
SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2021

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2021

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Independent Auditors' Report

**To the Board Members
Skyline Community Action Partnership, Inc.
Madison, Virginia**

Report on the Financial Statements

We have audited the accompanying financial statements of Skyline Community Action Partnership, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Skyline Community Action Partnership, Inc. as of June 30, 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.

Other Matters

Other 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 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 March 28, 2022, on our consideration of Skyline Community Action Partnership, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Skyline Community Action Partnership Inc.'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 Skyline Community Action Partnership, Inc.'s internal control over financial reporting and compliance.

Robinson, Farnell, Cox Associates
Charlottesville, Virginia
March 28, 2022

- Financial Statements -

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

**Statement of Financial Position
At June 30, 2021**

<u>ASSETS</u>	
Current Assets:	
Cash and cash equivalents	\$ 944,018
Grants receivable	226,187
Prepaid expenses	50,414
Total current assets	\$ 1,220,619
Other Assets:	
Property held for resale	\$ 79,358
Property and Equipment:	
Land	\$ 304,981
Office equipment	126,220
Modular buildings	237,772
Other buildings	632,613
Classroom improvements	40,809
Playground equipment	103,771
Health equipment	30,820
Subtotal	\$ 1,476,986
Accumulated depreciation	(721,075)
Net property and equipment	\$ 755,911
Total other assets	\$ 835,269
Total assets	\$ 2,055,888
<u>LIABILITIES AND NET ASSETS</u>	
Current Liabilities:	
Accounts payable	\$ 8,443
Accrued expenses	74,646
Total current liabilities	\$ 83,089
Long-term Liabilities:	
Compensated absences	\$ 51,902
Total long-term liabilities	\$ 51,902
Total liabilities	\$ 134,991
Net Assets:	
Net assets without donor restrictions	\$ 1,427,293
Net assets with donor restrictions	493,604
Total net assets	\$ 1,920,897
Total liabilities and net assets	\$ 2,055,888

The accompanying notes to financial statements are an integral part of this statement.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Statement of Activities
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Grants from government agencies:			
Federal Head Start funds	\$ -	\$ 1,702,915	\$ 1,702,915
Federal CSBG funds	-	330,756	330,756
Federal Housing Counseling	-	138,124	138,124
COVID-19 Section 8 funds	-	5,391	5,391
H.O.M.E.	-	56,331	56,331
Project Discovery	-	22,000	22,000
Greene County	-	42,367	42,367
Madison County	-	47,585	47,585
Page County	-	23,000	23,000
Orange County	-	3,000	3,000
Fauquier County	-	18,000	18,000
Rappahanock County	-	5,000	5,000
TANF	-	116,250	116,250
Interest	3,053	-	3,053
Program income	-	218,250	218,250
Section 8 fees	147,471	-	147,471
Rental income	-	99,606	99,606
Other income	3,062	7,100	10,162
Total	\$ 153,586	\$ 2,835,675	\$ 2,989,261
Net assets released from restrictions:			
Restrictions satisfied by payments	\$ 2,779,500	\$ (2,779,500)	\$ -
Total revenues, gains, and other support	\$ 2,933,086	\$ 56,175	\$ 2,989,261
Expenses:			
Program Services:			
Assistance for low-income residents	\$ 2,421,189	\$ -	\$ 2,421,189
Supporting Services:			
Management and general	413,432	-	413,432
Total expenses	\$ 2,834,621	\$ -	\$ 2,834,621
Changes in net assets	\$ 98,465	\$ 56,175	\$ 154,640
Net assets, beginning of year	1,328,828	437,429	1,766,257
Net assets, end of year	<u>\$ 1,427,293</u>	<u>\$ 493,604</u>	<u>\$ 1,920,897</u>

The accompanying notes to financial statements are an integral part of this statement.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

**Statement of Functional Expenses
Year Ended June 30, 2021**

	<u>Program Services</u>	<u>Supporting Services</u>	
	<u>Assistance for Low-Income Residents</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 1,455,128	\$ 261,281	\$ 1,716,409
Payroll taxes	133,854	21,958	155,812
Retirement contribution	25,968	9,939	35,907
Other employee benefits	144,940	23,255	168,195
Total salaries and related expenses	\$ 1,759,890	\$ 316,433	\$ 2,076,323
Professional fees	-	8,750	8,750
Client services	51,903	-	51,903
Insurance	688	20,398	21,086
Supplies	110,670	10,333	121,003
Communication	20,277	5,024	25,301
Postage and shipping	2,837	1,152	3,989
Equipment rental and maintenance	12,208	25,295	37,503
Dues and publications	199,873	6,983	206,856
Travel	22,302	160	22,462
Conferences and training	26,104	1,607	27,711
Occupancy	144,783	15,520	160,303
Emergency assistance	29,214	-	29,214
Other	5,172	1,777	6,949
Total expenses before depreciation	\$ 2,385,921	\$ 413,432	\$ 2,799,353
Depreciation	35,268	-	35,268
Total expenses	<u>\$ 2,421,189</u>	<u>\$ 413,432</u>	<u>\$ 2,834,621</u>

The accompanying notes to financial statements are an integral part of this statement.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Statement of Cash Flows
Year Ended June 30, 2021

Cash flows from operating activities:

Change in net assets	\$ 154,640
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Adjustments to reconcile change in net assets to net cash provided by
(used for) operating activities:

Depreciation	35,268
(Increase) decrease in grants receivable	(98,757)
(Increase) decrease in prepaid expenses	(245)
Increase (decrease) in accounts payable	(4,881)
Increase (decrease) in accrued expenses	13,936
Increase (decrease) in deferred revenue	(45,813)
Increase (decrease) in compensated absences	(1,333)
	(1,333)

Net cash provided by (used for) operating activities	\$ <u>52,815</u>
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Cash flows from investing activities:

Purchase of property and equipment	\$ <u>(42,767)</u>
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Net cash provided by (used for) investing activities	\$ <u>(42,767)</u>
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Increase (decrease) in cash and cash equivalents	\$ 10,048
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Cash and cash equivalents, beginning of year	933,970
	933,970

Cash and cash equivalents, end of year	\$ <u><u>944,018</u></u>
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Supplemental Disclosure:

Interest paid	\$ <u><u>58</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Description and Purpose of Agency

Skyline Community Action Partnership, Inc. (“the Organization”) is the designated community action agency for the counties of Greene, Madison, and Orange, providing a range of programs and services, including Head Start, designed to ameliorate poverty and increase self-sufficiency of low-income residents. In addition, the Organization operates a Head Start program in the counties of Rappahannock, Page, Warren and Shenandoah. The Organization has been determined to be a voluntary health and welfare organization.

B. Financial Statement Presentations / Basis of Accounting

The Organization is funded by federal, state, and local funds. Its accounting policies are governed by applicable provisions of these grants and applicable pronouncements and publications of the grantors. The Organization utilizes the accrual basis of accounting where expenses are recognized in the accounting period in which the related liability is incurred and revenues from the various grantors are recognized as income when earned.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor-imposed restrictions:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed stipulations. At June 30, 2021, the Organization had net assets without donor restrictions of \$1,427,293.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. At June 30, 2021, the Organization had \$493,604 of net assets with donor restrictions.

C. Property and Equipment

Office equipment and vehicles with a cost of \$2,500 or greater are recorded at cost and depreciation is calculated on the straight-line basis over the estimated useful life of 5 years. Modular buildings and office space improvements are depreciated over a ten-year life and a seven-year life respectively. Depreciation expense for the year ended June 30, 2021 was \$35,268.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2021 (continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Concentrations of Credit Risk

The Organization maintains cash balances at three financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2021, the Organization had a \$322,603 uninsured cash balance.

F. Income Taxes

Skyline Community Action Partnership, Inc. is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code.

G. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash on hand, cash in banks and money market funds to be cash and cash equivalents.

H. Functional Expenses

The costs of providing the programs and supporting activities have been summarized on a functional basis in the statement of activities. Accordingly, functional expenses are apportioned between program and supporting services based on personnel time for the related activities. Specifically, identifiable expenses are directly allocated.

I. Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Consequently, at June 30, 2021, the Organization did not have any conditional contributions.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. At June 30, 2021 the Organization had not received any unrecognized cost-reimbursable grants and did not have any advance payments recognized in the statement of financial position.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2021 (continued)

NOTE 2 - NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are derived from the following sources:

<u>Program</u>	<u>With Donor Restrictions</u>
Head Start	\$ 41,687
Fauquier County	31,100
Madison County	17,977
Greene County	15,799
Orange County	2,656
Page County	25,612
Rappahanock County	13,333
HOME	30,373
Home - Program Income	195,955
Grant - Dental Care	3,842
Project Discovery	1,546
BAMA Grant	310
Blue Bell Foundation	6,253
CHDO	1,756
EHR - MM and SST Morgan Jr. Trust	1,213
Raines Job Donations	4,500
Skyline Apartments	99,692
Total	<u>\$ 493,604</u>

NOTE 3 - OPERATING LEASE COMMITMENTS:

The Organization leases office space and other facilities from various lessors. The lease terms are generally for one year with provisions for additional one year renewals. Rent expense for the year ended June 30, 2021 was \$48,188.

NOTE 4 - COMPENSATED ABSENCES:

The Organization's employees earn leave based on length of service. No benefits or pay is received for unused sick leave upon termination by employees. The Organization accrued a total amount of \$51,902 annual leave at June 30, 2021.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2021 (continued)

NOTE 5 - PROPERTY AND EQUIPMENT:

Property and equipment, at cost, and accumulated depreciation at June 30, 2021 are as follows:

Land	\$	304,981
Office equipment		126,220
Modular buildings		237,772
Other buildings		632,613
Classroom improvements		40,809
Playground equipment		103,771
Health equipment		30,820
		<hr/>
Total	\$	1,476,986
Less accumulated depreciation		(721,075)
		<hr/>
Net total	\$	<u>755,911</u>

NOTE 6 - CONCENTRATION RISK OF RECEIVABLE:

The Organization receives its revenue primarily from federal and state agencies. Therefore, it has a relatively low level of concentration risk of uncollected receivables.

NOTE 7 - RETIREMENT PLAN:

The Organization has a defined contribution retirement plan under Section 403(b) of the Internal Revenue Code. Employees who work twenty or more hours per week are eligible to participate beginning the first of the month following completion of their 90 day introductory period. Participants can make tax deferred voluntary contributions to the plan subject to limits of the law. The employer must make contributions to the plan allocated to each active participant based on a fixed percentage of the participant's contribution per payroll period to the plan. Total employer contributions amounted to \$35,907 for the year ended June 30, 2021. Total covered payroll for the retirement plan was \$925,204 and the total payroll for the Organization was \$1,716,409 for the year ended June 30, 2021.

NOTE 8 - CONTINGENT LIABILITIES:

Federal programs in which the Organization participates were audited in accordance with the provisions of the *Uniform Guidance*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by audit, the federal government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Financial Statements
At June 30, 2021 (continued)

NOTE 9 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The Organization has the following financial assets that could readily be made available within one year of the statement of financial position to fund expenses without limitations:

Cash and cash equivalents	\$	944,018
Grants receivable		<u>226,187</u>
	\$	<u><u>1,170,205</u></u>

NOTE 10 - DATE OF MANAGERMENTS REVIEW:

Management has evaluated events and transactions for potential recognition or disclosure through March 28, 2022, the date on which the financial statements were available to be issued.

NOTE 11 - SUBSEQUENT EVENTS:

Given the daily evolution of the COVID-19 outbreak and global responses to curb its spread, the Organization is not able to completely estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

- Compliance -



**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**To the Board Members
Skyline Community Action Partnership, Inc.
Madison, 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 financial statements of Skyline Community Action Partnership, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 28, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Skyline Community Action Partnership, Inc.'s internal control over financial reporting (internal control) as a basis for designing 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 Skyline Community Action Partnership, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Skyline Community Action Partnership, Inc.'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 Skyline Community Action Partnership, Inc.'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 financial statements. 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.

Robinson, Farnell, Cox Associates

Charlottesville, Virginia

March 28, 2022



**Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

**To the Board Members
Skyline Community Action Partnership, Inc.
Madison, Virginia**

Report on Compliance for Each Major Federal Program

We have audited Skyline Community Action Partnership, Inc.'s (a nonprofit organization) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Skyline Community Action Partnership, Inc.'s major federal programs for the year ended June 30, 2021. Skyline Community Action Partnership, Inc.'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Skyline Community Action Partnership, 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 Skyline Community Action Partnership, 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 of Skyline Community Action Partnership, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Skyline Community Action Partnership, 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, 2021.

Report on Internal Control over Compliance

Management of Skyline Community Action Partnership, 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 Skyline Community Action Partnership, 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 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 Skyline Community Action Partnership, 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.

Robinson, Farnell, Cox Associates

Charlottesville, Virginia

March 28, 2022

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Direct Payments:			
Head Start (Head Start Cluster)	93.600	Not Applicable	\$ 1,525,727
COVID-19 - Head Start (Head Start Cluster)	93.600	Not Applicable	157,307
COVID-19 - ARPA - Head Start (Head Start Cluster)	93.600	Not Applicable	19,881
Total 93.600 (Head Start Cluster)			\$ 1,702,915
Pass-through Payments:			
Virginia Department of Social Services:			
Community Services Block Grant	93.569	CVS-09-066-25	136,345
COVID-19 - Community Services Block Grant	93.569	Not Available	194,411
Total 93.569			\$ 330,756
Temporary Assistance for Needy Families	93.558	CVS-09-066-25	\$ 116,250
Total Department of Health and Human Services			\$ 2,149,921
Department of Housing and Urban Development:			
Direct Payments:			
Housing Counseling Assistance Program	14.169	Not Applicable	\$ 92,311
COVID-19 - Housing Counseling Assistance Program	14.169	Not Applicable	45,813
Total 14.169			\$ 138,124
Pass-through Payments:			
Thomas Jefferson Planning District Commission:			
HOME Investment Partnerships Program	14.239	Not Available	56,331
COVID-19 - Section 8 Housing Choice Vouchers (Housing Voucher Cluster)	14.871	Not Available	5,391
Total Department of Housing and Urban Development			\$ 199,846
Total Expenditures of Federal Awards			\$ 2,349,767

See accompanying notes to schedule of expenditures of federal awards.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Skyline Community Action Partnership, Inc. under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of Skyline Community Action Partnership, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Skyline Community Action Partnership, Inc.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures 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.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - De Minimis Cost Rate

The Organization did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 - Subrecipients

No awards were passed through to subrecipients.

SKYLINE COMMUNITY ACTION PARTNERSHIP, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516 (a)?	No
Identification of major programs:	

Assistance Listing #	Name of Federal Program or Cluster
93.600	Head Start Cluster

Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Prior Year Audit Findings

There are no prior year audit findings to report.