

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Independent Auditors' Report and
Financial Statements with
Supplementary Information

For the Year Ended December 31, 2016

PANHANDLE COMMUNITY SERVICES
Amarillo, Texas

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Panhandle Community Services
Amarillo, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of Panhandle Community Services (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Organization'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 Organization'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 Panhandle Community Services as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State of Texas Uniform Grants Management Standards, Single Audit Circular, is presented for purposes of additional analysis and is not a required part of the financial statements. The combining schedule of activities (presented on Pages 13-18) and Financial Data Schedule (presented on pages 19-23) are prepared for additional analysis and are 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 August 7, 2017, on our consideration of Panhandle Community Services' 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 Panhandle Community Services' internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 7, 2017
Chanute, Kansas

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Statement of Financial Position

December 31, 2016

ASSETS

Current Assets	
Cash in Bank - Cash and Cash Equivalents	\$ 2,307,141.74
Receivables, Net	645,284.80
Prepaid Expenses	72,975.12
Total Current Assets	<u>3,025,401.66</u>
Capital Assets, Net	<u>2,773,303.85</u>
TOTAL ASSETS	<u>\$ 5,798,705.51</u>

LIABILITIES AND NET ASSETS

Liabilities	
Current Liabilities	
Accounts Payable	\$ 143,056.10
Accrued Payroll	115,230.67
Accrued Annual Leave	33,591.02
Accrued Payroll Withholdings	42,954.75
Line of Credit	369,000.00
Refundable Grant Advance	20,237.14
Total Current Liabilities	<u>724,069.68</u>
TOTAL LIABILITIES	<u>724,069.68</u>
Net Assets	
Unrestricted Net Assets	2,404,740.19
Temporarily Restricted Net Assets	2,669,895.64
TOTAL NET ASSETS	<u>5,074,635.83</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,798,705.51</u>

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

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Statement of Activities

For the Year Ended December 31, 2016

CHANGES IN NET ASSETS	
Unrestricted Net Assets	
Revenues and Gains	
Contributions	\$ 6,253,234.09
Interest	622.10
Program Income	1,041,672.35
Other Income	100,967.31
Gain /(Loss) on Sale of Assets	102,916.41
Total Revenues and Gains	<u>7,499,412.26</u>
Expenses	
Program Services	
Emergency Assistance	2,850,554.46
Community Services	626,080.02
Housing Services	8,652,726.79
Weatherization Services	558,374.65
Senior Activities	154,861.10
Transportation Services	3,167,978.00
Supporting Activities	
Management and General	1,015,847.80
Fundraising	70,236.13
Total Expenses	<u>17,096,658.95</u>
Net Assets Released From Restrictions through Satisfaction of Program Restrictions	<u>9,213,425.70</u>
Increase (Decrease) in Unrestricted Net Assets	<u>(383,820.99)</u>
Temporarily Restricted Net Assets	
Contributions	9,484,735.72
Interest	204.58
Other Income	90,392.34
Net Assets Released From Restrictions Through Satisfaction of Program Restrictions	<u>(9,213,425.70)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>361,906.94</u>
Increase (Decrease) in Net Assets	(21,914.05)
Net Assets - Beginning of the Year	<u>5,096,549.88</u>
Net Assets - End of the Year	<u>\$ 5,074,635.83</u>

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

PANHANDLE COMMUNITY SERVICES
Amarillo, Texas
Statement of Functional Expenses
For the Year Ended December 31, 2016

	Program Services					
	Emergency Assistance	Community Services	Housing Services	Weatherization Services	Senior Activities	Transportation Services
Salaries	\$ 271,564.42	\$ 224,937.25	\$ 337,226.62	\$ 138,538.47	\$ 96,204.08	\$ 1,323,677.45
Fringe Benefits	98,059.96	69,473.38	112,805.87	27,949.38	22,512.99	440,669.32
Bad Debts	-	-	23,622.49	-	-	-
Contractual Services	64,285.80	186,320.65	123,477.49	3,917.77	176.00	48,383.91
Depreciation Expense	-	1,297.33	-	-	-	414,591.17
Direct Client Services	2,310,608.46	35,523.47	7,897,663.47	318,296.00	450.00	-
Equipment Expense	-	-	-	138.64	-	-
Interest	-	-	-	-	-	-
Miscellaneous Expense	-	-	757.24	-	7,465.11	50.88
Occupancy	61,585.72	33,445.29	92,037.04	21,552.01	8,654.55	140,146.74
Office Expenses	639.85	15,711.58	1,495.32	364.35	1,059.85	12,301.90
Supplies	7,558.52	32,145.05	41,062.39	14,222.17	8,478.55	6,382.48
Training	4,380.00	5,801.07	6,988.24	5,872.60	917.43	1,286.14
Travel	31,736.63	21,299.84	15,586.63	19,647.74	8,510.40	4,528.53
Vehicle Expense	135.10	125.11	3.99	7,875.52	432.14	775,959.48
	<u>\$ 2,850,554.46</u>	<u>\$ 626,080.02</u>	<u>\$ 8,652,726.79</u>	<u>\$ 558,374.65</u>	<u>\$ 154,861.10</u>	<u>\$ 3,167,978.00</u>
		Supporting Activities				
	Total	Management		Total Organization		
	Program Services	and General	Fundraising	Services		
Salaries	\$ 2,392,148.29	\$ 281,876.93	\$ 15,618.00	\$ 2,689,643.22		
Fringe Benefits	771,470.90	95,360.49	5,299.20	872,130.59		
Bad Debts	23,622.49	-	-	23,622.49		
Contractual Services	426,561.62	404,875.80	22,961.29	854,398.71		
Depreciation Expense	415,888.50	40,248.86	2,230.07	458,367.43		
Direct Client Services	10,562,541.40	26,464.47	1,702.64	10,590,708.51		
Equipment Expense	138.64	-	-	138.64		
Interest	-	14,212.86	787.49	15,000.35		
Miscellaneous Expense	8,273.23	20,942.86	1,378.15	30,594.24		
Occupancy	357,421.35	50,981.29	14,030.06	422,432.70		
Office Expenses	31,572.85	6,660.08	991.79	39,224.72		
Supplies	109,849.16	31,522.11	2,869.23	144,240.50		
Training	25,245.48	9,168.74	508.01	34,922.23		
Travel	101,309.77	19,183.62	1,062.91	121,556.30		
Vehicle Expense	784,531.34	14,349.69	797.29	799,678.32		
Total Expenses	<u>\$ 16,010,575.02</u>	<u>\$ 1,015,847.80</u>	<u>\$ 70,236.13</u>	<u>\$ 17,096,658.95</u>		

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

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Statement of Cash Flows

For the Year Ended December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$	(21,914.05)
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation Expense		458,367.43
(Gain)/ Loss on Sale of Assets		(102,916.41)
(Increase) Decrease in Grant and Contracts Receivable		105,513.21
(Increase) Decrease in Prepaid Expense		(2,821.01)
Increase (Decrease) in Accounts Payable		(391,511.72)
Increase (Decrease) in Accrued Payroll		27,244.67
Increase (Decrease) in Accrued Annual Leave		(12,283.48)
Increase (Decrease) in Accrued Payroll Withholdings		39,904.69
Increase (Decrease) in Refundable Grant Advance		(45,365.96)
Increase (Decrease) in Due to Grantor		(2,120.27)
		<hr/>
Net Cash Provided by (Used in) Operating Activities		52,097.10

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for Purchase of Capital Assets		(1,124,928.89)
Proceeds from the Sale of Capital Assets		169,793.91
		<hr/>
Net Cash Provided by (Used in) Investing Activities		(955,134.98)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from Line of Credit		980,000.00
Principal Payments on Line of Credit		(611,000.00)
		<hr/>
Net Cash Provided by (Used in) Financing Activities		369,000.00

Net Increase (Decrease) in Cash and Cash Equivalents (534,037.88)

Cash and Cash Equivalents, Beginning of the Year

 2,841,179.62

Cash and Cash Equivalents, End of the Year

 \$ 2,307,141.74

Supplementary Information:

Cash Paid for Interest

 \$ 15,000.35

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

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Notes to the Financial Statements

December 31, 2016

1. NATURE OF ACTIVITIES

Panhandle Community Services (the "Organization") is a nonprofit organization established in 1965 which serves the economically and socially disadvantaged persons throughout the northern 26 counties of the Texas Panhandle.

The Organization provides services to stimulate a better focusing of all available local, state, federal and private resources upon the goal of enabling low income families and individuals to attain the skills, knowledge, motivations and to secure the opportunities needed for them to become more fully self sufficient. The Organization administers the following major sources of revenue to meet the needs of the area it serves: Comprehensive Energy Assistance Programs, Weatherization Assistance, Low-Income Home Energy Assistance Programs, Community Services Block Grant Programs, Retired and Senior Volunteer Program, Transportation, Housing and Urban Development, and others. Expenses are broken down by program services. The following is a description of the program services:

Emergency Assistance – Provides utility assistance to low-income individuals to assist them with energy bills, including gas, electric, and Propane.

Community Services – Provides a variety of services to reduce poverty and empower low-income families to become self-sufficient.

Housing Services – Provides rental assistance to help low-income families afford decent, safe, and sanitary rental housing.

Weatherization Services – Provides services to help low-income people improve residential energy efficiency.

Senior Activities – Provides assistance in engaging persons 55 and over to meet critical community needs while enriching the lives of volunteers.

Transportation Services – Provides transportation in non-urban areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's policy is to prepare its financial statements on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Assets are recorded at cost when purchased, or in the case of gifts, at fair value at the date of the gift. Investments are valued at fair value for financial statement presentation.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid instruments with a maturity of three months or less when acquired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Doubtful Accounts

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of their grantors to meet their obligations. Receivables are considered impaired if full payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Capital Assets

It is the Organization's policy to capitalize capital assets with a useful life of more than one year and a value over \$5,000.00. Capital assets are stated at cost, if purchased, and at fair value at the date of donation, if donated. Such items acquired under grants from Federal and state sources are considered to be owned by the Organization while used in the programs for which they are purchased or in programs authorized in the future. However, the funding source has a reversionary interest in the property. Property and equipment purchased or donated to the corporate account are depreciated based on estimated useful lives using the straight-line method as follows:

Buildings and Improvements	5-30 Years
Furniture and Equipment	5-7 Years
Vehicles	5 Years

Net Assets

The Organization's net assets are classified as follows:

Unrestricted net assets: Unrestricted net assets represent those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by contract or by board designation. Changes in net assets arising from exchange transaction are included as well as resources derived from gifts and contributions. These resources are used at the discretion of the governing board to meet current expenses for any purpose.

Temporarily restricted net assets: Temporarily restricted net assets consist of those net assets whose use by the Organization has been limited by donors to later periods of time or after specified dates or to specified purposes.

Permanently restricted net assets: Permanently restricted net assets consist of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the donor restrictions. If a restriction is satisfied in the same period the contribution is received, the contribution is reported as unrestricted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Income Taxes

The Organization is exempt from Federal income taxes under IRS Code Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

In-Kind Goods/Services

The Organization receives donated goods and services as part of its programs. In-kind contributions are shown both as support and expenditures in these programs, and are recorded at the fair value of the goods or services at the time of donation. Amounts included are only those allowable under generally accepted accounting principles.

Allocated Costs

The Organization allocates its expenses on a functional basis among its various programs and support activities. Expenses that can be identified with a specific program and support activity are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using various allocation methods.

3. CONCENTRATION OF CREDIT RISK

At year-end, the Organization's carrying amount of deposits was \$2,263,437.70 and the bank balance was \$2,291,296.54. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$379,453.63 was covered by FDIC insurance, \$1,130,168.11 was covered by a repurchase agreement, and the remaining \$781,674.80 was considered unsecured at year end.

At year-end, the Organization had invested \$43,704.04 in the TexPool. The investment pool is under the oversight of the State of Texas Comptroller of Public Accounts. Federated Investors is the full service provider to the pools managing the assets, providing participant services, and arranging for all custody and other functions in support of the pools operations under a contract with the Comptroller. TexPool investments consist exclusively of U.S. Government securities, repurchase agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds. TexPool Prime invests in the same as the TexPool as well as commercial paper and certificates of deposits.

4. RECEIVABLES, NET

Receivables at December 31, 2016, consist of amounts due as follows:

LeFleur Transportation	\$	27,198.68
5311 Federal Transportation Grant		154,706.64
5311 State Transportation Grant		146,702.38
Retired Senior Volunteer Program Federal		13,970.79
Community Services Block Grant		21,453.47
HUD – Tenant Fraud		69,617.99
LIHEAP		40,433.15
CEAP		175,809.00
Housing Preservation Grant		9,280.76
Healthcare Navigator		36,495.08
Vehicle Preventive Maintenance Grant		15,215.75
Other Receivables		<u>4,019.10</u>
Sub-Total Accounts Receivable		714,902.79
Less Allowance for Doubtful Accounts		
Fraud Recovery		<u>(69,617.99)</u>
Total Receivables, Net	\$	<u><u>645,284.80</u></u>

5. CAPITAL ASSETS, NET

Following are the changes in capital assets for the year ended December 31, 2016:

	Balance			Balance
	12/31/2015	Additions	Retirements	12/31/2016
Capital Assets				
Buildings WIP	\$ 602,534.47	\$ 920,003.89	\$ -	\$ 1,522,538.36
Building Improvements	263,321.27	-	2,806.02	260,515.25
Buildings	587,924.76	-	95,595.19	492,329.57
Equipment	372,503.55	-	33,270.85	339,232.70
Land	100,513.24	-	10,621.69	89,891.55
Vehicles	5,717,097.43	204,925.00	224,003.93	5,698,018.50
Total Capital Assets	<u>7,041,360.25</u>	<u>1,124,928.89</u>	<u>366,297.68</u>	<u>8,402,525.93</u>
Accumulated Depreciation	<u>(5,470,274.83)</u>	<u>(458,367.43)</u>	<u>(299,420.18)</u>	<u>(5,629,222.08)</u>
Total Net Capital Assets	<u>\$ 1,571,085.42</u>	<u>\$ 666,561.46</u>	<u>\$ 66,877.50</u>	<u>\$ 2,773,303.85</u>

6. LINE OF CREDIT

The Organization has obtained a line of credit with Wells Fargo Bank, Amarillo, Texas for operating expenses. The line of credit has a floating interest rate ranging from 3.50% to 4.00% during the fiscal year ending December 31, 2016. The balance on the note at December 31, 2016 was \$369,000.00 and interest paid during the fiscal year ended December 31, 2016, was \$15,000.35.

7. OPERATING LEASES

As of December 31, 2016, the Organization has entered into a number of operating leases for space. Total payments for the year ended December 31, 2016, were \$34,348.73. Future minimum lease payments are as follows:

2017 \$ 13,700.00

8. COMPENSATED ABSENCES

Employees earn paid time off for paid time away from work for vacation, personal time, sick leave, or time off to care for dependents based upon the following schedule:

<u>LENGTH OF SERVICE</u>	<u>FULL-TIME</u>	<u>PART-TIME</u>
Less than 1 Year	120 hours	40 Hours
1 – less than 5 Years	160 Hours	40 Hours
5 – less than 10 Years	200 Hours	40 Hours
10 Years +	240 Hours	40 Hours

Hours are awarded semi-annually on January 1st and July 1st. Employees may accumulate up to a maximum balance of 80 hours. No employee may carry over more than 80 hours of accrued leave into a new fiscal year and hours in excess of 80 hours will be forfeited. Employees who resign, have been terminated, or retire will be paid for all unused accrued paid time off. Paid time off cannot be paid out while employed.

The Organization determines a liability for compensated absences when the following conditions are met:

1. The Organization's obligation relating to employees' rights to receive compensation for future absences is attributable to employee services already rendered;
2. The obligation relates to rights that vest or accumulate;
3. Payment of the compensation is probable; and
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the Organization has accrued a liability for annual leave which has been earned, but not taken, by Organization employees.

9. EMPLOYEE BENEFIT PLANS

The Organization has a 403(b) plan available for its employees. An employee is eligible after one year of full-time or part-time service, minimum of 1,000 hours of service. The Organization will provide matching contributions (up to 6%) in accordance with plan provisions. Total contributions made by the Organization into the plan on behalf of the employees for the year ended December 31, 2016, was \$46,856.43.

10. TEMPORARILY RESTRICTED NET ASSETS

Temporarily Restricted Net Assets consist of revenues and donations received and are restricted to use and are presented by program below. Temporarily Restricted Net Assets also include vehicles purchased with TexDOT proceeds and are restricted to use for 150,000 miles or 5 years.

WTU Neighbor to Neighbor	\$	8,413.38
Memorial Fund		344.95
Techbridge		52,055.07
Texas Gas Company		2,371.13
United Way of Friona		1,500.00
Atmos Keeping the Warmth		16,512.14
Atmos Weatherization Assistance		5,680.95
Amarillo Area Foundation		21,862.65
HUD Section 8		1,600,631.65
TexDOT Vehicles – Net Book Value		<u>960,523.72</u>
Total Temporarily Restricted Net Assets (Deficit)	\$	<u>2,669,895.64</u>

11. CONTINGENT LIABILITIES

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

12. CONCENTRATION OF RISK

The Organization receives substantial revenue in the form of Federal and State grants. The effect on the Organization’s ability to continue operations if these funding sources were lost or cancelled is unknown.

13. SUBSEQUENT EVENTS

The Organization evaluated events and transactions occurring subsequent to December 31, 2016 through August 7, 2017 the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Combining Schedule of Activities

For the Year ended December 31, 2016

	Grant Year End:	LIHEAP - CEAP	LIHEAP - CEAP	Healthcare Navigator	Healthcare Navigator	Techbridge Project	WTU Neighbor to Neighbor	Texas Gas Company	Community Services Block Grant	Community Services Block Grant
	CFDA #:	7/31/2016	3/31/2017	9/1/2016	9/1/2017	8/31/2017	12/31/2016	12/31/2016	3/31/2016	3/31/2017
		93.568	93.568	93.332	93.332	N/A	N/A	N/A	93.569	93.569
		Emergency Assistance	Emergency Assistance	Emergency Assistance	Emergency Assistance	Emergency Assistance	Emergency Assistance	Emergency Assistance	Community Services	Community Services
		Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Community Services	Community Services
Revenues and Gains										
Contributions										
Grant Revenue - Federal		\$ 254,159.00	\$ 2,469,171.15	\$ 66,777.52	\$ 89,614.75	\$ -	\$ -	\$ -	\$ 29,599.41	\$ 564,317.00
Grant Revenue - State		-	-	-	-	-	-	-	-	-
Local		-	-	-	-	60,000.00	9,450.00	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Program Income		-	-	-	-	-	-	-	-	-
Other Income		19,946.57	33,822.57	-	-	-	-	-	-	-
Gain/ (Loss) on Sale of Assets		-	-	-	-	-	-	-	-	-
Total Revenues and Gains		274,105.57	2,502,993.72	66,777.52	89,614.75	60,000.00	9,450.00	-	29,599.41	564,317.00
Expenses										
Salaries		8,696.28	176,118.60	36,364.73	42,064.03	8,320.78	-	-	17,511.86	206,366.57
Fringe Benefits		2,924.65	67,459.63	7,612.93	18,566.09	1,496.66	-	-	5,631.82	63,721.06
Bad Debts		-	-	-	-	-	-	-	-	-
Contractual Services		5,579.83	58,532.17	43.00	130.80	-	-	-	-	116,064.00
Depreciation Expense		-	-	-	-	-	-	-	-	-
Direct Client Services		239,227.57	2,064,376.00	-	-	-	6,909.76	95.13	-	35,523.47
Equipment Expense		-	-	-	-	-	-	-	-	-
Indirect Cost		3,253.86	68,201.90	12,313.74	16,976.43	2,748.88	-	-	6,480.23	75,624.54
Interest		-	-	-	-	-	-	-	-	-
Miscellaneous Expense		-	-	-	-	-	-	-	-	-
Occupancy		10,672.01	42,535.54	5,552.08	2,826.09	-	-	-	-	33,445.29
Office Expenses		251.77	235.25	18.24	-	134.59	-	-	(24.50)	1,393.80
Operating Transfer To (From)		(665.22)	665.22	(607.89)	-	-	-	-	-	(4,076.26)
Supplies		864.91	3,634.98	1,548.83	1,488.80	21.00	-	-	-	9,304.62
Training		-	2,630.00	-	1,750.00	-	-	-	-	5,524.96
Travel		3,285.47	18,554.62	3,889.13	5,784.39	223.02	-	-	-	21,299.84
Vehicle Expense		14.44	49.81	42.73	28.12	-	-	-	-	125.11
Total Expenses		274,105.57	2,502,993.72	66,777.52	89,614.75	12,944.93	6,909.76	95.13	29,599.41	564,317.00
Excess Revenues and Gains										
Over (Under) Expenses		-	-	-	-	47,055.07	2,540.24	(95.13)	-	-
Net Assets, December 31, 2015										
		-	-	-	-	5,000.00	5,873.14	2,466.26	-	-
Net Assets, December 31, 2016										
		\$ -	\$ -	\$ -	\$ -	\$ 52,055.07	\$ 8,413.38	\$ 2,371.13	\$ -	\$ -

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Combining Schedule of Activities (Continued)
For the Year ended December 31, 2016

	Community Services Block Grant - O	Community Services Block Grant - D	Community Services Block Grant - F	HUD Section 8	TX Affordable Housing	TX Affordable Housing	TX Affordable Housing	Housing Preservation Grant	Housing Preservation Grant	Housing Preservation Grant	DOE Weatherization
Grant Year End:	7/31/2016	8/31/2016	4/30/2017	12/31/2016	9/30/2016	9/30/2016	9/30/2017	6/30/2016	9/30/2017	6/30/2016	6/30/2016
CFDA #:	93.569	93.569	93.569	14.871	N/A	N/A	N/A	10.433	10.433	10.433	81.042
	Community Services	Community Services	Community Services	Housing Services	Housing Services	Housing Services	Housing Services	Housing Services	Housing Services	Housing Services	Weatherization Services
				Temporarily Restricted							
Revenues and Gains											
Contributions											
Grant Revenue - Federal	\$ 91,875.00	\$ 12,000.00	\$ 5,350.00	\$ 9,156,257.00	\$ -	\$ 4,058.48	\$ -	\$ 2,722.70	\$ 6,601.00	\$ 147,707.27	
Grant Revenue - State	-	-	-	-	-	19,236.00	-	-	-	-	
Local	-	-	-	-	-	-	-	-	-	-	
Interest	-	-	-	204.58	-	-	-	-	-	-	
Program Income	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	90,392.34	-	-	-	-	-	-	
Gain/ (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-	
Total Revenues and Gains	91,875.00	12,000.00	5,350.00	9,246,853.92	4,058.48	19,236.00	2,722.70	2,722.70	6,601.00	147,707.27	
Expenses											
Salaries	1,058.82	-	-	337,226.62	-	-	-	-	-	-	22,326.19
Fringe Benefits	120.50	-	-	112,805.87	-	-	-	-	-	-	4,937.99
Bad Debts	-	-	-	23,622.49	-	-	-	-	-	-	-
Contractual Services	52,906.65	12,000.00	5,350.00	123,407.49	-	-	-	70.00	-	-	510.00
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-
Direct Client Services	-	-	-	7,865,161.23	4,058.48	-	19,236.00	2,606.76	6,601.00	98,901.86	
Equipment Expense	-	-	-	123,667.74	-	-	-	-	-	-	7,628.37
Indirect Cost	330.21	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	-	-	-	757.24	-	-	-	-	-	-	4,419.52
Occupancy	-	-	-	92,037.04	-	-	-	-	-	-	-
Office Expenses	14,342.28	-	-	1,308.84	-	-	-	186.48	-	-	-
Operating Transfer To (From)	-	-	-	-	-	-	-	(140.54)	-	-	(28.94)
Supplies	22,840.43	-	-	41,062.39	-	-	-	-	-	-	260.57
Training	276.11	-	-	6,988.24	-	-	-	-	-	-	42.60
Travel	-	-	-	15,586.63	-	-	-	-	-	-	8,310.68
Vehicle Expense	-	-	-	3.99	-	-	-	-	-	-	398.43
Total Expenses	91,875.00	12,000.00	5,350.00	8,743,635.81	4,058.48	19,236.00	2,722.70	2,722.70	6,601.00	147,707.27	
Excess Revenues and Gains											
Over (Under) Expenses	-	-	-	503,218.11	-	-	-	-	-	-	-
Net Assets, December 31, 2015											
Net Assets, December 31, 2016											
	\$ -	\$ -	\$ -	\$ 1,600,631.65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Combining Schedule of Activities (Continued)
For the Year ended December 31, 2016

	DOE Weatherization 6/30/2017 81,042	LHEAP Weatherization 7/31/2016 93,568	LIHEAP Weatherization 3/31/2017 93,568	Frontier Funds 12/31/2016 N/A	Atmos Keeping the Warmth 12/31/2016 N/A	Amy Young Barrier Removal 12/31/2016 N/A	Atmos Weatherization Assistance 12/31/2016 N/A	Tulia United Community Fund 12/31/2016 N/A	Federal RSVP 3/31/2016 94,002
	Weatherization Services	Weatherization Services	Weatherization Services	Weatherization Services	Weatherization Services	Weatherization Services	Weatherization Services	Senior Activities	Senior Activities
				Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted	Temporarily Restricted
Revenues and Gains									
Contributions									
Grant Revenue - Federal	\$ 61,728.99	\$ 82,196.40	\$ 301,944.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,574.04
Grant Revenue - State	-	-	-	-	-	-	-	-	-
Local	-	-	-	-	3,103.72	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-	-	-
Other Income	-	-	50.25	-	-	-	-	-	-
Gain/ (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-
Total Revenues and Gains	61,728.99	82,196.40	301,994.49	-	3,103.72	-	-	325.35	28,574.04
Expenses									
Salaries	18,528.11	11,474.65	86,209.52	-	-	-	-	-	16,099.32
Fringe Benefits	2,897.03	4,319.42	15,794.94	-	-	-	-	-	4,035.19
Bad Debts	-	-	-	-	-	-	-	-	-
Contractual Services	-	7.00	3,400.77	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-
Direct Client Services	17,082.89	51,874.18	139,619.41	7,527.97	1,460.19	1,829.50	-	450.00	-
Equipment Expense	-	111.41	27.23	-	-	-	-	-	-
Indirect Cost	5,996.88	4,422.34	28,554.26	-	-	-	-	-	5,637.66
Interest	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	-	-	-	-	-	-	-	-	963.35
Occupancy	2,379.35	1,216.68	13,536.46	-	-	-	-	-	23.25
Office Expenses	-	-	364.35	-	-	-	-	-	62.50
Operating Transfer To (From)	28.94	-	-	(72.87)	-	(1,829.50)	-	(124.65)	-
Supplies	812.55	5,866.30	7,282.75	-	-	-	-	-	528.72
Training	3,964.54	-	1,865.46	-	-	-	-	-	228.00
Travel	9,519.31	-	1,286.06	-	531.69	-	-	-	936.21
Vehicle Expense	519.39	2,904.42	4,053.28	-	-	-	-	-	59.84
Total Expenses	61,728.99	82,196.40	301,994.49	7,455.10	1,991.88	-	-	325.35	28,574.04
Excess Revenues and Gains									
Over (Under) Expenses	-	-	-	(7,455.10)	1,111.84	-	-	(325.35)	-
Net Assets, December 31, 2015				7,455.10	15,400.30	-	5,680.95	325.35	-
Net Assets, December 31, 2016	-	-	-	\$ -	\$ 16,512.14	\$ -	\$ 5,680.95	\$ -	\$ -

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Combining Schedule of Activities (Continued)

For the Year ended December 31, 2016

Grant Year End:	Federal RSVP	RSVP Advisory Council	State of Texas RSVP	5311 State Transportation	5311 Federal Transportation	5311 State Transportation	5311 Federal Transportation	5310 State Transportation	5339 State Transportation
CFDA #:	94.002	N/A	8/31/2016	8/31/2016	8/31/2016	8/31/2017	8/31/2017	12/31/2016	3/31/2016
	Senior Activities	Senior Activities	Senior Activities	Transportation Services	Transportation Services	Transportation Services	Transportation Services	Transportation Services	Transportation Services
	\$ 123,564.26	\$ -	\$ 35,299.84	\$ -	\$ -	\$ 452,584.98	\$ 111,256.66	\$ 252,427.37	\$ 27,298.93
Grant Revenue - Federal	-	-	-	-	-	-	-	-	-
Grant Revenue - State	-	3,783.00	-	550,173.76	-	452,584.98	-	-	-
Local	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	0.32	-	0.13	-	-
Program Income	-	-	-	-	56,179.02	-	49,504.29	-	-
Other Income	-	50.00	-	-	42,763.15	-	-	-	-
Gain/ (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-
Total Revenues and Gains	123,564.26	3,833.00	35,299.84	550,173.76	210,199.15	452,584.98	611,949.06	252,427.37	27,298.93
Expenses									
Salaries	66,935.85	-	13,168.91	216,701.53	136,178.56	221,056.24	217,819.25	-	-
Fringe Benefits	13,978.71	-	4,499.09	72,925.82	42,302.15	61,944.65	68,159.26	0.04	-
Bad Debts	-	-	-	-	-	-	-	-	-
Contractual Services	52.00	-	124.00	269.62	2,543.50	7,267.83	9,260.95	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-
Direct Client Services	-	-	-	-	-	-	-	-	-
Equipment Expense	-	-	-	-	-	-	-	-	-
Indirect Cost	22,656.07	-	4,947.04	81,095.48	49,947.41	79,236.04	80,066.14	204,925.00	-
Interest	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	6,081.47	420.29	-	-	-	-	-	-	-
Occupancy	6,460.08	125.00	2,046.22	25,487.16	14,814.46	14,273.39	17,247.88	-	-
Office Expenses	188.58	300.00	508.77	1,408.22	869.09	1,170.48	1,257.57	-	-
Operating Transfer To (From)	-	(994.68)	994.68	(576.98)	(77,811.74)	576.98	77,811.74	-	-
Supplies	899.46	157.71	6,892.66	95.24	-	1,674.35	2,708.08	-	-
Training	-	205.41	484.02	595.00	-	-	30.00	-	-
Travel	5,970.50	-	1,603.69	5.45	-	-	-	-	-
Vehicle Expense	341.54	-	30.76	152,167.22	41,355.72	65,385.02	137,588.19	47,502.33	27,298.93
Total Expenses	123,564.26	213.73	35,299.84	550,173.76	210,199.15	452,584.98	611,949.06	252,427.37	27,298.93
Excess Revenues and Gains									
Over (Under) Expenses	-	3,619.27	-	-	-	-	-	-	-
Net Assets, December 31, 2015									
	-	6,791.04	-	-	-	-	-	-	-
Net Assets, December 31, 2016									
	\$ -	\$ 10,410.31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PANHANDLE COMMUNITY SERVICES
Amarillo, Texas
Combining Schedule of Activities (Continued)
For the Year ended December 31, 2016

	5339 State		Medical		Food Bank		United Way of		Amarillo Area		Agency Indirect	
	Transportation	Transit to Work	Transportation	Memorial Fund	Food Bank	Friona	Foundation	Cost Allocation	Cost			
Grant Year End:	8/31/2017	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016	12/31/2016
CFDA #:	20.526	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Transportation Services	Transportation Services	Transportation Services	Mgmt & General	Mgmt & General	Mgmt & General	Temporarily Restricted	Mgmt & General	Temporarily Restricted	Mgmt & General	Temporarily Restricted	Mgmt & General
Revenues and Gains												
Contributions												
Grant Revenue - Federal	\$ 49,796.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Revenue - State	-	-	-	-	-	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	0.24	1.69	-	-	-	1,500.00	-	-	-	-	-
Program Income	-	277,659.22	658,343.94	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Gain/ (Loss) on Sale of Assets	-	-	14,466.00	-	-	-	-	-	-	-	-	892,353.25
Total Revenues and Gains	49,796.00	277,659.46	672,811.63	-	-	-	1,500.00	49,500.00	247,523.82	892,353.25	-	-
Expenses												
Salaries	-	116,433.56	415,488.31	-	-	-	-	-	-	-	-	282,419.55
Fringe Benefits	-	43,752.74	151,584.66	-	-	-	-	-	280.61	-	-	80,936.62
Bad Debts	-	-	-	-	-	-	-	-	-	-	-	-
Contractual Services	49,796.00	204.00	28,838.01	-	-	-	-	-	9,534.39	-	-	391,078.74
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-
Direct Client Services	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Expense	-	-	-	-	-	-	-	-	-	-	-	-
Indirect Cost	-	44,838.72	158,623.83	-	-	-	-	-	53.02	-	-	(26.51)
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expense	-	50.88	-	1,267.98	-	-	-	-	-	-	-	4,982.06
Occupancy	-	639.81	67,684.04	-	-	-	-	-	202,236.21	-	-	50,118.21
Office Expenses	-	-	7,596.54	-	-	-	-	-	11,240.04	-	-	6,651.87
Operating Transfer To (From)	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	28.22	1,876.59	-	-	-	-	-	20,262.37	-	-	27,907.80
Training	-	-	661.14	-	-	-	-	-	-	-	-	9,676.75
Travel	-	-	4,523.08	-	-	-	-	-	-	-	-	18,766.76
Vehicle Expense	-	64,986.85	239,675.22	-	-	-	-	-	40.00	-	-	15,047.94
Total Expenses	49,796.00	270,934.78	1,076,551.42	1,267.98	4,618.37	4,618.37	1,500.00	28,167.11	243,646.64	887,559.79	20,941.06	25,734.52
Excess Revenues and Gains	-	6,724.68	(403,739.79)	(1,267.98)	-	-	1,500.00	21,332.89	3,877.18	4,793.46	-	-
Over (Under) Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net Assets, December 31, 2015	-	1,349.89	197,049.78	1,612.93	4,618.37	4,618.37	-	529.76	13,450.36	20,941.06	-	-
Net Assets, December 31, 2016	-	8,074.57	(206,690.01)	344.95	4,618.37	4,618.37	1,500.00	21,862.65	17,327.54	25,734.52	-	-

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Combining Schedule of Activities (Continued)
For the Year ended December 31, 2016

	Corporate, Non-	Organization		Organization	
	Federal	Wide	Wide	Wide	Wide
	12/31/2016	Sub-Totals	Eliminating	Entries	Totals
Grant Year End:	N/A				
CFDA #:	Mgmt & General				
Revenues and Gains					
Contributions					
Grant Revenue - Federal	\$ -	\$ 14,532,683.17	\$ -	-	\$ 14,532,683.17
Grant Revenue - State	-	1,026,053.22	-	-	1,026,053.22
Local	51,896.70	179,233.42	-	-	179,233.42
Interest	619.72	826.68	-	-	826.68
Program Income	(14.12)	1,041,672.35	-	-	1,041,672.35
Other Income	259,055.77	1,585,957.72	(1,394,598.07)	-	191,359.65
Gain/ (Loss) on Sale of Assets	88,450.41	102,916.41	-	-	102,916.41
Total Revenues and Gains	400,008.48	18,469,342.97	(1,394,598.07)	-	17,074,744.90
Expenses					
Salaries	15,075.38	2,689,643.22	-	-	2,689,643.22
Fringe Benefits	19,723.07	872,411.20	(280.61)	-	872,130.59
Bad Debts	-	23,622.49	-	-	23,622.49
Contractual Services	36,758.35	913,729.10	(59,330.39)	-	854,398.71
Depreciation Expense	458,367.43	458,367.43	-	-	458,367.43
Direct Client Services	-	10,590,708.51	-	-	10,590,708.51
Equipment Expense	-	205,063.64	(204,925.00)	-	138.64
Indirect Cost	9,078.97	892,353.25	(892,353.25)	-	-
Interest	15,000.35	15,000.35	-	-	15,000.35
Miscellaneous Expense	20,001.17	34,524.44	(3,930.20)	-	30,594.24
Occupancy	14,893.14	624,668.91	(202,236.21)	-	422,432.70
Office Expenses	1,000.00	50,464.76	(11,240.04)	-	39,224.72
Operating Transfer To (From)	6,851.71	-	-	-	-
Supplies	6,483.54	164,502.87	(20,262.37)	-	144,240.50
Training	-	34,922.23	-	-	34,922.23
Travel	1,479.77	121,556.30	-	-	121,556.30
Vehicle Expense	99.04	799,718.32	(40.00)	-	799,678.32
Total Expenses	604,811.92	18,491,257.02	(1,394,598.07)	-	17,096,658.95
Excess Revenues and Gains					
Over (Under) Expenses	(204,803.44)	(21,914.05)	-	-	(21,914.05)
Net Assets, December 31, 2015	3,710,592.05	5,096,549.88	-	-	5,096,549.88
Net Assets, December 31, 2016	\$ 3,505,788.61	\$ 5,074,635.83	\$ -	-	\$ 5,074,635.83

Panhandle Community Services (TX481)

Amarillo, TX

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End:

12/31/2016

	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted	\$832,988	\$832,988	\$832,988
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	\$786,256	\$786,256	\$786,256
114 Cash - Tenant Security Deposits			
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$1,619,244	\$1,619,244	\$1,619,244
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants			
126.1 Allowance for Doubtful Accounts - Tenants			
126.2 Allowance for Doubtful Accounts - Other			
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets			
143 Inventories			
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$1,619,244	\$1,619,244	\$1,619,244
161 Land			
162 Buildings			
163 Furniture, Equipment & Machinery - Dwellings			
164 Furniture, Equipment & Machinery - Administration			
165 Leasehold Improvements			
166 Accumulated Depreciation	\$0	\$0	\$0
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$0	\$0	\$0

Panhandle Community Services (TX481)

Amarillo, TX

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End:

12/31/2016

	14.871 Housing Choice Vouchers	Subtotal	Total
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$1,619,244	\$1,619,244	\$1,619,244
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$3,148	\$3,148	\$3,148
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$15,464	\$15,464	\$15,464
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits			
342 Unearned Revenue	\$0	\$0	\$0
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other			
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$18,612	\$18,612	\$18,612
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$0	\$0	\$0
300 Total Liabilities	\$18,612	\$18,612	\$18,612
400 Deferred Inflow of Resources			
508.4 Net Investment in Capital Assets			
511.4 Restricted Net Position	\$786,256	\$786,256	\$786,256
512.4 Unrestricted Net Position	\$814,376	\$814,376	\$814,376
513 Total Equity - Net Assets / Position	\$1,600,632	\$1,600,632	\$1,600,632
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,619,244	\$1,619,244	\$1,619,244

Panhandle Community Services (TX481)

Amarillo, TX

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End:

12/31/2016

	14.871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue			
70400 Tenant Revenue - Other			
70500 Total Tenant Revenue	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$9,156,257	\$9,156,257	\$9,156,257
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$205	\$205	\$205
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	\$67,966	\$67,966	\$67,966
71500 Other Revenue	\$22,427	\$22,427	\$22,427
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$9,246,855	\$9,246,855	\$9,246,855
91100 Administrative Salaries	\$337,227	\$337,227	\$337,227
91200 Auditing Fees			
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$103,619	\$103,619	\$103,619
91600 Office Expenses	\$41,062	\$41,062	\$41,062
91700 Legal Expense			
91800 Travel	\$15,587	\$15,587	\$15,587
91810 Allocated Overhead	\$123,668	\$123,668	\$123,668
91900 Other	\$230,502	\$230,502	\$230,502
91000 Total Operating - Administrative	\$851,665	\$851,665	\$851,665
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water			
93200 Electricity			
93300 Gas			

Panhandle Community Services (TX481)

Amarillo, TX

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End:

12/31/2016

	14.871 Housing Choice Vouchers	Subtotal	Total
93400 Fuel			
93500 Labor			
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense	\$944	\$944	\$944
93000 Total Utilities	\$944	\$944	\$944
94100 Ordinary Maintenance and Operations - Labor			
94200 Ordinary Maintenance and Operations - Materials and Other			
94300 Ordinary Maintenance and Operations Contracts			
94500 Employee Benefit Contributions - Ordinary Maintenance			
94000 Total Maintenance	\$0	\$0	\$0
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance			
96120 Liability Insurance			
96130 Workmen's Compensation	\$825	\$825	\$825
96140 All Other Insurance			
96100 Total insurance Premiums	\$825	\$825	\$825
96200 Other General Expenses	\$2,037	\$2,037	\$2,037
96210 Compensated Absences			
96300 Payments in Lieu of Taxes			
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$2,037	\$2,037	\$2,037
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$855,471	\$855,471	\$855,471
97000 Excess of Operating Revenue over Operating Expenses	\$8,391,384	\$8,391,384	\$8,391,384
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments	\$7,844,663	\$7,844,663	\$7,844,663
97350 HAP Portability-In	\$19,881	\$19,881	\$19,881

Panhandle Community Services (TX481)

Amarillo, TX

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End:

12/31/2016

	14.871 Housing Choice Vouchers	Subtotal	Total
97400 Depreciation Expense	\$0	\$0	\$0
97500 Fraud Losses	\$23,622	\$23,622	\$23,622
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$8,743,637	\$8,743,637	\$8,743,637
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$503,218	\$503,218	\$503,218
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,097,414	\$1,097,414	\$1,097,414
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	\$814,376	\$814,376	\$814,376
11180 Housing Assistance Payments Equity	\$786,256	\$786,256	\$786,256
11190 Unit Months Available	23882	23882	23882
11210 Number of Unit Months Leased	11210	11210	11210
11270 Excess Cash		\$0	\$0
11610 Land Purchases		\$0	\$0
11620 Building Purchases		\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases		\$0	\$0
11640 Furniture & Equipment - Administrative Purchases		\$0	\$0
11650 Leasehold Improvements Purchases		\$0	\$0
11660 Infrastructure Purchases		\$0	\$0
13510 CFFP Debt Service Payments		\$0	\$0
13901 Replacement Housing Factor Funds		\$0	\$0

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Schedule of Expenditures of Federal and State Awards

For the Year Ended December 31, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Year End	Pass Through Identifying Number	CFDA #	Federal Expenditures
<u>Corporation for National and Community Services</u>				
Direct Programs:				
Retired and Senior Volunteer Program - Combined	3/31/2016	N/A	94.002	\$ 28,574.04
Retired and Senior Volunteer Program - Combined	3/31/2017	N/A	94.002	123,564.26
Retired and Senior Volunteer Program - Texas	8/31/2016	N/A	94.002	35,299.84
		Total	94.002	<u>187,438.14</u>
Total Corporation for National and Community Services				<u>187,438.14</u>

U.S. Department of Health and Human Services

Passed-through:

Texas Department of Housing and Community Affairs

Low-Income Home Energy Assistance Program (CEAP)	7/31/2016	58150002120	93.568	254,159.00
Low-Income Home Energy Assistance Program (CEAP)	3/31/2017	58160002349	93.568	2,469,171.15
Low-Income Home Energy Assistance Program (LiHEAP)	7/31/2016	81150002151	93.568	82,196.40
Low-Income Home Energy Assistance Program (LiHEAP)	3/31/2017	81160002418	93.568	301,944.24
		Total	93.568 (M)	<u>3,107,470.79</u>

Community Services Block Grant	3/31/2016	61150002189	93.569	29,599.41
Community Services Block Grant	3/31/2017	61160002389	93.569	564,317.00
Community Services Block Grant	7/31/2016	61150002460	93.569	91,875.00
Community Services Block Grant	8/31/2016	61150002446	93.569	12,000.00
Community Services Block Grant	4/30/2017	61160002519	93.569	5,350.00
		Total	93.569	<u>703,141.41</u>

Passed-through:

South Plains Community Action Association, Inc. Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces	9/1/2016	PanWest TX Navigator	93.332	66,777.52
Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Marketplaces	9/1/2017	PanWest TX Navigator	93.332	89,614.75
		Total	93.332	<u>156,392.27</u>

Total U.S. Department of Health and Human Services

3,967,004.47

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Year End	Pass Through Identifying Number	CFDA #	Federal Expenditures
<u>U.S. Department of Energy</u>				
Passed-through:				
Texas Department of Housing and Community Affairs	6/30/2016	56150002274	81.042	\$ 147,707.27
Weatherization Assistance for Low-Income Individuals	6/30/2017	56160002492	81.042	61,728.99
Weatherization Assistance for Low-Income Individuals		Total 81.042		209,436.26
Total U.S. Department of Energy				209,436.26
<u>U.S. Department of Transportation</u>				
Passed-through:				
State of Texas Department of Transportation				
Formula Grants for Rural Areas	8/31/2016	RPT 1501 (06) 39	20.509	111,256.66
Formula Grants for Rural Areas	8/31/2017	RPT 1601 (27) 013	20.509	562,444.64
		Total 20.509		673,701.30
Enhanced Mobility of Seniors and Individuals with Disabilities	12/31/2016	ED 1602 (06) 30	20.513	252,427.37
Bus and Bus Facilities Formula Program	3/31/2016	VCR 1401 (04) 03	20.526	27,298.93
Bus and Bus Facilities Formula Program	8/31/2017	VCR 1601 (06) 18	20.526	49,796.00
		Total 20.526		77,094.93
Total U.S. Department of Transportation				1,003,223.60
<u>U.S. Department of Housing and Urban Development</u>				
Direct Programs:				
Section 8 Housing Choice Vouchers	12/31/2016	MO207	14.871 (M)	9,178,604.15
Total U.S. Department of Housing and Urban Development				9,178,604.15
<u>U.S. Department of Agriculture</u>				
Direct Programs:				
Housing Preservation Grant	6/30/2016	N/A	10.433	2,722.70
Housing Preservation Grant	9/30/2017	N/A	10.433	6,601.00
		Total 10.433		9,323.70
Total U.S. Department of Agriculture				9,323.70
Total Expenditures of Federal Awards				14,555,030.32

PANHANDLE COMMUNITY SERVICES

Amarillo, Texas

Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Year End	Pass Through Identifying Number	CFDA #	Federal Expenditures
<u>STATE OF TEXAS PROGRAM TITLE</u>				
Public Transportation (5311) Grant	8/31/2016	RUR 1601(04)		\$ 550,173.76
Public Transportation (5311) Grant	8/31/2017	RUR 1701(04)		452,584.98
Total Expenditures of State Awards				(S) 1,002,758.74
TOTAL FEDERAL AND STATE EXPENDITURES				<u>\$ 15,557,789.06</u>

NOTE A -- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Panhandle Community Services and presents expenditures on the accrual basis of accounting, except for subsidy programs, which follows REAC PHA - Financial Accounting Brief, which defines a Federal expenditure expended for single audit purposes as when meeting eligibility requirements. The information in this schedule is presented in accordance with the Uniform Guidance.

NOTE B --INDIRECT COST RATE

Panhandle Community Services did not elect to use the 10% de minimis cost rate, as it does not qualify.

(M) = Major Program (S) = Major State of Texas Program

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors
Panhandle Community Services
Amarillo, Texas

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 Panhandle Community Services (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, 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 August 7, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Panhandle Community Services' 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 Panhandle Community Services' internal control. Accordingly, we do not express an opinion on the effectiveness of Panhandle Community Services' 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 Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and 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 Panhandle Community Services' 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.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 7, 2017
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND THE STATE OF TEXAS UNIFORM GRANTS MANAGEMENT STANDARDS,
SINGLE AUDIT CIRCULAR**

Board of Directors
Panhandle Community Services
Amarillo, Texas

Report on Compliance for Each Major Federal and State Program

We have audited Panhandle Community Services' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the State of Texas Uniform Grants Management Standards, Single Audit Circular that could have a direct and material effect on each of Panhandle Community Services' major federal programs for the year ended December 31, 2016. Panhandle Community Services' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Panhandle Community Services' major federal and state 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) and the State of Texas Uniform Grants Management Standards single audit circular. 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 Panhandle Community Services' 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 and state program. However, our audit does not provide a legal determination of Panhandle Community Services' compliance.

Opinion on Each Major Federal and State Program

In our opinion, Panhandle Community Services 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 and state programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of Panhandle Community Services 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 Panhandle Community Services' 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 and the State of Texas Uniform Grants Management Standards, Single Audit Circular, 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 Panhandle Community Services' 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.

Purpose of this Report

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 7, 2017
Chanute, Kansas

PANHANDLE COMMUNITY SERVICES
Amarillo, Texas

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2016

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

The auditors' report expresses an unmodified opinion on the financial statements of Panhandle Community Services.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____	Yes	_____ <u>X</u> _____	No

Federal and State Awards:

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	_____ <u>X</u> _____	No
Significant deficiency(ies) identified?	_____	Yes	_____ <u>X</u> _____	None Reported

The auditors' report on compliance for the major federal and state award programs for Panhandle Community Services expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? _____ Yes X No

Identification of major programs:

Federal Single Audit:

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Low-Income Home Energy Assistance Program CFDA 93.568

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Section 8 Housing Choice Vouchers CFDA 14.871

The threshold for distinguishing Types A and B programs was
Federal Threshold \$ 750,000.00

Auditee qualified as a low risk auditee? X Yes _____ No

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

None

PANHANDLE COMMUNITY SERVICES
Amarillo, Texas

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2016

Period Year Ended/Findings:

None