

**HAMPTON ROADS COMMUNITY ACTION PROGRAM, INC.**  
**HEAD START AND EARLY HEAD START PROGRAMS**

Statements of Activities and Changes in Net Assets  
Years Ended June 30, 2017 and 2016

	For the 11 Months Ended 5/31/2017	For the 1 Month Ended 6/30/2017	Total	2016 Summarized Total
<b>SUPPORT</b>				
Grants awarded:				
Federal government	\$ 11,587,043	\$ 886,688	\$ 12,473,731	\$ 12,098,628
Total support	<u>11,587,043</u>	<u>886,688</u>	<u>12,473,731</u>	<u>12,098,628</u>
<b>REVENUE</b>				
Donations	39,089	-	39,089	-
Other revenue	7,415	-	7,415	46,657
In-kind revenue	1,636,209	100,606	1,736,815	1,667,033
Total revenue	<u>1,682,713</u>	<u>100,606</u>	<u>1,783,319</u>	<u>1,713,690</u>
Total unrestricted support and revenue	<u>13,269,756</u>	<u>987,294</u>	<u>14,257,050</u>	<u>13,812,318</u>
<b>EXPENSES</b>				
Program services:				
Salary and wages	5,940,471	630,640	6,571,111	6,368,178
Fringe benefits	2,007,333	191,547	2,198,880	2,101,294
Contractual	100,045	6,806	106,851	79,876
Travel	326,347	9,198	335,545	251,268
Rent	556,229	50,944	607,173	600,859
Building maintenance	195,305	19,199	214,504	195,837
Consumable supplies	852,190	18,692	870,882	913,766
Equipment maintenance	-	-	-	57,374
Other costs	513,241	20,206	533,447	540,686
In-kind expense	1,636,209	100,606	1,736,815	1,667,033
Total program services	<u>12,127,370</u>	<u>1,047,838</u>	<u>13,175,208</u>	<u>12,776,171</u>
Support services:				
General and administrative expenses	<u>1,142,386</u>	<u>-</u>	<u>1,142,386</u>	<u>1,036,147</u>
Total expenses	<u>13,269,756</u>	<u>1,047,838</u>	<u>14,317,594</u>	<u>13,812,318</u>
Changes in net assets	-	(60,544)	(60,544)	-
<b>NET ASSETS</b>				
Beginning	-	-	-	-
Transfer	-	-	-	-
Ending	<u>\$ -</u>	<u>\$ (60,544)</u>	<u>\$ (60,544)</u>	<u>\$ -</u>



11832 ROCK LANDING DRIVE, SUITE 101  
NEWPORT NEWS, VA 23606  
INFO@DYSCPA.COM  
OFFICE: 757-223-9602  
FAX: 757-223-9686

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

To the Board of Directors  
Hampton Roads Community Action Program, Inc.  
Newport News, Virginia

### ***Report on Compliance for Each Major Federal Program***

We have audited the Hampton Roads Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017. The Hampton Roads Community Action Program's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

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

### ***Auditors' Responsibility***

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

### ***Opinion on Each Major Federal Program***

In our opinion, the Hampton Roads Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### ***Report on Internal Control over Compliance***

Management of the Hampton Roads Community Action Program, Inc. 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 Hampton Roads Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Hampton Roads Community Action Program, Inc.'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.

*A. Robm, Smith & Company*

Newport News, Virginia

February 5, 2018