, the primary investment of the Cascade Apartment, L.P., due to a default on its outstanding loans. Management is not aware of any further obligation as a result of the termination as managing agent due to the reassignment of all legal obligations that is required to be disclosed. Furthermore, as part of the workout plan, it is management's intent to dissolve FA-Cascade, Inc.'s partnership arrangement in Cascade Apartments, L.P. As of September 30, 2013, FA-Cascade's general partner's capital account was \$0. As a result, there is no value in the capital account of FA-Cascade to be recognized for consolidation in the financial statements of the Authority.
2. **Fulton-Atlanta Community Housing Development Organization (FA-CHDO)** - A Georgia not-for-profit corporation with a fiscal year ended September 30, 2013. FA-CHDO qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The organization is wholly controlled by the Authority. FA-CHDO is primarily in the business of acquiring, developing or rehabilitating real estate properties with the purpose of providing affordable housing.

Some members of the Authority serve as members of the board of FA-CHDO. During the fiscal year ended September 30, 2013, FA-CHDO did not engage in any significant financial transactions which requires consolidation into the financial statements of the Authority.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE G - PROPERTY AND EQUIPMENT:

At September 30, 2013, the costs and related accumulated depreciation (if applicable) of the Authority's property and equipment consisted of the following:

	Cost	Accumulated Depreciation	Net
Computer Equipment	\$ 66,285	\$ 57,069	\$ 9,216
Furniture and Equipment	67,169	58,602	8,567
Leasehold Improvements	39,015	21,076	17,939
Telephone System	42,127	37,712	4,415
Vehicles	53,420	53,420	-
Total	\$268,016	\$227,879	\$40,137

Fixed assets in the amount of \$15,001 (net) presented as temporarily restricted represents assets vested with the Authority; however, purchased with state or federal funds. These assets are vested with the Authority as long as the Organization is granted the right to carry out the various programs for which such assets are acquired. Depreciation expense for the period was \$15,139, of which \$9,087 was unrestricted and \$6,052 was restricted.

NOTE H - COMPENSATED ABSENCES:

The Authority's policy for compensated absences is as follows:

- **Vacation** - All full-time employees earn vacation leave at a rate of nine days per year prorated by month. Part-time employees earn vacation on a pro-rated basis which is determined at a commensurate rate to that of full-time employees. Annual leave is paid to employees upon termination of employment and is accrued in the financial statements. The liability for accrued compensated absences as of September 30, 2013 totaled \$3,848. This obligation is accrued in the unrestricted fund and not charged to any program until such time as the expense is incurred.
- **Sick** - All full-time employees accrue sick/personal leave at a rate of ten days per year up to a maximum accrual of ninety days. Sick leave is noncompensatory.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE I - DUE TO GRANTOR:

Amounts due to grantor are as a result of unused advances for operations which have not been returned to the grantor as of September 30, 2013. The following are the amounts due to various grantors by program:

Program	Agency	Amount
LIHEAP	Georgia Department of Human Services	\$1,789
CSBG - HIV/AIDS	Georgia Department of Human Services	1,740
ARRA - CSBG	Georgia Department of Human Services	7,022
TANF	Georgia Department of Human Services	343
Youth Build	Springboard Opportunities, Ltd.	402
Totals		\$11,296

NOTE J - DEFERRED REVENUE:

Unearned revenue results from current year receipts made to the Authority by various grantor agencies and other sources. Such funds are designated to be used during the fiscal year ended September 30, 2013. Unearned revenue at September 30, 2013 totaled \$6,383, as follows:

Program	Amount
United Way	\$5,738
Other	645
Totals	\$6,383

NOTE K - LINE OF CREDIT:

The Authority has a \$100,000 unsecured revolving line of credit with a bank, \$50,000 is outstanding at September 30, 2013. Subsequent to year end, the Authority received an additional \$50,000 from the line of credit. Advances on the credit line are payable on demand and carry an annual interest rate of 10%. Interest paid during the year totaled \$0.

NOTE L - COMPONENTS OF NET ASSETS:

Net assets reported in the September 30, 2013 financial statements consist of the following components:

	Unrestricted	Temporarily Restricted	Total
Operating	\$247,325	\$ -	\$247,325
Property and Equipment (Net)	25,136	15,001	40,137
Totals	\$272,461	\$15,001	\$287,462

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE M - DEFINED CONTRIBUTION PLAN:

The Authority has a defined contribution profit-sharing plan (the Plan) qualified under section 401(a) of the Internal Revenue Code covering all full-time employees with at least one year of service. The Authority makes a contribution to the Plan each year equal to 3% of all participants' compensation. Total expense for the year ended September 30, 2013 was \$24,193. Effective February 19, 2013, the Authority executed a Board of Directors Resolution to discontinue the 401(a) profit-sharing plan and transfer all plan assets to a 401(k) profit-sharing plan. The 401(k) profit-sharing plan covers all full-time employees with at least one year of service. The terms of the employer's contributions remain the same as the 401(a) plan.

Subsequent to year end, the Authority transferred \$244,161 in plan assets from the 401(a) profit-sharing plan to the 401(k) profit-sharing plan.

NOTE N - TAX DEFERRED ANNUITY PLAN:

The Authority had a tax-deferred annuity plan (the Plan) qualified under section 403(b) of the Internal Revenue Code. The plan covered full-time employees of the Authority with at least one year of service. Employees were allowed to make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Authority did not incur any expenses related to the Plan for the year ended September 30, 2013. Effective February 1, 2013, the Authority terminated the Plan and \$380,643 was distributed as Benefits Paid to participants, beneficiaries and any alternate payees.

NOTE O - IN-KIND SUPPORT AND FEDERAL COMMODITIES:

The Authority from time to time receives donated goods, services, and/or space without payment or compensation. When the value of such items is ascertainable and meets the requirements of FASB ASC 958-605-25-16, it is reflected in the accompanying financial statements as revenue and expense. Other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

For the fiscal year, the Agency had volunteer hours and other donated goods and space that totaled in-kind of \$110,201. In accordance with the Youthbuild grant agreement, donated support of \$89,547 was acquired. The total amount reported in accordance with FASB ASC 958-605-25-16 was \$92,307.

NOTE P - COST ALLOCATION:

The Authority administers several specific programs to which common costs or indirect costs (costs incurred on behalf of all programs) are charged. The Authority currently utilizes a fund to capture charges which benefit all programs and then allocates such costs each month by using a predetermined percentage based on its cost allocation plan approved by the Georgia Department of Human Services.

NOTE Q - CONTINGENCY:

Grants and contributions often require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of funds to the grantors and contributors. Although the return of funds is a possibility, the Board of Directors deems the contingency unlikely, since upon accepting the funds the Authority has agreed to comply with the provisions thereof.

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO FINANCIAL STATEMENTS

September 30, 2013

NOTE R - OPERATING LEASES:

The Authority maintains various offices and locations under the terms of various short term and long term operating lease agreements. At year end, two locations were held under long-term lease agreements. Rent expense incurred during the year totaled \$171,088.

Future minimum annual rental commitments in aggregate for all the long-term operating leases as of September 30, 2013, are as follows:

Fiscal Year	Amount
2014	\$167,710
2015	167,710
2016	97,835
2017	10
2018	10
Thereafter	228
Total	\$433,503

NOTE S - RECONCILIATION OF TOTAL FEDERAL AWARDS AND OTHER FINANCIAL ASSISTANCE TO THE BASIS FINANCIAL STATEMENTS:

	2013
Total Federal Awards and Other Financial Assistance	\$8,395,133
Deductions	
Capital Additions (restricted)	(6,605)
In-kind Excluded Under FASB ASC 958-605-25-16	(17,894)
Additions	
Depreciation (restricted)	6,052
Total expenditures reported in the basic financial statements	\$8,376,686

SUPPLEMENTARY INFORMATION

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

Community Services Block Grant

Grant # 42700-040-0000013332

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

	BUDGET	ACTUAL	VARIANCE
	01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)
REVENUES:			
Federal grants	\$1,858,868	\$1,803,102	\$55,766
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	1,858,868	1,803,102	(55,766)
EXPENSES:			
Salaries and wages	754,500	771,752	(17,252)
Fringe benefits	233,744	245,464	(11,720)
Employee travel	10,000	13,021	(3,021)
Materials and supplies	15,000	12,773	2,227
Repair and maintenance	-	6,475	(6,475)
Transportation	4,500	3,590	910
Equipment purchases	20,000	9,902	10,098
Meetings	-	4,451	(4,451)
Professional fees	-	29,880	(29,880)
Emergency assistance	80,003	60,049	19,954
Telephone/fax expense	-	19,714	(19,714)
Stipends and incentives	-	4,030	(4,030)
Staff development	-	3,788	(3,788)
Memberships	-	11,951	(11,951)
Insurance	26,800	27,222	(422)
Postage and printing	-	1,691	(1,691)
Indirect costs	355,767	366,198	(10,431)
In-kind	-	-	-
Rent and utilities	204,979	200,627	4,352
Advertising	-	532	(532)
Interest expense	-	-	-
Other	153,575	9,992	143,583
TOTAL EXPENSES	1,858,868	1,803,102	(55,766)
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	-	-

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.**Low Income Home Energy Assistance Program****Grant # 42700-040-0000013327****Statement of Actual Revenues and Expenses Compared to Budget****For the Year Ended September 30, 2013**

BUDGET	ACTUAL	VARIANCE
01-Apr-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	\$6,108,287	\$6,102,109	\$6,178
State grants	61,505	61,110	395
Local grants	-	-	-
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	(15,710)	(15,710)
TOTAL SUPPORT	6,169,792	6,147,509	(22,283)

EXPENSES:

Salaries and wages	-	290,568	(290,568)
Fringe benefits	-	44,743	(44,743)
Employee travel	-	806	(806)
Materials and supplies	-	5,384	(5,384)
Repair and maintenance	-	1,817	(1,817)
Transportation	-	474	(474)
Equipment purchases	-	3,515	(3,515)
Meetings	-	73	(73)
Professional fees	-	11,953	(11,953)
Emergency assistance	5,642,572	5,635,999	6,573
Telephone/fax expense	-	1,480	(1,480)
Stipends and incentives	-	3,682	(3,682)
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	3,269	(3,269)
Postage and printing	-	8,423	(8,423)
Indirect costs	527,220	120,834	406,386
In-kind	-	-	-
Rent and utilities	-	12,378	(12,378)
Advertising	-	-	-
Interest expense	-	-	-
Other	-	2,111	(2,111)
TOTAL EXPENSES	6,169,792	6,147,509	(22,283)
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	-	-

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.**YouthBuild****Grant # YB-23480-12-60-A-13****Statement of Actual Revenues and Expenses Compared to Budget****For the Year Ended September 30, 2013**

BUDGET	ACTUAL	VARIANCE
01-Sep-2012 through 31-Dec-2015	01-Sep-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	\$902,150	\$300,768	\$601,382
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	225,538	89,547	135,991
Transfers - In	-	-	-
TOTAL SUPPORT	1,127,688	390,315	(737,373)

EXPENSES:

Salaries and wages	259,400	89,150	170,250
Fringe benefits	80,414	11,413	69,001
Employee travel	4,200	3,479	721
Materials and supplies	20,000	9,590	10,410
Repair and maintenance	-	1,941	(1,941)
Transportation	32,319	234	32,085
Equipment purchases	-	1,259	(1,259)
Meetings	-	139	(139)
Professional fees	25,000	11,366	13,634
Emergency assistance	-	19,744	(19,744)
Telephone/fax expense	24,000	2,503	21,497
Stipends and incentives	191,904	88,526	103,378
Staff development	63,180	300	62,880
Memberships	-	220	(220)
Insurance	9,500	-	9,500
Postage and printing	6,500	1,361	5,139
Indirect costs	122,333	36,203	86,130
In-kind	225,538	89,547	135,991
Rent and utilities	38,400	22,603	15,797
Advertising	-	-	-
Interest expense	-	-	-
Other	25,000	737	24,263
TOTAL EXPENSES	1,127,688	390,315	(737,373)

EXCESS OF SUPPORT OVER (UNDER) EXPENSES

-	-	-
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FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

Booker T. Washington - Conduit Fund

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

BUDGET	ACTUAL	VARIANCE
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	500	(500)
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	500	500

EXPENSES:

Salaries and wages	-	-	-
Fringe benefits	-	-	-
Employee travel	-	-	-
Materials and supplies	-	-	-
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	-	-
Emergency assistance	-	500	(500)
Telephone/fax expense	-	-	-
Stipends and incentives	-	-	-
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	-	-
Other	-	-	-
TOTAL EXPENSES	-	500	500
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	-	-

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

United Way - 211

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

BUDGET	ACTUAL	VARIANCE
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	6,092	(6,092)
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	6,092	6,092

EXPENSES:

Salaries and wages	-	-	-
Fringe benefits	-	-	-
Employee travel	-	-	-
Materials and supplies	-	-	-
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	-	-
Emergency assistance	-	6,092	(6,092)
Telephone/fax expense	-	-	-
Stipends and incentives	-	-	-
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	-	-
Other	-	-	-
TOTAL EXPENSES	-	6,092	6,092

EXCESS OF SUPPORT OVER (UNDER) EXPENSES

-	-	-
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FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

SCANA Referral

Grant # 42700-040-0000010513

**Statement of Actual Revenues and Expenses Compared to Budget
For the Years Ended September 30, 2013 and 2012**

	2013	2012	BUDGET	ACTUAL	VARIANCE
	01-Oct-2012 through 30-Sep-2013	01-Oct-2011 through 30-Sep-2012	01-Oct-2011 through 30-Sep-2013	01-Oct-2011 through 30-Sep-2013	UNDER (OVER)
REVENUES:					
Federal grants	-	-	-	-	-
State grants	1,600	1,120	15,752	2,720	13,032
Local grants	-	-	-	-	-
Program income	-	-	-	-	-
Other income	-	-	-	-	-
Interest income	-	-	-	-	-
In-kind	-	-	-	-	-
Transfers - In	(1,600)	(1,120)	-	(2,720)	(2,720)
TOTAL SUPPORT	-	-	15,752	-	(15,752)
EXPENSES:					
Salaries and wages	-	-	-	-	-
Fringe benefits	-	-	-	-	-
Employee travel	-	-	-	-	-
Materials and supplies	-	-	-	-	-
Repair and maintenance	-	-	-	-	-
Transportation	-	-	-	-	-
Equipment purchases	-	-	-	-	-
Meetings	-	-	-	-	-
Professional fees	-	-	-	-	-
Emergency assistance	-	-	15,752	-	15,752
Telephone/fax expense	-	-	-	-	-
Stipends and incentives	-	-	-	-	-
Staff development	-	-	-	-	-
Memberships	-	-	-	-	-
Insurance	-	-	-	-	-
Postage and printing	-	-	-	-	-
Indirect costs	-	-	-	-	-
In-kind	-	-	-	-	-
Rent and utilities	-	-	-	-	-
Advertising	-	-	-	-	-
Interest expense	-	-	-	-	-
Other	-	-	-	-	-
TOTAL EXPENSES	-	-	15,752	-	(15,752)
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	-	-	-	-

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

General Fund

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

BUDGET	ACTUAL	VARIANCE
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	-	-

EXPENSES:

Salaries and wages	-	-	-
Fringe benefits	-	(2,580)	2,580
Employee travel	-	-	-
Materials and supplies	-	-	-
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	-	-
Emergency assistance	-	-	-
Telephone/fax expense	-	-	-
Stipends and incentives	-	-	-
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	-	-
Other	-	7,187	(7,187)
Depreciation	-	9,087	(9,087)
TOTAL EXPENSES	-	13,694	(13,694)
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	(\$13,694)	\$13,694

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

Fund Raising

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

	BUDGET	ACTUAL	VARIANCE
	01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)
REVENUES:			
Federal grants	-	-	-
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	535	(535)
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	535	535
EXPENSES:			
Salaries and wages	-	-	-
Fringe benefits	-	-	-
Employee travel	-	-	-
Materials and supplies	-	65	(65)
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	-	-
Emergency assistance	-	867	(867)
Telephone/fax expense	-	-	-
Stipends and incentives	-	475	(475)
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	-	-
Other	-	1,000	(1,000)
TOTAL EXPENSES	-	2,407	2,407
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	(\$1,872)	(\$1,872)

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

Unrestricted Fund and Contributions

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

BUDGET	ACTUAL	VARIANCE
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	1,074	(1,074)
Interest income	-	9	(9)
In-kind	-	20,654	(20,654)
Transfers - In	-	17,310	17,310
TOTAL SUPPORT	-	39,047	39,047

EXPENSES:

Salaries and wages	-	-	-
Fringe benefits	-	-	-
Employee travel	-	-	-
Materials and supplies	-	-	-
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	593	(593)
Emergency assistance	-	2,046	(2,046)
Telephone/fax expense	-	-	-
Stipends and incentives	-	775	(775)
Staff development	-	-	-
Memberships	-	240	(240)
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	20,654	(20,654)
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	608	(608)
Other	-	6,578	(6,578)
TOTAL EXPENSES	-	31,494	31,494
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	\$7,553	\$7,553

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

CHODO/Fairburn

Grant # N/A

**Statement of Actual Revenues and Expenses Compared to Budget
For the Year Ended September 30, 2013**

BUDGET	ACTUAL	VARIANCE UNDER (OVER)
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	-	-

EXPENSES:

Salaries and wages	-	-	-
Fringe benefits	-	-	-
Employee travel	-	-	-
Materials and supplies	-	-	-
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	-	-
Emergency assistance	-	-	-
Telephone/fax expense	-	-	-
Stipends and incentives	-	-	-
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	-	-
Other	-	61	(61)
TOTAL EXPENSES	-	61	61
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	(\$61)	(61)

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

Slate Road Project

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

BUDGET	ACTUAL	VARIANCE
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	-	-
Program income	-	-	-
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	-	-

EXPENSES:

Salaries and wages	-	-	-
Fringe benefits	-	-	-
Employee travel	-	-	-
Materials and supplies	-	-	-
Repair and maintenance	-	-	-
Transportation	-	-	-
Equipment purchases	-	-	-
Meetings	-	-	-
Professional fees	-	-	-
Emergency assistance	-	-	-
Telephone/fax expense	-	-	-
Stipends and incentives	-	-	-
Staff development	-	-	-
Memberships	-	-	-
Insurance	-	-	-
Postage and printing	-	-	-
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	-	-
Advertising	-	-	-
Interest expense	-	-	-
Other	-	931	(931)
TOTAL EXPENSES	-	931	931
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	(\$931)	(931)

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

Administrative

Grant # N/A

Statement of Actual Revenues and Expenses Compared to Budget

For the Year Ended September 30, 2013

BUDGET	ACTUAL	VARIANCE
01-Oct-2012 through 30-Sep-2013	01-Oct-2012 through 30-Sep-2013	UNDER (OVER)

REVENUES:

Federal grants	-	-	-
State grants	-	-	-
Local grants	-	-	-
Program income	-	523,235	(523,235)
Other income	-	-	-
Interest income	-	-	-
In-kind	-	-	-
Transfers - In	-	-	-
TOTAL SUPPORT	-	523,235	523,235

EXPENSES:

Salaries and wages	-	311,664	(311,664)
Fringe benefits	-	86,812	(86,812)
Employee travel	-	18,954	(18,954)
Materials and supplies	-	8,658	(8,658)
Repair and maintenance	-	2,388	(2,388)
Transportation	-	9,665	(9,665)
Equipment purchases	-	1,147	(1,147)
Meetings	-	1,618	(1,618)
Professional fees	-	3,580	(3,580)
Emergency assistance	-	-	-
Telephone/fax expense	-	13,152	(13,152)
Stipends and incentives	-	2,200	(2,200)
Staff development	-	4,139	(4,139)
Memberships	-	4,880	(4,880)
Insurance	-	6,580	(6,580)
Postage and printing	-	1,268	(1,268)
Indirect costs	-	-	-
In-kind	-	-	-
Rent and utilities	-	39,161	(39,161)
Advertising	-	-	-
Interest expense	-	-	-
Other	-	7,369	(7,369)
TOTAL EXPENSES	-	523,235	523,235
EXCESS OF SUPPORT OVER (UNDER) EXPENSES	-	-	-

***SCHEDULE OF
STATE AWARDS EXPENDED***

FULTON - ATLANTA COMMUNITY ACTION AUTHORITY, INC.
 SCHEDULE OF STATE AWARDS EXPENDED
 For the Year Ended September 30, 2013

Grantor/Pass Through Organization/Program Title	Grant Number	Program Status	Award Amount	Amount Due (To)/From 09/30/12	Cash Received	Non-Cash Support	Cash Returned	Non-federal Support	Expenses	Other Funds to be Returned	Admin Surplus	Amount Due (To)/From 09/30/13
STATE AWARDS EXPENDED												
Georgia Department of Human Services												
Community Services Block Grant - Basic - HIV/AIDS Education	427-93-09091153-99	Open	\$35,000	(\$1,740)	-	-	-	-	-	-	-	(\$1,740)
Community Services Block Grant - Basic	42700-040-0000013332	Closed	1,858,868	-	1,599,719	-	-	-	1,803,102	-	-	203,383
Community Services Block Grant - Basic	42700-040-0000009896	Closed	1,877,644	247,802	247,802	-	-	-	-	-	-	-
ARRA - Community Services Block Grant - Basic	42700-040-0000003539	Open	3,118,434	(7,022)	-	-	-	-	-	-	-	(7,022)
Low Income Home Energy Assistance Program (LIHEAP) - Note	42700-040-0000013327	Open	6,169,792	-	6,169,792	-	6,745	172	6,147,508	1,089	15,710	(1,090)
Low Income Home Energy Assistance Program (LIHEAP) - Note	42700-040-0000009962	Closed	6,245,553	(10,791)	-	-	10,791	-	-	-	-	-
Low Income Home Energy Assistance Program (LIHEAP)	42700-040-0000006751	Closed	8,556,392	(700)	-	-	-	-	-	-	-	(700)
Scana Referral	42700-040-0000010513	Open	15,752	416	1,904	-	-	-	-	-	1,600	112
Temporary Assistance for Needy Families	MOU dated April 1, 2010	Open	104,650	(343)	-	-	-	-	-	-	-	(343)
Total Georgia Department of Human Services			\$27,982,085	\$227,622	\$8,019,217	-	\$17,530	\$172	\$7,950,610	\$1,089	\$17,310	\$192,600

***SCHEDULE OF AUDITED ADMINISTRATIVE COSTS
ALLOCATED - BY PROGRAM***

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.
 SCHEDULE OF AUDITED ADMINISTRATIVE COSTS ALLOCATED - BY PROGRAM
For the Year Ended September 30, 2013

	CSBG	LIHEAP	YouthBuild	Total
Salaries and wages	\$771,752	\$290,568	\$89,150	\$1,151,470
Fringe benefits	245,464	44,743	11,413	301,620
Total Base	1,017,216	335,311	100,563	1,453,090
Cost Allocation Rate	36.00%	36.00%	36.00%	36.00%
Calculated Allocation	366,198	120,712	36,203	523,113
Amount Charged	366,198	120,834	36,203	523,235
(Over) Under Absorbed	(\$0)	(\$122)	(\$0)	(\$122)

SECTION II

***REPORTS REQUIRED BY GAO
GOVERNMENT AUDITING STANDARDS***

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

To the Board of Directors of
**Fulton-Atlanta Community
Action Authority, 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 **Fulton-Atlanta Community Action Authority, Inc.** (the "Authority" - a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, functional expenses, changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 17, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 the Authority'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 the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

February 17, 2014
Decatur, Georgia

C. Dawsell & Associates, CPAs, P.C.

SECTION III

REPORTS REQUIRED BY OMB CIRCULAR A-133

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

To the Board of Directors of
**Fulton-Atlanta Community
Action Authority, Inc.**

Report on Compliance for Each Major Federal Program

We have audited **Fulton-Atlanta Community Action Authority, Inc.** (the "Authority", a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2013. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Authority 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, 2013.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 the 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

February 17, 2014
Decatur, Georgia

Clausell & Associates, CPAs, P.C.

FULTON - ATLANTA COMMUNITY ACTION AUTHORITY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND OTHER FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

<i>Grantor/Program Title</i>	<i>CFDA Number</i>	<i>Grant Number</i>	<i>Federal Expenditures</i>	<i>Non-Federal Expenditures</i>	<i>Total</i>
U.S. Department of Health and Human Services					
Passed Through Georgia Department of Human Services:					
Low Income Home Energy Assistance Program	93.568	42700-040-0000013327	\$6,102,109	\$45,400	\$6,147,509
Community Services Block Grant	93.569	42700-040-0000013332	1,803,102	-	1,803,102
Total U.S. Department of Health and Human Services			7,905,211	45,400	7,950,611
U.S. Department of Labor					
Direct Program:					
Youthbuild Program	17.274	YB-23480-12-60-A-13	300,768	89,547	390,315
Total U.S. Department of Labor			300,768	89,547	390,315
TOTAL FEDERAL FINANCIAL ASSISTANCE			8,205,979	134,947	8,340,926
Other Non-Federal Financial Assistance			-	54,207	54,207
TOTAL FEDERAL AWARDS AND OTHER FINANCIAL ASSISTANCE			\$8,205,979	\$189,154	\$8,395,133

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND OTHER FINANCIAL ASSISTANCE
September 30, 2013

NOTE A - GENERAL:

The accompanying Schedule of Expenditures of Federal Awards and Other Financial Assistance (the Schedule) presents the activity of all financial assistance programs of the Authority for the year ended September 30, 2013. All financial assistance received directly or indirectly from Federal, State, and local agencies is included in the Schedule.

NOTE B - BASIS OF PRESENTATION:

The accompanying Schedule includes the federal grant activity of the Authority under programs of the federal government for the year ended September 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Authority.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on an other comprehensive basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE D - IN-KIND SUPPORT:

The Authority from time to time receives goods, services, and office space without payment or compensation. Noncash donations are recorded as contributions at their estimated fair values at the date of donation. When the value of services is ascertainable and meets the requirements of FASB ASC 958-605-25-16, it is included in the accompanying Schedule. See also Note O to the Authority's financial statements.

SECTION IV

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FULTON-ATLANTA COMMUNITY ACTION AUTHORITY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2013

SECTION I - SUMMARY OF AUDITOR'S RESULTS			
#	INQUIRY	RESULTS	REFERENCE(S)
FINANCIAL STATEMENTS			
1.	Type of auditor's report issued:	Unmodified Opinion	Report Pg(s). 3-4
2.	Internal control over financial reporting:		
	• Material weaknesses identified?	No	Report Pg(s). 37-38
	• Significant deficiencies identified?	None Reported	Report Pg(s). 37-38
3.	Noncompliance material to financial statements noted:	No	Report Pg(s). 37-38
FEDERAL AWARDS			
1.	Internal control over major programs:		
	• Material weaknesses identified?	No	Report Pg(s). 40-41
	• Significant deficiencies identified?	None Reported	Report Pg(s). 40-41
2.	Type of auditor's report issued on compliance for major programs:	Unmodified Opinion	Report Pg(s). 40-41
3.	Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No	Report Pg(s). 40-41
4.	Identification of Major Programs:	• LIHEAP CFDA # - 93.568	
5.	Dollar Threshold used to distinguish between type A and type B programs:	• \$300,000	
6.	Auditee qualified as low-risk auditee?	Yes	
SECTION II - FINANCIAL STATEMENT FINDINGS			
1.	Financial Statement Findings:	None Reported	N/A
SECTION III - FEDERAL AWARD FINDINGS			
1.	Federal Award Findings:	None Reported	N/A