TVCCA

TOWN OF WATERFORD
15 Rope Ferry Road
Waterford, CT 06385
860-442-0553

SOCIAL SERVICES GRANT FUNDING REQUEST

ORGANIZATION NAME: Thames Valley Council for Community Action, Inc.

REQUEST DATE (FISCAL YEAR): 2023-2024

REQUESTED AMOUNT: $6,050

BENEFIT STATEMENT (Describe how these funds will be used)

See attached benefit statement

Per Town of Waterford Budget Guidelines: please attach a certified audit report of all funds appropriated during the last completed fiscal year to your funding request.

DECLARATION

I, the requester, understand that I am requesting public funds from the Town of Waterford. I declare that this request does not pose any potential conflict with the Town of Waterford and I will provide any documentation requested by the Town of Waterford to authorize funding this request or review the appropriateness of the request.

Signature

12/6/22
Date

December 6, 2022

Mr. Robert J. Brule, First Selectman
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385

Dear Mr. Brule:

Thames Valley Council for Community Action (TVCCA) respectfully submits the following request for public funding from the Town of Waterford.

Amount of Funding Request: $6,050

On average, TVCCA provides services valued at more than $1.1 million to Waterford residents. Most of this Waterford allocation is passed on to local businesses in the form of payments to home heating vendors, landlords, and food markets, creating a major impact on the well-being of low-income residents and the community at large.

Benefits Statement / Description of Services

As we moved from the pandemic protocols, employment (especially increased wages) is the key to long-term sustainability. TVCCA provided employment services to 38 Waterford residents - providing them with the opportunity to complete training in manufacturing and the trades and to receive assistance with resume writing, interview skills, and developing soft-skills that are not industry specific. As we move further from the pandemic, we are seeing signs of increased need for mental health services; housing, and basic needs.

With a recession looming and inflation and rising interests stretching every dollar, more people are slipping into poverty. This continues to be the greatest challenge in TVCCA's 57-year history; and while we cannot foresee the details of its resolution, our staff and our partners continue to provide services and support for the most vulnerable community members. We continue to offer our services in-person or remotely – based on client preference.

As the area's Community Action Agency, TVCCA is currently administering multiple state and federal contracts to meet many of the basic needs of area residents experiencing rising costs. We continue implementing programs that will provide equitable resources for community members.

Additionally, following the state's closure of non-essential businesses, including senior centers through which many seniors received their main meal of the day, TVCCA's Senior Nutrition Program stepped up and began delivering meals to 38% more clients and increased meal production by 40%. Our team has worked closely with the Waterford Senior Center throughout the pandemic to ensure that Waterford seniors receive the nutritious meals that they need in order to stay safe in their homes. The Meals on Wheels service is now more important than ever in keeping seniors safe and out of managed care facilities.

Highlighted Information Requested:

- **Number and cost of personnel**: TVCCA's employs 232 full-time and 108 part-time employees. Personnel costs for salaries and benefits are $15,237,931.
- **Number of Waterford residents served:** 1,012 – Please see attached Services Rendered Report for breakdown of all services provided to Waterford.
- **United Way Funding:** $29,625; approximately 0.08% of our annual operating budget of $35,212,832.

On behalf of our Board and the residents we serve, thank you for this opportunity and I look forward to working with you in the coming year.

Best regards,

Barbara Crouch
Senior Director, Marketing & Development

Enclosures: Original plus 5 copies of the following – Social Services Grant Funding Request form; statement of services rendered to the Town of Waterford for the twelve-month period ending September 2022; TVCCA annual report; TVCCA's most recent audit; TVCCA municipal funding information

cc: The Honorable Kathleen McCarty
Deborah Monahan, TVCCA CEO
Brian Vanasse, TVCCA CFO

THAMES VALLEY COUNCIL FOR COMMUNITY ACTION, INC.
SERVICES TO THE TOWN OF WATERFORD
10/1/21 - 9/30/22

	CLIENTS SERVED	VALUE OF SERVICES
EMPLOYMENT AND TRAINING PROGRAMS		
Jobs First Employment Services	5	$12,848.00
Manufacturing Pipeline Initiative	23	$6,134.00
Workforce Innovation & Opportunity Act (WIOA)	10	$36,912.00
EARLY CHILDHOOD EDUCATION		
Head Start	24	$153,384.00
Little Learners	17	$189,703.00
FINANCIAL MANAGEMENT		
Tax Preparation Services (VITA)	43	$74,429.00
HOUSING SERVICES		
Next Steps Supportive Housing Program	1	$7,563.00
Home Again Project	1	$3,746.00
Housing Choice Voucher Rental Assistance (Section 8)	38	$405,650.00
SELF-SUFFICIENCY & EMERGENCY SERVICES		
CSBG CARES	10	$24,599.00
CSBG Case Management	72	$24,489.00
SSBG Case Management	11	$4,376.00
Community Resource Coordination		
Connecticut Energy Assistance Program	521	$76,947.00
NUTRITION PROGRAMS		
Senior Nutrition Program - Home Delivered	67	$72,687.00
Senior Nutrition Program - Congregate	24	$14,960.00
Women, Infants & Children (WIC)	145	$60,438.00
TOTAL CLIENTS SERVED	**1,012**	
SENIOR CITIZEN PROGRAMS	*HOURS SERVED*	*VALUE OF SERVICES*
Retired and Senior Volunteer Program - Service Hours to Town	*547*	*$14,878.00*
TOTAL VALUE OF SERVICES		**$1,183,743.00**

MUNICIPAL DONATIONS TO TVCCA 2022-2023 New London County	
TOWN	DONATION AMOUNT
Bozrah	$1,210
East Lyme	$1,650
Franklin	$2,750
Griswold	$3,300
Groton	$31,342
Lisbon	$1,100
Montville	$4,000
New London	$29,180
North Stonington	$1,250
Norwich	$36,500
Old Lyme	$660
Salem	$1,100
Sprague	$1,100
Stonington	$10,000
Voluntown	$550
Waterford	$5,500
Total	$131,192

THAMES VALLEY COUNCIL FOR COMMUNITY ACTION, INC. **EXHIBIT 6.3**

AND SUBSIDIARY

PRO FORMA OPERATING BUDGET

FOR THE YEARS APRIL 1, 2022 THROUGH MARCH 31, 2023

	FY 2023	FY 2022
SUPPORT AND REVENUE		
Grants and Contracts:		
Federal and State	31,446,188	24,075,828
Local and Other	547,092	646,346
Contributions:		
Noncash	265,902	286,150
Program and Other Income	2,599,846	1,924,369
Debt Service Paid on Behalf of TVCCA by the State of Connecticut	$353,804	$385,782
Total Support and Revenue	$35,212,832	$27,318,475
EXPENSES		
Salaries and Benefits	$14,747,556	$13,778,254
Client Assistance	13,622,438	8,832,106
Materials and Supplies	808,876	556,423
Administrative and General	691,573	547,927
Contributed good and services	265,902	286,150
Contractual Services	2,523,246	806,075
Repairs and maintenance	886,134	686,190
Rent and Leasing	267,379	217,728
Other Expenses	137,409	307,717
Depreciation and Amortization	569,381	587,993
Utilities	204,958	177,318
Insurance	175,365	226,470
Travel and Transportation	124,980	97,367
Interest	187,635	210,757
Total Expenses	$35,212,832	$27,318,475

NOTES:

TVCCA has reported and filed consolidated financial reports on this post results schedule. Timing of revenue streams vary program to program because funding source levels and project periods vary. We are 89% dependent on governmental funding. Although we anticipate at least level funding, historically it has proven unreliable to forecast budgets for future years.

Thames Valley Council for
Community Action, Inc. and Subsidiary

Consolidated Financial Statements, Federal Awards
in Accordance with the Uniform Guidance,
State Financial Assistance in Accordance
with the State Single Audit Act
(With Supplementary Information)
and Independent Auditor's Reports

March 31, 2022 and 2021

CohnReznick
ADVISORY • ASSURANCE • TAX

Thames Valley Council for Community Action, Inc. and Subsidiary

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Independent Auditor's Report

To the Board of Trustees
Thames Valley Council for Community Action, Inc. and Subsidiary

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Thames Valley Council for Community Action, Inc. and Subsidiary, which comprise the consolidated statements of financial position as of March 31, 2022 and 2021, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Thames Valley Council for Community Action, Inc. and Subsidiary as of March 31, 2022 and 2021, and the changes in its net assets and its 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 ("GAAS") 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 Financial Statements section of our report. We are required to be independent of Thames Valley Council for Community Action, Inc. 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 opinion. The financial statements of TVCCA Information Systems, LLC were not audited in accordance with *Governmental Auditing Standards.*

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Thames Valley Council for Community Action, Inc. and Subsidiary's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibility 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 GAAS 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, forgery, 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 consolidated financial statements.

In performing an audit in accordance with GAAS 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 consolidated 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 Thames Valley Council for Community Action, Inc. 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 Thames Valley Council for Community Action, Inc. 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 audits.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Connecticut State Single Audit Act, and Schedules 1 through 3 are presented for purposes of additional analysis and are 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 information 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 August 24, 2022, on our consideration of Thames Valley Council for Community Action, Inc. 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 Thames Valley Council for Community Action, Inc. 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 Thames Valley Council for Community Action, Inc. and Subsidiary's internal control over financial reporting and compliance.

CohnReznick LLP

Hartford, Connecticut
August 24, 2022

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statements of Financial Position
March 31, 2022 and 2021

Assets

	2022	2021
Current assets		
Cash and cash equivalents	$ 5,501,488	$ 4,018,147
Receivables		
Grants and contracts	2,479,140	3,905,331
Other current assets	267,842	435,149
Total current assets	8,248,470	8,358,627
Property, plant and equipment	5,143,880	4,948,006
Other assets		
Restricted cash equivalents	122,335	122,322
Total assets	$ 13,514,685	$ 13,428,955

Liabilities and Net Assets

	2022	2021
Current liabilities		
Accounts payable and accrued expenses	$ 2,519,809	$ 3,520,302
Current portion of long-term debt	282,988	316,813
Refundable advances	1,474,792	314,427
Total current liabilities	4,277,589	4,151,542
Long-term liabilities		
Long-term debt, less current portion	3,503,906	4,271,201
Total liabilities	7,781,495	8,422,743
Commitments and contingencies		
Net assets		
Without donor restrictions	4,165,016	3,440,376
With donor restrictions	1,568,174	1,565,836
Total net assets	5,733,190	5,006,212
Total liabilities and net assets	$ 13,514,685	$ 13,428,955

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statement of Activities and Changes in Net Assets
Year Ended March 31, 2022

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Support and revenue			
Federal and state grants and contracts	$ 38,859,377	$ -	$ 38,859,377
Local and other grants and contributions	1,019,742	12,576	1,032,318
Program and other income	1,897,346	-	1,897,346
Contributed goods and services	200,850	-	200,850
Debt service paid on behalf of TVCCA by the State of Connecticut	378,788	-	378,788
Net assets released from restrictions	10,238	(10,238)	-
Total support and revenue	42,366,341	2,338	42,368,679
Expenses			
Program services			
Children services	13,076,223	-	13,076,223
Energy related services	17,974,776	-	17,974,776
Elderly services	3,742,054	-	3,742,054
Employment and training services	1,676,128	-	1,676,128
Housing and shelter services	2,498,243	-	2,498,243
Other community services	966,713	-	966,713
Total program	39,934,137	-	39,934,137
Management and general	1,707,564	-	1,707,564
Total expenses	41,641,701	-	41,641,701
Change in net assets	724,640	2,338	726,978
Net assets, beginning	3,440,376	1,565,836	5,006,212
Net assets, end	$ 4,165,016	$ 1,568,174	$ 5,733,190

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statement of Activities and Changes in Net Assets
Year Ended March 31, 2021

	Net assets without donor restrictions	Net assets with donor restrictions	Total
Revenues and support			
Federal and state grants and contracts	$ 27,202,728	$ -	$ 27,202,728
Local and other grants and contributions	829,577	5,620	835,197
Program and other income	1,203,050	-	1,203,050
Contributed goods and services	162,165	-	162,165
Debt service paid on behalf of TVCCA by the State of Connecticut	381,961	-	381,961
Net assets released from restrictions	17,871	(17,871)	-
Total revenues	29,797,352	(12,251)	29,785,101
Expenses			
Program services			
Children services	10,963,123	-	10,963,123
Energy related services	8,904,848	-	8,904,848
Elderly services	3,516,975	-	3,516,975
Employment and training services	1,644,553	-	1,644,553
Housing and shelter services	2,389,138	-	2,389,138
Other community services	698,427	-	698,427
Total program	28,117,064	-	28,117,064
Management and general	1,556,928	-	1,556,928
Total expenses	29,673,992	-	29,673,992
Change in net assets	123,360	(12,251)	111,109
Net assets, beginning	3,317,016	1,578,087	4,895,103
Net assets, end	$ 3,440,376	$ 1,565,836	$ 5,006,212

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended March 31, 2022

	Program services							Supporting services	
	Children services	Energy-related services	Elderly Services	Employment and training services	Housing and shelter services	Other community services	Total	Management and general	Total
Salaries and benefits	$ 7,515,456	$ 727,088	$ 1,524,037	$ 1,374,475	$ 887,074	$ 680,840	$ 12,708,970	$ 2,528,961	$ 15,237,931
Client assistance	2,138	16,887,165	657,096	-	934,393	113,078	18,593,870	97,873	18,691,743
Contractual services	2,446,819	-	-	-	345,117	12,769	2,804,705	131,196	2,935,901
Materials and supplies	395,270	61,868	173,795	41,634	38,203	20,687	731,457	57,577	789,034
Depreciation and amortization	435,381	11,400	39,810	21,550	13,910	10,670	532,721	39,649	572,370
Administrative and general	262,009	49,869	93,265	10,170	24,984	22,955	463,252	228,788	692,040
Repairs and maintenance	162,486	11,262	74,484	-	12,810	1,702	262,744	369,514	632,258
Contributed goods and services	197,689	-	3,161	-	-	-	200,850	-	200,850
Other expenses	42,361	77,793	621,835	1,018	60,936	27,637	831,580	112,376	943,956
Interest	134,943	-	-	-	-	-	134,943	15,937	150,880
Travel and transportation	40,675	1,592	78,226	766	23,730	3,319	148,308	54,853	203,161
Utilities	127,092	1,113	52,106	-	-	-	180,311	22,918	203,229
Insurance	43,020	1,488	33,000	1,268	2,728	1,851	83,355	93,831	177,186
Rent and leasing	1,254	7,878	104,484	6,729	9,290	482	130,117	81,045	211,162
Allocation of management and general to program services	1,269,630	136,260	286,755	218,518	145,068	70,723	2,126,954	(2,126,954)	-
	$ 13,076,223	$ 17,974,776	$ 3,742,054	$ 1,676,128	$ 2,498,243	$ 966,713	$ 39,934,137	$ 1,707,564	$ 41,641,701

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended March 31, 2021

	Program services							Supporting services	
	Children services	Energy-related services	Elderly Services	Employment and training services	Housing and shelter services	Other community services	Total	Management and general	Total
Salaries and benefits	$ 6,875,272	$ 583,225	$ 1,406,136	$ 1,351,625	$ 694,275	$ 416,345	$ 11,326,878	$ 2,618,999	$ 13,945,877
Client assistance	-	7,971,406	931,783	1,000	764,385	129,350	9,797,924	108,914	9,906,838
Contractual services	1,063,302	18,995	-	-	616,923	23,544	1,722,764	156,925	1,879,689
Materials and supplies	356,684	59,011	202,035	28,739	39,196	32,687	718,352	175,452	893,804
Depreciation and amortization	448,309	9,990	24,080	23,140	11,890	7,130	524,539	44,841	569,380
Administrative and general	170,334	34,750	61,617	9,656	33,338	14,383	324,078	209,490	533,568
Repairs and maintenance	236,518	6,902	95,869	-	12,997	2,910	355,196	85,369	440,565
Contributed goods and services	131,392	-	30,773	-	-	-	162,165	-	162,165
Other expenses	10,985	80,536	309,672	3,804	41,716	3,421	450,134	59,922	510,056
Interest	163,081	-	-	-	-	-	163,081	40,508	203,589
Travel and transportation	14,609	188	48,113	506	14,783	3,080	81,279	10,690	91,969
Utilities	101,735	-	50,554	-	-	-	152,289	23,582	175,871
Insurance	47,363	2,086	36,241	1,183	3,426	2,017	92,316	94,143	186,459
Rent and leasing	11,033	15,210	43,572	6,241	23,005	2,494	101,555	72,607	174,162
Allocation of management and general to program services	1,332,506	122,549	276,530	218,659	133,204	61,066	2,144,514	(2,144,514)	-
	$ 10,963,123	$ 8,904,848	$ 3,516,975	$ 1,644,553	$ 2,389,138	$ 698,427	$ 28,117,064	$ 1,556,928	$ 29,673,992

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statements of Cash Flows
Years Ended March 31, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Changes in net assets	$ 726,978	$ 111,109
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	572,370	569,380
Loss on disposal of asset	1,747	-
Principal reduction on long-term debt	(185,089)	(213,055)
Income from refinancing of debt	(327,540)	-
Changes in operating assets and liabilities		
Grants and contracts receivable	1,426,191	(2,635,243)
Other current assets	167,307	(141,849)
Accounts payable and accrued expenses	(1,000,493)	2,129,862
Refundable advances	1,160,365	(240,300)
Net cash provided by (used in) operating activities	2,541,836	(420,096)
Cash flows from investing activities		
Purchases of property plant and equipment	(769,991)	(78,709)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	-	300,000
Principal repayments on long-term debt	(288,491)	(63,067)
Net cash (used in) provided by financing activities	(288,491)	236,933
Net increase (decrease) in cash, cash equivalents and restricted cash	1,483,354	(261,872)
Cash, cash equivalents and restricted cash, beginning	4,140,469	4,402,341
Cash, cash equivalents and restricted cash, end	$ 5,623,823	$ 4,140,469
Supplemental disclosure of cash flow information:		
Interest paid	$ 93,311	$ 40,497
Non cash financing transactions		
Proceeds from refunding bonds	$ 1,887,460	$ -
Payment to refunded bonds escrow agent	(2,215,000)	-
On-behalf payments for interest	108,114	166,267

See Notes to Consolidated Financial Statements.

Note 1 - Principles of consolidation

Reporting entity

Thames Valley Council for Community Action, Inc. (the "Council") was established in 1965 as Southeastern Connecticut's community action agency. The Council provides a wide range of services to disadvantaged and at-risk clients, including Head Start, daycare, energy assistance, senior nutrition, housing and shelter services and various others. Support and revenue consists of federal, state and local government grants, individual, corporate and foundation contributions, and participant fees received in the operation of certain programs.

The Council's subsidiary, TVCCA Information Systems, LLC (the "LLC"), is a limited liability company organized in October 2007 for the purpose of developing energy and case management software to other nonprofit organizations. The Council is the sole member of the LLC.

The accompanying consolidated financial statements include the accounts of the Council and the LLC (collectively referred to as "TVCCA"). All significant intercompany balances and transactions have been eliminated.

Note 2 - Significant accounting policies

Basis of accounting

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

Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. Actual results could differ from those estimates.

Cash equivalents

For purposes of the consolidated statements of cash flows, TVCCA considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted cash

Certain amounts have been deposited into escrow accounts under terms of the CHEFA mortgage financing. Such funds are restricted for allowable purposes related to repairs and renovations of CHEFA financed child daycare facilities. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that summarized the total of such amounts shown in the consolidated statements of cash flows:

	2022	2021
Cash and cash equivalents	$ 5,501,488	$ 4,018,147
Restricted cash	122,335	122,322
	$ 5,623,823	$ 4,140,469

Property, plant and equipment

Property, plant and equipment acquisitions and improvements thereon individually exceeding $5,000 are capitalized at cost and depreciated on a straight-line basis over estimated service lives ranging from 5 to 30 years. Maintenance and repairs are charged to expense as incurred.

Funding sources retain a reversionary right to certain property acquired with grant funds. No significant grant programs ended during the years ended March 31, 2022 or 2021 that would require disposition of such property in accordance with applicable grant requirements.

Net asset categories
To ensure observance of limitations and restrictions placed on the use of resources available to TVCCA, the accounts of TVCCA are maintained in the following net asset categories:

Net assets without donor restrictions - Net assets without donor restrictions are available for use at the discretion of the Board of Trustees and/or management for general operating purposes. From time to time, the Board of Trustees may designate a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. No amounts have been designated by the Board of Trustees as of March 31, 2022 and 2021.

Net assets with donor restrictions - Net assets subject to donor- (or certain grantor-) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue recognition
Grants and contracts - TVCCA receives a substantial portion of its revenue from grants and contracts executed with federal and state agencies. Revenue from grants and contracts with resource providers such as the government and its agencies, other organizations and private foundations is accounted for either as exchange transactions or as contributions. When the resource provider receives commensurate value in return for the resources transferred to TVCCA, the revenue from the grant or contract is accounted for as an exchange transaction. For purposes of determining whether a transfer of asset is a contribution or an exchange transaction, TVCCA deems that the resource provider is not synonymous with the general public, i.e., indirect benefit received by the public as a result of the assets transferred is not deemed equivalent to commensurate value received by the resource provider. Moreover, the execution of a resource provider's mission or the positive sentiment from acting as a donor is not deemed to constitute commensurate value received by a resource provider. Revenue from grants and contracts that are accounted for as exchange transactions is based on the expenditure of funds in accordance with grant and contract restrictions and, therefore, revenue is recognized to the extent of the attainment of specific performance goals and, as a result, revenue is recognized to the extent of performance achieved. Cash received in excess of revenue recognized is recorded as deferred revenue for exchange transactions and refundable advances for contributions.

Contributions - Transactions where the resource provider often receives value indirectly by providing a societal benefit, although the societal benefit is not considered to be of commensurate value, are deemed to be contributions. Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where TVCCA has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if TVCCA fails to overcome the barrier. TVCCA recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional contributions are recognized as revenue and receivable when the commitment of a contribution is received. Conditional and unconditional contributions are recorded as either with donor restriction or without donor restriction. Contributions are recognized as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated asset.

Contributions received with no donor stipulations are recorded as contributions without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the consolidated statement of activities and changes in net assets as net assets released from restriction. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as contributions without donor restrictions.

Contributed services - TVCCA recognizes contributed services if they create or enhance nonfinancial assets or require specialized skills and would typically be purchased if not provided by donation. General volunteer services do not meet the criteria for recognition in the consolidated financial statements. However, a substantial number of volunteers have donated significant amounts of time to TVCCA's programs.

Program fees - Program service fees consist primarily of daycare and school readiness fees from program participants in southeast Connecticut. The fees are recognized at a point in time as revenue when the services are performed. Program service fees received in advance of the applicable program period are presented as deferred revenue. Payments are due weekly.

The opening and ending balances of customer contract related amounts were as follows as of March 31, 2022, 2021, and 2020:

	2022	2021	2020
Accounts receivable	$ 220,597	$ 106,869	$ 77,882
Deferred revenue	-	-	-

Debt service paid on-behalf of TVCCA by the State of Connecticut - As described more fully in Note 6, the State of Connecticut Office of Early Childhood ("OEC") has agreed to pay a percentage of the qualifying debt service required by TVCCA's mortgage loan agreements executed with the State of Connecticut Health and Educational Facilities Authority ("CHEFA"). TVCCA recognizes revenue for debt service paid on-behalf of TVCCA when the amounts are actually paid by the State of Connecticut.

Income taxes

TVCCA qualifies as an organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, is exempt from federal and state income taxes on exempt function income. TVCCA's informational and tax returns for the last three years generally remain open for examination.

The LLC reports all of its activities, including any unrelated business income, on TVCCA's federal and state informational returns. TVCCA has no unrecognized tax benefits at March 31, 2022 and 2021. TVCCA's federal and state information returns prior to fiscal year 2020 are closed and management continually evaluates expiring statues of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, TVCCA would recognize interest and penalties associated with tax matters as part of interest expense in the consolidated statement of activities and changes in net assets and include accrued interest and penalties in accrued expenses in the consolidated statement of financial position. No provision for unrelated business income taxes was recorded for the years ended March 31, 2022 and 2021.

Expenses by function
The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other which are allocated on the basis of estimates of time and effort. Expenses incurred for various education programs are allocated based on classroom size.

Operating measure
TVCCA has defined the change in net assets from operating activities to include all support, revenue, expenses, and gains and losses, except for gains or losses resulting from unusual or infrequent transactions.

Subsequent events
Subsequent events were evaluated through August 24, 2022 which is the date the consolidated financial statements were available to be issued.

Note 3 - Liquidity and availability of resources

The following table reflects TVCCA's financial assets as of March 31, 2022 and 2021, reduced by amounts not available for general expenditure within one year or have a restricted purpose:

	2022	2021
Current assets, excluding nonfinancial assets at year-end		
Cash and cash equivalents	$ 5,501,488	$ 4,018,147
Grants and contracts receivable	2,479,140	3,905,331
Total financial assets	7,980,628	7,923,478
Adjustments		
Less amounts not available to be used within one year		
Net assets with program restrictions not expected to be released within one year	(1,568,174)	(1,565,836)
Add financing available under revolving line of credit within one year	400,000	400,000
Total adjustments	(1,168,174)	(1,165,836)
Financial assets available to meet cash needs for general expenditures within one year	$ 6,812,454	$ 6,757,642

TVCCA's revenues are primarily derived by federal and state grants. TVCCA has a policy to structure grant drawdowns as its general expenditures, liabilities, and other obligations come due. In addition, TVCCA maintains a line of credit of $400,000 with a bank that could be drawn upon as needed during the year to further manage cash flows. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or because the governing board has set aside the funds for a specific contingency reserve.

Note 4 - Concentrations

Concentrations of credit risk

TVCCA's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and receivables.

Cash and cash equivalents - TVCCA places its cash and cash equivalents with highly rated financial institutions, which are continually reviewed by management for financial stability. Generally, TVCCA's cash and cash equivalents in interest-bearing accounts exceeds financial depository insurance limits. At March 31, 2022, balances in excess of FDIC insurance were approximately $4.9 million. However, TVCCA has not experienced any losses in such accounts and believes that its cash and cash equivalents are not exposed to significant credit risk.

Receivables - Receivables primarily consist of grants and contracts due from a variety of federal, state and local governments. Based on historical experience, management believes these receivables represent negligible credit risk. Accordingly, management has not established an allowance for potential credit losses.

Support and revenue concentrations

TVCCA receives a significant portion of its grants and contracts from the U.S. Department of Health and Human Services, the State of Connecticut, and certain nonprofit pass-through agencies. As with all governmental funding, these grants and contracts are subject to reduction or termination in future years. Any significant reduction in these grants and contracts could have a negative impact on TVCCA's program services.

Note 5 - Property, plant and equipment

A summary of property, plant and equipment is as follows:

	2022	2021
Land	$ 212,500	$ 212,500
Buildings and improvements	11,118,497	10,472,654
Leasehold improvements	374,483	374,483
Vehicles	678,363	761,831
Appliances	451,404	451,404
Computer equipment	475,731	634,798
Telephone equipment	329,511	329,511
Furniture and fixtures	384,884	377,942
Office equipment	29,404	29,404
	14,054,777	13,644,527
Less accumulated depreciation	8,910,897	8,696,521
Net property and equipment	$ 5,143,880	$ 4,948,006

Depreciation and amortization expense for property, plant and equipment totaled $572,370 and $569,380 for the years ended March 31, 2022 and 2021, respectively.

Note 6 - Debt

A summary of debt is as follows:

	2022	2021
CHEFA mortgage notes payable		
Taftville facility	$ 1,157,412	$ 1,465,000
Windham facility	364,980	465,000
Vernon facility	226,070	285,000
New London facility	1,975,000	2,050,000
Other mortgage notes payable	63,432	323,014
	3,786,894	4,588,014
Less current portion	282,988	316,813
Long-term portion	$ 3,503,906	$ 4,271,201

CHEFA mortgage notes payable

Taftville facility

In April 2001, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "Taftville Agreements") with CHEFA to finance the construction of a qualifying child care facility through CHEFA's sale of $3,865,000 Child Care Facilities Series E Revenue Bonds (the "Series E Bonds"). TVCCA's share of the Series E Bond proceeds totaled $2,745,000 or 72.3% of total Series E Bond proceeds. Payments by TVCCA are based on interest costs and principal payments on 72.3% of the Series E Bonds, amounts required to establish and maintain trust funds required under the Taftville Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. In June 2021 the bonds were refunded resulting a net present value savings of $226,190. Interest is payable semi-annually 5.0% with principal payable in various installments through July 2031.

Windham facility

In January 2003, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "Windham Agreements") with CHEFA in connection with the assumption of CHEFA mortgage financing and acquisition of related real property, consisting of a qualifying child care facility, previously held by an unrelated entity. The qualifying child care facility acquired was constructed through CHEFA's sale of Child Care Facilities Series A Revenue Bonds (the "Series A Bonds"). Payments by TVCCA are based on interest costs and principal payments on the Series A Bonds, amounts required to establish and maintain trust funds required under the Windham Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. In June 2021 the bonds were refunded resulting a net present value savings of $64,110. Interest is payable semi-annually at 5.0% with principal payable in various installments through July 2028.

Vernon facility

In January 2003, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "Vernon Agreements") with CHEFA in connection with the assumption of CHEFA mortgage financing and acquisition of related real property, consisting of a qualifying child care facility, previously held by an unrelated entity. The qualifying child care facility acquired was constructed through CHEFA's sale of Child Care Facilities Series A and B Revenue Bonds (the "Series A and B Bonds"). Payments by TVCCA are based on interest costs and principal payments on the

Series A and B Bonds, amounts required to establish and maintain trust funds required under the Vernon Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. In June 2021 the bonds were refunded resulting a net present value savings of $37,240. Interest is payable semi-annually at 5.0% with principal payable in various installments through July 2028.

New London facility
In October 2008, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "New London Agreements") with CHEFA to finance the construction of a qualifying child care facility through CHEFA's sale of $16,875,000 Child Care Facilities Series G Revenue Bonds (the "Series G Bonds"). TVCCA's share of the Series G Bond proceeds totaled $2,465,000 or 14.6% of total Series G Bond proceeds. Payments by TVCCA are based on interest costs and principal payments on 14.6% of the Series G Bonds, amounts required to establish and maintain trust funds required under the New London Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. Interest is payable semi-annually at rates ranging from 1.5% to 5.0% with principal payable in various installments through July 2038.

CHEFA refinancing
During April 2015, CHEFA refinanced approximately $2.3 million of Child Care Facilities Series G bonds relating to the New London facility through the issuance of State Supported Child Care Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). TVCCA's share of the Series 2015 Bonds totaled $2,465,000 or 7.4% of total Series 2015 Bond proceeds, resulting in an overall increase in principal owed by TVCCA of $195,000. Payments by TVCCA are based on interest costs and principal payments on 7.4% of the Series 2015 Bonds, amounts required to establish and maintain trust funds required under the New London Agreements, annual fees and certain expenses of CHEFA. TVCCA is also responsible for the cost of insuring the properties and of operation and maintenance. The refinanced loan requires interest payable in semi-annual payments at rates ranging from 1.5% to 5.0%, with principal payable in various installments through July 2038.

During June 2021, CHEFA refinanced approximately $2.2 million of Child Care Facilities bonds including the Taftville Series E bonds, Windham Series A bonds and Vernon Series A&B bonds through the issuance of State Supported Childcare Revenue Series 2021 bonds. TVCCA's share of the Series 2021 bonds is approximately $1.9 million or 14% of the total Series 2021 bond proceeds, resulting in an overall decrease in principal owed by TVCCA of approximately $300,000. Payments by TVCCA are based on interest costs and principal payments on 14% of the Series 2021 bonds, amounts required to establish and maintain trust funds required under the Taftville, Windham, and Vernon agreements, annual fees and certain expenses of CHEFA. TVCCA is also responsible for the cost of insuring the properties and of operation and maintenance. The refinanced loans require interest payable in semi-annual payments at 5%, with principal payable in various installments for the debt maturing throughout the original life of the bonds.

Each of the CHEFA mortgages provide, among other things, that principal and interest on the mortgage loans are payable by TVCCA, which is obligated to make such payments so long as the applicable bonds are outstanding. The underlying collateral of the mortgage loans is the buildings constructed with bond proceeds. As additional collateral, TVCCA has pledged the gross receipts of each qualifying child care facility to CHEFA. Additionally, TVCCA is subject to certain financial and nonfinancial covenants, noncompliance with which may be considered to be an event of default and could provide CHEFA with the right to demand repayment currently. For the years ended March 31, 2022 and 2021, TVCCA was in compliance with these covenants.

In connection with the State of Connecticut's school readiness initiative, the State of Connecticut Office of Early Childhood ("OEC") has agreed to pay a portion of qualifying debt service payments. The OEC has agreed to pay 91.5% of the qualifying debt service of the Taftville facility mortgage loan (85.7% prior to the June 2021 refunding), 94.9% of the qualifying debt service of the Windham facility mortgage loan (90.0% prior to the June 2021 refunding), 85.6% of the qualifying debt service of the Vernon facility mortgage loan (81.9% prior to the June 2021 refunding), and 77.3% of the qualifying debt service of the New London facility mortgage loan. Principal and interest payments made by the OEC on behalf of TVCCA totaled $185,089 and $213,055 for the year ended March 31, 2022, respectively, and $108,114 and $166,267 for the year ended March 31, 2021, respectively.

Other mortgage notes payable
TVCCA is party to a mortgage note payable agreement with a bank in connection with the acquisition of real property in New London, Connecticut, which is used for several TVCCA programs. The mortgage note presently requires monthly payments of principal and interest of $1,906 through April 2022. The interest rate is subject to adjustment every three years during the term of the mortgage note. The interest rate is adjusted to a percentage equal to the weekly average yield on U.S. Treasury securities, adjusted to a constant maturity of three years plus 3.5%. The interest rate as of March 31, 2022 is 3.79%. In addition to the real property acquired, the mortgage note is also secured by an assignment of rents and leases. Additionally, TVCCA is subject to certain financial and nonfinancial covenants, noncompliance with which may be considered to be an event of default and could provide the bank with the right to demand repayment currently. For the years ended March 31, 2022 and 2021, TVCCA was in compliance with these covenants. The balance of this note totaled $1,861 and $23,015 as of March 31, 2022 and 2021, respectively.

TVCCA obtained a new mortgage note payable agreement with a bank in connection with renovation of real property in Bozrah, Connecticut on March 18, 2021. The mortgage note presently requires monthly payments of principal and interest of $4,004 through April 2028. The rate of interest on the note was fixed a 3.25% for the term of the note. In addition to the real property acquired, the mortgage note is also secured by an assignment of rents and leases. Additionally, TVCCA is subject to certain financial and nonfinancial covenants, noncompliance with which may be considered to be an event of default and could provide the bank with the right to demand repayment currently. For the year ended March 31, 2022, TVCCA was in compliance with these covenants. The balance of this note totaled $62,395 as of March 31, 2022.

Aggregate principal maturities of all mortgage notes payable in subsequent years are as follows:

Year ending March 31,	
2023	$ 282,988
2024	271,342
2025	274,093
2026	283,797
2027	298,987
Thereafter	2,375,687
	$ 3,786,894

Line of credit

As of March 31, 2022 and 2021, TVCCA has available a $400,000 line of credit that is due on demand with an adjustable interest rate (3.50% at March 31, 2022) that is renewable annually. No borrowings were outstanding against the line as of March 31, 2022 and 2021.

Note 7 - Net assets with donor restrictions

Net assets with donor restrictions are restricted for the following purposes at March 31, 2022 and 2021:

	2022	2021
Housing and shelter services	$ 857,487	$ 857,487
Elderly services	274,762	274,261
Other community services	221,089	221,089
Children services	168,598	166,761
Employment and training services	26,349	26,349
Facilities improvement (capital campaign)	19,889	19,889
	$ 1,568,174	$ 1,565,836

Net assets with donor restrictions in the amount of $10,238 and $17,871 were released from restriction during the years ended March 31, 2022 and 2021, respectively, by satisfying purpose and time restrictions.

Note 8 - Conditional grants and contributions

TVCCA receives conditional grants from federal and state agencies. These grants are conditional and require TVCCA to meet the Uniform Guidance and Connecticut Single Audit Act requirements. TVCCA must return any funds received for which the conditions are not met. These funds are recorded as refundable advances on the consolidated statements of financial position.

At March 31, 2022, TVCCA had remaining available award balances on federal and state grants in the amount of received conditional grants in the amount of approximately $44,400,000. In addition, TVCCA had conditional promises to give of approximately $265,000 for COVID expenses and operational support. The award balances will be recognized as revenue as the conditions are met.

Note 9 - Noncash contributions

Noncash contributions recognized in the accompanying consolidated statement of activities and changes in net assets consist principally of the use of space in connection with children services programs and totaled $200,850 and $162,165 for the years ended March 31, 2022 and 2021, respectively.

Note 10 - Operating leases

TVCCA leases office space and various other facilities throughout eastern Connecticut to conduct its programs. Future minimum lease payments under noncancelable operating leases with remaining terms in excess of one year are as follows:

Year ending March 31,		
2023	$	124,972
2024		31,168
	$	156,140

Rent expense totaled $113,140 and $98,740 for the years ended March 31, 2022 and 2021, respectively.

Note 11 - Employee benefit plans

TVCCA maintains two defined contribution employee benefit plans: a Section 403(b) employee contribution plan and a money purchase pension plan. All permanent employees are eligible to participate in both plans after a three-month waiting period.

Employee contributions under the Section 403(b) plan are determined by the participating employees and must be at least 5.0% of wages. Employer contributions to the money purchase pension plan are based on a percentage match of Section 403(b) participating employee wages. Employees are always 100% vested in employee salary deferrals and become fully vested in employer contributions after one year. Employees hired after April 1, 2004 become fully vested in employer contributions after three years. Employer contributions totaled $661,714 and $589,742 for the years ended March 31, 2022 and 2021, respectively.

Note 12 - Related party transactions

TVCCA operates as a sub grantee agency for certain programs administered by the Connecticut Association for Community Action, Inc. ("CAFCA"). TVCCA's Chief Executive Officer currently serves on CAFCA's Board of Directors. Grant and contract revenues recognized by TVCCA from CAFCA totaled $155,803 and $187,288 for the years ended March 31, 2022 and 2021, respectively.

The Chief Executive Officer also serves on the Eastern Connecticut Workforce Investment Board which also provides grants to TVCCA. For the years ended March 31, 2022 and 2021, TVCCA recognized revenue of $1,081,802 and $1,051,927, respectively.

TVCCA holds several of their bank accounts at a bank for which a member of the Board of Trustees is a member of management. Cash and cash equivalents held at March 31, 2022 and 2021 were $4,286,714 and $3,214,918, respectively. There were two loans with the bank at March 31, 2022 totaling $64,256. During the year ended March 31, 2021, TVCCA also has a $400,000 line of credit with the bank. No funds were drawn on the line at March 31, 2022.

Note 13 - Contingencies

TVCCA has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Management believes that such disallowances, if any, will not be material to the financial position of TVCCA.

The outbreak of a novel strain of coronavirus ("COVID-19") which has emerged globally and the events which have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity could result in a loss of revenues and other material adverse effects to TVCCA's financial position, results of activities, and cash flows in the future. TVCCA is not able to estimate the length or severity of this outbreak and the related financial impact. Management plans to adjust its operations accordingly and will continue to assess and monitor the situation as it evolves. If the length of the outbreak and related effects on the TVCCA's operations continue for an extended period of time, TVCCA may have to seek alternative measures to finance its operations.

Supplementary Information

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule 1 - Statement of Financial Position Information
March 31, 2022

	CHEFA Finance Day Care Facility-Taftville	CHEFA Finance Day Care Facility-Windham	CHEFA Finance Day Care Facility-Vernon	CHEFA Finance Day Care Facility New London	All Other Activities	Total
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 5,501,488	$ 5,501,488
Grants and contracts receivables	125,711	-	-	139,195	2,214,234	2,479,140
Other current assets	-	-	-	-	267,842	267,842
Total current assets	125,711	-	-	139,195	7,983,564	8,248,470
PROPERTY, PLANT AND EQUIPMENT, NET	1,480,599	472,623	357,658	1,675,034	1,157,966	5,143,880
OTHER ASSETS						
Restricted cash equivalents	57,651	5,265	5,265	54,154	-	122,335
Due (to) from	(118,536)	(290,982)	(21,277)	(755,686)	1,186,481	-
Total other assets	(60,885)	(285,717)	(16,012)	(701,532)	1,186,481	122,335
Total assets	$ 1,545,425	$ 186,906	$ 341,646	$ 1,112,697	$ 10,328,011	$ 13,514,685
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts payable and accrued expenses	$ 14,468	$ 4,562	$ 2,826	$ 21,027	$ 2,476,926	$ 2,519,809
Current portion of long-term debt	90,810	43,817	31,422	75,000	41,939	282,988
Deferred grant and contract revenue	-	-	-	-	1,474,792	1,474,792
Total current liabilities	105,278	48,379	34,248	96,027	3,993,657	4,277,589
LONG-TERM LIABILITIES						
Long-term debt, less current portion	1,066,603	321,163	194,648	1,900,000	21,492	3,503,906
Total liabilities	1,171,881	369,542	228,896	1,996,027	4,015,149	7,781,495
NET ASSETS (DEFICIT)						
Net assets without donor restrictions	373,544	(182,636)	112,750	(883,330)	4,744,688	4,165,016
Net assets with donor restrictions	-	-	-	-	1,568,174	1,568,174
Total net assets (deficit)	373,544	(182,636)	112,750	(883,330)	6,312,862	5,733,190
Total liabilities and net assets	$ 1,545,425	$ 186,906	$ 341,646	$ 1,112,697	$ 10,328,011	$ 13,514,685

See Independent Auditor's Report.

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule 2 - Statement of Activities Information
Year Ended March 31, 2022

	CHEFA Finance Day Care Facility-Taftville	CHEFA Finance Day Care Facility-Windham	CHEFA Finance Day Care Facility-Vernon	CHEFA Finance Day Care Facility New London	All Other Activities	Total
SUPPORT AND REVENUE						
Federal and state grants and contracts	$ 2,005,354	$ 2,317	$ 3,972	$ 2,386,515	$ 34,461,219	$ 38,859,377
Local and other grants and contribution	-	-	-	-	1,032,318	1,032,318
Program and other income	393,440	53,760	31,162	360,907	1,058,077	1,897,346
Contributed goods and services	-	-	-	-	200,850	200,850
Debt service paid on-behalf of TVCCA by the State of Connecticut	133,180	91,000	29,591	125,017	-	378,788
Total support and revenue	2,531,974	147,077	64,725	2,872,439	36,752,464	42,368,679
EXPENSES						
Salaries and benefits	1,733,121	-	-	2,014,433	11,490,377	15,237,931
Client assistance	172	-	-	840	18,690,731	18,691,743
Contractual services	10,847	-	-	101,238	2,823,816	2,935,901
Materials and supplies	80,910	-	-	137,482	570,642	789,034
Repairs and maintenance	89,947	6,175	84,193	8,614	383,441	572,370
Depreciation and amortization	105,571	56,182	34,257	121,541	374,489	692,040
Administrative and general	373,769	22,641	2,041	484,195	(250,388)	632,258
Other expenses	6,538	380	234	7,976	185,722	200,850
Interest expense	30,140	9,515	5,893	85,981	812,427	943,956
Travel and transportation	3,544	-	-	6,948	140,388	150,880
Utilities	59,683	-	(505)	46,502	97,481	203,161
Contributed goods and services	-	-	-	-	203,229	203,229
Insurance	10,945	4,771	3,063	12,162	146,245	177,186
Rent and leasing	6,689	-	-	19,536	184,937	211,162
Total expenses	2,511,876	99,664	129,176	3,047,448	35,853,537	41,641,701
Change in net assets	20,098	47,413	(64,451)	(175,009)	898,927	726,978
NET ASSETS, beginning of year	353,446	(230,049)	177,201	(708,321)	5,413,935	5,006,212
NET ASSETS, end of year	$ 373,544	$ (182,636)	$ 112,750	$ (883,330)	$ 6,312,862	$ 5,733,190

See Independent Auditor's Report.

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule 3 - Statement of Cash Flows Information
Year Ended March 31, 2022

	CHEFA Finance Day Care Facility-Taftville	CHEFA Finance Day Care Facility-Windham	CHEFA Finance Day Care Facility-Vernon	CHEFA Finance Day Care Facility New London	All Other Activities	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Change in net assets	$ 20,098	$ 47,413	$ (64,451)	$ (175,009)	$ 898,927	$ 726,978
Adjustments to reconcile the change in net assets to net cash provided by operating activities:						
Depreciation and amortization	105,571	56,182	34,257	121,541	254,819	572,370
Loss on disposal of asset	-	-	-	-	1,747	1,747
On-behalf principal repayments on long-term debt	(74,480)	(34,078)	(18,567)	(57,964)	-	(185,089)
Income from refinancing of debt	(226,190)	(64,110)	(37,240)	-	-	(327,540)
Change in due (to) from	233,497	(2,406)	146,211	445,012	(822,314)	-
Changes in operating assets and liabilities						
Grants and contracts receivables	(39,012)	-	-	(38,910)	1,504,113	1,426,191
Other current assets	-	-	-	-	167,307	167,307
Accounts payable and accrued expenses	(3,464)	(1,170)	(687)	(937)	(994,235)	(1,000,493)
Deferred revenue	-	-	-	(132,373)	1,292,738	1,160,365
Net cash provided by operating activities	16,020	1,831	59,523	161,360	2,303,102	2,541,836
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of property, plant and equipment	(9,095)	-	(56,400)	(144,317)	(560,179)	(769,991)
CASH FLOWS FROM FINANCING ACTIVITIES						
Principal repayments on long-term debt	(6,919)	(1,831)	(3,123)	(17,036)	(259,582)	(288,491)
Net cash used in financing activities	(6,919)	(1,831)	(3,123)	(17,036)	(259,582)	(288,491)
Net increase (decrease) in cash, cash equivalents and restricted cash	6	-	-	7	1,483,341	1,483,354
Cash, cash equivalents and restricted cash, beginning of year	57,645	5,265	5,265	54,147	4,018,147	4,140,469
Cash, cash equivalents and restricted cash, end of year	$ 57,651	$ 5,265	$ 5,265	$ 54,154	$ 5,501,488	$ 5,623,823

See Independent Auditor's Report.

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*

To the Board of Trustees
Thames Valley Council for Community Action, Inc. and Subsidiary

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 consolidated financial statements of Thames Valley Council for Community Action, Inc. and Subsidiary, which comprise the consolidated statement of financial position as of March 31, 2022, and the related consolidated statements of activities and changes in net assets, 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 August 24, 2022. The financial statements of the subsidiary, TVCCA Information Systems, LLC was not audited in accordance with *Government Auditing Standards* and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with TVCCA Information Systems, LLC.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Thames Valley Council for Community Action, Inc. and Subsidiary's internal control over financial reporting ("internal control") as a basis for designing 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 Thames Valley Council for Community Action, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of Thames Valley Council for Community Action, Inc. and Subsidiary'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 consolidated 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Thames Valley Council for Community Action, Inc. and Subsidiary's consolidated 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 consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
August 24, 2022

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Board of Trustees
Thames Valley Council for Community Action, Inc.

Report on Compliance for Each Major Federal Program

We have audited Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Thames Valley Council for Community Action, Inc. and Subsidiary's major federal programs for the year ended March 31, 2022. Thames Valley Council for Community Action, Inc. and Subsidiary'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, Thames Valley Council for Community Action, Inc. and Subsidiary complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2022.

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 ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Thames Valley Council for Community Action, Inc. and Subsidiary 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 Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the 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 Thames Valley Council for Community Action, Inc. and Subsidiary's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Thames Valley Council for Community Action, Inc. and Subsidiary'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 GAAS, *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 Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Thames Valley Council for Community Action, Inc. and Subsidiary'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 Thames Valley Council for Community Action, Inc. and Subsidiary'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 Thames Valley Council for Community Action, Inc. and Subsidiary'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 a 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 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.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of as of and for the year ended March 31, 2022, and have issued our report thereon dated August 24, 2022 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

CohnReznick LLP

Hartford, Connecticut
August 24, 2022

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards
Year Ended March 31, 2022

Federal Grantor/Program or Cluster Title	Direct/Pass-through Grantor	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services:					
Head Start	Direct	93.600	N/A	$ -	$ 4,726,270
COVID 19 - Head Start	Direct	93.600	N/A	-	1,534
Total Head Start Cluster				-	4,727,804
Aging Cluster:					
Special Programs for the Aging, TITLE III, Part C Nutrition Services	Senior Resources Agency on Aging	93.045	N-20/21-1/4/5-ED/C/CO/H-W/SE/NE	-	15,983
Special Programs for the Aging, TITLE III, Part C Nutrition Services	Senior Resources Agency on Aging	93.045	N-20/21-1/4/5-ED/C/CO/H-W/SE/NE	-	1,514,469
Nutrition Services Incentive Program - Elderly Nutrition	Senior Resources Agency on Aging	93.053	N-20/21-1/4/5-ED/C/CO/H-W/SE/NE	-	170,087
Total Aging Cluster				-	1,700,539
Low-Income Household Water Assistance Program	State of Connecticut Department of Social Services	93.499	21DSS4301ZK	-	12,523
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	State of Connecticut Department of Social Services	93.323	20DSS6101ZK	12,769	78,385
Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	3,053,304
Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	10,009,269
COVID 19 - Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	4,852,400
Total Low-Income Home Energy Assistance				-	17,914,973
Community Services Block Grant	State of Connecticut Department of Social Services	93.569	19DSS1501ZK	-	136,756
COVID 19 - Community Services Block Grant	State of Connecticut Department of Social Services	93.569	19DSS1501ZK	-	80,414
COVID 19 - Community Services Block Grant	State of Connecticut Department of Social Services	93.569	20DSS1501ZK	-	95,303
Total Community Services Block Grant				-	312,473
Social Services Block Grant	State of Connecticut Department of Social Services	93.667	19DSS1501ZK	-	481,574
Social Services Block Grant	State of Connecticut Department of Social Services	93.667	18DSS5001ZK	-	109,412
Social Services Block Grant - Elderly Nutrition	Senior Resources Agency on Aging	93.667	N/A	-	182,357
Social Services Block Grant - Case Management Program	Connecticut Association for Community Action	93.667	18DSS5001ZK	-	148,068
Total Social Service Block Grant				-	921,411
Health Profession Opportunity Grants	Eastern Connecticut Workforce Investment Board, Inc.	93.093	20-21-100	-	46,157
Immunization Cooperative Agreements	Uncas Health District	93.268	DPH2021-0201POS	-	90,362
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	National Association of County and City Health Officials	93.421	5NU38OT00306-04-00	-	12,667
CCDF Cluster:					
Child Care and Development Block Grant	Connecticut Office of Early Childhood	93.575	OEC00010	-	17,690
Child Care and Development Block Grant	Connecticut Office of Early Childhood	93.575	OEC00010	-	4,930
Child Care and Development Block Grant	Connecticut Office of Early Childhood	93.575	OEC00010	-	10,440
Child Care and Development Block Grant	Connecticut Office of Early Childhood	93.575	OEC00010	-	7,830
COVID-19 - Child Care and Development Block Grant	Connecticut Office of Early Childhood	93.575	CCDF1BC0	-	229,560
Total CCDF Cluster				-	270,450
Maternal, Infant and Early Childhood Home Visiting Grant	Connecticut Office of Early Childhood	93.870	210ECHVS01TVC	1,164,439	1,278,511
Total U.S. Department of Health and Human Services				1,177,208	27,366,255
U.S. Department of Housing and Urban Development:					
Continuum of Care	Direct	14.267	N/A	-	779,821
Emergency Solutions Grant Program	State of Connecticut Department of Housing	14.231	20DOH0901CX	168,182	144,683
Emergency Solutions Grant Program	State of Connecticut Department of Housing	14.231	20DOH1011CX	121,883	181,044
Emergency Solutions Grant Program	State of Connecticut Department of Housing	14.231	N/A	-	274,105
				290,065	599,832
CDBG - Entitlement Grants Cluster					
Entitlement Grants - Homeless Prevention Services	City of Norwich	14.218	N/A	-	20,000
Entitlement Grants - Homeless Prevention Services	City of Norwich	14.218	N/A	-	12,720
Entitlement Grants - Homeless Prevention Services	City of New London	14.218	2G417308/55011	-	63,779
COVID 19 - Entitlement Grants - Rental Assistance Program	City of New London	14.218	2G417331/59300	-	60,000
Total CDBG - Entitlement Grants Cluster				-	156,499
Service Coordinator in Multifamily Housing	Senior Resources Agency on Aging	14.191	N/A	-	3,970
Total U.S. Department of Housing and Urban Development				290,065	1,540,122
U.S. Department of Agriculture:					
WIC Special Supplemental Nutrition Program					
Program for Women, Infants, and Children	Connecticut State Department of Public Health	10.557	2017-0054-5	-	318,104
Program for Women, Infants, and Children	Connecticut State Department of Public Health	10.557	2017-0054-5	-	358,640
Program for Women, Infants, and Children - noncash	Connecticut State Department of Public Health	10.557	N/A	-	2,615,641
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children				-	3,292,385
Child and Adult Care Food Program (CACFP)	Connecticut State Department of Education	10.558	12060-20518-82079-170006	-	30,562
Child and Adult Care Food Program (CACFP)	Connecticut State Department of Education	10.558	12060-20518-82079-170006	-	108,143
Child and Adult Care Food Program (CACFP) - Cash in Lieu	Connecticut State Department of Education	10.558	12060-20544-82079-170006	-	12,707
COVID 19 - Child and Adult Care Food Program (CACFP)	Connecticut State Department of Education	10.558	12060-29575-82079-170006	-	187,427
Total Child and Adult Care Food Program				-	338,839
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Total SNAP Cluster	Connecticut Association for Community Action	10.561	19DSS1301ZK	-	7,735
USDA Farm to School Grant Program	Connecticut Department of Public Health	10.575	N/A	-	1,444
Total U.S. Department of Agriculture				-	3,640,403

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule of Expenditures of Federal Awards
Year Ended March 31, 2022

Federal Grantor/Program or Cluster Title	Direct/Pass-through Grantor	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. Department of Labor:					
WIOA National Dislocated Work Grants/WIA National Emergency Grants	Eastern Connecticut Workforce Investment Board, Inc.	17.277	11000-DOL-4000-12212	-	53,457
WIOA Cluster					
WIA/WIOA Adult Program	Eastern Connecticut Regional Education Services Center	17.258	20-21-106	-	407,934
WIA/WIOA Youth Activities - Out of School Youth	Eastern Connecticut Regional Education Services Center	17.259	20-21-106	-	20,160
WIA/WIOA Youth Activities - Out of School Youth	Eastern Connecticut Regional Education Services Center	17.259	21-22-106	-	44,782
WIOA Dislocated Worker Formula Grants	Eastern Connecticut Workforce Investment Board, Inc.	17.278	11000-DOL-4000-12212	-	26,195
Total WIOA Cluster				-	499,071
Total U.S. Department of Labor				-	552,528
Corporation for National and Community Service:					
AmeriCorps Retired Senior Volunteer Program (RSVP)	Direct	94.002	N/A	-	37,784
AmeriCorps Retired Senior Volunteer Program (RSVP)	Direct	94.002	N/A	-	174,241
Total AmeriCorps Retired Senior Volunteer Program (RSVP)				-	212,025
U.S. Department of Homeland Security:					
Emergency Food and Shelter National Board Program	United Way of Southeastern Connecticut	97.024	N/A	-	4,483
U.S. Department of the Treasury:					
COVID-19 Coronavirus Relief Fund	United Way of Southeastern Connecticut	21.019	20DOH1001DA	-	23,385
Emergency Rental Assistance (ERA 1) Program and Emergency Rental Assistance (ERA 2) Program	Connecticut Department of Housing	21.023	21DOH0501CX	-	93,343
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Connecticut Health and Education Facilities Authority	21.027	OEC00010	-	7,569
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Connecticut Office of Early Childhood	21.027	OEC00010	-	11,890
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Connecticut Office of Early Childhood	21.027	OEC00010	-	13,021
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	City of Norwich	21.027	B-21-MC-09-0012	-	41,146
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Connecticut Department of Mental Health and Addiction Services	21.027	20MHA2101	-	4,148
				-	77,774
Total U.S. Department of Treasury				-	194,502
U.S. Department of Justice:					
COVID-19 - Coronavirus Emergency Supplemental Funding Program	Connecticut Coalition to End Homelessness	16.034	20OPM1576AA	-	3,085
Total Expenditures of Federal Awards				$ 1,467,273	$ 33,513,403

See Notes to Schedule of Expenditures of Federal Awards.

Notes to Schedule of Expenditures of Federal Awards
March 31, 2022

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Thames Valley Council for Community Action, Inc. (the "Council") under programs of the federal government for the year ended March 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Council, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Council.

Note 2 - Summary of significant accounting policies

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. Pass-through identifying numbers are presented when available.

Note 3 - Indirect cost rate

The Council has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - Other federal assistance

In connection with the Women, Infants and Children program, TVCCA determines program eligibility and issues vouchers for food benefits to eligible participants. The vouchers are redeemed by the participants at certain vendors approved by the State of Connecticut. TVCCA does not make payments to the participants or the vendors redeeming the vouchers. Although the value of the vouchers is considered federal assistance and is included in the accompanying schedule of expenditures of federal awards under federal assistance listing number 10.557, no revenue or expense has been recognized in TVCCA's consolidated financial statements for the year ended March 31, 2022. The total value of vouchers redeemed as reported by the State of Connecticut totaled $2,615,641 for the year ended March 31, 2022.

Schedule of Findings and Questioned Costs
March 31, 2022

I. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes _X_ no
Significant deficiencies(ies) identified?	____ yes _X_ none reported
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?	____ yes _X_ none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance 2 CFR section 200.516(a)?	____ yes _X_ no

Major programs:

Federal Assistance Listing Number	Name of Federal Program or Cluster
93.600	Head Start Cluster - Head Start
93.870	Maternal, Infant, and Early Childhood Home Visiting Grant Program
14.267	Continuum of Care

Dollar threshold used to distinguish between Type A and Type B programs: $1,005,402

Auditee qualified as low-risk auditee? _X_ yes ____ no

Schedule of Findings and Questioned Costs
March 31, 2022

II. Financial Statement Findings

None

III. Federal Awards Findings and Questioned Costs

None

Independent Auditor's Report on Compliance for Each Major State Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

To the Board of Trustees
Thames Valley Council for Community Action, Inc.

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Thames Valley Council for Community Action, Inc. and Subsidiary's major state programs for the year ended March 31, 2022. Thames Valley Council for Community Action, Inc. and Subsidiary's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Thames Valley Council for Community Action, Inc. and Subsidiary complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended March 31, 2022.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S Section s4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Thames Valley Council for Community Action, Inc. and Subsidiary 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 Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the 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 Thames Valley Council for Community Action, Inc. and Subsidiary's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Thames Valley Council for Community Action, Inc. and Subsidiary'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 GAAS, *Government Auditing Standards*, and the State Single Audit 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 Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, 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 Thames Valley Council for Community Action, Inc. and Subsidiary'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 Thames Valley Council for Community Action, Inc. and Subsidiary'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 State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of Thames Valley Council for Community Action, Inc. and Subsidiary'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 state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 state 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 state 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 State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of State Financial Assistance Required by the Uniform Guidance

We have audited the financial statements of as of and for the year ended March 31, 2022, and have issued our report thereon dated August 24, 2022 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act 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 schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

CohnReznick LLP

Hartford, Connecticut
August 24, 2022

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule of Expenditures of State Financial Assistance
Year Ended March 31, 2022

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures Passed Through to Subrecipients	Expenditures
Office of Early Childhood:			
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-0EC64840-16101	$ -	$ 31,169
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-0EC64840-16101	-	83,515
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-0EC64840-16101	-	87,518
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-0EC64840-16101	-	199,249
Total Head Start Services Grant Program and Head Start Innovative Enhancement		-	401,451
Nuturing Families Network	11000-OEC64860-12603-83007	272,054	319,366
Child Daycare (CDC)	11000-OEC64840-16274-83012	791,617	3,303,031
Child Daycare - Intercept	11000-OEC64840-16274-83012	-	57,357
Total Child Daycare (CDC)		791,617	3,360,388
School Readiness in Priority School Districts	11000-0EC64840-16274-83014	-	7,830
Passed through Norwich Public Schools:			
School Readiness in Priority School Districts	11000-0EC64840-16274-83014		164,752
School Readiness in Priority School Districts	11000-0EC64840-16274-83014	-	284,412
Passed through LEARN Regional Education Services			
School Readiness in Priority School Districts	11000-0EC64840-16274-83014	-	280,756
School Readiness in Priority School Districts	11000-0EC64840-16274-83014	-	383,124
Total School Readiness in Priority School Districts		-	1,120,874
Passed through Griswold Public Schools			
School Readiness in Competitive Grant Municipalities	11000-OEC64840-16274-83013		63,015
School Readiness in Competitive Grant Municipalities	11000-OEC64840-16274-83013	-	100,363
Total School Readiness in Competitive Grant Municipalities		-	163,378
Passed through Norwich Public Schools			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	4,653
Passed through LEARN Regional Education Services			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	3,381
Passed through Griswold Public Schools			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	909
Total School Readiness Quality Enhancement		-	8,943
Department of Social Services:			
Hispanic Programs (HHD)	11000-DSS60000-16118	-	8,556
Human Services Infrastructure (HSI)	11000-DSS60000-16174	-	223,459
Department of Labor:			
Passed through Eastern Connecticut Workforce Investment Board, Inc.			
Manufacturing Pipeline Initiative	11000-DOL-40000-12597	-	119,477
Jobs First Employment Services	11000-DOL40000-12212	301,391	805,777

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule of Expenditures of State Financial Assistance
Year Ended March 31, 2022

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures Passed Through to Subrecipients	Expenditures
Department of Mental Health and Addiction Services:			
Housing Supports and Services	11000-MHA53000-12035	-	36,656
Housing Supports and Services	11000-MHA53000-12035	-	97,594
Total Housing Supports and Services		-	134,250
Department of Housing:			
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200907	-	185,909
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200904		193,087
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200904	-	116,867
Total Shelter Diversion/Rapid Rehousing		-	495,863
Coordinated Access	11000-DOH46920-16149-1200906	-	7,533
Emergency Shelter Services (ESS)	11000-DOH46920-16149-1200901	-	4,596
Department of Aging and Disability Services:			
Passed through Senior Resources Agency on Aging			
Areas Agencies on Aging - Elderly Nutrition & Discretionary	11000-SDR63901-16278-10105	-	197,357
Areas Agencies on Aging - Federal Title III Match	11000-SDR63901-16260-10604		21,813
Areas Agencies on Aging - Federal Title III Match	11000-SDR63901-16260-10603	-	464
Total Area Agencies on Aging		-	219,634
Total Schedule of State Awards		$ 1,365,062	$ 7,393,545

See Note to Schedule of Expenditures of State Financial Assistance.

Note to Schedule of Expenditures of State Financial Assistance
March 31, 2022

The accompanying schedule of expenditures of state financial assistance includes state grant activity of Thames Valley Council for Community Action, Inc. under programs of the State of Connecticut for the fiscal year ended March 31, 2022. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, elderly, energy, employment training, housing and shelter, and other services.

Note 1 - Summary of significant accounting policies

The accounting policies of Thames Valley Council for Community Action, Inc. (the "Council") conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

The information in the schedule of expenditures of state financial assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of accounting

The expenditures reported on the schedule of expenditures of state financial assistance are reported on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the schedule of expenditures of state financial assistance.

Schedule of Findings and Questioned Costs
March 31, 2022

I. Summary of Auditor's Results

Financial Statements:

Type of auditor's opinion issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes _X_ no
Significant deficiency(ies) identified?	____ yes _X_ none reported
Noncompliance material to financial statements noted?	____ yes _X_ no

State Financial Assistance:

Internal control over major programs:	
Material weakness(es) identified?	____ yes _X_ no
Significant deficiency(ies) identified?	____ yes _X_ none reported
Type of auditor's opinion issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act?	____ yes _X_ no

The following schedule reflects the major programs included in the audit:

State Grant or Program	State CORE - CT Number	Expenditures
Office of Early Childhood		
Child Day Care (CDC)	11000-OEC64845-16274-83012	$ 3,360,388
Human Services Infrastructure (HSI)	11000-DSS60000-16174	223,459
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200907	185,909
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200904	309,954
Nurturing Families Network	11000-OEC64860-12603-83007	319,366

Dollar threshold used to distinguish between type A and type B programs $ 200,000

Schedule of Findings and Questioned Costs
March 31, 2022

II. Financial Statement Findings

None

III. State Financial Assistance Findings and Questioned Costs

None

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