TOGETHER WE COPE
FINANCIAL STATEMENTS
For the Fiscal Year Ended
June 30, 2013

Prepared By:

Hearne & Associates, P.C.
Certified Public Accountants &
Business Consultants

TOGETHER WE COPE

Annual Financial Report

Table of Contents

Independent Auditors' Report 1-2

Financial Statements:

Statement of Financial Position 3
Statement of Activities 4
Statement of Cash Flows 5
Statement of Functional Expenses 6

Notes to Financial Statements ..... 7 - 10

Compliance Section:

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* 11-12

Independent Auditors' Report on Compliance for each Major Program and on Internal Control over Compliance Required by OMB Circular A-133 13-14

Schedule of Expenditures of Federal Awards 15

Notes to Schedule of Expenditures of Federal Awards 16

Schedule of Findings and Questioned Costs 17-18

Summary Schedule of Prior Year Audit Findings 19

HEARNE & ASSOCIATES, P.C.
Certified Public Accountants & Business Consultants

David J. Hearne, Jr., CPA (Ret'd)
Phillip M. Hearne, CPA
Tamara L. Doerrer, CPA, CVA

Anthony M. Scott, CPA
John C. Williams, CPA, MST
Matthew R. Truschka
Ericka R. Wysocki

Independent Auditors' Report

To the Board of Directors of
Together We Cope
Tinley Park, IL

We have audited the accompanying financial statements of Together We Cope (a Nonprofit Organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

19250 Everett Lane, Suite 200, Mokena, IL 60448 • Phone (708) 478-4650 • Fax (708) 478-4651 • www.hearnepc.com

Opinion

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

Other Matters

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 March 21, 2014, on our consideration of Together We Cope'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 Together We Cope's internal control over financial reporting and compliance.

Hearne & Associates, P.C.

March 21, 2014
Mokena, IL

Hearne & Associates, P.C.
Certified Public Accountants

TOGETHER WE COPE
STATEMENT OF FINANCIAL POSITION
As of June 30, 2013

Assets	
Current Assets:	
Cash and Cash Equivalents	$ 374,779
Gift Certificates	3,002
Investments - at Market Value	1,631
Public Support Receivable	89,149
Inventory	29,459
Other Receivables	5,134
Total Current Assets	503,154
Property and Equipment:	
Land and Building	1,002,854
Furniture & Equipment	179,766
Less Accumulated Depreciation	(376,757)
Net Property and Equipment	805,863
Total Assets	$ 1,309,017
Liabilities and Net Assets	
Current Liabilities:	
Accounts Payable and Accrued Expenses	$ 15,334
Payroll Liabilities	30,723
Current portion of long-term debt	-
Total Current Liabilities	46,057
Total Liabilities	46,057
Net Assets	
Unrestricted	1,232,349
Temporarily Restricted	30,611
Total Net Assets	1,262,960
Total Liabilities and Net Assets	$ 1,309,017

See independent auditors' report and notes to financial statements.

TOGETHER WE COPE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Public Support			
Contributions			
Suburban United Ways Allocations	$ 20,000	$ -	$ 20,000
Individuals	428,701	-	428,701
In-Kind	2,234,701	-	2,234,701
Foundations and Organizations	185,062	-	185,062
Businesses and Corporations	100,612	-	100,612
Fundraising	180,989	-	180,989
Total Public Support	3,150,065	-	3,150,065
Revenue			
Simply Sensible Shoppe	298,535		298,535
Investment Income	1,014		1,014
Government Grants	373,439	30,611	404,050
Satisfaction of Program Restriction	308	(308)	-
Other	14,017	-	14,017
Total Revenue	687,313	30,303	717,616
Total Public Support and Revenue	3,837,378	30,303	3,867,681
Expenses			
Program Services	3,184,784	-	3,184,784
Management and General	110,812	-	110,812
Fundraising	128,382	-	128,382
Total Expenses	3,423,978	-	3,423,978
Change in Net Assets	413,400	30,303	443,703
Net Assets			
Beginning of Year	818,949	308	819,257
End of Year	$ 1,232,349	$ 30,611	$ 1,262,960

See independent auditors' report and notes to financial statements.

TOGETHER WE COPE
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2013

Cash flows from operating activities:	
Change in net assets	$ 443,703
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	32,448
Property donations received	(350,000)
Change in assets - decrease (increase):	
Accounts receivable	(24,681)
Investments and Gift Certificates	(5,130)
Inventory	(5,515)
Change in liabilities - increase (decrease):	
Accounts Payable & Payroll Liabilities	7,507
Net cash provided by operating activities	98,332
Cash flows from investing activities:	
Purchase of Property and Equipment	(7,632)
Cash flows from financing activities:	
Reduction of long-term debt	(5,575)
Net increase in cash and cash equivalents	85,125
Cash and cash equivalents, beginning of year	289,654
Cash and cash equivalents, end of year	$ 374,779
Supplemental Disclosure of Cash Flow Information:	
Cash Payments for Interest	$ 338

See independent auditors' report and notes to financial statements.

TOGETHER WE COPE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2013

		Support Services		
	Program Services	Fund Raising	Management & General	Total
Functional Expenses				
Salaries	$ 424,079	$ 62,212	$ 70,823	$ 557,114
Employee Benefits	40,306	5,913	6,731	52,950
Payroll Tax	42,485	6,233	7,095	55,813
Outside Services	1,003	11	14,009	15,023
Client Services	2,559,981	-	-	2,559,981
Office Expenses	26,401	553	2,187	29,141
Insurance	13,967	314	1,276	15,557
Telephone	4,988	732	833	6,553
Occupancy	19,652	214	1,495	21,361
Miscellaneous	700	-	2,726	3,426
Fund Raising Costs	-	51,879	-	51,879
Depreciation Expense	29,840	318	2,289	32,447
Interest Expense	311	3	24	338
Volunteer Expenses	2,858	-	-	2,858
Vehicle Expenses	11,913	-	1,324	13,237
Bad Debt Expense	6,300	-	-	6,300
Total Expenses	$ 3,184,784	$ 128,382	$ 110,812	$ 3,423,978

See independent auditors' report and notes to financial statements.

TOGETHER WE COPE
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

Note 1 – Nature of Operations and Summary of Significant Accounting Policies

Organization
Together We Cope (the Organization) was incorporated as a not-for-profit organization in May, 1989, under the laws of the State of Illinois and commenced operations at that time. The Organization is a largely volunteer group working to provide charitable and educational services including food, clothing, emergency shelter, utility payment assistance, and resource referrals to needy families from the townships of Bremen, Orland, Palos, Thorton, and Worth.

Basis of Accounting
The accounts and financial statements are maintained on the accrual basis of accounting and accordingly, reflect all significant accounts receivable, payable, and other liabilities.

Basis of Presentation
The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its FASB Accounting Standards Codification (ASC) 958. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets (if applicable).

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 that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents
Cash and cash equivalents consist of bank deposits in federally insured accounts. At June 30, 2013, the Organization had approximately $ 63,022 in excess of the Federally Insured limit. The Organization considers all highly liquid investments available for current use with an initial maturity date of three months or less to be cash equivalents.

Investments
Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Inventory

Inventory includes donated items available for sale at the Nu2u resale shop. Inventory is valued at the fair market value at the date of donation in accordance with generally accepted accounting principles.

Property and Equipment

Expenditures for property and equipment and items, which substantially increase the useful lives of existing assets, are capitalized at cost. Donations of property and equipment are recorded as contributions at the estimated fair value. Depreciation is computed using the straight-line method over the estimated useful lives (ranging from 5 – 39 years) of the related assets.

Support and Revenue

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

Donated Services

Contributions of services are required to be recognized if the services received; (a) create or enhance non-financial assets; or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ending June 30, 2013 there were no donated services recorded. The Organization also received donated services from volunteers that did not fulfill items (a) or (b) above (and have properly not been recorded) in the amount of 33,444 hours for the year ending June 30, 2013.

In-Kind Contributions

Together We Cope reports gifts of donated food, clothing, and household items to be distributed directly to its clients as unrestricted public support and, shortly thereafter, as expense when actually distributed to its clients. During the year ended June 30, 2013, the Organization received approximately $ 2,584,701 and, of in-kind support. Included in the in-kind support for the year ended June 30, 2013, is the receipt of a 3,150 square foot commercial office condominium with an appraised value of $350,000. For the year ended June 30, 2013, the Organization distributed approximately $ 2,234,956, respectively of donated food, clothing, and household items received from donors. These amounts are determined by attributing a standard value to each bag of food or clothing donated.

Reclassifications

Certain amounts from prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Income Taxes

Together We Cope is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and the Illinois Charitable Trust. The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years ending June 30, 2010, 2011 and 2012 are subject to examination by the IRS, generally for three years after the respective return was filed.

Note 2 – Nu2u Retail Shop

The Nu2u Retail Shop is operated by Together We Cope and is open to the Organization's clients and the general public. Clients are allowed $ 75 of free merchandise per year administered through a voucher system maintained by the Organization. Revenue from the sale of the shop's inventory is used to fund client services and Organization operating expenses. Sales taxes were paid and netted against revenue for the fiscal year ended June 30, 2013 in the amount of $ 24,140.

Note 3 – Notes Payable

The Organization is currently obligated on a mortgage agreement dated July 1, 2003 with Great Lakes Bank. The original amount financed was $ 400,000 and is secured by a mortgage on the building purchased in 2000. The rate on the mortgage note was 6.25%. The note was paid in full during the year ended June 30, 2013.

Note 4 – Federal Financial Assistance

The Organization has been awarded various grants from multiple U.S. federal agencies. These grants are considered to be exchange transactions. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Activity related to the Organization's federal assistance programs for the year ended June 30, 2013 was as follows:

	2013
Grants received	$ 389,720
Expenditures	(275,214)
Grant Pass-through	(106,881)
Refundable advances	$ 7,625

Note 5 – Grant Programs

The Organization currently participates in various grant programs. These programs are subject to program compliance audits by the grantor agencies. The Organization's compliance with applicable grant requirements may be established at some future date; however, the Organization believes that any noncompliance will not have a material effect on the financial statements.

Note 6 - Concentrations

Grant Revenue/Receivables

The Organization receives substantial support (excluding in-kind donations) from various governmental agencies and private agencies throughout the year. For the fiscal year ending June 30, 2013, approximately 15% of the Organization's total support (excluding in-kind donations) was received from the U.S. department of Housing and Urban Development (HUD). Additionally, as of June 30, 2013, the entire balance of grants receivable in the amount of $ 89,149 is comprised of amounts due from Cook County, United Way, and HUD representing approximately 72%, 16% and 12%, respectively, of the balance.

Note 7 – Subsequent Events

The date to which the events occurring after June 30, 2013, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is March 21, 2014, the date on which the financial statements were available to be issued.

HEARNE & ASSOCIATES, P.C.
Certified Public Accountants & Business Consultants

David J. Hearne, Jr., CPA (Ret'd)
Phillip M. Hearne, CPA
Tamara L. Doerrer, CPA, CVA

Anthony M. Scott, CPA
John C. Williams, CPA, MST
Matthew R. Truschka
Ericka R. Wysocki

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 Directors of
Together We Cope

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 Together We Cope (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, 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 March 21, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Together We Cope'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 Together We Cope's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

19250 Everett Lane, Suite 200, Mokena, IL 60448 • Phone (708) 478-4650 • Fax (708) 478-4651 • www.hearnepc.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Together We Cope'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.

Hearne & Associates, P.C.

March 21, 2014
Mokena, Illinois

Hearne & Associates, P.C.
Certified Public Accountants

HEARNE & ASSOCIATES, P.C.
Certified Public Accountants & Business Consultants

David J. Hearne, Jr., CPA (Ret'd)
Phillip M. Hearne, CPA
Tamara L. Doerrer, CPA, CVA

Anthony M. Scott, CPA
John C. Williams, CPA, MST
Matthew R. Truschka
Ericka R. Wysocki

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 of
Together We Cope

Report on Compliance for Each Major Federal Program

We have audited Together We Cope's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Together We Cope's major federal programs for the year ended June 30, 2013. Together We Cope's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Together We Cope complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

19250 Everett Lane, Suite 200, Mokena, IL 60448 • Phone (708) 478-4650 • Fax (708) 478-4651 • www.hearnepc.com

Report on Internal Control Over Compliance

Management of Together We Cope 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 Together We Cope'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 Together We Cope's internal control over compliance.

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

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

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

Hearne & Associates, P.C.

March 21, 2014
Mokena, Illinois

Hearne & Associates, P.C.
Certified Public Accountants

TOGETHER WE COPE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2013

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grantor's Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Pass-Through Program From Chicago Food Depository:			
Emergency Food Assistance Program (M)	10.569	A00233	$ 191,390
Total U.S. Department of Agriculture			191,390
U.S. Department of Housing and Urban Development:			
Direct Programs:			
Supportive Housing Program-Families First-Permanent (M)	14.235	IL0237B5T111002	28,833
Supportive Housing Program-Families First-Permanent (M)	14.235	IL0237B5T111003	81,201
Supportive Housing Program-Families First-Transition (M)	14.235	IL0249B5T111003	31,815
Supportive Housing Program-Families First-Transition (M)	14.235	IL0249B5T111104	121,725
Subtotal - U.S. Department of Housing and Urban Development Direct Programs			263,574
Pass-Through Programs From Cook County:			
Community Development Block Grant	14.218	12-093	40,000
Community Development Block Grant	14.218	11-095	6,500
Emergency Shelter Grant	14.231	E11-SA-10	32,989
Emergency Shelter Grant	14.231	E-12-16	25,175
Subtotal - U.S. Department of Housing and Urban Development Pass Through Programs			104,664
Total U.S. Department of Housing and Urban Development			368,238
U.S. Department of Homeland Security			
Direct Program:			
Emergency Food and Shelter National Board Program	97.024	Phase 31	27,375
Total U.S. Department of Homeland Security			27,375
Total Expenditures of Federal Funds			$ 587,003

(M) - Program was audited as a major program as defined by OMB Circular A-133.

See notes to schedule of expenditures of federal awards.

TOGETHER WE COPE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2013

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Together We Cope for the year ended June 30, 2013. All federal financial assistance received directly from the federal agencies is included in the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations. Because the Schedule presents only a selected portion of the operations of the Together We Cope, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Note B – Significant Accounting Policies

1) Revenue from federal awards is recognized when the Organization has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when they become both measurable and available.

2) Expenditures of federal awards are recognized in the accounting period when the liability is incurred on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, Cost Principles for Nonprofit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Subrecipients

Of the federal expenditures presented in the schedule, Together We Cope provided federal awards to subrecipients as follows:

South Suburban PADS	14.235	$ 123,518

Note D – Nonmonetary Assistance

Nonmonetary assistance, in the form of food commodities, is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2013, Together We Cope had no remaining inventory of federal food commodities.

TOGETHER WE COPE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

I. Summary of Independent Auditors' Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes _X_ No
- Significant Deficiency(ies) identified 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 auditor's report issued on compliance for major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ___ Yes _X_ No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
10.569	Emergency Food Assistance Program
14.235	Supportive Housing Program

Dollar threshold used to distinguish between type A and type B programs $ 300,000

Auditee qualified as low-risk auditee? ___ Yes _X_ No

TOGETHER WE COPE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

II. Findings Relating to Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards.

There were no findings.

III. Findings and Questioned Costs for Federal Awards

There were no findings or questioned costs for federal awards.

TOGETHER WE COPE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2013

I. Findings Relating to Financial Statement Audit as Required to be Reported in Accordance with Generally Accepted Government Auditing Standards.

There were no prior year findings.

II. Finding and Questioned Costs for Federal Awards

There were no prior year findings or questioned costs for federal awards.