AUDITED FINANCIAL STATEMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, AND REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS AND OMB CIRCULAR A-133

YEAR ENDED SEPTEMBER 30, 2013 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED SEPTEMBER 30, 2012

Anton Collins Mitchell LLP
Accountants & Consultants

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CENTER FOR PEOPLE WITH DISABILITIES

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INDEPENDENT AUDITOR'S REPORT

Center for People with Disabilities
Boulder, Colorado

Report on Financial Statements

We have audited the accompanying financial statements of the Center for People with Disabilities (the "Center"), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, cash flows, and functional expenses for the year then ended. The prior year summarized comparative information has been derived from the Center's September 30, 2012 financial statements and in our report dated June 10, 2013, we expressed an unqualified opinion on those financial statements.

Management's Responsibly 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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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 the Center for People with Disabilities as of September 30, 2013, and the changes in its net assets, its cash flows, and functional expenses for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards, as required by the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* is presented for purposes of additional analysis, and is not a required part of the basic 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2014 on our consideration of the Center for People with Disabilities' 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

Anton Collins Mitchell LLP

Boulder, Colorado
February 10, 2014

CENTER FOR PEOPLE WITH DISABILITIES
STATEMENT OF FINANCIAL POSITION
AT SEPTEMBER 30, 2013
WITH SUMMARIZED FINANCIAL INFORMATION
AT SEPTEMBER 30, 2012

	2013	2012
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 13,159	$ 7,150
Grants receivable	89,933	57,497
Program service fees receivable, net	69,782	59,526
Other receivables	4,185	7,000
Interest receivable	6,000	6,000
Prepaid expenses	1,946	2,157
Total current assets	185,005	139,330
PROPERTY AND EQUIPMENT:		
Land	350,000	350,000
Buildings and improvements	1,024,651	1,024,651
Furniture and equipment	27,925	27,925
Vehicles	23,469	42,469
Total property and equipment	1,426,045	1,445,045
Less accumulated depreciation	(381,802)	(372,655)
Net property and equipment	1,044,243	1,072,390
RESTRICTED CASH AND OTHER ASSETS:		
Restricted cash	113,061	147,933
Note receivable	200,000	200,000
Loan fees, net of accumulated amortization	20,242	24,160
Deposits	5,181	5,181
Total restricted cash and other assets	338,484	377,274
TOTAL ASSETS	$ 1,567,732	$ 1,588,994

Continued.

CENTER FOR PEOPLE WITH DISABILITIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AT SEPTEMBER 30, 2013
WITH SUMMARIZED FINANCIAL INFORMATION
AT SEPTEMBER 30, 2012

	2013	2012
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	$ 11,444	$ 5,111
Accrued personnel and other expenses	44,229	50,094
Deferred revenue	154,280	127,481
Current portion of long-term debt	26,866	25,619
Assets held for others	10,028	43,410
Total current liabilities	246,847	251,715
LONG-TERM LIABILITIES:		
Line of credit	12,847	-
Long-term debt, net of current portion	680,505	706,874
Total long-term liabilities	693,352	706,874
TOTAL LIABILITIES	940,199	958,589
NET ASSETS:		
Unrestricted	594,462	613,618
Temporarily restricted	33,071	16,787
Total net assets	627,533	630,405
TOTAL LIABILITIES AND NET ASSETS	$ 1,567,732	$ 1,588,994

See accompanying notes to the financial statements.

CENTER FOR PEOPLE WITH DISABILITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2013
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Unrestricted	Temporarily Restricted	2013 Total	2012 Total
SUPPORT AND REVENUE:				
Public support				
Grant income	$ 1,480,696	$ 28,500	$ 1,509,196	$ 1,570,342
Contributions	20,009	-	20,009	39,194
Revenue				
Program service fees	1,095,959	-	1,095,959	1,091,566
Interest income	8,014	-	8,014	8,030
Other income	4,737	-	4,737	9,549
Loss on sale of vehicle	(5,831)	-	(5,831)	-
Net assets released from restrictions	12,216	(12,216)	-	-
Total support and revenue	2,615,800	16,284	2,632,084	2,718,681
EXPENSES:				
Program services	2,414,323	-	2,414,323	2,470,369
General and administrative	150,718	-	150,718	190,457
Fundraising	61,715	-	61,715	48,837
Total expenses	2,626,756	-	2,626,756	2,709,663
CHANGE IN NET ASSETS BEFORE OTHER CHANGES IN NET ASSETS	(10,956)	16,284	5,328	9,018
OTHER CHANGES IN NET ASSETS				
Flood repairs	(8,200)	-	(8,200)	-
CHANGE IN NET ASSETS	(19,156)	16,284	(2,872)	9,018
NET ASSETS, beginning of year	613,618	16,787	630,405	621,387
NET ASSETS, end of year	$ 594,462	$ 33,071	$ 627,533	$ 630,405

See accompanying notes to the financial statements.

CENTER FOR PEOPLE WITH DISABILITIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2013
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (2,872)	$ 9,018
Adjustments to reconcile change in net assets		
to net cash provided by (used in) operating activities:		
Depreciation	30,165	27,692
Amortization	3,918	3,918
Provision for bad debt	3,144	904
Loss on sale of vehicle	5,831	-
(Increase) decrease in operating assets:		
Grants receivable	(35,580)	36,330
Program service fees receivable, net	(10,256)	(23,191)
Other receivables	2,815	11,844
Prepaid expenses and deposits	211	(4,031)
Increase (decrease) in operating liabilities:		
Accounts payable	6,333	3,507
Accrued personnel and other expenses	(5,865)	1,173
Deferred revenue	26,799	(148,607)
Net cash provided by (used in) operating activities	24,643	(81,443)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment and improvements	(10,000)	(30,835)
Proceeds from sale of vehicle	4,680	-
Net change in assets held for others	(33,382)	(7,696)
Net cash used in investing activities	(38,702)	(38,531)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Draws on line of credit	113,560	6,568
Payments on line of credit	(100,713)	(6,582)
Payments on long-term debt	(27,651)	(22,972)
Net cash used in financing activities	(14,804)	(22,986)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(28,863)	(142,960)
CASH AND CASH EQUIVALENTS, beginning of year	155,083	298,043
CASH AND CASH EQUIVALENTS, end of year	126,220	155,083
Cash and cash equivalents	13,159	7,150
Restricted cash	113,061	147,933
Total cash and cash equivalents	$ 126,220	$ 155,083
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ 29,742	$ 31,402
SUPPLEMENTAL DISCLOSURE OF NON CASH FLOW INFORMATION		
Purchase of vehicle through issuance of term debt	$ 30,349	$ -
Payoff of term debt for purchase of vehicle	$ 27,820	$ -

See accompanying notes to the financial statements.

CENTER FOR PEOPLE WITH DISABILITIES
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2013
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Program Services							
	Independent Living	Personal Assistance	Subsidized Housing	Total Program Services	General & Admin	Fundraising	2013 Total	2012 Total
Personnel costs	$ 610,840	$ 763,246	$ 68,053	$ 1,442,139	$ 81,725	$ 50,461	$ 1,574,325	$ 1,649,903
Participant costs	62,853	2,868	605,154	670,875	-	4	670,879	671,760
Occupancy	60,230	13,383	1,312	74,925	1,866	954	77,745	76,757
Professional services	8,395	7,073	13,752	29,220	40,055	5,697	74,972	69,122
Travel and entertainment	4,801	31,246	1,071	37,118	1,173	205	38,496	56,658
Insurance	15,285	17,051	1,596	33,932	1,690	1,096	36,718	34,997
Depreciation and amortization	12,839	13,807	1,374	28,020	5,145	918	34,083	31,610
Interest	8,656	16,306	1,558	26,520	2,057	1,165	29,742	31,402
Communications	12,291	6,051	494	18,836	2,338	274	21,448	21,955
Postage and printing	7,005	8,168	835	16,008	2,476	568	19,052	18,027
Agency dues and meetings	1,428	6,206	3,703	11,337	5,228	91	16,656	14,963
Other expenses	7,932	468	73	8,473	4,559	86	13,118	7,163
Vehicle and equipment expenses	7,180	300	-	7,480	1,049	-	8,529	9,963
Supplies	3,933	1,709	466	6,108	1,202	154	7,464	14,187
Bad debt expense	-	3,144	-	3,144	-	-	3,144	904
Advertising	-	-	188	188	155	42	385	292
Total expenses	$ 823,668	$ 891,026	$ 699,629	$ 2,414,323	$ 150,718	$ 61,715	$ 2,626,756	$ 2,709,663

See accompanying notes to the financial statements.

Note 1: Summary of Significant Accounting Policies—This summary of significant accounting policies of the Center for People with Disabilities (the “Center”) is presented to assist in understanding the Center’s financial statements. The financial statements and notes are representations of management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (“GAAP”) and have been consistently applied in the preparation of the financial statements.

Nature of Operations—The Center is a Colorado not-for-profit corporation founded in 1977. The Center has offices in Boulder, Longmont, and Thornton, Colorado, providing services to individuals in the surrounding communities. The Center offers a support network of resources, information, and services to people with disabilities.

The Center finances its operations largely through grants and fee charges to provide services for federal and state agencies and city and county governments. The Center also receives support from contributions.

The Center's program services are activities that result in goods and services being distributed to consumers and include the following:

Independent Living Program—Provides resources, information and services to support people with disabilities in achieving independence. Included in these services are advocacy, skills training, day programs, information and referral, transition back into the community from nursing care, counseling, peer support groups and specialized services for people with visual impairment, blindness and hearing loss.

Personal Assistance Program—In-home attendant services to prevent unnecessary institutionalization in nursing homes.

Subsidized Housing Program—Assistance in locating and obtaining suitable housing for elderly or disabled individuals and their families.

Basis of Presentation— The Center’s financial statements are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. The Financial Accounting Standards Board ”FASB”, sets GAAP which is followed to ensure the financial condition, results of operations, and cash flows are consistently reported. References to GAAP issued by the FASB in these footnotes are to the FASB Accounting Standards Codification, sometimes referred to as the “Codification” or “ASC”.

Continued.

Note 1: Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)—ASC 958-205 *Not-for-Profit Entities - Presentation of Financial Statements* requires the Center to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Center is required to present a statement of cash flows.

Comparative Financial Information—The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP and consequently has not been reported upon in the current auditor's opinion. Accordingly, such information should be read in conjunction with the Center's audited financial statements for the year ended September 30, 2012, from which the summarized information was derived.

Cash and Cash Equivalents—For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, cash in bank, cash in savings, investments with an original maturity of three months or less, and restricted cash.

Restricted Cash—Restricted cash consists of cash and money market funds held for the benefit of various individuals, scholarships and participants in the U.S. Department of Housing and Urban Development's Section 8 voucher program.

Receivables—Receivables consist mainly of grants and program service fees receivable. Grants receivable are amounts due under reimbursable grant contracts with government agencies. Program service fees consist of amounts due from individuals and Medicaid. An allowance for doubtful accounts is determined based upon the review and analysis of the collectability of each outstanding account. Management believes no allowance for doubtful accounts was necessary at September 30, 2013 and 2012.

Property and Equipment—Property and equipment is recorded at cost or fair market value in the case of donated items. Expenditures for and contributions of equipment with a value greater than $5,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the property and equipment, which are generally thirty to forty years for buildings and three to five years for equipment, furniture and vehicles.

Property and equipment acquired with restricted grant funds are recorded as unrestricted upon the purchase of the equipment.

Continued.

Note 1: Summary of Significant Accounting Policies (continued)

Property and Equipment (continued)—Management assesses the carrying value of long-lived assets for impairment when circumstances indicate such amounts may not be recoverable from future operations. Generally, assets to be held and used in operations are considered impaired if the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. If impairment is indicated, the loss is measured based on the amount by which the carrying value exceeds its fair value. Management does not believe that any indicators of impairment have occurred, and therefore no impairment losses were incurred during the years ended September 30, 2013 and 2012.

Revenue Recognition—

***Contributions*—**In accordance with ASC 958-605 *Not-for-Profit Entities - Revenue Recognition,* contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending upon the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending upon the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

***Grants and Fixed Contracts*—**Revenue from grants and fixed contracts are recognized when earned.

***Program Service Fees*—**Program service fees are primarily generated from providing services to private pay and Medicaid eligible recipients. Revenues are recorded when the service has been provided.

***In-Kind Donations*—**Donated services, goods and equipment are recorded at estimated fair values as revenue and expenses, or capitalized assets, depending on the nature of the donation. The contribution of services is recognized if the services received either create or enhance non-financial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The Center received no in-kind donations during 2013 or 2012.

***Deferred Revenue*—**Amounts received from grants and contracts in excess of amounts earned represent deferred revenue. These amounts are dependent upon the timing of cash receipts and cash disbursements and vary from year to year.

Continued.

Note 1: Summary of Significant Accounting Policies (continued)

Advertising—*ASC 720-35 Other Expenses - Advertising Costs* requires direct response advertising to be capitalized when it can be shown that customers responded to a specific advertisement and there is probable future economic benefit. The Center does not currently use direct response advertising; hence advertising costs are expensed when incurred.

Use of Estimates—In preparing financial statements in accordance with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, support and revenues, and expenses. Accordingly, actual results could differ from those estimates and those differences could be material.

Functional Expense Allocation—Whenever possible, the Center charges directly identifiable expenses to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Center.

Income Taxes—The Center is a qualified not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code, and the Colorado Income Tax Act of 1964 (as amended). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements. Management believes there are no uncertain tax positions at September 30, 2013 that more-likely-than-not would cause the Center to incur taxes, penalties or interest. The Center is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for fiscal years before 2010.

Note 2: Note Receivable—At September 30, 2013 and 2012, the Center held a $200,000 note receivable, which bears interest at 4% and matures on March 22, 2019. The note is collateralized by a second deed of trust on real estate. Interest is due annually, with the principal due at maturity. Accrued interest on the note receivable at September 30, 2013 and 2012 was $6,000.

Note 3: Loan Fees—Costs related to the issuance of the note payable are deferred and amortized over the term of the loan using the straight-line method, which approximates the effective interest method. Annual amortization expense is $3,918, and is included in depreciation and amortization expense on the statement of functional expenses. Accumulated amortization totaled $18,937 and $15,019 at September 30, 2013 and 2012, respectively.

Continued.

Note 4: Assets Held for Others—In May 2001, a trust account was established for a disabled individual naming the Center as trustee. The purpose of the trust is to create a discretionary supplemental care fund for the beneficiary, and not to displace any public or private financial assistance that may otherwise be available. The funds are held in a separate bank account and included in restricted cash in the accompanying statement of financial position. Total assets held for others at September 30, 2013 and 2012, were $10,028 and $43,410, respectively.

Note 5: Long-Term Debt—The Center has a long-term note payable with a financial institution with an interest rate of 4.75%. Principal and interest payments in the amount of $4,524 are due monthly, with the principal balance and remaining accrued interest due at maturity in November 2018. This note payable is secured by a deed of trust in the Center's land and building.

During the year ended September 30, 2013 the Center financed a vehicle purchase under a long-term note payable. The vehicle was subsequently sold during the year and the note payable was paid in full.

The Center also has a Community Development Block Grant award from the City of Boulder in the amount of $115,000. Terms of the grant agreements provide that the City of Boulder holds an appreciating interest in real property owned by the Center. Payment is due under this agreement if the Center discontinues using the property as an integral part of its program. The total amount of this loan is recorded as a long-term obligation for the Center and is included in the schedule below under "Thereafter".

Scheduled principal payments are as follows for the years ended September 30:

Year Ending September 30,	Amount
2014	$ 26,866
2015	26,866
2016	28,172
2017	29,472
2018	30,976
Thereafter	565,019
	$ 707,371

Continued.

Note 6: Line of Credit—In 2008, the Center entered into an agreement with its primary banking institution for a $50,000 revolving line of credit at a variable interest rate of prime plus 2.00% (5.25% at September 30, 2013). The balance of the line was $12,847 at September 30, 2013.

Note 7: Restricted Net Assets—Temporarily restricted net assets as of September 30, 2013 consist of $20,300 for flood relief and $12,771 for scholarships. Temporarily restricted net assets as of September 31, 2012 consist of funds restricted for scholarships.

Note 8: Operating Leases—The Center leases equipment and office space under operating lease agreements expiring from December 2013 to March 2015. Total expense under these leases for the years ended September 30, 2013 and 2012, was $47,375 and $38,073, respectively.

Future minimum lease payments are as follows:

Years Ending September 30,	Amount
2014	$ 29,945
2015	3,057
	$ 33,002

Note 9: Defined Contribution Retirement Plan—The Center maintained a 401(k) profit sharing plan in which employees can make pre-tax contributions into the plan. The plan was discontinued in August 2013 due to lack of employee participation. The plan covered substantially all employees over 21 years of age who have completed six months of service. The plan also provided for employer discretionary contributions to the plan. During the years ended September 30, 2013 and 2012, no employer contributions were made to the plan.

Note 10: Concentration of Credit Risk—Financial instruments that potentially subject the Center to concentrations of credit risk consist principally of temporary cash investments. The Center places its temporary cash investments with high credit quality financial institutions and attempts to limit its amount of credit exposure to any one financial institution. However, at various times during the years ended September 30, 2013 and 2012, the Center's cash balances exceeded the federally insured limits. As of September 30, 2013, the Center had no amounts on deposit with financial institutions in excess of the federally insured limits.

For the year ended September 30, 2013, 45%, 14%, 13% and 12% of grant income was received from four grantors. For the year ended September 30, 2012, 47%, 16% and 12% of grant income was received from three grantors.

Continued.

Note 11: Contingencies—Certain grants require the fulfillment of specific conditions as set forth in the instruments of the grants. Failure to fulfill the conditions could result in the return of the funds to the grantors. Grant costs billed to federal and state agencies are subject to audit by these agencies.

Note 12: Subsequent Events—In accordance with ASC 855, *Subsequent Events,* the Center has evaluated subsequent events through February 10, 2014, which is the date these financial statements were available to be issued. The Center has discontinued the subsidized housing program as of December 31, 2013. During the fiscal year ended September 30, 2013, the revenue earned under the program was $681,356 and the expenses incurred were $699,269. The effect on the financial statements will be a reduction of revenue and expenses related to the program for the year ending September 30, 2014. The other programs and administration of the Center will not be affected financially by discontinuing the program.

There are no other subsequent events that require recognition or additional disclosure in these financial statements.

CENTER FOR PEOPLE WITH DISABILITIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2013

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures	Loan Balance as of September 30, 2013	Total
U.S. Department of Housing and Urban Development				
Pass-Through City of Boulder:				
Community Development Block Grant	14.218	$ -	$ 115,000	$ 115,000
Direct Program:				
Mainstream Vouchers	14.879	681,356	-	681,356
Subtotal		681,356	115,000	796,356
U.S. Department of Education				
Direct Program:				
Centers for Independent Living Special Project Grant	84.132A	206,442	-	206,442
Pass-Through State of Colorado				
Independent Living - Older Individuals who are Deaf-Blind	84.187	104,190	-	104,190
Pass-Through State of Colorado				
Independent Living - State Grants	84.169	19,296	-	19,296
Subtotal		329,928	-	329,928
Total		$ 1,011,284	$ 115,000	$ 1,126,284

The Schedule of Expenditures of Federal Awards was prepared on the accrual basis of accounting.

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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*

Center for People with Disabilities
Boulder, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of the Center for People with Disabilities (the "Center"), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 10, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center'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 the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 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 over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 the Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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 Center'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 Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anton Collins Mitchell LLP

Boulder, Colorado
February 10, 2014

ACM
Anton Collins Mitchell LLP
Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Center for People with Disabilities
Boulder, Colorado

Report on Compliance for Each Major Federal Program

We have audited the Center for People with Disabilities' (the "Center") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on the Center's major federal programs for the year ended September 30, 2013. The Center's major federal program is 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 the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Center's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Center'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 the Center's compliance.

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Opinion on Each Major Federal Program

In our opinion, the Center 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, 2013.

Report on Internal Control Over Compliance

Management of the Center 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 the Center's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center'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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Anton Collins Mitchell LLP

Boulder, Colorado
February 10, 2014

CENTER FOR PEOPLE WITH DISABILITIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Section I – Summary of Auditor's Results

Financial Statements

The auditor has issued an unqualified opinion on the Center's financial statements.

Internal control over financial reporting:

- Material weaknesses identified? ______ Yes ___X___ No
- Significant deficiencies identified that are not considered to be material weaknesses? ______ Yes ___X___ No
- Noncompliance material to Financial statements noted? ______ Yes ___X___ No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? ______ Yes ___X___ No
- Significant deficiencies identified that are not considered to be material weaknesses? ______ Yes ___X___ No

The auditor has issued an unqualified opinion on compliance with major programs.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ______ Yes ___X___ No

Identification of major programs:

CFDA Number	Name of Federal Program
14.879	U.S. Department of HUD Mainstream Vouchers

Dollar threshold used to distinguish between type A and type B programs: $300,000

Auditee qualified as low-risk auditee? ______ Yes ___X___ No

Continued.

CENTER FOR PEOPLE WITH DISABILITIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Section II – Financial Statement Findings

Item Number	Finding
	There were no findings related to the financial statements which are required to be reported in accordance with generally accepted government auditing standards (GAGAS).

Section III – Federal Award Findings and Questioned Costs

Item Number	Finding
	There were no findings related to the federal awards and questioned costs which are required to be reported in accordance with *OMB Circular A-133.*

Section IV – Summary Schedule of Prior Audit Findings

There were no prior year findings.