

Report on Audit of Financial Statements June 30, 2014



2 West Second Street
Suite 800
Tulsa, OK 74103
918.584.7526
www.incog.org

Indian Nations Council of Governments
Report on Audit of Financial Statements
June 30, 2014

Table of Contents

	<u>Pages</u>
Independent Auditor's Report	1 – 3
Required Supplementary Information	
Management's Discussion and Analysis	4 – 8
Basic Financial Statements	
Government – Wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements –	
Governmental Funds	
Balance Sheet	11
Statement of Revenues, Expenditures, and Changes in Fund Balance	12
Reconciliation of Governmental Funds and Government – Wide Financial Statements	13
Fiduciary Funds	
Statement of Net Position	14
Notes to Financial Statements	15 – 23
Required Supplementary Information	
Budgetary Comparison Schedules	
General Fund and Major Special Revenue Funds	24 – 26
Notes to Budgetary Comparison Schedules	27
Other Supplementary Information	
Area Agency on Aging	
Combining Balance Sheet	28 – 30
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	31 – 33
Transportation Planning	
Combining Balance Sheet	34
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	35

Indian Nations Council of Governments
Report on Audit of Financial Statements
June 30, 2014

Table of Contents

	<u>Pages</u>
Other Supplementary Information (continued)	
Rural Economic Action Plan	
Combining Balance Sheet	36
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	37
Nonmajor Governmental Funds	
Combining Balance Sheet	38 – 39
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	40 – 41
Schedule of Indirect Costs	42
Enhanced 911 Fund	
Schedule of Receipts and Disbursements	43
Compliance and Internal Control	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	44 – 45
Single Audit	
Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance as Required by OMB Circular A-133	46 – 47
Schedule of Expenditures of Federal Awards	48 – 50
Notes to the Schedule of Expenditures of Federal Awards	51
Schedule of Expenditures of State Awards	52
Summary Schedule of Prior Audit Findings	53
Schedule of Findings and Questioned Costs	54



Ronald C. Cottrell, CPA

Independent Auditor's Report

Board of Directors
Indian Nations Council of Governments
Tulsa, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Indian Nations Council of Governments, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Indian Nations Council of Governments' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions 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 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the 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 opinions.

Ronald C. Cottrell, CPA

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Indian Nations Council of Governments, as of June 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting 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 managements' discussion and analysis and budgetary comparison information on pages 4-8 and 24-27 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 opinions on the financial statements that collectively comprise Indian Nations Council of Governments' basic financial statements. The combining financial statements, schedule of indirect costs, Enhanced 911 fund schedule of receipts and disbursements, and schedule of expenditures of state awards included under other supplemental information, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining financial statements, schedule of indirect costs, Enhanced 911 fund schedule of receipts and disbursements, and schedule of expenditures of state awards included under other supplemental information, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, schedule of indirect costs, Enhanced 911 fund schedule of receipts and disbursements, schedule of expenditures of state awards, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Ronald C. Cottrell, CPA

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2014, on our consideration of Indian Nations Council of Governments' 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 INCOG's internal control over financial reporting and compliance.

Ronald C. Cottrell, CPA

Ronald C. Cottrell, CPA

Kansas, Oklahoma

December 2, 2014

Indian Nations Council of Governments

Management's Discussion and Analysis

June 30, 2014

The following discussion and analysis of Indian Nations Council of Governments' (INCOG) financial performance provides an overview of INCOG's financial activities for the year ended June 30, 2014. Please read it in conjunction with INCOG's financial statements.

FINANCIAL HIGHLIGHTS

- ❖ The assets of Indian Nations Council of Governments exceeded its liabilities at the close of the year by \$ 726,382 (net position). Of this amount, \$ 439,266 (unrestricted net position) may be used to meet INCOG's ongoing obligations to members and creditors.
- ❖ As of the close of the current year the Indian Nations Council of Governments' governmental funds reported ending fund balance of \$ 1,520,589. Approximately \$ 1,469,938 is available for spending at the entity's discretion (unassigned fund balance).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Indian Nations Council of Governments' basic financial statements. INCOG's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

This discussion and analysis of Indian Nations Council of Governments' annual audited financial statements, is required by Governmental Accounting Standards Board (GASB), Statement No. 34. The intent of this discussion is to give management's view and analysis of significant financial activities affecting the government during the fiscal year, along with comparative analysis of the entity's financial activities from prior years.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad view of Indian Nations Council of Governments' finances, in a manner similar to a private-sector business.

The Statement of Net Position

The statement of net position presents information on all of Indian Nations Council of Governments' assets and liabilities, and deferred outflows and inflows, with the net reported as net position. You can think of INCOG's net position as one way to measure its financial health, or financial position. Over time, increases or decreases in the entity's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in Federal or State funding formulas, changes in law, and the health of local, state, and federal economies, to assess the overall health of INCOG.

The Statement of Activities

The statement of activities presents information showing how INCOG's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into

account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., accounts receivable and earned but unused vacation leave).

The *Statement of Net Position* and the *Statement of Activities* normally include the financial activities of the entity divided into two types –

Governmental activities – All of INCOG’s basic services and programs are reported here, including general government, Aging Services, Transportation, Public Safety, Community and Economic Development, and Environmental and Energy. Contracts with members and other governmental entities, as well as state and federal grants, finance most of these activities.

Business-type activities – Business-type activities normally include those activities which are funded predominantly by charges or fees to non-members (customers) for services and facilities to help cover all or a part of the cost of providing those services and maintaining facilities. INCOG does not have any business-type activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Indian Nations Council of Governments, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with funding restrictions and other legal requirements. All of the funds of the Indian Nations Council of Governments can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds—Most of INCOG’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of INCOG’s general operations and the basic services it provides. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s short-term financial decisions. The *governmental fund balance sheet* and the *governmental fund statement of revenues, expenditures, and changes in fund balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

INCOG maintains numerous individual governmental funds; however, data from the various governmental funds are combined into a single, aggregated presentation. Information is presented for the combined funds in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Analysis of some significant individual fund data for these governmental funds is provided later in this report.

Proprietary funds—Enterprise funds (a component of proprietary funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. INCOG does not report any proprietary funds.

Fiduciary funds—Fiduciary funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government’s own programs. INCOG acts as a fiduciary agent for the Enhanced 911 funds collected from wireless telephone providers and passed on to the local cities, towns, and counties providing the 911 services.

The Organization As A Whole

Net Position

As noted earlier, net position may serve over time as a useful indicator of Indian Nations Council of Governments' financial position. For the year ended June 30, 2014, INCOG's net position increased by \$ 149,394 (26%) to \$ 726,382. Net position increased due to savings in contracts and general operating expenses along with savings in salary and benefit costs due to staff vacancies.

Current assets (see Table 1) contain \$ 1,073,514 of Rural Economic Action Plan funds which have been awarded, but for which projects are not yet completed. These funds are included in deferred revenues until they are expended. INCOG also received \$ 1,625,000 to set up a state energy plan revolving loan program. None of these funds had been expended as of June 30, 2014 and are included as deferred revenue. INCOG has recorded accrued liabilities for compensated absences earned, as well as its pension benefit and OPEB obligations which are reflected in long-term liabilities.

Table 1
Indian Nations Council of Governments Net Assets
June 30, 2014 and 2013

	Governmental Activities	
	2014	2013
Current assets	\$ 5,371,113	\$ 3,507,131
Capital and other	236,465	204,338
Total assets	<u>5,607,578</u>	<u>3,711,469</u>
Current liabilities	3,850,524	2,098,973
Long-term liabilities	<u>1,030,672</u>	<u>1,035,508</u>
Total liabilities	<u>4,881,196</u>	<u>3,134,481</u>
Net position:		
Net investment in capital assets	236,465	204,338
Restricted	50,651	-
Unrestricted	<u>439,266</u>	<u>372,650</u>
Total net assets	<u>\$ 726,382</u>	<u>\$ 576,988</u>

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, legislation, or other legal restrictions totaled \$ 439,266.

Governmental Activities

Total net position as of June 30, 2013 was \$ 576,988. For the year ended June 30, 2014, net position increased by \$ 149,394 to \$ 726,382. Table 2 illustrates the change in net position due to governmental activities. INCOG's four major governmental programs are displayed to provide additional detail for analysis.

The main cause for the increase in total net position is due to savings in contracts and general operating expenses along with savings in salary and benefit costs due to staff vacancies.

INCOG's Aging Services activities consist of several programs including Area Agency on Aging, CENA, ADRC, MIPPA, and CDC. During the current year, approximately \$ 37,897 of local funds were used to supplement the aging services programs. Federal aging grant funds of \$ 2,246,035 and state aging grant funds totaling \$ 1,034,929 were passed through to sub-recipients.

Transportation grants and contracts were used for planning projects and for pass-through to other entities for purchase of transportation equipment and vehicles and other associated costs. A total of \$ 712,301 in Federal grants were passed through to sub-recipients. Local funds totaling \$ 599,063 were used to supplement the transportation activities.

INCOG used a grant from the State of Oklahoma to establish a revolving loan fund for state energy projects. The grant funds were received but no expenditures had been made as of June 30, 2014.

Community and economic development programs included projects administered by INCOG for member governments and REAP projects for which funds were passed-through to member entities. Local funds of \$ 1,180,103 were used to help supplement the costs of these projects and program activities.

Table 2
Indian Nations Council of Governments
Governmental Activities
June 30, 2014

	Governmental Activities					
	Aging Services	Transportation	Revolving Loan	Community & Economic Dev.	All Other Governmental	Total
Program revenues:						
Charges for services	\$ -	\$ -	\$ -	\$ 350,473	\$ 480,964	\$ 831,437
Grants/contributions	4,293,079	1,829,007	-	1,301,176	911,359	8,334,621
General revenue	37,897	599,063	-	1,180,103	538,229	2,355,292
Total revenues	<u>4,330,976</u>	<u>2,428,070</u>	<u>-</u>	<u>2,831,752</u>	<u>1,930,552</u>	<u>11,521,350</u>
Expenses:						
Program expenses	<u>4,330,976</u>	<u>2,428,070</u>	<u>-</u>	<u>2,831,752</u>	<u>1,781,158</u>	<u>11,371,956</u>
Total expenses	<u>4,330,976</u>	<u>2,428,070</u>	<u>-</u>	<u>2,831,752</u>	<u>1,781,158</u>	<u>11,371,956</u>
Changes in net position:						
Net increase or (decrease)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,394</u>	<u>\$ 149,394</u>

Fund Balance

The *Statement of Revenues, Expenses, and Changes in Fund Balance—Governmental Funds* shows INCOG's total governmental fund balance increased \$ 112,431 since last year primarily resulting from savings in contracts and general operating expenses along with savings in salary and benefit costs due to staff vacancies.

Budgetary Highlights

In accordance with GASB Statement No. 34, INCOG has presented, as required supplementary information, budget to actual comparison schedules for its general (local) fund, and major special revenue funds. While INCOG is not legally required to adopt a budget for its funds, each grant or contract has an individual budget as well as an overall budget for the agency. The budget

periods, however, may not necessarily coincide with the agency's fiscal year. The differences between budget and actual amounts are generally due to these timing differences.

Compilation of INCOG's budget by management is based on functional area and doesn't necessarily follow a GASB 34 categorization. Due to the nature of INCOG's budgetary process and the complexity of the numerous budget periods, a complete budgetary comparison of INCOG is difficult and would not be meaningful in evaluating the management of INCOG.

Capital asset information

As of June 30, 2014, INCOG had \$ 236,465 invested in capital assets, which is a net increase from the previous year's balance of \$ 204,338. Capital assets include furniture and equipment, computer equipment, and 27 vehicles. Major capital asset additions during the current year included:

Land Development Analyst Software	\$	64,000
2014 Toyota Prius V		25,350
DELL PowerEdge R720 Server		8,944

Table 3
Indian Nations Council of Governments
Capital Assets
June 30, 2014 and 2013
 (net of depreciation)

	Governmental Activities	
	2014	2013
Work in progress	\$ -	\$ 23,823
Furniture and equipment	14,110	15,119
Computer equipment	148,161	95,683
Vehicles	74,194	69,713
Capital assets, net	<u>\$ 236,465</u>	<u>\$ 204,338</u>

Economic factors and funding dependence

As noted previously in this discussion, the State and Federal economies influence INCOG's overall health. Revenue shortfalls and subsequent budget reductions pose a risk to INCOG's various government funded grants and contracts. Management has tried to mitigate this risk by building an unrestricted reserve \$ 439,266 and investing resources into strong local programs.

Contacting INCOG's Financial Management

This financial report is designed to provide our members, local citizens, government agencies, and customers with a general overview of Indian Nations Council of Governments' finances and to show INCOG's accountability for the money it receives. If you have questions about this report or need additional financial information, contact INCOG at 2 West 2nd Street, Suite 800, Tulsa, Oklahoma, 74103 or email at incog@incog.org.

Indian Nations Council of Governments
Statement of Net Position
June 30, 2014

	Total Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 3,978,400
Due from other governments	1,342,062
Prepaid expenses	50,651
Capital assets (net of accumulated depreciation)	236,465
Total assets	<u>5,607,578</u>
Liabilities	
Accounts payable and accrued liabilities	663,462
Deferred revenue	3,187,062
Accrued vacation leave	243,139
Pension benefit obligation	356,858
OPEB obligation	430,675
Total liabilities	<u>4,881,196</u>
Net position	
Net investment in capital assets	236,465
Restricted for:	
Contractual agreement	-
Nonexpendable	50,651
Unrestricted	439,266
Total net position	<u><u>\$ 726,382</u></u>

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

Indian Nations Council of Governments
Statement of Activities
Year Ended June 30, 2014

	<u>Program Expenses</u>		<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 214,367	\$ 115,626	\$ -	\$ -
Aging services	4,330,976	-	4,293,079	-
Transportation	2,428,070	-	1,816,062	12,945
Public safety	772,557	140,189	651,533	-
Community and economic development	2,831,752	350,473	1,301,176	-
Environmental and energy	794,234	225,149	259,826	-
Total governmental activities	<u>11,371,956</u>	<u>831,437</u>	<u>8,321,676</u>	<u>12,945</u>
Total primary government	<u>\$ 11,371,956</u>	<u>\$ 831,437</u>	<u>\$ 8,321,676</u>	<u>\$ 12,945</u>

General revenues:

Local appropriations, fees, and assessments

Other

Interest

Total general revenues

Change in net position

Net position, beginning

Net position, ending

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

<div> <div>Net (Expense)</div> <div>Revenue and</div> <div>Change in</div> <div>Net Position</div> </div> <div> <div>Total</div> <div>Primary</div> <div>Government</div> </div>	
\$	(98,741)
	(37,897)
	(599,063)
	19,165
	(1,180,103)
	(309,259)
	<u>(2,205,898)</u>
	<u>(2,205,898)</u>
	2,347,000
	6,227
	<u>2,065</u>
	<u>2,355,292</u>
	149,394
	<u>576,988</u>
\$	<u><u>726,382</u></u>

Indian Nations Council of Governments
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund (Local Funds)	Area Agency on Aging	Transportation Planning
Assets			
Cash and cash equivalents	\$ 1,925,186	\$ (395,088)	\$ (161,833)
Due from other governments	186,799	719,301	265,593
Prepaid expenses	50,651	-	-
Total assets	<u>\$ 2,162,636</u>	<u>\$ 324,213</u>	<u>\$ 103,760</u>
Liabilities and fund balance			
Liabilities:			
Accounts payable and accrued expenses	\$ 153,499	\$ 324,213	\$ 103,760
Deferred revenue	488,548	-	-
Total liabilities	<u>642,047</u>	<u>324,213</u>	<u>103,760</u>
Fund balance:			
Nonspendable:			
Prepaid expenses	50,651	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	1,469,938	-	-
Total fund balance	<u>1,520,589</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 2,162,636</u>	<u>\$ 324,213</u>	<u>\$ 103,760</u>

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

SSEP Revolving Loan	REAP	Other Governmental Funds	Total Governmental Funds
\$ 1,625,000	\$ 1,028,228	\$ (43,093)	\$ 3,978,400
-	45,286	125,083	1,342,062
-	-	-	50,651
<u>\$ 1,625,000</u>	<u>\$ 1,073,514</u>	<u>\$ 81,990</u>	<u>\$ 5,371,113</u>
\$ -	\$ -	\$ 81,990	\$ 663,462
1,625,000	1,073,514	-	3,187,062
<u>1,625,000</u>	<u>1,073,514</u>	<u>81,990</u>	<u>3,850,524</u>
-	-	-	50,651
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	1,469,938
-	-	-	1,520,589
<u>\$ 1,625,000</u>	<u>\$ 1,073,514</u>	<u>\$ 81,990</u>	<u>\$ 5,371,113</u>

Indian Nations Council of Governments
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2014

	General Fund (Local Funds)	Area Agency on Aging	Transportation Planning
Revenues			
Local appropriations, fees, and assessments	\$ 1,832,257	\$ 46,089	\$ 246,283
Grants - federal	-	2,552,388	1,418,850
Grants - state	-	1,253,362	-
Grants - local other	514,361	-	21,016
Contract services	831,437	-	-
Interest	2,065	-	-
Other	6,227	-	-
Match revenue	-	-	-
Total revenues	<u>3,186,347</u>	<u>3,851,839</u>	<u>1,686,149</u>
Expenditures			
Current:			
General government	173,777	-	-
Aging services	-	3,851,839	-
Transportation	341,453	-	1,673,204
Public safety	86,306	-	-
Community and economic development	1,870,716	-	-
Environmental and energy	515,934	-	-
Capital outlay	85,730	-	12,945
Total expenditures	<u>3,073,916</u>	<u>3,851,839</u>	<u>1,686,149</u>
Excess of revenues over (under) expenditures	112,431	-	-
Other financing sources (uses)			
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	112,431	-	-
Fund balance, beginning	<u>1,408,158</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 1,520,589</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

SSEP Revolving Loan	REAP	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 16,894	\$ 155,641	\$ 2,297,164
-	-	1,443,870	5,415,108
-	700,455	327,254	2,281,071
-	-	103,065	638,442
-	-	-	831,437
-	-	-	2,065
-	-	-	6,227
-	-	49,836	49,836
-	717,349	2,079,666	11,521,350
-	-	-	173,777
-	-	478,303	4,330,142
-	-	389,394	2,404,051
-	-	686,251	772,557
-	717,349	243,687	2,831,752
-	-	278,300	794,234
-	-	3,731	102,406
-	717,349	2,079,666	11,408,919
-	-	-	112,431
-	-	-	-
-	-	-	112,431
-	-	-	1,408,158
\$ -	\$ -	\$ -	\$ 1,520,589

Indian Nations Council of Governments
Reconciliation of Governmental Funds and Government-Wide
Financial Statements
Year Ended June 30, 2014

Total fund balance - governmental funds	\$ 1,520,589
Amounts reported for governmental activities in the statement of net position are different because:	
Assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds.	
Capital assets, net of accumulated depreciation	236,465
Long-term liabilities are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. Long-term liabilities consist of:	
Accrued vacation leave	(243,139)
Pension benefit obligation	(356,858)
OPEB obligation	(430,675)
Net position of governmental activities	<u>\$ 726,382</u>
Net change in fund balances - total governmental funds	\$ 112,431
Adjustments for the statement of activities:	
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful life as depreciation expense.	
Capital asset purchases/dipositions, net	94,674
Depreciation expense	(62,547)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.	
Accrued vacation leave, net change	24,529
Pension obligation, net change	(37,544)
OPEB obligation, net change	17,851
Change in net position of governmental activities	<u>\$ 149,394</u>

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

Indian Nations Council of Governments
Statement of Net Position
Fiduciary Funds
June 30, 2014

	<u>Agency</u>
	<u>E-911</u>
Assets	
Cash and cash equivalents	\$ 53,429
Receivables:	
Accounts	<u>36,949</u>
Total assets	<u>90,378</u>
Liabilities	
Accounts payable	<u>90,378</u>
Total liabilities	<u>90,378</u>
Net position	<u><u>\$ -</u></u>

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

Indian Nations Council of Governments
Notes to Financial Statements
June 30, 2014

I. Organization

Indian Nations Council of Governments (INCOG) is a public agency formed under the authority of Title 74, Oklahoma Statutes; permitting public agencies to enter into agreements with one another for joint or cooperative action. INCOG was created in 1967 to assist local governments in planning for common needs, cooperating for mutual benefit and coordinating for sound regional development and is one of 11 Councils of Government in the State of Oklahoma. All local governments within the INCOG region of Creek, Osage, Rogers, Tulsa, and Wagoner Counties, and the Muscogee (Creek) and Osage Nations are eligible for membership.

II. Summary of significant accounting policies

A. Reporting entity

The accompanying financial statements present INCOG's operations. INCOG has no blended or discretely presented component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, grants, and membership fees, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct and allocated indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Basic membership dues and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Membership dues are recognized as revenues in the year for which they are due. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, INCOG considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and expenditures related to compensated absences are recorded only when payment is due.

Interest associated with the current fiscal period is all considered to be susceptible to accrual and it has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by INCOG.

INCOG reports the following major governmental funds:

The *general fund* (local funds) is INCOG's primary operating fund. It accounts for all financial resources of INCOG, except those required to be accounted for in another fund.

The *Area Agency on Aging fund* (AAA) reports the activities related to a grant from the Oklahoma Department of Human Services for the Area Agency on Aging. It accounts for revenues from federal and state sources and the expenditures thereof related only to that grant.

The *Transportation Planning fund* includes grants used for transportation planning services in the region. It is funded by federal grants.

The *SSEP Revolving Loan fund* includes the grant received to establish a state energy plan revolving loan fund.

The *REAP fund* reports the activity related to grants from the Oklahoma Department of Commerce for the Rural Economic Action Plan program. These funds account for revenues and related expenditures passed through to member governments for community and economic development projects.

The *Other Governmental Funds* account for revenues received from federal and state grants and contracts, and the expenditures, thereof, as governmental funds. Grant and contract revenues and expenditures are segregated in the general ledger accounting system.

Additionally, INCOG reports an agency fund that is used to account for fiduciary assets held by INCOG in a custodial capacity as an agent on behalf of others. INCOG accounts for the Enhanced 911 fund as an agency fund.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include 1) charges to customers or applicants for services provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all interest.

When both restricted and unrestricted resources are available for use, it is INCOG's policy to use restricted resources first, then unrestricted resources as they are needed.

D. New accounting pronouncements

INCOG implemented the following accounting standards during the fiscal year ended June 30, 2014:

GASB Statement No. 65 – Items Previously Reported as Assets and Liabilities. GASB Statement No. 65 requires governmental entities to review items reported as assets and liabilities to determine if they meet the definitions contained in GASB Concepts Statement 4. If not, then they should be reported as deferred outflows or deferred inflows of resources. This had no impact on the financial report.

GASB Statement No. 66 – Technical Corrections – 2012 - an Amendment of GASB Statements No. 10 and No. 62. This had no impact on the financial report.

GASB Statement No. 70 – Accounting and Financial Reporting for Nonexchange Financial Guarantees. This had no impact on the financial report.

E. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Deposits and investments

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize INCOG to invest in obligations of the U.S. Treasury; time deposits with financial institutions, if such deposits are fully insured by federal depository insurance or pledged collateral; and debt securities issued by the State of Oklahoma, an Oklahoma county, school district, or municipality.

INCOG had no investments as of June 30, 2014.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds. INCOG had no interfund borrowing outstanding at June 30, 2014.

3. Prepaid expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital assets

Capital assets, which include furniture and equipment, computer equipment, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by INCOG as assets with an initial, individual cost of \$ 1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight line method over the following estimated useful lives:

	<u>Estimated Life</u>
Furniture and equipment	3-10 years
Computer equipment	2-7 years
Vehicles	4-5 years

5. Accrued Vacation Leave

INCOG's policies permit full-time employees to earn vacation leave based on their length of service. The liability for earned but unused vacation is recognized in the financial statements.

6. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. In the fund financial statements, governmental funds report the proceeds of long-term debt as other financing sources, and the debt principal and interest payments as fund expenditures. INCOG has no long-term debt.

7. Deferred inflows/outflows of resources

The financial statements may contain separate sections, in addition to assets, liabilities, and net position, for deferred outflows of resources or deferred inflows of resources. These separate elements represent a consumption (deferred outflow) or acquisition (deferred inflow) of net position that applies to a future period and will not be recognized as an outflow or inflow of resources until that time.

8. Fund balances and net position

Fund balances – Governmental fund balances are classified as nonspendable, restricted, committed, assigned, and unassigned as follows:

- a. *Nonspendable* – includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- b. *Restricted* – consists of fund balance with constraints placed on the use of resources either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation.
- c. *Committed* – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the entity's highest level of decision-making authority.

- d. *Assigned* – includes amounts that are constrained by the entity’s intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by board action or management decision when the board of directors have designated that authority.
- e. *Unassigned* – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

INCOG does not have a formal minimum fund balance policy.

It is INCOG’s policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The entity’s policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amount in any of those unrestricted fund balance classifications could be used.

Net position – Net position in the government-wide statement of net position is displayed in three components as follows:

- a. *Net investment in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any debt or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- b. *Restricted* – consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted* – all other net position that do not meet the definitions of “net investment in capital assets” or “restricted”.

It is INCOG’s policy to first use restricted net position prior to the use of unrestricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

8. Allocation of employee benefits and direct costs

INCOG’s employee benefits and indirect costs are allocated based upon actual expenditures to all grants in accordance with 2 CFR Part 225 (formerly OMB Circular A-87). Employee benefits are allocated to grant and other projects as a percentage of direct labor costs. Indirect costs necessary to sustain overall operations are allocated as a percentage of total direct labor costs charged to grants and other projects.

III. Stewardship, compliance, and accountability

Budgetary information

INCOG operates each grant program under a budget approved by the funding agency. Not all grant periods coincide with the fiscal year of INCOG. INCOG also prepares an overall agency budget for presentation to the board. Budgetary comparison schedules have been included as required supplementary information for the general and major special revenue funds.

IV. Detailed notes on all funds

A. Deposits and investments

Deposits

INCOG's carrying amount of deposits was \$ 4,031,829 as of June 30, 2014, and the bank balances totaled \$ 4,692,704. Deposits are carried at cost.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, INCOG's deposits may not be returned to it. INCOG does not have a deposit policy for custodial credit risk. As of June 30, 2014, all of INCOG's bank balance was FDIC insured or collateralized.

Investments

As of June 30, 2014, INCOG had no investments.

Interest Rate Risk. INCOG does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State statutes limit investments to the following: a) direct obligations of the U.S. Government, its agencies or instrumentalities; b) collateralized or insured certificates of deposit within the state, and insured certificates only if out of state; c) savings accounts or savings certificates; d) fully collateralized prime banker acceptances, prime commercial paper, repurchase agreements, or SEC regulated money market funds; e) obligations to the payment of which the full faith and credit of the state is pledged; f) county, municipal, or school district and valorem tax funded debt; g) bonds, notes, or money judgments of a county, municipality, or school district; h) revenue anticipation notes of a public trust of which the municipality is beneficiary; or; i) any bond, note, or other debt of any public trust of which the municipality is sole beneficiary, or other entities whose governing boards were appointed by the municipality. INCOG has no investment policy that would further limit its investment choices.

B. Receivables

Accounts Receivable.

Receivables as of June 30, 2014, for the Indian Nations Council of Governments' individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	Due from Other Governments	Allowance For Uncollectibles	Net Receivables
Governmental Funds:			
General Fund	\$ 186,799	\$ -	\$ 186,799
Area Agency on Aging	719,301	-	719,301
Transportation Planning	265,593	-	265,593
REAP	45,286	-	45,286
Non Major Governmental	125,083	-	125,083
Total	<u>\$ 1,342,062</u>	<u>\$ -</u>	<u>\$ 1,342,062</u>

C. Capital assets

Capital asset balances and activities for the year ended June 30, 2014, were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Work in progress	<u>\$ 23,823</u>	<u>\$ -</u>	<u>\$ (23,823)</u>	<u>\$ -</u>
Capital assets, being depreciated:				
Furniture and equipment	80,335	4,793	(10,276)	74,852
Computer equipment	364,161	88,354	(55,899)	396,616
Vehicles	109,998	25,350	-	135,348
Total capital assets, being depreciated	<u>554,494</u>	<u>118,497</u>	<u>(66,175)</u>	<u>606,816</u>
Less accumulated depreciation for:				
Furniture and equipment	(65,216)	(5,802)	10,276	(60,742)
Computer equipment	(268,478)	(35,876)	55,899	(248,455)
Vehicles	(40,285)	(20,869)	-	(61,154)
Total accumulated depreciation	<u>(373,979)</u>	<u>(62,547)</u>	<u>66,175</u>	<u>(370,351)</u>
Capital assets being depreciated, net	<u>180,515</u>	<u>55,950</u>	<u>-</u>	<u>236,465</u>
Governmental activities capital assets, net	<u>\$ 204,338</u>	<u>\$ 55,950</u>	<u>\$ (23,823)</u>	<u>\$ 236,465</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 45,426
Aging services	834
Transportation	16,287
Public safety	-
Community and economic development	-
Environmental and energy	-
Total depreciation expense – governmental activities	<u>\$ 62,547</u>

D. Unearned revenue

Unearned revenues represent advances on grants or contracts which have not been expended. Unearned revenues for the year ended June 30, 2014 totaled \$ 3,187,053, and included the following:

Unearned Revenue	
<u>June 30, 2014</u>	
REAP funds:	
2001 REAP funds	\$ 927
2009 REAP funds	100,000
2010 REAP funds	9
2011 REAP funds	56,000
2012 REAP funds	43,475
2013 REAP funds	257,323
2014 REAP funds	615,780
Community development	488,548
Revolving loan fund	1,625,000
Total	<u>\$ 3,187,062</u>

E. Long-term debt

INCOG had no long-term debt during the year ended June 30, 2014 in the form of loans, notes, bonds, or capital lease obligations.

F. Accrued vacation leave

Full-time employees earn vacation of 11 to 25 days per year depending on years of service completed. The maximum amount of vacation leave is twice the amount an employee is eligible to accrue in a calendar year. Unused personal leave that accrued after July 1, 2001 or later may be converted to vacation leave at the end of the fiscal year in which it accrued, (after 60 days of personal leave has been accrued) on a day-for-day basis. Unused personal leave may be carried over to the following year so long as it does not exceed 150 days. In accordance with the guidelines set forth by GASB Statement No. 16, *Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences*, a provision has been made for accumulated vacation leave as follows:

Governmental activities:	<u>\$ 243,139</u>
Total vacation leave	<u>\$ 243,139</u>

Full-time employees are granted personal leave of 9 days per year. Up to 150 days may be carried forward to the following year. Upon separation, no compensation is provided for accrued such leave.

V. Other information

A. Risk management

INCOG is exposed to various risks of loss related to torts, property damage, errors and omissions, and personal injury. INCOG carries commercial insurance coverage to include property and casualty, general liability, worker's compensation, fidelity, public officials' liability, and certain other risks. INCOG does retain a risk of loss in the form of deductibles on each policy.

B. Contingent liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by a grantor cannot be determined at this time, although INCOG expects such amounts, if any, to be immaterial.

C. Employee retirement system and pension plan

Municipal Employees Retirement Plan (MERP)

Plan Description – INCOG participates in MERPS, a cost sharing multiple-employer defined benefit pension plan offered through the City of Tulsa, which covers eligible employees of participating organizations that are not covered by other plans. The Plan was established by the City of Tulsa in accordance with the City Charter and State Statutes and created in accordance with Internal Revenue Code Section 457.

All full-time employees are eligible to participate in the system on the first day of the month which coincides with, or next following, their first day of employment. The benefit provisions are established and may be amended by the City of Tulsa in accordance with the City Charter and State of Oklahoma Statutes. Benefits vest 100% after 5 years of service. Any participant whose years of continuous employment, when added to the participant's age equals or exceeds 80, may retire without a reduction in the monthly benefit. The amount of retirement income is established by City ordinance and is equal to 2.35% of final average earnings, up to covered compensation, times years of service.

Pension provisions include death benefits for the surviving spouse. The system does not provide a monthly income for disabled participants; however, under certain conditions, employees who become disabled may be eligible to receive their full retirement at age 65 even though they were unable to work up to the retirement age.

Funding Policy – Employees of INCOG, as established by the Pension Board of Trustees, are required to contribute 6.0% of base pay to the Plan. The contributions are deducted from the employee's wages or salary and remitted by INCOG to the Plan on a bi-weekly basis. INCOG is required to contribute the remaining amounts necessary to fund the Plan using the actuarial basis specified by Tulsa City Ordinance.

For the year ended June 30, 2014, employees contributed 6.0% on all compensation, while INCOG's contribution was 10.0% of total compensation. For the year ended June 30, 2014, INCOG's payroll for employees covered by MERP was \$ 3,227,428. Employer and employee contributions for the year ended June 30, 2014, were \$ 322,016 and \$ 193,210 respectively.

Other Post-Employment Benefits

The employees of INCOG are eligible for other post-employment benefits as part of the City of Tulsa plan. Employees are eligible for retiree health care benefits until Medicare eligibility at the earlier of; 1) Age 55 with 5 years of service or 2) 80 points (years of service plus age must be greater than or equal to 80). The other post-employment benefits liability is provided to INCOG by the City of Tulsa and is a percentage of the total GASB actuarial valuation for the 2013-2014 period. For the year ended June 30, 2014, INCOG's percentage of the total liability was 2.589% (based upon actual payroll expenses) which resulted in a year end liability of \$ 430,675.

D. Subsequent events

Management has evaluated subsequent events through December 2, 2014, the date which the financial statements were available to be issued.

Indian Nations Council of Governments
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds (Budgetary Basis)
Year Ended June 30, 2014

	General Fund			Variance with Final Budget Positive (Negative)
	Budget			
	Original	Final	Actual	
Fund balance, beginning	\$ 1,408,158	\$ 1,408,158	\$ 1,408,158	\$ -
Resources				
Local appropriations, fees, and assessments	1,773,071	1,773,071	1,832,257	59,186
Grants - federal	-	-	-	-
Grants - state	-	-	-	-
Grants - local other	-	-	514,361	514,361
Contract services	-	-	831,437	831,437
Interest	-	-	2,065	2,065
Other	-	-	6,227	6,227
Total resources	1,773,071	1,773,071	3,186,347	1,413,276
Amounts available for appropriation	3,181,229	3,181,229	4,594,505	1,413,276
Charges to appropriations:				
Salaries and fringe	1,104,230	1,104,230	1,997,202	(892,972)
Indirect	355,879	355,879	598,953	(243,074)
General operations	111,500	111,500	206,097	(94,597)
Contractual	201,462	201,462	185,934	15,528
Pass-through/service funds	-	-	-	-
Capital outlay	-	-	85,730	(85,730)
Total charges to appropriations	1,773,071	1,773,071	3,073,916	(1,300,845)
Fund balance, ending	\$ 1,408,158	\$ 1,408,158	\$ 1,520,589	\$ 112,431

The accompanying notes are an integral part of this schedule.

Area Agency on Aging			
Budget			Variance with Final Budget Positive (Negative)
Original	Final	Actual	
\$ -	\$ -	\$ -	\$ -
44,495	44,495	46,089	1,594
3,129,948	3,129,948	2,552,388	(577,560)
1,313,920	1,313,920	1,253,362	(60,558)
-	-	-	-
-	-	-	-
-	-	-	-
4,488,363	4,488,363	3,851,839	(636,524)
4,488,363	4,488,363	3,851,839	(636,524)
480,072	480,072	400,680	79,392
148,575	148,575	119,691	28,884
35,909	35,909	30,026	5,883
74,451	74,451	11,239	63,212
3,749,356	3,749,356	3,280,964	468,392
-	-	9,239	(9,239)
4,488,363	4,488,363	3,851,839	636,524
\$ -	\$ -	\$ -	\$ -

Indian Nations Council of Governments
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds (Budgetary Basis)
Year Ended June 30, 2014

	Transportation Planning			
	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fund balance, beginning	\$ -	\$ -	\$ -	\$ -
Resources				
Local appropriations, fees, and assessments	662,601	662,601	246,283	(416,318)
Grants - federal	2,113,984	2,113,984	1,418,850	(695,134)
Grants - state	5,000	5,000	-	(5,000)
Grants - local other	-	-	21,016	21,016
Contract services	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total resources	<u>2,781,585</u>	<u>2,781,585</u>	<u>1,686,149</u>	<u>(1,095,436)</u>
Amounts available for appropriation	2,781,585	2,781,585	1,686,149	(1,095,436)
Charges to appropriations:				
Salaries and fringe	959,934	959,934	770,305	189,629
Indirect	297,928	297,928	251,712	46,216
General operations	136,000	136,000	127,791	8,209
Contractual	673,125	673,125	144,685	528,440
Pass-through/service funds	714,598	714,598	378,711	335,887
Capital outlay	-	-	12,945	(12,945)
Total charges to appropriations	<u>2,781,585</u>	<u>2,781,585</u>	<u>1,686,149</u>	<u>1,095,436</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

SSEP Revolving Loan Fund			
Budget			Variance with Final Budget Positive (Negative)
Original	Final	Actual	
\$ -	\$ -	\$ -	\$ -
-	-	-	-
1,625,000	1,625,000	-	(1,625,000)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,625,000	1,625,000	-	(1,625,000)
1,625,000	1,625,000	-	(1,625,000)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,625,000	1,625,000	-	1,625,000
-	-	-	-
1,625,000	1,625,000	-	1,625,000
\$ -	\$ -	\$ -	\$ -

Indian Nations Council of Governments
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds (Budgetary Basis)
Year Ended June 30, 2014

Page 3 of 3

	Rural Economic Action Plan			
	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fund balance, beginning	\$ -	\$ -	\$ -	\$ -
Resources				
Local appropriations, fees, and assessments	-	-	16,894	16,894
Grants - federal	-	-	-	-
Grants - state	576,623	576,623	700,455	123,832
Grants - local other	-	-	-	-
Contract services	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total resources	<u>576,623</u>	<u>576,623</u>	<u>717,349</u>	<u>140,726</u>
Amounts available for appropriation	576,623	576,623	717,349	140,726
Charges to appropriations:				
Salaries and fringe	21,623	21,623	33,791	(12,168)
Indirect	7,208	7,208	11,042	(3,834)
General operations	-	-	893	(893)
Contractual	-	-	-	-
Pass-through/service funds	547,792	547,792	671,623	(123,831)
Capital outlay	-	-	-	-
Total charges to appropriations	<u>576,623</u>	<u>576,623</u>	<u>717,349</u>	<u>(140,726)</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

Indian Nations Council of Governments
Notes to Budgetary Comparison Schedules
Year Ended June 30, 2014

Budgetary Accounting: The annual operating budgets are prepared and presented on the budgetary basis of accounting. INCOG utilizes encumbrance accounting during the year on a limited basis for certain purchase orders and other commitments for the expenditure of funds which are recorded in order to reserve a portion of the applicable appropriation. Encumbrances lapse at year-end, therefore, encumbrances outstanding at year-end are not considered expenditures for budgetary purposes, as INCOG will provide for supplemental appropriations in the following budget year.

Indian Nations Council of Governments
Combining Balance Sheet
Area Agency on Aging
June 30, 2014

	Title III B Administrative	Title III B Services	Title III C1	Title III C2
Assets				
Cash and cash equivalents	\$ (25,801)	\$ (13,669)	\$ (21,353)	\$ (8,636)
Accounts receivable	32,403	17,804	26,745	10,891
Total assets	<u>\$ 6,602</u>	<u>\$ 4,135</u>	<u>\$ 5,392</u>	<u>\$ 2,255</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 6,602	\$ 4,135	\$ 5,392	\$ 2,255
Total liabilities	<u>6,602</u>	<u>4,135</u>	<u>5,392</u>	<u>2,255</u>
Fund balances				
Restricted for:				
Aging services	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	<u>\$ 6,602</u>	<u>\$ 4,135</u>	<u>\$ 5,392</u>	<u>\$ 2,255</u>

Title III E	Title VII	Title III B Services Ability Resources	Title III B Services Cimarron Transit	Title III B Services Legal Aid	Title III B Services Osage County
\$ (4,550)	\$ (1,994)	\$ (6,935)	\$ (14,075)	\$ (3,032)	\$ (568)
5,886	2,481	9,135	29,964	3,212	1,135
<u>\$ 1,336</u>	<u>\$ 487</u>	<u>\$ 2,200</u>	<u>\$ 15,889</u>	<u>\$ 180</u>	<u>\$ 567</u>
\$ 1,336	\$ 487	\$ 2,200	\$ 15,889	\$ 180	\$ 567
<u>1,336</u>	<u>487</u>	<u>2,200</u>	<u>15,889</u>	<u>180</u>	<u>567</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,336</u>	<u>\$ 487</u>	<u>\$ 2,200</u>	<u>\$ 15,889</u>	<u>\$ 180</u>	<u>\$ 567</u>

Indian Nations Council of Governments
Combining Balance Sheet
Area Agency on Aging
June 30, 2014

	Title III BS Oxford Health Care	Title III B Services Sodexo	Title III C1 Osage County	Title III C1 Sodexo
Assets				
Cash and cash equivalents	\$ (69,889)	\$ (3,339)	\$ -	\$ (48,877)
Accounts receivable	126,706	8,157	-	101,073
Total assets	<u>\$ 56,817</u>	<u>\$ 4,818</u>	<u>\$ -</u>	<u>\$ 52,196</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 56,817	\$ 4,818	\$ -	\$ 52,196
Total liabilities	<u>56,817</u>	<u>4,818</u>	<u>-</u>	<u>52,196</u>
Fund balances				
Restricted for:				
Aging services	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	<u>\$ 56,817</u>	<u>\$ 4,818</u>	<u>\$ -</u>	<u>\$ 52,196</u>

Title III C1 Oxford Health Care	Title III C2 Osage County	Title III C2 Sodexo	Title III D Healthy Aging	Title III E Alzheimers	Title III E Oxford Health Care
\$ (28,524)	\$ -	\$ (59,230)	\$ -	\$ (12,899)	\$ (32,164)
50,205	-	118,458	-	24,087	67,671
<u>\$ 21,681</u>	<u>\$ -</u>	<u>\$ 59,228</u>	<u>\$ -</u>	<u>\$ 11,188</u>	<u>\$ 35,507</u>
\$ 21,681	\$ -	\$ 59,228	\$ -	\$ 11,188	\$ 35,507
<u>21,681</u>	<u>-</u>	<u>59,228</u>	<u>-</u>	<u>11,188</u>	<u>35,507</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 21,681</u>	<u>\$ -</u>	<u>\$ 59,228</u>	<u>\$ -</u>	<u>\$ 11,188</u>	<u>\$ 35,507</u>

Indian Nations Council of Governments
Combining Balance Sheet
Area Agency on Aging
June 30, 2014

Page 3 of 3

	USDA/ NSIP	Title III C1 Michael Lundy	Title III D Ability Resources	Total
Assets				
Cash and cash equivalents	\$ (24,266)	\$ (6,600)	\$ (8,687)	\$ (395,088)
Accounts receivable	49,240	13,050	20,998	719,301
Total assets	<u>\$ 24,974</u>	<u>\$ 6,450</u>	<u>\$ 12,311</u>	<u>\$ 324,213</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 24,974	\$ 6,450	\$ 12,311	\$ 324,213
Total liabilities	<u>24,974</u>	<u>6,450</u>	<u>12,311</u>	<u>324,213</u>
Fund balances				
Restricted for:				
Aging services	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	<u>\$ 24,974</u>	<u>\$ 6,450</u>	<u>\$ 12,311</u>	<u>\$ 324,213</u>

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Area Agency on Aging
Year Ended June 30, 2014

	Title III B Administrative	Title III B Services	Title III C1	Title III C2
Revenues				
Local appropriations, fees, and assessments	\$ 10,922	\$ 10,522	\$ 12,877	\$ 6,132
Grants - federal	61,724	96,319	77,261	35,260
Grants - state	116,615	16,996	52,033	22,032
Total revenues	<u>189,261</u>	<u>123,837</u>	<u>142,171</u>	<u>63,424</u>
Expenditures				
Current:				
Aging services	189,261	123,837	142,171	63,424
Capital outlay	-	-	-	-
Total expenditures	<u>189,261</u>	<u>123,837</u>	<u>142,171</u>	<u>63,424</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Title III E	Title VII	Title III B Services Ability Resources	Title III B Services Cimarron Transit	Title III B Services Legal Aid	Title III B Services Osage County
\$ 4,645	\$ 991	\$ -	\$ -	\$ -	\$ -
25,107	10,681	69,446	75,246	44,806	5,721
8,874	1,884	13,227	14,332	8,534	1,090
<u>38,626</u>	<u>13,556</u>	<u>82,673</u>	<u>89,578</u>	<u>53,340</u>	<u>6,811</u>
38,626	13,556	82,673	89,578	53,340	6,811
-	-	-	-	-	-
<u>38,626</u>	<u>13,556</u>	<u>82,673</u>	<u>89,578</u>	<u>53,340</u>	<u>6,811</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Area Agency on Aging
Year Ended June 30, 2014

	Title III BS Oxford Health Care	Title III B Services Sodexho	Title III C1 Osage County	Title III C1 Sodexho
Revenues				
Local appropriations, fees, and assessments	\$ -	\$ -	\$ -	\$ -
Grants - federal	318,760	27,261	111,193	461,485
Grants - state	60,714	5,192	40,991	170,126
Total revenues	<u>379,474</u>	<u>32,453</u>	<u>152,184</u>	<u>631,611</u>
Expenditures				
Current:				
Aging services	379,474	32,453	152,184	631,611
Capital outlay	-	-	-	-
Total expenditures	<u>379,474</u>	<u>32,453</u>	<u>152,184</u>	<u>631,611</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Title III C1 Oxford Health Care	Title III C2 Osage County	Title III C2 Sodexo	Title III D Health Agency	Title III E Alzheimers	Title III E Oxford Health Care
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
138,340	79,004	289,504	3,833	100,685	144,720
50,999	119,869	439,250	676	33,562	48,240
<u>189,339</u>	<u>198,873</u>	<u>728,754</u>	<u>4,509</u>	<u>134,247</u>	<u>192,960</u>
189,339	198,873	728,754	4,509	134,247	192,960
-	-	-	-	-	-
<u>189,339</u>	<u>198,873</u>	<u>728,754</u>	<u>4,509</u>	<u>134,247</u>	<u>192,960</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Page 3 of 3

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Area Agency on Aging
Year Ended June 30, 2014

	USDA/ NSIP	Title III C1 Michael Lundy	Title III D Ability Resources	Total
Revenues				
Local appropriations, fees, and assessments	\$ -	\$ -	\$ -	\$ 46,089
Grants - federal	279,570	55,566	40,896	2,552,388
Grants - state	-	20,484	7,642	1,253,362
Total revenues	<u>279,570</u>	<u>76,050</u>	<u>48,538</u>	<u>3,851,839</u>
Expenditures				
Current:				
Aging services	279,570	76,050	48,538	3,851,839
Capital outlay	-	-	-	-
Total expenditures	<u>279,570</u>	<u>76,050</u>	<u>48,538</u>	<u>3,851,839</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Indian Nations Council of Governments
Combining Balance Sheet
Transportation Planning
June 30, 2014

	FHWA Planning	FTA 5303	FHWA CMAQ	FTA Oklahoma Veterans Transit Program
Assets				
Cash and cash equivalents	\$ (103,808)	\$ (12,952)	\$ (43,350)	\$ (1,580)
Accounts receivable	128,093	36,071	43,912	57,374
Total assets	<u>\$ 24,285</u>	<u>\$ 23,119</u>	<u>\$ 562</u>	<u>\$ 55,794</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 24,285	\$ 23,119	\$ 562	\$ 55,794
Total liabilities	<u>24,285</u>	<u>23,119</u>	<u>562</u>	<u>55,794</u>
Fund balances				
Restricted for:				
Transportation	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	<u>\$ 24,285</u>	<u>\$ 23,119</u>	<u>\$ 562</u>	<u>\$ 55,794</u>

FTA Alternatives Analysis	FHWA Mobility Management	Total
\$ -	\$ (143)	\$ (161,833)
-	143	265,593
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,760</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,760</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,760</u>

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Transportation Planning
Year Ended June 30, 2014

	FHWA Planning	FTA 5303	FHWA CMAQ	FTA Oklahoma Veterans Transit Program
Revenues				
Local appropriations, fees, and assessments	\$ 175,516	\$ 49,625	\$ 18,896	\$ -
Grants - federal	648,340	182,370	246,517	252,543
Grants - local other	-	-	-	4
Total revenues	<u>823,856</u>	<u>231,995</u>	<u>265,413</u>	<u>252,547</u>
Expenditures				
Current:				
Transportation	813,755	229,151	265,413	252,547
Capital outlay	10,101	2,844	-	-
Total expenditures	<u>823,856</u>	<u>231,995</u>	<u>265,413</u>	<u>252,547</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

FTA Alternatives Analysis	FHWA Mobility Management	Total
\$ -	\$ 2,246	\$ 246,283
47,600	41,480	1,418,850
12,882	8,130	21,016
<u>60,482</u>	<u>51,856</u>	<u>1,686,149</u>
60,482	51,856	1,673,204
-	-	12,945
<u>60,482</u>	<u>51,856</u>	<u>1,686,149</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Indian Nations Council of Governments
Combining Balance Sheet
Rural Economic Action Plan
June 30, 2014

	REAP 2001	REAP 2003	REAP 2009	REAP 2010
Assets				
Cash and cash equivalents	\$ 927	\$ -	\$ 100,000	\$ 9
Accounts receivable	-	-	-	-
Total assets	<u>\$ 927</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 9</u>
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	927	-	100,000	9
Total liabilities	<u>927</u>	<u>-</u>	<u>100,000</u>	<u>9</u>
Fund balances				
Restricted for:				
Community and economic development	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	<u>\$ 927</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 9</u>

REAP 2011	REAP 2012	REAP 2013	REAP 2014	REAP Admin	Total
\$ 56,000	\$ 43,475	\$ 257,323	\$ 570,494	\$ -	\$ 1,028,228
-	-	-	45,286	-	45,286
<u>\$ 56,000</u>	<u>\$ 43,475</u>	<u>\$ 257,323</u>	<u>\$ 615,780</u>	<u>\$ -</u>	<u>\$ 1,073,514</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56,000	43,475	257,323	615,780	-	1,073,514
<u>56,000</u>	<u>43,475</u>	<u>257,323</u>	<u>615,780</u>	<u>-</u>	<u>1,073,514</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 56,000</u>	<u>\$ 43,475</u>	<u>\$ 257,323</u>	<u>\$ 615,780</u>	<u>\$ -</u>	<u>\$ 1,073,514</u>

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
REAP
Year Ended June 30, 2014

	REAP 2001	REAP 2003	REAP 2009	REAP 2010
Revenues				
Local appropriations, fees, and assessments	\$ -	\$ -	\$ -	\$ -
Grants - state	17,525	20,200	-	68,422
Total revenues	<u>17,525</u>	<u>20,200</u>	<u>-</u>	<u>68,422</u>
Expenditures				
Current:				
Community and economic development	17,525	20,200	-	68,422
Total expenditures	<u>17,525</u>	<u>20,200</u>	<u>-</u>	<u>68,422</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

REAP 2011	REAP 2012	REAP 2013	REAP 2014	REAP Admin	Total
\$ -	\$ -	\$ -	\$ -	\$ 16,894	\$ 16,894
69,289	225,069	271,119	-	28,831	700,455
69,289	225,069	271,119	-	45,725	717,349
69,289	225,069	271,119	-	45,725	717,349
69,289	225,069	271,119	-	45,725	717,349
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Indian Nations Council of Governments
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue			
	Homeland Security	New Freedom	New Freedom	FTA JARC
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ (12,047)
Accounts receivable	-	-	-	14,351
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,304</u>
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 2,304
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,304</u>
Fund balances				
Restricted for:				
Aging services	-	-	-	-
Transportation	-	-	-	-
Public safety	-	-	-	-
Community and economic development	-	-	-	-
Environmental and energy	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,304</u>

Special Revenue

12919 State Energy Plan	DOE Collaboration of Clean Cities	EDA Planning Grant	Department of Insurance	ADRC	MIPPA	CDSMP
\$ (2,919)	\$ (8,004)	\$ (5,834)	\$ -	\$ (533)	\$ -	\$ 925
6,739	8,670	8,435	-	1,228	-	-
<u>\$ 3,820</u>	<u>\$ 666</u>	<u>\$ 2,601</u>	<u>\$ -</u>	<u>\$ 695</u>	<u>\$ -</u>	<u>\$ 925</u>
\$ 3,820	\$ 666	\$ 2,601	\$ -	\$ 695	\$ -	\$ 925
-	-	-	-	-	-	-
<u>3,820</u>	<u>666</u>	<u>2,601</u>	<u>-</u>	<u>695</u>	<u>-</u>	<u>925</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 3,820</u>	<u>\$ 666</u>	<u>\$ 2,601</u>	<u>\$ -</u>	<u>\$ 695</u>	<u>\$ -</u>	<u>\$ 925</u>

Indian Nations Council of Governments
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014
(continued)

	Special Revenue			
	CDC	Farmers Market	CENA	Rural Fire Defense
Assets				
Cash and cash equivalents	\$ (9,961)	\$ -	\$ (6,481)	\$ (4,778)
Accounts receivable	17,198	-	13,775	7,917
Total assets	<u>\$ 7,237</u>	<u>\$ -</u>	<u>\$ 7,294</u>	<u>\$ 3,139</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 7,237	\$ -	\$ 7,294	\$ 3,139
Deferred revenue	-	-	-	-
Total liabilities	<u>7,237</u>	<u>-</u>	<u>7,294</u>	<u>3,139</u>
Fund balances				
Restricted for:				
Aging services	-	-	-	-
Transportation	-	-	-	-
Public safety	-	-	-	-
Community and economic development	-	-	-	-
Environmental and energy	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 7,237</u>	<u>\$ -</u>	<u>\$ 7,294</u>	<u>\$ 3,139</u>

Special Revenue				
ODOC-State Appropriated Funds	Water Quality 604(b) FY 11	Senior Companion	Masonic Grant	Total
\$ 2,817	\$ (2,749)	\$ (32,385)	\$ 38,856	\$ (43,093)
3,030	4,144	39,596	-	125,083
<u>\$ 5,847</u>	<u>\$ 1,395</u>	<u>\$ 7,211</u>	<u>\$ 38,856</u>	<u>\$ 81,990</u>
\$ 5,847	\$ 1,395	\$ 7,211	\$ 38,856	\$ 81,990
-	-	-	-	-
<u>5,847</u>	<u>1,395</u>	<u>7,211</u>	<u>38,856</u>	<u>81,990</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 5,847</u>	<u>\$ 1,395</u>	<u>\$ 7,211</u>	<u>\$ 38,856</u>	<u>\$ 81,990</u>

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	Special Revenue			
	Homeland Security	New Freedom	New Freedom	FTA JARC
Revenues				
Local appropriations, fees, and assessments	\$ 15,837	\$ -	\$ 253	\$ -
Grants - federal	581,533	26,389	226,401	136,351
Grants - state	-	-	-	-
Grants - local - other	-	-	-	-
Match revenue	-	-	-	-
Total revenues	<u>597,370</u>	<u>26,389</u>	<u>226,654</u>	<u>136,351</u>
Expenditures				
Current:				
Aging services	-	-	-	-
Transportation	-	26,389	226,654	136,351
Public safety	597,370	-	-	-
Community and economic development	-	-	-	-
Environmental and energy	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>597,370</u>	<u>26,389</u>	<u>226,654</u>	<u>136,351</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Indian Nations Council of Governments
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

(continued)

	Special Revenue			
	CDC	Farmers Market	CENA	Rural Fire Defense
Revenues				
Local appropriations, fees, and assessments	\$ -	\$ -	\$ 113	\$ 18,881
Grants - federal	86,584	811	-	-
Grants - state	-	-	181,665	70,000
Grants - local - other	-	(430)	-	-
Match revenue	-	-	-	-
Total revenues	<u>86,584</u>	<u>381</u>	<u>181,778</u>	<u>88,881</u>
Expenditures				
Current:				
Aging services	86,584	381	181,778	-
Transportation	-	-	-	-
Public safety	-	-	-	88,881
Community and economic development	-	-	-	-
Environmental and energy	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>86,584</u>	<u>381</u>	<u>181,778</u>	<u>88,881</u>
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue				
ODOC-State Appropriated Funds	Water Quality 604(b) FY 11	Senior Companion	Masonic Grant	Total
\$ 107,491	\$ 128	\$ -	\$ -	\$ 155,641
-	-	62,911	-	1,443,870
36,364	24,961	14,264	-	327,254
-	-	-	103,495	103,065
-	-	-	-	49,836
<u>143,855</u>	<u>25,089</u>	<u>77,175</u>	<u>103,495</u>	<u>2,079,666</u>
-	-	73,444	103,495	478,303
-	-	-	-	389,394
-	-	-	-	686,251
143,855	-	-	-	243,687
-	25,089	-	-	278,300
-	-	3,731	-	3,731
<u>143,855</u>	<u>25,089</u>	<u>77,175</u>	<u>103,495</u>	<u>2,079,666</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Indian Nations Council of Governments
Schedule of Indirect Costs
For the Year Ended June 30, 2014

	Indirect Costs
Indirect salaries	\$ 406,023
Employee benefits	219,885
Indirect personnel costs	<u>625,908</u>
Consultanting/contract services	118,991
Rental of office space and equipment	289,169
Travel	18,449
Training	4,414
Consumable supplies	21,186
Insurance	24,346
Reproduction	6,655
Vehicle expenses	7,240
Telephone	20,690
Postage	6,117
Publications	37
Professional dues	9,138
Repair and maintenance of office equipment	10,878
Recruitment/moving expenses	263
Computer	6,442
Depreciation	45,426
Miscellaneous	50
Total indirect costs	<u><u>\$ 1,215,399</u></u>

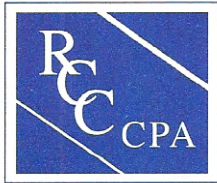
Indian Nations Council of Governments
Enhanced 911 Fund
Schedule of Receipts and Disbursements
Year Ended June 30, 2014

Receipts

911 fees from cellular providers	\$ 3,251,649
City reimbursements	1,758,325
Total receipts	<u>5,009,974</u>

Disbursements

Pass-through of 911 fees	
City of Bartlesville	3,980
City of Bixby	94,452
City of Bristow	15,871
City of Broken Arrow	378,438
City of Collinsville	27,992
Creek County	128,997
City of Drumright	14,565
City of Glenpool	45,729
City of Jenks	78,154
Osage County	113,592
Town of Mannford	10,295
City of Owasso	129,316
City of Sand Springs	82,590
City of Sapulpa	101,767
City of Skiatook	33,770
City of Tulsa	1,825,398
Tulsa County	174,221
City of Sperry	6,999
Administrative services	-
Telecommunication services	1,753,725
Total disbursements	<u>5,019,851</u>
Excess of receipts over (under) disbursements	<u><u>\$ (9,877)</u></u>



Ronald C. Cottrell, CPA

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*

Board of Directors
Indian Nations Council of Governments
Tulsa, Oklahoma

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 the governmental activities, each major fund, and the aggregate remaining fund information of Indian Nations Council of Governments as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of Indian Nations Council of Governments, and have issued our report thereon dated December 2, 2014. We did not audit management's discussion and analysis or the budgetary comparison schedules, which are required supplementary information, and therefore, expressed no opinion on them.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Indian Nations Council of Governments' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Indian Nations Council of Governments' internal control. Accordingly, we do not express an opinion on the effectiveness of Indian Nations Council of Governments' 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 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 the 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.

Ronald C. Cottrell, CPA

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Indian Nations Council of Governments' 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 not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ronald C. Cottrell, CPA

Ronald C. Cottrell, CPA
Kansas, Oklahoma
December 2, 2014



Ronald C. Cottrell, CPA

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance as Required by OMB Circular A-133

Board of Directors
Indian Nations Council of Governments
Tulsa, Oklahoma

Report on Compliance for Each Major Program

We have audited Indian Nations Council of Governments' 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 its major federal programs for the year ended June 30, 2014. Indian Nations Council of Governments' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Indian Nations Council of Governments' 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 Indian Nations Council of Governments' 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 Indian Nations Council of Governments' compliance.

Opinion on Each Major Federal Program

In our opinion, Indian Nations Council of Governments complied, in all material respects, with the 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 the Indian Nations Council of Governments 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 Indian Nations Council of Governments' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Indian Nations Council of Governments' 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 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.

Purpose of this Report

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.

Ronald C. Cottrell, CPA

Ronald C. Cottrell, CPA
Kansas, Oklahoma
December 2, 2014

Indian Nations Council of Governments
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL PROGRAMS			
<u>U. S. Department of Transportation</u>			
Direct Program -			
<i>Transit Services Program Cluster</i>			
Job Access-Reverse Commute (JARC)	20.516	OK-37-X047-00 / FY10	\$ 136,351
Mobility Management			
New Freedom	20.521	OK-57-X012-01 / FY08	26,389
		OK-57-X022-00 / FY10	226,401
<i>Subtotal Transit Services Program Cluster</i>			<u>389,141</u>
<i>Other Programs</i>			
OK Vets Transit Program	20.500	OK-04-0019-00/I	101,842
		OK-04-0024-00/II	150,701
		OK-39-0002-00	47,600
<i>Subtotal Other Programs</i>			<u>300,143</u>
Pass-Through Program From:			
Oklahoma Department of Transportation			
Long Term Transportation Planning -	20.205	0060 037 JP 11738(27)	872,190
Congestion Mitigation-Air Quality (CMA)		CMA-172E(508)IG JP 24350(05)	40,256
		CMA-172E(420)IG JP 19017(07)	75,575
		CMA-172E(421)IG JP 19018(07)	130,685
<i>Subtotal</i>			<u>1,118,706</u>
Total U.S. Department of Transportation			<u>1,807,990</u>
<u>U. S Department of Energy</u>			
Direct Program -			
I-40 Collaboration of Clean Cities	81.086	DE-EE0006006	196,614
<i>Subtotal</i>			<u>196,614</u>
Pass-Through Program From:			
Oklahoma Department of Commerce -			
Community Development Block Grant	81.041	15624 SEP 14	38,251
<i>Subtotal</i>			<u>38,251</u>
Total U.S. Department of Energy			<u>234,865</u>

The accompanying notes are an integral part of this schedule.

Indian Nations Council of Governments
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL PROGRAMS			
<u>U. S. Department of Homeland Security</u>			
Pass-Through Program From:			
Oklahoma Office of Homeland Security			
Tulsa Urban Areas Security Initiative	97.008	292.001-292.009 / FY10	581,533
Total U.S. Department of Homeland Security			581,533
<u>U.S. Department of Health and Human Services</u>			
Direct Program -			
Center for Disease Control	93.737	1H75DP004397...Q1	86,584
<i>Subtotal</i>			86,584
Pass-Through Program From:			
Oklahoma Department of Human Services			
<i>Aging Cluster</i>			
Area Agency on Aging Title III Part B	93.044	8309011546	699,282
Area Agency on Aging Title III Part C	93.045	8309011546	1,247,612
Area Agency on Aging NSIP	93.053	8309011546	279,570
<i>Subtotal Aging Cluster</i>			2,226,464
<i>Other Programs</i>			
Area Agency on Aging Title III Part D	93.043	PA# 11004956	40,896
		PA# 11004956/FY 13	3,833
Area Agency on Aging Title III Part E	93.052	PA# 11004956	270,512
Area Agency on Aging Title VII	93.041	PA# 11004956	10,681
Money Follows the Person			
(Living Choice) ADRC	93.791	PA#11026169	6,899
		Authority Order	2,500
Money Follows the Person			
(Living Choice) ADRC (Travel)		PA# 14016124	2,198
Medicare Improvements for Patients			
and Providers (MIPPA)	93.779	13AAOKMAAA	1,896
<i>Subtotal Other Programs</i>			339,415

The accompanying notes are an integral part of this schedule.

Indian Nations Council of Governments
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL PROGRAMS			
<u>U.S. Department of Health and Human Services</u>			
Pass-Through Program From:			
Oklahoma Insurance Department			
Senior Health Insurance Counseling			
Program (SHIP)	93.779	1N0CMS020203-20-00	8,833
Senior Medicare Patrol (CD) (SMP)	93.048	PA# 12015035 / 90MP0082-02	15,704
<i>Subtotal Other Programs</i>			<u>24,537</u>
Total U.S. Department of Health and Human Services			<u>2,677,000</u>
 <u>Corporation for National and Community Service</u>			
Direct Program -			
Senior Companion Program	94.016	13SCWOK001	62,911
Total Corporation for National and Community Service			<u>62,911</u>
 <u>U.S. Department of Agriculture</u>			
Pass-Through Program From:			
Oklahoma Department of Human Services			
Senior Farmers Market Nutrition			
Program (SFMNP)	10.576	13/14	811
Total U.S. Department of Agriculture			<u>811</u>
 <u>U.S. Department of Commerce</u>			
Direct Program -			
Title II, Section 203 Planning Assistance:			
Continuation Planning	11.302	08-83-04679	49,996
Total U.S. Department of Commerce			<u>49,996</u>
Total Expenditures of Federal Awards			<u><u>\$ 5,415,106</u></u>

The accompanying notes are an integral part of this schedule.

Indian Nations Council of Governments
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

I. Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Indian Nations Council of Governments and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

II. Expenditures

Expenditures represent the current year federal grant/contract portion only.

III. Noncash Awards

Indian Nations Council of Governments had no non-cash awards

IV. Subrecipients

Of the expenditures presented in the schedule of federal awards, Indian Nations Council of Governments provided federal awards to subrecipients as follows:

Program Title	Federal CFDA No.	Amount Passed-Through
<u>U.S. Department of Health and Human Services</u>		
Special Programs for the Aging, - Title III -		
Part B – Grants for Supportive Services and Senior Centers	93.044	\$ 541,240
Part C – Nutrition Services	93.045	1,135,091
Part D – Disease Prevention and Health Promotion Services	93.043	44,729
Part E – Caregiver Support	93.041	245,405
Area Agency on Aging NSIP	93.053	279,570
Total U.S. Department of Health and Human Services		<u>2,246,035</u>
 <u>U.S. Department of Transportation</u>		
Job Access – Reverse Commute	20.516	95,621
New Freedom	20.521	237,969
OK Vets Transit Program	20.500	248,026
Congestion Mitigation – Air Quality	20.205	130,685
Total U.S. Department of Transportation		<u>712,301</u>
 <u>U.S. Department of Homeland Security</u>		
Tulsa Urban Areas Security Initiative	97.008	581,533
Total U.S. Department of Homeland Security		<u>581,533</u>
Total pass-through to sub-recipients		<u>\$ 3,539,869</u>

Indian Nations Council of Governments
Schedule of Expenditures of State Awards
Year Ended June 30, 2014

State Grantor/ Pass-Through Grantor/ Program or Cluster Title	Pass-Through Entity Identifying Number	Expenditures
STATE PROGRAMS		
<u>Oklahoma Department of Commerce -</u>		
Community Expansion of Nutrition Assistance	15594 CENA 14	\$ 181,665
Substate Planning District	15706 SS 14	36,364
Rural Economic Action Plan	13907 REAP 2010	68,422
	14452 REAP 2011	69,289
	14873 REAP 2012	225,069
	15285 REAP 2013	271,119
	Administration	28,831
Total Rural Economic Action Plan		662,730
Total Oklahoma Department of Commerce		880,759
<u>Oklahoma State Auditor and Inspector -</u>		
Rural Economic Action Plan	2001 REAP	17,525
	2003 REAP	20,200
Total State Auditor and Inspector		37,725
<u>Oklahoma Department of Agriculture, Food and Forestry -</u>		
Fire and Safety Services/Rural Fire Defense	FY 13-14	70,000
Total Oklahoma Department of Agriculture, Food and Forestry		70,000
<u>Oklahoma Secretary of the Environment</u>		
Water Quality Management Program	C6-40000050 FY 12	12,794
	C6-40000049 FY 11	619
	C6-40000051 FY 13	11,548
Total Oklahoma Secretary of the Environment		24,961
<u>Oklahoma Department of Human Services -</u>		
Aging Services		
Title III, Part B - Supportive Services	FY 13-14	236,700
Part C - Congregate Meals	FY 13-14	915,784
Part D-Preventive Health	FY 13-14	7,650
Part D-Preventive Health	FY 12-13	676
Part E - Caregiver Support	FY 13-14	90,676
Title VII	FY 13-14	1,884
Senior Companion	PA#14015471	14,264
Total Oklahoma Department of Human Services		1,267,634
Total Expenditures of State Awards		\$ 2,281,079

Indian Nations Council of Governments

Summary Schedule of Prior Audit Findings

Financial Statement Findings

There were no matters reported in the prior year's audit report.

Federal Award Findings and Questioned Costs

There were no matters reported in the prior year's audit report.

Indian Nations Council of Governments
Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No
Identification of major programs:	

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>
20.516 – 20.521	Transit Services Program Cluster
20.500	OK Vets Transit Program
97.008	Tulsa Urban Areas Security Initiative
93.052	Area Agency on Aging Title III E

Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.