



**El Paso Community Action Program, Inc.**

# **Project BRAVO**

**Financial Statements  
Years Ended December 31, 2014 and 2013**



**Helping People Changing Lives**

**Community Action Partnership**

El Paso Community Action Program, Project BRAVO, Inc.

TABLE OF CONTENTS

	<u>Page</u>
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>1</b>
<b>FINANCIAL STATEMENTS:</b>	
Statements of Financial Position .....	3
Statements of Activities.....	4
Statements of Functional Expenses .....	5
Statements of Cash Flows .....	7
Notes to Financial Statements .....	8
<b>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 Governmental Auditing Standards.....</b>	<b>23</b>
<b>Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133 .....</b>	<b>25</b>
<b>Schedule of Expenditures of Federal Awards.....</b>	<b>27</b>
<b>Schedule of Findings and Questioned Costs.....</b>	<b>28</b>



## White + Samaniego + Campbell, LLC

A member of Accounting & Consulting Group, LLP

### INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
El Paso Community Action Program, Project BRAVO, Inc.  
El Paso, Texas

We have audited the accompanying financial statements of El Paso Community Action Program, Project BRAVO, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

#### Managements' Responsibility for the Financial Statements

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit 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 El Paso Community Action Program, Project BRAVO, Inc. as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *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 Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2015, on our consideration of the Organization'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 the Organization's internal control over financial reporting and compliance.

*White + Samaniego + Campbell, LLC*

White + Samaniego + Campbell, LLC,  
A member of Accounting & Consulting Group, LLP  
El Paso, Texas  
August 31, 2015

**FINANCIAL STATEMENTS**

# Project Bravo

## Statement of Financial Position

For the Years Ended December 31, 2014 and 2013

	2014	2013
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 438,735	\$ 1,695,281
Receivables:		
Grants Receivable, net	157,791	378,284
Prepaid expenses	17,172	15,484
Total Current Assets	<u>613,698</u>	<u>2,089,049</u>
Property and Equipment		
Furniture, Equipment and Property	2,934,842	2,954,341
Construction in Progress	6,357	-
Less: Accumulated Depreciation	<u>(1,369,957)</u>	<u>(1,274,126)</u>
Total Property and Equipment	<u>1,571,242</u>	<u>1,680,215</u>
Total Assets	<u>\$ 2,184,940</u>	<u>\$ 3,769,264</u>
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts payable	\$ 244,428	\$ 1,708,729
Accrued expenses and other liabilities	46,916	108,424
Current portion of notes payable	43,285	43,285
Current portion of forgivable loans	70,772	73,423
Deferred revenue	25,678	12,281
Total current liabilities	<u>431,079</u>	<u>1,946,142</u>
Long-term liabilities		
Notes payable, net of current portion	258,651	301,936
Forgivable loans, net of current portion	414,657	485,429
Total long-term liabilities	<u>673,308</u>	<u>787,365</u>
Total Liabilities	<u>1,104,387</u>	<u>2,733,507</u>
Net Assets		
Unrestricted net assets	1,061,361	967,876
Temporarily restricted assets	19,192	67,881
Total Net Assets	<u>1,080,553</u>	<u>1,035,757</u>
Total Liabilities and Net Assets	<u>\$ 2,184,940</u>	<u>\$ 3,769,264</u>

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

# Project Bravo

## Statement of Activities

For the Years Ended December 31, 2014 and 2013

	2014	2013
<b>Unrestricted</b>		
<b>Public Support, Grants and Other Revenues</b>		
Public Support		
Federal funds	\$ 8,231,542	\$ 10,688,976
State and local funds	327	4,493
Interest income	38	43
Lease income	192,101	201,536
Other grants, contributions and support	150,218	129,370
Total Public Support	<u>8,574,226</u>	<u>11,024,418</u>
<b>Expenses</b>		
Personnel	1,264,562	1,434,733
Fringe benefits	363,820	340,467
Travel	31,075	34,587
Equipment	77,949	62,248
Supplies	47,199	60,013
Contractual	25,970	86,897
Direct services	6,162,075	8,469,165
Other	445,349	434,692
Depreciation	111,431	120,127
Total Expenses	<u>8,529,430</u>	<u>11,042,929</u>
Change in Net Assets	44,796	(18,511)
Net Assets, Beginning of the Year	<u>1,035,757</u>	<u>1,054,268</u>
Net Assets, End of the Year	<u>\$ 1,080,553</u>	<u>\$ 1,035,757</u>

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

# Project Bravo

## Statement of Functional Expenses

For the Year Ended December 31, 2014

	<u>Client Assistance (Program)</u>	<u>Management and General</u>	<u>Total</u>
<b>Payroll and Related Expenses</b>			
Personnel	\$ 875,290	\$ 389,272	\$ 1,264,562
Fringe benefits	247,096	116,724	363,820
Travel	16,017	15,058	31,075
Total Payroll and Related Expenses	<u>1,138,403</u>	<u>521,054</u>	<u>1,659,457</u>
<b>Other Expenses</b>			
Equipment	38,368	39,581	77,949
Supplies	36,169	11,030	47,199
Contractual	(9,682)	35,652	25,970
Direct services	6,162,075	-	6,162,075
Other	370,803	74,546	445,349
Depreciation expense	-	111,431	111,431
Total Other Expenses	<u>6,597,733</u>	<u>272,240</u>	<u>6,869,973</u>
Total Functional Expenses	<u>\$ 7,736,136</u>	<u>\$ 793,294</u>	<u>8,529,430</u>

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



# Project Bravo

## Statement of Functional Expenses

For the Year Ended December 31, 2013

	<u>Client Assistance (Program)</u>	<u>Management and General</u>	<u>Total</u>
<b>Payroll and Related Expenses</b>			
Personnel	\$ 935,512	\$ 499,221	\$ 1,434,733
Fringe benefits	175,078	165,389	340,467
Travel	16,820	17,767	34,587
Total Payroll and Related Expenses	<u>1,127,410</u>	<u>682,377</u>	<u>1,809,787</u>
<b>Other Expenses</b>			
Equipment	10,581	51,667	62,248
Supplies	42,879	17,134	60,013
Contractual	10,248	76,649	86,897
Direct services	8,297,863	171,302	8,469,165
Other	408,477	26,215	434,692
Depreciation expense	-	120,127	120,127
Total Other Expenses	<u>8,770,048</u>	<u>463,094</u>	<u>9,233,142</u>
Total Functional Expenses	<u>\$ 9,897,458</u>	<u>\$ 1,145,471</u>	<u>\$ 11,042,929</u>

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

**Project Bravo**  
**Statement of Cash Flows**

**For the Years Ended December 31, 2014 and 2013**

	<b>2014</b>	<b>2013</b>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 44,796	\$ (18,511)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation	111,431	120,127
Forgiveness of debt on forgivable loans	(73,423)	(73,423)
Cash received from fixed assets disposal	2,000	-
Loss on disposal of fixed assets	1,900	-
Decrease (Increase) in Operating Assets:		
Fixed assets acquisition	(6,358)	-
Grants receivable	220,493	784,335
Prepaid expenses	(1,688)	4,450
Increase (Decrease) in Operating Liabilities:		
Accounts payable	(1,455,850)	515,030
Accrued expenses and other liabilities	(56,561)	(196,383)
Net Cash Provided by (Used in) Operating Activities	<u>(1,213,260)</u>	<u>1,135,625</u>
<b>Cash Flows from Investing Activities</b>		
Payments on notes payable	<u>(43,286)</u>	<u>(44,201)</u>
Net Cash Used in Investing Activities	<u>(43,286)</u>	<u>(44,201)</u>
Net Change in Cash and Cash Equivalents	(1,256,546)	1,091,424
Cash and Cash Equivalents, Beginning of the Year	<u>1,695,281</u>	<u>603,857</u>
Cash and Cash Equivalents, End of the Year	<u><u>\$ 438,735</u></u>	<u><u>\$ 1,695,281</u></u>

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

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2014 and 2013**

**Note 1: Summary of Significant Accounting Policies**

**Nature of Activities:** The El Paso Community Action Program Project BRAVO, Inc. (Project BRAVO) was organized in August of 1965 to implement and carry out the provisions and spirit of The Economic Opportunity Act of 1964. Project BRAVO is a nonprofit organization that is primarily funded by the federal government through the Texas Department of Housing and Community Affairs.

Project BRAVO is responsible for the administration of various community service grants throughout El Paso County. Project BRAVO is governed by a board of directors consisting of 15 members, five appointed by various local governmental units, five appointed by designated private interest groups and five elected area representatives.

**Basis of Accounting:** The accompanying financial statements are presented on the accrual basis of accounting. The financial statement presentation also follows the recommendation of the Financial Standards Board ASC 958-205-45. Under ASC 958-205-45, net assets, revenues, expenses and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Project BRAVO and changes therein are classified and reported as follows:

**Net asset accounting:** In accordance with the limitations, designations and restrictions placed on the use of resources available to the Organization, the following classifications are utilized according to the nature and purpose of the resources:

Unrestricted Net Assets represent net assets that are not subject to donor-imposed restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unrestricted net assets represent revenues and expenses related to the operations and management of the Organization's primary programs and supporting services.

Temporarily Restricted Net Assets represent donations and awards received by the Organization in which the donor has placed a time or purpose restriction on the donation. Included in temporarily restricted net assets are any gains or revenues earned on restricted assets where the donor has placed a restriction of time or purpose on such earnings. When the terms of the restrictions are met, the temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restriction.

**Cash and Cash Equivalents:** For purposes of the Statement of Cash Flows, the Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents at December 31, 2014 and 2013, consist of a checking account maintained at a financial institution in El Paso, Texas.

**Use of 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 which affect certain reported amounts and disclosures. The Organization's estimates include the useful lives of depreciable assets which determine the amount of depreciation expense recorded in the statement of activities. Accordingly, actual results could differ from those estimates.

**Revenue Recognition:** Revenue from government grant and contract agreements is recognized as it is earned through expenditure or service delivery in accordance with the agreement.

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2014 and 2013**

**Summary of Significant Accounting Policies (Continued)**

Gifts of property and equipment are reported as unrestricted support unless donor stipulations specify how the assets are to be used. Gifts of long-lived assets with restrictions specifying how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted revenue. The Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Organization reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations limiting the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

Donated services are reflected as contributions at their estimated values at date of receipt. In-kind services which are donated services that the Organization would otherwise have to be purchased if the services weren't donated are recorded as revenue and expense at fair market value. Volunteer services which are not considered necessary for operations to continue are not reflected in the financial statements, as no objective basis is available to measure the value of such services.

**Accounts and Grants Receivable:** Accounts and grants receivable are stated at net realizable value. In determining whether or not to record an allowance for doubtful accounts, management makes a judgmental determination based on the evaluation of the facts and circumstances related to each account. As of December 31, 2014 and 2013, all accounts and grants receivable are deemed to be collectable.

**Property and Equipment:** Property and Equipment are carried at cost or, if donated, at the estimated market value at the time of donation. Depreciation is computed by using the straight-line basis over the estimated useful lives of the assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss is recognized as revenue or expense for the period. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized. All equipment over \$5,000 is capitalized.

The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

**Functional Allocation of Expenses:** The costs of providing the Organization's programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated by management among the programs and supporting services benefited.

**Analysis for Impairment:** Management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In management's opinion, there are no impairment of such assets at December 31, 2014 and 2013.

**Income Tax:** The Internal Revenue Service has determined that the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. As of December 31, 2014 and 2013 the Organization did not receive any unrelated business income. Accordingly, no liability or provision for federal income taxes is included in the accompanying financial statements.

The Organization files its Forms 990 in the U.S. federal jurisdiction. The Organization is generally no longer subject to examination by the Internal Revenue Service for years before 2011.

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2014 and 2013**

**Summary of Significant Accounting Policies (Continued)**

**Concentrations of Credit Risk:** Project BRAVO maintains its cash account with a local financial institution in El Paso, Texas. Amounts held at the financial institution are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). Management does not believe that it is exposed to any significant credit risk with respect to its cash balances.

**Advertising Expense:** Advertising costs are expensed in the year in which they are incurred and are included in the statements of functional expenses. Project BRAVO incurred \$1,192 and \$1,431 of advertising expenses for the years ended December 31, 2014 and 2013, respectively.

**Subsequent Events:** The Organization has evaluated events subsequent to December 31, 2014 that would possibly require adjustment or disclosure under FASB ASC 855-10-50-1 in these financial statements, through August 31, 2015, the date that these statements were available to be issued.

**Note 2: Accounts and Grants Receivable**

Grants receivable arise from amounts due to the Organization by granting agencies for allowable expenditures not reimbursed at year-end. Accounts receivable and grants receivable consisted for the following at December 31:

	2014	2013
CEAP	\$ 63,567	\$ 262,732
Other	94,224	115,552
<b>Total</b>	<b>\$ 157,791</b>	<b>\$ 378,284</b>

**Note 3: Property and Equipment**

Property and equipment is stated at cost and consisted of the following at December 31:

Category	Estimated Useful Life Years	2014	2013
Land		\$ 394,305	\$ 394,305
Building	27.5	2,235,958	2,235,958
Construction in Progress	-	6,357	-
Equipment, Furniture and Fixtures	3	57,258	57,258
Automobiles	5	247,320	266,820
Totals		2,941,198	2,954,341
Less Accumulated Depreciation		(1,369,957)	(1,274,126)
		<b>\$ 1,571,242</b>	<b>\$ 1,680,215</b>

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2014 and 2013**

**Property and Equipment (Continued)**

Depreciation expense for the years ended December 31, 2014 and 2013 was \$111,431 and \$120,127, respectively. Certain vehicles and equipment were acquired with funds received under grant contracts with the Texas Department of Housing and Community Affairs. Under the terms of the grant agreements, title of the equipment may be transferred, upon termination or non-renewal of the agreements, to a third party named by the granting agency. The balance under temporarily restricted net assets represents restricted fixed assets, at December 31, 2014 and 2013 the balance was \$19,192 and \$67,881, respectively.

**Note 4: In-Kind Expenses**

In-kind expenses and material donations are recorded at the estimated fair market value at the date of expense or donation. Project BRAVO allocates in-kind expenses to the programs and activities for which the services are used. No amounts have been reflected in the statements for donated services as no objective basis is available to measure the value of such services, however, a substantial number of volunteers have donated significant amount of their time in Project BRAVO's program services and its fund raising campaigns.

**Note 5: Concentrations**

Project BRAVO is a not for profit organization which receives approximately 97% of its revenues from federal, state and local governments. In the event the funding was to be discontinued, Project BRAVO would have difficulty continuing operations.

**Note 6: Notes Payable and Forgivable Loans**

Organization had the following notes payable as of December 31, 2014 and 2013:

	2014		2013	
	Notes Payable	Forgivable Loan	Notes Payable	Forgivable Loan
Notes payable to the City of El Paso that was subsequently sold to a mortgage provider in the original amount of \$228,420, payable in monthly installments of \$951, non-interest bearing and matures September 1, 2019. In connection with this note, a forgivable grant note in the original amount of \$342,360 is forgiven in the amount of \$1,427 per month as long as Project Bravo complies with the requirements designated in the deeds of trust. The forgivable grant note matures on September 1, 2019. Both notes are secured by property.	\$ 53,262	\$ 79,884	\$ 64,674	\$ 97,002

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2014 and 2013**

**Notes Payable and Forgivable Loans (Continued)**

	2014		2013	
	Notes Payable	Forgivable Loan	Notes Payable	Forgivable Loan
<p>Note payable to the City of El Paso that was subsequently sold to a mortgage provider in the original amount of \$86,000, payable in monthly installments of \$358, non-interest bearing and matures January 1, 2018. In connection with this note, a forgivable grant note in the original amount of \$344,000 is forgiven in the amount of \$1,433 per month as long as Project Bravo complies with the requirements designated in the deeds of trust. The forgivable grant note matures on January 1, 2018. Both notes are secured by property.</p>	12,542	51,601	16,842	68,801
<p>Note payable with the City of El Paso that was subsequently sold to a mortgage provider in the original amount of \$114,800, payable in monthly installments of \$478, non-interest bearing and matures August 1, 2015. In connection with this note, a forgivable grant note in the original amount of \$172,200 is forgiven in the amount of \$718 per month as long as Project Bravo complies with the requirements designated in the deeds of trust. The forgivable grant note matures on August 1, 2015. Both notes are secured by property.</p>	2,870	3,711	8,610	10,074
<p>Note payable to the City of El Paso that was subsequently sold to a mortgage provider in the original amount of \$230,161, payable in monthly installments of \$959, non-interest bearing and matures October 1, 2025. In connection with this note, a forgivable grant note in the original amount of \$345,242 is forgiven in the amount of \$1,439 per month as long as Project Bravo complies with the requirements designated in the deeds of trust. The forgivable grant note matures on October 1, 2025. Both notes are secured by property.</p>	121,227	182,690	132,735	199,952

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2014 and 2013**

**Notes Payable and Forgivable Loans (Continued)**

	2014		2013	
	Notes Payable	Forgivable Loan	Notes Payable	Forgivable Loan
Note payable to the City of El Paso that was subsequently sold to a mortgage provider in the original amount of \$92,688, payable in monthly installments of \$387, non-interest bearing and matures August 1, 2024. In connection with this note, a forgivable grant note in the original amount of \$139,033 is forgiven in the amount of \$580 per month as long as Project Bravo complies with the requirements designated in the deeds of trust. The forgivable grant note matures on August 1, 2024. Both notes are secured by property.	44,763	66,620	49,402	73,572
Note payable to the City of El Paso that was subsequently sold to a mortgage provider in the original amount of \$113,716, payable in monthly installments of \$474, non-interest bearing and matures August 1, 2026. In connection with this note, a forgivable grant note in the original amount of \$170,574 is forgiven in the amount of \$711 per month as long as Project Bravo complies with the requirements designated in the deeds of trust. The forgivable grant note matures on August 1, 2026. Both notes are secured by property.	<u>67,272</u>	<u>100,923</u>	<u>72,958</u>	<u>109,451</u>
Total long-term debt	301,936	485,429	345,221	558,852
Current maturities of long-term debt	<u>(43,285)</u>	<u>(70,772)</u>	<u>(43,285)</u>	<u>(73,423)</u>
Long-term debt, less current maturities	<u>\$ 258,651</u>	<u>\$ 414,657</u>	<u>\$ 301,936</u>	<u>\$ 485,429</u>

Maturities of notes payable for year ending December 31, 2014 are as follows:

	Notes Payable	Forgivable Loan
2015	\$ 43,285	\$ 70,772
2016	40,415	67,061
2017	37,546	67,061
2018	37,187	49,860
2019	29,447	44,155
Thereafter	<u>114,056</u>	<u>186,520</u>
	<u>\$ 301,936</u>	<u>\$ 485,429</u>



**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**Community Service Block Grant**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 93.569  
 Project Number: 61140001846  
 Contract Period: January 1, 2014 Through April 30, 2015

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 1,208,714	\$ -	\$ 838,850	\$ 838,850
TOTAL REVENUES	1,208,714	-	838,850	838,850
EXPENDITURES				
Personnel	674,553	-	503,388	503,388
Fringe Benefits	223,566	-	146,796	146,796
Travel	10,384	-	15,447	15,447
Equipment	28,740	-	20,743	20,743
Supplies	26,007	-	20,598	20,598
Contractual	39,699	-	12,518	12,518
Other	205,765	-	119,360	119,360
TOTAL EXPENDITURES	1,208,714	-	838,850	838,850
REVENUES UNDER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**Community Service Block Grant**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 93.569  
 Project Number: 61130001586  
 Contract Period: January 1, 2013 Through April 30, 2014

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 1,245,091	\$ 1,041,774	\$ 203,317	\$ 1,245,091
TOTAL REVENUES	1,245,091	1,041,774	203,317	1,245,091
EXPENDITURES				
Personnel	388,839	443,935	109,188	553,123
Fringe Benefits	120,491	116,854	42,350	159,204
Travel	6,313	12,968	732	13,700
Equipment	27,606	17,367	14,534	31,900
Supplies	15,448	19,932	1,561	21,493
Contractual	17,914	26,767	1,056	27,823
Other	668,480	403,951	33,897	437,848
TOTAL EXPENDITURES	1,245,091	1,041,774	203,317	1,245,091
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**Comprehensive Energy Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance

Federal Grantor: U.S. Department of Health and Human Services

Pass-through Grantor: Texas Department of Housing and Community Affairs

CFDA Number : 93.568

Project Number: 58140001803

Contract Period: January 1, 2014 Through December 31, 2014

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 4,576,629	\$ -	\$ 4,529,734	\$ 4,529,734
TOTAL REVENUES	4,576,629	-	4,529,734	4,529,734
EXPENDITURES				
Administration	263,339	-	261,812	261,812
Program Services	298,007	-	293,822	293,822
Household Crisis	2,007,042	-	1,247,191	1,247,191
Utility Assistance	2,007,041	-	2,725,709	2,725,709
Dept. Req. Travel/T&TA	1,200	-	1,200	1,200
TOTAL EXPENDITURES	4,576,629	-	4,529,734	4,529,734
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**Comprehensive Energy Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 93.568  
 Project Number: 58130001964  
 Contract Period: April 1, 2014 Through September 30, 2014

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 1,051,842	\$ -	\$ 1,051,842	\$ 1,051,842
TOTAL REVENUES	1,051,842	-	1,051,842	1,051,842
EXPENDITURES				
Administration	65,740	-	65,740	65,740
Program Services	78,888	-	78,888	78,888
Household Crisis	453,607	-	647,849	647,849
Utility Assistance	453,607	-	259,365	259,365
TOTAL EXPENDITURES	1,051,842	-	1,051,842	1,051,842
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**LIHEAP Weatherization Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 93.568  
 Project Number: 81140001879  
 Contract Period: January 1, 2014 Through December 31, 2014

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 1,029,540	\$ -	\$ 972,563	\$ 972,563
TOTAL REVENUES	1,029,540	-	972,563	972,563
EXPENDITURES				
Administration	64,346	-	53,240	53,240
Materials/Labor/Support	826,155	-	732,497	732,497
Health & Safety	139,039	-	186,826	186,826
Dept. Req. Travel/T&TA	-	-	-	-
TOTAL EXPENDITURES	1,029,540	-	972,563	972,563
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**LIHEAP Weatherization Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 93.568  
 Project Number: 81130001727  
 Contract Period: April 1, 2013 Through March 31, 2014

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 1,251,716	\$ 860,647	\$ 390,757	\$ 1,251,404
TOTAL REVENUES	1,251,716	860,647	390,757	1,251,404
EXPENDITURES				
Administration	78,107	54,758	23,349	78,107
Materials/Labor/Support	937,287	613,656	323,631	937,287
Health & Safety	234,322	190,545	43,777	234,322
Dept. Req. Travel/T&TA	2,000	1,688	-	1,688
TOTAL EXPENDITURES	1,251,716	860,647	390,757	1,251,404
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**DOE Weatherization Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 81.042  
 Project Number: 56140002001  
 Contract Period: September 8, 2014 Through June 30, 2015

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 171,625	\$ -	\$ 12,868	\$ 12,868
TOTAL REVENUES	171,625	-	12,868	12,868
EXPENDITURES				
Administration	8,659	-	-	-
Materials/Labor/Support	130,229	-	12,868	12,868
Health & Safety	25,344	-	-	-
Insurance	1,140	-	-	-
Audit	-	-	-	-
Dept. Req. Travel/T&TA	6,253	-	-	-
TOTAL EXPENDITURES	171,625	-	12,868	12,868
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**DOE Weatherization Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 81.042  
 Project Number: 56110001904  
 Contract Period: February 1, 2014 Through July 31, 2014

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 61,687	\$ -	\$ 61,687	\$ 61,687
TOTAL REVENUES	61,687	-	61,687	61,687
EXPENDITURES				
Administration	-	-	-	-
Materials/Labor/Support	42,971	-	42,971	42,971
Health & Safety	10,378	-	10,378	10,378
Insurance	338	-	338	338
Audit	-	-	-	-
Dept. Req. Travel/T&TA	8,000	-	8,000	8,000
TOTAL EXPENDITURES	61,687	-	61,687	61,687
REVENUES UNDER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**El Paso Community Action Program, Project Bravo, Inc.**  
**Statement of Revenue and Expenditures**  
**DOE Weatherization Assistance Program**  
**For the Year Ended December 31, 2014**

Federal Financial Assistance  
 Federal Grantor: U.S. Department of Health and Human Services  
 Pass-through Grantor: Texas Department of Housing and Community Affairs  
 CFDA Number : 81.042  
 Project Number: 56130001929  
 Contract Period: September 1, 2013 Through March 31, 2015

	BUDGET	PRIOR YEAR	CURRENT YEAR	CUMULATIVE TO DATE
REVENUES				
Grant	\$ 180,710	\$ 42,927	\$ 129,299	\$ 172,226
TOTAL REVENUES	180,710	42,927	129,299	172,226
EXPENDITURES				
Administration	17,187	-	16,371	16,371
Materials/Labor/Support	123,259	42,927	79,056	121,983
Health & Safety	29,381	-	27,506	27,506
Insurance	1,452	-	1,407	1,407
Audit	586	-	585	585
Dept. Req. Travel/T&TA	8,845	-	4,373	4,373
TOTAL EXPENDITURES	180,710	42,927	129,299	172,226
REVENUES UNDER EXPENDITURES	\$ -	\$ -	\$ -	\$ -

**Federal Financial Assistance**



## White + Samaniego + Campbell, LLC

A member of Accounting & Consulting Group, LLP

### 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*

To the Board of Trustees  
El Paso Community Action Program, Project BRAVO, Inc.

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 El Paso Community Action Program, Project BRAVO, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014 and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 31, 2015.

#### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered El Paso Community Action Program, Project BRAVO, Inc.'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 El Paso Community Action Program, Project BRAVO, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of El Paso Community Action Program, Project BRAVO, Inc.'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 El Paso Community Action Program, Project BRAVO, Inc.'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.

*White + Gurnaniq + Campbell, PC*

El Paso, Texas  
August 31, 2015



## White + Samaniego + Campbell, LLC

A member of Accounting & Consulting Group, LLP

### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors  
El Paso Community Action Program, Project BRAVO, Inc.

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

We have audited El Paso Community Action Program, Project BRAVO, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2014. El Paso Community Action Program, Project BRAVO, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### Managements' Responsibility

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on compliance for El Paso Community Action Program, Project BRAVO, Inc.'s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about El Paso Community Action Program, Project BRAVO, Inc.'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 the major federal program. However, our audit does not provide a legal determination of El Paso Community Action Program, Project BRAVO, Inc.'s compliance.

#### Opinion on Each Major Federal Program

In our opinion, El Paso Community Action Program, Project BRAVO, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2014.

## Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with OMB Circular A-133.

## Report on Internal Control Over Compliance

Management of El Paso Community Action Program, Project BRAVO, Inc. 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 El Paso Community Action Program, Project BRAVO, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of El Paso Community Action Program, Project BRAVO, 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Purpose of this Report

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

*White + Gurnanig + Campbell, LLC*

El Paso, Texas  
August 31, 2015

**El Paso Community Action Program, Project BRAVO, Inc.**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2014**

<b>Federal Grantor/ Pass Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Agency or Pass-Through Number</b>	<b>Federal Expenditures</b>
<b>DEPARTMENT OF TREASURY</b>			
Passed through NeighborWorks America			
National Foreclosure Mitigation Counseling-Round VII	21.000	PL113-6X1350	\$ 26,794
			<u>\$ 26,794</u>
<b>DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			
Passed through the Texas Department of Housing & Community Affairs			
Community Services Block Grant-2014	93.569	61140001846	\$ 838,850
Community Services Block Grant-2013	93.569	61130001586	\$ 203,317
Comprehensive Energy Assistance Program 2014	93.568	58140001803	\$ 4,529,734
Comprehensive Energy Assistance Program 2014	93.568	58130001964	\$ 1,051,842
LIHEAP Weatherization Assistance Program 2014	93.568	81140001879	\$ 972,563
LIHEAP Weatherization Assistance Program 2013-14	93.568	81130001727	\$ 390,757
			<u>\$ 7,987,063</u>
<b>DEPARTMENT OF ENERGY</b>			
Passed through the Texas Department of Housing & Community Affairs			
DOE Weatherization Assistance Program 2014-15	81.042	56140002001	\$ 12,868
DOE Weatherization Assistance Program 2013-15	81.042	56130001929	\$ 129,299
DOE Weatherization Assistance Program 2014	81.042	56110001904	\$ 61,687
			<u>\$ 203,854</u>
<b>HOUSING AND URBAN DEVELOPMENT</b>			
Housing Counseling Grant	14.169	HC140821022	\$ 9,565
			<u>\$ 9,565</u>
<b>TOTAL FEDERAL EXPENDITURES 2014</b>			<u><u>\$ 8,227,276</u></u>

**El Paso Community Action Program, Project BRAVO, Inc.  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended December 31, 2014**

**A. Summary of Audit Results**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors' report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiencies identified not considered to be material weaknesses? | No         |
| c. Noncompliance material to the financial statements noted?                     | No         |

*Federal Awards:*

- |   |            |
|---|------------|
| 1. Internal control over major programs:  |            |
| a. Material weaknesses identified?  | No         |
| b. Significant deficiencies identified not considered to be material weaknesses?                                      | No         |
| 2. Type of auditors' report issued on compliance for major programs   | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No         |
| 4. Identification of major programs:  |            |

CFDA Number

93.568

93.568

Federal Program

Low-Income Home Energy Assistance Program

Comprehensive Energy Assistance Program

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs:                                 | \$300,000 |
| 6. Auditee qualified as low-risk auditee under the requirement set forth by OMB Circular A-133 section 530? | Yes       |

**B. Finding-Financial Statement Audit**

None

**C. Federal Findings**

None

**D. Prior Year Audit Findings**

None