
AGENDA ITEM:

FY 2022-2023

Budget Workshop

Beaufort / Jasper EOC

James Williams

Beaufort Jasper EOC

Jasper County 2022/2023 Budget Request



Mission Statement

The mission of the Beaufort-Jasper Economic Opportunity Commission is to plan and implement human service programs for socially and economically challenged individuals. The agency will advocate on behalf of our customers in such a manner that their quality of life will be enhanced and less dependent upon governmental services; with the ultimate being, to have them become self-sufficient and productive citizens.

EOC pledges to continue serving as a source of information and hope in the community, as well as a coordinated vehicle for the delivery of human

COMMUNITY SERVICES PROGRAM POLICIES

INTRODUCTION

During President Kennedy's administration in the 1960's there was a movement in government that began to address poverty in America. When Lyndon Johnson became President, he initiated the War on Poverty during his State of the Union Address on January 8, 1964. Pursuant to legislation that was introduced to accomplish the War on Poverty, Community Action was born. For over fifty years Community Action has undergone many changes, and even threats to its existence, during the various Presidential Administrations. However, its supporters have grown and continue to grow and legislators are more appreciative now and more aware than ever of the progress that has been accomplished on behalf of impoverished Americans as a direct result of Community Action.

Beaufort Jasper EOC Community Services provides multiple services to low income residents of both, Beaufort and Jasper counties of South Carolina. These services include, but are not limited to, rent and utility assistance, homeless services, emergencies and other determined needs.

Staff also participates, attends and on occasion plans and hosts monthly Inter-Agency meetings and maintain directories in the bi-county areas, specifically Beaufort and Jasper counties of South Carolina. These meetings include members of other human service agencies as well as members of various community groups. The meetings provide an opportunity for agencies to share information regarding new programs, new funding sources, to share ideas and to establish linkages.

Case managers provide all direct services listed above plus energy awareness, employment assistance and budget counseling. These services are provided within our bi-county service delivery area. The Beaufort Jasper Economic Opportunity Commission, Inc. currently has offices in both Beaufort and Ridgeland.

Beaufort Jasper EOC's Mission

Our mission has been and continues to be to unite low-income residents and community resources to overcome the challenges of poverty by planning and implementing human service programs for socially and economically challenged individuals. The agency will advocate on behalf of our customers in such a manner that their quality of life will be enhanced and less dependent upon governmental subsidies. The ultimate goal is for them to become self-sufficient and productive citizens.

History of Beaufort Jasper EOC

The Beaufort-Jasper Economic Opportunity Commission is an equal opportunity agency, service provider, employer and private, non-profit organization, that was chartered March 11, 1966 to serve low-income persons in the areas of Energy, Housing, Education and Job Training, Child Development/Head Start, Food and Nutrition. The agency began as a Neighborhood Youth Corps Program, under the sponsorship of the Charleston County Economic Opportunity Commission; which, at the time was directed by James Clyburn who is now a U.S. Congressman. The agency's major goals are to assist in alleviating poverty, hunger and promote self-sufficiency in its service delivery area. The agency has consistently promoted the strengthening of families and advocated the wellbeing of children in these communities. Funds to support these projects are received from governmental sector as well as the private sector. Through the years, this agency has been involved in apprising low-income individuals of benefits and services of which they are eligible.

Through cooperation, we have all learned effective and successful ways to achieve common goals. However, progress has not been easy. There have been many disappointments, crises, funding cutbacks and a lot of opposition; yet when it was necessary to do so, we were able to work together for realization of many successful accomplishments.

Since 1966, the Agency has brought millions of dollars into the local area and has successfully operated various self-help programs for and provided necessary services to very low-income residents of Beaufort and Jasper Counties. Much of our realized success can be credited to the fact that it employs some very dedicated and capable staff members who implement the wishes of our Board of Directors. Our board which has equal representation from local government, business and representatives of the poor enables us to be conscious of and responsive to the needs of our constituency. This allows us to implement programs that provide the services that our customers need and modify them when necessary to maximize the results.

Our most successful efforts have been in the provision of improved human services, inclusive of, but not limited to Employment and Job Training Assistance, Housing Rehabilitation Assistance, Transportation Assistance, Pre-School Educational and Nutritional Programs, Community Canteens, Emergency and Energy Assistance, Community Organization and Issues Awareness, and Career Enhancement Assistance. A very important bi-product of our work has been the less tangible accomplishments; continuing to serve as an advocate for the socio-economically disadvantaged of our service delivery areas.

2022/2023 BUDGET REQUEST



JASPER COUNTY BUDGET REQUEST

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.

1905 Duke Street, Suite 250, P.O. Drawer 9, Beaufort, SC 29901-0009
(843) 255-7220 Fax: (843) 255-7231 Website: www.beaufortjaspereoc.org

Total Budget Request \$35,000.00

STATEMENT OF NEED

Beaufort-Jasper EOC's very low income and low income customers are characterized as the "have-nots", because they experience continuous unemployment and/or under employment. Many of these people, although they are homeowners, suffer the most because they attempt to pay high property taxes, insurance and high utility bills, etc., while living in substandard housing that may be either health and/or life threatening. Also, due to extensive large-scale housing development in this coastal area, a large number of these substandard homeowners are unable to afford the cost of moving into affordable standardized housing that is now being offered in the bi-county area.

The ability to just survive, while enduring such overwhelming situations, is a daily ordeal for our customers; most of whom are elderly, handicapped or female heads of household with children. These are the people who will comprise our priority listing for the provision of housing preservation activities in Jasper County.

Jasper County Council has a thorough understanding of the many precarious issues from a common sense perspective ...the good people of Jasper County can beat the challenges with your help. Beaufort Jasper EOC pledges to continue providing hope by empowering, encouraging and educating residents to achieve self-sufficiency throughout Jasper County of South Carolina, which is inclusive of a wide range of services and activities on your behalf.

According to data from the U.S. Energy Information Administration (EIA), the average American household uses 1,119 kWh a month and pays an average price of 13.83 cents per kWh. That's a jump from last year's nationwide average price of 13.35 cents per kWh. It also means the average American faces an electricity bill of **at least \$155 every month, and over \$1,800 every year.** While it's hard enough dealing with an expensive bill, it's even more difficult to prepare for these unpredictable spikes in your budget. Unlike your mortgage or insurance payment, your electricity bills can be higher or lower from one month to the next. The aforesaid combined with the rising food and gas prices and current slowdown in the economy, Jasper county resident's ability to pay their bills has been affected tremendously. Furthermore, the change of home prices has affected the entire county in the last year. Consequently, the median price of a home has skyrocketed eighteen (18%) percent in the last year making new home ownership difficult if not impossible for low income families.

Reality is...many Jasper county residents will not be able to experience home ownership. As a result of the aforesaid many Jasper county residents are homeless, in threat of becoming homeless, living in over-crowded situations, experiencing crises situations as a result of their specific set of circumstances and are unable to keep and/or maintain some basic needs, such as, food, water, shelter, and clothing.



Emergency Assistance - \$15,000

Low income households lack the resources to alleviate family crisis caused by an emergency including, but not limited to:

- Lack of affordable housing
- Rent/Lot Rent
- Mobile Home Set-up (*move mobile home or assist with set-up / not to exceed \$1,000 per family*)
- Drain field/septic tank/*failure of sewer system/ water pipe leaks/ hot water heater*
- *Heating/cooling system repairs/ needs* at an average cost of \$250 to \$500 per households. For emergency repairs needs that exceeds the \$500 threshold, they will be leveraged with other available resources (*i.e., State Housing Trust Funds, USDA Rural Development – formerly FmHA, etc.*) when and where possible/necessary.
- Utilities
- Private Road Repair
- Fire/Burn-out
- Bed Bugs or other Special Infestations
- Unexpected reduction in income
- Medical Emergency
- Prescription Medication
- Emergency Food
- Natural Disaster
- Protection from domestic violence and other identified unmet needs in support of employment (*i.e., uniform, supplies, transportation, certifications, educational training childcare, minor car repair, car insurance, gasoline purchases, etc.*)

In view of the above, Beaufort Jasper EOC proposes to assist 30 to 60 Families with emergency funds of \$250.00 to \$500, from local (Jasper County) funding, to be leveraged with other available resources (*i.e., state funds, private organizations' funds, etc.*) to have the families' emergency crises situation ameliorated (*i.e., energy assistance, utility assistance, rent/mortgage assistance, prescription medication, food, clothing/uniforms, transportation, etc.*). The average emergency cost is approximately \$1,000.00 per household of which \$250 - \$500 will come from Jasper County Emergency Assistance funds (*allocated by Jasper County Council*) and the balance from other available resources/funding. In view of the above, we are requesting \$15,000.00 from Jasper County to provide emergency assistance to eligible Jasper County residents in an effort to prevent homelessness, displacement, hunger, medication needs, or provide other needs for survival and self-sufficiency which may address, lodging, rental/mortgage assistance, cost associated with transportation, child care and/or uniforms in support of employment; driver's license, medication, eye glasses, emergency dental, natural and/or state disaster, fire, escape from domestic violence, and to

set-up, arrange and provide supplies, nutriments, for credit and budgeting workshops for Jasper County residents and any other need deemed necessary and obtainable.

During the 2021 Program Year, Beaufort Jasper EOC expended the following dollars in Jasper County:

NUMBER OF INDIVIDUALS SERVED	PURPOSE	PER FAMILY/VISIT	TOTAL FUNDS EXPENDED
18	RENT	Max \$1,000	\$9,381.00
78	FOOD FOR SENIORS	\$200 To \$400 Per Senior HH size	\$12,000.00
490	ENERGY BILL FOR ELECTRIC OR PROPANE	\$200 To \$1000 Per Family	\$218,614.20
3	HOTEL/DISPLACED	\$300 Per Family	\$1200.00
700	SENIOR FARMERS MARKET COUPONS	\$25 Per Senior	\$17,500.00



Housing Rehabilitation - \$10,000.00

This is not just a trendy subject, but a national concern... Individuals and families are at risk of being homeless, losing housing, live in unsafe or housing that is unaffordable and that very low income and low-income households need safe, decent, affordable housing in stable neighborhoods that are free of health and safety hazards. Many owner-occupied homes in low-income areas are or are at risk of becoming unsafe or unaffordable unless there is an intervention to stop the deterioration and as a result many families are at risk of being displaced, ill, and/or residing in unsafe housing due to living in substandard housing conditions. As the bi-counties housing stock has continued to age (along with an aging population), home restoration, maintenance and repairs have increased in importance. The objective of this program is the rehabilitation of housing to bring all systems up to standard (e.g., electrical, plumbing, roofing, etc.) and save existing housing stock for not only the elderly but their heirs as well. In the 2019 program year alone, the agency rehabilitated a total of four (4) substandard owner-occupied homes in Jasper County at a total cost of \$119,895.91 (an average of \$29,973.97 per home). Currently, the agency is rehabilitating two (2) owner occupied home in Jasper County that exceeds the aforesaid average cost per home.

Realizing that Jasper County is one of the very poorest counties in the state, is distinctly rural and sharply marked some of the most deplorable housing conditions among the "have-nots", we have spent most of our housing resources in Jasper County for the past three years (since 2017). During the 2022/2023 Program Year, Beaufort Jasper EOC proposes to assist a minimum of ten (10) and anticipates utilizing resources totaling approximately \$120,000 to \$130,000 leveraged with other available housing resources (i.e., state funds, private organizations' funds, federal funds, etc.); in an effort to address health and safety measures and bring the homes up to local county's building codes' standards. The average cost of housing rehabilitation services for owner occupied dwellings in Jasper County is between \$25,000 - \$40,000.00 per home. Therefore, we are requesting \$10,000.00

from Jasper County Council to leverage with other funding to provide Housing Rehabilitation Services for owner occupied dwellings in Jasper County (\$1,000.00 X 10 owner occupied dwellings of very low-income homeowners).



Youth Leadership Program and STB Devices - \$3,000.00

Beaufort Jasper EOC service delivery area has youth populations (ages 14 – 21) that lack job skills, youth leadership characteristics and soft skills due to facing cultural barriers, skills deficits and a lack of neighborhood services aimed at assisting youth transitions to higher education and the labor market such as...getting their first job, learning key job finding skills, networking, volunteer and skill development opportunities, resume writing, interview skills and workplace culture. As well as exposure to higher education, military careers, etc.

With your help, we would like to expose and reintroduce others to the YLP program through orientation, Classroom training, Character Building (6 Pillars of Character), Employability Skills, Work Experience, Pre/Post/Program evaluations and a test of the aforesaid principles that they must pass, prior to being placed in a work experience training position. During the summer work experience youth are paid at a rate of \$8 per hour at a minimum of 100 hours. (Youth Leadership - \$2,000)

For youth ages 0 to 14 and up, the agency would like to offer STB device boxes, which aids in an information gap effort that impede information flow not only for children but unemployed adults as well. STB devices connects to a TV to an external source signal, compressing digital signal into TV content in a form that can be displayed on the TV screen, that includes educational channels, foreign language, access to the unemployment office, employment opportunities, budget saving efforts and much more utilizing a STB device that can be tailored to the families specific needs and/or situation. With your help, we would like to expose and/or introduce STB devices to families in an effort to bring the services that they need directly into their home at a cost of \$150 max. (STB Device - \$1,000)



Transportation - \$7,000.00

Identified Problem. Access to just about everything associated with upward mobility and economic progress – jobs, quality food, and goods (at reasonable prices), healthcare, and schooling – relies on the ability to get around in an efficient way, and for an affordable price. **Situation.** When a person's access to physical transportation impaired - whether in cost or physical location - it makes the process of doing simple things such as getting to work on time much more difficult, if not impossible. **Need.** People with little or no transportation share a high rate of poverty and are virtually stranded from stores, resources, organizations, & jobs that they need, which prevent them from securing employment, financial assistance, real ID's, etc. BJEEOC proposes to assist Jasper county customers/households with transportation assistance in the form of one of the following services not to exceed \$500: *bus pass, Uber/cab transport, EOC transport, vehicle repair, car insurance, gasoline, REAL ID, etc.* Beaufort Jasper EOC will utilize the agency's outreach vehicle to deliver outreach programs and services, when and where possible.

BEAUFORT JASPER EOC IS AN EQUAL OPPORTUNITY AGENCY, EMPLOYER AND SERVICE PROVIDER

**BEAUFORT-JASPER ECONOMIC
OPPORTUNITY COMMISSION, INC.**

**FINANCIAL STATEMENTS AND SCHEDULES
December 31, 2020**

(With Independent Auditors' Report Thereon)

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
FINANCIAL STATEMENTS
December 31, 2020
Table of Contents

	<u>Page(s)</u>
INDEPENDENT AUDITORS' REPORT.....	1-2

FINANCIAL STATEMENTS

Exhibit

1	Statement of Financial Position.....	3
2	Statement of Activities.....	4
3	Statement of Functional Expenses.....	5
4	Statement of Cash Flows.....	6
	Notes to Financial Statements.....	7-12

SUPPLEMENTARY SCHEDULES

Schedule(s)

1-4	Community Services Block Grant Program.....	13-16
5-9	Low-Income Home Energy Assistance Program.....	17-21
10-16	Head Start Program.....	22-30
17-19	DSS Child Care Food Program.....	31-33
20-22	Rural Development - Housing Preservation Grant.....	34-36
23	Other Programs.....	37
24	Management and General.....	38

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
FINANCIAL STATEMENTS
December 31, 2020
Table of Contents

	<u>Page(s)</u>
<u>COMPLIANCE SECTION</u>	
Schedule of Findings and Questioned Costs.....	39-40
Schedule of Prior Year Findings and Questioned Costs.....	41
Schedule of Expenditures of Federal Awards.....	42-43
Independent Auditors' Report on Compliance and on Other Matters and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed In Accordance with <u>Government Auditing Standards</u>	44
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance.....	45-46



MARTIN · SMITH

& COMPANY CPAs

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Beaufort-Jasper Economic Opportunity Commission, Inc.
Beaufort, South Carolina

Report on the Financial Statements

We have audited the accompanying statement of financial position of the Beaufort-Jasper Economic Opportunity Commission, Inc. ("the Commission") (a non-profit organization) as of December 31, 2020, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit 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 the Beaufort-Jasper Economic Opportunity Commission, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Board of Directors
Beaufort-Jasper Economic Opportunity Commission, Inc.
Page 2

Other Matters

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the financial statements taken as a whole. The accompanying supplementary schedules required by the individual funding agencies, and Schedule of Expenditures of Federal Awards, as required by the provisions of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), are presented for purposes of additional analysis and are not a required part of the financial statements of Beaufort-Jasper Economic Opportunity Commission, Inc. 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. Such 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 basic 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 supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements taken as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United State of America, the statement of financial position of Beaufort-Jasper Economic Opportunity Commission, Inc. as of December 31, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended (not presented herein), and we expressed an unmodified opinion on those financial statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The 2019 grant activity included throughout the supplementary schedules 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 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2019 grant activity included throughout the supplementary schedules is fairly stated in all material respects in relation to the financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 31, 2021, on our consideration of the Beaufort-Jasper Economic Opportunity Commission, Inc.’s internal control over financial reporting and our tests of its compliance with certain provisions of law, 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 and should be considered in assessing the results of our audit.

Martin Smith and Company CPAs PA

Greenville, South Carolina
March 31, 2021

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2020

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 194,414
Grants receivable	66,132
Other receivables	<u>67,674</u>
Total current assets	328,220

PROPERTY AND EQUIPMENT

409,288

Total assets

\$ 737,508

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ <u>237,071</u>
Total current liabilities	<u>237,071</u>

Total liabilities

237,071

NET ASSETS

Without donor restrictions	<u>500,437</u>
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Total net assets

500,437

Total liabilities and net assets

\$ 737,508

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

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>TOTAL</u>
SUPPORT AND REVENUE			
Grant income	\$ 8,442,527	\$ -	\$ 8,442,527
In-kind revenue	1,473,634	-	1,473,634
Other revenue	116,318	-	116,318
Net assets released from restrictions	-	-	-
	<u>10,032,479</u>	<u>-0-</u>	<u>10,032,479</u>
EXPENSES			
Program services:			
Community Services Block Grant (CSBG)	350,424	-	350,424
Low-Income Home Energy Assistance Program (LIHEAP)	1,647,227	-	1,647,227
Head Start	6,879,512	-	6,879,512
DSS Child Care Food Program	173,677	-	173,677
Rural Development - Housing Preservation Grant	62,106	-	62,106
Other programs	112,455	-	112,455
Total program services	<u>9,225,401</u>	<u>-0-</u>	<u>9,225,401</u>
Management and general	723,356	-	723,356
Fundraising	-	-	-
	<u>9,948,757</u>	<u>-0-</u>	<u>9,948,757</u>
Changes in net assets before return of funds to grantors	83,722	-	83,722
Return of funds to grantors	<u>(2,358)</u>	<u>-</u>	<u>(2,358)</u>
Changes in net assets	81,364	-0-	81,364
Net assets, beginning of year	<u>419,073</u>	<u>-0-</u>	<u>419,073</u>
Net assets, end of year	<u>\$ 500,437</u>	<u>\$ -0-</u>	<u>\$ 500,437</u>

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

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2020

	Program Services					Rural			Supporting Services		Total
	CSBG	LIHEAP	Head Start	DSS Child Care Program	DSS Child Care Food Program	Development - Housing Preservation Grant	Other Programs	Management and General	Supporting Services		
Salaries and wages	\$ 150,761	\$ 217,791	\$ 3,382,849	\$ 16,179	\$ -	\$ -	\$ -	\$ 497,503	\$ -	\$ 4,265,083	
Fringe benefits	36,061	61,250	1,127,689	3,881	-	-	62	94,369	-	1,323,312	
Professional fees	-	-	-	-	-	-	-	20,000	-	20,000	
Travel	-	-	21,548	-	-	-	-	12,045	-	33,593	
Maintenance and repairs	-	-	-	-	-	-	-	7,869	-	7,869	
Consumable supplies	-	-	283,506	640	-	-	-	16,541	-	300,687	
Postage, publishing, and printing	-	-	-	-	-	-	-	838	-	838	
Telephone	-	-	-	423	-	-	-	6,257	-	6,680	
Dues and subscriptions	-	-	-	-	-	-	-	2,810	-	2,810	
Insurance and bonding	-	-	-	-	68	-	2,330	15,715	-	18,113	
Contractual	-	-	85,042	-	-	57,763	-	17,115	-	159,920	
Client assistance	122,607	1,302,788	-	150,073	-	-	22,879	-	-	1,598,347	
Other expenses	30,373	49,903	466,415	2,413	4,343	75,337	-	32,294	-	661,078	
Donated facilities	-	-	1,473,634	-	-	-	-	-	-	1,473,634	
Depreciation	10,622	15,495	38,829	-	-	-	11,847	-	-	76,793	
Total	\$ 350,424	\$ 1,647,227	\$ 6,879,512	\$ 173,677	\$ 62,106	\$ 112,455	\$ 723,356	\$ 9,948,757			

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

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2020

Cash flows from operating activities:	
Increase in net assets	\$ 81,364
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Depreciation	76,793
(Increase) decrease in operating assets:	
Grants receivable	82,467
Other receivables	(8,473)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	<u>39,146</u>
Net cash provided by operating activities	<u>271,297</u>
Cash flows from investing activities:	
Purchases of property and equipment	<u>(70,600)</u>
Net cash used in investing activities	<u>(70,600)</u>
Cash flows from financing activities:	
Decrease in checks written in excess of cash balances	<u>(6,283)</u>
Net cash used in financing activities	<u>(6,283)</u>
Net increase in cash	194,414
Cash, beginning of the year	<u>-</u>
Cash, end of the year	<u>\$ 194,414</u>
Supplementary cash flow information:	
Interest paid	<u>\$ -0-</u>
Taxes paid	<u>\$ -0-</u>

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

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities:

Beaufort-Jasper Economic Opportunity Commission, Inc. ("the Commission") is a multi-county representative organization formulated to help communities within their area of service in South Carolina mobilize their resources to combat, alleviate the effects of, and plan for the future eradication of poverty. The Commission administers a variety of programs as shown in the Statement of Functional Expenses. The Commission is a private, not-for-profit organization.

Nature of Business:

The Commission is a not-for-profit corporation whose principal activities consist of administering programs that are funded by grants from various governmental agencies, the acceptance of which requires compliance with the prescribed grant conditions and other requirements including, but not limited to, the furnishing of certain amounts of cash or non-cash contributions to the programs from non-federal sources.

The Commission offers several primary programs. The Head Start programs provide comprehensive health, educational, nutritional, social, and other services primarily to economically disadvantaged pre-school children and their families. The Community Services Block Grant ("CSBG") provides direct crisis intervention designed to promote economic stability to at risk households whose basic security needs are threatened, to reduce undue hardships and threats to health and well-being of eligible households through emergency intervention for eviction prevention, medication, utility assistance, transportation, child care and to facilitate opportunities to households to become self-sufficient relative to education, employment, housing and health care. The Low-Income Heat and Energy Assistance Program ("LIHEAP") enables the State of South Carolina to assist eligible households with the rising cost of home energy and with energy conservation. The DSS Child Care Food Program provides daily subsidized food service in non-residential daycare settings.

Basis of Accounting:

The Commission uses the accrual method of accounting whereby revenues are recognized when earned and expenses are recorded when incurred.

Basis of Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB") in its *Accounting Standards Codification* ("ASC"). Under this guidance, the Commission is required to report information regarding its financial position and activities according to two classes of net assets.

Accordingly, net assets of the Commission and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Commission and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. The Commission has no net assets with donor restrictions at December 31, 2020.

Cash and Cash Equivalents:

For purposes of the Statement of Cash Flows, the Commission considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment:

Property and equipment are stated at cost, less accumulated depreciation, and are primarily depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation is computed using the following useful lives:

Building and improvements	40 years
Furniture and equipment	3 to 10 years
Vehicles	5 to 15 years

The Commission's policy is to capitalize and depreciate assets that have a useful life of at least three years and that cost \$1,000 or more. In addition, the Commission's policy is to capitalize and depreciate improvements or repairs to assets which extend the useful life of the asset for at least three years, if the cost of the improvement or repair exceeds \$1,000.

Acquisitions of non-expendable property are treated in the financial statements as property and equipment, and in the supplementary schedules as expenditures of program funds in the period incurred. Non-expendable property for financial statement purposes is property having a useful life of more than a year and costing above a certain dollar limit, which varies by funding source. Property acquired is considered to be owned by the Commission while used in the program for which it was purchased or in future authorized programs; however, the grantor has a reversionary interest in the property and its disposition is subject to federal regulations.

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed generally using the straight-line method based on the estimated useful lives of the assets, normally from five to twenty years. Major additions are capitalized, and major items retired are removed from the accounts. Major renewals and improvements, maintenance, and repairs, which do not improve or extend the life of the assets are expensed.

Income Taxes:

The Commission has been determined by the Internal Revenue Service to be exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Commission has been classified as a publicly supported organization, which is not a private foundation under Section 509(a) of the Code. The Commission files an information return Form 990 with the Internal Revenue Service.

The Commission has adopted the provisions of the *Accounting for Uncertainty in Income Taxes* topic of FASB ASC. This guidance addresses the accounting uncertainty in income taxes recognized in an organization's financial statements and prescribes a threshold of more-likely-than-not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. It also provides related guidance on measurement classification, interest and penalties, and disclosure. As a result of the implementation of this guidance, the Commission has determined that it has no uncertain tax positions requiring accrual and disclosure.

Indirect Administrative Costs:

Expenses for the management and operations of the Commission are allocated to the indirect administrative cost pool. The costs are not directly associated with the operations of the Commission's various grant programs. Indirect administrative costs are charged to each program on the basis of a predetermined percentage of the salaries and wages charged directly to each program. In both the determination and allocation of indirect administrative costs, the Commission follows the principles set forth in Uniform Guidance.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest Earnings:

The federal government allows interest to be earned on idle deposits while requiring no excess funds on hand. Since the Commission is a sub-recipient of state block grant funds and is on the advance method of funding payments, there are periodically idle funds the Commission maintains in interest-bearing accounts. The Commission accrues all interest in the unrestricted funds and allocates interest to the appropriate programs based on average monthly balances.

Expense Allocation:

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort; occupancy-related expenses which are allocated based on square footage required by the various programs; and other shared expenses which are allocated by a reasonable, budgeted basis, consistently applied.

Compensated Absences:

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages, and are charged to grants, contracts and other agreements as part of the regular charge for salaries and wages.

Budgeting:

The Commission operates each federal program under legally adopted budgets which restrict the total expenditures to the budgetary limit. The legal level of control in most programs is the total budgeted amount with particular line-item expenditure limits.

Donated Assets / Donated Services:

The Commission receives donated facility use and other non-cash items. These items are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Use of Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles 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. Estimates also affect the reported amounts of revenue, expenditures, or expenses during the reporting period. Actual results could differ from those estimates.

2) CASH

As of December 31, 2020, the Commission maintained cash balances at one financial institution. Accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2020, the Commission's bank balance was \$583,947. The uninsured portion of balances was fully collateralized.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3) PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2020, consists of land, buildings, furniture and equipment, and vehicles which were purchased by the following programs:

	<u>Land and Buildings</u>	<u>Furniture and Equipment</u>	<u>Vehicles</u>	<u>Total</u>
Administration	\$ -	\$ 23,943	\$ -	\$ 23,943
Non-federal	155,731	10,555	186,678	352,964
CSBG	-	7,787	50,513	58,300
Head Start	-	206,604	726,178	932,782
LIHEAP	-	10,206	96,800	107,006
	<u>155,731</u>	<u>259,095</u>	<u>1,060,169</u>	<u>1,474,995</u>
Less:				
Accumulated depreciation	<u>(43,060)</u>	<u>(171,833)</u>	<u>(850,814)</u>	<u>(1,065,707)</u>
Net Book Value	<u>\$ 198,791</u>	<u>\$ 87,262</u>	<u>\$ 209,355</u>	<u>\$ 409,288</u>

Depreciation on property and equipment was \$76,793 for the year ended December 31, 2020.

Property and equipment purchased by grants is restricted to use for grantor purposes, and the title to such goods is subject to reversion to the grantor if grant activity ceases.

4) EMPLOYEE BENEFIT PLAN

All employees are eligible to participate in the Commission's retirement plan immediately. The plan is a defined contribution plan qualified under Section 403(b) of the Internal Revenue Code. The Commission matches employee deferrals up to 7% of gross salaries for qualified employees. Employees make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. The Commission's contribution for the year ended December 31, 2020 was \$191,915.

5) CONTINGENCIES

Funds from various federal grant programs are often subject to expense for designated purposes only and are subject to audits of various federal and state agencies. The Commission can be required to replace any funds not expended for the purposes required by the grants. No losses have been accrued since amounts, if any, which may be due to federal and state agencies, have not been determined, but the Commission believes that any such amount in the aggregate would not have a material adverse effect on its financial position. The continuation of support from these federal grants is dependent on the future appropriations from the federal budget. The Commission's ability to continue these programs is significantly contingent upon continuation of this support.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

6) INDIRECT COST RATE AGREEMENT

The Commission has a negotiated fixed rate for reimbursement of its indirect costs from its cognizant agency, the U.S. Department of Health and Human Services. This rate provides that all programs will reimburse the Commission using the fixed rate. The indirect cost rate is applied to a base of direct salaries and wages, including vacation, holidays, sick leave pay, and other paid absences, but excludes fringe benefits. The indirect cost rate for December 31, 2020 was 19.2%.

7) FAIR VALUES OF FINANCIAL INSTRUMENTS

The Commission has adopted the provisions of the *Fair Value Measurement and Disclosures* topic of FASB ASC. This guidance defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

This guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value. Level 1 inputs represent fair values obtained using quoted prices in active markets. Level 2 inputs represent fair values obtained from observable market data but not from quoted market prices. Level 3 inputs represent unobservable inputs that are supported by little or no market activity and are generally based on the entity's own assumptions.

The following methods and assumptions are used to estimate the fair value of each financial instrument:

Cash, accounts payable, accrued expenses - the carrying values approximate fair value due to their short maturities.

Grants and other receivables - the carrying values approximate fair value due to their short maturities.

8) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Commission has financial assets of cash, grants, and other receivables of \$328,220 as of December 31, 2020. All of the financial assets are available for general use during the coming year. That is, there are no amounts not available for general expenditure within one year. Additional funds are received under grant agreements upon request from the Commission to the grantors as the funds are obligated in accordance with each program's administrative and operational expenses.

The Commission has a policy to structure its financial assets to be available as its general expenses, liabilities and other obligations come due. It monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

9) OTHER

In December 2019, an outbreak of novel coronavirus (“COVID-19”) originated in China and spread to other countries, including the U.S. In March 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. declared a state of emergency, and limited most aspects of business, education, travel, and personal physical interactions. It is anticipated that these substantial impacts will continue for some time. Beginning in March 2020, many of the Commission’s programs were forced to move to remote services and activities within certain programs were delayed. These necessary actions did cause revenue funding to be delayed and additional expenses to be incurred. Future significant impacts may include continued possible adjustments to the operations of certain programs and may include disruptions or restrictions on employees’ ability to work. Changes in the operating environment may also increase operating costs. Management of the Commission is carefully monitoring this situation and has budgeted so as to enable it to maintain its financial stability.

In response to the pandemic, Congress passed the Corona Aid, Relief, and Economic Security Act (“CARES”), which, among other provisions, provided additional funding for several of the Commission’s primary programs, including CSBG, Head Start, LIHEAP, and Emergency Shelter programs. The Commission has determined eligibility for participation in this additional funding, made application, and been awarded additional funding under these programs. Management anticipates opportunities for further funding under the CARES Act and new legislation.

10) SUBSEQUENT EVENTS

In preparing these financial statements, the Commission has evaluated events and transactions for potential recognition or disclosure through March 31, 2021, the date the financial statements were available to be issued. There were no such events requiring recording or disclosure for the year ended December 31, 2020.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
COMMUNITY SERVICES BLOCK GRANT PROGRAM
(Including Supplemental and Cares Act Grants)
For the Year Ended December 31, 2020

	<u>CSBG</u>	<u>CSBG Supplemental</u>	<u>CSBG Cares Act Supplemental</u>	<u>Total</u>
Salaries and wages	\$ 150,761	\$ -	\$ -	\$ 150,761
Fringe benefits	36,061	-	-	36,061
Client assistance	53,861	14,000	54,746	122,607
Other expenses	30,373	-	-	30,373
Indirect costs	<u>28,946</u>	<u>-</u>	<u>-</u>	<u>28,946</u>
Grant expenses	<u>\$ 300,002</u>	<u>\$ 14,000</u>	<u>\$ 54,746</u>	368,748
Adjustments to GAAP:				
Depreciation				10,622
Indirect costs				<u>(28,946)</u>
Total expenses				<u>\$ 350,424</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
COMMUNITY SERVICES BLOCK GRANT PROGRAM (2020)
Grant Period Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
CASE MANAGEMENT			
Salaries and wages	\$ 145,175	\$ 144,377	\$ 798
Fringe benefits	37,506	35,068	2,438
Other expenses	60,803	27,851	32,952
Indirect costs	<u>27,874</u>	<u>27,720</u>	<u>154</u>
	<u>271,358</u>	<u>235,016</u>	<u>36,342</u>
SUPPORT SERVICES			
Client assistance	<u>32,052</u>	<u>32,052</u>	<u>-</u>
DISCRETIONARY			
Salaries and wages	6,384	6,384	-
Fringe benefits	994	993	1
Client assistance	21,842	21,809	33
Other expenses	2,754	2,522	232
Indirect costs	<u>1,226</u>	<u>1,226</u>	<u>-</u>
	<u>33,200</u>	<u>32,934</u>	<u>266</u>
Totals	<u>\$ 336,610</u>	<u>\$ 300,002</u>	<u>\$ 36,608</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
COMMUNITY SERVICES BLOCK GRANT - SUPPLEMENTAL GRANTS
Grant Period Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
SUPPORT SERVICES			
Client assistance	\$ <u>14,000</u>	\$ <u>14,000</u>	\$ <u>-</u>
Totals	\$ <u><u>14,000</u></u>	\$ <u><u>14,000</u></u>	\$ <u><u>-0-</u></u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
COMMUNITY SERVICES BLOCK GRANT - CARES ACT SUPPLEMENTAL GRANTS
Grant Period Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
PROGRAM OPERATIONS - BEAUFORT COUNTY			
Client assistance	\$ <u>61,000</u>	\$ <u>41,800</u>	\$ <u>19,200</u>
PROGRAM OPERATIONS - JASPER COUNTY			
Client assistance	<u>9,000</u>	<u>4,000</u>	<u>5,000</u>
SUPPORT SERVICES			
Client assistance	<u>322,000</u>	<u>8,946</u>	<u>313,054</u>
Totals	\$ <u><u>392,000</u></u>	\$ <u><u>54,746</u></u>	\$ <u><u>337,254</u></u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
(Including LIHEAP Supplemental, Cares Act and Project Share Grants)
For the Year Ended December 31, 2020

	<u>LIHEAP</u>	<u>LIHEAP Supplemental</u>	<u>LIHEAP Cares Act</u>	<u>Project Share</u>	<u>Total</u>
Salaries and wages	\$ 189,532	\$ -	\$ 28,259	\$ -	\$ 217,791
Fringe benefits	54,594	-	6,656	-	61,250
Equipment	-	40,000	-	-	40,000
Client assistance	916,975	-	362,628	23,185	1,302,788
Other expenses	31,060	2,526	13,009	3,308	49,903
Indirect costs	<u>36,390</u>	<u>-</u>	<u>5,426</u>	<u>-</u>	<u>41,816</u>
Grant expenses	<u>\$ 1,228,551</u>	<u>\$ 42,526</u>	<u>\$ 415,978</u>	<u>\$ 26,493</u>	1,713,548
Adjustments to GAAP:					
Depreciation					15,495
Equipment					(40,000)
Indirect costs					<u>(41,816)</u>
Total expenses				<u>\$ 1,647,227</u>	

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (2020)
Grant Period Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
ADMINISTRATION			
Salaries and wages	\$ 8,465	\$ 8,465	\$ -
Fringe benefits	2,317	2,163	154
Other expenses	19,082	12,014	7,068
Indirect costs	36,390	36,390	-
	<u>66,254</u>	<u>59,032</u>	<u>7,222</u>
PROGRAM OPERATIONS			
Salaries and wages	181,067	181,067	-
Fringe benefits	55,694	52,431	3,263
Other expenses	28,619	19,046	9,573
	<u>265,380</u>	<u>252,544</u>	<u>12,836</u>
ENERGY ASSISTANCE			
Client assistance	<u>947,700</u>	<u>916,975</u>	<u>30,725</u>
Totals	<u>\$ 1,279,334</u>	<u>\$ 1,228,551</u>	<u>\$ 50,783</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
LOW-INCOME HOME ENERGY ASSISTANCE SUPPLEMENTAL GRANT
Grant Period Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
ADMINISTRATION			
Equipment	\$ 40,000	\$ 40,000	\$ -
Other expense	<u>2,526</u>	<u>2,526</u>	<u>-</u>
Totals	<u>\$ 42,526</u>	<u>\$ 42,526</u>	<u>\$ -0-</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM CARES ACT
Grant Period Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
PROGRAM OPERATIONS			
Salaries and wages	\$ 28,259	\$ 28,259	\$ -
Fringe benefits	7,854	6,656	1,198
Other expenses	10,319	8,803	1,516
Indirect costs	5,426	5,426	-
Outreach	4,722	4,206	516
	<u>56,580</u>	<u>53,350</u>	<u>3,230</u>
ENERGY ASSISTANCE			
Client assistance	<u>462,000</u>	<u>362,628</u>	<u>99,372</u>
Totals	<u>\$ 518,580</u>	<u>\$ 415,978</u>	<u>\$ 102,602</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
PROJECT SHARE
For the Year Ended December 31, 2020

	<u>1/20 - 6/20</u>	<u>7/20 - 12/20</u>	<u>Total</u>
Client assistance	\$ 3,696	\$ 19,489	\$ 23,185
Other expenses	<u>-</u>	<u>3,308</u>	<u>3,308</u>
Totals	<u>\$ 3,696</u>	<u>\$ 22,797</u>	<u>\$ 26,493</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
HEAD START PROGRAM
For the Year Ended December 31, 2020

	<u>1/20 - 8/20</u>	<u>9/20 - 12/20</u>	<u>Total</u>
Personnel	\$ 2,154,332	\$ 1,228,517	\$ 3,382,849
Fringe benefits	743,928	383,761	1,127,689
Travel	21,548	-	21,548
Consumable supplies	180,784	102,722	283,506
Contractual	55,509	29,533	85,042
Other expenses	390,505	106,510	497,015
Indirect costs	413,675	235,883	649,558
Donated facilities	<u>982,423</u>	<u>491,211</u>	<u>1,473,634</u>
Grant expenses	<u>\$ 4,942,704</u>	<u>\$ 2,578,137</u>	7,520,841
Adjustments to GAAP:			
Depreciation			38,829
Equipment			(30,600)
Indirect costs			<u>(649,558)</u>
Total expenses			<u>\$ 6,879,512</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT EXPENSES
HEAD START PROGRAM
For the Eight Months Ended August 31, 2020

	PA-22	PA-20	PA-25	PA-21	USDA	Non-federal	Total
Personnel	\$ 1,512,912	\$ -	\$ 620,015	\$ -	\$ 21,405	\$ -	\$ 2,154,332
Fringe benefits	478,810	-	247,612	-	17,506	-	743,928
Travel	512	12,492	731	7,813	-	-	21,548
Consumable supplies	111,170	-	66,509	-	3,105	-	180,784
Contractual	20,578	15,135	4,904	14,892	-	-	55,509
Other expenses	245,639	-	59,483	-	90,416	(5,033)	390,505
Indirect costs	290,522	-	119,043	-	4,110	-	413,675
Donated facilities	688,331	-	294,092	-	-	-	982,423
Totals	\$ 3,348,474	\$ 27,627	\$ 1,412,389	\$ 22,705	\$ 136,542	\$ (5,033)	\$ 4,942,704

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
HEAD START 04CH4765-05-00
Grant Period Ended August 31, 2020

	Expenses		Total Grant Expenses	Budget	Under or (Over) Budget
	9/19 - 12/19	1/20 - 8/20			
PA-22					
Personnel	\$ 877,570	\$ 1,512,912	\$ 2,390,482	\$ 2,390,485	\$ 3
Fringe benefits	252,996	478,810	731,806	731,815	9
Travel	184	512	696	696	-
Consumable supplies	29,755	111,170	140,925	140,928	3
Contractual	872	20,578	21,450	21,451	1
Other expenses	91,784	245,639	337,423	337,517	94
Indirect costs	168,450	290,522	458,972	458,973	1
Federal funds	<u>1,421,611</u>	<u>2,660,143</u>	<u>4,081,754</u>	<u>4,081,865</u>	<u>111</u>
Donated facilities	<u>344,165</u>	<u>688,331</u>	<u>1,032,496</u>	<u>1,032,496</u>	<u>-</u>
Non-federal funds	<u>338,249</u>	<u>676,498</u>	<u>1,014,747</u>	<u>1,014,747</u>	<u>-</u>
Totals	<u>\$ 1,765,776</u>	<u>\$ 3,348,474</u>	<u>\$ 5,114,250</u>	<u>\$ 5,114,361</u>	<u>\$ 111</u>
PA-20					
Travel	\$ 11,161	\$ 12,492	\$ 23,653	\$ 23,653	\$ -
Contractual	<u>9,331</u>	<u>15,135</u>	<u>24,466</u>	<u>24,466</u>	<u>-</u>
Federal funds	<u>\$ 20,492</u>	<u>\$ 27,627</u>	<u>\$ 48,119</u>	<u>\$ 48,119</u>	<u>\$ -0-</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
HEAD START 04CH4765-05-00
Grant Period Ended August 31, 2020

	Expenses		Total Grant Expenses	Budget	Under or (Over) Budget
	9/19 - 12/19	1/20 - 8/20			
PA-25					
Personnel	\$ 378,454	\$ 620,015	\$ 998,469	\$ 998,469	\$ -
Fringe benefits	101,727	247,612	349,339	349,339	-
Travel	363	731	1,094	1,094	-
Consumable supplies	17,840	66,509	84,349	84,349	-
Contractual	-	4,904	4,904	4,904	-
Other expenses	36,202	59,483	95,685	95,685	-
Indirect costs	72,663	119,043	191,706	191,706	-
Federal funds	<u>607,249</u>	<u>1,118,297</u>	<u>1,725,546</u>	<u>1,725,546</u>	-
Donated facilities	<u>147,046</u>	<u>294,092</u>	<u>441,138</u>	<u>441,138</u>	-
Non-federal funds	<u>144,545</u>	<u>289,090</u>	<u>433,635</u>	<u>433,635</u>	-
Totals	<u>\$ 754,295</u>	<u>\$ 1,412,389</u>	<u>\$ 2,166,684</u>	<u>\$ 2,166,684</u>	<u>\$ -0-</u>
PA-21					
Travel	\$ 6,507	\$ 7,813	\$ 14,320	\$ 14,320	\$ -
Contractual	<u>9,790</u>	<u>14,892</u>	<u>24,682</u>	<u>24,682</u>	-
Federal funds	<u>\$ 16,297</u>	<u>\$ 22,705</u>	<u>\$ 39,002</u>	<u>\$ 39,002</u>	<u>\$ -0-</u>
Grand Total - Federal funds			<u>\$ 5,894,421</u>	<u>\$ 5,894,532</u>	<u>\$ 111</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT EXPENSES
HEAD START PROGRAM
For the Four Months Ended December 31, 2020

	<u>PA-22</u>	<u>PA-20</u>	<u>PA-25</u>	<u>PA-21</u>	<u>Cares Act</u>	<u>Cares Act</u>	<u>USDA</u>	<u>Non-federal</u>	<u>Total</u>
						<u>Early Head Start</u>			
Personnel	\$ 842,550	\$ -	\$ 334,943	\$ -	\$ 14,203	\$ 12,485	\$ 24,336	\$ -	\$ 1,228,517
Fringe benefits	262,590	-	100,605	-	4,288	3,051	13,227	-	383,761
Travel	-	-	-	-	-	-	-	-	-
Consumable supplies	27,957	-	8,812	-	65,953	-	-	-	102,722
Contractual	250	12,699	250	16,334	-	-	-	-	29,533
Other expenses	65,652	-	31,546	-	6,018	2,464	-	830	106,510
Indirect costs	161,767	-	64,315	-	2,731	2,397	4,673	-	235,883
Donated facilities	344,165	-	147,046	-	-	-	-	-	491,211
Totals	\$ 1,704,931	\$ 12,699	\$ 687,517	\$ 16,334	\$ 93,193	\$ 20,397	\$ 42,236	\$ 830	\$ 2,578,137

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
HEAD START PROGRAM
Head Start Grant No. 04CH4765-05-00
For the Four Months Ended December 31, 2020

	<u>Approved Budget</u>	<u>Actual</u>	<u>COB Balance Current Year</u>
EXPENSES			
<u>PA-22</u>			
Direct costs:			
Personnel	\$ 2,480,950	\$ 842,550	\$ 1,638,400
Fringe benefits	911,618	262,590	649,028
Travel	9,200	-	9,200
Consumable supplies	128,994	27,957	101,037
Contractual	10,792	250	10,542
Other expenses	372,005	65,652	306,353
Subtotal	<u>3,913,559</u>	<u>1,198,999</u>	<u>2,714,560</u>
Indirect costs	476,342	161,767	314,575
Federal funds	<u>4,389,901</u>	<u>1,360,766</u>	<u>3,029,135</u>
Donated facilities	1,032,496	344,165	688,331
Non-federal funds	<u>1,032,496</u>	<u>344,165</u>	<u>688,331</u>
Totals	<u>\$ 5,422,397</u>	<u>\$ 1,704,931</u>	<u>\$ 3,717,466</u>
 <u>PA-20</u>			
Direct costs:			
Contractual	\$ 48,119	\$ 12,699	\$ 35,420
Federal funds	<u>\$ 48,119</u>	<u>\$ 12,699</u>	<u>\$ 35,420</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
HEAD START PROGRAM
Head Start Grant No. 04CH4765-05-00
For the Four Months Ended December 31, 2020

	<u>Approved Budget</u>	<u>Actual</u>	<u>COB Balance Current Year</u>
EXPENSES			
<u>PA-25</u>			
Direct costs:			
Personnel	\$ 1,075,923	\$ 334,943	\$ 740,980
Fringe benefits	372,720	100,605	272,115
Travel	2,300	-	2,300
Consumable supplies	65,531	8,812	56,719
Contractual	4,906	250	4,656
Other expenses	191,021	31,546	159,475
Subtotal	<u>1,712,401</u>	<u>476,156</u>	<u>1,236,245</u>
Indirect costs	206,577	64,315	142,262
Federal funds	<u>1,918,978</u>	<u>540,471</u>	<u>1,378,507</u>
Donated facilities	441,138	147,046	294,092
Non-federal funds	<u>441,138</u>	<u>147,046</u>	<u>294,092</u>
Totals	<u>\$ 2,360,116</u>	<u>\$ 687,517</u>	<u>\$ 1,672,599</u>

PA-21**Head Start Training and Technical Assistance**

Direct costs:

Travel	\$ 100	\$ -	\$ 100
Contractual	<u>38,903</u>	<u>16,334</u>	<u>22,569</u>
Federal funds	<u>\$ 39,003</u>	<u>\$ 16,334</u>	<u>\$ 22,669</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
HEAD START PROGRAM - CARES ACT
Head Start Grant No. 04CH4765-05-00
For the Four Months Ended December 31, 2020

	<u>Approved Budget</u>	<u>Actual</u>	<u>COB Balance Current Year</u>
EXPENSES			
Direct costs:			
Personnel	\$ 57,472	\$ 14,203	\$ 43,269
Fringe benefits	43,926	4,288	39,638
Consumable supplies	181,855	65,953	115,902
Other expenses	<u>87,669</u>	<u>6,018</u>	<u>81,651</u>
Subtotal	<u>370,922</u>	<u>90,462</u>	<u>280,460</u>
Indirect costs	<u>14,875</u>	<u>2,731</u>	<u>12,144</u>
Totals	<u>\$ 385,797</u>	<u>\$ 93,193</u>	<u>\$ 292,604</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
EARLY HEAD START PROGRAM - CARES ACT
Head Start Grant No. 04CH4765-05-00
For the Four Months Ended December 31, 2020

	<u>Approved Budget</u>	<u>Actual</u>	<u>COB Balance Current Year</u>
EXPENSES			
Direct costs:			
Personnel	\$ 21,963	\$ 12,485	\$ 9,478
Fringe benefits	10,798	3,051	7,747
Consumable supplies	59,822	-	59,822
Other expenses	7,146	2,464	4,682
Subtotal	<u>99,729</u>	<u>18,000</u>	<u>81,729</u>
Indirect costs	<u>5,728</u>	<u>2,397</u>	<u>3,331</u>
Totals	<u>\$ 105,457</u>	<u>\$ 20,397</u>	<u>\$ 85,060</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
DSS CHILD CARE FOOD PROGRAM
For the Year Ended December 31, 2020

	Program Year Ending September 30,		Total
	2020	2021	
Salaries and wages	\$ 12,507	\$ 3,672	\$ 16,179
Fringe benefits	2,904	977	3,881
Travel	640	-	640
Telephone	423	-	423
Insurance and bonding	-	68	68
Client assistance	114,906	35,167	150,073
Other expenses	2,299	114	2,413
Indirect costs	2,401	705	3,106
Grant expenses	\$ 136,080	\$ 40,703	176,783
Adjustment to GAAP:			
Indirect costs			(3,106)
Total expenses			\$ 173,677

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
DSS CHILD CARE FOOD PROGRAM
Grant Period Ended September 30, 2020

	<u>Expenses</u>		<u>Total Grant Expenses</u>	<u>Budget</u>	<u>Under or (Over) Budget</u>
	<u>10/19 - 12/19</u>	<u>1/20 - 9/20</u>			
Salaries and wages	\$ 4,732	\$ 12,507	\$ 17,239	\$ 17,864	\$ 625
Fringe benefits	1,429	2,904	4,333	4,056	(277)
Travel	-	640	640	3,240	2,600
Telephone	264	423	687	1,957	1,270
Insurance and bonding	105	-	105	105	-
Other expenses	390	2,299	2,689	4,687	1,998
Indirect costs	1,060	2,401	3,461	3,549	88
	<u>7,980</u>	<u>21,174</u>	<u>29,154</u>	<u>\$ 35,458</u>	<u>\$ 6,304</u>
Total administrative					
Client assistance	<u>35,411</u>	<u>114,906</u>	<u>150,317</u>		
Totals	<u>\$ 43,391</u>	<u>\$ 136,080</u>	<u>\$ 179,471</u>		

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
DSS CHILD CARE FOOD PROGRAM (9/21)
For the Three Months Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
Salaries and wages	\$ 14,353	\$ 3,672	\$ 10,681
Fringe benefits	3,045	977	2,068
Travel	6,327	-	6,327
Telephone	1,550	-	1,550
Insurance and bonding	200	68	132
Other expenses	3,745	114	3,631
Indirect costs	<u>3,245</u>	<u>705</u>	<u>2,540</u>
Total administrative	<u>\$ 32,465</u>	5,536	<u>\$ 26,929</u>
Client assistance		<u>35,167</u>	
Totals		<u>\$ 40,703</u>	

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
RURAL DEVELOPMENT - HOUSING PRESERVATION GRANT
For the Year Ended December 31, 2020

Contractual/construction	\$ 57,763
Administrative	4,343
Non-federal share	<u>110,144</u>
Grant expenses	172,250
Adjustments to GAAP:	
Non-federal share	<u>(110,144)</u>
Total expenses	<u>\$ 62,106</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
RURAL DEVELOPMENT - HOUSING PRESERVATION GRANT (3/21)
For the Fifteen Months Ended December 31, 2020

	<u>Expenses</u>		<u>Total Grant Expenses</u>	<u>Budget</u>	<u>Under or (Over) Budget</u>
	<u>10/19 - 12/19</u>	<u>1/20 - 12/20</u>			
Contractual/construction	\$ -	\$ 33,967	\$ 33,967	\$ 70,798	\$ 36,831
Administrative	-	4,343	4,343	7,867	3,524
Non-federal share	-	32,369	32,369	78,665	46,296
Grant expenses	<u>\$ -0-</u>	<u>\$ 70,679</u>	<u>\$ 70,679</u>	<u>\$ 157,330</u>	<u>\$ 86,651</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF GRANT BUDGET AND EXPENSES
RURAL DEVELOPMENT - HOUSING PRESERVATION GRANT (3/20)
Grant Period Ended March 31, 2020

	<u>Expenses</u>			<u>Total Grant Expenses</u>	<u>Budget</u>	<u>Under or (Over) Budget</u>
	<u>10/18 - 12/18</u>	<u>1/19 - 12/19</u>	<u>1/20 - 3/20</u>			
Contractual/construction \$	-	\$ 37,922	\$ 23,796	\$ 61,718	\$ 61,718	\$ -
Administrative	-	-	-	-	-	-
Non-federal share	-	25,242	77,775	103,017	103,017	-
Grant expenses	<u>\$ -0-</u>	<u>\$ 63,164</u>	<u>\$ 101,571</u>	<u>\$ 164,735</u>	<u>\$ 164,735</u>	<u>\$ -0-</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENSES
OTHER PROGRAMS
For the Year Ended December 31, 2020

	<u>Non- Federal</u>	<u>Beaufort County Funds</u>	<u>Jasper County Funds</u>	<u>Jasper County Funds - CARES Act</u>	<u>Total</u>
Fringe benefits	\$ 62	\$ -	\$ -	\$ -	\$ 62
Insurance and bonding	2,330	-	-	-	2,330
Client assistance	1,897	5,000	4,100	11,882	22,879
Other expenses	<u>75,351</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,351</u>
Grant expenses	<u>\$ 79,640</u>	<u>\$ 5,000</u>	<u>\$ 4,100</u>	<u>\$ 11,882</u>	100,622
Adjustments to GAAP:					
Depreciation					<u>11,847</u>
Total expenses				<u>\$</u>	<u>112,469</u>

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF BUDGET AND EXPENSES
MANAGEMENT AND GENERAL
For the Year Ended December 31, 2020

	<u>Budget</u>	<u>Expenses</u>	<u>Under or (Over) Budget</u>
Salaries and wages	\$ 497,503	\$ 497,503	\$ -
Fringe benefits	94,439	94,369	70
Professional fees	20,000	20,000	-
Travel	11,983	12,045	(62)
Maintenance and repairs	7,842	7,869	(27)
Consumable supplies	16,542	16,541	1
Postage, publishing, and printing	1,338	838	500
Telephone	6,259	6,257	2
Dues and subscriptions	2,810	2,810	-
Insurance and bonding	15,715	15,715	-
Contractual	16,736	17,115	(379)
Other expenses	32,294	32,294	-
	<u>723,461</u>	<u>723,356</u>	<u>105</u>
Total administrative	\$ <u>723,461</u>	\$ <u>723,356</u>	\$ <u>105</u>

**BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
Schedule of Findings and Questioned Costs
For Fiscal Year Ended December 31, 2020**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X no

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X no

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes _____ no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start
93.600	Early Head Start
93.600	Covid 19 – Head Start
96.568	LIHEAP
93.568	Covid 19 - LIHEAP

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
Schedule of Findings and Questioned Costs
For Fiscal Year Ended December 31, 2020

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

2020-001

Deadline Exceeded

- Condition:** The Commission did not meet the deadline for submission of its data collection form and reporting package to the Federal Audit Clearinghouse for the fiscal year ended December 31, 2019. The data collection form and reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' report or nine months after the end of the audit period. Therefore, the deadline for submission of the required information for the fiscal year ended December 31, 2019 was June 5, 2020. The data collection form and reporting package were not submitted by that date.
- Criteria:** 2 CFR 200.512
- Cause:** The Commission engaged its independent audit firm to assist in the preparation and submission of its data collection report and reporting package. That firm did upload and certify the data collection form and reporting package on the Federal Audit Clearinghouse on May 20, 2020. However, during this time period the Covid-19 pandemic was causing significant operational challenges to the Commission and its clients and management was focused on meeting those challenges. Therefore, the Commission did not certify the data collection form and reporting package and did not submit the certified information by the June 5, 2020 deadline.
- Effect:** The Commission did not meet the deadline of 30 calendar days after receipt of the auditors' report.
- Recommendation:** Establish procedures to verify that the data collection form and reporting package have been properly submitted on a timely basis.
- Response:** The Commission has implemented procedures to monitor communications with its audit firm and the Federal Audit Clearinghouse to ensure timely submission of complete and accurate reports to federal entities.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
Schedule of Prior Year Findings and Questioned Costs
For Fiscal Year Ended December 31, 2020

Findings Related to Financial Statements:

None.

Findings and Questioned Costs Related to Major Federal Programs:

None.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2020

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>
Department of Health and Human Services			
Direct Award			
Head Start	93.600	04CH476506	\$ 4,023,414
Early Head Start	93.600	04CH01175001	1,708,846
Covid 19 - Head Start	93.600	04CH01175001C3	104,262
Total Department of Health and Human Services			<u>5,836,522</u>
Passed through SC Office of Economic Opportunity			
Community Services Block Grant	93.569		309,585
Covid 19 - Community Services Block Grant	93.569		130,609
Low Income Heat and Energy Assistance	93.568		1,123,042
Covid 19 - Low Income Heat and Energy Assistance	93.568		416,430
Total SC Office of Economic Opportunity			<u>1,979,666</u>
Total Department of Health and Human Services			<u>7,816,188</u>
US Department of Agriculture			
Passed through SC Division of Social Services			
Child Care Food Program	10.558		355,580
Direct Award			
Housing Preservation Grant	10.433		62,106
Total US Department of Agriculture			<u>417,686</u>
Total Federal Assistance Expended			<u>\$ 8,233,874</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2020

1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the Commission under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the 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"). Because the schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Commission.

2) Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented such that expenditures are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, whereby certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule, if any, represent adjustments or credits in the normal course of business to amounts reported as expenditures in previous years.

3) Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to revenues and expenditures received or made subsequent to the filing of federal financial reports.

4) Indirect Cost Rate

The Commission has elected not to use the 10% de minimus cost rate allowed under the Uniform Guidance.



MARTIN · SMITH

& COMPANY CPAs

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

To the Board of Directors
Beaufort-Jasper Economic Opportunity Commission, Inc.
Beaufort, South Carolina

We have audited the financial statements of Beaufort-Jasper Economic Opportunity Commission, Inc. ("the Commission") as of and for the year ended December 31, 2020, and have issued our report thereon dated March 31, 2021. 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.

Compliance and Other Matters

As part of obtaining assurance about whether Beaufort-Jasper Economic Opportunity Commission, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Beaufort-Jasper Economic Opportunity Commission, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Beaufort-Jasper Economic Opportunity Commission, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of internal control over financial reporting.

A deficiency in control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of the 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 the 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.

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 Beaufort-Jasper Economic Opportunity Commission, Inc.'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Smith and Company CPAs PA

March 31, 2021

Member: American Institute of Certified Public Accountants • South Carolina Association of Certified Public Accountants
1212 Haywood Road, Bldg. 100 • Greenville, South Carolina 29615 • (864) 232-1040



MARTIN · SMITH

& COMPANY CPAs

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Board of Directors
Beaufort-Jasper Economic Opportunity Commission, Inc.
Beaufort, South Carolina

Report on Compliance for Each Major Federal Program

We have audited the compliance of Beaufort-Jasper Economic Opportunity Commission, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020. Beaufort-Jasper Economic Opportunity Commission, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of Beaufort-Jasper Economic Opportunity Commission, Inc.'s management.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Beaufort-Jasper Economic Opportunity Commission, 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. Our audit does not provide a legal determination on Beaufort-Jasper Economic Opportunity Commission, Inc.'s compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Beaufort-Jasper Economic Opportunity Commission, Inc. complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The management of Beaufort-Jasper Economic Opportunity Commission, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirement of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Beaufort-Jasper Economic Opportunity Commission, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Beaufort-Jasper Economic Opportunity Commission, Inc.'s internal control over compliance.

A deficiency in an entity's internal control over compliance 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, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, by Beaufort-Jasper Economic Opportunity Commission, Inc.'s internal controls 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 the internal control over compliance was for the limited purpose described above and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. Given these limitations, we noted no matters involving the internal control over compliance that we consider material weaknesses. However, material weaknesses may exist that have not been identified. We did have a finding requiring disclosure as described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001. The auditor's opinion on each major program is not modified with respect to this matter.

Purpose of this Report

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

Martin Smith and Company CPAs PA

Greenville, South Carolina
March 31, 2021

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Existence

I, Mark Hammond, Secretary of State of South Carolina Hereby Certify that:

BEAUFORT-JASPER ECONOMIC OPPORTUNITY COMMISSION, INC., a nonprofit corporation duly organized under the laws of the State of South Carolina on March 11th, 1966, has as of the date hereof filed as a nonprofit corporation for religious, educational, social, fraternal, charitable, or other eleemosynary purpose, and has paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-31-1421, and that the nonprofit corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal
of the State of South Carolina this 5th day
of May, 2022.


Mark Hammond, Secretary of State



State of South Carolina
Office of the Secretary of State
The Honorable Mark Hammond

5/5/2022

Beaufort Jasper Economic Opportunity Commission, Inc.
Mr. James G Williams
1905 Duke St., Ste. 250
Beaufort, SC29902

RE: Registration Confirmation

Charity Public ID: P10071

Dear Mr. James G Williams :

This letter confirms that the Secretary of State's Office has received and accepted your Registration, therefore, your charitable organization is in compliance with the registration requirement of the "South Carolina Solicitation of Charitable Funds Act." The registration of your charitable organization will expire on 5/15/2023.

If any of the information on your Registration form changes throughout the course of the year, please contact our office to make updates. It is important that this information remain updated so that our office can keep you informed of any changes that may affect your charitable organization.

If you have not yet filed your annual financial report or an extension for the annual financial report, the annual financial report is still due 4½ months after the close of your fiscal year.

- Annual financial reports must either be submitted on the Internal Revenue Service Form 990 or 990-EZ or the Secretary of State's Annual Financial Report Form.
- If you wish to extend the filing of that form with us, please submit a written request by email or fax to our office using the contact information below. Failure to submit the annual financial report may result in an administrative fine of up to \$2,000.00.

If you have any questions or concerns, please visit our website at www.sos.sc.gov or contact our office using the contact information below.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Wickersham", with a long horizontal line extending to the right.

Kimberly S. Wickersham
Director, Division of Public Charities