



**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC.  
AND SUBSIDIARIES**

**AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS**

**JUNE 30, 2022**



**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC.  
AND SUBSIDIARIES**

**AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS**

**June 30, 2022**

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**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**EXECUTIVE OFFICERS**

Craig Balzer  
Roanoke, Virginia  
Board Chair

Sandra Pratt  
Vinton, Virginia  
First Vice Chair

Paul Nester  
Roanoke, Virginia  
Second Vice Chair

Kevin Lockhart  
Roanoke Virginia  
Treasurer

Brenda Hale  
Roanoke, Virginia  
Secretary

Michael J. Hertz  
Roanoke, Virginia  
Assistant Secretary

Billy W. Martin, Sr.  
Blue Ridge, Virginia  
HR Chair

Charlotte Moore  
Roanoke, Virginia  
Chair Emeritus

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**BOARD OF DIRECTORS**

Robby Bailey (City of Lexington)  
Lexington, Virginia

Craig Balzer (TVW Board of Commissioners)  
Roanoke, Virginia  
Board Chair

Ron D. Boyd (Local Office on Aging, Inc.)  
Roanoke, Virginia

Stephanie R. Clark  
Covington, Virginia

Angie Campbell (Alleghany County)  
Covington, Virginia

Lee Clark (Rescue Mission)  
Roanoke, Virginia

Stephanie R. Clark  
Covington, Virginia

Monique Clemont (Homeless Advisory Council)  
Roanoke, Virginia

Matt Crookshank (Blue Ridge Continuum of Care)  
Roanoke, Virginia

Deneen Evans (Radford University School of Social Work)  
Roanoke, Virginia

Jennifer Eversole (RAKE Digital)  
Roanoke, Virginia

Leslie Floyd (Early Childhood Education)  
Roanoke, Virginia

Randy Foley (City of Salem)  
Salem, Virginia

Patricia Franklin  
New Castle, Virginia

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**BOARD OF DIRECTORS  
(Continued)**

Mike Heller (Roanoke Branch NAACP)  
Roanoke, Virginia

Rita Joyce (Susan G. Komen Virginia Blue Ridge Affiliate)  
Roanoke, Virginia

Baraka Kasongo (Family Services of the Roanoke Valley)  
Roanoke, Virginia

Paul Mahoney (Roanoke County)  
Roanoke, Virginia

Maria Motely-Arnold  
Roanoke, Virginia

Anita Price (Harrison Museum)  
Roanoke, Virginia

Vivian Sanchez-Jones (City of Roanoke)  
Roanoke, Virginia

Bruce Sigler (Rockbridge County)  
Lexington, Virginia

David Trinkle M.D. (The Fork Restaurants and  
Valley Geropsychiatry)  
Roanoke, Virginia

Clarice Walker (Loudon/Melrose Neighborhood)  
Roanoke, Virginia



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Total Action Against Poverty in the Roanoke Valley, Inc.  
Roanoke, Virginia

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Total Action Against Poverty in the Roanoke Valley, Inc. and Subsidiaries (a nonprofit organization, and hereinafter referred to as the "Organization"), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Total Action Against Poverty in the Roanoke Valley, Inc. and Subsidiaries as of June 30, 2022 and 2021, 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.

#### ***Basis for Opinion***

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.



## **Report on the Audit of the Financial Statements (Continued)**

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

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

## **Report on the Audit of the Financial Statements (Continued)**

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Executive Officers and Board of Director sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia  
January 11, 2023

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 94,959	\$ 768,028
Restricted cash and cash equivalents	1,105,544	512,230
Grants receivable	1,842,600	1,405,024
Other receivables – related party	310,020	300,277
Notes receivable – current	113,689	81,884
Other assets	198,314	41,754
	<b>3,665,126</b>	<b>3,109,197</b>
PROPERTY AND EQUIPMENT, net (Note 2)	<b>3,807,248</b>	<b>3,922,472</b>
<b>OTHER ASSETS</b>		
Notes receivable	256,051	225,749
Notes receivable – related party	968,000	968,000
	<b>1,224,051</b>	<b>1,193,749</b>
Total assets	<b>\$ 8,696,425</b>	<b>\$ 8,225,418</b>
<b>LIABILITIES AND STOCKHOLDER’S EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 430,475	\$ 631,076
Current portion of notes payable (Note 3)	178,430	52,936
Annual leave	65,209	140,712
Healthcare benefits accrued	40,917	71,993
Deferred revenue	218,000	170,000
Refundable advance from grantor	528,404	528,404
Amounts held on behalf of others	570,685	-
	<b>2,032,120</b>	<b>1,595,121</b>
LONG-TERM PORTION OF NOTES PAYABLE (Note 3)	<b>60,271</b>	<b>242,422</b>
Total liabilities	<b>2,092,391</b>	<b>1,837,543</b>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<b>6,604,034</b>	<b>6,387,875</b>
Total liabilities and net assets	<b>\$ 8,696,425</b>	<b>\$ 8,225,418</b>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF ACTIVITIES  
For the Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
<b>SUPPORT AND REVENUE</b>		
Grants	\$ 21,730,928	\$ 23,154,020
USDA	661,044	275,481
Program income	130,710	88,110
Rental income	210,407	205,590
Other earned income	287,681	345,495
Local cash (Note 5)	231,445	266,445
Contributions	298,594	261,787
Interest	6,966	5,537
In kind (Note 9)	2,667,356	2,362,873
	<b>26,225,131</b>	<b>26,965,338</b>
<b>EXPENSES</b>		
Program services	23,425,299	23,793,406
Supporting services:		
Management and general	1,987,159	1,933,185
Fundraising	596,514	587,616
	<b>2,583,673</b>	<b>2,520,801</b>
<b>Total supporting services</b>		
	<b>26,008,972</b>	<b>26,314,207</b>
<b>Total expenses</b>		
	<b>216,159</b>	<b>651,131</b>
<b>Change in net assets</b>		
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Beginning	6,387,875	5,736,744
Ending	<b>\$ 6,604,034</b>	<b>\$ 6,387,875</b>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
For the Years Ended June 30, 2022 and 2021**

	<b>2022</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Salaries and wages	\$ 8,724,062	\$ 650,270	\$ 321,333	\$ 9,695,665
Payroll taxes and fringe benefits	2,304,287	196,565	102,199	2,603,051
Contractual	4,262,150	395,485	45,249	4,702,884
Travel	192,162	18,060	3,424	213,646
Space	740,180	183,046	33,605	956,831
Supplies	1,730,174	60,709	24,312	1,815,195
Emergency assistance	406,770	-	-	406,770
Participant expense	629,508	-	-	629,508
Other	1,618,119	138,005	62,650	1,818,774
Depreciation	155,174	200,161	3,742	359,077
In kind	2,659,622	7,734	-	2,667,356
Operating expense rental property	-	107,539	-	107,539
Interest	3,091	29,585	-	32,676
<b>Total</b>	<b>\$ 23,425,299</b>	<b>\$ 1,987,159</b>	<b>\$ 596,514</b>	<b>\$ 26,008,972</b>

	<b>2021</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Salaries and wages	\$ 9,163,250	\$ 586,329	\$ 330,306	\$ 10,079,885
Payroll taxes and fringe benefits	2,484,718	128,965	105,016	2,718,699
Contractual	3,286,049	465,661	44,673	3,796,383
Travel	180,722	7,707	3,360	191,789
Space	764,242	195,252	42,502	1,001,996
Supplies	1,738,041	50,570	18,044	1,806,655
Emergency assistance	1,423,937	-	-	1,423,937
Participant expense	853,148	-	-	853,148
Other	1,377,495	142,751	41,314	1,561,560
Depreciation	145,427	204,953	2,401	352,781
In kind	2,362,873	-	-	2,362,873
Operating expense rental property	-	104,225	-	104,225
Interest	13,504	46,772	-	60,276
<b>Total</b>	<b>\$ 23,793,406</b>	<b>\$ 1,933,185</b>	<b>\$ 587,616</b>	<b>\$ 26,314,207</b>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 216,159	\$ 651,131
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	359,077	352,781
Loss on sale of building	89,576	-
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants receivable	(437,576)	(317,251)
Other receivables- related party	(9,743)	(78,800)
Other assets	(156,560)	94,900
Increase (decrease) in:		
Accounts payable and accrued expenses	(200,601)	14,427
Annual leave	(75,503)	30,713
Healthcare benefits accrued	(31,076)	11,282
Deferred revenue	48,000	(440,205)
Refundable advance from grantor	-	40,000
Amounts held on behalf of others	570,685	-
Net cash provided by operating activities	372,438	358,978
<b>INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(333,429)	(84,699)
Change in notes receivable, net	(62,107)	82,454
Net cash provided by (used in) investing activities	(395,536)	(2,245)
<b>FINANCING ACTIVITIES</b>		
Principal payments on notes payable	(56,657)	(128,261)
Net cash used in financing activities	(56,657)	(128,261)
Net increase in cash and cash equivalents	(79,755)	228,472
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning	1,280,258	1,051,786
Ending	\$ 1,200,503	\$ 1,280,258
<b>CASH IS REPORTED ON THE STATEMENT OF FINANCIAL POSITION AS:</b>		
Cash and cash equivalents	\$ 94,959	\$ 768,028
Restricted cash and cash equivalents	1,105,544	512,230
	\$ 1,200,503	\$ 1,280,258

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1. Nature of Operations and Significant Accounting Policies**

Nature of operations

Total Action Against Poverty in the Roanoke Valley, Inc. (the “Organization”) is a nonprofit corporation organized to carry out community action programs which are generally funded by grants from local, state and federal agencies. Such grants usually require compliance with prescribed grant conditions and other special requirements, including the furnishing of certain amounts of cash or non-cash contributions.

Consolidation policy

The consolidated financial statements include the accounts of the Organization and its wholly-owned subsidiaries, TAAP Real Property I, LLC, TAAP Real Property II, LLC, Terrace Management LLC, and TAP Neighborhood Strategies, LLC. All material intra-organization accounts and transactions have been eliminated in consolidation.

The Organization is a general partner and a .01% owner in the limited partnerships of Terrace North, LP and Terrace South, LP. These limited partnerships were formed to maintain and operate two affordable apartment developments, of which all of the dwelling units are being set aside for rental to persons of low income.

Basis of financial statement presentation and accounting

The consolidated financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accompanying financial statements present information regarding the Organization’s consolidated financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported in two classes as follows:

**Net assets without donor restrictions** are net assets available for use in general operations and not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Revenues, gains, and losses that are not restricted by donors are included in this classification. Expenses are reported as decreases in this classification. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

(Continued)

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1. Nature of Operations and Significant Accounting Policies (Continued)**

Basis of financial statement presentation and accounting (Continued)

**Net assets with donor restrictions** are limited in use by donor-imposed stipulations that expire either by the passage of time or that can be fulfilled by action of the Organization pursuant to those stipulations. Net assets with donor restrictions also includes amounts required by donors to be held in perpetuity; however, generally, the income on these assets is available to meet various operating needs.

Recent accounting pronouncements

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, in September 2020. This ASU requires contributed nonfinancial assets to be presented separately from contributed financial assets on the statement of activities. ASU 2020-07 also requires the disclosure of contributed nonfinancial assets by type; whether contributed nonfinancial assets were utilized during the reporting period; the valuation techniques used, donor-imposed restrictions on, and the Organization's policy for monetizing contributed nonfinancial assets, as applicable. The Organization adopted this guidance effective July 1, 2021 on the retrospective basis. The adoption of ASU 2020-07 did not result in any significant changes to the accounting for the Organization's contributed nonfinancial assets.

Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Cash and cash equivalents are stated at cost, which approximates market value. Cash held for refundable advances is classified as restricted cash.

Receivables

Grants and other receivables represent amounts for which the Organization has an unconditional right to receive. Grants and other receivables are stated at the amount management expects to be collected from the outstanding balance. As of June 30, 2022, management has determined, based on historical experience that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Property and equipment

Property and equipment in excess of \$5,000 is capitalized. Acquisitions are recorded at cost if purchased and at fair value if donated. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Notes receivable

The Organization accounts for its notes receivable at cost and recognizes interest income as it is earned.

(Continued)



**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1. Nature of Operations and Significant Accounting Policies (Continued)**

Contributions

Contributions, including unconditional promises to give, are recognized as contributions without donor restrictions or contributions with donor restrictions depending on the existence and/or nature of any donor-restrictions, in the period the donor's commitment is received. Unconditional promises to give without donor restrictions are recognized as revenues with donor restrictions unless the donor explicitly stipulates its use to support current period activities.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues without donor restrictions.

The Organization reports gifts of property and equipment as net assets support without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restriction. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when donated or acquired long-lived assets are placed in service.

In-kind contributions are recorded at fair market value and recognized as revenue in the accounting period when they are received.

Accrued compensation

The Organization accrues for salaries and all other compensation earned but not paid.

Cost allocation

Cost allocation operates in accordance with a cost allocation plan and indirect cost proposal developed annually. The plan/proposal identifies direct and indirect shared costs and the financial basis for cost sharing. It also identifies various nonfinancial bases for allocating certain costs as direct costs.

Total modified direct costs (excluding capital expenditures, subawards, and flow-through funds) have been selected as the most appropriate base in relation to the kinds of indirect costs incurred. Total direct costs constitute a relatively broad financial base that is quickly determinable and self-adjusting in reflecting changes in cost distributions. The indirect costs include an amount from agencies for which the Organization provides contractual services.

Joint costs are allocated to benefiting programs using an indirect cost rate not to exceed 13% based on direct costs. Joint costs are those costs incurred for the common benefit of all agency programs, but which cannot be readily identified with a final cost objective.

(Continued)

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2022**

**Note 1. Nature of Operations and Significant Accounting Policies (Continued)**

Cost allocation (Continued)

Other cost allocation methods are as follows:

**Personnel** – Agency administrative and financial personnel (executive director, deputy director, finance director, personnel director, etc.) charge their time to a joint cost administrative account for allocation to benefiting programs as noted above (to the extent of available indirect costs based on the cost rate stated above). Programmatic employees working on specific programs are charged directly to the accounts for those programs.

**Supplies** – All supplies are charged to the program that benefits from the use of the supplies. For the most part, supplies are not stockpiled but are purchased specifically for use in a particular program.

**Building** – Space costs (rent and maintenance costs) are allocated based on the number of square feet of space each program occupies. Space occupied by administrative staff is allocated based upon the joint cost allocation.

**Insurance** – Insurance is allocated to benefiting programs based primarily on a percentage of payroll.

Income taxes

The Organization is classified as an exempt organization for federal income tax purposes under Section 501(c)(3) of the *Internal Revenue Code*.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from the estimates that were used.

Advertising costs

The Organization expenses advertising costs as incurred.

Subsequent events

Management has evaluated subsequent events through January 11, 2023, the date which the consolidated financial statements were available for issue.

Subsequent to year-end, the Organization signed a Partnership Interest Purchase Agreement to purchase Terrace North, LP for \$31,200 and Terrace South, LP for \$43,600.

(Continued)

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 2. Property and Equipment**

Property and equipment consist of the following at June 30:

	<b>Estimated Useful Life</b>	<b>2022</b>	<b>2021</b>
Building and improvements	10 – 40 years	\$ 6,442,579	\$ 6,574,175
Fixtures and equipment	5 – 10 years	1,552,183	1,274,952
Vehicles	5 years	1,306,085	1,259,766
		<u>9,300,847</u>	<u>9,108,893</u>
Less accumulated depreciation		<u>(6,401,647)</u>	<u>(6,096,469)</u>
		2,899,200	3,012,424
Land		<u>908,048</u>	<u>910,048</u>
		<u>\$ 3,807,248</u>	<u>\$ 3,922,472</u>

**Note 3. Notes Payable**

Notes payable consists of the following at June 30:

	<b>2022</b>	<b>2021</b>
Note payable to Truist in monthly principal installments of \$3,299, plus interest at 2.95% with balloon payment due May 2023. Note is secured by real estate with a net book value of \$1,745,260.	\$ 164,471	\$ 207,919
Note payable to Truist in monthly installments of \$1,403, including interest at 4.46%, maturing May 2027. Note is secured by real estate with a net book value of \$123,930.	<u>74,230</u>	<u>87,439</u>
	238,701	295,358
Less: current portion	<u>(178,430)</u>	<u>(52,936)</u>
	<u>\$ 60,271</u>	<u>\$ 242,422</u>

Debt matures as follows at June 30:

2023	\$ 178,430
2024	14,594
2025	15,799
2026	15,953
2027	<u>13,925</u>
	<u>\$ 238,701</u>

(Continued)

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 4. Lines of Credit**

The Organization has a \$1.0 million line of credit payable on demand with Truist through August 2023. Interest is payable at the bank's prime rate plus 1% with a minimum rate of 5.25%. The line is secured by the Organization's assets and had a balance of \$-0- at June 30, 2022 and 2021.

**Note 5. Local Government Support**

Local governments within the Organization's service area provided the following support for various programs as of June 30:

	2022	2021
Alleghany County	\$ 5,775	\$ 5,775
Bath County	2,000	2,000
Botetourt County	1,000	1,000
Covington	5,400	5,400
Craig County	365	365
Roanoke City	135,000	170,000
Roanoke County	34,600	34,600
Rockbridge County	12,240	12,240
Salem	35,065	35,065
	\$ 231,445	\$ 266,445

**Note 6. Pension Plan**

The Organization participates in a retirement and 401(k) plan for the benefit of its employees. Employees become eligible to participate in the plan on the first day of a new quarter (April 1, July 1, October 1, and January 1) following the completion of three months of service. After two years of service, employees become eligible for the Organization's contribution to the plan. The Organization contributes an amount equal to 4% of each participant's compensation for the fiscal year and a 4% match of eligible employees' deferred contributions for the years ended June 30, 2022 and 2021, and totaled \$491,553 and \$425,629, respectively.

**Note 7. Related Party Transactions**

The Organization has notes receivable from Terrace North, LP and Terrace South, LP of \$968,000 for June 30, 2022 and 2021, respectively. The notes bear no interest and are due in December 2026.

At June 30, 2022 and 2021, the Organization also has other receivables due from Terrace North, LP and Terrace South, LP of \$272,684 included in other receivables.

(Continued)

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2021**

**Note 8. Financial Assets and Liquidity Resources**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

	<b>2022</b>	<b>2021</b>
Cash	\$ 94,959	\$ 768,028
Grants receivable	1,842,600	1,405,024
Financial assets available for general expenditures	\$ 1,937,559	\$ 2,173,052

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Organization also has a line of credit totaling \$1,000,000 to cover operating cash needs periodically throughout the year. At June 30, 2022 and 2021, the full amount was available.

**Note 9. Contributed Nonfinancial Assets**

For the years ended June 30, contributed nonfinancial assets recognized within the statement of activities included:

	<b>2022</b>	<b>2021</b>
Space	\$ 2,493,931	\$ 2,149,013
Miscellaneous	173,425	213,860
	\$ 2,667,356	\$ 2,362,873

The Organization recognized contributed nonfinancial assets within revenue.

The contributed space was primarily for building use as part of the Head Start program. In valuing the in-kind space, the Organization estimated the fair value on the basis of real estate appraisals.

**Note 10. Pending Pronouncements**

Lease accounting

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. ASU No. 2016-02, requires that lessees recognize all leases (other than leases with a term of 12 months or fewer) on the balance sheet as lease liabilities, based upon the present value of the lease payments, with corresponding right of use assets. ASU No. 2016-02 also makes targeted changes to other aspects of current guidance, including identifying a lease and lease classification criteria as well as the lessor accounting model, including guidance on separating components of a contract and consideration in the contract. The amendments in ASU No. 2016-02 will be effective for the Organization on July 1, 2022 and will require modified retrospective application as of the beginning of the earliest period presented on the consolidated financial statements. Early application is permitted.



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

To the Board of Directors  
Total Action Against Poverty in the Roanoke Valley, Inc.  
Roanoke, Virginia

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 consolidated financial statements of Total Action Against Poverty in the Roanoke Valley, Inc. and Subsidiaries (a nonprofit organization) (the “Organization”), which comprise the consolidated statements of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated \_\_\_\_\_, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization’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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiency in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report Compliance and Other Matters**

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

*Brown, Edwards & Company, S. L. P.*

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia  
January 11, 2023



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

To the Board of Directors  
Total Action Against Poverty in the Roanoke Valley, Inc.  
Roanoke, Virginia

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

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

We have audited Total Action Against Poverty in the Roanoke Valley, Inc.'s (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization 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, 2022.

***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.



## ***Responsibilities of Management for Compliance (Continued)***

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

**Report on Internal Control over Compliance (Continued)**

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia  
January 11, 2022

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2022**

	<b>Federal Assistance Listing Number</b>	<b>Expenditures</b>	<b>Total Cluster</b>
Department of Health and Human Services:			
Direct program			
Head Start	93.600	\$ 10,121,407	
Head Start COVID	93.356	110,062	
Head Start Rescue	93.356	622,391	
Head Start Partner	93.600	3,162,107	
Early Head Start Partner COVID	93.600	8,393	
Total Head Start Cluster (93.356, 93.600)			14,024,360
Virginia Department of Social Services			
CSBG	93.569	40,771	
Subtotal Department of Health and Human Services – direct program		14,065,131	
Pass-through programs from:			
Virginia Department of Housing and Community Development – LIHEAP	93.568	779,524	
Virginia Department of Housing and Urban Development			
HOME	14.239	148,729	
RMRP	21.023	223,763	
Virginia Department of Criminal Justice Services			
Victims of Crime	16.575	256,680	
Virginia Department of Social Services			
CSBG	93.569	737,639	
CSBG CARES	93.569	465,803	
CSBG TANF	93.558	465,000	
Victims of Crime	16.575	170,290	
City of Roanoke Department of Social Services			
ARPA Funding	14.257	19,505	
Subtotal Department of Health and Human Services – pass-through programs		3,266,933	
Total 477 Cluster (93.558, 93.569)			1,709,213
Total Department of Health and Human Services		17,332,064	
Department of Housing and Urban Development:			
Direct programs:			
Housing Counseling Assistance Program	14.169	45,000	
Subtotal Department of Health and Urban Development – direct program		45,000	
Pass-through programs from:			
Virginia Housing Development Authority			
Housing Counseling Assistance Program	14.169	43,679	
Subtotal Department of Housing and Urban Development – pass-through programs		43,679	
Total Department of Housing and Urban Development		88,679	
United States Department of Agriculture (USDA):			
Direct programs:			
Child and Adult Care Food Program	10.558	661,044	
Department of Labor:			
Direct programs:			
Homeless Veterans' Reintegration Program	17.805	110,149	
YouthBuild	17.274	22,706	
National Dislocated Worker	17.274	201,014	
Workforce Opportunity for Rural Communities	17.274	241,004	
Reintegration of Ex-Offenders	17.270	71,375	
Total Department of Labor		646,248	
Department of Veterans Affairs:			
Direct program:			
Supportive Services for Veteran Families	64.033	243,400	
Supportive Services for Veteran Families COVID	64.033	390,215	
Total Department of Veterans Affairs		633,615	

(Continued)

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2022**

	<b>Federal Assistance Listing Number</b>	<b>Expenditures</b>	<b>Total Cluster</b>
Department of Energy:			
Pass-through programs from:			
Virginia Department of Housing and Community Development:			
Weatherization Assistance for Low-Income Persons	81.042	\$ 232,483	
Department of Justice:			
Direct program:			
Violence, Dating Violence, Stalking, or Sexual Assault	16.736	107,489	
Second Chance Act Reentry Initiative	16.812	124,082	
Girls United	16.830	25,193	
Juvenile Mentoring Program	16.726	46,189	
Subtotal Department of Justice – direct program		302,953	
Pass-through programs from:			
Virginia Department of Criminal Justice:			
BYRNE	16.579	259,819	
DCJS ARPA	16.579	40,381	
Subtotal Department of Justice – pass-through program		300,200	
Total Department of Justice		603,153	
Department of the Treasury:			
Direct program:			
VITA	21.009	23,012	
Federal Emergency Management Agency			
Pass-through program from:			
City of Covington	97.024	58,091	
Total Expenditures of Federal Awards		\$ 20,278,389	

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2022**

**Note A. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the Federal award activity of the Organization under programs of the Federal Government for the year ended June 30, 2022. 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 operation of the Organization, it is not intended to, and does not present, the financial position, changes in net assets or cash flows of the Organization.

**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 wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C. Indirect Cost Rate**

The Organization has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2022**

**A. SUMMARY OF AUDITOR’S RESULTS**

1. The auditor’s report expresses an **unmodified opinion** on whether the consolidated financial statements of the Organization were prepared in accordance with GAAP.
2. **No significant deficiencies** relating to the audit of the consolidated financial statements were reported in the 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*.
3. **No instances of noncompliance** material to the consolidated financial statements of the Organization were disclosed during the audit.
4. **No significant deficiencies in internal control** relating to the audit of the major federal award programs were reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance required by the Uniform Guidance.
5. The auditor’s report on compliance for the major federal award programs for the Organization expresses an **unmodified opinion on all major federal programs**.
6. The audit disclosed **no audit findings relative to the major programs**.
7. The programs tested as a major federal program were:

Department of Health and Human Services	
Head Start Cluster	93.600
Virginia Department of Housing and Community	
Development – LIHEAP	93.568
8. The **threshold** for distinguishing Type A and B programs was \$750,000.
9. **Total Action Against Poverty in the Roanoke Valley, Inc. was determined to be a low-risk auditee.**

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SUMMARY OF LEASE AGREEMENTS  
For the Year Ended June 30, 2022**

<b>Lessor</b>	<b>Property Location</b>	<b>Lease Duration</b>	<b>Amount</b>	<b>Program Use</b>
Caru Realty	Caru Community Center 3417 Bennett Drive, N.W. Roanoke, Virginia	Month to Month	Contribution	Head Start
Northwest Neighborhood Environmental Organization, Inc.	206 Ninth Street, N.W. Roanoke, Virginia	2/1/2022-1/1/2023	44,219	Head Start
St. John's Episcopal Church	Jefferson Street Roanoke, Virginia	1/1/2022-12/31/2022	15,000	Head Start
Belmont Christian Church	1101 Jamison Avenue Roanoke, Virginia	1/1/2021-12/31/2022	50,400	Head Start
Roanoke Higher Education Authority	108 N. Jefferson Street Roanoke, Virginia	7/1/2021-6/30/2022	137,829	Head Start
Roanoke City Public Schools	2102 Grandin Road Roanoke, Virginia	Month to Month	Contribution	Head Start
Summerdean Farms, Inc.	2164 E. Midland Trail Buena Vista, Virginia	10/17/2021-2/11/2023	44,000	Head Start
T Building, LLC – 4th Floor	302 2nd Street, S.W. Roanoke, Virginia	2/26/20 - 2/26/28	302,500	Various

Lease commitments are as follows at June 30:

2023	412,214
2024	325,759
2025	333,903
2026	342,251
2027 and after	588,545
	<u>\$ 2,002,672</u>

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
HEAD START PROGRAM**

**For the Year Ended June 30, 2022**

	Head Start Full Year Part Day		Head Start Kitchen Full Year Part Day		Total
	April 30,		April 30,		
	2022	2023	2022	2023	
	Ten Months	Two Months	Ten Months	Two Months	
<b>REVENUE</b>					
Grants	\$ 5,685,655	\$ 957,707	\$ 381,795	\$ 109,843	\$ 7,135,000
USDA	-	-	412,074	85,013	497,087
Other revenue	24,738	3,143	-	-	27,881
Contributions	2,100	-	-	-	2,100
In-kind	2,231,608	416,208	-	-	2,647,816
<b>Total revenue</b>	<b>7,944,101</b>	<b>1,377,058</b>	<b>793,869</b>	<b>194,856</b>	<b>10,309,884</b>
<b>EXPENDITURES</b>					
Salaries and wages	2,740,665	461,548	240,394	37,474	3,480,081
Fringe benefits	805,799	64,237	92,271	6,877	969,184
Contractual	351,852	30,937	2,158	279	385,226
Travel	24,755	2,463	8,265	1,387	36,870
Space	210,639	17,695	48,641	4,422	281,397
Supplies	230,500	22,156	365,235	49,902	667,793
Equipment	56,044	5,219	31,060	85	92,408
Other	1,459,593	238,565	43,982	5,647	1,747,787
In-kind	2,231,608	416,208	-	-	2,647,816
<b>Total expenditures</b>	<b>8,111,455</b>	<b>1,259,028</b>	<b>832,006</b>	<b>106,073</b>	<b>10,308,562</b>
<b>Revenue over (under) expenditures</b>	<b>(167,354)</b>	<b>118,030</b>	<b>(38,137)</b>	<b>88,783</b>	<b>1,322</b>
<b>FUND BALANCE</b>					
Beginning	167,354	-	38,137	-	205,491
Ending	<u>\$ -</u>	<u>\$ 118,030</u>	<u>\$ -</u>	<u>\$ 88,783</u>	<u>\$ 206,813</u>



**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
EARLY HEAD START PROGRAM**

**For the Year Ended June 30, 2022**

	Early Head Start Full Year Part Day		Early Head Start Training and Technical Assistance		Total
	April 30,		April 30,		
	2022	2023	2022	2023	
	Ten Months	Two Months	Ten Months	Two Months	
<b>REVENUE</b>					
Grants	\$ 2,307,523	\$ 465,504	\$ 64,355	\$ 10,466	\$ 2,847,848
USDA	135,618	28,338	-	-	163,956
Other revenue	532.00	-	-	-	532
Contributions	500	-	-	-	500
In-kind	567,609	111,334	-	-	678,943
<b>Total revenue</b>	<b>3,011,782</b>	<b>605,176</b>	<b>64,355</b>	<b>10,466</b>	<b>3,691,779</b>
<b>EXPENDITURES</b>					
Salaries and wages	1,398,030	304,730	-	-	1,702,760
Fringe benefits	368,528	39,924	-	-	408,452
Contractual	9,596	2,505	1,140	-	13,241
Travel	8,235	905	3,482	102	12,724
Space	71,347	6,659	250	58	78,314
Supplies	179,600	26,016	8,165	430	214,211
Equipment	15,740	1,196	-	-	16,936
Other	469,686	84,469	51,318	9,876	615,349
In-kind	567,609	111,334	-	-	678,943
<b>Total expenditures</b>	<b>3,088,371</b>	<b>577,738</b>	<b>64,355</b>	<b>10,466</b>	<b>3,740,930</b>
<b>Revenue over (under) expenditures</b>	<b>(76,589)</b>	<b>27,438</b>	<b>-</b>	<b>-</b>	<b>(49,151)</b>
<b>FUND BALANCE</b>					
Beginning	76,589	-	-	-	76,589
Ending	<b>\$ -</b>	<b>\$ 27,438</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,438</b>

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
VIRGINIA DEPARTMENT OF SOCIAL SERVICES  
For the Year Ended June 30, 2022**

	<b>Community Service Block Grant Federal</b>	<b>TANF State</b>	<b>Domestic Violence</b>	<b>Total</b>
<b>REVENUE</b>				
Grants	\$ 735,785	\$ 465,000	\$ 189,499	\$ 1,390,284
Indirect Revenue	-	2,121	-	2,121
<b>Total revenue</b>	<u>735,785</u>	<u>467,121</u>	<u>189,499</u>	<u>1,392,405</u>
<b>EXPENDITURES</b>				
Salaries and wages	372,970	127,366	82,945	583,281
Fringe benefits	120,550	45,275	11,741	177,566
Contractual	26,578	9,495	3,455	39,528
Travel	14,124	13,187	41,119	68,430
Space	80,090	28,210	4,369	112,669
Supplies	7,549	6,066	2,253	15,868
Equipment	9,471	-	9,241	18,712
Emergency assistance	-	9,090	-	9,090
Other	106,232	220,327	34,666	361,225
<b>Total expenditures</b>	<u>737,564</u>	<u>459,016</u>	<u>189,789</u>	<u>1,386,369</u>
<b>Revenue over (under) expenditures</b>	(1,779)	8,105	(290)	6,036
<b>FUND BALANCE</b>				
Beginning	4,607	(1,008)	(10,841)	(7,242)
Ending	<u>\$ 2,828</u>	<u>\$ 7,097</u>	<u>\$ (11,131)</u>	<u>\$ (1,206)</u>

The Notes are an integral part of these Consolidated Financial Statements.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
HOUSING REVITALIZATION PROGRAMS**

**For the Year Ended June 30, 2022**

	<b>Roanoke City Homeless Solutions Total</b>
<b>REVENUE</b>	
Local cash	\$ 29,250
<b>Total revenue</b>	29,250
<b>EXPENDITURES</b>	
Salaries and wages	15,717
Fringe benefits	1,755
Contractual	506
Travel	-
Space	203
Supplies	376
Emergency assistance	-
Other	5,027
<b>Total expenditures</b>	23,584
<b>Revenue over (under) expenditures</b>	5,666
<b>FUND BALANCE</b>	
Beginning	5,573
Ending	\$ 11,239

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**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS  
For the Year Ended June 30, 2022**

	<u>Weatherization</u>	<u>Emergency Home Repair</u>	<u>Indoor Plumbing</u>	<u>Total</u>
<b>REVENUE</b>				
Grants	\$ 1,025,592	\$ 139,786	\$ 162,047	\$ 1,327,425
Program income	-	-	-	-
Other revenue	-	-	-	-
<b>Total revenue</b>	<u>1,025,592</u>	<u>139,786</u>	<u>162,047</u>	<u>1,327,425</u>
<b>EXPENDITURES</b>				
Salaries and wages	386,374	5,221	9,201	400,796
Fringe benefits	105,308	1,622	1,711	108,641
Contractual	115,113	76,570	167,650	359,333
Travel	31,931	-	-	31,931
Space	34,084	-	-	34,084
Supplies	138,426	-	3,482	141,908
Equipment	78,063	-	-	78,063
Emergency assistance	-	-	-	-
Other	122,708	7,434	216	130,358
<b>Total expenditures</b>	<u>1,012,007</u>	<u>90,847</u>	<u>182,260</u>	<u>1,285,114</u>
<b>Revenue over (under) expenditures</b>	13,585	48,939	(20,213)	42,311
<b>FUND BALANCE</b>				
Beginning	(94,120)	(40,272)	4,892	(129,500)
Ending	<u>\$ (80,535)</u>	<u>\$ 8,667</u>	<u>\$ (15,321)</u>	<u>\$ (87,189)</u>

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**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
WEATHERIZATION**

**For the Year Ended June 30, 2022**

	<u>Department of Energy</u>	<u>Low Income Home Energy Assistance</u>	<u>Total</u>
<b>REVENUE</b>			
Grants	\$ 232,587	\$ 793,005	\$ 1,025,592
<b>Total revenue</b>	<u>232,587</u>	<u>793,005</u>	<u>1,025,592</u>
<b>EXPENDITURES</b>			
Salaries and wages	97,495	288,879	386,374
Fringe benefits	25,994	79,314	105,308
Contractual	12,340	102,773	115,113
Travel	7,718	24,213	31,931
Space	8,637	25,447	34,084
Supplies	28,986	109,440	138,426
Equipment	18,778	59,285	78,063
Other	32,535	90,173	122,708
<b>Total expenditures</b>	<u>232,483</u>	<u>779,524</u>	<u>1,012,007</u>
<b>Revenue over (under) expenditures</b>	104	13,481	13,585
<b>FUND BALANCE</b>			
Beginning	<u>(112,007)</u>	<u>17,887</u>	<u>(94,120)</u>
Ending	<u>\$ (111,903)</u>	<u>\$ 31,368</u>	<u>\$ (80,535)</u>

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**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
ROANOKE CITY REVENUE  
For the Year Ended June 30, 2022**

	<b>Total</b>
<b>REVENUE</b>	
Grants	\$ 25,705
Program income	2,696
Local cash	135,000
Contributions	820
	<b>Total revenue</b>
	164,221
<b>EXPENDITURES</b>	
Salaries and wages	62,772
Fringe benefits	15,385
Contractual	5,920
Travel	19,791
Space	20,989
Supplies	4,026
Equipment	169
Other	19,726
	<b>Total expenditures</b>
	148,778
<b>Revenue over (under) expenditures</b>	15,443
<b>FUND BALANCE</b>	
Beginning*	133,432
	<b>Ending</b>
	\$ 148,875

\* Includes Safe Haven and Homeless Solutions not included in prior year.

**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
EDUCATION REVENUE**

**For the Year Ended June 30, 2022**

	<u><b>Project Discovery of Virginia</b></u>
<b>REVENUE</b>	
Grants	\$ 85,794
In-kind	115,192
<b>Total revenue</b>	<u>200,986</u>
<b>EXPENDITURES</b>	
Salaries and wages	41,240
Fringe benefits	16,269
Contractual	41
Travel	4,143
Space	7,409
Supplies	3,126
Other	11,895
In-kind	115,192
<b>Total expenditures</b>	<u>199,315</u>
<b>Revenue over (under) expenditures</b>	1,671
<b>FUND BALANCE</b>	
Beginning	<u>(19,538)</u>
Ending	<u><u>\$ (17,867)</u></u>

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**TOTAL ACTION AGAINST POVERTY  
IN THE ROANOKE VALLEY, INC. AND SUBSIDIARIES**

**SCHEDULE OF GRANT REVENUE AND EXPENDITURES –  
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PROGRAMS  
For the Year Ended June 30, 2022**

	<b>Virginia Cares</b>	<b>United Way</b>
<b>REVENUE</b>		
Grants	\$ 247,813	\$ 182,009
Contributions	-	2,000
<b>Total revenue</b>	247,813	184,009
<b>EXPENDITURES</b>		
Salaries and wages	159,307	46,966
Fringe benefits	38,373	13,381
Contractual	-	29,177
Travel	13,711	27,895
Space	8,662	13,865
Supplies	3,093	3,525
Equipment	7,341	-
Emergency assistance	-	-
Other	17,870	18,506
<b>Total expenditures</b>	248,357	153,315
<b>Revenue over (under) expenditures</b>	(544)	30,694
<b>FUND BALANCE</b>		
Beginning	-	164,746
Ending	\$ (544)	\$ 195,440

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