

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

KSPC A_1 Provided annually and separated by month:

- a. Total funds collected from ratepayers via a meter-charge.
- b. Donations collected from ratepayers for the HEA program.
- c. The total amount of residential customers.
- d. The amount of shareholder funds allocated for the program.
- e. The amount of HEA funds distributed to participants.
- f. The current balance of the HEA account.
- g. The amount, if any, of “rolled-over” and unspent HEA funds.

RESPONSE

Please see KPCO_R_KPSC_A_1_Attachment1 for the requested information.

Kentucky Power Company
Kpsc Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

Kpsc A_2 The total number of slots, total and by county.

RESPONSE

Please see KPCO_R_Kpsc_A_2_Attachment1 for the requested information for the 2023 program year.

The THAW program helps customers who do not require the broader and more sustained help provided by HEART, but who nonetheless are at risk of losing their electric service because of a temporary situation. THAW offers assistance credit of up to a total of \$175.00 per winter heating season (bills rendered January through April) or until allocated benefits are expended to eligible residential customers on a first come, first served basis.

The THAW program does not allocate program slots. Instead, THAW program funds are allocated by county.

In addition, the funds received from Donation HEART enabled the company to allocate 37 additional slots.

Kentucky Power Company
2023 Home Energy Assistance in Reduced Temperatures (HEART)
Available Slots for Counties in KPCO Service Territory*

County	Agency Serving County	No. of Heating Slots	No. of Non-Heating Slots	Total No. of HEART Slots
BOYD	Northeast Kentucky	123	79	202
CARTER	Northeast Kentucky	66	17	83
ELLIOTT	Northeast Kentucky	0	0	0
GREENUP	Northeast Kentucky	80	50	130
LAWRENCE	Northeast Kentucky	53	17	70
	Northeast Kentucky Totals	322	163	485
ROWAN	Gateway CSO	8	3	11
MORGAN	Gateway CSO	9	2	11
	Gateway CSO Totals	17	5	22
FLOYD	Big Sandy CAP	90	42	132
JOHNSON	Big Sandy CAP	46	17	63
MAGOFFIN	Big Sandy CAP	22	5	27
MARTIN	Big Sandy CAP	31	12	43
PIKE	Big Sandy CAP	254	64	318
	Big Sandy CAP Totals	443	140	583
BREATHITT	Middle KY River	38	11	49
OWSLEY	Middle KY River	0	0	0
	Middle KY River Totals	38	11	49
LESLIE	LKLP	48	9	57
KNOTT	LKLP	53	22	75
LETCHER	LKLP	98	18	116
PERRY	LKLP	114	28	142
	LKLP Totals	313	77	390
Totals		1,133	396	1,529

No. of slots available this year

1,133

396

* excluding Bell, Clay & Lewis counties because of the limited number of Kentucky Power Customers

**Kentucky Power Company
 2023 Temporary Heating Assistance in Winter (THAW)
 Available Funds for Counties in KPCO Service Territory***

County	Agency Serving County	Available Funds
BOYD	Northeast Kentucky	\$ 25,070
CARTER	Northeast Kentucky	\$ 9,172
ELLIOTT	Northeast Kentucky	\$ 28
GREENUP	Northeast Kentucky	\$ 16,000
LAWRENCE	Northeast Kentucky	\$ 7,877
	Northeast Kentucky Totals	\$ 58,147
ROWAN	Gateway CSO	\$ 1,171
MORGAN	Gateway CSO	\$ 1,139
	Gateway CSO Totals	\$ 2,311
FLOYD	Big Sandy CAP	\$ 15,544
JOHNSON	Big Sandy CAP	\$ 7,218
MAGOFFIN	Big Sandy CAP	\$ 2,835
MARTIN	Big Sandy CAP	\$ 4,961
PIKE	Big Sandy CAP	\$ 34,933
	Big Sandy CAP Totals	\$ 65,490
BREATHITT	Middle KY River	\$ 5,467
OWSLEY	Middle KY River	\$ 17
	Middle KY River Totals	\$ 5,484
LESLIE	LKLP	\$ 6,082
KNOTT	LKLP	\$ 8,747
LETCHER	LKLP	\$ 12,300
PERRY	LKLP	\$ 15,593
	LKLP Totals	\$ 42,722
Totals		\$ 174,154

THAW Funding Available For This Year: \$ 174,154

* excluding Bell, Clay & Lewis counties because of the limited number of Kentucky Power Customers

Kentucky Power Company
Kpsc Case No. 2019-00366 Appendix B
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DATA REQUEST

KPSC A_3 The total number of:

- a. Program participants.
- b. Program applicants.
- c. Denied applicants.

RESPONSE

The stated participant numbers below are as of June 30, 2023.

- a. Total number of program participants for HEART was 1,613.
Total number of program participants for THAW was 1,178.
- b. Total number of program applicants for HEART was 6,800.¹
Total number of program applicants for THAW was 1,301.
- c. Total number of denied applicants for HEART was 318.
Total number of denied applicants for THAW was 79.

¹ Includes approved, waitlisted, and denied applications.

Kentucky Power Company
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DATA REQUEST

KPSC A_4 Copies of each Monthly HEA Report.

RESPONSE

Please see KPCO_R_KPSC_A_4_Attachment1 for the requested information.



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$187.35
Invoice #	2300005
Invoice Date	8/15/22
Invoice Period	July 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$16,897.55	\$187.35	\$7,868.46	\$9,029.09
Legal	\$2,668.03	\$0.00	\$0.00	\$2,668.03
IT R&M	\$21,522.14	\$0.00	\$22,877.14	-\$1,355.00
Other Expenses	\$3,379.51	\$0.00	\$1,541.25	\$1,838.26
Total	\$44,467.23	\$187.35	\$32,286.85	\$12,180.38
CAA Admin - HEART	\$20,656.89	\$0.00	\$0.00	\$20,656.89
CAK Admin - THAW	\$9,881.61	\$0.00	\$321.24	\$9,560.37
CAK Admin - Donation	\$457.95	\$0.00	\$0.00	\$457.95
CAA Admin - THAW	\$39,526.43	\$0.00	\$35,251.06	\$4,275.37
CAA Admin - Donation	\$118.56	\$0.00	\$0.00	\$118.56
Slot Maintenance Fees @ \$25/slot	\$83,100.00	\$0.00	\$83,100.00	\$0.00
Slots Filled	3,324	0	0	3,324
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$450.00	\$500.00
Slots Filled	38	0	0	38
Total	\$199,158.67	\$187.35	\$151,409.15	\$47,749.52

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Utility Assistance Report - Slots

KY Power Heat
 FFY 22 (10/1/2021-9/30/2022)
 July 2022 Only



Summary	# Apps (July)
Program Participants	0
Program Applicants	0
Denied Applicants	0

Agency	County	All-Electric			Base-Load			Donation All-Electric			Donation Base-Load		
		Allocated	Used (July)	Unused	Allocated	Used (July)	Unused	Allocated	Used (July)	Unused	Allocated	Used (July)	Unused
Big Sandy	Floyd	187	0	0	68	0	0						
	Johnson	100	0	3	45	0	0						
	Magoffin	48	0	0	18	0	0						
	Martin	79	0	0	46	0	1						
	Pike	557	0	2	123	0	0						
	Total	971	0	5	300	0	1						
Gateway Community Action	Morgan	22	0	0	1	0	0						
	Rowan	14	0	0	9	0	0						
	Total	36	0	0	10	0	0						
LKLP	Knott	154	0	1	46	0	0	6	0	1	2	0	2
	Leslie	59	0	0	17	0	0	6	0	2	2	0	2
	Letcher	211	0	0	36	0	0	6	0	1	2	0	1
	Perry	245	0	3	61	0	0	7	0	7	3	0	2
	Total	669	0	4	160	0	0	25	0	11	9	0	7
Middle KY	Breathitt	81	0	1	23	0	0						
	Total	81	0	1	23	0	0						
Northeast KY Community Action Agency Inc	Boyd	256	0	9	128	0	8						
	Carter	157	0	0	84	0	6						
	Greenup	177	0	1	110	0	1						
	Lawrence	115	0	0	47	0	6						
Total	705	0	10	369	0	21							
Grand Total		2462	0	20	862	0	22	25	0	11	9	0	7

Agency	Benefit Type	County	Available	On Waitlist (July)	Approved (July)	Withdrawn (July)	Rejected (July)	Removed (July)
Big Sandy	All-Electric	Floyd	0	0	0	0	0	0
		Johnson	3	0	0	0	0	0
		Magoffin	0	0	0	0	0	0
		Martin	0	0	0	0	0	0
		Pike	2	0	0	0	0	0
		Total	5	0	0	0	0	0
	Base-Load	Floyd	0	0	0	0	0	0
		Johnson	0	0	0	0	0	0
		Magoffin	0	0	0	0	0	0
		Martin	1	0	0	0	0	0
		Pike	0	0	0	0	0	0
Total	1	0	0	0	0	0	0	
Gateway Community Action	All-Electric	Morgan	0	0	0	0	0	0
		Rowan	0	0	0	0	0	0
		Total	0	0	0	0	0	0
	Base-Load	Morgan	0	0	0	0	0	0
Rowan	0	0	0	0	0	0	0	
Total	0	0	0	0	0	0	0	
LKLP	All-Electric	Knott	1	0	0	0	0	0
		Leslie	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0
		Perry	3	0	0	0	0	0
		Total	4	0	0	0	0	0
	Base-Load	Knott	0	0	0	0	0	0
		Leslie	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0
		Perry	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0
	Donation All-Electric	Knott	1	0	0	0	0	0
		Leslie	2	0	0	0	0	0
		Letcher	1	0	0	0	0	0
		Perry	7	0	0	0	0	0
	Total	11	0	0	0	0	0	0
	Donation Base-Load	Knott	2	0	0	0	0	0
		Leslie	2	0	0	0	0	0
Letcher		1	0	0	0	0	0	
Perry		2	0	0	0	0	0	
Total	7	0	0	0	0	0	0	
Middle KY	All-Electric	Breathitt	1	0	0	0	0	0
		Total	1	0	0	0	0	0
	Base-Load	Breathitt	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	
Northeast KY Community Action Agency Inc	All-Electric	Boyd	9	0	0	0	0	0
		Carter	0	0	0	0	0	0
		Greenup	1	0	0	0	0	0
		Lawrence	0	0	0	0	0	0
		Total	10	0	0	0	0	0
	Base-Load	Boyd	8	0	0	0	0	0
		Carter	6	0	0	0	0	0
		Greenup	1	0	0	0	0	0
Lawrence	6	0	0	0	0	0		
Total	21	0	0	0	0	0	0	
Grand Total			60	0	0	0	0	0



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$902.71
Invoice #	062022-01
Invoice Date	7/15/22
Invoice Period	June 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$16,897.55	\$445.08	\$7,681.11	\$9,216.44
Legal	\$2,668.03	\$0.00	\$0.00	\$2,668.03
IT R&M	\$21,522.14	\$272.80	\$22,877.14	-\$1,355.00
Other Expenses	\$3,379.51	\$194.32	\$1,541.25	\$1,838.26
Total	\$44,467.23	\$912.20	\$32,099.50	\$12,367.73
CAA Admin - HEART	\$20,656.89	\$0.00	\$0.00	\$20,656.89
CAK Admin - THAW	\$9,881.61	-\$9.49	\$321.24	\$9,560.37
CAK Admin - Donation	\$457.95	\$0.00	\$0.00	\$457.95
CAA Admin - THAW	\$39,526.43	\$0.00	\$35,251.06	\$4,275.37
CAA Admin - Donation	\$118.56	\$0.00	\$0.00	\$118.56
Slot Maintenance Fees @ \$25/slot	\$83,100.00	\$0.00	\$83,100.00	\$0.00
Slots Filled	3,324	0	0	3,324
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$450.00	\$500.00
Slots Filled	38	0	0	38
Total	\$199,158.67	\$902.71	\$151,221.80	\$47,936.87

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Utility Assistance Report - Slots

KY Power Heat
 FFY 22 (10/1/2021-9/30/2022)
 June 2022 Only



Summary	# Apps (June)
Program Participants	0
Program Applicants	0
Denied Applicants	0

Agency	County	All-Electric			Base-Load			Donation All-Electric			Donation Base-Load		
		Allocated	Used (June)	Unused	Allocated	Used (June)	Unused	Allocated	Used (June)	Unused	Allocated	Used (June)	Unused
Big Sandy	Floyd	187	0	0	68	0	0						
	Johnson	100	0	3	45	0	0						
	Magoffin	48	0	0	18	0	0						
	Martin	79	0	0	46	0	1						
	Pike	557	0	2	123	0	0						
	Total	971	0	5	300	0	1						
Gateway Community Action	Morgan	22	0	0	1	0	0						
	Rowan	14	0	0	9	0	0						
Total	36	0	0	10	0	0							
LKLP	Knott	154	0	1	46	0	0	6	0	1	2	0	2
	Leslie	59	0	0	17	0	0	6	0	2	2	0	2
	Letcher	211	0	0	36	0	0	6	0	1	2	0	1
	Perry	245	0	3	61	0	0	7	0	7	3	0	2
	Total	669	0	4	160	0	0	25	0	11	9	0	7
Middle KY	Breathitt	81	0	1	23	0	0						
Total	81	0	1	23	0	0							
Northeast KY Community Action Agency Inc	Boyd	256	0	9	128	0	8						
	Carter	157	0	0	84	0	6						
Greenup	Lawrence	177	0	1	110	0	1						
	Lawrence	115	0	0	47	0	6						
Total	705	0	10	369	0	21							
Grand Total		2462	0	20	862	0	22	25	0	11	9	0	7

Agency	Benefit Type	County	Available	On Waitlist (June)	Approved (June)	Withdrawn (June)	Rejected (June)	Removed (June)	
Big Sandy	All-Electric	Floyd	0	0	0	0	0	0	
		Johnson	3	0	0	0	0	0	
		Magoffin	0	0	0	0	0	0	
		Martin	0	0	0	0	0	0	
		Pike	2	0	0	0	0	0	
		Total	5	0	0	0	0	0	0
	Base-Load	Floyd	0	0	0	0	0	0	
		Johnson	0	0	0	0	0	0	
		Magoffin	0	0	0	0	0	0	
		Martin	1	0	0	0	0	0	
		Pike	0	0	0	0	0	0	
		Total	1	0	0	0	0	0	0
	Gateway Community Action	All-Electric	Morgan	0	0	0	0	0	0
			Rowan	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	
Base-Load		Morgan	0	0	0	0	0	0	
	Rowan	0	0	0	0	0	0		
Total	0	0	0	0	0	0	0		
LKLP	All-Electric	Knott	1	0	0	0	0	0	
		Leslie	0	0	0	0	0	0	
		Letcher	0	0	0	0	0	0	
		Perry	3	0	0	0	0	0	
		Total	4	0	0	0	0	0	0
	Base-Load	Knott	0	0	0	0	0	0	
		Leslie	0	0	0	0	0	0	
		Letcher	0	0	0	0	0	0	
		Perry	0	0	0	0	0	0	
		Total	0	0	0	0	0	0	0
	Donation All-Electric	Knott	1	0	0	0	0	0	
		Leslie	2	0	0	0	0	0	
		Letcher	1	0	0	0	0	0	
		Perry	7	0	0	0	0	0	
	Total	11	0	0	0	0	0	0	
	Donation Base-Load	Knott	2	0	0	0	0	0	
		Leslie	2	0	0	0	0	0	
		Letcher	1	0	0	0	0	0	
		Perry	2	0	0	0	0	0	
	Total	7	0	0	0	0	0	0	
Middle KY	All-Electric	Breathitt	1	0	0	0	0	0	
	Total	1	0	0	0	0	0	0	
Base-Load	Breathitt	0	0	0	0	0	0		
	Total	0	0	0	0	0	0	0	
Northeast KY Community Action Agency Inc	All-Electric	Boyd	9	0	0	0	0	0	
		Carter	0	0	0	0	0	0	
		Greenup	1	0	0	0	0	0	
		Lawrence	0	0	0	0	0	0	
	Total	10	0	0	0	0	0	0	
	Base-Load	Boyd	8	0	0	0	0	0	
		Carter	6	0	0	0	0	0	
		Greenup	1	0	0	0	0	0	
Lawrence		6	0	0	0	0	0		
Total	21	0	0	0	0	0	0		
Grand Total		60	0	0	0	0	0	0	

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power
Attn: Stevi Cobern

Amount Due	\$1,377.73
Invoice #	082022-01
Invoice Date	9/15/22
Invoice Period	August 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$16,897.55	\$760.32	\$8,628.78	\$8,268.77
Legal	\$2,668.03	\$0.00	\$0.00	\$2,668.03
IT R&M	\$21,522.14	\$0.00	\$22,877.14	-\$1,355.00
Other Expenses	\$3,379.51	\$617.41	\$2,158.66	\$1,220.85
Total	\$44,467.23	\$1,377.73	\$33,664.58	\$10,802.65
CAA Admin - HEART	\$20,656.89	\$0.00	\$0.00	\$20,656.89
CAK Admin - THAW	\$9,881.61	\$0.00	\$321.24	\$9,560.37
CAK Admin - Donation	\$457.95	\$0.00	\$0.00	\$457.95
CAA Admin - THAW	\$39,526.43	\$0.00	\$35,251.06	\$4,275.37
CAA Admin - Donation	\$118.56	\$0.00	\$0.00	\$118.56
Slot Maintenance Fees @ \$25/slot	\$83,100.00	\$0.00	\$83,100.00	\$0.00
Slots Filled	3,324	0	3324	-
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$450.00	\$500.00
Slots Filled	38	0	18	20
Total	\$199,158.67	\$1,377.73	\$152,786.88	\$46,371.79

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Utility Assistance Report - Slots

KY Power Heat
 FFY 22 (10/1/2021-9/30/2022)
 August 2022 Only



Summary	# Apps (Aug.)
Program Participants	0
Program Applicants	0
Denied Applicants	0

Agency	County	All-Electric			Base-Load			Donation All-Electric			Donation Base-Load		
		Allocated	Used (Aug.)	Unused	Allocated	Used (Aug.)	Unused	Allocated	Used (Aug.)	Unused	Allocated	Used (Aug.)	Unused
Big Sandy	Floyd	187	0	0	68	0	0						
	Johnson	100	0	3	45	0	0						
	Magoffin	48	0	0	18	0	0						
	Martin	79	0	0	46	0	1						
	Pike	557	0	2	123	0	0						
	Total	971	0	5	300	0	1						
Gateway Community Action	Morgan	22	0	0	1	0	0						
	Rowan	14	0	0	9	0	0						
Total	36	0	0	10	0	0							
LKLP	Knott	154	0	1	46	0	0	6	0	1	2	0	2
	Leslie	59	0	0	17	0	0	6	0	2	2	0	2
	Letcher	211	0	0	36	0	0	6	0	1	2	0	1
	Perry	245	0	3	61	0	0	7	0	7	3	0	2
	Total	669	0	4	160	0	0	25	0	11	9	0	7
Middle KY	Breathitt	81	0	1	23	0	0						
	Total	81	0	1	23	0	0						
Northeast KY Community Action Agency Inc	Boyd	256	0	9	128	0	8						
	Carter	157	0	0	84	0	6						
	Greenup	177	0	1	110	0	1						
	Lawrence	115	0	0	47	0	6						
	Total	705	0	10	369	0	21						
Grand Total	2462	0	20	862	0	22	25	0	11	9	0	7	

Agency	Benefit Type	County	Available	On Waitlist (Aug.)	Approved (Aug.)	Withdrawn (Aug.)	Rejected (Aug.)	Removed (Aug.)
Big Sandy	All-Electric	Floyd	0	0	0	0	0	0
		Johnson	3	0	0	0	0	0
		Magoffin	0	0	0	0	0	0
		Martin	0	0	0	0	0	0
		Pike	2	0	0	0	0	0
		Total	5	0	0	0	0	0
	Base-Load	Floyd	0	0	0	0	0	0
		Johnson	0	0	0	0	0	0
		Magoffin	0	0	0	0	0	0
		Martin	1	0	0	0	0	0
		Pike	0	0	0	0	0	0
Total	1	0	0	0	0	0		
Gateway Community Action	All-Electric	Morgan	0	0	0	0	0	0
		Rowan	0	0	0	0	0	0
		Total	0	0	0	0	0	0
	Base-Load	Morgan	0	0	0	0	0	0
		Rowan	0	0	0	0	0	0
Total	0	0	0	0	0	0		
LKLP	All-Electric	Knott	1	0	0	0	0	0
		Leslie	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0
		Perry	3	0	0	0	0	0
		Total	4	0	0	0	0	0
	Base-Load	Knott	0	0	0	0	0	0
		Leslie	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0
		Perry	0	0	0	0	0	0
		Total	0	0	0	0	0	0
	Donation All-Electric	Knott	1	0	0	0	0	0
		Leslie	2	0	0	0	0	0
		Letcher	1	0	0	0	0	0
		Perry	7	0	0	0	0	0
	Total	11	0	0	0	0	0	
	Donation Base-Load	Knott	2	0	0	0	0	0
		Leslie	2	0	0	0	0	0
		Letcher	1	0	0	0	0	0
		Perry	2	0	0	0	0	0
Total	7	0	0	0	0	0		
Middle KY	All-Electric	Breathitt	1	0	0	0	0	0
		Total	1	0	0	0	0	
	Base-Load	Breathitt	0	0	0	0	0	0
Total	0	0	0	0	0	0		
Northeast KY Community Action Agency Inc	All-Electric	Boyd	9	0	0	0	0	0
		Carter	0	0	0	0	0	0
		Greenup	1	0	0	0	0	0
		Lawrence	0	0	0	0	0	0
		Total	10	0	0	0	0	0
	Base-Load	Boyd	8	0	0	0	0	0
		Carter	6	0	0	0	0	0
		Greenup	1	0	0	0	0	0
		Lawrence	6	0	0	0	0	0
		Total	21	0	0	0	0	0
Grand Total		60	0	0	0	0	0	

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power
Attn: Stevi Cobern

Amount Due	\$1,170.66
Invoice #	092022-01
Invoice Date	10/15/22
Invoice Period	September 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$16,897.55	\$676.06	\$9,304.84	\$7,592.71
Legal	\$2,668.03	\$0.00	\$0.00	\$2,668.03
IT R&M	\$21,522.14	\$0.00	\$22,877.14	-\$1,355.00
Other Expenses	\$3,379.51	\$494.60	\$2,653.26	\$726.25
Total	\$44,467.23	\$1,170.66	\$34,835.24	\$9,631.99
CAA Admin - HEART	\$20,656.89	\$0.00	\$0.00	\$20,656.89
CAK Admin - THAW	\$9,881.61	\$0.00	\$321.24	\$9,560.37
CAK Admin - Donation	\$457.95	\$0.00	\$0.00	\$457.95
CAA Admin - THAW	\$39,526.43	\$0.00	\$35,251.06	\$4,275.37
CAA Admin - Donation	\$118.56	\$0.00	\$0.00	\$118.56
Slot Maintenance Fees @ \$25/slot	\$83,100.00	\$0.00	\$83,100.00	\$0.00
Slots Filled	3,324	0	3324	-
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$450.00	\$500.00
Slots Filled	38	0	18	20
Total	\$199,158.67	\$1,170.66	\$153,957.54	\$45,201.13

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)

Summary

	# Apps (Sept.)	# Apps
Program Participants	0	3,399
Program Applicants	0	6,069
Denied Applicants	0	484

Agency	County	All-Electric				Base-Load				Donation All-Electric				Donation Base-Load		
		Allocated	Used (Sept.)	Used	Unused	Allocated	Used (Sept.)	Used	Unused	Allocated	Used (Sept.)	Used	Unused	Allocated	Used (Sept.)	Used
Big Sandy	Floyd	187	0	187	0	68	0	68	0							
	Johnson	100	0	97	3	45	0	45	0							
	Magoffin	48	0	48	0	18	0	18	0							
	Martin	79	0	79	0	46	0	45	1							
	Pike	557	0	555	2	123	0	123	0							
	Total		971	0	966	5	300	0	299	1						
Gateway Community Action	Morgan	22	0	22	0	1	0	1	0							
	Rowan	14	0	14	0	9	0	9	0							
	Total		36	0	36	0	10	0	10	0						
LKLP	Knott	154	0	153	1	46	0	46	0	6	0	5	1	2	0	0
	Leslie	59	0	59	0	17	0	17	0	6	0	4	2	2	0	0
	Letcher	211	0	211	0	36	0	36	0	6	0	5	1	2	0	1
	Perry	245	0	242	3	61	0	61	0	7	0	0	7	3	0	1
	Total		669	0	665	4	160	0	160	0	25	0	14	11	9	0
Middle KY	Breathitt	81	0	80	1	23	0	23	0							
	Total		81	0	80	1	23	0	23	0						
Northeast KY Community Action Agency Inc	Boyd	256	0	247	9	128	0	120	8							
	Carter	157	0	157	0	84	0	78	6							
	Greenup	177	0	176	1	110	0	109	1							
	Lawrence	115	0	115	0	47	0	41	6							
	Total		705	0	695	10	369	0	348	21						
Grand Total		2462	0	2442	20	862	0	840	22	25	0	14	11	9	0	2

Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)



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Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)

Agency	Benefit Type	County	Available	On Waitlist (Sept.)	On Waitlist	Approved (Sept.)	Approved	Withdrawn (Sept.)	Withdrawn	Rejected (Sept.)	Rejected	Removed (Sept.)	Removed
Big Sandy	All-Electric	Floyd	0	0	65	0	0	0	0	0	10	0	3
		Johnson	3	0	93	0	2	0	0	0	16	0	13
		Magoffin	0	0	23	0	0	0	0	0	1	0	0
		Martin	0	0	131	0	2	0	0	0	7	0	1
		Pike	2	0	23	0	0	0	0	0	20	0	3
		Total	5	0	335	0	4	0	0	0	54	0	20
	Base-Load	Floyd	0	0	20	0	0	0	0	0	4	0	1
		Johnson	0	0	5	0	0	0	0	0	8	0	1
		Magoffin	0	0	1	0	0	0	0	0	5	0	1
		Martin	1	0	1	0	0	0	0	0	0	0	1
		Pike	0	0	2	0	0	0	0	0	8	0	2
Total		1	0	29	0	0	0	0	0	25	0	6	
Gateway Community Action	All-Electric	Morgan	0	0	7	0	0	0	0	0	0	0	1
		Rowan	0	0	0	0	0	0	0	0	2	0	0
		Total	0	0	7	0	0	0	0	0	2	0	1
	Base-Load	Morgan	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	4	0	0	0	0	0	0	0	1
LKLP	All-Electric	Knott	1	0	316	0	1	0	0	0	15	0	5
		Leslie	0	0	7	0	0	0	0	0	2	0	0
		Letcher	0	0	204	0	0	0	0	0	12	0	3
		Perry	3	0	219	0	0	0	0	0	20	0	8
		Total	4	0	746	0	1	0	0	0	49	0	16
	Base-Load	Knott	0	0	126	0	0	0	0	0	10	0	0
		Leslie	0	0	33	0	0	0	0	0	2	0	0
		Letcher	0	0	160	0	0	0	0	0	3	0	0
		Perry	0	0	242	0	0	0	0	0	3	0	4
		Total	0	0	561	0	0	0	0	0	18	0	4
	Donation All-Electric	Knott	1	0	0	0	0	0	0	0	3	0	0
		Leslie	2	0	0	0	0	0	0	0	1	0	1

Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)



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Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)

		Letcher	1	0	0	0	0	0	0	0	1	0	0
		Perry	7	0	0	0	0	0	0	0	7	0	0
		Total	11	0	0	0	0	0	0	0	12	0	1
	Donation Base-Load	Knott	2	0	0	0	0	0	0	0	2	0	0
		Leslie	2										
		Letcher	1	0	0	0	0	0	0	0	0	0	1
		Perry	2	0	0	0	0	0	0	0	2	0	0
	Total	7	0	0	0	0	0	0	0	4	0	1	
Middle KY	All-Electric	Breathitt	1	0	121	0	0	0	0	0	11	0	1
	Total	1	0	121	0	0	0	0	0	11	0	1	
	Base-Load	Breathitt	0	0	140	0	0	0	0	0	3	0	1
		Total	0	0	140	0	0	0	0	0	3	0	1
Northeast KY Community Action Agency Inc	All-Electric	Boyd	9	0	21	0	0	0	0	0	43	0	17
		Carter	0	0	89	0	0	0	0	0	13	0	2
		Greenup	1	0	51	0	0	0	0	0	13	0	14
		Lawrence	0	0	73	0	0	0	0	0	11	0	2
		Total	10	0	234	0	0	0	0	0	80	0	35
	Base-Load	Boyd	8	0	0	0	0	0	0	0	24	0	7
		Carter	6	0	0	0	0	0	0	0	11	0	1
		Greenup	1	0	0	0	0	0	0	0	7	0	5
		Lawrence	6	0	0	0	0	0	0	0	11	0	1
	Total	21	0	0	0	0	0	0	0	53	0	14	
Grand Total			60	0	2177	0	5	0	0	311	0	101	

Agency	Benefit Type	County	Enrolled (Sept.)	Enrolled	On Waitlist (Sept.)	On Waitlist	Approved (Sept.)	Approved	Withdrawn (Sept.)	Withdrawn	Rejected (Sept.)	Rejected	Removed (Sept.)	Removed
Northeast KY Community Action Agency Inc	All-Electric	Elliott	0	0	0	0	0	4	0	0	0	0	0	0
		Total	0	0	0	0	0	4	0	0	0	0	0	0
Grand Total			0	0	0	0	4	0	0	0	0	0	0	0

Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)





Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)

Denial Reason	# Apps (Sept.)	# Apps
Exceeds Maximum Number of Applications	0	149
Expired Date	0	23
System Message: The request was rejected by the vendor because of the following reason: 60 DAY ARREARS	0	119
System Message: The request was rejected by the vendor because of the following reason: ASSIST PGM EXISTS	0	56
System Message: The request was rejected by the vendor because of the following reason: INVALID ACCOUNT	0	37
System Message: The request was rejected by the vendor because of the following reason: INVALID ACCT STATUS	0	67
System Message: The request was rejected by the vendor because of the following reason: NON RESIDENTIAL ACCT	0	32
Voluntarily Withdrew	0	1

Utility Assistance Report - Slots

KY Power Heart

FFY 22 (10/1/2021-9/30/2022)



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601



KY Power
 Attn: Stevi Cobern

Amount Due	\$70.45
Invoice #	092022-2
Invoice Date	11/15/22
Invoice Period	September 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$16,897.55		\$9,304.84	\$7,592.71
Legal	\$2,668.03		\$0.00	\$2,668.03
IT R&M	\$21,522.14		\$22,877.14	-\$1,355.00
Other Expenses	\$3,379.51		\$2,653.26	\$726.25
Total	\$44,467.23	\$0.00	\$34,835.24	\$9,631.99
CAA Admin - HEART	\$20,656.89	\$0.00	\$0.00	\$20,656.89
CAK Admin - THAW	\$9,881.61	\$70.45	\$391.69	\$9,489.92
CAK Admin - Donation	\$457.95	\$0.00	\$0.00	\$457.95
CAA Admin - THAW	\$39,526.43	\$0.00	\$35,251.06	\$4,275.37
CAA Admin - Donation	\$118.56	\$0.00	\$0.00	\$118.56
Slot Maintenance Fees @ \$25/slot	\$83,100.00	\$0.00	\$83,100.00	\$0.00
Slots Filled	3,324	0	3324	-
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$450.00	\$500.00
Slots Filled	38	0	18	20
Total	\$199,158.67	\$70.45	\$154,027.99	\$45,130.68

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power
Attn: Stevi Cobern

Amount Due	\$448.27
Invoice #	112022-01
Invoice Date	12/15/22
Invoice Period	November 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$183.68	\$474.30	\$7,721.19
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$0.00	\$0.00	\$8,195.49
Other Expenses	\$2,048.87	\$221.05	\$337.92	\$1,710.95
Total	\$20,488.72	\$404.73	\$812.22	\$19,676.50
CAA Admin - HEART	\$9,582.03	\$0.00	\$137.87	\$9,444.16
CAK Admin - THAW	\$4,553.15	\$43.54	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	\$0.00	\$0.00	\$450.32
CAA Admin - THAW	\$18,212.20	\$0.00	\$0.00	\$18,212.20
CAA Admin - Donation	\$100.76	\$0.00	\$0.00	\$100.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$0.00	\$0.00	\$38,225.00
Slots Filled	1,529	0	0	1,529
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$0.00	\$950.00
Slots Filled	38	0	0	38
Total	\$92,562.18	\$448.27	\$1,065.36	\$91,496.82

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power

Attn: Stevi Cobern

Amount Due	\$617.09
Invoice #	102022-01
Invoice Date	11/15/22
Invoice Period	October 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$0.00	\$290.62	\$290.62	-\$290.62
Legal	\$0.00	\$0.00	\$0.00	\$0.00
IT R&M	\$0.00	\$0.00	\$0.00	\$0.00
Other Expenses	\$0.00	\$116.87	\$116.87	-\$116.87
Total	\$0.00	\$407.49	\$407.49	-\$407.49
CAA Admin - HEART	\$0.00	\$137.87	\$137.87	-\$137.87
CAK Admin - THAW	\$0.00	\$71.73	\$71.73	-\$71.73
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	-	0	0	-
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$0.00	\$617.09	\$617.09	-\$617.09

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power
Attn: Stevi Cobern

Amount Due	\$1,752.36
Invoice #	122021-01
Invoice Date	1/15/23
Invoice Period	December 2022

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$819.59	\$1,293.89	\$6,901.60
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$49.26	\$49.26	\$8,146.23
Other Expenses	\$2,048.87	\$883.51	\$1,221.43	\$827.44
Total	\$20,488.72	\$1,752.36	\$2,564.58	\$17,924.14
CAA Admin - HEART	\$9,582.03	\$0.00	\$137.87	\$9,444.16
CAK Admin - THAW	\$4,553.15	\$0.00	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	\$0.00	\$0.00	\$450.32
CAA Admin - THAW	\$18,212.20	\$0.00	\$0.00	\$18,212.20
CAA Admin - Donation	\$100.76	\$0.00	\$0.00	\$100.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$0.00	\$0.00	\$38,225.00
Slots Filled	1,529	0	0	1,529
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$0.00	\$950.00
Slots Filled	38	0	0	38
Total	\$92,562.18	\$1,752.36	\$2,817.72	\$89,744.46

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power
Attn: Stevi Cobern

Amount Due	\$39,987.19
Invoice #	012023-01
Invoice Date	2/15/23
Invoice Period	January 2023

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$750.84	\$2,044.73	\$6,150.76
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$0.00	\$49.26	\$8,146.23
Other Expenses	\$2,048.87	\$203.03	\$1,424.46	\$624.41
Total	\$20,488.72	\$953.87	\$3,518.45	\$16,970.27
CAA Admin - HEART	\$9,582.03	-\$16.68	\$121.19	\$9,460.84
CAK Admin - THAW	\$4,553.15	\$0.00	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	\$0.00	\$0.00	\$450.32
CAA Admin - THAW	\$18,212.20	\$0.00	\$0.00	\$18,212.20
CAA Admin - Donation	\$100.76	\$0.00	\$0.00	\$100.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$38,225.00	\$38,225.00	\$0.00
Slots Filled	1,529	1529	1529	-
Slot Fees Donation @\$25/slot	\$950.00	\$825.00	\$825.00	\$125.00
Slots Filled	38	33	33	5
Total	\$92,562.18	\$39,987.19	\$42,804.91	\$49,757.27

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601



KY Power
 Attn: Stevi Cobern

Amount Due	\$21,107.25
Invoice #	022023-01
Invoice Date	3/15/23
Invoice Period	February 2023

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$176.49	\$2,221.22	\$5,974.27
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$54.07	\$103.33	\$8,092.16
Other Expenses	\$2,048.87	\$202.83	\$1,627.29	\$421.58
Total	\$20,488.72	\$433.39	\$3,951.84	\$16,536.88
CAA Admin - HEART	\$9,582.03	\$5,260.55	\$5,381.74	\$4,200.29
CAK Admin - THAW	\$4,553.15	\$0.00	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	\$0.00	\$0.00	\$450.32
CAA Admin - THAW	\$18,212.20	\$15,363.31	\$15,363.31	\$2,848.89
CAA Admin - Donation	\$100.76	\$50.00	\$50.00	\$50.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$0.00	\$38,225.00	\$0.00
Slots Filled	1,529	0	1529	-
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$825.00	\$125.00
Slots Filled	38	0	33	5
Total	\$92,562.18	\$21,107.25	\$63,912.16	\$28,650.02

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$424.36
Invoice #	032023-01
Invoice Date	4/15/23
Invoice Period	March 2023

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$198.31	\$2,419.53	\$5,775.96
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$0.00	\$103.33	\$8,092.16
Other Expenses	\$2,048.87	\$119.23	\$1,746.52	\$302.35
Total	\$20,488.72	\$317.54	\$4,269.38	\$16,219.34
CAA Admin - HEART	\$9,582.03	\$0.00	\$5,381.74	\$4,200.29
CAK Admin - THAW	\$4,553.15	\$0.00	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	\$0.00	\$0.00	\$450.32
CAA Admin - THAW	\$18,212.20	\$106.82	\$15,470.13	\$2,742.07
CAA Admin - Donation	\$100.76	-\$50.00	\$0.00	\$100.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$0.00	\$38,225.00	\$0.00
Slots Filled	1,529	0	1529	-
Slot Fees Donation @\$25/slot	\$950.00	\$50.00	\$875.00	\$75.00
Slots Filled	38	0	35	3
Total	\$92,562.18	\$424.36	\$64,336.52	\$28,225.66

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601



KY Power
 Attn: Stevi Cobern

Amount Due	\$1,374.26
Invoice #	042023-01
Invoice Date	5/15/23
Invoice Period	April 2023

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$442.66	\$2,862.19	\$5,333.30
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$0.00	\$103.33	\$8,092.16
Other Expenses	\$2,048.87	\$216.38	\$1,962.90	\$85.97
Total	\$20,488.72	\$659.04	\$4,928.42	\$15,560.30
CAA Admin - HEART	\$9,582.03	\$0.00	\$5,381.74	\$4,200.29
CAK Admin - THAW	\$4,553.15	\$0.00	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	\$25.00	\$25.00	\$425.32
CAA Admin - THAW	\$18,212.20	\$690.22	\$16,160.35	\$2,051.85
CAA Admin - Donation	\$100.76	\$0.00	\$0.00	\$100.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$0.00	\$38,225.00	\$0.00
Slots Filled	1,529	0	1529	-
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$875.00	\$75.00
Slots Filled	38	0	35	3
Total	\$92,562.18	\$1,374.26	\$65,710.78	\$26,851.40

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Community Action Kentucky, Inc

101 Burch Court

Frankfort, KY 40601



KY Power
Attn: Stevi Cobern

Amount Due	\$527.29
Invoice #	052023-01
Invoice Date	6/15/23
Invoice Period	May 2023

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$8,195.49	\$269.53	\$3,131.72	\$5,063.77
Legal	\$2,048.87	\$0.00	\$0.00	\$2,048.87
IT R&M	\$8,195.49	\$0.00	\$103.33	\$8,092.16
Other Expenses	\$2,048.87	\$257.76	\$2,220.66	-\$171.79
Total	\$20,488.72	\$527.29	\$5,455.71	\$15,033.01
CAA Admin - HEART	\$9,582.03	\$0.00	\$5,381.74	\$4,200.29
CAK Admin - THAW	\$4,553.15	\$0.00	\$115.27	\$4,437.88
CAK Admin - Donation	\$450.32	-\$25.00	\$0.00	\$450.32
CAA Admin - THAW	\$18,212.20	\$0.00	\$16,160.35	\$2,051.85
CAA Admin - Donation	\$100.76	\$25.00	\$25.00	\$75.76
Slot Maintenance Fees @ \$25/slot	\$38,225.00	\$0.00	\$38,225.00	\$0.00
Slots Filled	1,529	0	0	1,529
Slot Fees Donation @\$25/slot	\$950.00	\$0.00	\$875.00	\$75.00
Slots Filled	38	0	35	3
Total	\$92,562.18	\$527.29	\$66,238.07	\$26,324.11

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

KPSC A_5 Agendas of any meeting between the administrator and utility, including any discussed or proposed program changes.

RESPONSE

KPCO_R_KPSC_A_5_Attachment1 provides the dates, agendas and topics discussed at the meetings. The 2023-2024 Marketing Plan is also included.



2023 HEART and THAW Marketing Plan Kentucky Power

GOAL: To ensure eligible Kentucky Power customers and community officials are knowledgeable about the HEART and THAW program being offered through the winter months.

The customer service, external affairs and corporate communications teams hold responsibility for ensuring plan is executed.

September:

External Communications:

- Conduct virtual training for Community Action Agencies (CAA) to review program guidelines, eligibility requirements and communication plan
- Documents discussing optional payment plans such as payment arrangements, Average Monthly Payment (AMP) plan and budget billing are provided to local CAA offices for use while discussing optional programs and as a take away for customers (Community Action Agencies (CAA) are responsible for discussing payment plan options with applicants as an eligibility requirement)
- Review HEART and THAW program details for any updates to website at: <https://www.kentuckypower.com/account/bills/assistance/> and <https://www.kentuckypower.com/winterbills>; program flyer also linked on website

October:

Internal Communications:

- Provide call center agents and all Kentucky Power employees with updated talking points about programs
- Post internal story about HEART and THAW on employee intranet site.

External Communications:

- News release to news media in territory about HEART program
- Social media posts
- Email to residential customers (that we have email addresses for) providing program information for HEART, including link to website and program flyer
- Outreach (email and/or phone calls) to elected and community officials on HEART program
- Bill insert discussing HEART for all residential customers (Cycle 1 – 9/29/2023 through Cycle 21 – 10/26/2023)

- We will use a variety of ways to circulate flyers and information at high-traffic locations. Information will either be hand delivered, emailed or mailed. We will ask agency representatives to share information through digital channels and in physical locations if open to public. Targeted agencies could include: county and city buildings, public libraries, Family Resource Centers/local school districts and at the local Department for Community Based Services.

November:

Internal Communications:

- Community palm card provided to field employees in the fall/winter and given to customers as needed to provide information about optional programs

External Communications:

- Social media posts
- Reminder email to residential customers (that we have email addresses for) providing program information for HEART including link to website and program flyer
- Bill message promoting HEART

December:

External Communications:

- News release to news media in territory about THAW program
- Social media posts
- Email to residential customers (that we have email addresses for) providing program information for THAW including link to website and program flyer
- Outreach (email and/or phone calls) to elected and community officials on THAW program
- Bill insert discussing THAW for all residential customers (Cycle 1 – 11/30/2023 through Cycle 21 – 12/29/2023)

January:

External Communications:

- Social media posts
- Reminder email to residential customers (that we have email addresses for) providing program information for THAW including link to website and program flyer
- Bill message promoting THAW

Rev 7/23

For questions or more information, contact Stevi Cobern at sncobern@aep.com



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 9, 2022

Time: 2:00 – 3:00 p.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Middle Kentucky Community Action Agency

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|------------------|---|
| 2:00 – 2:05 p.m. | Welcome and Introduction |
| 2:05 – 2:10 p.m. | Briefly discuss funding compared to last program year |
| 2:10 – 2:35 p.m. | Review program guidelines, eligibility requirements and transmittals |
| 2:35 – 2:40 p.m. | Review billing options and payment plans available to customers and contact information |
| 2:40 – 2:45 p.m. | Emerging issues |
| 2:45 – 2:55 p.m. | Questions and Answers |
| 2:55 – 3:00 p.m. | Closing |



**HEART and THAW Pre-Program Year
Meeting Agenda**

Date: September 20, 2022

Time: 9:00 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Big Sandy Community Action Program

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|-------------------|---|
| 9:00 – 9:05 a.m. | Welcome and Introduction |
| 9:05 – 9:10 a.m. | Briefly discuss funding compared to last program year |
| 9:10 – 9:35 a.m. | Review program guidelines, eligibility requirements and transmittals |
| 9:35 – 9:40 a.m. | Review billing options and payment plans available to customers and contact information |
| 9:40 – 9:45 a.m. | Emerging issues |
| 9:45 – 9:55 a.m. | Questions and Answers |
| 9:55 – 10:00 a.m. | Closing |



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HEART and THAW Pre-Program Year

Meeting Agenda

Date: September 26, 2022

Time: 9:00 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Northeast Community Action Agency

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|-------------------|---|
| 9:00 – 9:05 a.m. | Welcome and Introduction |
| 9:05 – 9:10 a.m. | Briefly discuss funding compared to last program year |
| 9:10 – 9:35 a.m. | Review program guidelines, eligibility requirements and transmittals |
| 9:35 – 9:40 a.m. | Review billing options and payment plans available to customers and contact information |
| 9:40 – 9:45 a.m. | Emerging issues |
| 9:45 – 9:55 a.m. | Questions and Answers |
| 9:55 – 10:00 a.m. | Closing |



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 27, 2022

Time: 1:00 – 2:00 p.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Gateway Community Action

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|------------------|---|
| 1:00 – 1:05 p.m. | Welcome and Introduction |
| 1:05 – 1:10 p.m. | Briefly discuss funding compared to last program year |
| 1:10 – 1:35 p.m. | Review program guidelines, eligibility requirements and transmittals |
| 1:35 – 1:40 p.m. | Review billing options and payment plans available to customers and contact information |
| 1:40 – 1:45 p.m. | Emerging issues |
| 1:45 – 1:55 p.m. | Questions and Answers |
| 1:55 – 2:00 p.m. | Closing |



HEART and THAW Pre-Program Year Meeting Agenda

Date: October 3, 2022

Time: 9:00 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: LKLP Community Action Council

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|-------------------|---|
| 9:00 – 9:05 a.m. | Welcome and Introduction |
| 9:05 – 9:10 a.m. | Briefly discuss funding compared to last program year |
| 9:10 – 9:35 a.m. | Review program guidelines, eligibility requirements and transmittals |
| 9:35 – 9:40 a.m. | Review billing options and payment plans available to customers and contact information |
| 9:40 – 9:45 a.m. | Emerging issues |
| 9:45 – 9:55 a.m. | Questions and Answers |
| 9:55 – 10:00 a.m. | Closing |



**HEART and THAW Post Program Year
Meeting Agenda**

Date: June 8, 2023

Time: 9:30 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Middle Kentucky Community Action Program

Meeting Objective: Discuss HEART and THAW 2023 program year

Topics:

- | | |
|-------------------|---|
| 9:30 – 9:35 a.m. | Welcome and Introduction |
| 9:35 – 9:50 a.m. | Discuss HEART and THAW program year including lessons learned and suggestions for improvement |
| 9:50 – 9:58 a.m. | Emerging issues |
| 9:58 – 10:00 a.m. | Closing |



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HEART and THAW Post Program Year Meeting Agenda

Date: June 9, 2023

Time: 9:30 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Gateway Community Action

Meeting Objective: Discuss HEART and THAW 2023 program year

Topics:

- | | |
|-------------------|---|
| 9:30 – 9:35 a.m. | Welcome and Introduction |
| 9:35 – 9:50 a.m. | Discuss HEART and THAW program year including lessons learned and suggestions for improvement |
| 9:50 – 9:58 a.m. | Emerging issues |
| 9:58 – 10:00 a.m. | Closing |



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HEART and THAW Post Program Year Meeting Agenda

Date: June 19, 2023

Time: 8:30 – 9:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Northeast Community Action Corporation

Meeting Objective: Discuss HEART and THAW 2023 program year

Topics:

- | | |
|------------------|---|
| 8:30 – 8:35 a.m. | Welcome and Introduction |
| 8:35 – 8:50 a.m. | Discuss HEART and THAW program year including lessons learned and suggestions for improvement |
| 8:50 – 8:58 a.m. | Emerging issues |
| 8:58 – 9:00 a.m. | Closing |



**HEART and THAW Post Program Year
Meeting Agenda**

Date: June 19, 2023

Time: 9:30 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Community Action Kentucky

Meeting Objective: Discuss HEART and THAW 2023 program year

Topics:

- | | |
|-------------------|---|
| 9:30 – 9:35 a.m. | Welcome and Introduction |
| 9:35 – 9:50 a.m. | Discuss HEART and THAW program year including lessons learned and suggestions for improvement |
| 9:50 – 9:58 a.m. | Emerging issues |
| 9:58 – 10:00 a.m. | Closing |



**HEART and THAW Post Program Year
Meeting Agenda**

Date: June 21, 2023

Time: 12:00 – 12:30 p.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: Big Sandy Area Community Action Program

Meeting Objective: Discuss HEART and THAW 2023 program year

Topics:

- | | |
|--------------------|---|
| 12:00 – 12:05 p.m. | Welcome and Introduction |
| 12:05 – 12:20 p.m. | Discuss HEART and THAW program year including lessons learned and suggestions for improvement |
| 12:20 – 12:28 p.m. | Emerging issues |
| 12:28 – 12:30 p.m. | Closing |



**HEART and THAW Post Program Year
Meeting Agenda**

Date: June 27, 2023

Time: 9:00 – 9:30 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Customer Services Supervisor

Invitees: LKLP Community Action Council

Meeting Objective: Discuss HEART and THAW 2023 program year

Topics:

- | | |
|------------------|---|
| 9:00 – 9:05 a.m. | Welcome and Introduction |
| 9:05 – 9:20 a.m. | Discuss HEART and THAW program year including lessons learned and suggestions for improvement |
| 9:20 – 9:28 a.m. | Emerging issues |
| 9:28 – 9:30 a.m. | Closing |

Kentucky Power Company
Kpsc Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

- KPSC A_6** The following information for all residential customers, annually and by month:
- a. Average balance amount.
 - b. Average monthly bill amount.
 - c. Average monthly payment amount.
 - d. Average monthly usage (Gas and Electric separate, where applicable).
 - e. Termination notices issued.
 - f. Service terminations.
 - g. Amount of unique customers receiving a termination notice for nonpayment
(i.e., if a customer receives one or more termination notices, this customer would only be counted as one).
 - h. Amount of unique customers with service terminated for nonpayment
(i.e., if a customer has service terminated once, this customer would only be counted as one).

RESPONSE

Please see KPCO_R_KPSC_A_6_Attachment1 tab "A_6" for the requested information.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

KPSC A_7 The information set forth in Item 6 for HEA program participants, annually and by month.

RESPONSE

Please see KPCO_R_KPSC_A_6_Attachment1 tab "A_7" for the requested information. Please see the Company's response to KPSC_A_6 for the relevant information provided by the Company in its termination notices and on its bills.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

KPSC A_8 The average monthly benefit provided to participants through the program.

RESPONSE

The HEART program provides a fixed benefit level. Participating low-income residential customers whose primary source of heat is electric are eligible to receive an electric bill credit of \$115.00 a month for bills rendered in January through April. Participating low-income residential customers whose primary source of heat is non-electric are eligible to receive an electric bill credit of \$58.00 a month for bills rendered in January through April.

The THAW program helps customers who do not require the broader and more sustained help provided by HEART, but who nonetheless are at risk of losing their electric service because of a temporary situation. THAW offers assistance credit of up to a total of \$175.00 per winter heating season (bills rendered January through April) or until allocated benefits are expended to eligible residential customers on a first come, first served basis. The average benefit level paid to participants in the THAW program during the 2023 program year was \$169.90.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2023 Annual Report on Home Energy Assistance Programs
Dated August 15, 2023

DATA REQUEST

KPSC A_9 Copies of any outside independent audit conducted during the program year.

RESPONSE

KPCO_R_KPSC_A_9_Attachment1 is the independent audit provided to Kentucky Power by CAK for the 12 months ended June 30, 2022. The Company anticipates receiving in December 2023 from CAK the independent audit for the 12 months ended June 30, 2023.



March 20, 2023

To the Board of Directors and Management of
Community Action, Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

You have requested that we audit the basic financial statements of Community Action, Kentucky, Inc., which comprise the statement(s) of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In addition, we will audit the entity's compliance over major federal award programs for the period ended June 30, 2023. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on the financial statements and an opinion on compliance regarding the entity's major federal award programs.

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the 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 auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Schedule of Expenditures of Federal Awards (SEFA)

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 2 of 9

Also, the document we submit to you will include the following other additional information that will be subjected to the auditing procedures applied in our audit of the financial statements:

- Statement of Activities by Program
- Individual grant financial statements

Audit of the Financial Statements

We will conduct our audit in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As part of an audit of financial statements in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action, Kentucky, Inc.'s ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 3 of 9

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of Community Action, Kentucky, Inc.'s basic financial statements. Our report will be addressed to the board of directors of Community Action, Kentucky, Inc. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of Community Action, Kentucky, Inc.'s major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the provisions of the Uniform Guidance; and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the 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 is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and, in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 4 of 9

We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we considers necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, 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 have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management acknowledges and understands that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance requirements;
6. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
7. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 5 of 9

- programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
8. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
 9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
 10. For taking prompt action when instances of noncompliance are identified;
 11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
 12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
 13. For submitting the reporting package and data collection form to the appropriate parties;
 14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
 15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
 17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
 18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
 19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
 20. For the accuracy and completeness of all information provided;
 21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
 22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
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expenditures of federal awards in any document that contains the supplementary information and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule of expenditures of federal awards will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit, including your understanding of your responsibilities as defined in this letter to us in your management representation letter.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

With respect to any nonattest services we perform,

During the course of the audit engagement, we may perform the following:

- Federal tax return preparation
- Assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes
- Assistance with the preparation of the Data Collection Form
- Proposing correcting journal entries

We will not assume management responsibilities on behalf of Community Action, Kentucky, Inc. However, we will provide advice and recommendations to assist management of Community Action, Kentucky, Inc. in performing its responsibilities.

Community Action, Kentucky, Inc.'s management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services as issued by the AICPA.

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 7 of 9

- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will Community Action, Kentucky, Inc. with regard to tax positions taken in the preparation of the tax return, but Community Action, Kentucky, Inc. must make all decisions with regard to those matters.

Other

Jaime L Petersen, CPA is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Calhoun & Company, PLLC's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered as work progresses and are payable on presentation.

We will also prepare the entity's federal form 990 return for the fiscal year ending June 30, 2023.

We expect to begin our audit in early August and to complete your information returns and issue our reports by December 31, 2023.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records to make your books and records complete.

The audit documentation for this engagement is the property of Calhoun & Company, PLLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Department of Health and Human Services or its designee, federal agencies, and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Calhoun & Company, PLLC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 8 of 9

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts, and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings, and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and

Board of Directors and Management
Community Action, Kentucky, Inc.
March 20, 2023
Page 9 of 9

- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of Government Auditing Standards, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Calhoun & Company

Calhoun & Company, PLLC

RESPONSE:

This letter correctly sets forth the understanding of Community Action, Kentucky, Inc.

Management  _____

Title: Executive Director, Community Action Kentucky

Date: Mar 28, 2023

Governance signature: *Catrena Bowman*
Catrena Bowman (Mar 28, 2023 11:16EDT)

Title: Board Chair, Community Action Kentucky

Date: Mar 28, 2023

***COMMUNITY ACTION
KENTUCKY, INC.***

FINANCIAL AND COMPLIANCE AUDIT

JUNE 30, 2022

Community Action Kentucky, Inc.

**Independent Auditor's Report
with
Audited Financial Statements
and
Supplementary Information**

For the Year Ended June 30, 2022

Community Action Kentucky, Inc.
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June 30, 2022

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Independent Auditor's Report

To the Board of Directors
Community Action Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Community Action Kentucky, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Action Kentucky, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 (*Government Auditing Standards*). 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 Community Action Kentucky, Inc. and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

Change in Accounting Principle

As discussed in Note 15 to the financial statements, in fiscal year ended June 30, 2022, the Agency adopted various new accounting guidance that had no financial statement effect. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Kentucky, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

To the Board of Directors
Community Action Kentucky, Inc.
March 20, 2023
Page 2 of 3

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Kentucky, Inc.'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 financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Kentucky, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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 GAAS. 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.

To the Board of Directors
Community Action Kentucky, Inc.
March 20, 2023
Page 3 of 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2023, on our consideration of Community Action Kentucky, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Community Action Kentucky, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Kentucky, Inc.'s internal control over financial reporting and compliance.

Calhoun & Company

Calhoun & Company, PLLC
Hopkinsville, Kentucky
March 20, 2023

Community Action Kentucky, Inc.
Statement of Financial Position
June 30, 2022

Assets

Current Assets

Cash & Cash Equivalents	\$ 513,540
Reimbursable Costs	5,447,005
Due from Sub-Recipients	206,636
Accounts Receivable - Other	31,247
Prepaid Expenses	8,336
Total Current Assets	<u>6,206,764</u>

Other Assets

Investments	925,558
Notes Receivable (Noncurrent)	1,120
Total Other Assets	<u>926,678</u>

Property and Equipment

Property and Equipment Net of Accumulated Depreciation	1,399,363
Total Property and Equipment	<u>1,399,363</u>

Total Assets	<u><u>\$ 8,532,805</u></u>
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Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 5,289,823
Accrued Liabilities	130,315
Deferred Revenue	351,358
Total Current Liabilities	<u>5,771,496</u>

Long Term Liabilities	<u>-</u>
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Total Liabilities	<u>5,771,496</u>
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Net Assets

Without Donor Restrictions	2,614,417
With Donor Restrictions	146,892
Total Net Assets	<u>2,761,309</u>

Total Liabilities and Net Assets	<u><u>\$ 8,532,805</u></u>
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Community Action Kentucky, Inc.
Statement of Activities
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Grants/Contracts	\$ -	\$ 124,974,219	\$ 124,974,219
Dues	41,545		41,545
Rental Income	23,160		23,160
Investment Income	(135,319)		(135,319)
Other	355,244		355,244
Net Assets Released From Restrictions	124,827,327	(124,827,327)	-
Total Revenue and Support	125,111,957	146,892	125,258,849
Expenses:			
Programs			
RCAP	628,795	-	628,795
LIHEAP	101,741,327	-	101,741,327
LIHWAP	16,947,103	-	16,947,103
WX	98,590	-	98,590
CSBG	228,471	-	228,471
OCS	401,947	-	401,947
Kynect	4,039,186	-	4,039,186
Other	741,907	-	741,907
Supporting Services	416,785	-	416,785
Total Expenses	125,244,111	-	125,244,111
Increase (Decrease) in Net Assets	(132,154)	146,892	14,738
Net Assets at Beginning of the Year	2,746,571	-	2,746,571
Net Assets at End of Year	\$ 2,614,417	\$ 146,892	\$ 2,761,309

Community Action Kentucky, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2022

	RCAP	LIHEAP	LIHWAP	WX	CSBG	OCS	Kynect	Other	Treasury	Totals
Salaries	\$ 322,098	\$ 222,677	\$ 57,562	\$ 4,299	\$ 85,678	\$ 54,681	\$ 57,541	\$ 38,732	\$ 20,909	\$ 864,177
Fringe Benefits	166,923	113,713	31,138	2,199	43,779	30,368	29,377	22,320	408	440,225
Professional Services	-	-	-	-	-	-	-	6,869	22,008	28,877
Consultants / Contracts	-	55,815	2,710	2,433	7,185	285,500	15,864	2,497	57,553	429,557
Education	2,650	594	-	24	(103)	3,035	-	167	4,748	11,115
Travel In State	32,080	-	-	-	864	2,350	-	-	1,054	36,348
Travel Out of State	10,298	-	-	-	-	-	-	-	-	10,298
Meeting	-	-	-	-	-	450	-	-	71,835	72,285
Telephone	480	-	-	-	-	-	300	-	-	780
Postage	-	-	-	-	11	-	155	-	-	166
Office Exp & Supplies	1,849	70	-	-	-	-	-	-	580	2,499
Equipment	6,926	-	-	-	-	-	-	-	-	6,926
Dues/Fees	(1,457)	-	-	-	-	25	-	-	17,380	15,948
Pollution Insurance	-	-	-	74,120	-	-	-	-	-	74,120
Printing	552	260	-	-	-	-	-	-	50	862
Marketing/Advertising	-	498	-	-	-	-	16,478	178	827	17,981
Repairs & Maintenance	-	-	-	-	-	-	-	-	12,492	12,492
IT Repairs & Maintenance	812	196,263	52,415	14,724	68,971	13,905	386	87,236	16,468	451,180
Depreciation	-	-	-	-	-	-	-	-	138,963	138,963
Interest	-	-	-	-	-	-	-	-	352	352
Other	-	2	-	-	-	1,003	-	-	17,163	18,168
Indirect	85,584	55,278	8,735	791	22,086	10,630	17,282	12,177	24,065	236,628
Subrecipients	-	101,096,157	16,794,543	-	-	-	3,901,803	571,731	9,930	122,374,164
Total Expenses	\$ 628,795	\$ 101,741,327	\$ 16,947,103	\$ 98,590	\$ 228,471	\$ 401,947	\$ 4,039,186	\$ 741,907	\$ 416,785	\$ 125,244,111

Community Action Kentucky, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2022

Cash Flows From Operating Activities:

Change in Net Assets	\$ 14,738
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	158,720
Unrealized Gain on Investments	151,834
Changes in Operating Assets and Liabilities:	
Increase in Reimbursable Costs	(963,791)
Decrease in Sub-recipient Receivables	35,923
Increase in Accounts Receivable - other	(31,247)
Decrease in Prepaid Expenses	25,522
Increase in Accounts Payable	802,322
Decrease in Deferred Revenue	(134,903)
Decrease in Accrued Expenses	(1,833)
Total Adjustments	42,547
Net Cash Provided by Operating Activities	57,285
Cash Flows From Investing Activities:	
Collections of Notes Receivable	1,000
Cash Proceeds from Investments	22,951
Net Increase (Decrease) in Investments	(18,568)
Purchases of Property and Equipment	(11,600)
Net Cash Flows (Used) in Investing Activities	(6,217)
Cash flows From Financing Activities:	
Payments on Debt	-
Cash Flows (Used) In Financing Activities	-
Net Increase in Cash	51,068
Cash and Cash Equivalents at Beginning of Year	462,472
Cash and Cash Equivalents at End of Year	\$ 513,540

Supplemental Disclosure of Cash Flow Information:

There were no noncash investing or financing activities for the year ended June 30, 2022.

Cash Paid During the Year Ended June 30, 2022 for:

Interest Paid	\$ -
Income Taxes	\$ -

Note 1 – Organization and Nature of the Operations

Community Action Kentucky, Inc. (“the Agency”) (a Kentucky nonprofit organization) is a multi-funded association of twenty-three (23) Community Action Agencies (CAA) in Kentucky. Each of these twenty-three CAA’s, has an Executive Director, or its equivalent, who serve as board members for Community Action Kentucky, Inc. The CAA’s are the predominate recipients of pass through funds from Community Action Kentucky, Inc. and thus related parties (See Note 11 of this report for further details). The Agency was formed in 1968 to provide a link between the CAA’s to better accomplish mutual goals and objectives. The responsibilities of the Agency include the development and administration of grants and contracts providing services in areas such as housing, water, wastewater management, crisis intervention, and low-income home improvements.

In prior years, the organization conducted its activities as Kentucky Association for Community Action, Inc. (KACA). In October 2007, the board approved, and the state granted a change of name to Community Action Kentucky, Inc.

The primary sources for flow through of funds are the Cabinet for Health and Family Services, State of Kentucky, and W.S.O.S. Community Action Commission.

The following programs are administered by the Agency:

Low Income Home Energy Assistance (LIHEAP)

The LIHEAP Grant is provided by the Kentucky Cabinet for Health and Family Services, Department of Social Insurance, to provide energy services including assistance with payment of utility bills, limited repairs of heating systems and provision of fuel, heaters, blankets, and certain other commodities. The Agency serves as a pass-through agency with the program services being provided by 23 sub-recipient organizations.

Low Income Household Water Assistance Program (LIHWAP)

The LIHWAP Grant is provided by the Kentucky Cabinet for Health and Family Services, to provide water and sewer cost services. The Agency serves as a pass-through agency with the program services.

Water and Wastewater Program (RCAP)

The RCAP Grant is funded by an award from the U.S. Department of Health and Human Services, Office of Community Services. The WSOS Community Action, Inc., sponsor for the Great Lakes Rural Network, Inc., has contracted with the Agency to assist low-income families, small communities, and local officials to deal with water and wastewater problems affecting the poor. The water and wastewater program has activities in Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia, and Wisconsin.

Kynect Program

The Kynect Program provides assistance in applying for health insurance.

Home Energy Assistance Programs

The Agency, in conjunction with Community Action Agencies, operates energy assistance programs with multiple utilities that help households with utility benefits during the year.

Weatherization

The Weatherization program is funded by the federal Department of Energy (DOE) and, upon approval by CHFS, by a 15% transfer from the Low-Income Home Energy Assistance Program (LIHEAP) to Weatherization. The program is administered by the Kentucky Housing Corporation.

Note 2 – Summary of Significant Accounting Principles

Basis of Presentation – The financial statements are prepared using the accrual basis of accounting. Revenues and the related assets are recognized when earned rather than when received. Expense and the related liabilities are recognized when incurred rather than when the disbursements are made.

Resources are classified for accounting and financial reporting purposes into categories established according to their nature and purposes to ensure observance of limitations and restrictions placed on their use. The assets, liabilities, and net assets of the Agency are reported in two categories as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. The only limits on net assets without donor restrictions are those resulting from the nature of the Agency and its purposes.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are transitory in nature, such as those that will be met by the passage of time other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time period has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Agency had \$146,892 Net Assets With Donor Restrictions during the year ended June 30, 2022.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reported period. Actual events and results could differ from those assumptions and estimates.

Expenses – Expenses are reported using the accrual basis of accounting.

Revenue Recognition – Program service revenue is considered available for the Agency’s general programs unless specifically restricted by donors or grantors. Interest income related to housing notes is recorded when received. Accrued interest on such notes is considered immaterial and is not disclosed. Grant and contract revenue under cost reimbursement grants or contracts is recorded when an expense is incurred for specific grant or contract supported programs or projects in a manner defined by applicable grants or contracts. Grant or contract funding received that does not meet the criteria for revenue recognition described above are deferred using the deposit method. Under the deposit method, cash received from grants or contracts is classified as deferred revenue (a refundable deposit) in the liability section of the statements of financial position, and revenue recognition is deferred until the requirements detailed above are met.

Cash and Cash Equivalents – For the purposes of the statement of cash flows, highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

Accounts and Notes Receivable – Accounts and notes receivable are stated at their outstanding principal. Both accounts and notes receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the financial condition of the borrowers, the estimated value of the underlying collateral and current economic conditions. Based on management’s assessment of the credit history and current, the Agency, believes realization of losses, if any, will be immaterial.

Note 2 – Summary of Significant Accounting Principles (Continued)

Accrued Compensation – It is the policy of the Agency that annual leave time is accrued and payable on termination of employment and sick leave is not accrued since it is not paid upon termination of employment. As of June 30, 2022, the Agency had unpaid annual leave and salary of \$81,397.

Functional Expenses – Directly identified expenses are charged to programs and support services. The Agency adheres to the AICPA Industry Audit Guide in reporting expenses by their functional classification. Accordingly, salaries, fringe benefits, professional fees, supplies and other expenses have been allocated to functional classifications based on various factors.

Investments – Investments are presented at their fair value as determined by reference to quoted market prices. Related realized and unrealized gains and losses are reflected in the statement of activities.

Property & Equipment – Property and equipment acquired with unrestricted revenues are stated at cost, if purchased or at fair value at the date of gift, if donated, less accumulated depreciation. Additions with a cost of fair value of less than \$500 are expensed.

Note 3 – Concentrations of Credit Risk

In the current year, a significant amount of funding was provided by a few major contributors. It is always considered reasonably possible that grantors might be lost or funding could be reallocated in the near term. Approximately 99% of the Agency's revenue was earned under various contracts (grants), approximately 95% from US Department of Health and Human Services. The Agency's market is concentrated in the geographic area of Kentucky.

The Agency maintains its cash balances in local bank deposit accounts. The daily balances for most of the year were uncollateralized, and at times were uninsured by as much as \$15,622,717. When the Agency receives funding, it is usually spent within least three days of receipt.

Note 4 – Income Taxes

The Agency is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue code, except from income derived from unrelated business activities. At June 30, 2022, the Agency has no estimated liability on unrelated business activities. The Agency believes that it has appropriate support for any tax position taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Agency's Federal Exempt Organization Business Income Tax Return (Form 990) for 2020, 2019, and 2018 are subject to examination by the IRS, generally for three years after they were filed.

Note 5 – Investments

Community Action Kentucky, Inc. determines fair value based on the price that would be received to sell the asset or paid to transfer the liability to a market participant. Investments consisted of the following at June 30, 2022:

	Cost	Fair Value
Stocks	\$ 409,646	\$ 358,078
Stock Funds	165,881	160,049
Bond Funds	460,376	407,431
Total	\$ 1,035,903	\$ 925,558

A three-tier fair value hierarchy prioritizes the inputs used in measuring fair value. These tiers include the following categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which the transaction for the asset or liability occurs with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data, such as quoted prices for similar assets or liabilities or model-derived valuations.
- Level 3: Unobservable inputs that are not corroborated by market data. These inputs reflect an Agency’s own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The standard requires certain valuation methodologies be used for instruments measured at fair value on a recurring basis and recognized in the Agency’s statement of financial position, as well as the general classification of such instruments pursuant to the above valuation hierarchy. All investments are Level 1 investments.

At June 30, 2022, the Agency’s trading securities had a fair value of \$925,558, of which, all was determined based on quoted prices in active markets for identical assets (Level 1).

Realized and unrealized gains and losses included in the change in net assets for the year ended June 30, 2022 are reported in the accompanying statement of activities as follow:

Interest & Dividend Income	\$ 22,951
Realized Gains(Losses)	(6,436)
Unrealized Gains(Losses)	(151,834)
Total Investment Income	\$ (135,319)

Note 6 – Notes Receivable

The unpaid notes receivable balance was comprised of one revolving loan totaling \$1,120 and management considers it to be noncurrent.

Note 7 – Property and Equipment

Property and equipment consisted of the following at June 30, 2022:

Land	\$	105,287
Office Equipment		1,477,111
Building		780,540
Total Depreciable Assets		2,362,938
Less: Accumulated Depreciation		(963,575)
Net Property, Plant & Equipment	\$	1,399,363

Depreciation is computed using the straight-line method over the estimated useful life of the respective asset. Depreciation expense totaled \$158,724, of which \$138,963 was direct and \$19,761 was included in indirect expenses for the year ended June 30, 2022.

Note 8 – Multi-Employer Plans

Plan Description

In connection with the Agency’s agreements with Kentucky Retirement Systems – County Employee Retirement System (CERS) and the Insurance Trust Fund (ITF), the Agency participates with other Agencies in the State in a defined benefit pension plan and post-retirement plan. This multi-employer plan covers all of the Agency’s employees who are eligible to participate. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

1. Assets contributed to the multi-employer plans by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Agency chooses to stop participating in its multi-employer plan, it may be required to pay those plans an amount based on the unfunded status of the plan, referred to as a withdrawal liability. At this time, the Agency has not established any liabilities because withdrawal from this plan is not probable.

The amount shown below as “actuarial accrued liability” is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the System’s funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems (PERS). The measure is independent of the actuarial funding method used to determine contributions to the System.

Note 8 – Multi-Employer Plans (Continued)

Pension Plan

Vesting in the retirement benefit begins immediately upon entry into the System. The participant has a fully vested interest after the completion of sixty months of service, twelve of which are current service. At a minimum, terminated employees are refunded their contributions with credited interest at 3% compounded annually through June 30, 1981, 6% thereafter through June 30, 1986, and 4% thereafter. All required contributions were paid at year end or within thirty (30) days thereafter. The percentage of the Agency's contributions to total employers' contribution in the CERS for the fiscal year ended June 30, 2022, is not known. For the fiscal year ended June 30, 2021, the Agency provided less than 1% of the total contributions to the plan.

The CERS Non-Hazardous total actuarial accrued liability was \$14,941,437,000 and the net assets available for the benefits were \$8,565,652,000 as of June 30, 2021, which is the latest information available.

Post-Employment Retirement Benefits

KRS contributes toward the monthly insurance premium based on years of service and type of service. For participants beginning prior to July 1, 2003, KRS will pay a percentage of the monthly contribution rate for medical insurance coverage. For participants beginning between July 1, 2003 and August 31, 2008, eligibility for insurance benefits shall not be provided until the member has earned at least 120 months of service. For non-hazardous members, KRS will contribute \$10 per month for insurance for each year of earned service. For participants beginning on or after September 1, 2008, eligibility for insurance benefits shall not be provided until the member has earned at least 180 months of service. For non-hazardous members, KRS will contribute \$10 per month for insurance for each year of earned service. The percentage of the Agency's contributions to total employers' contribution in the insurance plan for the fiscal year ended June 30, 2022 is not known. For the fiscal year ended June 30, 2021, the Agency provided less than 1% of the total contributions to the plan.

The ITF Non-Hazardous total actuarial accrued liability was 5,161,251,000 and the net assets available for the benefits was \$3,246,801,000 as of June 30, 2021, which is the latest information available.

Other Information

The Agency's participation in the plan for the years ended June 30, 2022 and 2021 is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number assigned to the plan by the Internal Revenue Service.

Form 5500 is not required for this plan.

Unless otherwise noted, the most recent "Pension Protection Act (PPA) Zone Status" available in 2022 and 2021 is for the plan's year end at June 30, 2021 and 2020, respectively. The zone status is based on information that the Agency received from the Plan. A plan in the "red" zone has been determined to be in "critical status", based on the criteria established in the Tax Code and is generally less than 65% funded. A plan in the "yellow" zone has been determined to be in "endangered status", based on criteria established in the Tax Code and is generally less than 80% funded. A plan in the "green" zone is generally at least 80% funded.

Note 8 – Multi-Employer Plans (Continued)

The “FIP/RP Status Pending / Implemented” column indicates a plan for which a financial improvement plan (FIP), as required under the Code to be adopted by a plan in the “yellow” zone, or a Rehabilitation Plan (RP), as required under the Code to be adopted by a plan in the “red” zone, is either pending or has been implemented.

The “Surcharge Imposed” column indicates whether the Agency’s contribution rate for 2022 included an amount in addition to the contribution rate specified in the applicable collective bargaining agreement, as imposed by a plan in “critical status”, in accordance with the requirements of the Code. The last column lists the expiration dates of the collective bargaining agreements to which the plan is subject. Finally, there have been no significant changes that affect the comparability of 2022 and 2021 contributions.

Fund	Pension EIN/Pension Plan Number	PPA Zone Status		FIP/RP Status	Contributions of Agency			Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
		June 30, 2021	June 30, 2020		June 30, 2021	June 30, 2022			
KRS - CERS	32-0041688	Red	Red	N/A	\$ 188,226	\$ 167,271	N/A	N/A	
KRSITF	01-0913714	Red	Red	N/A	\$ 46,422	\$ 41,255	N/A	N/A	

Note 9 – Non-Compliance with Grantor or Donor Restrictions

Financial awards from federal, state, and local governmental entities in the form of grants are subject to specific audit. Such audits could result in claims against the Agency for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. However, management believes that if such audits arise, all steps have been followed to ensure compliance with each grantor or donor restrictions as defined by contractual agreements as of June 30, 2022.

Note 10 – Related Entities

There are 23 Community Action Agencies that make up 6 congressional districts. Community Action Kentucky, Inc.’s Board of Directors is also the executive director or an authorized agent of one of these 23 community action agencies. The Agency provides technical support, lobbying and administrative support and in return receives membership dues totaling \$39,745 for the year ended June 30, 2022. The Agency has no ownership or voting interests in these local chapters with limited control over how the local chapters carry out certain activities by means of subcontract agreements. Subcontract expense passed-through to related community action agencies totaled \$122,380,659, of which \$117,890,700 was federal funds for the year ended June 30, 2022.

Note 11 – Liquidity

Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of June 30, 2022 are:

Financial Assets	
Cash & Cash Equivalents	\$ 513,540
Reimbursable Costs	5,447,005
Due from Sub-recipients	206,636
Prepaid Expenses	<u>8,336</u>
Total Financial Assets	<u>\$ 6,175,517</u>
Less financial assets held to meet donor imposed restrictions	-
Less financial assets not available within one year	-
Less board designated funds	<u>-</u>
Amounts available for general expenses within one year	<u><u>\$ 6,175,517</u></u>

Note 12 – Subsequent Events

Management did not indicate financially impacting information regarding subsequent events. Subsequent events were evaluated through March 20, 2023, which is the date the financial statements were available to be issued. Material subsequent events, if any, are disclosed in a separate footnote to these financial statements.

Note 13 – Net Assets

Net assets consist of the following at June 30, 2022:

Net Assets Without Donor Restrictions	
Undesignated	\$ 1,215,054
Net Investment in Property and Equipment	<u>1,399,363</u>
Total Net Assets Without Donor Restrictions	<u>2,614,417</u>
Net Assets With Donor Restrictions	
Grant Funds with Purpose Restrictions	<u>146,892</u>
Total Net Assets With Donor Restrictions	<u>146,892</u>
Total Net Assets	<u><u>\$ 2,761,309</u></u>

Note 14 – Net Assets, (Continued)

Net Assets Without Donor Restrictions consist of the following:

Undesignated: Undesignated net assets are not restricted by the grantor or donor and are not designated by the Board of Directors. These funds are available to be used at the Board of Director's or Management's discretion for the general operation of the Agency.

Net Investment in Property and Equipment: Fixed assets that are not restricted by the grantor or donor and are not designated by the Board of Directors are considered a net investment in property and equipment.

Net Assets With Donor Restrictions consist funds that had not been spent as of June 30, 2022 for programs that have a different period than the agency.

Note 15 – Change in Accounting Principles

For fiscal year ended June 30, 2022, the following accounting standards were implemented by the Agency. The Agency has assessed the new standards and has determined that there was no financial statement impact.

- ASU 2017-12 Targeted Improvements to Accounting for Hedging Activities
- ASU 2018-15 Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract
- ASU 2018-16 Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes
- ASU 2018-17 Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities
- ASU 2018-18 Collaborative Arrangements (Topic 808), Clarifying the Interaction between Topic 808 and Topic 606
- ASU 2019-02 Improvements to Accounting for Costs of Films and License Agreements for Program Materials
- ASU 2021-01 Reference Rate Reform
- ASU 2021-02 Franchisors - Revenue from Contracts with Customers (Subtopic 952-606), Practical Expedient

**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 Directors
Community Action Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action Kentucky, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 15, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Action Kentucky, Inc.'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 financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Kentucky, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Kentucky, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do

To the Board of Directors
Community Action Kentucky, Inc.
March 20, 2023
Page 2 of 2

not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Calhoun & Company

Hopkinsville, Kentucky
March 20, 2023

**Independent Auditor's Report on Compliance for Each
Major Program and Report on Internal Control Over Compliance
In Accordance with the Uniform Guidance**

To the Board of Directors
Community Action Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

Report on Compliance for Each Major Federal Program

We have audited Community Action Kentucky, Inc.'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 Community Action Kentucky, Inc.'s major federal programs for the year ended June 30, 2022. Community Action Kentucky, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms of and conditions applicable to its federal award programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Community Action Kentucky, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action Kentucky, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Community Action Kentucky, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Report on Internal Control over Compliance

Management of Community Action Kentucky, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In

To the Board of Directors
Community Action Kentucky, Inc.
March 20, 2023
Page 2 of 2

planning and performing our audit of compliance, we considered Community Action Kentucky, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action Kentucky, Inc.'s internal control over compliance.

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

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

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

Calhoun & Company

Hopkinsville, Kentucky
March 20, 2023

SUPPLEMENTAL INFORMATION

Grant	Pass-Through Grantor	Federal Assistance Listing Number	Pass Through Grant Number	Grant Period Ending	Sub-reipients	Federal Award Expenditures
U.S. Department of Health and Human Services:						
KWCS	KY Cabinet for Health & Family Services	93.283	728 2000001962	6/30/2022	\$ -	\$ 3,997
Weatherization - LIHEAP	Kentucky Housing Corporation	93.568	LH22-0373-02	6/30/2022	-	41,230
LIHWAP ARPA	KY Cabinet for Health & Family Services	93.568	736 2100001642	6/30/2022	7,698,333	7,776,001
LIHWAP CRRSA	KY Cabinet for Health & Family Services	93.568	736 2100001642	6/30/2022	9,096,210	9,171,102
LIHEAP (Regular)	KY Cabinet for Health & Family Services	93.568	736 2100001642	6/30/2022	41,129,881	41,406,387
LIHEAP (ARPA)	KY Cabinet for Health & Family Services	93.568	736 2100001642	6/30/2022	59,966,276	60,348,965
Community Services Block Grant	KY Cabinet for Health & Family Services	93.569	736 2100001642	6/30/2022	-	161,718
CSBG - CARES	KY Cabinet for Health & Family Services	93.569	736 2100001642	6/30/2022	-	66,753
RPIC	Office of Community Services	93.569	90ET0476-02-00	9/29/2021	-	120,677
RPIC	Office of Community Services	93.569	90ET0476-03-00	9/29/2022	-	191,640
RPIC - CARES	Office of Community Services	93.569	90ET0476-02-C3	9/29/2022	-	89,630
HHS - RCAP	Great Lakes Community Action Partnership	93.570	PY 21/22	9/29/2022	-	131,011
HHS - RCAP	Great Lakes Community Action Partnership	93.570	PY 20/21	9/30/2021	-	42,063
Total U.S. Department of Health and Human Services					<u>117,890,700</u>	<u>119,551,174</u>
U.S. Department of Energy:						
Weatherization - DOE	Kentucky Housing Corporation	81.042	WX22-0373-02	6/30/22	-	57,360
Total U.S. Department of Energy					<u>-</u>	<u>57,360</u>
U.S. Department of Agriculture:						
RCDI - RCAP	N/A	10.446	PY 19/23	9/4/23	-	44,767
Technitrain - RCAP	Great Lakes Community Action Partnership	10.761	PY 21/22	8/31/22	-	138,448
Technitrain - RCAP	Great Lakes Community Action Partnership	10.761	PY 20/21	8/31/21	-	26,312
Technitrain GIS - RCAP	Great Lakes Community Action Partnership	10.761	PY 21/22	8/31/22	-	39,782
Technitrain GIS - RCAP	Great Lakes Community Action Partnership	10.761	PY 20/21	8/31/21	-	11,590
Technitrain Solid Waste 2 - RCAP	Great Lakes Community Action Partnership	10.762	PY 21/22	9/30/22	-	27,479
Technitrain Solid Waste 2 - RCAP	Great Lakes Community Action Partnership	10.762	PY 20/21	9/30/21	-	3,839
Community Facilities - RCAP	N/A	10.766	PY 20/23	8/21/23	-	3,159
Community Facilities Disaster - RCAP	N/A	10.766	PY 20/23	8/21/23	-	6,047
Total U.S. Department of Agriculture					<u>-</u>	<u>301,423</u>
Environmental Protection Agency:						
EPA-DW - RCAP	Great Lakes Community Action Partnership	66.424	PY 20/22	3/31/22	-	68,832
EPA-CD - RCAP	Great Lakes Community Action Partnership	66.424	PY 20/22	3/31/22	-	39,302
EPA-DW - RCAP	Great Lakes Community Action Partnership	66.424	PY 21/23	3/31/23	-	39,357
EPA-WW - RCAP	Great Lakes Community Action Partnership	66.436	PY 20/22	3/31/22	-	6,807
Total Environmental Protection Agency:					<u>-</u>	<u>154,298</u>
Total Expenditures of Federal Awards					<u>\$ 117,890,700</u>	<u>\$ 120,064,255</u>

Community Action Kentucky, Inc.
Schedule of Subrecipient Expenditures
For the Year Ended June 30, 2022

	LIHEAP	LIHWAP	Total Federal	Non-Federal			Total
	93.568	93.568		Kynect	HEA	Treasury	
Audubon Area	\$ 4,640,257	\$ 850,034	\$ 5,490,291	\$ 408,045	\$ 2,675	\$ -	\$ 5,901,011
Bell-Whitley CAA	2,669,916	373,986	3,043,902	-	5,200	393	3,049,495
Big Sandy CAP	5,561,953	796,025	6,357,978	-	84,924	606	6,443,508
Blue Grass CAA	4,879,019	1,143,115	6,022,134	169,156	42,942	689	6,234,921
Central Ky CAA	4,955,060	780,516	5,735,576	-	7,325	649	5,743,550
Daniel Boone CAA	6,771,003	630,420	7,401,423	-	7,362	471	7,409,256
Gateway CAA	2,227,330	411,127	2,638,457	174,234	8,003	322	2,821,016
Harlan Co CAA	1,537,602	146,505	1,684,107	-	3,552	326	1,687,985
KCEOC CAP	2,384,071	388,716	2,772,787	-	1,400	251	2,774,438
Foothills CAP	3,333,391	546,777	3,880,168	332,946	23,402	(67)	4,236,449
LKLP CAA	4,902,379	959,895	5,862,274	-	79,279	403	5,941,956
Lake Cumberland CAA	8,581,149	1,648,990	10,230,139	211,187	3,650	811	10,445,787
CAC - Lexington	3,226,381	471,020	3,697,401	327,072	70,083	676	4,095,232
Licking Valley CAP	1,875,443	157,726	2,033,169	148,570	2,575	170	2,184,484
Louisville Metro	13,752,998	3,200,602	16,953,600	-	65,000	1,363	17,019,963
Middle Ky CAP	3,399,396	616,542	4,015,938	-	4,401	269	4,020,608
Multi-Purpose CAA	991,017	117,512	1,108,529	-	9,571	264	1,118,364
Northeast Ky CAA	5,997,394	657,431	6,654,825	307,287	56,926	188	7,019,226
Northern Ky CAC	3,871,629	529,855	4,401,484	723,524	70,725	240	5,195,973
Pennyrile Allied	5,410,926	1,144,320	6,555,246	282,240	9,488	557	6,847,531
CAA of Southern Ky	5,599,897	733,548	6,333,445	309,010	1,391	617	6,644,463
Tri-County CAA	715,997	88,970	804,967	-	17,106	274	822,347
West Ky Allied	3,811,949	400,911	4,212,860	508,532	1,246	458	4,723,096
	<u>\$ 101,096,157</u>	<u>\$ 16,794,543</u>	<u>\$ 117,890,700</u>	<u>\$ 3,901,803</u>	<u>\$ 578,226</u>	<u>\$ 9,930</u>	<u>\$ 122,380,659</u>

The accompanying notes are an integral part of the financial statements.

Note 1 – Basis of Presentation – The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Action Kentucky, Inc. (“the Agency”) under programs of the federal government for the year ended June 30, 2022. The information in this schedule and 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). The Schedule presents only a selected portion of the operations of the Agency; it is not intended to and does not present the financial position, changes in net assets and cash flows of the Agency. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Note 2 – Sub-recipient Expenditures – Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Oversight Agency – In accordance with the Single Audit Act Amendment of 1996 and Uniform Guidance, the U.S. Department of Health and Human Services is the Oversight Agency for the Agency. The Single Audit Act provides that the Oversight Agency shall have the following responsibilities

- a. Shall provide technical advice to auditees and auditors as requested
- b. May assume all or some of the responsibilities performed by a cognizant agency for audit which include:
 - i. Provide technical audit advice and liaison to auditees and auditors.
 - ii. Consider auditee requests for extension to the report submission due date.
 - iii. Obtain or conduct quality control reviews of selected auditees made by non-federal auditors, and provide the results, when appropriate, to other interested organizations
 - iv. Promptly inform other affected federal agencies and appropriate federal law enforcement officials of any direct reporting be the auditee or its auditor of irregularities or illegal acts, as required by generally accepted government auditing standards or laws and regulations.
 - v. Advise the auditor and, where appropriate, the auditee of and deficiencies found in the audits when the deficiencies require corrective action be the auditor; when advices of deficiencies, the auditee shall work with the auditor to take corrective action; if not, the cognizant agency for audit shall notify the auditor, the auditee and applicable federal awarding agencies and pass-through entities of the facts and make recommendations for follow up action, major inadequacies or repetitive standard performance by auditors shall be referred to appropriate state licensing agencies and professional bodies for disciplinary action
 - vi. Coordinate, to the extent practical, audits, or reviews made by or for federal agencies that are in addition to the audits made pursuant to this part, so that the additional audits or reviews build upon audits performed in accordance with this part
 - vii. Coordinate a management decision for audit findings that affect the federal programs of more than one agency
 - viii. Coordinate the audit work and reporting responsibilities among auditors to achieve the most cost-effective audit

Note 4 – Indirect Cost Rate – The Agency has elected an indirect cost plan which allocates indirect costs based on direct charged payroll. The Agency did not elect to use the 10% de minimis indirect cost rate.

Note 5 – Loan and Loan Guarantee Programs – For the fiscal year ended June 30, 2022, there were no loan or loan guarantee funds received from federal funding, nor were there any loan or loan guarantee federal fund expenditures.

Section I – Summary of Auditor’s Results

Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiency identified that are not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weaknesses identified?	No
• Significant deficiency identified that are not considered to be material weaknesses	None Reported

Type of auditor’s report issued on compliance for major programs:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
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Identification of major programs:	
<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low Income Home Energy Assistance Program
93.568	Low Income Household Water Assistance Program

Dollar threshold used to distinguish between type A and type B programs	\$ 3,000,000
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Auditee qualified as low-risk auditee?	Yes
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Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.

Revenues	RCAP	LIHEAP	LIHWAP	WX	CSBG	OCS	Kynect	Other	Treasury	Total
Grant Revenue	\$ 793,828	\$ 101,741,327	\$ 16,947,103	\$ 98,590	\$ 228,471	\$ 400,775	\$ 4,039,186	\$ 724,939	\$ -	\$ 124,974,219
Rental Income	-	-	-	-	-	-	-	-	23,160	23,160
Interest Income	-	-	-	-	-	-	-	-	22,951	22,951
Dues	-	-	-	-	-	-	-	-	41,545	41,545
Realized Gain On Inv	-	-	-	-	-	-	-	-	(6,436)	(6,436)
Unrealized Loss On Inv	-	-	-	-	-	-	-	-	(151,834)	(151,834)
Other Income	-	-	-	-	-	-	-	-	355,244	355,244
Total Revenues	793,828	101,741,327	16,947,103	98,590	228,471	400,775	4,039,186	724,939	284,630	125,258,849
Expenses										
Salaries	322,098	222,677	57,562	4,299	85,678	54,681	57,541	38,732	20,909	864,177
Fringe Benefits	166,923	113,713	31,138	2,199	43,779	30,368	29,377	22,320	408	440,225
Professional Services	-	-	-	-	-	-	-	6,869	22,008	28,877
Consultants / Contracts	-	55,815	2,710	2,433	7,185	285,500	15,864	2,497	57,553	429,557
Education	2,650	594	-	24	(103)	3,035	-	167	4,748	11,115
Travel In State	32,080	-	-	-	864	2,350	-	-	1,054	36,348
Travel Out of State	10,298	-	-	-	-	-	-	-	-	10,298
Meeting	-	-	-	-	-	450	-	-	71,835	72,285
Telephone	480	-	-	-	-	-	300	-	-	780
Postage	-	-	-	-	11	-	155	-	-	166
Office Exp & Supplies	1,849	70	-	-	-	-	-	-	580	2,499
Equipment	6,926	-	-	-	-	-	-	-	-	6,926
Dues/Fees	(1,457)	-	-	-	-	25	-	-	17,380	15,948
Pollution Insurance	-	-	-	74,120	-	-	-	-	-	74,120
Printing	552	260	-	-	-	-	-	-	50	862
Marketing/Advertising	-	498	-	-	-	-	16,478	178	827	17,981
Repairs & Maintenance	-	-	-	-	-	-	-	-	12,492	12,492
IT Repairs & Maintenance	812	196,263	52,415	14,724	68,971	13,905	386	87,236	16,468	451,180
Depreciation	-	-	-	-	-	-	-	-	138,963	138,963
Interest	-	-	-	-	-	-	-	-	352	352
Other	-	2	-	-	-	1,003	-	-	17,163	18,168
Indirect	85,584	55,278	8,735	791	22,086	10,630	17,282	12,177	24,065	236,628
Subrecipients	-	101,096,157	16,794,543	-	-	-	3,901,803	571,731	9,930	122,374,164
Total Expenses	628,795	101,741,327	16,947,103	98,590	228,471	401,947	4,039,186	741,907	416,785	125,244,111
Change in Net Assets	\$ 165,033	\$ -	\$ -	\$ -	\$ -	\$ (1,172)	\$ -	\$ (16,968)	\$ (132,155)	\$ 14,738

The accompanying notes are an integral part of the financial statements.

Community Action Kentucky, Inc.
LIHEAP Grant - AL # 93.568
CONTRACT #736-2100001642
Statement of Program Expenses
For the Period July 1, 2021 Through June 30, 2022

Payments to Subrecipients

SC Subsidy (CAK records)	ARPA	\$ 27,680,641	
SC Crisis (CAK records)	ARPA	14,294,152	
Agency Fall Subsidy Benefits (CAK records)	ARPA	10,505,092	
Agency Crisis Benefits (CAK records)	Reg	31,925,680	
Agency Spring Subsidy Benefits (CAK records)	Reg	6,586,558	
Agency Spring Subsidy Benefits (CAK records)	ARPA	2,441,086	
Agency Prior Year Adjustments (CAK records)		(14,025)	
Agency Administration (CAK records)	Reg	2,864,691	
Agency Administration (CAK records)	ARPA	4,812,282	
Total Payments To Subrecipients		101,096,157	

CAK Administration

Salaries	227,689
Fringe Benefits	116,271
Professional Services	73,587
Education	594
Telephone	5,156
Postage	14
Supplies	956
Dues/Fees	368
Insurance	4,410
Utilities	1,643
Repairs & Main	209,085
Marketing	781
Depreciation	4,616
Total CAK Administration	645,170

Total Expenditures 101,741,327

Questioned Costs -

Allowable Cost	101,741,327
Less: Amount Received From CHFS – LIHEAP	97,768,175
Less: Accounts Receivable From Funding Sources	3,973,152
Less: Accounts Payable To Funding Sources	170,417

Excess (Shortage) Receipts over Expenditures \$ -

Community Action Kentucky, Inc.
LIHEAP Grant - AL # 93.568
CONTRACT #736-2100001642
Statement of Program Expenses
For the Period July 1, 2021 Through June 30, 2022

Cost Category	Budget	Actual	(Over)/Under Budget
Administrative Cost			
Subrecipient	\$ 10,763,813	\$ 7,676,973	\$ 3,086,840
Community Action Kentucky	1,176,549	645,170	531,379
Total Administrative	11,940,362	8,322,143	3,618,219
Benefits - Direct Assistance			
Direct Assistance	107,482,085	93,433,209	14,048,876
Total Benefits	107,482,085	93,433,209	14,048,876
Other Expenditures			
Prior Year Adjustments	-	(14,025)	14,025
Total Other	-	(14,025)	14,025
Total Contract	\$ 119,422,447	\$ 101,741,327	\$ 17,681,120

Community Action Kentucky, Inc.
LIHWAP Program - AL # 93.568
CONTRACT #736-2100001642
Statement of Program Expenses
For the Period July 1, 2021 Through June 30, 2022

Payments to Subrecipients

Water Crisis (CAK records)	CRRSA	\$	2,850,232	
Water Subsidy (CAK records)	CRRSA		5,397,846	
Water Crisis (CAK records)	ARPA		2,015,904	
Water Subsidy (CAK records)	ARPA		4,924,604	
Agency Administration (CAK records)	CRRSA		848,132	
Agency Administration (CAK records)	ARPA		757,825	
Total Payments To Subrecipients				16,794,543

CAK Administration

	ARPA	CRRSA
Salaries	29,133	29,221
Fringe Benefits	16,624	14,918
Professional Services	624	4,894
Telephone	181	634
Postage	-	2
Supplies	31	109
Dues/Fees	13	45
Insurance	155	542
Utilities	58	202
Repairs & Main	30,686	23,755
Marketing	1	3
Depreciation	162	567
Total CAK Administration		152,560

Total Expenditures

	17,021,995
Questioned Costs	-
Allowable Cost	17,021,995
Less: Amount Received From CHFS - LIHWAP	16,757,994
Less: Accounts Receivable From Funding Sources	291,242
Accounts Payable To Funding Sources	27,241
Excess (Shortage) Receipts over Expenditures	\$ -

Community Action, Kentucky, Inc.

CSBG Grant - CFDA # 93.569

CONTRACT #736-2000001658

Statement of Program Expenses

For the Period July 1, 2021 Through June 30, 2022

Expenditures	Regular	CARES
Salaries	\$ 77,443	\$ 10,237
Fringe Benefits	39,570	5,232
Professional Services	2,971	389
Consultant/Contract	8,283	2,643
Education	(103)	-
Travel	864	-
Telephone	1,822	238
Postage	16	1
Supplies	313	41
Dues/Fees	130	17
Insurance	1,558	204
Utilities	580	76
Repairs & Main	26,633	47,461
Marketing	7	1
Depreciation	1,631	213
	<hr/>	<hr/>
Total Expenditures	161,718	66,753
Questioned Cost	<hr/> -	<hr/> -
Allowable Cost	161,718	66,753
Less: Contract Payment Received From CHFS - CSBG	126,396	3,378
Less: Accounts Receivable from Funding Sources	35,322	63,375
Plus: Accounts Payable to Funding Sources	<hr/> -	<hr/> -
Excess (Shortage) Receipts over Expenditures	<hr/> <hr/> \$ -	<hr/> <hr/> \$ -

Kentucky Power Company
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Dated August 15, 2023
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DATA REQUEST

KPSC A_10 A brief description of the current shareholder funding levels and any future plans to increase the shareholder contribution amount.

RESPONSE

Kentucky Power’s Home Energy Assistance in Reduced Temperatures (“HEART”) and Temporary Heating Assistance in Winter (“THAW”) programs are partly funded through a monthly residential meter charge of \$0.30 per residential meter per month.² Amounts collected through the monthly meter charge are matched dollar-for-dollar with Kentucky Power shareholder funding.³ For the twelve months ending June 30, 2023, Kentucky Power provided \$472,356.20 in matching shareholder funding to the HEART and THAW programs.

Kentucky Power’s voluntary energy cost assistance program, Donation HEART, which the Commission approved pursuant to KRS 278.287, is partly funded through voluntary customer donations.⁴ Kentucky Power matches those donations dollar-for-dollar with shareholder funding up to \$20,000 annually.⁵ For the twelve months ending June 30, 2023, Kentucky Power provided \$3,215.67 in matching shareholder funding to the Donation HEART program.

As part of its recently filed base rate case,⁶ Kentucky Power proposes to increase the Tariff R.E.A. rate and corresponding Company match by \$0.10 monthly (\$1.20 annually), to \$0.40 per residential meter per month. By increasing the Tariff REA surcharge and corresponding Company match to \$0.40, the Company anticipates that the HEART and THAW programs will be able to support an additional approximately 1,000 participants. No operational changes to the programs are required, and CAK will continue to administer each program in the manner in place today.

² Order, *In the Matter of: Electronic Joint Application Of Kentucky Power Company And Community Action Kentucky, Inc. To (1) Expand And Modify Kentucky Power Company’s Home Energy Assistance Program; (2) Approve The Amended Operating Agreement; (3) Approve Kentucky Power’s Voluntary Energy Assistance Fund; (4) Approve Revised Tariff Sheets; And (5) Grant All Other Relief*, Case No. 2018-00311, at 8 (Ky. P.S.C. Oct. 30, 2018).

³ Id.

⁴ Id. at 9.

⁵ Id.

⁶ See Direct Testimony of Stevi N. Cobern at 4-5, *In The Matter Of: Electronic Application Of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) Approval Of Tariffs And Riders; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; (4) A Securitization Financing Order; And (5) All Other Required Approvals And Relief*, Case No. 2023-00159 (June 29, 2023).

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Kentucky Power does not presently plan to modify the shareholder funding level for Donation HEART described above.