

ABLE SOUTH CAROLINA, INC.

ANNUAL FINANCIAL REPORT

**FOR THE YEARS ENDED
SEPTEMBER 30, 2019 AND 2018**

ABLE SOUTH CAROLINA, INC.
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TABLE OF CONTENTS	PAGE
INDEPENDENT AUDITORS' REPORT	1-2
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES	4-5
STATEMENTS OF FUNCTIONAL EXPENSES	6-7
STATEMENTS OF CASH FLOWS	8
NOTES TO FINANCIAL STATEMENTS	9-14
SUPPLEMENTARY SCHEDULES	
SCHEDULE 1	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	15-16
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	17
SCHEDULE 2	
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	18-19
SCHEDULE 3	
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	20
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	21-22
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	23-24

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Able South Carolina, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Able South Carolina, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, functional expense, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Able South Carolina, Inc. as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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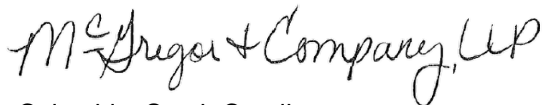
Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2020 on our consideration of Able South Carolina, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Able South Carolina, 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 Able South Carolina, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "McGregor & Company, LLP".

Columbia, South Carolina
May 6, 2020

ABLE SOUTH CAROLINA, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2019 AND 2018

	2019	2018
Assets		
Cash and Cash Equivalents	\$ 363,623	\$ 269,075
Prepaid Expenses	25,143	27,601
Accounts Receivable	316,736	189,863
Investments	133,588	127,674
Capital Assets, Net of Accumulated Depreciation	24,518	30,329
	<hr/>	<hr/>
Total Assets	863,608	644,542
	<hr/> <hr/>	<hr/> <hr/>
Liabilities and Net Assets		
Accounts Payable	54,401	7,337
Accrued Compensation Expense	102,637	74,331
	<hr/>	<hr/>
Total Liabilities	157,038	81,668
	<hr/>	<hr/>
Net Assets		
Without Donor Restrictions	706,570	562,874
	<hr/>	<hr/>
Total Net Assets	706,570	562,874
	<hr/>	<hr/>
Total Liabilities and Net Assets	863,608	644,542
	<hr/> <hr/>	<hr/> <hr/>

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

ABLE SOUTH CAROLINA, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2019		
	Without Donor Restrictions	With Donor Restrictions	Totals
Revenues and Other Support			
Contributions	\$ 21,091		\$ 21,091
Federal Grants		\$ 1,302,605	1,302,605
State and Local Grants		1,186,337	1,186,337
Program Services Fees	133,368		133,368
Investment Income (Loss)	6,063		6,063
Other	971		971
Total Revenues and Other Support	161,493	2,488,942	2,650,435
Net Assets Released from Restrictions			
Satisfaction of Purpose Restrictions	2,488,942	(2,488,942)	-
Total Revenues, Other Support and Reclassifications	2,650,435	-	2,650,435
Expenses			
Programs	2,164,553		2,164,553
Management and General	342,186		342,186
Total Expenses	2,506,739	-	2,506,739
Change in Net Assets	143,696	-	143,696
Net Assets, Beginning of Year	562,874		562,874
Net Assets, End of Year	706,570	-	706,570

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

ABLE SOUTH CAROLINA, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	2018		
	Without	With	Totals
	Donor Restrictions	Donor Restrictions	
Revenues and Other Support			
Contributions	\$ 18,824		\$ 18,824
Federal Grants		\$ 1,145,849	1,145,849
State and Local Grants		875,545	875,545
Program Services Fees	156,837		156,837
Investment Income (Loss)	638		638
Other	11,204		11,204
Total Revenues and Other Support	187,503	2,021,394	2,208,897
Net Assets Released from Restrictions			
Satisfaction of Purpose Restrictions	2,021,394	(2,021,394)	-
Total Revenues, Other Support and Reclassifications	2,208,897	-	2,208,897
Expenses			
Programs	1,850,896		1,850,896
Management and General	205,656		205,656
Total Expenses	2,056,552	-	2,056,552
Change in Net Assets	152,345	-	152,345
Net Assets, Beginning of Year	410,529		410,529
Net Assets, End of Year	562,874	-	562,874

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

ABLE SOUTH CAROLINA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Programs	Management and General	Totals
Salaries and Wages	\$ 1,112,835	\$ 151,750	\$ 1,264,585
Payroll Taxes	84,065	11,464	95,529
Other Employee Benefits	140,905	19,215	160,120
Travel and Program Mileage	109,877	14,983	124,860
Supplies	85,407	5,721	91,128
Insurance	29,738	4,876	34,614
Rent	121,715	15,881	137,596
Occupancy	23,083	14,261	37,344
Contract Services	341,126	67,681	408,807
Advertising	470	10,464	10,934
Payroll Billing Fees	4,954	676	5,630
Bank Fees	-	28	28
Membership Dues and Subscriptions	2,668	332	3,000
Special Events	47,074	16,692	63,766
Staff Accommodations	5,727	781	6,508
Telecommunications	16,117	259	16,376
Postage and Printing	21,679	1,792	23,471
Workplace Expansion	752	-	752
Other	5,602	3,863	9,465
Depreciation	10,759	1,467	12,226
Total Functional Expenses	2,164,553	342,186	2,506,739

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

ABLE SOUTH CAROLINA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Programs	Management and General	Totals
Salaries and Wages	\$ 973,299	\$ 108,144	\$ 1,081,443
Payroll Taxes	73,612	8,179	81,791
Other Employee Benefits	121,132	13,459	134,591
Travel and Program Mileage	87,609	9,734	97,343
Supplies	32,598	3,622	36,220
Insurance	18,301	2,034	20,335
Rent	121,678	13,520	135,198
Occupancy	16,784	1,865	18,649
Contract Services	282,866	31,430	314,296
Advertising	14,045	1,561	15,606
Payroll Billing Fees	4,553	506	5,059
Bank Fees	24	3	27
Membership Dues and Subscriptions	4,047	450	4,497
Special Events	43,294	4,810	48,104
Staff Accommodations	4,677	520	5,197
Telecommunications	16,544	1,838	18,382
Postage and Printing	17,696	1,966	19,662
Other	7,779	864	8,643
Depreciation	10,358	1,151	11,509
Total Functional Expenses	<u>1,850,896</u>	<u>205,656</u>	<u>2,056,552</u>

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

ABLE SOUTH CAROLINA, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	2019	2018
Cash Flows From Operating Activities		
Change in Net Assets	\$ 143,696	\$ 152,345
Depreciation	12,226	11,509
Unrealized (Gain) Loss on Investment	549	3,981
Adjustments to Reconcile Change in Net Assets to Cash Provided by Operating Activities:		
(Increase) Decrease in Prepaid Expenses	2,458	(6,125)
(Increase) Decrease in Accounts Receivable	(126,873)	(51,352)
Increase (Decrease) in Accounts Payable and Accrued Expenses	47,064	(13,946)
Increase (Decrease) in Accrued Leave	28,306	13,958
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	107,426	110,370
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Net Earnings on Investment	(6,463)	(4,581)
Net Additions to Capital Assets	(6,415)	(9,756)
	<hr/>	<hr/>
Net Cash Used in Investing Activities	(12,878)	(14,337)
	<hr/>	<hr/>
Net Increase in Cash and Cash Equivalents	94,548	96,033
	<hr/>	<hr/>
Cash and Cash Equivalents, Beginning of Year	269,075	173,042
	<hr/>	<hr/>
Cash and Cash Equivalents, End of Year	363,623	269,075
	<hr/> <hr/>	<hr/> <hr/>

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

ABLE SOUTH CAROLINA, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 ORGANIZATION

Able South Carolina, Inc. (Able SC) is a non-profit organization concerned with advocacy issues for persons with significant disabilities. Effective November 27, 2012, an amendment was filed with the South Carolina Secretary of State in order to change the corporate name from Disability Action Center, Inc. to Able South Carolina, Inc. Able SC provides services throughout South Carolina and has offices in Columbia and Greenville and was incorporated on February 4, 1994 in the state of South Carolina.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting whereby all revenue is recognized when earned regardless of when received and expenses are recognized when incurred regardless of when paid.

Financial Statement Presentation

Accounting standards generally accepted in the United States require the presentation of information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of director.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, Able SC considers all highly liquid debt instruments with a maturity of three (3) months or less to be cash equivalents.

Furniture, Equipment, Vehicles and Leasehold Improvements

Furniture, equipment, vehicles and leasehold improvements are maintained on the basis of original cost if purchased and estimated fair value at the date of acquisition if acquired by donation, less allowances for depreciation. Depreciation is computed using straight-line method over estimated useful lives of three to five years for the respective assets. The cost of maintenance and repairs are charged to operations as incurred. Cost of major additions and improvements are capitalized. Items valued under \$1,000 and a useful life not exceeding one year are expensed in the period purchased. The cost of any assets that are retired or otherwise disposed of and the related allowances for depreciation are eliminated from the respective accounts. Gains or losses resulting from such dispositions are reflected in the statement of activities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable consist primarily of grant related revenue not collected at year end. They are stated at full value with no allowance for doubtful accounts as management is of the opinion that all accounts are collectible due to past collection experience.

Financial Instruments

The following methods and assumptions were used to determine the fair value of each class of financial instrument.

Cash and Cash Equivalents, Receivables and Payables

Fair values approximate respective carrying values due to the short maturities of those instruments.

Investment in Securities

Fair values of securities are based on quoted market price.

Investments

Investments in equity securities with readily determinable fair values are measured at fair value in the statement of financial position. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the statement of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements prepared in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Income Taxes

Able SC was established as an eleemosynary corporation under the laws of the State of South Carolina, and has been granted exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code. Management has evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provision of this guidance.

Able SC is not currently undergoing examination of any previously filed tax returns; however, the returns filed for the most recent 3 years remain available for examination by taxing authorities. Management is not aware of any tax positions in the returns which have less than a 50% chance of being affirmed under examination.

Compensated Absences

Able SC records as a liability the obligations relating to employees' rights to receive vacation compensation for future absences attributable to employees' service as rendered.

Contributions

Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor imposed restrictions. Contributions received are measured at their fair values and are reported as increases in net assets. The Organization reports contributions as with donor restrictions if they are received with donor stipulations that limit the use of the donated asset, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as without donor restrictions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Grants**

Grant revenue increases net assets with donor restrictions when conditions for revenue recognition have been met. Able SC recognizes grant revenues under a cost reimbursable method. Satisfaction of purpose restrictions imposed by terms and conditions of the grant award are reported as net assets released from restrictions in net assets with donor restrictions.

Adoption of New Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classifications, deficiencies in information about liquidity and availability of resources and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

NOTE 3 FUNCTIONAL EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include salaries and wages, payroll taxes, other employee benefits, travel and program mileage, supplies, insurance, rent, occupancy, contract services, advertising, payroll billing fees, membership dues and subscriptions, special events, staff accommodations, telecommunications, postage and printing, other, and depreciation, which are allocated on the basis of estimates of time and effort.

NOTE 4 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets for the year ended September 30, 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year:

	2019	2018
Financial assets at year-end:		
Cash and cash equivalents	\$ 363,623	\$ 269,075
Investments	133,588	127,674
Accounts Receivable	<u>316,736</u>	<u>189,863</u>
Total financial assets	813,947	586,612
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	<u>-</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>813,947</u>	<u>586,612</u>

The Organization develops and adopts annual budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due.

NOTE 5 INVESTMENTS

Investments consist of the following at September 30:

	2019			
	Carrying Value	Unrealized Gain	Unrealized Loss	Amortization Cost
Mutual Funds	\$ 133,588	-	\$ 549	\$ 134,137

	2018			
	Carrying Value	Unrealized Gain	Unrealized Loss	Amortization Cost
Mutual Funds	\$ 127,674	-	\$ 3,981	\$ 131,655

Investment Income (Loss) consists of the following at September 30:

	2019	2018
Dividends/Interest Income	\$ 6,612	\$ 4,619
Unrealized Gain (Loss) on Investments	(549)	(3,981)
	<u>6,063</u>	<u>638</u>

NOTE 6 DISCLOSURES ABOUT FAIR VALUE OF INVESTMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Organization groups assets at fair value in three levels, based on the market in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 Inputs to the valuation methodology include: (1) quoted prices for similar assets or liabilities in active markets; (2) quoted prices for identical or similar assets or liabilities in inactive markets; (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by other observable market data.

Level 3 Unobservable inputs that cannot be corroborated by observable market data.

NOTE 6 DISCLOSURES ABOUT FAIR VALUE OF INVESTMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of September 30, 2019 and 2018, and describes the valuation methodologies used for investments measured at fair value:

	Investments at Fair Value as of September 30, 2019			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 133,588	-	-	\$ 133,588

	Investments at Fair Value as of September 30, 2018			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 127,674	-	-	\$ 127,674

NOTE 7 FURNITURE, EQUIPMENT, LEASEHOLD IMPROVEMENTS AND VEHICLE

Capital assets at September 30:

	2019	2018
Furniture, Equipment, Leasehold Improvements and Vehicle	\$ 141,868	\$ 135,453
Less: Accumulated Depreciation	(117,350)	(105,124)
	<u>24,518</u>	<u>30,329</u>

Depreciation Expense was \$12,226 and \$11,509 for the years ended September 30, 2019 and 2018, respectively.

NOTE 8 OPERATING LEASE COMMITMENTS

Able SC leases office space under operating leases as follows at September 30:

	2019	2018
Rental Expense	\$ 144,796	\$ 139,198
Sub-lease Income	(7,200)	(4,000)
Net Rental Expense	<u>137,596</u>	<u>135,198</u>

Able SC sub-leased some of its office space for the periods ending on September 30, 2019 and 2018. Any sub-lease rent collected is shown as an off-set to Able SC's rental expenses.

Headquarter facilities are located at 720 Gracern Road, Columbia, South Carolina. The monthly lease payments are \$6,856 to \$7,568 over the seven year term of the lease.

Able SC leased a facility on 1 Creekview Court, Greenville, South Carolina. The monthly lease payments were \$1,591 over the three year term of the lease. The lease was terminated on February 28, 2019.

Able SC leases a facility on 135 Edinburgh Court, Greenville, South Carolina. The monthly lease payments are \$2,909 to \$5,373 over the seven year term of the lease.

NOTE 9 OPERATING LEASE COMMITMENTS (Continued)

Minimum future rental payments under non-cancelable operating leases as of September 30, 2019, for each of the remaining years and in the aggregate are:

Year Ended September 30	Amount
2020	\$ 142,476
2021	146,318
2022	150,265
2023	152,048
2024	153,885
Thereafter	<u>48,359</u>
Totals	<u><u>793,351</u></u>

NOTE 10 CONCENTRATION OF REVENUE

Approximately 49% and 52% of the Organization's revenues were attributable to federal grants during the years ended September 30, 2019 and 2018, respectively. A significant reduction in the federal grants would have an adverse effect on the operating activities of the Organization.

NOTE 11 CUSTODIAL CREDIT RISK

At September 30, 2019 and 2018, the organization had bank balances that exceeded the FDIC coverage limits in the amount of \$107,244 and \$45,955, respectively.

NOTE 12 CONCENTRATION OF MARKET RISK

Able SC invests funds in a professionally managed portfolio that contains two similar mutual funds. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. The investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

NOTE 13 RETIREMENT PLAN

Able SC provides a retirement program for eligible full-time employees who are at least 21-years old. Able SC contributes to the employee's retirement plan when employees become eligible and vested after one year of employment. Employer percentage contributions to the retirement program is reviewed and determined annually by the Board of Directors. For the year ending September 30, 2019 and 2018, the employer percentage contribution was 3% each year. Able SC paid retirement expense of \$23,368 and \$18,784 for the year ending September 30, 2019 and 2018, respectively.

NOTE 14 SUBSEQUENT EVENTS

Able South Carolina, Inc. evaluated the effects subsequent events would have on the financial statements through the date of the auditors' report, which is the date the financial statements were available for issuance.

ABLE SOUTH CAROLINA, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Award Number	Total Expenditures
U. S. Department of Health and Human Services			
Administrative for Community Living			
Direct Funding:			
ACL Centers for Independent Living	93.432	1803SCILCL-00	\$ 617,792
Total CFDA No. 93.432			<u>617,792</u>
Developmental Disabilities Projects of National Significance South Carolina Employment First Initiative	93.631	90DNEM0001-03-00	230,890
Developmental Disabilities Projects of National Significance South Carolina Employment First Initiative	93.631	90DNEM0001-04-00	<u>17,353</u>
Total CFDA No. 93.631			<u>248,243</u>
Pass-through SC Developmental Disabilities Council:			
Developmental Disabilities Basic Support and Advocacy Grants State Grant:			
Access: Advancing Capacity and Collaboration for Employment Support Services	93.630	09-21-0004	5,411
Equip	93.630	08-21-0028	69,691
Equip	93.630	09-21-0028	15,454
SC Supported Decision Making Project	93.630	08-21-0013	12,966
Youth Leadership Forum	93.630	08-21-0044	16,685
Youth Leadership Forum	93.630	09-21-0044	<u>27,301</u>
Total CFDA No. 93.630			<u>147,508</u>
Pass-through University of South Carolina:			
Disabilities Prevention	93.184	6NU27DD001157-05-01	2,851
Disabilities Prevention	93.184	5NU27DD000011-03-00	24,724
Disabilities Prevention	93.184	5NU27DD000011-04-00	<u>12,548</u>
Total CFDA No. 93.184			<u>40,123</u>
Total U. S. Department of Health and Human Services			<u>1,053,666</u>
U. S. Department of Justice			
Office on Violence Against Women			
Direct Funding:			
Education, Training, and Enhanced Services to End Violence Against Women with Disabilities	16.529	2017-FW-AX-K001	\$ 189,196
Total CFDA No. 16.529			<u>189,196</u>
Total U. S. Department of Justice			<u>189,196</u>
U.S. South Carolina Department of Employment and Workforce			
Workforce and Economic Development			
Workforce Innovation Grant - Capacity Building for Inclusion	17.278	17WIG04	<u>29,615</u>
Total CFDA No. 17.278			<u>29,615</u>
Total U.S. South Carolina Department of Employment and Workforce			<u>29,615</u>

ABLE SOUTH CAROLINA, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Award Number	Total Expenditures
South Carolina Department of Education			
Pass-through University of South Carolina:			
National Secondary Transition Technical Assistance Center Transition Technical Assistance Center	84.326	H326E140004	30,128
Total CFDA No. 84.326			30,128
Total South Carolina Department of Education			30,128
Total Federal Assistance Expended			1,302,605

See Notes to Schedule of Expenditures of Federal Awards

ABLE SOUTH CAROLINA, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Note 1 Summary of Significant Accounting Policies

(a) Reporting Entity

The schedule of expenditures of federal awards (SEFA) includes the activity of all federal award programs administered by Able South Carolina, Inc.

(b) Basis of Presentation

The SEFA presents total federal awards expended for each individual federal program in accordance with the *Uniform Guidance*. Federal award program titles are reported as presented in the Catalog of Federal Domestic Assistance (CFDA). Some amounts presented in the SEFA may differ from amounts presented in, or used in, the preparation of the financial statements.

(c) Basis of Accounting

The expenditures for each of the federal financial assistance programs are presented in the SEFA on the same basis of accounting as Able South Carolina, Inc.'s financial statements. The financial statements of Able South Carolina, Inc. are prepared using the accrual basis of accounting.

(d) De Minimis Indirect Cost Rate

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

Note 2 Relationship to Federal Financial Reports

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying SEFA which is prepared on the basis explained in Note 1.

ABLE SOUTH CAROLINA, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

PART I SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of Auditors' Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material Weaknesses Identified? _____ Yes X NoSignificant Deficiencies Identified that are
not considered to be material weaknesses? _____ Yes X None ReportedNoncompliance Material to Financial
Statements Noted? _____ Yes X No

Federal Awards

Internal Control Over Major Programs:

Material Weaknesses Identified? _____ Yes X NoSignificant Deficiencies Identified that are
not considered to be material weaknesses? _____ Yes X None ReportedType of Auditors' Report Issued on compliance
for major programs: UnmodifiedAudit findings that are required to
be reported in accordance with
Uniform Guidance Criteria? _____ Yes X No

Identification of Major Federal Programs

CFDA Numbers

93.432

Name of Federal Program or Cluster

Centers for Independent Living

Dollar threshold used to distinguish
Between Type A and Type B Programs: \$750,000Auditee qualified as low-risk auditee? X Yes _____ No

ABLE SOUTH CAROLINA, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

PART II: FINANCIAL STATEMENT FINDINGS

None Reported

PART III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None Reported

ABLE SOUTH CAROLINA, INC.
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Summary of Prior Year Findings

None

PARTNERS

C.C. McGregor, CPA
1906–1968

G.D. Skipper, CPA
L.R. Leaphart, Jr, CPA
M.J. Binnicker, CPA
D.L. Richardson, CPA
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G.P. Davis, CPA
H.O. Crider, Jr, CPA

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T. Solorzano, CPA

C.W. Bolen, CPA
D.C. Scott, CPA
G.F. Huntley, CPA

*Active Retired

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

Board of Directors
Able South Carolina, Inc.

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 Able South Carolina, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expense, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 6, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Able South Carolina, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Able South Carolina, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Able South Carolina, Inc.'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 Able South Carolina, 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 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*.

COLUMBIA

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ORANGEBURG

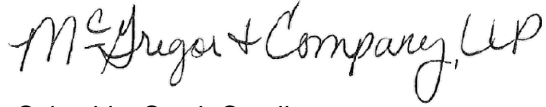
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Purpose of this Report

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.

A handwritten signature in black ink that reads "M. S. Draper & Company, LLP". The signature is written in a cursive, flowing style.

Columbia, South Carolina
May 6, 2020

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Able South Carolina, Inc.

Report on Compliance for Each Major Federal Program

We have audited Able South Carolina, 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 Able South Carolina, Inc.'s major federal programs for the year ended September 30, 2019. Able South Carolina, 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 and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Able South Carolina, 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 Able South Carolina, 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 Able South Carolina, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Able South Carolina, 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 September 30, 2019.

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Report on Internal Control over Compliance

Management of Able South Carolina, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Able South Carolina, 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 the 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 Able South Carolina, 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "McGee & Company, LLP".

Columbia, South Carolina
May 6, 2020