WESTMORELAND HUMAN OPPORTUNITIES, INC.
D/B/A WESTMORELAND COMMUNITY ACTION

AUDIT REPORT
BASIC FINANCIAL STATEMENTS AND
SINGLE AUDIT REPORT PACKAGE

YEAR ENDED JUNE 30, 2018

WESTMORELAND HUMAN OPPORTUNITIES, INC.
D/B/A WESTMORELAND COMMUNITY ACTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Westmoreland Human Opportunities, Inc.
d/b/a Westmoreland Community Action
226 South Maple Avenue
Greensburg, Pennsylvania 15601

Report on the Financial Statements

We have audited the accompanying financial statements of Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of Westmoreland Human Opportunities, Inc. taken as a whole. The accompanying Schedule of Expenditures of Federal and Pennsylvania Department of Human Services – Funded Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2019, on our consideration of Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action's internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

Zelenkofske Axelrod LLC

Greensburg, Pennsylvania
January 11, 2019

WESTMORELAND HUMAN OPPORTUNITIES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

Assets

Current Assets:	
Cash	$ 2,346,082
Grants and Accounts Receivable	966,309
Due from Government Departments:	
Westmoreland County	77,138
Interprogram Accounts Receivable	168,607
Prepaid Expenses	104,592
Inventory	1,190
Total Current Assets	3,663,918
Fixed Assets:	
Land, Buildings, and Improvements	859,595
Equipment	26,758
Less: Accumulated Depreciation	(208,087)
Net Fixed Assets	678,266
Other Assets:	
Investments	79,120
Property Held for Resale	1,483,473
Total Other Assets	1,562,593
Total Assets	$ 5,904,777

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

WESTMORELAND HUMAN OPPORTUNITIES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

Liabilities and Net Assets

Current Liabilities:		
Accounts Payable		$ 98,565
Line of Credit Payable		413,557
Interprogram Accounts Payable		168,607
Due to Government Departments:		
Westmoreland County	$ 755,524	
		755,524
Accrued Liabilities		249,140
Compensated Absences		16,079
Deferred Revenue		506,458
Total Current Liabilities		2,207,930
Other Liabilities		
Deferred Revenue - Property Held for Resale	884,058	
Loan Payable Forgivable - HOME Program	363,839	
Loan Payable Forgivable - PHFA	412,003	
		1,659,900
Total Liabilities		3,867,830
Net Assets:		
Invested in Fixed Assets	678,266	
Unrestricted	1,034,479	
Temporarily Restricted Net Assets	324,202	
Total Net Assets		2,036,947
Total Liabilities and Net Assets		$ 5,904,777

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

WESTMORLAND HUMAN OPPORTUNITIES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Unrestricted	Temporarily Restricted	Total
Support and Revenues:			
Federal/State Grants	$ 8,194,494	$ -	$ 8,194,494
Federal/State Grants - Food	245,681	-	245,681
Local Grants	90,919	-	90,919
Other Revenue	1,017,407	139,373	1,156,780
Sales	126,331	-	126,331
In-Kind Revenues	1,028,329	-	1,028,329
Interest	7	-	7
Interprogram Transfer In	22,090	-	22,090
Developer Fees	75,197	-	75,197
Program Service Fees	294,971	-	294,971
Fundraising	37,947	-	37,947
Total Support and Revenue	11,133,373	139,373	11,272,746
Net Assets Released from Restrictions	47,592	(47,592)	-
Expenses:			
Program Services:			
Early Childhood Education	6,852,637	-	6,852,637
Home Ownership	257,358	-	257,358
Behavioral Health Programs	1,163,002	-	1,163,002
Other Supporting Programs	1,922,064	-	1,922,064
Fundraising	33,203	-	33,203
General and Administrative	1,112,146	-	1,112,146
Total Expenses	11,340,410	-	11,340,410
Increase (Decrease) in Net Assets	(159,445)	91,781	(67,664)
Net Assets, Beginning of Year	2,099,141	5,470	2,104,611
Reclassification of Net Assets - See Note 17	(226,951)	226,951	-
Net Assets, End of Year	$ 1,712,745	$ 324,202	$ 2,036,947

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

WESTMORELAND HUMAN OPPORTUNITIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	Program Services						
	Early Childhood Education	Home Ownership	Behavioral Health Programs	Other Supporting Services	Fundraising	General and Administrative	Combined
Expenses:							
Salaries and Wages	$ 2,600,987	$ 87,084	$ 572,849	$ 610,828	$ 3,570	$ 607,441	$ 4,482,759
Payroll Taxes	206,998	6,170	44,349	46,641	273	47,294	351,725
Other Employee Benefits	948,097	11,258	79,404	116,912	56	123,771	1,279,498
Pension	118,433	4,790	25,845	16,696	-	30,768	196,532
Accounting	134,100	13,956	46,512	83,391	-	-	277,959
Contractual Services	64,971	5,811	25,680	219,605	-	93,785	409,852
Supplies	602,124	35	59,328	38,088	7,315	30,592	737,482
Telephone	27,504	1,482	13,698	19,439	-	5,405	67,528
Postage and Shipping	7,812	-	334	643	106	2,214	11,109
Occupancy	224,777	6,145	198,661	221,884	2,301	45,590	699,358
Equipment Rental and Maintenance	196,655	8,711	17,597	27,624	188	13,941	264,716
Printing and Publications	3,222	54	5,451	3,438	91	1,175	13,431
Travel	139,509	4,779	1,231	18,165	-	9,819	173,503
Conferences/Conventions	75,400	1,335	3,415	6,372	-	5,334	91,856
Interest Expense	2,753	701	34	3,103	-	4,299	10,890
Depreciation Expense	-	-	7,761	18,646	-	-	26,407
Advertising/Promotion	36,259	73	1,964	7,274	1,611	3,961	51,142
Other Program Services	201,737	645	13,213	56,802	-	22,192	294,589
Home Costs	-	900	-	-	-	-	900
Construction	-	15,197	12,173	100,000	-	-	127,370
Insurance	39,845	782	14,821	22,374	-	8,578	86,400
Utilities	165,732	5,324	6,429	22,835	1,008	-	201,328
Property Taxes	-	(42)	4,895	10,184	-	-	15,037
In-Kind Expense	1,028,329	-	-	-	-	-	1,028,329
Vehicle Expenses	323	-	31,396	47,114	-	8,861	87,694
Interprogram Transfer Out	-	1	-	1,900	-	20,189	22,090
Employment Costs	15,536	-	1,704	3,535	651	95	21,521
Other Expenses	11,534	3,977	10,491	178,414	16,033	26,842	247,291
(Gain) Loss on Sale of Property	-	64,936	(36,233)	(271)	-	-	28,432
Administrative Expense	-	13,254	-	20,000	-	-	33,254
Fines and Penalties	-	-	-	428	-	-	428
Total	$ 6,852,637	$ 257,358	$ 1,163,002	$ 1,922,064	$ 33,203	$ 1,112,146	$ 11,340,410

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

WESTMORELAND HUMAN OPPORTUNITES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

Cash Flows from Operating Activities:	
Decrease in Net Assets	$ (67,664)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Used by Operating Activities	
Depreciation Expense	26,407
Decrease in Grants and Accounts Receivable	395,131
Decrease in Interprogram Receivables	136,408
Decrease in Prepaid Expenses	1,368
Decrease in Inventory	3,247
Decrease in Accounts Payable	(341,066)
Decrease in Interprogram Payables	(136,408)
Decrease in Due to Government Departments	(129,659)
Decrease in Accrued Liabilities	(11,503)
Increase in Deferred Revenue	81,315
Total Adjustments	25,240
Net Cash Used by Operating Activities	(42,424)
Cash Flows from Financing Activities:	
Net Advances over Payments on Credit Line	203,754
Net Payments on Forgivable Loans Payable	(213,646)
Net Cash Used by Financing Activities	(9,892)
Cash Flows from Investing Activities:	
Net Change in Investments	(271)
Net Sale of Fixed Assets	84,881
Net Sale and Purchase of Property Held for Resale	451,287
Net Cash Provided by Investing Activities	$ 535,897

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

WESTMORELAND HUMAN OPPORTUNITES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

Increase in Cash and Cash Equivalents	$ 483,581
Cash and Cash Equivalents, Beginning of the Year	1,862,501
Cash and Cash Equivalents, End of the Year	$ 2,346,082
Supplemental Cash Flow Information:	
Cash Paid During the Year for:	
Interest	$ 10,890

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

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1: AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Agency

Westmoreland Human Opportunities, Inc., is a nonprofit organization under Section 501(c)(3) of the Internal Revenue Code. The agency plans, coordinates, evaluates, and administers programs directed toward the elimination of poverty and the enabling of low income families and individuals of all ages in rural and urban areas within Westmoreland County to attain the skills, knowledge, motivation, and opportunity to become fully self-sufficient.

Summary of Significant Accounting Policies

The financial statements of Westmoreland Human Opportunities, Inc., have been prepared on the accrual basis which is in conformity with Generally Accepted Accounting Principles. Under this method, revenues are recognized as they are earned, and expenditures are recorded when a liability is incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Fixed Assets

Equipment purchased with grant funds of the Pennsylvania Department of Human Services and the Department of Health and Human Services are categorized as expenditures in the financial statements. The equipment in these programs is not capitalized as it must be returned to the funding sources upon termination of the programs.

The Agency's equipment, buildings, and improvements are carried at cost and are depreciated using the straight-line method over their estimated useful lives of 5-39 years.

Cash Equivalents

For purposes of the Statement of Cash Flows, the Agency considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments

Investments are measured at fair market value in the statement of financial position. The unrealized gains or losses on investments are reflected in the statement of activities. See Note 8 for further explanation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

Financial Statement Presentation

Westmoreland Human Opportunities, Inc., has adopted FASB ASC section 958-605-25, Accounting for Contributions Received and Made, and FASB ASC section 958-205-05. FASB ASC section 958-205-05 establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. FASB ASC section 958-605-25 requires that unconditional promises to give be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions.

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1: AGENCY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted net assets - Net assets that are not subject to donor imposed restrictions.

Net assets invested in fixed assets – Net assets which represent fixed assets and equipment net of depreciation and related debt.

Temporarily restricted net assets – Net assets that are subject to donor imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the organization may spend the funds.

As of June 30, 2018, Temporarily Restricted Net Assets consisted of the following:

Lucy Anna Conrad Estate	$ 28,400
PA Department of Transportation	130,063
Shop with a Cop	165,739
Total Temporarily Restricted	$ 324,202

Revenue and Support Recognition
Westmoreland Human Opportunities, Inc., reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Westmoreland Human Opportunities, Inc., accounts for contract and grant revenues, which are exchange transactions, in the statement of activities to the extent that expenses have been incurred for the purpose specified by the grantor during the period. In applying this concept, the legal and contractual requirements of each individual program are used as guidance. All monies not expended in accordance with the grant contract are recorded as a liability to the grantor as Westmoreland Human Opportunities, Inc., does not maintain any equity in the grant or contract. Additionally, funds received in advance of their proper usage are accounted for as deferred revenue in the statement of financial position.

Functional Allocation of Expenses
The costs of providing the organization's various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2: DEFERRED REVENUE

Excess revenue over expense for grant funded programs is classified as deferred revenue. This deferred revenue is either due back to the funding source or to be withheld from future reimbursements from the funding sources. Related party transactions are consolidated on terms equivalent to those for arm's length transactions.

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3: REVOLVING LINE OF CREDIT AND NOTE PAYABLE

The Agency maintains a $1,500,000 revolving line of credit arrangement with S & T Bank to provide for cyclical working capital requirements. Amounts borrowed on the line bear interest at the prime rate and have no stated maturity date. The line is secured with the Agency's inventory, chattel paper, accounts receivable, equipment and general intangibles. At June 30, 2018, $313,982 was borrowed on the line of credit.

The Agency maintained an interest free $100,000 line of credit with S & T Bank to provide funding for various local Career and Technology Centers modular home. At June 30, 2018, $99,575 was borrowed on the line of credit.

NOTE 4: CONTINGENCIES

Westmoreland Human Opportunities, Inc, is unaware of any other asserted litigation that would materially affect the financial statements.

NOTE 5: COMPENSATED ABSENCES

It is the policy of Westmoreland Human Opportunities, Inc., that all vacation days and personal days must be used by the end of the fiscal year. Employees not using all personal or vacation days by fiscal year end do not receive compensation for these unused personal or vacation days.

It is the policy of Westmoreland Human Opportunities, Inc., to allow employees to accumulate up to the allowed maximum (180 days) sick days. No payment is made for earned, unused sick days. However, if an employee is 59 1/2 years of age and has been employed by Westmoreland Human Opportunities, Inc., for 10 years or more and decides to retire or passes away, unused sick days will be paid back at the rate of $25 per day.

As of June 30, 2018, Westmoreland Human Opportunities, Inc, has an accrued liability for compensated absences based on the above policies of $16,079.

NOTE 6: PENSION PLAN

On December 20, 1994, Westmoreland Human Opportunities, Inc., adopted a 403(b) tax deferred annuity plan (defined contribution) for its employees. Employees are eligible to participate in the plan immediately upon hire. Employees eligible for the plan match are: all employees with 12 consecutive months of service and age 21. Contributions for employees are voluntary as a percentage of gross pay from 1 percent maximum allowance provided by current tax law, including catchup contributions for employees age 50 years of age or older. Contributions for employer are $1 for every dollar that an employee contributes up to a maximum of 8 percent of the employee's annual salary. As of June 30, 2018, total contributions made to the plan by Westmoreland Human Opportunities, Inc., for the year ended were $196,532. All payments were to MassFinancial.

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7: DONATED SERVICES AND MATERIALS

Donated Services and Materials
Westmoreland Human Opportunities, Inc., values, records, and reports all donated services and materials. Donated services are valued, recorded, and reported at the federal minimum wage rate plus a reasonable percentage for payroll taxes. Donated materials are valued, recorded, and reported based on recent advertised prices for similar items in the open market.

Unspecialized volunteer time, which does not meet the criteria for recognition under the provisions of FASB ASC section 958-605-25, Accounting for Contributions Received and Made, is reported for the purpose of meeting grant matching requirements, but is not included in the financial statements. The value of that time is as follows:

Westmoreland Human Opportunities, Inc.	$ 912,220

NOTE 8: DEPOSITS AND INVESTMENTS

Concentration of Credit Risk – Deposits and Investments:

Westmoreland Human Opportunities, Inc. maintains cash balances at S & T Bank and PNC Bank. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to $250,000. As of June 30, 2018, the Agency's uninsured cash bank balances totaled $2,267,697.

As of June 30, 2018, Westmoreland Human Opportunities classified $79,120 as investments. Investments are held in the American Funds Bond Funds of America.

Fair Value Measurement of Financial Instruments

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value and establishes a framework for measuring fair value for assets and liabilities that are measured at fair value on a recurring basis. In accordance with the accounting standards for fair value measurements for those assets and liabilities that are measured at fair value on a recurring basis, Westmoreland Human Opportunities has categorized its applicable financial instruments into a fair value hierarchy. The fair value hierarchy gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the fair value hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

Level1 – Inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly, such as the quoted prices for similar assets or liabilities in active markets. Westmoreland Human Opportunities had no investments measured using Level 2 inputs at June 30, 2018.

Level 3 – Unobservable inputs for the assets or liabilities, including the reporting entity's own assumptions in determining the fair value measurement. Westmoreland Human Opportunities had no investments measured using Level 3 inputs at June 30, 2018.

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8: DEPOSITS AND INVESTMENTS (CONTINUED)

Assets measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at June 30, 2018			
	Level 1	Level 2	Level 3	Total
Investments				
Equity Mutual Funds	$ 79,120	$ -	$ -	$ 79,120
Total Investments	$ 79,120	$ -	$ -	$ 79,120

NOTE 9: CURRENT VULNERABILITY DUE TO CONCENTRATIONS

Westmoreland Human Opportunities, Inc. has also adopted SOP 94-6 which requires disclosure of vulnerable concentrations of exposed risk. The Agency receives approximately 60 percent of its support from the Head Start and Early Head Start Programs. It is possible that these programs could cease at some time in the future, which would cause a severe impact on the Agency and its ability to continue its operations. The Agency does not expect that the support from these governmental agencies will be lost in the near term.

NOTE 10: FIXED ASSETS

As of June 30, 2018, fixed assets consisted of:

	Program 702 MH Housing Program	Program 704 Mobile Crisis Program	Program 926 Shop Demo Depot	Total Programs
Land and Buildings	$ 110,606	$ -	$ 677,272	$ 787,878
Improvements	48,953	22,764	-	71,717
Equipment	-	26,758	-	26,758
	$ 159,559	$ 49,522	$ 677,272	$ 886,353

The following schedule summarizes the changes in depreciable fixed assets for the year ended June 30, 2018:

	Balance July 1, 2017	Additions	Disposals	Balance June 30, 2018
Land and Buildings	$ 929,422	$ -	$ (141,544)	$ 787,878
Improvements	110,717	-	(39,000)	71,717
Equipment	26,758	-	-	26,758
	1,066,897	-	-	886,353
Less: Accumulated Depreciation	(277,343)	(26,407)	95,663	(208,087)
	$ 789,554	$ (26,407)	$ (84,881)	$ 678,266

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 10: FIXED ASSETS (CONTINUED)

In addition to the above fixed assets, the Westmoreland Human Opportunities, Inc., maintains an inventory of assets purchased with Behavioral Health funds that do not meet the capitalization threshold. These assets are reported annually to the County and must receive prior approval for all disposals as these assets would revert back to Behavioral Health if the Organization would cease to contract with Westmoreland County or go out of business.

Westmoreland Human Opportunities, Inc., currently maintains an inventory of these items totaling $170,980 as of June 30, 2018.

Assets held for resale to qualified low-income buyers are nondepreciable. These assets are carried at cost.

	Property Held for Resale
City of Jeannette	$ 50,177
Jeannette and New Kensington Revolving Loan Fund	170,253
Home Investment Partnership	114,504
Revitalization Capital Assistance Grant	107,238
Monessen Revitalization	124,531
South Sixth Street Homeownership Initiative	39,768
Westmoreland Homeownership	267
Homeownership Master	43,566
ICTC	1,000
Brownfield Acquisition	47,735
City of Jeannette South Sixth Street	146,451
PHFA	412,003
Accessible Home/Closing Costs	225,980
Total Property Held for Resale	$1,483,473

NOTE 11: INTERPROGRAM ACCOUNTS RECEIVABLE/PAYABLE

The following is a breakdown of the interprogram accounts receivable and payable balances between programs at June 30, 2018:

	Interprogram Accounts Receivable	Interprogram Accounts Payable
Westmoreland Human Opportunities, Inc.	$ 168,607	$ 168,607
	$ 168,607	$ 168,607

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 12: LOANS PAYABLE - FORGIVABLE

The Agency entered into an agreement with the City of Jeannette Administer HOME Investment Partnerships Program funds as a designated Community Housing Development Organization (CHDO). The funding is in the form of a loan which is potentially forgivable provided the Agency meets the performance benchmarks of the agreement. The Agency fully expects to meet the terms, conditions, and performance benchmarks. At June 30, 2018, $363,839 is recognized as outstanding on this loan.

The Agency entered into an agreement with the Pennsylvania Housing Finance Agency (PHFA) to assist in the construction of for-sale homes on the South Sixth Street of the City of Jeannette, County of Westmoreland, Pennsylvania through the Homeownership Construction Initiative offered by PHFA. The funding is in the form of a potentially forgivable note payable up to $1,069,000 provided there is no event of default, upon which any and all amounts that have been disbursed, will be due and payable. The term of the note is from November 1, 2011, through November 1, 2041. The Agency has drawn down $412,003 on this note through June 30, 2018.

The Agency did not recognize any revenue from loans forgiven during the fiscal year ended June 30, 2018.

NOTE 13: WESTMORELAND COUNTY ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

The following is a breakdown of the net amount due from Westmoreland County by program office as of June 30, 2018:

Department of Aging	$ 33,015
Department of Behavioral Health and Developmental Services	36,210
Department of Planning and Development	7,913
Total Westmoreland County Receivables	$ 77,138

The following is a breakdown of the net amount due to Westmoreland County by program office as of June 30, 2018.

Department of Planning and Development	$ 702,244
Department of Behavioral Health and Developmental Services	53,280
Total Westmoreland County Payables	$ 755,524

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 14: LEASES

In 2018, Westmoreland Community Action entered into a 5 year real estate rental lease with Westmoreland Human Services. Rental payments made during the year ended June 30, 2018 are $347,527. This amount is expected to be consistent over the remaining years.

Both Parties expect a 5 year renewal at the end of the lease term.

NOTE 15: INCOME TAXES

Westmoreland Community Action is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law. The Agency is not classified as a private foundation.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Agency may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Agency and various positions related to the potential sources of unrelated business taxable income (UBTI). Tax benefits would be recognized in the financial statements from such a position and be measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for the year ended June 30, 2018.

The Agency files Form 990 in the U.S. federal jurisdiction. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before 2015.

NOTE 16: SUBSEQUENT EVENTS

Management has evaluated subsequent events through the report date, January 11, 2019. Management is not aware of any subsequent events that require recognition or disclosure in the financial statements.

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 17: RECLASSIFICATION OF NET ASSETS

During the year ended June 30, 2018, Westmoreland Community Action during an analysis of net assets, reclassified net assets from Unrestricted to Temporarily Restricted Net Assets. Westmoreland Community Action, Inc. feels reclassifying these amounts better reflects the wishes of grantors and donors.

The following summarizes these total changes to the Net Assets of Westmoreland Community Action:

Unrestricted Net Assets, Beginning Balance as previously stated	$ 2,099,141
Shop with a Cop reclassified to Temporarily Restricted	(97,073)
PA Department of Transportation reclassified to Temporarily Restricted	(129,878)
Unrestricted Net Assets, Beginning Balance as restated	$ 1,872,190

Temporarily Restricted Net Assets Beginning of Year	$ 5,470
Shop with a Cop reclassified to Temporarily Restricted	97,073
PA Department of Transportation reclassified to Temporarily Restricted	129,878
Temporarily Restricted Net Assets, Beginning Balance as restated	$ 232,421

SUPPLEMENTARY INFORMATION

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018

	Early Childhood Education					
	400	401	403	404	405	410
	Head Start	PA 20	State Head Start	Early Head Start	Pre K Counts	Family Meals Project
Support and Revenues:						
Federal/State Grants	$ 4,213,298	$ 30,576	$ 759,861	$ 373,138	$ 170,000	$ 2,000
Federal/State Grants - Food	174,871	-	59,475	25	11,310	-
Local Grants	-	-	-	-	-	-
Other Revenue	4,752	-	-	-	-	-
Sales	-	-	-	-	-	-
In-Kind Revenues	1,020,804	-	-	4,986	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	5,413,725	30,576	819,336	378,149	181,310	2,000
Expenses:						
Salaries and Wages	1,919,323	-	402,066	204,674	74,924	-
Payroll Taxes	151,798	-	33,426	16,061	5,713	-
Other Employee Benefits	682,845	-	179,625	60,211	25,416	-
Pension	89,167	-	16,155	8,547	4,564	-
Accounting	93,156	-	23,472	10,920	6,552	-
Contractual Services	52,797	-	8,009	3,482	683	-
Supplies	470,878	1,047	91,776	14,077	21,611	-
Telephone	25,022	-	963	905	3	-
Postage and Shipping	7,164	-	10	450	-	-
Occupancy	168,359	-	3,890	1,316	34,210	-
Equipment Rental and Maintenance	173,309	399	10,978	8,586	3,383	-
Printing and Publications	2,934	-	-	288	-	-
Travel	111,977	3,895	7,197	14,483	950	-
Conferences/Conventions	38,406	24,151	130	12,075	638	-
Interest Expense	-	-	2,421	178	154	-
Depreciation Expense	-	-	-	-	-	-
Advertising/Promotion	30,761	-	106	5,373	19	-
Other Program Services	183,060	1,084	10,376	3,980	1,237	2,000
Home Costs	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Insurance	29,162	-	5,520	3,921	1,242	-
Utilities	143,609	-	22,123	-	-	-
Property Taxes	-	-	-	-	-	-
In-Kind Expense	1,020,804	-	-	4,986	-	-
Vehicle Expenses	45	-	-	278	-	-
Interprogram Transfer Out	-	-	-	-	-	-
Employment Costs	11,452	-	999	3,074	11	-
Other Expenses	7,697	-	94	284	-	-
(Gain) Loss on Sale of Property	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	5,413,725	30,576	819,336	378,149	181,310	2,000
Net Increase (Decrease) in Net Assets	-	-	-	-	-	-
Net Assets at Beginning of Year	-	-	-	(317)	-	-
Net Assets at End of Year	$ -	$ -	$ -	$ (317)	$ -	$ -

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Early Childhood Education (Continued)			Home Ownership		
	436	439		100-002	100-010	600
	Pittsburgh Foundation Wish Book	Lucy Anna Conrad Estate	Totals (Memorandum Only)	CSBG Home Ownership	CSBG Housing Counseling	City of Jeannette
Support and Revenues:						
Federal/State Grants	$ -	$ -	$ 5,548,873	$ 102,254	$ 18,079	$ -
Federal/State Grants - Food	-	-	245,681	-	-	-
Local Grants	-	-	-	-	-	-
Other Revenue	-	53,402	58,154	2,534	-	-
Sales	-	-	-	-	-	-
In-Kind Revenues	2,539	-	1,028,329	-	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	2,539	53,402	6,881,037	104,788	18,079	-
Expenses:						
Salaries and Wages	-	-	2,600,987	66,877	16,795	-
Payroll Taxes	-	-	206,998	4,851	1,284	-
Other Employee Benefits	-	-	948,097	11,258	-	-
Pension	-	-	118,433	4,753	-	-
Accounting	-	-	134,100	-	-	-
Contractual Services	-	-	64,971	15	-	-
Supplies	-	2,735	602,124	27	-	-
Telephone	-	611	27,504	1,482	-	-
Postage and Shipping	-	188	7,812	-	-	-
Occupancy	-	17,002	224,777	6,072	-	-
Equipment Rental and Maintenance	-	-	196,655	919	-	-
Printing and Publications	-	-	3,222	54	-	-
Travel	-	1,007	139,509	4,779	-	-
Conferences/Conventions	-	-	75,400	1,335	-	-
Interest Expense	-	-	2,753	-	-	-
Depreciation Expense	-	-	-	-	-	-
Advertising/Promotion	-	-	36,259	-	-	-
Other Program Services	-	-	201,737	632	-	-
Home Costs	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Insurance	-	-	39,845	782	-	-
Utilities	-	-	165,732	-	-	-
Property Taxes	-	-	-	-	-	-
In-Kind Expense	2,539	-	1,028,329	-	-	-
Vehicle Expenses	-	-	323	-	-	-
Interprogram Transfer Out	-	-	-	-	-	-
Employment Costs	-	-	15,536	-	-	-
Other Expenses	-	3,459	11,534	952	-	-
(Gain) Loss on Sale of Property	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	2,539	25,002	6,852.637	104,788	18,079	-
Net Increase (Decrease) in Net Assets	-	28,400	28,400	-	-	-
Net Assets at Beginning of Year	-	-	(317)	14,061	-	376
Net Assets at End of Year	$ -	$ 28,400	$ 28,083	$ 14,061	$ -	$ 376

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Home Ownership (Continued)					
	601	603	604	605	606	607
	Revolving Loan Fund	Home Investment Partnership	South Sixth St. Revitalization	Monessen Revitalization	South Sixth St. Homeownership Initiative	Westmoreland Homeownership
Support and Revenues:						
Federal/State Grants	$ -	$ -	$ -	$ -	$ -	$ -
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-
Sales	-	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-	-
Interest	5	2	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	5	2	-	-	-	-
Expenses:						
Salaries and Wages	-	-	-	-	-	-
Payroll Taxes	-	-	-	-	-	-
Other Employee Benefits	-	-	-	-	-	-
Pension	-	-	-	-	-	-
Accounting	-	-	-	-	-	-
Contractual Services	-	-	2,100	-	150	-
Supplies	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Postage and Shipping	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-
Equipment Rental and Maintenance	-	-	-	-	-	-
Printing and Publications	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Conferences/Conventions	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Advertising/Promotion	-	-	-	-	-	-
Other Program Services	-	-	-	-	-	-
Home Costs	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	-	-	-	-	-	-
Interprogram Transfer Out	-	-	-	-	-	-
Employment Costs	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
(Gain) Loss on Sale of Property	-	-	-	-	-	-
Administrative Expenses	-	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	-	-	2,100	-	150	-
Net Increase (Decrease) in Net Assets	5	2	(2,100)	-	(150)	-
Net Assets at Beginning of Year	133	15	-	63,489	-	-
Net Assets at End of Year	$ 138	$ 17	$ (2,100)	$ 63,489	$ (150)	$ -

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Home Ownership (Continued)					
	609 Homeownership Master Account	610 ICTC	612 City of Jeannette South Sixth St	614 HSS Clearing House/ Rents	615 Neighborhood Stabilization Program	617 NSP Rental Property
Support and Revenues:						
Federal/State Grants	$ -	$ -	$ -	$ -	$ -	$ -
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	-	-	-	-
Other Revenue	1,249	25,043	-	-	-	23,297
Sales	-	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	60,000	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	61,249	25,043	-	-	-	23,297
Expenses:						
Salaries and Wages	2,952	-	-	-	-	460
Payroll Taxes	-	-	-	-	-	35
Other Employee Benefits	-	-	-	-	-	-
Pension	-	-	-	-	-	37
Accounting	13,956	-	-	-	-	-
Contractual Services	3,546	-	-	-	-	-
Supplies	-	-	-	-	-	8
Telephone	-	-	-	-	-	-
Postage and Shipping	-	-	-	-	-	-
Occupancy	-	-	-	-	-	73
Equipment Rental and Maintenance	4,447	-	-	-	-	3,345
Printing and Publications	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Conferences/Conventions	-	-	-	-	-	-
Interest Expense	701	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Advertising/Promotion	73	-	-	-	-	-
Other Program Services	13	-	-	-	-	-
Home Costs	900	-	-	-	-	-
Construction	15,197	-	-	-	-	-
Insurance	-	-	-	-	-	-
Utilities	17	-	-	-	-	5,307
Property Taxes	(42)	-	-	-	-	-
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	-	-	-	-	-	-
Interprogram Transfer Out	-	1	-	-	-	-
Employment Costs	-	-	-	-	-	-
Other Expenses	2,115	42	-	-	-	868
(Gain) Loss on Sale of Property	42,228	22,708	-	-	-	-
Administrative Expenses	-	-	-	-	-	13,254
Fines and Penalties	-	-	-	-	-	-
Total Expenses	86,103	22,751	-	-	-	23,387
Net Increase (Decrease) in Net Assets	(24,854)	2,292	-	-	-	(90)
Net Assets at Beginning of Year	224,656	43	(1,250)	4,519	530	(9,071)
Net Assets at End of Year	$ 199,802	$ 2,335	$ (1,250)	$ 4,519	$ 530	$ (9,161)

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Home Ownership (Continued)			Behavioral Health Programs		
	618	619		700	701	702
	PHFA	Accessible Homes/Closing Costs	Totals (Memorandum Only)	Diversion/ Stabilization	ECRR Residential Recruitment & Retention	MHCIR
Support and Revenues:						
Federal/State Grants	$ -	$ -	$ 120,333	$ -	$ -	$ -
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	-	-	-	-
Other Revenue	-	-	52,123	-	-	23,269
Sales	-	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-	-
Interest	-	-	7	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	60,000	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	-	-	232,463	-	-	23,269
Expenses:						
Salaries and Wages	-	-	87,084	-	-	-
Payroll Taxes	-	-	6,170	-	-	-
Other Employee Benefits	-	-	11,258	-	-	-
Pension	-	-	4,790	-	-	-
Accounting	-	-	13,956	-	-	-
Contractual Services	-	-	5,811	-	-	600
Supplies	-	-	35	-	-	-
Telephone	-	-	1,482	-	-	-
Postage and Shipping	-	-	-	-	-	11
Occupancy	-	-	6,145	-	-	-
Equipment Rental and Maintenance	-	-	8,711	-	-	284
Printing and Publications	-	-	54	-	-	100
Travel	-	-	4,779	-	-	-
Conferences/Conventions	-	-	1,335	-	-	-
Interest Expense	-	-	701	-	-	-
Depreciation Expense	-	-	-	-	-	7,177
Advertising/Promotion	-	-	73	-	-	-
Other Program Services	-	-	645	-	-	-
Home Costs	-	-	900	-	-	-
Construction	-	-	15,197	-	-	-
Insurance	-	-	782	-	-	-
Utilities	-	-	5,324	-	-	6,547
Property Taxes	-	-	(42)	-	-	4,895
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	-	-	-	-	-	-
Interprogram Transfer Out	-	-	1	-	-	-
Employment Costs	-	-	-	-	-	-
Other Expenses	-	-	3,977	-	-	4,208
(Gain) Loss on Sale of Property	-	-	64,936	-	-	(36,233)
Administrative Expenses	-	-	13,254	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	-	-	257,358	-	-	(12,411)
Net Increase (Decrease) in Net Assets	-	-	(24,895)	-	-	35,680
Net Assets at Beginning of Year	3,152	12,420	313,073	45,217	30,652	176,747
Net Assets at End of Year	$ 3,152	$ 12,420	$ 288,178	$ 45,217	$ 30,652	$ 212,427

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Behavioral Health Programs (Continued)					
	703	704	705	706	707	708
	Crisis Telephone	Mobile Crisis	Risk Assessment Management	HSS Permanent Housing	Crisis Intervention Residential	HSS Supportive Housing
Support and Revenues:						
Federal/State Grants	$ 43,175	$ 109,011	$ -	$ 157,735	$ -	$ 53,500
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	-	27,088	-	-
Other Revenue	371	11,232	-	14,347	-	7,200
Sales	-	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	193,550	101,421	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	237,096	221,664	-	199,170	-	60,700
Expenses:						
Salaries and Wages	167,243	151,114	-	43,121	-	17,452
Payroll Taxes	12,846	11,718	-	3,434	-	1,376
Other Employee Benefits	19,653	15,997	-	9,556	-	3,645
Pension	6,733	9,903	-	2,279	-	869
Accounting	5,676	6,096	-	7,884	-	4,716
Contractual Services	1,427	2,459	-	1,776	-	479
Supplies	811	1,001	-	7,264	-	12,539
Telephone	5,130	1,846	-	1,602	-	777
Postage and Shipping	44	9	-	183	-	4
Occupancy	7,475	6,401	-	78,636	-	15,000
Equipment Rental and Maintenance	323	1,071	-	12,030	-	-
Printing and Publications	590	728	-	249	-	-
Travel	-	105	-	1,086	-	-
Conferences/Conventions	931	497	-	894	-	59
Interest Expense	-	-	-	-	-	34
Depreciation Expense	-	584	-	-	-	-
Advertising/Promotion	37	929	-	932	-	8
Other Program Services	5,254	1,458	-	1,297	-	487
Home Costs	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Insurance	2,055	7,178	-	2,419	-	338
Utilities	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	-	6,038	-	24,052	-	-
Interprogram Transfer Out	-	-	-	-	-	-
Employment Costs	819	-	-	31	-	-
Other Expenses	49	-	-	445	-	44
(Gain) Loss on Sale of Property	-	-	-	-	-	-
Administrative Expenses	-	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	237,096	225,132	-	199,170	-	57,827
Net Increase (Decrease) in Net Assets	-	(3,468)	-	-	-	2,873
Net Assets at Beginning of Year	36,126	419,876	18,039	1,199	20,525	4,234
Net Assets at End of Year	$ 36,126	$ 416,408	$ 18,039	$ 1,199	$ 20,525	$ 7,107

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Behavioral Health Programs (Continued)				
	709	710	711	712	
	Permanent Supportive Housing	Pittsburgh St. Supportive Housing	New Foundations	Mobile Hotline Marketing	Totals (Memorandum Only)
Support and Revenues:					
Federal/State Grants	$ 54,007	$ 104,712	$ 247,144	$ 7,962	$ 777,246
Federal/State Grants - Food	-	-	-	-	-
Local Grants	14,726	11,102	-	-	52,916
Other Revenue	6,733	14,268	2,732	-	80,152
Sales	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-
Interest	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-
Developer Fees	-	-	-	-	-
Program Service Fees	-	-	-	-	294,971
Fundraising	-	-	-	-	-
Total Support and Revenues	75,466	130,082	249,876	7,962	1,205,285
Expenses:					
Salaries and Wages	26,957	30,940	133,725	2,297	572,849
Payroll Taxes	2,118	2,339	10,342	176	44,349
Other Employee Benefits	7,444	2,787	20,322	-	79,404
Pension	1,630	2,169	2,078	184	25,845
Accounting	4,992	9,240	7,908	-	46,512
Contractual Services	589	3,720	14,630	-	25,680
Supplies	1,363	16,439	19,802	109	59,328
Telephone	741	2,247	1,355	-	13,698
Postage and Shipping	13	26	44	-	334
Occupancy	27,420	40,215	23,514	-	198,661
Equipment Rental and Maintenance	460	2,045	1,384	-	17,597
Printing and Publications	231	51	183	3,319	5,451
Travel	-	40	-	-	1,231
Conferences/Conventions	549	370	115	-	3,415
Interest Expense	-	-	-	-	34
Depreciation Expense	-	-	-	-	7,761
Advertising/Promotion	10	17	31	-	1,964
Other Program Services	451	992	3,109	165	13,213
Home Costs	-	-	-	-	-
Construction	-	12,173	-	-	12,173
Insurance	425	926	1,480	-	14,821
Utilities	-	(118)	-	-	6,429
Property Taxes	-	-	-	-	4,895
In-Kind Expense	-	-	-	-	-
Vehicle Expenses	-	971	335	-	31,396
Interprogram Transfer Out	-	-	-	-	-
Employment Costs	-	-	854	-	1,704
Other Expenses	73	2,493	1,467	1,712	10,491
(Gain) Loss on Sale of Property	-	-	-	-	(36,233)
Administrative Expenses	-	-	-	-	-
Fines and Penalties	-	-	-	-	-
Total Expenses	75,466	130,082	242,678	7,962	1,163,002
Net Increase (Decrease) in Net Assets	-	-	7,198	-	42,283
Net Assets at Beginning of Year	(138)	-	3,214	-	755,691
Net Assets at End of Year	$ (138)	$ -	$ 10,412	$ -	$ 797,974

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Other Supporting Services					
	902	904	905	908	909	912
	Family Savings	Hospitalization Cobra	Next Steps Supportive Housing	PA Department of Transportation	Prevention	Work Ready
Support and Revenues:						
Federal/State Grants	$ -	$ -	$ 340,385	$ -	$ 112,233	$ 255,020
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	38,003	-	-	-
Other Revenue	-	13,128	7,317	3,000	2,092	150
Sales	-	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	83	-	-	22,007	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	-	13,211	385,705	3,000	136,332	255,170
Expenses:						
Salaries and Wages	-	-	100,180	-	114,264	132,151
Payroll Taxes	-	-	7,648	-	9,039	10,094
Other Employee Benefits	-	13,211	21,647	-	16,821	28,973
Pension	-	-	3,127	-	5,538	1,234
Accounting	-	-	20,540	-	8,232	15,235
Contractual Services	-	-	4,303	-	820	3,233
Supplies	-	-	16,549	-	2,167	6,837
Telephone	-	-	2,877	-	1,346	6,894
Postage and Shipping	-	-	228	-	114	40
Occupancy	-	-	194,418	-	7,812	12,036
Equipment Rental and Maintenance	-	-	5,324	-	751	12,116
Printing and Publications	-	-	36	-	1,800	-
Travel	-	-	80	-	9,425	27
Conferences/Conventions	-	-	-	-	375	835
Interest Expense	-	-	-	-	212	-
Depreciation Expense	-	-	-	-	-	-
Advertising/Promotion	-	-	66	-	44	115
Other Program Services	-	-	1,014	-	2,356	2,383
Home Costs	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Insurance	-	-	4,081	-	1,359	4,983
Utilities	-	-	-	-	-	71
Property Taxes	-	-	-	-	-	-
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	-	-	2,673	-	-	12,711
Interprogram Transfer Out	-	-	335	-	-	1,565
Employment Costs	-	-	-	-	403	1,006
Other Expenses	-	-	1,063	3,086	171	2,631
(Gain) Loss on Sale of Property	-	-	-	(271)	-	-
Administrative Expenses	-	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	-	13,211	386,189	2,815	183,049	255,170
Net Increase (Decrease) in Net Assets	-	-	(484)	185	(46,717)	-
Net Assets at Beginning of Year	9	-	491	129,878	47,670	-
Net Assets at End of Year	$ 9	$ -	$ 7	$ 130,063	$ 953	$ -

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Other Supporting Services (Continued)					
	916	917	922	923	924	926
	Circles Initiative	VITA	Westmoreland County Coalition	Southwest Immunization Coalition	Shop With A Cop	Shop Demo Depot
Support and Revenues:						
Federal/State Grants	$ 103,564	$ 12,628	$ -	$ -	$ -	$ 86,586
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	-	-	-	-
Other Revenue	16,125	-	-	218	136,373	11,355
Sales	-	-	-	-	-	126,331
In-Kind Revenues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	3,418
Total Support and Revenues	119,689	12,628	-	218	136,373	227,690
Expenses:						
Salaries and Wages	49,480	-	-	-	-	76,527
Payroll Taxes	3,702	-	-	-	-	5,670
Other Employee Benefits	3,372	-	-	-	-	12,973
Pension	1,925	-	-	-	-	388
Accounting	8,736	-	-	-	-	23,148
Contractual Services	2,615	385	-	-	2,000	123,444
Supplies	4,622	131	-	30	2,077	2,306
Telephone	1,734	80	-	-	-	3,980
Postage and Shipping	29	18	-	-	-	186
Occupancy	6,223	(80)	-	-	-	169
Equipment Rental and Maintenance	776	572	-	27	-	6,144
Printing and Publications	36	-	-	338	16	320
Travel	898	-	-	-	-	291
Conferences/Conventions	3,212	129	102	-	-	-
Interest Expense	-	-	-	-	-	2,891
Depreciation Expense	-	-	-	-	-	18,646
Advertising/Promotion	20	50	-	1,529	4,000	672
Other Program Services	6,603	10,893	-	53	250	1,364
Home Costs	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Insurance	863	135	-	-	-	9,194
Utilities	3,161	-	-	-	-	19,603
Property Taxes	-	-	-	-	-	10,184
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	19,337	-	-	-	-	12,393
Interprogram Transfer Out	-	-	-	-	-	-
Employment Costs	342	315	-	-	-	1,340
Other Expenses	93	-	100	-	59,364	9,221
(Gain) Loss on Sale of Property	-	-	-	-	-	-
Administrative Expenses	-	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	428
Total Expenses	117,779	12,628	202	1,977	67,707	341,482
Net Increase (Decrease) in Net Assets	1,910	-	(202)	(1,759)	68,666	(113,792)
Net Assets at Beginning of Year	4,312	-	3,296	5,181	97,073	526,385
Net Assets at End of Year	$ 6,222	$ -	$ 3,094	$ 3,422	$ 165,739	$ 412,593

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Other Supporting Services (Continued)					
	928 Neighborhood Assistance Tax Credit Jeannette	929 Senior Health Expo	930 Aging and Disability Resources	931 Western PA Community Action Develop. Corp.	932 Jay's Jeannette	933/935 Drug Overdose Taskforce
Support and Revenues:						
Federal/State Grants	$ 187,273	$ -	$ 106,979	$ -	$ -	$ 31,201
Federal/State Grants - Food	-	-	-	-	-	-
Local Grants	-	-	-	-	-	-
Other Revenue	14,500	9,758	-	280	21,103	153,587
Sales	-	-	-	-	-	-
In-Kind Revenues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	-	-
Developer Fees	-	-	-	-	-	-
Program Service Fees	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total Support and Revenues	201,773	9,758	106,979	280	21,103	184,788
Expenses:						
Salaries and Wages	-	-	-	-	16,627	121,599
Payroll Taxes	-	-	-	-	1,272	9,216
Other Employee Benefits	-	-	515	-	356	19,044
Pension	-	-	-	-	-	4,484
Accounting	-	-	-	-	-	7,500
Contractual Services	1,401	1,837	65,077	-	268	1,809
Supplies	-	-	599	-	2,575	195
Telephone	-	-	817	-	-	1,711
Postage and Shipping	-	-	-	-	5	23
Occupancy	-	-	-	-	-	1,306
Equipment Rental and Maintenance	-	-	28	-	-	226
Printing and Publications	-	-	-	-	-	892
Travel	-	-	4,764	-	-	2,680
Conferences/Conventions	20	-	1,321	-	-	337
Interest Expense	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-
Advertising/Promotion	-	-	-	-	-	778
Other Program Services	3,713	-	26,358	-	-	1,815
Home Costs	-	-	-	-	-	-
Construction	100,000	-	-	-	-	-
Insurance	-	-	-	-	-	1,759
Utilities	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-
In-Kind Expense	-	-	-	-	-	-
Vehicle Expenses	-	-	-	-	-	-
Interprogram Transfer Out	-	-	-	-	-	-
Employment Costs	-	-	-	-	-	129
Other Expenses	84,139	5,086	-	-	-	86
(Gain) Loss on Sale of Property	-	-	-	-	-	-
Administrative Expense	12,500	-	7,500	-	-	-
Fines and Penalties	-	-	-	-	-	-
Total Expenses	201,773	6,923	106,979	-	21,103	175,589
Net Increase (Decrease) in Net Assets	-	2,835	-	280	-	9,199
Net Assets at Beginning of Year	-	2,952	-	(280)	-	3,996
Net Assets at End of Year	$ -	$ 5,787	$ -	$ -	$ -	$ 13,195

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Other Supporting Services (Continued)				
	938	939	940	941	
	Westmoreland Diversity Coalition	Staunton Farm Foundation	New Kensington NPP	21st Century Community Learning	Totals (Memorandum Only)
Support and Revenues:					
Federal/State Grants	$ -	$ -	$ 745	$ -	$ 1,236,614
Federal/State Grants - Food	-	-	-	-	-
Local Grants	-	-	-	-	38,003
Other Revenue	4,470	7,760	-	13,608	414,824
Sales	-	-	-	-	126,331
In-Kind Revenues	-	-	-	-	-
Interest	-	-	-	-	-
Interprogram Transfer In	-	-	-	-	22,090
Developer Fees	-	-	-	-	-
Program Service Fees	-	-	-	-	-
Fundraising	-	-	-	-	3,418
Total Support and Revenues	4,470	7,760	745	13,608	1,841,280
Expenses:					
Salaries and Wages	-	-	-	-	610,828
Payroll Taxes	-	-	-	-	46,641
Other Employee Benefits	-	-	-	-	116,912
Pension	-	-	-	-	16,696
Accounting	-	-	-	-	83,391
Contractual Services	-	6,100	704	5,609	219,605
Supplies	-	-	-	-	38,088
Telephone	-	-	-	-	19,439
Postage and Shipping	-	-	-	-	643
Occupancy	-	-	-	-	221,884
Equipment Rental and Maintenance	-	1,660	-	-	27,624
Printing and Publications	-	-	-	-	3,438
Travel	-	-	-	-	18,165
Conferences/Conventions	-	-	41	-	6,372
Interest Expense	-	-	-	-	3,103
Depreciation Expense	-	-	-	-	18,646
Advertising/Promotion	-	-	-	-	7,274
Other Program Services	-	-	-	-	56,802
Home Costs	-	-	-	-	-
Construction	-	-	-	-	100,000
Insurance	-	-	-	-	22,374
Utilities	-	-	-	-	22,835
Property Taxes	-	-	-	-	10,184
In-Kind Expense	-	-	-	-	-
Vehicle Expenses	-	-	-	-	47,114
Interprogram Transfer Out	-	-	-	-	1,900
Employment Costs	-	-	-	-	3,535
Other Expenses	5,375	-	-	7,999	178,414
(Gain) Loss on Sale of Property	-	-	-	-	(271)
Administrative Expense	-	-	-	-	20,000
Fines and Penalties	-	-	-	-	428
Total Expenses	5,375	7,760	745	13,608	1,922,064
Net Increase (Decrease) in Net Assets	(905)	-	-	-	(80,784)
Net Assets at Beginning of Year	905	-	-	-	821,868
Net Assets at End of Year	$ -	$ -	$ -	$ -	$ 741,084

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Fundraising		General and Administrative			
	300		300	100		
	Unrestricted Fundraising	Totals (Memorandum Only)	Unrestricted	CSBG Administrative	Totals (Memorandum Only)	Combined Totals
Support and Revenues:						
Federal/State Grants	$ -	$ -	$ -	$ 511,428	$ 511,428	$ 8,194,494
Federal/State Grants - Food	-	-	-	-	-	245,681
Local Grants	-	-	-	-	-	90,919
Other Revenue	5,876	5,876	15,992	529,659	545,651	1,156,780
Sales	-	-	-	-	-	126,331
In-Kind Revenues	-	-	-	-	-	1,028,329
Interest	-	-	-	-	-	7
Interprogram Transfer In	-	-	-	-	-	22,090
Developer Fees	-	-	-	15,197	15,197	75,197
Program Service Fees	-	-	-	-	-	294,971
Fundraising	34,529	34,529	-	-	-	37,947
Total Support and Revenues	40,405	40,405	15,992	1,056,284	1,072,276	11,272,746
Expenses:						
Salaries and Wages	3,570	3,570	-	607,441	607,441	4,482,759
Payroll Taxes	273	273	-	47,294	47,294	351,725
Other Employee Benefits	56	56	-	123,771	123,771	1,279,498
Pension	-	-	-	30,768	30,768	196,532
Accounting	-	-	-	-	-	277,959
Contractual Services	-	-	-	93,785	93,785	409,852
Supplies	7,315	7,315	2,552	28,040	30,592	737,482
Telephone	-	-	104	5,301	5,405	67,528
Postage and Shipping	106	106	86	2,128	2,214	11,109
Occupancy	2,301	2,301	-	45,590	45,590	699,358
Equipment Rental and Maintenance	188	188	-	13,941	13,941	264,716
Printing and Publications	91	91	-	1,175	1,175	13,431
Travel	-	-	391	9,428	9,819	173,503
Conferences/Conventions	-	-	250	5,084	5,334	91,856
Interest Expense	-	-	3,247	1,052	4,299	10,890
Depreciation Expense	-	-	-	-	-	26,407
Advertising/Promotion	1,611	1,611	1,121	2,840	3,961	51,142
Other Program Services	-	-	8,021	14,171	22,192	294,589
Home Costs	-	-	-	-	-	900
Construction	-	-	-	-	-	127,370
Insurance	-	-	-	8,578	8,578	86,400
Utilities	1,008	1,008	-	-	-	201,328
Property Taxes	-	-	-	-	-	15,037
In-Kind Expense	-	-	1,150	-	-	1,028,329
Vehicle Expenses	-	-	-	8,861	8,861	87,694
Interprogram Transfer Out	-	-	20,189	-	20,189	22,090
Employment Costs	651	651	-	95	95	21,521
Other Expenses	16,033	16,033	18,751	6,941	26,842	247,291
(Gain) Loss on Sale of Property	-	-	-	-	-	28,432
Administrative Expense	-	-	-	-	-	33,254
Fines and Penalties	-	-	-	-	-	428
Total Expenses	33,203	33,203	55,862	1,056,284	1,112,146	11,340,410
Net Increase (Decrease) in Net Assets	7,202	7,202	(39,870)	-	(39,870)	(67,664)
Net Assets at Beginning of Year	158,227	158,227	56,069	-	56,069	2,104,611
Net Assets at End of Year	$ 165,429	$ 165,429	$ 16,199	$ -	$ 16,199	$ 2,036,947

SINGLE AUDIT REPORTS

WESTMORELAND HUMAN OPPORTUNITIES, INC.

LIST OF REPORT DISTRIBUTION

- Westmoreland Human Opportunities, Inc. – Twelve copies of the Single Audit Report package.
- County of Westmoreland, Controller's Office, Courthouse Square Suite 111, 210 Main Street, Greensburg, Pennsylvania 15601 - One copy of the Single Audit Report package.
- Westmoreland County Children's Bureau, 40 North Pennsylvania Avenue, Suite 310, Greensburg, Pennsylvania 15601, - Two copies of the Single Audit Report package.
- Commonwealth of Pennsylvania, Office of the Budget, Bureau of Audits, 303 Walnut Street, Bell Tower - Strawberry Square, Sixth Floor, Harrisburg, Pennsylvania 17101 –Filed electronically.
- Bureau of the Census, Data Preparation Division, 1201 East 10 Street, Jeffersonville, Indiana 47132, Attn: Single Audit Clearinghouse – Filed electronically.
- Commonwealth of Pennsylvania, Department of Education, Bureau of Community & Student Services, Director's Office, 333 Market Street, Harrisburg, Pennsylvania 17126-0333 Attn: Shirley Gould - One Copy of the Single Audit Report package.
- Westmoreland County Behavioral Health and Developmental Services, 40 North Pennsylvania Avenue, Suite 110, Greensburg, Pennsylvania 15601 - Attn: Austin Breegle, Fiscal Officer III - Two copies of the Single Audit Report package.
- Westmoreland County Department of Planning and Development, 40 North Pennsylvania Avenue, Suite 520, Greensburg, Pennsylvania 15601 - Attn: Mr. Jason Rigone - Two copies of the Single Audit Report package.
- Seton Hill Child Services, Inc. - Human Services Center, 226 South Maple Avenue, Greensburg, Pennsylvania 15601 - Attn: Elisa Brady - Two copies of the Single Audit Report package.
- U.S. Department of Housing and Urban Development, 339 Sixth Avenue, Sixth Floor, Pittsburgh, Pennsylvania 15222 - Attn: Pamela Coll - One copy of the Single Audit Report package.
- Horner Wible Terek and Associates, 500 Rugh Street, Greensburg, Pennsylvania 15601 - Attn: Barbara Terek - One copy of the Single Audit Report package.
- Pennsylvania Department of Community and Economic Development, Room 323 Forum Building, Harrisburg, Pennsylvania 17120 - Attn: Richard F. Wagner - Four copies of the Single Audit Report package.
- Fayette County Behavioral Health Administration, 215 Jacob Murphy Lane, Uniontown, Pennsylvania 15401 - Attn: Harry Franks, III - One copy of the Single Audit Report package.
- Kimberly McAfoose, Executive Director, Redevelopment Authority of the City of New Kensington, 901 Fifth Avenue, Room 300, New Kensington, Pennsylvania 15068 – One copy of the Single Audit Report package.
- Westmoreland – Fayette Workforce Investment Board, Westmoreland County Community College, Business and Industry Center, 400 Armbrust Road, Youngwood, Pennsylvania 15697 – One copy of the Single Audit Report package.

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FUNDED AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass Through Grantor's/Contract Number	Funds Received	Federal Expenditures	
U.S. Department of Health and Human Services					
Head Start Programs:					
Head Start	93.600	03CH010443-02-03	$ 4,221,806	$ 4,243,874	*
Head Start	93.600	03CH010443-01-01	260,666	-	*
Passed Through Seton Hill Child Services, Inc.:					
Early Head Start Program 17/18	93.600	03CH01020203	325,484	324,707	*
Early Head Start Program 16/17	93.600	03CH010202-01-01	68,285	48,432	*
Total Head Start Programs			4,876,241	4,617,013	
Passed Through the Commonwealth of Pennsylvania, Department of Community and Economic Development:					
Community Service Block Grant	93.569	C000066921	173,188	318,466	
Community Service Block Grant	93.569	C000057058	407,340	295,216	
Community Service Block Grant	93.569	90EE1183-01-00	86,586	86,586	
Total Community Service Block Grant			667,114	700,268	
Passed Through the Commonwealth of Pennsylvania Department of Human Services:					
Temporary Assistance for Needy Families	93.558	17-18	132,949	130,103	
Temporary Assistance for Needy Families	93.558	16-17	47,923	52,187	
Total Temporary Assistance for Needy Families			180,872	182,290	
Supplemental Nutrition Assistance Program	10.561	17-18	27,464	27,464	
Supplemental Nutrition Assistance Program	10.561	16-17	8,901	8,901	
Total Supplemental Nutrition Assistance Program			36,365	36,365	
Passed Through the Westmoreland Drug and Alcohol Commission, Inc.:					
Substance Abuse Prevention and Treatment Block Grant	93.959	-	65,395	51,586	
Passed Through the Westmoreland County Area Agency on Aging:					
LINK to Aging and Disability Resources	93.778	-	53,204	53,490	
Total U.S. Department of Health and Human Services			$ 5,879,191	$ 5,641,012	

* Denotes tested as a major program

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FUNDED AWARDS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass Through Grantor's/Contract Number	Funds Received	Federal Expenditures
U.S. Department of Agriculture				
Passed Through the Commonwealth of Pennsylvania Department of Education:				
Child and Adult Care Food Program	10.558	300-65-913-00	$ 245,680	$ 245,680 *
Total U.S. Department of Agriculture			245,680	245,680
U.S. Department of Housing and Urban Development				
Continuum of Care	14.267	PA0774L3E011601	201,676	206,247
Continuum of Care	14.267	PA0774L3E011500	142,075	134,138
Continuum of Care	14.267	PA0559L3E011505	19,892	-
Continuum of Care	14.267	PA0559L3E011606	157,735	157,735
Continuum of Care	14.267	PA0600L3E011604	54,007	54,007
Continuum of Care	14.267	PA0679L3E011502	48,370	47,547
Continuum of Care	14.267	PA0679L3E011603	56,615	57,165
			680,370	656,839
Housing Counseling Grant	14.169	HC1520321714	18,079	18,079
Total U.S. Department of Housing and Urban Development			698,449	674,918
U.S. Department of Treasury				
Passed Through the United Way of Southwestern Pennsylvania				
Volunteer Income Tax Assistance	21.009	N/A	5,500	5,500
Total U.S. Department of Treasury			5,500	5,500
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 6,828,820	$ 6,567,110

* Denotes tested as a major program

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES
FUNDED AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(CONTINUED)

State Grantor/Pass-Through Grantor Program Title	Pass Through Grantor's/Contract Number	Funds Received	State Expenditures
STATE AWARDS			
Pennsylvania Department of Human Services:			
Passed Through the County of Westmoreland:			
Behavioral Health and Developmental Services Program	N/A	$ 451,476	$ 458,288
TOTAL EXPENDITURES OF STATE AWARDS		$ 451,476	$ 458,288
TOTAL FEDERAL AND PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES AWARD		$ 7,280,296	$ 7,025,398

WESTMORELAND HUMAN OPPORTUNITIES, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND
PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES FUNDED AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and Pennsylvania Department of Human Services Funded Awards include the federal and Pennsylvania Department of Human Services grant activity of Westmoreland Human Opportunities, Inc., and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Westmoreland Human Opportunities, Inc. did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 2: SUBRECIPIENTS

Westmoreland Human Opportunities, Inc., did not provide federal awards to subrecipients.

NOTE 3: RECONCILIATION OF GRANT FUNDS

Westmoreland Human Opportunities, Inc., is required per grant agreement to provide a reconciliation of grant funds received versus grant funds expended for the fiscal year for the following federal funds, received from Pennsylvania Department of Community and Economic Development.

	Accrued June 30, 2017	Funds Received	Funds Returned	Funds Expended	Accrued June 30, 2018
Community Services Block Grant:					
#C000066921	$ -	$ 173,188	$ -	$ 318,466	$ 145,278
#C000057058	112,124	407,340	-	295,216	-
#90EE1183-01-00	-	86,586	-	86,586	-
Total Community Services Block Grant	$ 112,124	$ 667,114	$ -	$ 700,268	$ 145,278

NOTE 4: LOAN BALANCES

Outstanding Federal Loan Balances at Year-End are:

Jeannette South Sixth Street – HOME Ownership Program	$ 363,839

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
Westmoreland Human Opportunities, Inc.
d/b/a Westmoreland Community Action
226 South Maple Avenue
Greensburg, Pennsylvania 15601

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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 11, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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.

Zelenkofske Axelrod LLC

Zelenkofske Axelrod LLC

Greensburg, Pennsylvania
January 11, 2019

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Westmoreland Human Opportunities, Inc.
d/b/a Westmoreland Community Action
226 South Maple Avenue
Greensburg, Pennsylvania 15601

Report on Compliance for Each Major Federal Program

We have audited Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action's major federal programs for the year ended June 30, 2018. Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action 's compliance.

Opinion on Each Major Federal Program

In our opinion, Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action 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 Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action'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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Westmoreland Human Opportunities, Inc., d/b/a Westmoreland Community Action, Inc.'s internal control over compliance.

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

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

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

Zelenkofske Axelrod LLC

Zelenkofske Axelrod LLC

Greensburg, Pennsylvania
January 11, 2019

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Westmoreland Human Opportunities, Inc.
d/b/a Westmoreland Community Action
226 South Maple Avenue
Greensburg, Pennsylvania 15601

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Human Services (DHS) and Westmoreland Human Opportunities, Inc., solely to assist you with respect to the financial schedules and exhibits required by the DHS Single Audit Supplement. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the DHS. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

(a) We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below which, summarize amounts reported to DHS for fiscal year ended June 30, 2018, have been accurately compiled and reflect the audited books and records of Westmoreland Human Opportunities, Inc. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DHS Single Audit Supplement pertaining to this period.

Program Name	Page Number	Referenced Schedule/Exhibit
Westmoreland County - Behavioral Health and Developmental Services	43	Schedule of Functional Revenue and Expenses/Exhibit 1
Westmoreland County – Behavioral Health and Developmental Services	44	Schedule of Administrative Costs/Exhibit 2
Westmoreland County - Behavioral Health and Developmental Services	45	Statement of Units of Service/ Exhibit 3

(b) We have inquired of management regarding adjustments to reported revenues or expenditures which were not reflected on the reports submitted to DHS for the period in question.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Pennsylvania Department of Human Services and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Zelenkofske Axelrod LLC

Zelenkofske Axelrod LLC

Greensburg, Pennsylvania
January 11, 2019

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF FUNCTIONAL REVENUE AND EXPENSES -
WESTMORELAND COUNTY BEHAVIORAL HEALTH AND
DEVELOPMENTAL SERVICES PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018

EXHIBIT 1

	703-000 Telephone (CI)	704-000 Mobile (CI)	700-000 Respite (CRR)	708-000 Shared Housing	711-000 New Foundations	Total
EXPENSES:						
Personnel Services:						
1. Wages and Salaries	$ 159,913	$ 146,465	$ -	$ 17,128	$ 130,264	$ 453,770
2. Employee Benefits	37,855	36,720	-	5,891	32,204	112,670
3. Miscellaneous Personnel	-	-	-	-	-	-
Administrative Expenses:	21,576	13,570	-	5,866	16,660	57,672
Operating Expenses:						
1. Occupancy	8,639	12,648	-	15,147	24,235	60,669
2. Communications	5,376	2,037	-	800	1,659	9,872
3. Administrative Supplies	327	907	-	-	535	1,769
4. Treatment and Supportive Supplies	-	-	-	-	-	-
5. Transportation	-	6,040	-	-	335	6,375
6. Purchased Treatment Services	-	-	-	-	12,332	12,332
7. Recruitment & Retention	-	-	-	-	-	-
8. Rent & Contingencies	-	-	-	-	-	-
9. Miscellaneous Operating Expenses	3,401	6,736	-	12,995	24,414	47,546
Equipment and Other Fixed Assets:						
1. Purchase of Fixed Assets	-	-	-	-	-	-
2. Repair/ Renovation of Assets	9	9	-	-	40	58
Indirect Costs:						
1. County Indirect Costs	-	-	-	-	-	-
TOTAL ELIGIBLE EXPENSES	237,096	225,132	-	57,827	242,678	762,733
REVENUE:						
2. Room and Board	-	-	-	7,200	-	7,200
3. Value Behavioral	193,550	101,421	-	-	-	294,971
3. Fayette County Mental Health	-	-	-	-	-	-
3. CCBH	-	7,110	-	-	-	7,110
3.Other	371	778	-	-	2,732	3,881
TOTAL REVENUE	193,921	109,309	-	7,200	2,732	313,162
Net Expenses Eligible for Reimbursement	43,175	115,823	-	50,627	239,946	449,571
Retained Revenue	-	-	-	1,519	7,198	8,717
Total Net Expenses and Retained Revenues	43,175	115,823	-	52,146	247,144	458,288
Westmoreland County Contract Reimbursement	43,175	109,011	-	52,146	247,144	451,476
Excess (Deficit)/ of Revenue over Expenses	$ -	$ (6,812)	$ -	$ -	$ -	$ (6,812)

*Mobile (CI) is a fee for service program.

WESTMORELAND COUNTY HUMAN OPPORTUNITIES, INC.
SCHEDULE OF ADMINISTRATIVE COSTS
WESTMORELAND COUNTY BEHVIORAL HEALTH AND
DEVELOPMENTAL SERVICES PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018

EXHIBIT 2

EXPENSES:		
Personnel Services:		
1. Wages and Salaries	$ 11,576	
2. Employee Benefits	2,814	
3. Miscellaneous Personnel	-	$ 14,390
Operating Expenses:		
1. Occupancy	2,463	
2. Communications	-	
3. Administrative Supplies	-	
4. Treatment and Supportive Supplies	-	
5. Transportation	-	
6. Purchased Treatment Services	-	2,463
Miscellaneous Operating Expenses		
1. Accounting Fees	24,396	
2. Audit	2,905	
3. Human Resources and CEO Services	13,518	40,819
Equipment and Other Fixed Assets:		
1. Purchase of Fixed Assets	-	
2. Repair/ Renovation of Assets	-	-
Indirect Costs:		
1. County Indirect Costs		-
Less: Ineligible Costs		
Wages and Salaries	-	
Employee Benefits	-	
Occupancy	-	
Miscellaneous	-	-
GROSS ADMINISTRATIVE COSTS		57,672
REVENUE:		
1. Subcontract	-	
2. Room and Board	-	
3. Other	-	
4. Medical Assistance	$ -	-
Net Eligible Administrative Costs		$ 57,672

WESTMORELAND HUMAN OPPORTUNITIES, INC.
STATEMENT OF UNITS OF SERVICE RELATING TO GRANTS
FROM THE WESTMORELAND COUNTY BEHAVIORAL HEALTH
AND DEVELOPMENTAL SERVICES - NON M/A
FOR THE YEAR ENDED JUNE 30, 2018

EXHIBIT 3

Cost Center	Budgeted Units of Service	Actual Units of Service	Contract Billing Rate	Gross Fee for Service Reimbursements	Other Revenue	Net Cost Eligible
Crisis Intervention-Mobile						
Individual	367	237	$ 32.67	7,743	0.00	$ 7,743
Team	4014	2989.02	$ 33.88	101,268	0.00	101,268
		Total Reimbursement from Westmoreland County MH/MR Program				109,011
Crisis Intervention-Mobile-Westmoreland Value Billing						
Individual		109	$ 32.67	3,561	0.00	3,561
Team		2812	$ 33.88	95,271	0.00	95,271
						98,832
Crisis Intervention-Mobile-Other Value Billing						
Team		93	$ 28.00	2,604	0.00	2,604
Value Billing Reimbursement						101,421
Crisis Intervention-Mobile-CCBH Billing						
Team		188	$ 37.82	7,110	0.00	7,110
						$ 7,110

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018

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? ____ Yes __X__ No

Significant deficiency(ies) identified not considered to be material weaknesses?
____ Yes __X__ No

Noncompliance material to the financial statements noted? ____ Yes __X__ No

Federal Awards:
Internal Controls over Major Programs:
Material Weakness(es) identified? ____ Yes __X__ No

Significant deficiency(ies) identified not considered to be material weaknesses?
_____ Yes ___X_ 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 Uniform Guidance? ____ Yes __X__ None reported

Major Programs:

CFDA Number	**Name of Federal Program or Cluster**
93.600	Head Start Cluster
10.558	Child and Adult Care Food Program

Dollar Threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as a low-risk auditee? __X__ Yes ____ No

Section II-Financial Statement Findings: Relating to the financial statement audit as required to be reported in accordance with Generally Accepted Government Auditing Standards.

No matters were reported

Section III-Federal Award Findings and Questioned Costs

No matters were reported

WESTMORELAND HUMAN OPPORTUNITIES, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Status of Prior Audit Findings

No matters were noted.