

Audited  
Consolidated  
Financial  
Statements

June 30, 2025

Community Action  
Commission D/B/A  
Tri County Community  
Action and Subsidiary

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Community Action Commission  
d/b/a Tri County Community Action and Subsidiary  
Harrisburg, Pennsylvania

### ***REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS***

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Community Action Commission (a nonprofit organization) d/b/a Tri County Community Action and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Community Action Commission d/b/a Tri County Community Action and Subsidiary as of June 30, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Community Action Commission d/b/a Tri County Community Action and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Consolidated Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Commission d/b/a Tri County Community Action and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forger, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Community Action Commission d/b/a Tri County Community Action and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Commission d/b/a Tri County Community Action and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Report on Consolidating Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 20 through 21 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and is not a required part of the consolidated 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 consolidated financial statements. The consolidating information as of and for the year ended June 30, 2025 has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as of and for the year ended June 30, 2025 as a whole.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated 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 December 4, 2025, on our consideration of Community Action Commission d/b/a Tri County Community Action and Subsidiary'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 solely 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 the effectiveness of Community Action Commission d/b/a Tri County Community Action and Subsidiary's 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 Community Action Commission d/b/a Tri County Community Action and Subsidiary's internal control over financial reporting and compliance.

*Smith Elliott Kearn & Company, LLC.*

Camp Hill, Pennsylvania  
December 4, 2025

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Consolidated Statements of Financial Position**  
**June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 749,189	\$ 810,424
Certificates of deposit	522,136	349,510
Accounts receivable	597,198	681,969
Prepaid expenses	30,581	46,100
Total Current Assets	1,899,104	1,888,003
<b>PROPERTY AND EQUIPMENT, NET</b>	88,027	167,779
<b>OPERATING RIGHT-OF-USE ASSETS</b>	149,285	214,467
<b>OTHER ASSETS</b>		
Unemployment reserves - cash and cash equivalents	39,156	26,439
<b>TOTAL ASSETS</b>	<b>\$ 2,175,572</b>	<b>\$ 2,296,688</b>
<b>CURRENT LIABILITIES</b>		
Current maturities of lease liability - operating	\$ 69,761	\$ 65,173
Accounts payable	31,265	20,712
Accrued payroll	69,802	69,428
Accrued vacation	52,467	56,487
Payroll taxes withheld and accrued	9,302	9,586
Accrued expenses	40,566	39,943
Deferred revenue	145,278	80,357
Total Current Liabilities	418,441	341,686
<b>OTHER LIABILITIES</b>		
Long-term lease liability - operating - net of current portion	87,132	156,894
Total Liabilities	505,573	498,580
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	1,667,013	1,653,471
With donor restrictions	2,986	144,637
Total Net Assets	1,669,999	1,798,108
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 2,175,572</b>	<b>\$ 2,296,688</b>

**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Consolidated Statement of Activities  
Year Ended June 30, 2025**

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	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Totals</b>
<b>SUPPORT AND REVENUE</b>			
Grants and contracts	\$ 2,508,046	\$ -	\$ 2,508,046
Utility assistance revenue	591,500	-	591,500
Rental income	1,082	-	1,082
Contributions	88,250	-	88,250
Interest income	22,750	-	22,750
Miscellaneous income	21,716	-	21,716
Released from restriction	141,651	(141,651)	-
	<u>3,374,995</u>	<u>(141,651)</u>	<u>3,233,344</u>
<b>EXPENSES</b>			
Program services	2,692,147	-	2,692,147
Supporting services			
Management and general	606,886	-	606,886
Fundraising	13,372	-	13,372
	<u>3,312,405</u>	<u>-</u>	<u>3,312,405</u>
<b>OPERATING INCOME (LOSS)</b>	<u>62,590</u>	<u>(141,651)</u>	<u>(79,061)</u>
<b>NON-OPERATING INCOME</b>			
Loss on sale of property	(49,048)	-	(49,048)
<b>CHANGE IN NET ASSETS</b>	13,542	(141,651)	(128,109)
Net assets - Beginning	<u>1,653,471</u>	<u>144,637</u>	<u>1,798,108</u>
Net assets - Ending	<u>\$ 1,667,013</u>	<u>\$ 2,986</u>	<u>\$ 1,669,999</u>

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Consolidated Statement of Activities**  
**Year Ended June 30, 2024**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Totals</b>
<b>SUPPORT AND REVENUE</b>			
Grants and contracts	\$ 2,846,359	\$ -	\$ 2,846,359
Utility assistance revenue	467,251	-	467,251
Rental income	2,500	-	2,500
Contributions	52,049	7,500	59,549
Interest income	24,247	-	24,247
Miscellaneous income	33,004	-	33,004
Released from restriction	7,920	(7,920)	-
Total Support and Revenue	3,433,330	(420)	3,432,910
<b>EXPENSES</b>			
Program services	2,765,300	-	2,765,300
Supporting services			
Management and general	538,384	-	538,384
Fundraising	6,946	-	6,946
Total Expenses	3,310,630	-	3,310,630
<b>CHANGE IN NET ASSETS AND OPERATING INCOME</b>	122,700	(420)	122,280
Net assets - Beginning	1,530,771	145,057	1,675,828
Net assets - Ending	\$ 1,653,471	\$ 144,637	\$ 1,798,108



**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Consolidated Statement of Functional Expenses**  
**Year Ended June 30, 2025**

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		<u>Supporting Services</u>		
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 1,447,676	\$ 415,129	\$ 6,402	\$ 1,869,207
Payroll taxes and fringe benefits	560,845	84,015	579	645,439
Contracted services	9,814	6,675	-	16,489
Depreciation	5,236	6,511	-	11,747
Professional fees	40,282	32,862	9	73,153
Supplies, printing, and postage	115,250	10,600	536	126,386
Program supplies	191,677	237	4,426	196,340
Equipment purchase	271	109	510	890
Insurance	42,914	4,577	66	47,557
Occupancy	150,017	25,729	3	175,749
Travel, lodging, and meetings	33,679	260	3	33,942
Telephone	24,032	2,387	15	26,434
Subscriptions and dues	43,138	13,936	371	57,445
Staff training	13,653	142	-	13,795
Bad debt expense	10,726	-	-	10,726
Miscellaneous	1,870	3,560	450	5,880
Equipment lease expense	1,067	157	2	1,226
<b>TOTAL EXPENSES</b>	<u>\$ 2,692,147</u>	<u>\$ 606,886</u>	<u>\$ 13,372</u>	<u>\$ 3,312,405</u>

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Consolidated Statement of Functional Expenses**  
**Year Ended June 30, 2024**

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		<u>Supporting Services</u>		
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 1,377,965	\$ 358,977	\$ 6,108	\$ 1,743,050
Payroll taxes and fringe benefits	537,297	72,824	436	610,557
Contracted services	57,450	-	-	57,450
Depreciation	4,302	9,782	-	14,084
Professional fees	62,005	43,191	22	105,218
Supplies, printing, and postage	106,754	19,773	168	126,695
Program supplies	320,404	-	-	320,404
Equipment purchase	457	196	1	654
Insurance	36,620	4,483	56	41,159
Occupancy	157,245	8,359	4	165,608
Travel, lodging, and meetings	28,939	336	2	29,277
Telephone	24,291	2,266	17	26,574
Subscriptions and dues	33,171	12,935	131	46,237
Staff training	16,925	918	-	17,843
Miscellaneous	888	4,270	-	5,158
Equipment lease expense	587	74	1	662
<b>TOTAL EXPENSES</b>	<u><u>\$ 2,765,300</u></u>	<u><u>\$ 538,384</u></u>	<u><u>\$ 6,946</u></u>	<u><u>\$ 3,310,630</u></u>

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Consolidated Statements of Cash Flows**  
**Years Ended June 30, 2025 and 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (128,109)	\$ 122,280
Adjustments to reconcile change in net assets to net cash and cash equivalents provided (used) by operating activities		
Depreciation	11,747	14,084
Reduction of ROU asset	65,190	75,251
Bad debt expense	10,726	-
Loss on sale of property	49,048	-
(Increase) decrease in assets		
Accounts receivable	74,045	(49,963)
Prepaid expenses	15,519	(10,905)
Increase (decrease) in liabilities		
Accounts payable	10,553	(21,523)
Accrued payroll	374	5,408
Accrued vacation	(4,020)	35,506
Payroll taxes withheld and accrued	(284)	3,172
Accrued expenses	623	(7,521)
Lease liability	(65,182)	(72,240)
Deferred revenue	64,921	(34,470)
Net Cash and Cash Equivalents Provided by Operating Activities	105,151	59,079
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(12,425)	-
Proceeds from sale of property	31,382	-
Net Cash and Cash Equivalents Provided by Investing Activities	18,957	-
Net Increase in Cash and Cash Equivalents	124,108	59,079
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	1,186,373	1,127,294
End of year	\$ 1,310,481	\$ 1,186,373
Cash and cash equivalents	\$ 749,189	\$ 810,424
Certificates of deposit	522,136	349,510
Unemployment reserves - cash and cash equivalents	39,156	26,439
	\$ 1,310,481	\$ 1,186,373

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***Nature of Operations***

Community Action Commission's (a Pennsylvania not-for-profit corporation) (Commission) mission is to build on the strengths and resources available, provide solutions for complex issues, and empower individuals, families, and communities to move out of poverty.

The Commission provides:

- Neighborhood revitalization, including economic development
- Intensive, long-term family support
- Parent and child skill development programs
- Parent education and life skills training
- Comprehensive long-term self-sufficiency case management
- Credit repair and budget counseling

The Commission is committed to providing employment training to individuals in the community, as well as mobilizing monetary and social resources to capture opportunities for economic and commercial development, increase the quality and quantity of community services, enhance parking and transit services, and improve community safety and cleanliness.

Effective March 1, 1992, the Commission established Keystone Community Development Corporation, Inc. (a Pennsylvania not-for-profit corporation) (Corporation), a subsidiary through common management and control through the Commission's Executive Committee and its Executive Director comprising the Corporation's Board of Directors. The Corporation holds title to property for the benefit of the Commission Action Commission and to support its mission.

The primary sources of revenue for the Commission are from social service grants and contracts, program fees, and contributions. The primary source of revenue for the Corporation is rental income received from its properties, net of related expenses associated therein.

Collectively, for the purposes of these consolidated financial statements, the Commission and the Corporation are referred to as the "Organization."

***Basis of Consolidation***

The accompanying consolidated financial statements include the accounts of the Organization. All significant intercompany accounts and transactions are eliminated.

**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Notes to the Consolidated Financial Statements**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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***Basis of Accounting***

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

***Use of Estimates***

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Cash and Cash Equivalents***

For purposes of the Consolidated Statements of Financial Position and Consolidated Statements of Cash Flows, cash and cash equivalents include all highly liquid investments with an initial maturity date of three months or less and certificates of deposit which are easily convertible to cash.

***Accounts Receivable***

Accounts receivable are stated at outstanding balances. The Organization considers accounts receivable to be fully collectible. If collection becomes doubtful, an allowance for credit losses will be established or the accounts will be charged to income when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

***Property and Equipment***

It is the policy of the Organization to record purchased fixed assets at cost and donated assets at fair value on the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

New acquisitions of fixed assets having a low acquisition cost, or which are not expected to last for more than a year, are expensed in the year of acquisition. Repairs and maintenance charges are capitalized and depreciated when they materially extend the useful life of the related asset.

The Organization's policy is to capitalize purchases of \$ 5,000 or more.

The useful lives for purposes of computing depreciation are as follows:

Land improvements	15 years
Building	15 years
Building improvements	10-15 years
Equipment	3-7 years
Vehicle	4 years

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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***Leases***

The Organization determines whether a contract contains a lease at inception based on whether a right to control the use of an identified asset is conveyed. All of the Organization's leases are classified as operating leases. The Organization records operating lease right-of-use assets and lease liabilities in the consolidated statements of financial position. Lease expenses are recorded within indirect expenses in the accompanying consolidated statements of activities. Operating lease right-of-use assets and lease liabilities are recognized based on the net present value of future minimum lease payments over the lease term beginning on the commencement date. The Organization generally is not able to determine the rate implicit in its leases and, as such, applies an appropriate risk-free rate. Lease expense is recognized on a straight-line basis over the lease term. Lease terms may include an option to extend or terminate a lease if it is reasonably certain that the Organization will exercise such options. The Organization has elected the practical expedients to utilize the risk-free rate, to not separate lease components from non-lease components and to not record a right-of-use asset or lease liability for leases which, at inception, have a term of twelve months or less. Variable lease payments are recognized in the period in which the obligation for those payments is incurred.

***Net Assets***

The Commission is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. A description of the two net asset categories follows:

**Without Donor Restrictions:** Net assets that are not subject to donor-imposed restrictions. Without Donor Restriction net assets may be designated for specific purposes by action of the Board of Directors.

**With Donor Restrictions:** Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time and net assets subject to donor-imposed restrictions that are to be maintained permanently by the Organization.

***Contributions***

Contributions received are recorded as with or without donor restrictions support, depending on the existence or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

***In-Kind Contributions***

A substantial number of individual volunteers and business have donated significant amounts of time to the Commission's programs and administrative functions. These services do not meet the criteria for recognition as contributed services and are not reflected in the accompanying consolidated financial statements.

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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***Deferred Support and Revenue***

This includes unexpended balances of grants and advanced program and rental revenues for use in future periods.

***Functional Expense Classification***

The cost of providing the various programs and other activities is summarized on a functional basis in the Consolidated Statements of Activities and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Supporting services consist of management and general expenses and fundraising expenses.

Expenses are classified by function through estimates by management based upon time, prior experience and current year services.

***Tax-Exempt Status***

The Organization is exempt from Federal Income Tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Donors are entitled to deductions for Federal Income Tax purposes for contributions made to the Organization in accordance with the Internal Revenue Code. Accordingly, no income tax is incurred unless the Organization earns income considered to be unrelated business income. The Organization conducted no activities which were subject to income taxes.

***Tax-Exempt Status (continued)***

The Organization is a not-for-profit entity described in Section 501(c)(2) of the Internal Revenue Code and is exempt from income taxes on related activities pursuant to Section 509(a) of the Internal Revenue Code. The Commission conducted no activities which were subject to income taxes.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization, including whether the entity is exempt from income taxes. Any interest and penalties are charged to expense as incurred. Management evaluated the tax positions taken and concludes that the Organization had taken no uncertain tax positions that require recognition or disclosure in the consolidated financial statements. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. Tax returns are generally subject to examination for a period of three years after they are filed.

**NOTE 2 REVENUE RECOGNITION**

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The primary sources of revenue for Community Action Commission are program service revenue (utility assistance), contribution revenue, grant and contract revenue, rental income and interest income. Revenue is recognized as earned based on contractual terms, as transactions occur, or as services are provided. All revenues determined to be in the scope of ASC 606 are presented within the consolidated statements of activities and are recognized as performance obligations to clients are met.

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 2 REVENUE RECOGNITION (CONTINUED)**

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Contributions, grants, rental income (Note 6) and interest income are recognized on the accrual basis, but these revenues are outside the scope of ASC 606.

Following is further detail of the various types of revenue Community Action Commission earns and when it is recognized under ASC 606:

**Utility Assistance Revenue:** The Organization receives revenue from utility companies for assisting clients in applying for financial assistance related to their utility bills. The performance obligation occurs when clients are provided assistance in applying for financial assistance from Pennsylvania Power & Light. All utility assistance revenue is recognized over time as the assistance service is provided. The receivable balance for this revenue was \$ 104,188 and \$ 79,414 at June 30, 2025, and 2024, respectively. The receivable balance at July 1, 2023 was \$ 51,604.

**NOTE 3 PROPERTY AND EQUIPMENT**

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Property and equipment consist of the following as of June 30:

	2025	2024
Land		
1526 Derry Street	\$ 19,804	\$ 19,804
220 South 13th Street	-	3,651
234 South 13th Street	-	13,825
238 South 13th Street	-	62,955
Land Improvements		
1327 Thompson Street	12,850	12,850
Building		
1514 Derry Street	185,560	201,366
Building Improvements	243,078	214,847
Equipment	292,310	292,310
Vehicle	33,740	33,740
	<u>787,342</u>	<u>855,348</u>
Less: Accumulated Depreciation	<u>(699,315)</u>	<u>(687,569)</u>
	<u>\$ 88,027</u>	<u>\$ 167,779</u>



**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 4 UNEMPLOYMENT COMPENSATION RESERVE**

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Effective January 1994, the Organization elected to reimburse the Pennsylvania Unemployment Compensation Fund for actual unemployment compensation claims paid (self-insured). When employees receive unemployment compensation benefits, the Pennsylvania Unemployment Compensation Fund is reimbursed for the amount of payment and the Organization's unemployment compensation reserve is reduced accordingly. The reserve is funded by the Organization based management's past experience and projections. Expenses on this account are charged based on the allocation of salaries and wages.

Effective January 2001, the Organization obtained a stop loss insurance policy for unemployment compensation claims. Under the policy, the Organization will be liable for the first \$ 40,000 of claims. Beyond the \$ 40,000 and up to \$ 160,000, the policy will cover claims incurred by the Commission's employees. The Organization is responsible for annual claims in excess of \$ 160,000.

The balance of the Organization's unemployment reserve at June 30, 2025 and 2024 amounted to \$ 39,156 and \$ 26,439, respectively.

**NOTE 5 LINES OF CREDIT**

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The Organization has a \$ 100,000 authorized line of credit with PNC Bank. This uncollateralized line of credit bears interest at the bank's prime rate plus 1.25%. There were no amounts outstanding on this line of credit at June 30, 2025 and 2024.

The Organization also has a \$ 50,000 authorized line of credit with M&T Bank. This uncollateralized line of credit bears interest at 3.50 percentage points above the prime rate announced by the bank. All outstanding principal and interest are due on demand. There were no amounts outstanding on this line of credit at June 30, 2025 and 2024.

**NOTE 6 LEASES – OPERATING RIGHT-OF-USE ASSETS AND RENTAL INCOME**

---

Lease liabilities represent the Organization's obligation to make lease payments and are presented at each reporting date as the net present value of the remaining contractual cash flows. Cash flows are discounted based on the risk-free rate, as permitted under ASU 2021-09. Right-of-use assets represent the Organization's right to use the underlying asset for the lease term and are calculated as the sum of the lease liability and if applicable, prepaid rent, initial direct costs, and any incentives received from the lessor.

The Organization has one lease of office space that is considered an operating lease. The lease agreement does not provide for a residual value guarantee and has no restrictions or covenants that would require incurring additional financial obligations. There are no variable lease costs for the year ended June 30, 2025 and 2024.

Lease expense at June 30 is as follows:

<b>Lease expense</b>	<b>2025</b>	<b>2024</b>
Operating lease expense	\$ 71,509	\$ 71,509
Short-term lease expense	52,548	65,063
<b>Total</b>	<b>\$ 124,057</b>	<b>\$ 136,572</b>

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

**NOTE 6 LEASES (CONTINUED)**

Information related to cash flows, assets obtained, weighted-average remaining lease terms, and weighted-average discount rates are as follows at June 30:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 71,500	\$ 68,500
Weighted-average remaining lease term in years for operating leases	2.17	3.17
Weighted-average discount rate for operating leases	3.39%	3.39%

Future payments due under lease obligations are as follows at June 30, 2025:

<u>Year end</u>	<u>Operating</u>
2026	\$ 73,800
2027	76,014
2028	<u>12,730</u>
Total undiscounted cash flows	162,544
Less: present value discount	<u>(5,651)</u>
Total lease liabilities	<u>\$ 156,893</u>

The Organization leased a building to unrelated third parties under short-term and long-term lease arrangements. During the year ended June 30, 2025, the parking lots at 220-238 South 13<sup>th</sup> Street, Harrisburg, were sold for \$31,382. The loss on the sale of these properties was \$ 49,048. As of June 30, 2025 the cost of the remaining rental properties was \$ 445,486 while accumulated depreciation on the properties was \$ 371,076. For the years ended June 30, 2025 and 2024, rental income amounted to \$ 1,082 and \$ 2,500, respectively.

**NOTE 7 NET ASSETS**

	<u>2025</u>	<u>2024</u>
<b><i>Net assets with donor restrictions</i></b>		
Subject to expenditure for specified purpose		
Pregnant mothers and young children	\$ 2,986	\$ 132,416
Clean and Green initiative	<u>-</u>	<u>12,221</u>
	<u>\$ 2,986</u>	<u>\$ 144,637</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30:

	<u>2025</u>	<u>2024</u>
<b><i>Purpose restriction accomplished</i></b>		
Pregnant mothers and young children	\$ 129,430	\$ 25,000
Clean and Green initiative	<u>12,221</u>	<u>7,363</u>
	<u>\$ 141,651</u>	<u>\$ 32,363</u>

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 8 RETIREMENT PLAN**

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The Organization sponsors a tax-deferred annuity plan through a simplified employee retirement plan. The plan is available to all employees. Under the Plan, the Organization typically contributes 3% of the individual's compensation as an Employer Discretionary Contribution. The Organization makes an Employer Matching Contribution equal to 50% of an employee's salary deferral contribution that does not exceed 8% of employee's compensation.

The retirement plan expense for the year ended June 30, 2025 and 2024 was \$ 114,866 and \$ 100,694, respectively.

**NOTE 9 RELATED ORGANIZATION**

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The Organization has entered into a partnership as a limited partner to assist in rehabilitating various properties:

***Upper Dauphin Projects:***

During the year ended June 30, 1997, the Organization entered into limited partnership agreements with Greenfield Estates Associates, Fairview Estates Associates, and Hillside Heights Associates (collectively referred to as the Upper Dauphin Projects) as one of their limited partners. The purpose of the Upper Dauphin Projects is to develop and operate multi-family apartment developments located in Dauphin County, Pennsylvania, for rental to individuals and families of low income. Under the partnership agreements, the Organization's share of each of the partnerships' profit and loss is .01%. As of June 30, 2025 and 2024, the Organization had made no significant capital contributions to the Upper Dauphin Projects.

**NOTE 10 CONCENTRATION OF CREDIT RISK**

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Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents held with financial institutions. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$ 250,000. Management considers any amount in excess of the FDIC limit to be a normal business risk.

The Organization maintains a portion of its cash in a money market account which is not insured by the FDIC. The uninsured amount totaled \$ 522,136 and \$ 496,482 at June 30, 2025 and 2024, respectively.

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Notes to the Consolidated Financial Statements**

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**NOTE 11 LIQUIDITY AND AVAILABILITY**

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The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditures are as follows at June 30:

	<b>2025</b>	<b>2024</b>
Financial assets at year end		
Cash and cash equivalents	\$ 788,345	\$ 836,863
Certificates of deposit	522,136	\$ 349,510
Accounts receivable	597,198	681,969
Total financial assets	1,907,679	1,868,342
Less restricted and nonspendable amounts		
Unemployment reserves	(39,156)	(26,439)
Cash held for future donor specified expenditures	(2,986)	(144,637)
	<u>\$ 1,865,537</u>	<u>\$ 1,697,266</u>

Cash in the amount of \$ 2,986 and \$ 144,637 at June 30, 2025 and 2024, respectively, has been excluded, for it has been restricted by donors for certain purposes described in Note 7.

The Organization receives contributions available for general and program expenditures which are ongoing and central to its yearly operations. The Organization maintains adequate liquid assets to fund near-term operating needs and maintaining reserves to provide reasonable assurance that long-term obligations will be met. As more fully described in Note 5, the Organization has two lines of credit totaling \$ 150,000, which it could draw upon in the event of unanticipated liquidity needs.

**NOTE 12 SUBSEQUENT EVENTS**

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The Commission has evaluated events and transaction subsequent to June 30, 2025 through December 4, 2025, the date these financial statements were available to be issued. The following items were identified as subsequent events requiring disclosure.

The \$ 100,000 PNC line of credit disclosed in Note 5 was closed and replaced with a \$ 500,000 line of credit with PNC bank on July 16, 2025. This uncollateralized line of credit bears interest at the bank's prime rate minus 1.00%.

The Upper Dauphin Project discussed in Note 9 was sold with closing completed as of August 22, 2025. No distribution has been made to the Organization as the issuing date of this report.

## **SUPPLEMENTARY INFORMATION**

**COMMUNITY ACTION COMMISSION**  
**D/B/A TRI COUNTY COMMUNITY ACTION**  
**Consolidating Schedule of Financial Position**  
**Year Ended June 30, 2025**

	Community Action Commission	Keystone Community Development Corporation, Inc.	Eliminations	Total
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 657,164	\$ 92,025	\$ -	\$ 749,189
Certificates of deposit	522,136	-	-	522,136
Accounts receivable	597,198	-	-	597,198
Accounts receivable - related organization	555,243	-	(555,243)	-
Prepaid expenses	28,614	1,967	-	30,581
Total Current Assets	2,360,355	93,992	(555,243)	1,899,104
<b>PROPERTY AND EQUIPMENT, NET</b>	13,616	74,411	-	88,027
<b>OPERATING RIGHT-OF-USE ASSETS</b>	775,911	-	(626,626)	149,285
<b>OTHER ASSETS</b>				
Unemployment reserves - cash and cash equivalents	39,156	-	-	39,156
<b>TOTAL ASSETS</b>	<u>\$ 3,189,038</u>	<u>\$ 168,403</u>	<u>\$ (1,181,869)</u>	<u>\$ 2,175,572</u>
<b>CURRENT LIABILITIES</b>				
Current maturities of lease liability - operating	\$ 100,849	\$ -	\$ (31,088)	\$ 69,761
Accounts payable	29,960	1,305	-	31,265
Accounts payable - related organization	-	555,243	(555,243)	-
Accrued payroll	69,802	-	-	69,802
Accrued vacation	52,467	-	-	52,467
Payroll taxes withheld and accrued	9,302	-	-	9,302
Accrued expenses	40,566	-	-	40,566
Deferred revenue	125,533	19,745	-	145,278
Total Current Liabilities	428,479	576,293	(586,331)	418,441
<b>OTHER LIABILITIES</b>				
Long-term Lease liability - operating - net of current portion	682,670	-	(595,538)	87,132
Total Liabilities	1,111,149	576,293	(1,181,869)	505,573
<b>NET ASSETS</b>				
Without donor restriction				
Undesignated	2,074,903	(407,890)	-	1,667,013
With donor restrictions	2,986	-	-	2,986
Total Net Assets	2,077,889	(407,890)	-	1,669,999
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 3,189,038</u>	<u>\$ 168,403</u>	<u>\$ (1,181,869)</u>	<u>\$ 2,175,572</u>

**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Consolidating Schedule of Activities  
Year Ended June 30, 2025**

	Community Action Commission			Keystone Community Development Corporation, Inc.	Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total			
<b>SUPPORT AND REVENUE</b>						
Grants and contracts	\$ 2,508,046	\$ -	\$ 2,508,046	\$ -	\$ -	\$ 2,508,046
Utility assistance revenue	591,500	-	591,500	-	-	591,500
Rental income	-	-	-	49,082	(48,000)	1,082
Contributions	88,250	-	88,250	-	-	88,250
Interest income	22,750	-	22,750	-	-	22,750
Miscellaneous income	21,716	-	21,716	-	-	21,716
Released from restriction	141,651	(141,651)	-	-	-	-
Total Support and Revenue	3,373,913	(141,651)	3,232,262	49,082	(48,000)	3,233,344
<b>EXPENSES</b>						
Program services	2,705,444	-	2,705,444	18,821	(32,118)	2,692,147
Supporting services						
Management and general	622,768	-	622,768	-	(15,882)	606,886
Fundraising	13,372	-	13,372	-	-	13,372
Total Expenses	3,341,584	-	3,341,584	18,821	(48,000)	3,312,405
Operating income (loss)	32,329	(141,651)	(109,322)	30,261	-	(79,061)
<b>NON-OPERATING INCOME</b>						
Gain on sale of property	-	-	-	(49,048)	-	(49,048)
<b>CHANGE IN NET ASSETS AND OPERATING INCOME(LOSS)</b>	32,329	(141,651)	(109,322)	(18,787)	-	(128,109)
Net Assets, Beginning of Year	2,042,574	144,637	2,187,211	(389,103)	-	1,798,108
Net Assets, End of Year	\$ 2,074,903	\$ 2,986	\$ 2,077,889	\$ (407,890)	\$ -	\$ 1,669,999

**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal Assistance Listing Number</b>	<b>Agency or Pass-Through Number</b>	<b>Federal Expenses</b>	<b>Total Passed-Through to Subrecipients</b>
<b>U.S. Department of Health and Human Services</b>				
<i>Passed through:</i>				
Pennsylvania Department of Community and Economic Development				
Community Services Block Grant	93.569	C000081866	\$ 1,137,821	\$ -
Subtotal - Community Services Block Grant			1,137,821	-
<i>Passed through:</i>				
Dauphin County Social Services for Children & Youth				
Temporary Assistance for Needy Families	93.558	-	10,974	-
Subtotal - Temporary Assistance for Needy Families			10,974	-
<i>Passed through:</i>				
County of Dauphin				
Promoting Safe and Stable Families	93.556	071207955	369,744	-
Pennsylvania Department of Human Services				
Promoting Safe and Stable Families	93.556	4100067016	315,156	-
Subtotal - Promoting Safe and Stable Families			684,900	-
<b>Total</b>			<b>\$ 1,833,695</b>	<b>\$ -</b>



**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025**

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**NOTE 1 BASIS OF PRESENTATION**

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The schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Community Action Commission and is presented on the accrual basis of accounting. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Community Action Commission is currently using an internally developed method to allocate indirect costs and is not using the 10% de minimis indirect cost allocation.

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

Board of Directors  
Community Action Commission  
d/b/a Tri County Community Action and Subsidiary  
Harrisburg, Pennsylvania

We have audited, 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, the consolidated financial statements of Community Action Commission (a nonprofit organization) (Commission), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 4, 2025.

***REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING***

In planning and performing our audit of the consolidated financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 or significant deficiencies may exist that have not been identified.

## ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Commission's consolidated 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 the consolidated financial statements. 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 Commission'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.

*Smith Elliott Hearn & Company, LLC.*

Camp Hill, Pennsylvania  
December 4, 2025

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
Community Action Commission  
d/b/a Tri County Community Action and Subsidiary  
Harrisburg, Pennsylvania

### ***REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM***

#### ***Opinion on Major Federal Program***

We have audited Community Action Commission's (Commission) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2025. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission 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, 2025.

#### ***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Commission's compliance with compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Commission's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **REPORT ON 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*Smith Elliott Kearn & Company, LLC.*

Camp Hill, Pennsylvania  
December 4, 2025

**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Schedule of Findings and Questioned Costs  
June 30, 2025**

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified. ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Noncompliance material to consolidated financial Statements noted? ☐ Yes ☒ No

**Federal Awards**

Internal control over major programs:

- Material weakness identified? ☐ Yes ☒ No
- Significant deficiencies identified? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with 2CFR Section 200.516(a)? ☐ Yes ☒ No

Identification of the major programs:

CFDA Number(s)	Name of Federal Program
93.569	Community Services Block Grant

Dollar threshold used to distinguish between type A and type B programs \$ 1,000,000

Auditee qualified as low risk auditee? ☒ Yes ☐ No

**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Schedule of Findings and Questioned Costs  
June 30, 2025**

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**Section II – Financial Statement Findings**

**A. Significant Deficiencies or Material Weaknesses in Internal Control**

None Noted

**B. Compliance Findings**

There were no compliance findings related to the financial statement audit required to be reported.

**Section III – Federal Findings and Questioned Costs**

**A. Significant Deficiencies or Material Weaknesses in Internal Control over Compliance**

None Noted

**B. Compliance Findings**

There were no compliance findings related to the major federal awards as required to be reported in accordance with the Uniform Guidance by 2CFR Section 200.516(a).



**COMMUNITY ACTION COMMISSION  
D/B/A TRI COUNTY COMMUNITY ACTION  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2025**

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There were no compliance or internal control findings related to the financial statements or compliance or internal control findings related to the federal awards for the year ended June 30, 2025.