



MADISON COUNTY CITIZENS SERVICES AGENCY

140 West Center Street • Post Office Box 1358
Canton, Mississippi 39046-1358
601-855-5710 • Fax: 601-855-5662

February 18, 2015

Mr. Karl Banks, President
Madison County Board of Supervisor
District 4
P.O. Box 608
Canton, MS 39046

Dear Mr. Banks:

Please find attached a copy of the Madison County Citizen Services Agency's 2013-2014 Audit Report.

Thank you for your attention.

Sincerely yours,

A handwritten signature in cursive script that reads "Mary Sims-Johnson".

Dr. Mary Sims-Johnson, MSW, LCSW
Executive Director
MCCSA

cc: Ms. Cynthia Parker, Board Secretary

Enclosure

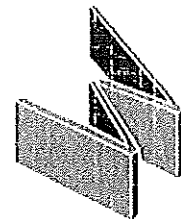
Board of Directors

Timmy Pickett - Chairman Dr. Nelson Cauthen-Vice Chairman
Will Sligh - Secretary/Treasurer
Jennifer Clanton Neal Riley
Dr. Mary Sims-Johnson, Executive Director

MADISON COUNTY CITIZENS SERVICES AGENCY

AUDIT REPORT

For The Year Ended September 30, 2014



WILLIAMS CPA FIRM, PLLC
Accountants & Consultants



WILLIAMS CPA FIRM, PLLC
Accountants & Consultants

MAIN OFFICE:

301 Highland Park Cove, Suite A
Ridgeland, Mississippi 39157
Office: 601-321-9201
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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Madison County Citizens Services Agency
Canton, Mississippi

Report on the Financial Statements

We have audited the accompanying financial statements of Madison County Citizens Service Agency (a component unit of the State of Mississippi), which comprise the statement of net position as of September 30, 2014, and the related statement of revenues and expenses and the statement of cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Madison County Citizens Service Agency as of September 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 to 5 be presented to supplement the basic financial statement. Such information, although not a part of the basic financial information, is required by the Governmental Accounting Standards Board, who considers it to be essential part of the 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 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 statement, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Madison County Citizens Agency financial statements. The accompanying 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*, the Statements of General Fund, Grant and Program Activities and the Schedules for Section 5311 Rural Transportation is not required parts of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2014, on our consideration of Madison County Citizens Service Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Madison County Citizens Service Agency's internal control over financial reporting and compliance.

Ridgeland, MS
December 22, 2014

Williams CPA Firm, PLLC

MADISON COUNTY CITIZENS SERVICES AGENCY

Management Discussion and Analysis September 30, 2013

Our discussion and analysis of the Madison County Citizens Service Agency financial performance provides an overview of the Agency's financial activities for the fiscal year ended September 30, 2014.

FINANCIAL ANALYSIS

This is the seventh year of operation of the Madison County Citizens Service Agency and is the fourth full year of operations. The agency is designed to assist the poor and elderly in Madison County with the payment of utility bills, transportation assistance and provide meal programs daily at two locations in Madison County.

Net position may serve over time as a useful indicator of the Agency's financial position. Assets exceeded liabilities by \$224,103 as of September 30, 2014. Table 1 presents a summary of the Agency's net position at September 30, 2014.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position s and Statement of Revenues and Expenses (see pages 6 and 8) provide information about the activities of the agency as whole and present a longer term view of the Agency's finances. The detail financial statements included in this report are details of expenses, grants and other non-operating or non-budgeted revenues and expenses. The Statement of Cash Flows presents the cash that is generated from the operations of the agency and the use of said cash. The main non-cash items are depreciation on capital assets and the receipt of in kind contributions of rental space and other support expenses from Madison County and the in-kind contributions of prepared meals through a grant program.

MADISON COUNTY CITIZENS SERVICES AGENCY

Management Discussion and Analysis
September 30, 2014

TABLE 1 CONDENSED STATEMENT OF NET POSITION

	<u>2014</u>
Current Assets	\$ 331,638
Non-Current Assets	<u>71,465</u>
Total Assets	<u>\$ 403,103</u>
Current Liabilities	<u>\$ 178,673</u>
Net Assets:	
Invested in Capital Assets	\$ 74,465
Unrestricted	<u>152,338</u>
Total Net Assets	<u>\$ 228,803</u>

The following are significant current year transactions that had an impact on the Statement of Net Position:

- Increase in current assets due mainly to additional cash proceeds from the State.
- Decrease in net capital assets in the amount of \$52,433 related to depreciation.
- Unearned revenue from the MS Department of Human Services (State) is the primary current liability

Cash and cash equivalents and grant receivables represented 83% of total assets at September 30, 2014.

Current Liabilities consisted mostly of unearned revenue which was 82% of the total current liabilities at September 30, 2014.

MADISON COUNTY CITIZENS SERVICES AGENCY

Management Discussion and Analysis
September 30, 2014

The net position of the Agency has improved since its inception. The Agency's year of operation was successful. The major utility assistance program is running smoothly along with the meals program. The transportation program is also running well since the Agency got its full complement of vehicles. Several other smaller programs (congregate meals, elderly hire, and information) have been permanent programs since the agency's inception as well.

FUTURE OPERATIONS

The operation of the Agency will require new income and expenses as it continues to grow. This should mainly be funded by future grants.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, contributors, and other interested parties with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Dr. Mary Simms Johnson at the Madison County Citizens Service Agency, 1005 West Peace Street, Canton, Mississippi 39046.

MADISON COUNTY CITIZENS SERVICE AGENCY
STATEMENT OF NET POSITION
September, 30 2014

	<u>2014</u>
ASSETS	
<u>CURRENT ASSETS</u>	
Cash	\$ 263,534
Grant Receivable	68,104
Total Current Assets	<u>\$ 331,638</u>
<u>NON CURRENT ASSETS</u>	
Capital assets - net	71,465
Total Assets	<u>\$ 403,103</u>
 LIABILITIES	
<u>CURRENT LIABILITIES</u>	
Accounts Payable	8,284
Vacation Pay Liability	25,062
Unearned Revenue	145,955
Total Current Liabilities	<u>\$ 179,301</u>
 NET POSITION	
Invested in Capital Assets	71,465
Unrestricted	152,338
Total Net Position	<u>\$ 223,803</u>

See accompanying notes to the Financial Statements

MADISON COUNTY CITIZENS SERVICE AGENCY
STATEMENT OF CHANGES IN NET POSITION
September 30, 2014

	<u>2014</u>
Net assets, beginning of year	\$ 249,235
Excess of (expenses) over revenues	<u>(25,432)</u>
Net assets, end year	<u><u>\$ 223,803</u></u>

See accompanying notes to the Financial Statements

MADISON COUNTY CITIZENS SERVICE AGENCY

STATEMENT OF REVENUES AND EXPENSES

September 30, 2014

2014

OPERATING REVENUE

Program Income	7,022
Other Income	23,665
County Revenue	327,000

TOTAL OPERATING REVENUE 357,687

GRANT INCOME

Grant Income Received	1,254,620
Non Cash Intergovernmental Transfers	45,586
Program Income	38,539

TOTAL GRANT FUNDS RECEIVED 1,338,745

TOTAL REVENUE 1,696,432

OPERATING EXPENDITURES

Total Operating Expenditures 330,944

PROGRAM EXPENDITURES

Total Program Expenditures 1,390,920

TOTAL EXPENDITURES 1,721,863

OPERATING (LOSS)/INCOME (25,432)

See accompanying notes to the Financial Statements

MADISON COUNTY CITIZENS SERVICE AGENCY
STATEMENT OF CASH FLOWS
September 30, 2014

	<u>2014</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Excess expenses over revenues	(25,432)
Depreciation	52,132
(Increase) decrease in grant receivable	(3,697)
Increase (decrease) in accounts payable - Madison County	3,484
Increase (decrease) in unearned revenue	144,110
Increase (decrease) in vacation liability	<u>1,642</u>
CASH FLOWS FROM (USED) ACTIVITIES	<u>\$ 172,239</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>0</u>
CASH USED IN INVESTING ACTIVITIES	<u>0</u>
NET INCREASE (DECREASE) IN CASH	172,239
CASH AT BEGINNING OF YEAR	<u>\$ 91,294</u>
CASH AT END OF YEAR	<u><u>\$ 263,533</u></u>

See accompanying notes to the Financial Statements

MADISON COUNTY CITIZENS SERVICES AGENCY

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Madison County Citizen's Service Agency is an agency, created by the Madison County Board of Supervisors on November 6, 2006. The Agency was created under sections 17-51-1 through 11 of the Mississippi Code for the purpose of operating under local government control and is responsible for the administration of programs heretofore conducted by community action agencies, limited purpose agencies, and related programs authorized by federal law.

The Agency is a component unit of Madison County, Mississippi because its board is appointed by the Madison County Board of Supervisors.

Its main functions are the operation of a utility assistance program, a meal program, and a transportation program. These activities are designed to assist the poor and elderly in Madison County, Mississippi.

The actual operations of the agency commenced April 2007.

Revenues and expenditures are accounted for using the modified accrual basis of accounting.

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

MCCSA participates in a several federally assisted programs, which are audited in accordance with the Single Audit Act Amendment of 1996. Audits have not resulted in any disallowed cost. Based on past experience, the Agency believes that further examinations would not result in any material disallowed cost.

Statement of Cash Flows

For purposes of the statement of cash flows, the Agency considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

MADISON COUNTY CITIZENS SERVICES AGENCY

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

NOTE 2 – ECONOMIC DEPENDENCY

The Agency receives 100% of its support from federal, state, and county governments. A significant reduction in the level of this support, if this were to occur, may have an effect on the Agency's programs and activities.

NOTE 3 – NON CASH REVENUES AND EXPENDITURES

The Agency receives substantial non cash items of support and operating revenues. The operating revenues received from the Madison County Board of Supervisors are rental space and various support activities including accounting, payroll and the like. These are shown as revenue received and a subsequent transfer back to the County.

The Agency also receives in kind food through grant program. This is shown as income received and the expenditures are shown as non cash grant expenditure for meals provided.

NOTE 4 – DEFINED BENEFIT PENSION PLAN

Plan Description: Madison County Citizens Service Agency contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State Law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

Funding Policy: PERS members are requested to contribute 9.00% of their annual covered salary and Madison County Citizens Service Agency is required to contribute at an actuarially determined rate of 15.75%. The contribution requirements of PERS members are established and are amended only by the State of Mississippi Legislature. Madison County Citizens Service Agency's contributions to PERS for the year ending September 30, 2014, were \$75,996, which also equaled their required contributions for the year.

MADISON COUNTY CITIZENS SERVICES AGENCY

NOTES TO FINANCIAL STATEMENTS

September 30, 2014

NOTE 5 – CASH AND INVESTMENTS

At September 30, 2014, all of the Agency's funds had been placed in the State of Mississippi Treasurer's Pool for deposits. Therefore, all deposits are covered with either FDIC insurance or the State Treasurer's Pool.

NOTE 6 – CAPITAL ASSETS

The Madison County Citizens Service Agency has adopted the provisions of Governmental Accounting Standards Board Statement 34, which requires the capitalization of infrastructure and other fixed asset costs as assets of the fund, at their estimated depreciable values. All assets are estimated to have a 5 year or longer useful life and straight line depreciation over those periods have been assumed. All property and equipment acquired by MCCSA are considered to be owned by MCCSA while used in the program for which they were purchased or in future authorized programs. However, the federal government and State of Mississippi have a reversionary interest in the property purchased or acquired with federal and state funds; its disposition, as well as the ownership of any proceeds therefrom, is subject to the regulations of the funding source.

Capital Assets consist of the following at September 30, 2014

Buildings and improvements	30 to 40 years	\$119,450
Office furniture and equipment	5 to 7 years	\$ 36,330
Vehicles	5 to 12 years	<u>\$ 84,540</u>
		\$240,320
Less accumulated depreciation and amortization		<u>(168,855)</u>
		<u>\$71,465</u>

NOTE 7 – SUBSEQUENT EVENTS

The agency has evaluated the subsequent events through the dates of this report. No events requiring disclosure were noted

MADISON COUNTY CITIZENS SERVICE AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SEPTEMBER 30, 2014

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
Pass through the Mississippi Department of Human Services			
Low-Income Home Energy Assistance 2013	93.568	683L131LL	\$ 107,853
Low-Income Home Energy Assistance 2014	93.568	683L141LL	524,545
			<u>\$ 632,398</u>
Pass through the Central Mississippi Planning and Development District			
Social Service Block Grant	93.667	1534-38	80,150
Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	93.044	1134-38/ 1234-38/1074-38	51,855
Special Programs for the Aging_ Title III, Part D_ Disease Prevention and Health Promotion Services	93.043	377N77A	18,762
Special Programs for the Aging_ Title III, Part C_ Nutrition Services	93.045	377N77	27,416
			<u>\$ 178,183</u>
Total U.S. Department of Human Services			\$ 810,581
<u>U.S. Department of Transportation</u>			
Pass through the State of Mississippi Department of Transportation			
Formula Grants for Rural Areas-Rural Area Program	20.509	502745	\$ 575,559
Total Federal Financial Assistance			<u>\$ 1,386,140</u>

NOTE TO SCHEDULE

This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the financial statements

MADISON COUNTY CITIZENS SERVICE AGENCY
STATEMENT OF GENERAL FUND ACTIVITIES
September 30, 2014

OPERATING REVENUES

Program Income	7,022
County Revenue	327,000
	<u>334,022</u>

OPERATING EXPENDITURES

Salaries and Related Expenses	113,723
Fringe Benefits	22,692
Travel	1,002
Professional Services	2,305
Training Conferences	4,965
Meals & Entertainment	52
Telephone	1,445
Advertising	172
Legal & Professional Fees	1,069
Audit	979
Bank Charges	634
Dues & Subscriptions	734
Office Supplies	1,447
Vehicle Expense	2,152
Program Supplies	232
Program Cost	1,217
Stationery & Printing	116
Miscellaneous	5
Transfer Expenses	166,396
Equipment	9,605

TOTAL OPERATING EXPENSES

330,944

OTHER INCOME

Other Income	<u>23,665</u>
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EXCESS (DEFICIT) OF OPERATING INCOME OVER EXPENSES

26,743

MADISON COUNTY CITIZENS SERVICE AGENCY
STATEMENT OF PROGRAM ACTIVITIES
September 30, 2014

REVENUES

Grant Income	\$ 1,027,842
Local Match - In Kind	31,091
Program Income	38,539
Non-Cash Food	11,796
USDA Food Credit	2,699
Other	226,778
TOTAL REVENUES	<u>\$ 1,338,745</u>

EXPENSES

Congregate Meal Expense	\$ 14,495
LIHEAP ECIP	27,936
LIHEAP Program Assistance	389,735
Salaries and Related Expenses	421,072
Fringe Benefits	185,054
Workers compensation	7,490
Travel	6,633
Professional Services	12,759
Training Conferences	14,453
Postage	307
Utilities	8,815
Advertising	3,397
In-Kind Expense	23,757
Bank Charges	43
Property Insurance	29,431
Taxes & Licenses exp	-
Dues & Subscriptions	2,731
Office Supplies	14,931
Vehicle Expense	92,257
Program Supplies	499
Program Cost	1,527
Depreciation	52,132
Office Equipment Maintenance	574
Transfer Expenses	69,129
Equipment	4,916

TOTAL EXPENSES	<u>\$ 1,390,920</u>
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OTHER INCOME

Other Income	<u> </u>
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EXCESS (DEFICIT) OF REVENUE OVER EXPENSES	<u>\$ (52,176)</u>
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MADISON COUNTY CITIZENS SERVICE AGENCY

STATEMENT OF GRANT ACTIVITIES

For the Years Ended September 30, 2014

TITLE 111C-1 CONG. MEALS	LIHEAP	Sec. 5311 TRANSPORTATION	Logisticare MTM	UNEMPLOYMENT FUND	TOTAL
7,846	632,399	269,353	-		1,027,842
5,075		33,793			31,091
					38,539
11,796					11,796
2,699					2,699
		220,281	4,736	-	226,778
<u>27,416</u>	<u>632,399</u>	<u>523,427</u>	<u>4,736</u>	<u>-</u>	<u>1,338,745</u>
14,495	-	-	-	-	14,495
-	27,936	-	-	-	27,936
-	389,735	-	-	-	389,735
<u>14,495</u>	<u>417,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>432,166</u>
7,423	121,888	250,069			421,072
544	56,137	110,813			185,054
26	158	4,826			7,490
42	1,068	3,109			6,633
2,860	8,159	1,740			12,759
	3,857	10,596			14,453
	307				307
	980	7,835			8,815
		3,397			3,397
					23,757
					-
	3,847	3,000			6,847
				43	43
					-
		29,431			29,431
					-
		2,731			2,731
	10,731	3,815			14,931
		87,149			92,257
499					499
1,527					1,527
		52,132			52,132
	574				574
	7,022		4,736		69,129
		4,916			4,916
<u>12,921</u>	<u>214,728</u>	<u>575,559</u>	<u>4,736</u>	<u>43</u>	<u>958,754</u>
<u>27,416</u>	<u>632,399</u>	<u>575,559</u>	<u>4,736</u>	<u>43</u>	<u>1,390,920</u>
<u>(0)</u>	<u>(0)</u>	<u>(52,132)</u>	<u>(0)</u>	<u>(43)</u>	<u>(52,176)</u>

MADISON COUNTY CITIZENS SERVICE AGENCY
Section 5311 Rural Transportation Program
September 30, 2014

Computation of Section 5311 Funds Allowable for Grant Participation and Amount Due Grantee
Contract No. 502745

<u>Expenditure Category</u>	<u>Expenditures</u>	<u>Sec. 5311 Participation Percentage</u>	<u>Section 5311 Amount</u>	<u>Amount Per Grant</u>
Administration	123,291	80%	98,633	150,672
Capital Purchases	9,357	80%	7,486	14,080
Operations	<u>326,470</u>	50%	<u>163,235</u>	<u>177,989</u>
	<u>459,119</u>		<u>269,354</u>	<u>342,741</u>
Less: Excess Local			<u>269,354</u>	
Total Allowable Expenditures from Section 5311 Grant Funds				<u>269,354</u>
Less: Section 5311 Funds Received-				
Cash reimbursements received for expenditures through September 30, 2014				229,215
Cash reimbursements received after September 30, 2014				<u>26,669</u>
TOTAL SECTION 5311 FUNDS DUE TO (FROM) GRANTEE				<u>13,469</u>

MADISON COUNTY CITIZENS SERVICE AGENCY
 Section 5311 Rural Transportation Program
 September 30, 2014

Statement of Revenues and Expenditures
 Contract No. 502745

	Section 5311 Grant	Local Matching Funds	Total
<u>Revenues:</u>			
Section 5311 Grant	269,354	-	269,354
Local Match Funds:			
Cash Contribution from County	-	130,274	130,274
Contract Services	-	59,491	59,491
Total Revenues	<u>269,354</u>	<u>189,765</u>	<u>459,119</u>
<u>Expenditures:</u>			
Administration	98,633	24,658	123,291
Capital Purchases	7,486	1,871	9,357
Operations	163,235	163,235	326,470
Total Expenditures	<u>269,354</u>	<u>189,765</u>	<u>459,119</u>
Excess of Revenue Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>



WILLIAMS CPA FIRM, PLLC
Accountants & Consultants

MAIN OFFICE:

301 Highland Park Cove, Suite A
Ridgeland, Mississippi 39157
Office: 601-321-9201
Fax: 601-321-9203

**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 GOVERNMENTAL ACCOUNTING STANDARDS**

Board of Directors
Madison County Citizens Services Agency
Canton, Mississippi

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 Madison County Citizens Service Agency (a nonprofit organization), which comprise the statement of financial position as of September 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Madison County Citizens Service Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Madison County Citizens Service Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

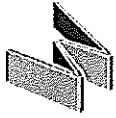
As part of obtaining reasonable assurance about whether Madison County Citizens Service Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Williams CPA Firm, PLLC

Ridgeland, Mississippi
December 21, 2014



WILLIAMS CPA FIRM, PLLC
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Directors
Madison County Citizens Services Agency
Canton, Mississippi

Report on Compliance for Each Major Federal Program

We have audited Madison County Citizens Services Agency's 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 Madison County Citizens Services Agency's major federal programs for the year ended September 30, 2014. Madison County Citizens Services Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible 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 Madison County Citizens Services Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Madison County Citizens Services Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Madison County Citizens Services Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, Madison County Citizens Services Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of Madison County Citizens Services Agency 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 Madison County Citizens Services Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Madison County Citizens Services Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Williams CPA Firm, PLLC

Ridgeland, Mississippi
December 22, 2014

MADISON COUNTY CITIZENS SERVICES AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2014

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1. Type of auditor's report issued: Unmodified
2. Internal Control over financial reporting
 - a. Material weakness (es) identified? No.
 - b. Significant deficiency (ies) identified? None reported
3. Noncompliance material to financial statements?

Federal Awards

4. Internal control over major programs:
 - a. Material weakness (es) identified? No
 - b. Significant deficiency (ies) identified? None reported
5. Type of auditor's report issued on compliance for major federal programs: Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with Section 501(a) of OMB Circular A-133? No.
7. Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low-Income Home Energy Assistance
20.509	Formula Grants for Rural Areas

8. Dollar threshold used to distinguishing between Type A and Type B programs:
\$300,000.
9. Auditee qualified as low-risk auditee? Yes

MADISON COUNTY CITIZENS SERVICES AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2014

SECTION II: FINDING FINANCIAL STATEMENT FINDINGS

The results of our test did not disclose any findings related to the financial statements that are required to be reported by Government Auditing Standards.

SECTION III: FINDING AND QUESTIONED COSTS FOR FEDERAL AWARDS

The results of our tests did not disclose any findings and questioned cost related to the federal awards.

