

***GRAND GATEWAY ECONOMIC DEVELOPMENT  
ASSOCIATION***

***FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT***

**FOR THE YEAR ENDED JUNE 30, 2014**



***Clothier & Company CPA's P.C.***

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**Grand Gateway Economic Development Association**  
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**June 30, 2014**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Grand Gateway Economic Development Association

We have audited the accompanying financial statements of Grand Gateway Economic Development Association (GGEDA), which comprise the statement of financial position as of June 30, 2014, and the related statement of activities, functional expense, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 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 Grand Gateway Economic Development Association as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with principles generally accepted in the United States of America

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *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 and state awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is 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 April 9, 2015, on our consideration of GGEDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GGEDA's internal control over financial reporting and compliance.



Clothier & Company CPA's  
April 9, 2015



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## Management's Discussion and Analysis

Our discussion and analysis of Grand Gateway Economic Development Association's financial performance provides an overview of the Association's financial activities for the fiscal year ended June 30, 2014.

### FINANCIAL HIGHLIGHTS

- The Association's net assets decreased \$38,302 as a result of this year's operations.
- During the year, the Association had revenues that were \$144,725 more than expenses. This compares to last year when expenditures exceeded revenues by \$291,236.
- Total cost of all of the Association's programs decreased 17% from \$12,110,100 to \$10,007,951.
- The general fund's total net assets decreased from \$1,715,098 to \$1,676,796.

### USING THE ANNUAL REPORT

This annual report consists of the Statement of Net Assets-Proprietary fund and Statement of Revenue, Expenses, and Changes in Net Assets-Proprietary Fund (on pages 12 and 13). These provide information about the two funds of the Association-General Revenue Fund and the Trust Authority.

#### Reporting the Association as a Whole

Our analysis of the Association as a whole begins on page III. One of the most important questions asked about the Association's finances is "Is the Association as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Change in Net Assets report information about the Association as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These statements report the Association's *net assets* and changes in them. You can think of the Association's net assets – the difference between assets and liabilities – as one way to measure



the Association's financial health, or *financial position*. Over time, *increases or decreases* in the Association's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the state economy and membership in the Association, to assess the *overall health* of the Association.

## THE ASSOCIATION AS A WHOLE

The Association's General Revenue Fund's net assets decreased from a year ago-*decreasing* from \$1,714,954 to \$1,676,796, or \$38,000. Last year net assets decreased by 291 thousand. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Association's activities.

	General Revenue Fund		Trust Authority	
	6/2014	6/2013	6/2014	6/2013
Current and other assets	\$3,392	\$3,073	\$106	\$29
Capital assets	838	995	675	627
Total assets	4,230	4,068	781	656
Long-term debt outstanding	0	0	518	356
Other liabilities	2,553	2,353	2	48
Total liabilities	2,553	2,353	520	404
Net assets:				
Invested in capital assets, net				
of debt	838	1,351	157	227
Restricted	1,040	653	0	0
Unrestricted	(201)	(289)	104	25
Total net assets	\$1,677	\$1,715	\$261	\$252

Net assets of the Association's General revenue Fund decreased. *Unrestricted* net assets-the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirement-changed from 289 thousand at June 30, 2014 to 201 thousand at the end of this year.

	<u>General Revenue Fund</u>		<u>Trust Authority</u>	
	<u>6/30/14</u>	<u>6/2013</u>	<u>6/30/14</u>	<u>6/2013</u>
<b>Program revenues:</b>				
Charges for services	\$606	\$2,502	\$0	\$0
Operating grants & contributions	8,884	7,951	0	0
Capital grants & contributions	0	0	0	0
General revenues	1,891	1,366	71	65
Non-operating revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	11,381	11,819	71	65
<b>Program expenses:</b>				
Local	1,957	862	0	0
DHS-AAA Pass Thru	2,039	2,050	0	0
Rural Economic Action Plan	1,455	2,159	0	0
Department of Transportation	2,608	364	0	0
Title V	432	13	0	0
Non-Major Funds	2,928	6,662		
Trust Authority	<u>0</u>	<u>0</u>	<u>62</u>	<u>44</u>
Total Expenses	11,419	12,110	62	44
Increase(decrease) in net assets:	<u>(\$38)</u>	<u>(\$291)</u>	<u>\$9</u>	<u>\$21</u>

The Association's General Revenue Fund revenues (excluding special items) decreased 4% (437 Thousand). The total cost of all programs and services decreased by 2.1 million or 18% percent. Although there was a decrease in revenue, the sizeable decrease in expenses allowed the Association to cover this year's cost.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of June 2014, the Association and Trust Authority had 4,751 thousand invested in a broad range of capital assets, including office equipment. This amount represents an increase (including additions and deductions) of 352 thousand or 8 percent, from last year.

Fixed assets consisted of:	BALANCE 6/30/13	ADDITIONS	DELETIONS	BALANCE 6/30/14
FURNITURE & FIXTURES	26,015	0	0	26,015
CAPITAL LEASES	10,704	0	0	10,704
OFFICE EQUIP	134,138	0	0	134,138
GGEDA AUTOS	25,447	0	0	25,447
BUSSES & VANS	501,707	0	0	501,707
RADIO EQUIP	7,130	0	0	7,130



FOOD SERVICE EQUIPMENT	2,165	0	0	2,165
GIS EQUIP. NON-CHARGE	39,372	0	0	39,372
DEQ EQUIPMENT	18,353	0	0	18,353
IMPROVEMENTS	31,097	0	0	31,097
RURAL FIRE EQUIPMENT	1,665	0	0	1,665
HUD EQUIPMENT	8,345	0	0	8,345
ODOT EQUIP. NON-CHARGE	2,799,822	237,465	0	3,037,287
ODOT EQUIPMENT CHARGEABLE	8,371	48,637	0	57,008
CAREGIVER EQUIPMENT	10,584	0	0	10,584
SHIP EQUIPMENT	25,382	0	0	25,382
CASE MANAGEMENT EQUIPMENT	7,993	0	0	7,993
DHS/AAA EQUIPMENT	4,744	0	0	4,744
VTCL EQUIPMENT	2,797	0	0	2,797
CENA EQUIPMENT	1,046	0	0	1,046
TRUST AUTH BUILDING/IMPROVE	732,461	65,193	0	797,654
TOTALS	4,399,339	351,295	0	4,750,634

State law prohibits the Association from having debts.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The outlook for most Programs in FY2015 appears to be relatively stable. Contracts with Oklahoma Department of Agriculture, Oklahoma Department of Commerce remain steady. Estimates are expected to be reduced by 8 to 12 percent.

Oklahoma Department of Human Services budget for FY 15 remained steady. The Oklahoma Legislative held the state association harmless and by formula for the AAA, we expect a similar budget for FY15.

Oklahoma Department of Transportation received additional federal monies and increased state appropriation over a five year window, but a proposed new formula to allocate monies to the various transit coalition will require Pelivan to pursue additional avenues for local match if we are to continue the service. Rising cost of the fuel and insurance add to the potential loss of service and value to GGEDA and the area. We are still operating various routes through contracts with area Native American Tribes. Our experiment with CNG vehicles are a marked success. The effective gasoline equivalent is around 85 cents a gallon and the vehicles are performing very well. We are expected to begin replacing all vehicles on schedule with CNG vehicles. We are currently exploring vehicle conversion for our lower mileage vehicles which will lower our operating costs as passenger demand is rising. We have been in discussions and experimentation with Grand Lake Mental Health about taking over several of the routes. We have implemented a smart reservation system designed to add greater efficiencies with more passengers per mile.

In FY 15, we will continue to make extraordinary changes in both management and technology which will require GGEDA to make investments that should enable much greater efficiencies in the future. This plus the disposal of equipment accounts for much of the reduction in fund

Grand Gateway Trust Authority has refinanced to obtain the necessary match and remodel has begun.

Additionally, we have received our designation as a 501c3 community foundation. We hope to secure additional funding and provide more services now that this designation is in place.

## **CONTACTING THE ASSOCIATION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our members, granting agencies, customers and investors and creditors with a general overview of the Association's finances and to show the association's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Association's Executive Director at 333 South Oak Street, Big Cabin, OK 74332-0502

A handwritten signature in black ink, appearing to read "Edward Crone". The signature is fluid and cursive, with the first name "Edward" being more prominent than the last name "Crone".

Executive Director Edward Crone

## **FINANCIAL STATEMENTS**

**Grand Gateway Economic Development Association**  
**Statement of Financial Position - Proprietary Funds**  
**For the Year Ended June 30, 2014**

	General	Trust	Memo
Assets	Revenue Fund	Authority	Total Only
<b>Current Assets</b>			
Cash	\$175,613	\$105,970	\$281,583
Restricted cash	2,053,340	0	2,053,340
Receivables	1,160,844	0	1,160,844
Prepaid expenses	1,849	0	1,849
Due to other funds	0	0	0
Total Current Assets	3,391,646	105,970	3,497,616
<b>Noncurrent Assets</b>			
Capital assets	3,952,980	797,654	4,750,634
Accumulated depreciation	(3,114,790)	(122,384)	(3,237,174)
Total Noncurrent Assets	838,190	675,270	1,513,460
Total Assets	\$4,229,836	\$781,240	\$5,011,076
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable	\$507,346	\$1,555	\$508,901
Pass-thru payable	1,767,459	0	1,767,459
Accrued expenses	100,514	0	100,514
Unearned revenue	177,721	0	177,721
Current portion of long term debt	0	18,944	18,944
Total Current Liabilities	2,553,040	20,499	2,573,539
<b>Noncurrent Liabilities</b>			
Long term debt	0	499,434	499,434
Total Noncurrent Liabilities	0	499,434	499,434
Total Liabilities	2,553,040	519,933	3,072,973
<b>Net Assets</b>			
Invested in Capital Assets	838,190	156,892	995,082
Restricted for:			
Other purposes	1,039,995	0	1,039,995
Unrestricted	(201,389)	104,415	(96,974)
Total Net Assets	1,676,796	261,307	1,938,103
Total Liabilities and Net Assets	\$4,229,836	\$781,240	\$5,011,076

See accompanying footnotes and independent auditors' report.

**Grand Gateway Economic Development Association**  
**Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds**  
**For the Year Ended June 30, 2014**

<b>Revenues</b>	<b>General Revenue Fund</b>	<b>Trust Authority</b>	<b>Memo Total Only</b>
<b>Operating Revenues</b>			
General revenue	\$1,890,869	\$70,800	\$1,961,669
Fees and services	605,709	0	605,709
Grants	8,884,117	0	8,884,117
<b>Total Operating Revenues</b>	<b>11,380,695</b>	<b>70,800</b>	<b>11,451,495</b>
<b>Operating Expenses</b>			
Personnel	2,820,429	0	2,820,429
Other services and charges	1,695,817	45,267	1,741,084
Indirect costs	640,866	0	640,866
Pass through expense	4,407,989	0	4,407,989
Capital outlay	0	0	0
Depreciation expense	442,850	16,729	459,579
Match expense	1,410,902	0	1,410,902
<b>Total Operating Expenses</b>	<b>11,418,853</b>	<b>61,996</b>	<b>11,480,849</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(38,158)</b>	<b>8,804</b>	<b>(29,354)</b>
<b>Nonoperating Revenue (Expense)</b>			
Investment income	0	0	0
Gain (loss) on sale of capital assets	0	0	0
<b>Total Nonoperating Revenue (Expense)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Net Assets</b>	<b>(38,158)</b>	<b>8,804</b>	<b>(29,354)</b>
<b>Beginning Net Assets</b>	<b>1,714,954</b>	<b>252,503</b>	<b>1,967,457</b>
<b>Ending Net Assets</b>	<b>\$1,676,796</b>	<b>\$261,307</b>	<b>\$1,938,103</b>

See accompanying footnotes and independent auditors' report.



**Grand Gateway Economic Development Association**  
**Statement of Cash Flows - Proprietary Funds**  
**For the Year Ended June 30, 2014**

	General Revenue Fund	Trust Authority
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$2,496,578	\$70,800
Cash received from other sources	8,746,706	0
Cash payment to employees for services	(2,830,502)	0
Cash payments to suppliers for goods and services	(6,534,778)	(47,213)
Net Cash Provided (Used) by Operating Activities	1,878,004	23,587
<b>Cash flows from noncapital financing activities:</b>		
Cash received from debt	0	135,000
Matching expense	(1,410,902)	0
Net Cash Provided (Used) by Noncapital Financing Activities	(1,410,902)	135,000
<b>Cash Flows from Investing Activities:</b>		
Receipt of interest and dividends	0	0
Payment of debt	0	(16,290)
Sale of fixed assets	0	0
Purchase of fixed assets	(286,102)	(65,193)
Net Cash Provided (Used) by Investing Activities	(286,102)	(81,483)
Net Increase (Decrease) in Cash	181,000	77,104
Cash and Cash Equivalents, July 1,	2,047,953	28,866
Cash and Cash Equivalents, June 30,	\$2,228,953	\$105,970
<b>Reconciliation of (Loss) from Operations to Net Cash Provided by Operating Activities:</b>		
Income (loss) from operations	\$1,372,744	\$8,804
<b>Adjustments:</b>		
Depreciation expense	442,850	16,729
<b>Change in Current Assets and Liabilities:</b>		
Decrease (increase) in accounts receivable	(139,262)	0
Decrease (increase) in prepaid expenses	1,851	0
Increase (decrease) in accounts payable	200,875	(1,946)
Increase (decrease) in other liabilities	(1,054)	0
Net Cash Provided by Operating Activities	\$1,878,004	\$23,587

See accompanying footnotes and independent auditors' report.

**Grand Gateway Economic Development Association**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Grand Gateway Economic Development Association (GGEDA) is a voluntary non-profit association of local governments formed to provide a mechanism for local officials to study, discuss, and solve common problems and to facilitate the administration of various social welfare programs of the Federal government and the State of Oklahoma for seven counties in northeastern Oklahoma. The Association's headquarters are in Big Cabin, Oklahoma, and it provides these services for Craig, Delaware, Mayes, Nowata, Ottawa, Rogers, and Washington counties of Oklahoma.

The accompanying financial statements include a proprietary fund statement that includes the General Revenue Fund and the Trust Authority. The presentation is in compliance with GASB 34 as discussed below.

The accompanying financial statements present GGEDA and its component unit, an entity for which GGEDA is considered to be financially accountable.

Discretely Presented Component Unit – The following component unit is reported within the component unit column in the combine financial statements to emphasize that it is legally separate from GGEDA.

- Grand Gateway Economic Development Association, a Trust Authority (“the Trust”) is a trust that was created to own the building used to house the operations of GGEDA. GGEDA then rents the building on a monthly basis from the Trust. The Trust purchased the facilities in Big Cabin, Oklahoma on August 14, 2006.

GGEDA's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although GGEDA had the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, GGEDA has chosen not to do so. The more significant accounting policies established in GAAP and used by GGEDA are discussed below.

The accounts of GGEDA are organized on the basis of grants. The operations of each grant are accounted for with a separate set of self-balancing accounts that comprise it assets, liabilities, net assets, revenues, and expenditures. The following fund is used by GGEDA:

*General Fund* – The General Fund is the primary operating fund of GGEDA. It is used to account for all financial resources not required to be accounted for in another fund. The general revenues, which are not restricted or designated as to use by outside sources, are recorded in the General Fund. The revenue in this fund comes from federal and state grants, other grants, membership dues, administration fees, interest income, donations, and CDBG/CIP revenue.

The grants included in the General Fund are:

- Area Agency on Aging (AAA)
- Rural Economic Action Plan (REAP)
- Department of Transportation
- Case Management
- Rural Fire
- Caregiver
- E911
- Community Expansion of Nutrition Assistance (CENA)
- State Planning
- Masonic Charity Foundation
- Senior Health Insurance Program (SHIP)
- Homeland Security
- Economic Development Administration (ED)
- Health Promotion/ Medication Management (GGEDA “D”)
- Miami Tribe Transportation
- Cherokee Nation Transportation
- Title V-Senior Community Service Employment Program

## **Grand Gateway Economic Development Association**

### Budgets and Budgetary Accounting

The Association is not required to submit a legally binding budget. They did not prepare a budget for fiscal year 2014. Most grant applications include a budget, which is approved by the grantor. As each grant term progresses, budget modifications may become necessary due to changing conditions and availability of funds. Budget modifications; are also approved by the grantor.

The level of control for grant budgets varies from summary function to detailed line item depending on the grantor. The budget to actual schedule on pages 19 through 21 only includes the grants that have budgets.

### Cash and Restricted Cash

GGEDA pools the cash resources of its various funds to facilitate the management of cash, unless required to maintain separate accounts by the grantor. Cash restricted by grant contracts is identified as restricted cash.

### Cash and Cash Equivalents

For the purpose of the cash flow statement, the Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

### Accounts and Grants Receivable

Accounts and grants receivable are shown net of estimated uncollectible accounts. For the year ended June 30, 2014, no accounts or grants receivable were determined to be uncollectible.

### Asset Capitalization Policy

Depreciation is computed using the straight-line method, based on the estimated useful lives of the respective assets. Expenditures for repairs and maintenance are charged to expense as incurred, whereas major improvements are capitalized, if purchased by the local fund, have an individual cost of more than \$500.00, and an estimated useful life in excess of 2 years. Capital expenditures made from grant funds are charged to the grant as an expense, and the related asset is accounted for in the Capital Asset Fund. The depreciation expense is accounted for in this fund also.

Assets purchased or acquired through capital leases are capitalized and depreciated using the straight-line method based on the estimated useful lives of the respective assets. Depreciation for these assets has been included as an indirect expense.

### Use of Estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, and the reported revenues and expenses.

### Inter-fund Accounts Receivable and Payable

The accounts receivable and payable between funds result from the use of a pooled cash account with all revenue and expenditures flowing primarily through one checking account. Inter-fund account balances have been allocated first to funds of the same type and then to other fund types.

## **NOTE 2 – DEPOSITS WITH FINANCIAL INSTITUTIONS**

### Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to them. Deposits are exposed to custodial credit risk if they are not covered by depository insurance or collateralized deposits.

At year-end, none of the combined bank balances of \$2,076,819 was exposed to custodial credit risk as they were insured and collateralized.

## Grand Gateway Economic Development Association

### NOTE 3 – GRANTS RECEIVABLE

Grants receivable and accounts receivable are combined in the Statement of Financial Position for a total of \$1,160,843.

At June 30, 2014, grants receivable consisted of the following:

a)	MIPPA	(\$79)
b)	DHS	514,530
c)	Living Choices	776
d)	CENA Admin	0
e)	CENA Pass-Thru	0
f)	EDA	30,000
g)	State Planning	0
h)	Rural Fire Protection	7,917
i)	Caregiver	30,214
j)	Case Management	16,242
k)	REAP	0
l)	Title V	32,123
m)	JTNE	(4,951)
n)	GGEDA "D" Health Management	6,830
o)	Cherokee Nation	44,163
p)	VTCL	18,000
q)	Miami Tribe	58,348
TOTAL		<u>\$754,113</u>

### NOTE 4 – ACCOUNTS RECEIVABLE

At June 30, 2014, accounts receivable consisted of the following:

a)	Claremore Senior Citizens	\$360
b)	Integris Fares	301
c)	Wood Manor Fares	0
d)	Cherokee Nation	14,523
e)	DOCS Nutrition	336
f)	Miscellaneous Fares	8,129
g)	New Freedom III (Kibois)	6,326
h)	Cherokee Nation Demand/Resp	19,404
i)	Craig General Hospital	436
j)	City of Grove	3,543
k)	Miami Tribe of Ok	27,497
l)	Tyson Foods	0
m)	City of Vinita	4,433
n)	City of Owasso	15,300
o)	Taniff - Mayes County	1,122
p)	Taniff - Craig County	5,929
q)	City of Claremore	15,299
r)	Taniff - Ottawa County	1,114
s)	Miscellaneous Transit Contracts	2,843
t)	Taniff - Delaware County	2,714
u)	Taniff - Rogers County	756
v)	Logistacare (city)	0
w)	Kibois	0
x)	DOT	276,367
TOTAL		<u>\$406,730</u>
TOTAL RECEIVABLES		<u>\$1,160,844</u>

**Grand Gateway Economic Development Association**

**NOTE 5 – FIXED ASSETS**

Fixed assets consisted of:

	BALANCE 6/30/13	ADDITIONS	DELETIONS	BALANCE 6/30/14
FURNITURE & FIXTURES	26,015	0	0	26,015
CAPITAL LEASES	10,704	0	0	10,704
OFFICE EQUIP	134,138	0	0	134,138
GGEDA AUTOS	25,447	0	0	25,447
BUSSES & VANS	501,707	0	0	501,707
RADIO EQUIP	7,130	0	0	7,130
FOOD SERVICE EQUIPMENT	2,165	0	0	2,165
GIS EQUIP. NON-CHARGE	39,372	0	0	39,372
DEQ EQUIPMENT	18,353	0	0	18,353
IMPROVEMENTS	31,097	0	0	31,097
RURAL FIRE EQUIPMENT	1,665	0	0	1,665
HUD EQUIPMENT	8,345	0	0	8,345
ODOT EQUIP. NON-CHARGE	2,799,822	237,465	0	3,037,287
ODOT EQUIPMENT CHARGEABLE	8,371	48,637	0	57,008
CAREGIVER EQUIPMENT	10,584	0	0	10,584
SHIP EQUIPMENT	25,382	0	0	25,382
CASE MANAGEMENT EQUIPMENT	7,993	0	0	7,993
DHS/AAA EQUIPMENT	4,744	0	0	4,744
VTCL EQUIPMENT	2,797	0	0	2,797
CENA EQUIPMENT	1,046	0	0	1,046
TRUST AUTH BUILDING/IMPROVE	732,461	65,193	0	797,654
TOTALS	4,399,339	351,295	0	4,750,634

	BALANCE 6/30/2013	ADDITIONS	DELETIONS	BALANCE 6/30/2014
<b>ACCUMULATED DEPRECIATION</b>				
FURNITURE & FIXTURES	20,853	801	0	21,654
CAPITAL LEASES	10,704	0	0	10,704
OFFICE EQUIP	112,104	6,706	0	118,810
GGEDA AUTOS	19,083	5,089	0	24,172
BUSSES & VANS	415,817	28,064	(3,948)	439,933
RADIO EQUIP	7,130	0	0	7,130
FOODSERVICE EQUIPMENT	2,165	0	0	2,165
GIS EQUIP NON-CHARGE	39,371	0	0	39,371
DEQ EQUIPMENT	18,355	0	0	18,355
IMPROVEMENTS	11,568	1,556	0	13,124
RURAL FIRE EQUIPMENT	1,665	0	0	1,665
HUD EQUIPMENT	8,040	306	0	8,346
ODOT EQUIPMENT-NON CHARG	1,967,771	383,554	0	2,351,325
ODOT EQUIPMENT-CHARGEABLE	3,116	9,117	0	12,233
CAREGIVER EQUIPMENT	9,300	331	0	9,631
SHIP EQUIPMENT	16,745	4,632	0	21,377
CASE MANAGEMENT EQUIPMENT	6,577	1,416	0	7,993
VTCL EQUIPMENT	60	718	0	778
CENA EQUIPMENT	466	560	0	1,026
CENA EQUIPMENT	1,046	0	0	1,046
TRUST AUTH BUILDING/IMPROVE	105,655	16,729	0	122,384
TOTALS	2,777,591	459,579	(3,948)	3,233,222



**Grand Gateway Economic Development Association**

**NOTE 6 – GRANTS AND ACCOUNTS PAYABLE**

Grants and accounts payable in the Statement of financial position consist of:

	Accounts Payable	Pass Thru Payable
Local	\$11,742	(\$2,564)
Non-Major	58,889	1391
DHS/ AAA	424,594	0
ODOT	11,932	0
Title V	189	0
REAP	0	1,768,632
TOTAL	<u>\$507,346</u>	<u>\$1,767,459</u>

**NOTE 6 – VACATION AND SICK LEAVE**

Annual leave is provided to all full-time and part-time probationary and permanent employees. Annual leave may be taken as earned after completion of ninety (90) calendar days of employment. During the first through fifth year of employment, annual leave will be accrued at the rate of twelve days per year. During years six through ten, fifteen days, years eleven through nineteen, eighteen days, and over twenty years, twenty days of annual leave will be accrued.

Annual leave is accrued at the rate it is earned. The total amount of annual leave paid to an employee is limited to the amount accrued in the employee's annual leave account. The accrued annual leave was \$61,800 at June 30, 2014. Sick leave is accrued from the date of employment, at the rate of eight (8) hours per month. Accrued sick leave is not included in the financial statements because it is not paid at the time of departure from the Association. Accrued sick leave at June 30, 2014 was \$279,810.

**NOTE 7 – PENSION PLAN**

Employees are eligible to participate in the Oklahoma Public Employee Retirement System beginning the first day of the month following the date of hire. The employee can contribute up to 8½% of the employee's gross wage each month. In addition, the Association will contribute 11.5%. Contributions made by Grand Gateway Economic Development Association to the pension plan for the year ending June 30, 2014 were \$227,718.

**NOTE 8 – NOTES PAYABLE**

The Trust Authority has a loan with First National Bank of Vinita for the purchase of the building. Below is the activity for the year.

	Balance 6/30/2013	Proceeds	Payments	Balance 6/30/2014
First National Bank Vinita	399,668	135,000	(16,290)	518,378
	<u>399,668</u>	<u>135,000</u>	<u>(16,290)</u>	<u>518,378</u>

	Debt Requirements	Current Maturities
2,015	48,469	18,944
2,016	44,740	17,541
2,017	44,740	18,530
2,018	44,740	19,575
2,019	44,740	20,680
2020-2024	223,702	122,268
2025-2029	223,702	160,868
2030-2033	199,386	143,040

**Grand Gateway Economic Development Association**

**NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS**

GGEDA has evaluated subsequent events through April 7, 2015, the date which the financial statements were available to be issued with none found.

**NOTE 10 - SUMMARY OF GRANTS**

<b>Assets</b>	Department of Health and Human Services	Rural Economic Action Plan	Department of Transportation	TITLE V	Non- Major
<b>Current Assets</b>					
Cash	\$0	\$0	\$0	\$0	\$0
Restricted cash	0	1,827,937	177,788	0	47,539
Grants receivable	514,530	0	0	27,172	226,239
Accounts receivable	0	0	375,965	0	16,242
Prepaid expenses	0	0	0	0	1,849
Total Current Assets	514,530	1,827,937	553,753	27,172	291,869
<b>Noncurrent Assets</b>					
Capital assets	0	0	0	0	0
Accumulated depreciation	0	0	0	0	0
Total Noncurrent Assets	0	0	0	0	
Total Assets	\$514,530	\$1,827,937	\$553,753	\$27,172	\$291,869
<b>Liabilities and Net Assets</b>					
<b>Current Liabilities</b>					
Accounts payable	\$424,594	\$0	\$11,932	\$0	\$58,889
Accrued expenses	0	0	0	189	0
Due to other funds	89,936	59,305	(300,447)	26,983	(572,205)
Pass Thru Payable	0	1,768,632	0	0	1,391
Total Current Liabilities	514,530	1,827,937	(288,515)	27,172	(511,925)
Total Liabilities	514,530	1,827,937	(288,515)	27,172	(511,925)
<b>Net Assets</b>					
Invested in Capital Assets	0	0	0	0	0
Restricted for:					0
Other purposes	0	0	177,788	0	790,058
Unrestricted	0	0	664,480	0	13,736
Total Net Assets	0	0	842,268	0	803,794
Total Liabilities and Net Assets	\$514,530	\$1,827,937	\$553,753	\$27,172	\$291,869

**Grand Gateway Economic Development Association**

**NOTE 10 - SUMMARY OF GRANTS**

<b>Revenues</b>	Department of Health and Human Services	Rural Economic Action Plan	Department of Transportation	TITLE V	Non-Major Funds
<b>Operating Revenues</b>					
General revenue	\$0	\$0	\$0	\$432,069	\$1,171,959
Fees and services	0	0	609,834	0	329,220
Operating grants	2,039,975	1,455,055	2,780,400	0	1,563,878
Capital grants	0	0	0	0	0
Total Operating Revenues	2,039,975	1,455,055	3,390,234	432,069	3,065,057
<b>Operating Expenses</b>					
Personnel	228,390	0	1,309,738	406,564	797,178
Other services and charges	28,142	0	728,267	5,462	706,936
Indirect costs	69,712	0	283,706	20,043	208,622
Pass through expense	1,736,394	1,455,055	0	0	1,207,596
Capital outlay	0	0	286,102	0	0
Match expense	(22,663)	0	0	0	8,091
Total Operating Expenses	2,039,975	1,455,055	2,607,813	432,069	2,928,423
Net Operating Income	0	0	782,421	0	136,634
<b>Non-operating Revenue (Expense)</b>					
Investment income	0	0	0	0	0
Gain (loss) on sale of assets	0	0	0	0	0
Total Non-operating Revenue (Expense)	0	0	0	0	0
Change in Net Assets	0	0	782,421	0	136,634
<b>Beginning Net Assets</b>	0	0	59,847	0	667,160
<b>Ending Net Assets</b>					
Invested in Capital Assets	0	0	0	0	0
Restricted for:					0
Other purposes	0	0	842,268	0	803,794
Unrestricted	0	0	0	0	0
Total Net Assets	\$0	\$0	\$842,268	\$0	\$803,794



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

To the Board of Directors of  
Grand Gateway Economic Development Association

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 Grand Gateway Economic Development Association (GGEDA), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 9, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Grand Gateway Economic Development Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of GGEDA's internal control. Accordingly, we do not express an opinion on the effectiveness of the GGEDA'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the organization'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 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 GGEDA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and no 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. According, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Clothier & Company CPA's".

Clothier & Company, CPA's, P.C.  
April 9, 2015





**Clothier & Company CPA's P.C.**  
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## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Directors of  
Grand Gateway Economic Development Association

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

We have audited Grand Gateway Economic Development Association's (GGEDA) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of GGEDA's major federal programs for the year ended June 30, 2014. GGEDA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

#### ***Auditor's Responsibility***

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

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

In our opinion, Grand Gateway Economic Development Association complied, in all material respects, with the 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, 2014.

## Report on Internal Control over Compliance

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



Clothier & Company CPA's  
April 9, 2015

## ***SUPPLEMENTAL INFORMATION***

**Grand Gateway Economic Development Association**  
**Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2014**

			Program <u>Award</u>	Expenditures
<b>US Department of Health &amp; Human Services (*)</b>				
Passed through Oklahoma Department of Human Services - Area Agency on Aging Services				
For the year ended June 30, 2014				
III-B	93.044	11004956	355,432	359,310
III-C-1	93.045	11004956	429,139	614,633
III-C-2	93.045	11004956	205,195	216,605
III-D	93.043	11004956	20,487	24,315
III-E	93.052	11004956	146,111	133,136
VII	93.041	11004956	5,351	5,351
NSIP	93.053	11004956	146,380	133,517
Section 5310 Transit Assistance Grant	20513	11004956	0	0
Total Agency			1,308,095	1,486,867
<b>US Dept of Transportation (*)</b>				
Federal Transit Administration				
Passed through Oklahoma Department of Transportation				
Public Transit Revolving Fund			247,572	247,572
FY 13 5311 Program			41,486	41,486
FY 14 5311 Program			1,023,794	1,023,794
Total Agency			1,312,852	1,312,852
<b>US Dept of Labor (*)</b>				
Pass through Oklahoma Employment Security Commission				
Title V- of the Older Americans Act	17.235		432,069	432,069
Total Agency			432,069	432,069
Total Federal Assistance			<u>\$3,053,016</u>	<u>\$3,231,788</u>

(\*) Major Program

**Grand Gateway Economic Development Association**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the year ended June 30, 2014**

**NOTE 1 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is accounted for under the accrual method of accounting.

**NOTE 2 – U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

The federal expenditures for the U.S. Department of Health and Human Services grants consist of or include grants to subrecipients as follows:

<u>Subrecipient</u>	<u>Federal Pass-Through Grant Amount</u>
Grand Gateway AAA Health Promotion/Medication management	20,668
Legal Aid Services of Oklahoma	43,307
Sertoma Transportation	3,061
Claremore Sr. Citizens Transportation	2,363
Washington/Nowata Nutrition	7,362
DOCS Senior Services	363,121
CARD Sr. Citizens Nutrition & Homemaker	500,894
Washington County Elder Care Homemaker/Chore Services	63,599
Grand Gateway AAA Caregiver	133,391
	<u>\$1,137,766</u>



**Grand Gateway Economic Development Association**  
**Schedule of Expenditures for Oklahoma Awards**  
**For the year ended June 30, 2014**

	Pass-Through Grantor <u>Number</u>	Program <u>Award</u>	<u>Expenditure</u>	<u>Obligated</u>
<b>Department of Commerce</b>				
Community Expansion of Nutrition Assistance	FY 2014 CENA	\$204,861	\$194,618	\$0
State Appropriated Funds for Substate Planning Dist.	15315 SS 14	36,365	36,365	0
Agency Total		241,226	230,983	0
<b>Department of Agriculture, Forestry Services:</b>				
Rural Fire Defense Program FY 2014		96,380	96,380	0
<b>US Department of Health &amp; Human Services</b>				
Passed through Oklahoma Department of Human Services-AAA				
III-B		157,924	100,607	0
III-C-1		268,622	221,268	0
III-C-2		259,756	231,527	0
III-D		3,828	3,647	0
III-E		57,538	44,464	0
VII		945	0	
MIPPA Grant		0	0	0
Agency Total		748,613	601,513	0
<b>Oklahoma Department of Commerce (*)</b>				
REAP Administration	2014 Funds	57,662	57,662	0
Rural Economic Action Plan	2009 Funds		168,821	9,717
Rural Economic Action Plan	2010 Funds		42,092	5,000
Rural Economic Action Plan	2011 Funds		329,869	132,651
Rural Economic Action Plan	2012 Funds		0	50,939
Rural Economic Action Plan	2013 Funds		6,200	221,040
Rural Economic Action Plan	2014 Funds	1,095,585	561,817	540,728
Agency Total		1,153,247	1,166,461	960,075
<b>Oklahoma Insurance Department</b>				
21013 SHIP/Diabetes Screening/SMP		14,828	14,519	0
<hr/>				
Total Oklahoma State Awards		\$2,254,294	\$2,109,856	\$960,075

(\*) Major Program

**Grand Gateway Economic Development Association**  
**Notes to the Schedule of Expenditures of Oklahoma Awards**  
**For the year ended June 30, 2014**

**NOTE 1 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Oklahoma Awards is accounted for under the accrual method of accounting.

**NOTE 2 – U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

The federal expenditures for the U.S. Department of Health and Human Services grants consist of or include grants to subrecipients as follows:

<u>Subrecipient</u>	<u>Pass-Through Amount</u>
Grand Gateway AAA Health Promotion/Medication management	3,647
Legal Aid Services of Oklahoma	16,841
Sertoma Transportation	1,191
Claremore Sr. Citizens Transportation	919
Washington/Nowata Nutrition	2,863
DOCS Senior Services	201,243
CARD Sr. Citizens Nutrition & Homemaker	305,611
Washington County Elder Care Homemaker/Chore Services	24,733
Grand Gateway AAA Caregiver	44,464
	<hr/>
	\$601,512
	<hr/>

**Grand Gateway Economic Development Association, Inc.  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2014**

**SUMMARY OF PRIOR YEAR FINDINGS**

**2013-1 REAP 80% Requirement**

*Condition:* Only 76.48% of the REAP Grants to sub-grantees met the 80% required qualified projects.

*Current Status:* This year 84.33% of the REAP Grants to sub-grantees were qualified projects.

**2013-2 Annual Closing of Books**

*Condition:* Not all opening balance sheet general ledger balances for the year agreed with the closing balances from the prior year.

*Current Status:* Opening balances in the general ledger agreed to the closing balances from the prior year.

**2013-3 Monthly Postings of Transaction to Books**

*Condition:* Not all transactions entered in journals are posted to the general ledger account balances for the year.

*Current Status:* All transactions entered in journals appear to be posted to the general ledger account balances.

**SECTION I - SUMMARY OF AUDITORS' RESULTS:**

*Financial Statements*

Type of auditors' report issued:

Unqualified

Internal control over financial reporting:

• Material weakness(es) identified?

\_\_\_\_\_ yes      x   no

• Significant deficiency(ies) identified?

\_\_\_\_\_ yes      x   no

Noncompliance material to financial statements noted?

\_\_\_\_\_ yes      x   no

*Federal Awards*

Internal control over major programs:

• Material weakness(es) identified?

\_\_\_\_\_ yes      x   no

• Significant deficiency(ies) identified?

\_\_\_\_\_ yes      x   no

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

\_\_\_\_\_ yes      x   no

**Grand Gateway Economic Development Association, Inc.**

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name if Federal Program or Cluster</u>
93.041, 93.043, 93.044, 93.045, 93.052, 93.053, 93705, and 93.707	U.S. Department of Health and Human Services Area Agency on Aging
20.500, 20.509	U.S. Department of Transportation, Federal Transit Administration

Dollar threshold used to distinguish between  
type A and Type B programs:

\$300,000.00

Auditee qualifies as a low-risk auditee?

\_\_\_\_\_ yes      x   no

**SECTION II - FINANCIAL STATEMENT FINDINGS**

No findings.

