

**TOGETHER WE COPE
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2014**

Prepared By:

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

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Annual Financial Report

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Phillip M. Hearne, CPA
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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, 2014, 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.

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, 2014, 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 November xx, 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.

November 7, 2014
Mokena, IL

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

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STATEMENT OF FINANCIAL POSITION
June 30, 2014

Assets

Current Assets:

Cash and Cash Equivalents	\$ 331,723
Gift Certificates	1,260
Investments - at Market Value	902
Public Support Receivable	54,119
Inventory	23,256
Other Receivables	22,781
	<hr/>
Total Current Assets	434,041

Property and Equipment:

Land and Building	1,022,593
Furniture & Equipment	267,581
Less Accumulated Depreciation	(405,393)
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Net Property and Equipment	884,781

Total Assets

\$ 1,318,822

Liabilities and Net Assets

Current Liabilities:

Accounts Payable and Accrued Expenses	\$ 23,772
Payroll Liabilities	2,599
Current Portion of Long-term Debt	13,197
	<hr/>
Total Current Liabilities	39,568

Other Liabilities

Long-term Debt	41,726
	<hr/>
Total Liabilities	81,294

Net Assets

Unrestricted	1,218,352
Temporarily Restricted	19,176
	<hr/>
Total Net Assets	1,237,528

Total Liabilities and Net Assets

\$ 1,318,822

See Independent Auditors' Report and Notes to Financial Statements.

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STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Public Support and Revenue</u>			
Public Support			
Contributions			
Suburban United Ways Allocations	\$ 45,000	\$ -	\$ 45,000
Individuals	48,613	-	48,613
In-Kind	2,256,668	-	2,256,668
Foundations and Organizations	186,921	-	186,921
Businesses and Corporations	96,201	-	96,201
Fundraising	<u>179,375</u>	<u>-</u>	<u>179,375</u>
Total Public Support	<u>2,812,778</u>	<u>-</u>	<u>2,812,778</u>
Revenue			
Simply Sensible Shoppe	279,986	-	279,986
Investment Income	1,242	-	1,242
Government Grants	482,627	26,037	508,664
Satisfaction of Program Restriction	37,472	(37,472)	-
Other	<u>12,528</u>	<u>-</u>	<u>12,528</u>
Total Revenue	<u>813,855</u>	<u>(11,435)</u>	<u>802,420</u>
Total Public Support and Revenue	<u>3,626,633</u>	<u>(11,435)</u>	<u>3,615,198</u>
<u>Expenses</u>			
Program Services	3,391,672	-	3,391,672
Management and General	91,930	-	91,930
Fundraising	<u>157,028</u>	<u>-</u>	<u>157,028</u>
Total Expenses	<u>3,640,630</u>	<u>-</u>	<u>3,640,630</u>
Change in Net Assets	(13,997)	(11,435)	(25,432)
Net Assets			
Beginning of Year	<u>1,232,349</u>	<u>30,611</u>	<u>1,262,960</u>
End of Year	<u>\$ 1,218,352</u>	<u>\$ 19,176</u>	<u>\$ 1,237,528</u>

See Independent Auditors' Report and Notes to Financial Statements.

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STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2014

	2014
<u>Cash flows from operating activities:</u>	
Change in Net Assets	\$ (25,432)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	28,636
Property Donations Received	(17,855)
Change in Assets - Decrease (increase):	
Accounts Receivable	17,383
Gift Certificates	1,742
Unrealized gain (loss) on Investments	729
Inventory	6,203
Change in Liabilities - Increase (Decrease):	
Accounts Payable & Payroll Liabilities	(19,686)
Net Cash Provided by Operating Activities	(8,280)
<u>Cash flows from investing activities:</u>	
Purchase of Property and Equipment	(89,699)
<u>Cash flows from financing activities:</u>	
Proceeds from New Long-term Debt	57,892
Reduction of Long-term Debt	(2,969)
Net Cash Provided by (used in) Financing Activities	54,923
Net Decrease in Cash and Cash Equivalents	(43,056)
Cash and Cash Equivalents, Beginning of Year	374,779
Cash and Cash Equivalents, End of Year	\$ 331,723
Supplemental Disclosure of Cash Flow Information:	
Cash Payments for Interest	\$ 168

See Independent Auditors' Report and Notes to Financial Statements.

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STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2014

	Program Services	Support Services		Total
		Fund Raising	Management & General	
<u>Functional Expenses</u>				
Salaries	\$ 480,543	\$ 39,199	\$ 68,254	\$ 587,996
Employee Benefits	54,467	4,443	7,736	66,646
Payroll Tax	40,426	3,298	5,742	49,466
Outside Services	8,906	97	21,064	30,067
Client Services	2,695,304	-	-	2,695,304
Office Expenses	18,397	220	1,296	19,913
Insurance	16,703	182	1,271	18,156
Telephone	8,991	733	1,277	11,001
Occupancy	24,968	271	38,981	64,220
Miscellaneous	-	-	7,872	7,872
Fund Raising Costs	-	43,207	-	43,207
Depreciation Expense	26,333	280	2,023	28,636
Interest Expense	-	-	168	168
Volunteer Expenses	4,537	-	-	4,537
Vehicle Expenses	12,097	-	1,344	13,441
Total Expenses	<u>\$ 3,391,672</u>	<u>\$ 91,930</u>	<u>\$ 157,028</u>	<u>\$ 3,640,630</u>

See Independent Auditors' Report and Notes to Financial Statements.

TOGETHER WE COPE
NOTES TO FINANCIAL STATEMENTS
June 30, 2014

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 (formerly Statement of Financial Accounting Standards (SFAS) No. 117), *Financial Statements of Not-for-Profit Organizations*. 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, 2014, the Organization had approximately \$ 21,500 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.

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NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (continued)

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.

The Organization received an In-Kind donation of office furniture that is currently being used in the new office building. The total amount of office furniture that was donated is valued at \$17,855.

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, 2014 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 29,699 hours for the year ending June 30, 2014.

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, 2014, the Organization received approximately \$2,256,668 of in-kind support. For the year ended June 30, 2014, the Organization distributed approximately \$2,238,813 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.

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NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Note 1 – Nature of Operations and Summary of Significant Accounting Policies (continued)

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, 2011, 2012 and 2013 are subject to examination by the IRS, generally for three years after the respective return was filed.

Note 2 – Investments

Together We Cope has adopted the fair value accounting guidance issued by the FASB. Fair value accounting guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. The hierarchy is measured in three levels based on the reliability of inputs:

- Level 1 – Valuations based on quoted prices in active markets for identical assets as of the reporting date.
- Level 2 – Valuations based on pricing units that are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date.
- Level 3 – Valuations are derived from other valuations methodologies, including pricing models, discounted cash flow models, and similar techniques.

Together We Cope's investment balance of \$902 is comprised of equity securities at the Level 1 input.

Note 3 – 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, 2014 for \$22,343.

Note 4 – Notes Payable

The Organization is currently obligated on a promissory note dated March 27, 2014 with MB Financial Bank. The original amount financed was \$30,000 and is secured by substantially all business assets. The rate on the promissory note as of June 30, 2014 is 2.599%.

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NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Note 4 – Notes Payable (continued)

The Organization is also currently obligated on a capital lease agreement date December 23, 2013 and beginning on January 1, 2014 with Chicago Office Technology Group. The total amount of the lease is \$29,700 payable in 60 months.

	2014
Promissory Note	\$ 28,193
Capital Lease	26,730
Total	\$ 54,923

Maturities for long-term debt payable are as follows:

Fiscal Year Ended	Note	Lease	Total
2015	\$ 7,259	\$ 5,940	\$ 13,199
2016	7,448	5,940	13,388
2017	7,644	5,940	13,584
2018	5,842	5,940	11,782
2019	-	2,970	2,970
Total	\$ 28,193	\$ 26,730	\$ 54,923

Note 5 – 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, 2014 was as follows:

	2014
Grants received	\$ 508,664
Expenditures	(326,419)
Grant Pass-through	(153,259)
Refundable advances	\$ 28,986

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NOTES TO FINANCIAL STATEMENTS
June 30, 2014

Note 6 – 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, 2014, approximately 24% 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, 2014, the entire balance of grants receivable in the amount of \$54,120 is comprised of amounts due from Cook County, HUD, FEMA, and United Way representing approximately 59%, 21%, 15% and 5%, respectively, of the balance.

Note 7 – Subsequent Events

The date to which the events occurring after June 30, 2014, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is November 7, 2014, the date on which the financial statements were available to be issued.



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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, 2014, and the related statements of activities, cash flows, and functional expense for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 7, 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 Together We Cope's internal control.

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

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

Compliance and Other Matters

As part of obtaining 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 under *Government Auditing Standards*.

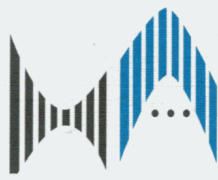
Purpose of this Report

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 of 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.

November 7, 2014
Mokena, Illinois



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**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, 2014. Together We Cope's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with 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 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, 2014.

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 and 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.

November 7, 2014
Mokena, Illinois


Hearne & Associates, P.C.
Certified Public Accountants

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2014

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor's Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Agriculture			
Pass-Through Program From Chicago Food Depository: Emergency Food Assistance Program (M)	10.569	A00233	\$ 245,813
Total U.S. Department of Agriculture			<u>245,813</u>
U.S. Department of Housing and Urban Development:			
Direct Programs:			
Supportive Housing Program-Families First-Permanent (M)	14.235	IL0237B5T111003	38,926
Supportive Housing Program-Families First-Permanent (M)	14.235	IL0237B5T111004	95,365
Supportive Housing Program-Families First-Transition (M)	14.235	IL0249B5T111104	38,724
Supportive Housing Program-Families First-Transition (M)	14.235	IL0249B5T111105	145,257
Subtotal - U.S. Department of Housing and Urban Development Direct Programs			<u>318,272</u>
Pass-Through Programs From Cook County:			
Community Development Block Grant	14.218	1304-069	40,000
Emergency Shelter Grant	14.231	E11-SA-10	6,731
Emergency Shelter Grant	14.231	E-12-16	42,999
Emergency Shelter Grant	14.231	E-13-17	38,518
Subtotal - U.S. Department of Housing and Urban Development Pass Through Programs			<u>128,248</u>
Total U.S. Department of Housing and Urban Development			<u>446,520</u>
U.S. Department of Homeland Security			
Direct Program:			
Emergency Food and Shelter National Board Program	97.024	Phase 30	3,113
Emergency Food and Shelter National Board Program	97.024	Phase 31	28,782
Total U.S. Department of Homeland Security			<u>31,895</u>
Total Expenditures of Federal Funds			<u>\$ 724,228</u>

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

See Notes to Schedule of Expenditures of Federal Awards.

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NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2014

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) included the federal grant activity of the Together We Cope for the year ended June 30, 2014. 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 measureable 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	\$153,259
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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, 2014, 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, 2014

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) if Circular A-133? ___ Yes X No

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
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

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2014

II. Findings Relating to Financial Statement audit as Required to be Reported in Accordance with Federally 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.

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SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2014

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.