

NORTHEAST IOWA COMMUNITY
ACTION CORPORATION

FINANCIAL REPORT

JANUARY 31, 2005

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	1
FINANCIAL STATEMENTS	<u>Exhibit</u>
Statement of Financial Position	A 2
Statement of Activities	B 3
Statement of Functional Expenses	C 4
Statement of Cash Flows	D 5
Notes to Financial Statements	6-16
INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION	17
SUPPLEMENTARY INFORMATION	<u>Schedule</u>
Combining Statement of Financial Position By Funding Source	1 18
Local Funds	2 19-20
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
By Funding Source	3 21
Local Funds	4 22-23
State Department of Health and Human Services	5 24
Department of Homeland Security	6 25
State Department of Human Rights	7 26-27
State Department of Health	8 28
State Department of Economic Development	9 29
U.S. Department of Agriculture	10 30
Other Sources	11 31-32
Schedule of Cumulative Revenues, Expenditures and Changes in Fund Balance on Completed Contracts	
Federal	
Department of Homeland Security	12 33-36
U.S. Department of Health and Human Services	13-24 37-48
State Department of Human Rights	25-30 49-54
State Department of Health	31-32 55-56
State - Department of Economic Development	33-34 57-58
State - Department of Education	35 59-60
Other Sources - Transit Program	36 61
Weatherization Assistance Program	37 62-63
AmeriCorps	38 64
Schedule of Findings and Questioned Costs	39 65
Schedule of Expenditures of Federal Awards	40 66-69
Notes to the Schedule of Expenditures of Federal Awards	70
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	71
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	72-73
MANAGEMENT LETTER	74-75

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INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS

To the Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

We have audited the accompanying statement of financial position of Northeast Iowa Community Action Corporation (a nonprofit corporation) as of January 31, 2005, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Iowa Community Action Corporation as of January 31, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2005, on our consideration of Northeast Iowa Community Action Corporation'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Hacker, Nelson & Co., P.C.

Decorah, Iowa
April 27, 2005

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

STATEMENT OF FINANCIAL POSITION
January 31, 2005

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 2,684,896
Receivables	
Funding source	423,513
Other	255,452
Due from affiliate	159,964

Total current assets	<u>3,523,825</u>
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PROPERTY AND EQUIPMENT, net

	<u>1,335,015</u>
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OTHER ASSETS

Investment in affiliates	515,483
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Total assets	<u><u>\$ 5,374,323</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	
General	\$ 362,373
Due to affiliates	-
Due to funding source	-
Current portion of long-term debt	16,483
Deferred revenue	1,147,802

Total current liabilities	<u>1,526,658</u>
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LONG-TERM DEBT

Notes payable, less current portion	<u>506,369</u>
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NET ASSETS

Unrestricted	<u>3,341,296</u>
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Total liabilities and net assets	<u><u>\$ 5,374,323</u></u>
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See Independent Auditor's Report.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

STATEMENT OF ACTIVITIES
Year Ended January 31, 2005

REVENUE AND OTHER SUPPORT	
Federal and state grants	\$ 7,456,125
Local	1,412,001
Interest	29,578
Contributions	58,706
	<hr/>
Total revenues and other support	8,956,410
<hr/>	
EXPENDITURES	
Program services	8,166,171
Supporting services	
Management and general	545,888
	<hr/>
Total expenditures	8,712,059
<hr/>	
Change in net assets from operations	244,351
<hr/>	
OTHER CHANGES	
Equity in limited partnerships earnings	258,002
Equity in limited partnerships sale of state credits	(14)
	<hr/>
	257,988
<hr/>	
Change in net assets	502,339
<hr/>	
NET ASSETS, beginning of year	2,838,957
<hr/>	
NET ASSETS, end of year	<u>\$ 3,341,296</u>

See Independent Auditor's Report.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended January 31, 2005

	Program Services	Supporting Services Management and General	Total
Employee salaries	\$ 3,105,672	\$ 264,886	\$ 3,370,558
Enrollee salaries	(7,964)		(7,964)
Employee fringe benefits	989,864	72,695	1,062,559
Enrollee fringe benefits	344		344
Contractual	222,236	60,479	282,715
Travel	81,288	39,899	121,187
Space costs	216,089	11,807	227,896
Consumable supplies	199,709	28,926	228,635
Equipment	234,859		234,859
Direct assistance	1,653,971		1,653,971
Depreciation	74,784		74,784
Food	522,058		522,058
Other	885,499	67,196	952,695
Contributed materials, facilities and services	58,706		58,706
Capitalization of equipment and contributed materials and services	(70,944)		(70,944)
Total expenditures	\$ 8,166,171	\$ 545,888	\$ 8,712,059

See Independent Auditor's Report.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

STATEMENT OF CASH FLOWS
Year Ended January 31, 2005

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 244,351
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Purchase of equipment included in expenses	42,875
Sale of equipment included in revenue	-
Depreciation	74,784
Loss from limited partnerships	(14)
(Increase) decrease in:	
Receivables	
Funding source	(220,541)
Other	(32,171)
Prepaid expenses	-
Increase (decrease) in:	
Payables	
General	81,652
Due to funding source	(306,627)
Deferred revenue	630,630
Net cash provided by operating activities	<u>514,939</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of equipment	(127,181)
Increase in investment in limited partnerships	-
Net cash used in investing activities	<u>(127,181)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal payments on debt	(16,221)
Payments to affiliates	(33,025)
Net cash used in financing activities	<u>(49,246)</u>
Net increase in cash	338,512
CASH AND CASH EQUIVALENTS	
Beginning of year	<u>2,346,384</u>
End of year	<u>\$ 2,684,896</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash payments for interest	<u>\$ 23,557</u>
Increase in equity in limited partnerships	<u>\$ 258,002</u>

See Independent Auditor's Report.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. Background and Nature of Activities

Northeast Iowa Community Action Corporation is a non-profit corporation organized under the laws of the State of Iowa. The Corporation was created under the Economic Opportunity Act of 1964. The Community Services Act of 1974 continued the Community Action Program under the Community Services Administration. The Community Services Administration has been disbanded, and since July 1982, the Corporation's administrative costs have been funded by allocation of indirect costs to programs specifically benefited. Primary funding sources consist of federal, state and local agencies.

The Corporation operates programs in seven northeast Iowa counties and is governed by a twenty-one member board of directors, seven members representing low-income people, seven representing the public sector and seven representing private organizations.

The purpose of the Corporation is to stimulate a better focusing of all available resources upon the goal of enabling low-income families and individuals to gain the skills, knowledge and motivation needed for them to become self-sufficient.

The basic programs operated during the year by the Corporation include:

Outreach Program

Workers assisting low-income people in assessing their needs and assisting them in applying for available services.

Educational Related Programs

Operates a comprehensive early childhood development program for economically disadvantaged preschool children and their families.

Energy Related Programs

Works with low-income persons to provide assistance with heating and cooling payments.

Weatherization Programs

Assists low-income persons in weatherizing their homes and decreasing energy consumption.

Regional Transit System Program

Provides public transportation services in five northeast Iowa counties.

Family Planning Program

Provides subsidized family planning to persons in need of family planning, with priority given to low-income individuals and others without access to such services for reasons beyond their control.

Housing Programs

Provides affordable housing to low-income people.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

a. Background and Nature of Activities (Continued)

Family Special Supplementary Food Program for Women, Infants and Children "WIC"

Assists eligible persons in meeting nutritional requirements of pregnant or nursing mothers and children under five years of age in five northeast Iowa counties.

Family Development and Self-Sufficiency

Provides training and assistance for parents receiving aid to dependent children to enable them to be self-sufficient.

Juvenile Justice

To help improve juvenile justice programming.

b. Financial Statement Presentation

The accounts of Northeast Iowa Community Action Corporation are organized on the basis of grants received and are maintained in separate funds. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenses.

The Corporation follows Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Corporation is required to report information regarding its financial position and activities according to three classes of net assets: permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. As required by this statement, the Corporation has prepared its external financial statements to present the three classes of net assets required. The Corporation has no permanently restricted net assets.

Permanently restricted net assets are those that may never be spent by the Organization, including gifts of endowment, as well as the earnings on those assets when permanently restricted by the donor.

Temporarily restricted net assets carry restrictions that expire upon the passage of a prescribed period or upon the occurrence of a stated event as specified by the donor. Included in this category are gifts held by the Corporation pending their use in accordance with donor stipulations.

Unrestricted net assets, as defined by the Financial Accounting Standards Board (FASB), are composed of all resources not included in the above categories. Included are expendable resources used to support the Corporation's core activities. Donor-restricted resources intended for capital projects are released and reclassified as unrestricted support when spent. All expenses are recorded as a reduction to unrestricted net assets.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

b. Financial Statement Presentation (Continued)

Unrestricted net assets (Continued)

However, in reality a substantial portion of these assets are not available for general organization purposes. Included in unrestricted net assets are significant resources subject to contractual agreements with external parties. In addition, a significant portion of these net assets as of January 31, 2005, is invested in the Organization's property and equipment. While FASB requires that all these resources be reported as unrestricted, the Corporation manages them in compliance with Board designations, legal requirements, and contractual obligations.

No separate property and equipment fund is presented, as its components are combined with the other funds. The financial statements are prepared on the accrual basis of accounting.

Federal and state grants are recorded as revenue when earned. The financial statements present any funds received and not expended as deferred revenue. Expenses are recorded when the liability is incurred. Disbursements for the purchase of fixed assets providing future benefits whose title remains with the funding source are recorded as expenses in the program at the time of purchase.

The Corporation follows Statement of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Contributions Made. In accordance with SFAS No. 116, contributions received are recorded as unrestricted or temporarily restricted depending on the existence and/or nature of any donor restrictions. Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

c. Investment in Affiliates

The financial statements include the investments of NEICAC in its affiliates, NEICAC Senior Housing Limited Partnership and Decorah Woolen Mill Limited Partnership (the Partnerships) under the equity method. The Corporation is the general partner in the Partnerships, owns a .01% interest, and the Corporation's Board of Directors serve as directors of both Partnerships. The Partnerships were formed to finance the construction and operation of housing complexes in Decorah utilizing low income housing credits. Both Partnerships have a fiscal year end of December 31. NEICAC Senior Housing Limited Partnership and Decorah Woolen Mill Limited Partnership were audited separately as of December 31, 2004 and received unqualified opinions dated February 4, 2005.

d. Empowerment

The Corporation is the fiscal agent for the HAWC Empowerment fund. The Corporation maintains the financial records for the Empowerment Board and receives compensation for the services provided based on the agreement with the Corporation and the Empowerment Board. The Corporation has no discretion over the use of the assets received, therefore, the Corporation reports the Empowerment fund as an agency fund in the Corporation's financial statements. Agency fund is included in the Corporation's Statement of Financial Position but is not included in the Statement of Activities.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

e. Pooled Cash and Cash Equivalents

The Corporation maintains one checking account for handling most of the program funds. Interest earned by this account is allocated to the various programs based upon the average balances on a quarterly basis. The Corporation includes certificates of deposit with cash equivalents since there is no penalty for early withdrawal.

f. Interfund Receivables/Payables

During the course of its operations, the Corporation has numerous transactions between funds. To the extent that certain transactions between funds had not been paid or received as of January 31, 2005, balances of interfund amounts receivable or payable have been recorded. In accordance with SFAS No. 117, interfund receivables and payables have been eliminated in the Statement of Financial Position.

g. Fixed Assets

Fixed asset purchases funded by grants have been expensed in the grant period. Fixed assets with a cost of \$1,840,212 are not included in the Statement of Financial Position since title remains with the funding sources. Equipment purchased with local funds are stated at cost. Depreciation is computed using the straight-line method over the estimated lives of the related assets, which range from 3-40 years. Depreciation expense totaled \$74,784 for the year ended January 31, 2005. Accumulated depreciation totaled \$657,878 as of January 31, 2005. Expenditures for maintenance repairs and minor replacements are charged to the current year, while major replacements and betterments costing over \$2,500 per item are capitalized. The cost of assets disposed of is deleted. Long-lived assets, such as property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying value of the asset exceeds its fair value. The Corporation has not encountered any events in which impairment of fixed assets has occurred.

h. Income Taxes

Northeast Iowa Community Action Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements. In addition, the Corporation has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for fiscal 2005.

i. Annual Leave and Vacation Leave

The Corporation employees accumulate sick leave and annual leave for subsequent use. These accumulations are not funded and are not recognized as expenses by the Corporation until used.

j. Annual Budget

Northeast Iowa Community Action Corporation does not prepare an agency wide annual budget. The Corporation does, however, prepare individual program budgets that contemplate revenues and expenditures over the life of each program.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

k. Concentrations of Credit Risk

Financial instruments that potentially subject the Corporation to significant concentrations of credit risk consist principally of accounts receivables and cash. Receivables are primarily from the U.S. Government, the State of Iowa and local governments in Iowa. These receivables are uncollateralized.

The Corporation's cash balances at two financial institutions fluctuate during the year and at various times exceed the Federal Deposit Insurance Corporation \$100,000 insurance limit. The Corporation's funds are considered public funds under state law and are thus secured by pledged investments of a multiple financial institution collateral pool.

l. Management Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Deposits

At year end the carrying amount of the Corporation's deposits was \$2,684,896 and the bank balances totaled \$2,993,115. Of the bank balances, \$233,827 was covered by federal depository insurance. The balance was covered by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. This Chapter provides for additional assessments against members of the pool to insure there will be no loss of public funds.

3. Contributed Services

Contributed services, which require special skills that would be purchased if not donated, or create or enhance a nonfinancial asset are recognized in the Statement of Activities. This amount equaled \$None for the year ended January 31, 2005. Other donated services are from parents and others which do not meet the requirements to be recognized in the financial statements.

4. Contributed Facilities

The Corporation occupies without charge certain premises located in government owned buildings. The estimated fair rental value of the premises is reported as contributions and contributed facilities in the accompanying financial statements. The amount of contributed facilities for the year ended January 31, 2005 is \$58,706.

5. Support from Governmental Units

The Corporation receives substantially all of its support from federal, state and local governments. The federal government is the source for 65% of the Corporation's revenue and support. A significant reduction in the level of this support, if this were to occur, would have a significant effect on the Corporation's programs and activities.

NOTES TO FINANCIAL STATEMENTS

6. Indirect Costs

Indirect costs are certain administrative expenditures incurred for a common or joint purpose benefiting more than one program and not readily assignable to the programs specifically benefited.

During fiscal 2005, the Corporation's indirect costs were allocated in accordance with its plan as submitted to its cognizant agency, the Department of Health and Human Services.

The indirect cost plan and rate was reviewed and approved by its cognizant agency for the year ending January 31, 2005. The Corporation's predetermined and approved rate for the year ended January 31, 2005 was 9.5%. For FY06, the indirect cost plan and rate will be determined based on salary and benefits.

7. Equity in Affiliates

The Corporation has minority interests (.01 percent) in both NEICAC Senior Housing and Decorah Woolen Mill, limited partnerships, formed to construct and operate housing facilities in Decorah, Iowa. The partnerships are accounted for under the equity method of accounting. Summary information on the partnerships as of December 31, 2004 follows:

	<u>NEICAC Senior Housing</u>	<u>Decorah Woolen Mill</u>
Assets	\$ 936,751	\$ 1,847,619
Less liabilities	<u>600,495</u>	<u>461,280</u>
Net assets	<u>\$ 336,256</u>	<u>\$ 1,386,339</u>
Operating revenues	<u>\$ 62,561</u>	<u>\$ 57,770</u>
Net loss	<u>\$ (16,651)</u>	<u>\$ (128,040)</u>
Corporation's interest		
Share of net loss	<u>\$ (1)</u>	<u>\$ (13)</u>
Equity in net assets	<u>\$ 35</u>	<u>\$ 515,448</u>

8. Property and Equipment

A summary of property and equipment, categorized by acquiring program/source, is as follows:

<u>Acquiring Program/Source</u>	<u>Land</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Contributions				\$ 187,335	\$ 187,335
Head Start Local		\$ 455,194			455,194
Transit			\$300,997	20,798	321,795
6-Plex Maintenance					
Phase I	\$ 9,975	477,568		11,983	499,526
Phase II	<u>9,975</u>	<u>501,715</u>		<u>17,353</u>	<u>529,043</u>
	19,950	1,434,477	300,997	237,469	1,992,893
Less accumulated depreciation	<u>None</u>	<u>242,373</u>	<u>207,119</u>	<u>208,386</u>	<u>657,878</u>
	<u>\$19,950</u>	<u>\$1,192,104</u>	<u>\$ 93,878</u>	<u>\$ 29,083</u>	<u>\$1,335,015</u>

NOTES TO FINANCIAL STATEMENTS

8. Property and Equipment (Continued)

The components of Northeast Iowa Community Action Corporation's accumulated depreciation at January 31, 2005 is as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Balance, beginning of year	\$ 205,624	\$198,489	\$ 203,143	\$ 607,256
Current year depreciation	36,749	14,432	23,603	74,784
Current year deletions	_____	(5,802)	(18,360)	(24,162)
Balance, end of year	<u>\$ 242,373</u>	<u>\$207,119</u>	<u>\$ 208,386</u>	<u>\$ 657,878</u>

9. Long-term Debt

Details of long-term debt as of January 31, 2005 are as follows:

	<u>Balance Due</u>	
	<u>Total</u>	<u>Current</u>
Calmar 6-Plex I Program		
Bank of the West, Decorah		
5.5% interest bearing note payable, due \$498 per month including interest through October 2008, with a balloon payment then due, collateralized by real estate.	\$ 42,312	\$ 4,269
Iowa Finance Authority		
1.0% interest bearing note payable, due \$1,082 annually through May 2011, collateralized by real estate.	7,150	1,010
Calmar 6-Plex II Program		
Bank of the West, Decorah		
5.50% interest bearing note payable, due \$1,003 per month including interest through January 2008, with a balloon payment then due, collateralized by real estate.	137,480	6,348
Iowa Finance Authority		
1.0% interest bearing note payable, due \$1,309 annually through May 2011, collateralized by real estate.	11,121	1,198
Waukon Head Start Building		
United States Department of Agriculture		
4.75% interest bearing note payable, due \$1,615 monthly beginning December 2003 through November 2042, collateralized by real estate.	324,789	3,658
	<u>\$ 522,852</u>	<u>\$ 16,483</u>

NOTES TO FINANCIAL STATEMENTS

9. Long-term Debt (Continued)

Maturities of long-term debt during the years following January 31, 2005 are as follows:

Long-term debt maturities	
2006	\$ 16,483
2007	17,138
2008	135,431
2009	35,441
2010	6,720
2011-2015	32,555
2016-2020	32,381
2021-2025	41,042
2026-2030	52,021
2031-2035	65,935
2036-2040	83,571
2041-2043	4,134
	<u>\$ 522,852</u>

Interest expense totaled \$23,557 for the year ending January 31, 2005. No interest cost was capitalized for the year ended January 31, 2005.

10. Pension and Retirement Benefits

The Corporation contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits, which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 3.70% of their annual covered salary and the Corporation is required to contribute 5.75% of annual covered payroll. Contribution requirements are established by State statute. The Corporation's contribution to IPERS for the years ended January 31, 2005, 2004, and 2003 were \$182,845, \$175,854, and \$171,155, respectively, equal to the required contributions for each year.

11. Leases

The Corporation leases office space from Winneshiek County for \$4,213 per month on a month to month basis. The Corporation is required to provide insurance and upkeep on the building.

The WIC Program leased a 2005 Dodge Grand Caravan for \$408 a month for 36 months. The Corporation provides insurance and maintenance on the vehicle. The lease expires August 2007.

The Weatherization Assistance Program leases storage space in West Union, Iowa at an annual cost of \$540. This lease expires July 2005. Northeast Iowa Community Action Corporation provides insurance on stored materials.

NOTES TO FINANCIAL STATEMENTS

11. Leases (Continued)

The Corporation leases Outreach office space from Fayette County for \$240 per month on a month to month basis.

The Bremer County Family Service office leases office space in Waverly, Iowa for \$450 per month. The lease expires August 2009.

The Head Start program leased a storage unit in Decorah, Iowa for \$40 per month. The lease expired October 2004.

The Transit Program leases garage space from Kenneth Schatz for \$450 per month. The lease expires June 2006.

The Corporation leases office space from Upper Explorerland Regional Planning Commission for \$30 per month. The lease expires on June 30, 2006.

The Head Start Program leases classroom space under various agreements as follows:

<u>Center</u>	<u>Period of Lease</u>	<u>Monthly Rent</u>
Monona HS	July 1, 2004 to June 30, 2005	\$ 750
Postville CD	April 1, 2004 to March 31, 2005	450

Head Start Program has space donated for several classrooms but the Corporation must pay a monthly amount to cover utilities. Each center must provide equipment required to operate and provide insurance for the equipment and employees. The following is a summary of the Head Start and child development leases:

<u>Center</u>	<u>Period of Lease</u>	<u>Monthly Utility Payment</u>
Howard-Winn. CSD HS	July 1, 2004 to June 30, 2005	\$ 225
Riceville HS	July 1, 2004 to June 30, 2005	150
Starmont HS	July 1, 2004 to June 30, 2005	350
First United Church CD	July 1, 2004 to June 30, 2005	300
Rainbow Land Preschool	Sept. 1, 2004 to August 31, 2005	500
Guttenberg HS	July 1, 2004 to June 30, 2005	300
St Benedict Church	June 1, 2004 to May 31, 2005	400

The future minimum lease payments required under the operating leases that have initial or remaining non-cancelable lease terms are \$28,587 as of January 31, 2005.

The Corporation acts as a lessor, and leases four transit vans and two transit buses to other nonprofit agencies. These leases are annual leases. The lease payments are \$630 per year. These leases are for one year periods with no future lease commitments at January 31, 2005.

NOTES TO FINANCIAL STATEMENTS

12. Contingent Liabilities

The Corporation participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants were subjected to local audit but still remain open to audit by the appropriate grantor government. If expenditures are disallowed by the grantor government due to noncompliance with grant program regulations, the Corporation may be required to reimburse the grantor government. As of January 31, 2005 significant amounts of grant expenditures have not been audited by granting authorities but the Corporation believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the Corporation.

The Corporation received a \$162,266 forgivable loan from the Iowa Department of Economic Development during fiscal year January 31, 1998. The loan was financed through the U.S. Department of Housing and Urban Development. The proceeds were classified as grant income since the loan will only be repaid if the mortgaged property is sold by the Corporation within the 20 year term of the loan or if the Corporation defaults on a \$32,400 loan from the Iowa Department of Economic Development.

The Corporation is the general partner in NEICAC Senior Housing Limited Partnership (the Partnership). The Partnership constructed a 16 unit senior housing complex in Decorah, Iowa at a total cost of \$980,520. The funds for the project were provided by loans from the Iowa Department of Economic Development of \$383,779 and the Iowa Finance Authority of \$21,658. Also, the construction was financed by the sale of \$466,000 of low income housing tax credits and thus will require compliance with various IRS regulations over a number of years. The Corporation loaned the project approximately \$4,654 for start up costs and operations and deferred its development fee of \$96,000.

The Corporation is the general partner in Decorah Woolen Mill Limited Partnership (the Partnership). The Partnership constructed a 15 unit housing complex in Decorah, Iowa at a total cost of \$1,740,245. The funds for the project were provided by loans from the Iowa Department of Economic Development of \$330,000. Also, the construction was financed by the sale of \$294,925 of federal historic rehabilitation tax credits and thus will require compliance with various IRS regulations over a number of years.

The Partnership agreements include requirements of the Corporation to maintain insurance, retain reserves for replacements and operating deficits, furnish information to limited partners and limits payments to the Corporation. The Corporation has materially complied with the partnership agreements during the year ended January 31, 2005.

NOTES TO FINANCIAL STATEMENTS

13. Fair Value of Financial Instruments

The estimated fair value of the Corporation's financial instruments as of January 31, 2005 are as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash and cash equivalents	\$2,684,896	\$2,684,896
Notes payable	522,852	526,954

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents-the carrying amount approximates fair value because of the short maturities of those investments.

Notes payable-the fair values were determined based on current rates offered the Corporation for debt of similar maturities.

14. Agency Risk Management

Northeast Iowa Community Action Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Corporation assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

15. Commitment

The Corporation has entered into an agreement to purchase four vans for the amount of \$18,000 each or total of \$72,000 for the Head Start and Early Childhood programs. These commitments are treated as expenditures under federal cost principles since the claim was paid within 90 days of the end of the program period. However, for generally accepted accounting principles, since the assets were not available for use by January 31, 2005, the liability is not recorded.

INDEPENDENT AUDITOR'S REPORT
ON THE SUPPLEMENTARY INFORMATION

To the Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

Our report on our audit of the financial statements of Northeast Iowa Community Action Corporation as of and for the year ended January 31, 2005 appears on page 1. The audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information as of and for the year ended January 31, 2005 presented on Schedules 1 through 38 is for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied to in the audit of the financial statements, and, in our opinion, except for the effects on Schedules 3-38 of preparing this information using guidelines established by the former AICPA audit guide "Audits of Voluntary Health and Welfare Organizations (AVHWO)", as explained below, such information is fairly stated in all material respects in relation to the financial statements taken as a whole.

U.S. generally accepted accounting principles (GAAP) require nonprofit organizations to follow SFAS No. 116 and 117 in preparing financial statements. The information in Schedules 3-38 has been presented under AVHWO guidelines, which the Corporation uses for internal reporting and reporting to funding sources, and is not current GAAP. This information, shown on a fund basis, does not report changes in net assets, includes all contributed services in inkind revenues and expenditures, includes capitalized equipment and contributed materials and services as expenditures and includes management and general expenses in fund expenditures.

We have also previously audited, in accordance with U.S. generally accepted auditing standards, the statement of financial position as of January 31, 2004, and the related statements of activities, functional expenses and cash flows for the year then ended (none of which is presented herein), and we expressed an unqualified opinion on those financial statements. We expressed a qualified opinion on the supplementary information for the year ended January 31, 2004 because the information was presented under the superseded AVHWO guidelines. In our opinion, except for the effects of preparing this information using guidelines established by the AVHWO as explained above, the supplementary information presented on Schedules 12 to 38 which relates to the year ended January 31, 2004, is fairly stated in all material respects in relation to the financial statements from which it has been derived.

Hacker, Nelson & Co., P.C.

Decorah, Iowa
April 27, 2005

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

 COMBINING STATEMENT OF FINANCIAL POSITION
 BY FUNDING SOURCE
 January 31, 2005

	U.S. Department of Health and Human Services	Department of Homeland Security	State Department of Human Rights	State Department of Health	State Department of Economic Development	U.S. Department of Agriculture	Other Sources	Total
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	\$ 700,060	\$ -	\$ 226,192	\$ 14,956	\$ -	\$ 7,169	\$ 48,684	\$ 997,061
Receivables								
Funding source	174,984	-	73,732	24,286	1,896	53,020	60,943	388,861
Other	-	111	129,906	14,488	-	-	-	144,505
Due from other funds	13,222	-	173,946	68	-	-	2,074	189,310
Total assets	<u>\$ 888,266</u>	<u>\$ 111</u>	<u>\$ 603,776</u>	<u>\$ 53,798</u>	<u>\$ 1,896</u>	<u>\$ 60,189</u>	<u>\$ 111,701</u>	<u>\$1,719,737</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts payable								
General	\$ 66,977	\$ 84	\$ 63,567	\$ 2,468	\$ -	\$ 44,877	\$ 1,261	\$ 179,234
Due to other funds	72,674	27	329,528	4,224	1,896	11,638	11,404	431,391
Due to funding source	-	-	-	-	-	-	-	-
Deferred revenue	748,615	-	210,681	-	-	3,674	96,886	1,059,856
Total liabilities	<u>888,266</u>	<u>111</u>	<u>603,776</u>	<u>6,692</u>	<u>1,896</u>	<u>60,189</u>	<u>109,551</u>	<u>1,670,481</u>
NET ASSETS								
Unrestricted	<u>None</u>	<u>None</u>	<u>None</u>	<u>47,106</u>	<u>None</u>	<u>None</u>	<u>2,150</u>	<u>49,256</u>
Total liabilities and net assets	<u>\$ 888,266</u>	<u>\$ 111</u>	<u>\$ 603,776</u>	<u>\$ 53,798</u>	<u>\$ 1,896</u>	<u>\$ 60,189</u>	<u>\$ 111,701</u>	<u>\$1,719,737</u>

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF FINANCIAL POSITION
LOCAL FUNDS
January 31, 2005

ASSETS	Transit 2005	Local Weatherization 2005	Head Start Local	6-Plex Maintenance	Weatherization Utilities	Contributions
CURRENT ASSETS						
Cash	\$ 482,311	\$ -	\$ 61,217	\$ 15,411		\$ 1,128,896
Receivables						
Funding source	-				\$ 30,440	
Other	104,402		4,896			1,649
Due from other funds	6,529	15,334	-	2,391	1,947	341,303
Due from affiliate						159,964
	<u>593,242</u>	<u>15,334</u>	<u>66,113</u>	<u>17,802</u>	<u>32,387</u>	<u>1,631,812</u>
PROPERTY AND EQUIPMENT, NET	<u>113,409</u>	<u>None</u>	<u>407,778</u>	<u>807,111</u>	<u>None</u>	<u>6,717</u>
INVESTMENT IN AFFILIATES	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>515,483</u>
Total assets	<u>\$ 706,651</u>	<u>\$ 15,334</u>	<u>\$ 473,891</u>	<u>\$ 824,913</u>	<u>\$ 32,387</u>	<u>\$ 2,154,012</u>
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts payable						
General	\$ 26,453	\$ 14	\$ -	\$ 18,954		\$ 137,717
Due to other funds	13,109	15,320	5,873	11,591	\$ 32,387	42,931
Due to affiliates						-
Current portion of long-term debt			3,658	12,825		
Deferred revenue						87,946
Total current liabilities	<u>39,562</u>	<u>15,334</u>	<u>9,531</u>	<u>43,370</u>	<u>32,387</u>	<u>268,594</u>
LONG-TERM DEBT						
Notes payable, less current portion			<u>321,131</u>	<u>185,238</u>		
NET ASSETS						
Unrestricted						
Designated for fixed assets	113,409		82,989	596,305		6,717
Undesignated	553,680	-	60,240			1,878,701
Total net assets	<u>667,089</u>	<u>-</u>	<u>143,229</u>	<u>596,305</u>	<u>None</u>	<u>1,885,418</u>
Total liabilities and net assets	<u>\$ 706,651</u>	<u>\$ 15,334</u>	<u>\$ 473,891</u>	<u>\$ 824,913</u>	<u>\$ 32,387</u>	<u>\$ 2,154,012</u>

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF FINANCIAL POSITION
LOCAL FUNDS
January 31, 2005

ASSETS	Low-Rent Housing	Total
CURRENT ASSETS		
Cash	\$ -	\$ 1,687,835
Receivables		
Funding source	4,212	34,652
Other		110,947
Due from other funds		367,504
Due from affiliate		159,964
	4,212	2,360,902
PROPERTY AND EQUIPMENT, NET	None	1,335,015
INVESTMENT IN AFFILIATES	None	515,483
Total assets	\$ 4,212	\$ 4,211,400
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable		
General		\$ 183,138
Due to other funds	\$ 4,212	125,423
Due to affiliates		-
Current portion of long-term debt		16,483
Deferred revenue		87,946
Total current liabilities	4,212	412,990
LONG-TERM DEBT		
Notes payable, less current portion		506,369
NET ASSETS		
Unrestricted		
Designated for fixed assets		799,420
Undesignated		2,492,621
Total net assets	None	3,292,041
Total liabilities and net assets	\$ 4,212	\$ 4,211,400

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BY FUNDING SOURCE
Year Ended January 31, 2005

	U.S. Department of Health and Human Services	Department of Homeland Security	State Department of Human Rights	State Department of Health	State Department of Economic Development	U.S. Department of Agriculture	Other Sources	Total
REVENUES								
Federal grants	\$ 2,720,916	\$ 17,201	\$ 2,679,840	\$ 271,328	\$ 11,393	\$ 623,730	\$ 92,272	\$ 6,416,680
State grants					-		373,917	373,917
Local	-	1,469		125,880	-	13,652	20,226	161,227
Inkind	553,992					-		553,992
Total revenues	3,274,908	18,670	2,679,840	397,208	11,393	637,382	486,415	7,505,816
EXPENDITURES								
Direct								
Employee salaries	1,494,634		515,913	196,554	-	61,550	295,684	2,564,335
Employee fringe benefits	480,980		185,602	61,683	-	18,767	101,701	848,733
Contractual	23,854		87,365	54,206		24,873	629	190,927
Travel	19,263		18,110	16,244		4,538	13,635	71,790
Space costs	130,333		19,328	12,932		1,834	8,405	172,832
Consumable supplies	129,037		12,786	16,598		5,700	2,718	166,839
Equipment	54,555		4,483				1,500	60,538
Direct assistance		16,864	1,563,614		11,393		12,202	1,604,073
Augmentation			(182,877)				12,492	(170,385)
Other	158,535		382,654	8,489		505,266	-	1,054,944
Inkind	553,992						-	553,992
Total direct	3,045,183	16,864	2,606,978	366,706	11,393	622,528	448,966	7,118,618
Indirect	260,022	1,806	72,679	34,858	None	14,854	41,561	425,780
Total expenditures	3,305,205	18,670	2,679,657	401,564	11,393	637,382	490,527	7,544,398
Excess revenues over (under) expenditures	(30,297)	None	183	(4,356)	None	-	(4,112)	(38,582)
FUND BALANCE, beginning of year	None	None	None	37,800	None	None	6,262	44,062
TRANSFERS, NET	30,297		(183)	13,662		None	None	43,776
FUND BALANCE, end of year	\$ None	\$ None	\$ None	\$ 47,106	\$ None	\$ None	\$ 2,150	\$ 49,256

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

LOCAL FUNDS

Year Ended January 31, 2005

	Transit		Local Weatherization		Head Start	6-Flex Maintenance		
	2004	2005	2004	2005	Local	2004	2005	
REVENUES								
Federal grants	\$ 47,412	\$ 283,618						
State grants	90,811	214,907						
Local revenue	261,475	409,150	\$ 4,631	\$ 3,093	\$ 63,241	\$ 35,206	\$ 23,240	
Equity in limited partnerships earnings								
Equity in limited partnership sale of state credits								
Interest			(5)	(25)				
Inkind								
Total revenue	399,698	907,675	4,626	3,068	63,241	35,206	23,240	
EXPENDITURES								
Direct								
Employee salaries	190,218	291,117				4,938	2,770	
Enrollee salaries								
Employee fringe benefits	48,676	72,881				1,403	705	
Enrollee fringe benefits								
Contractual	12,911	17,856				158	384	
Travel	3,150	4,396						
Space costs	5,509	6,816				15,822	15,110	
Consumable supplies	8,579	13,824			996			
Equipment	7,050	148,035			15,526			
Direct assistance								
Inkind								
Depreciation	9,458	6,849			11,379	15,671	11,194	
Augmentation								
Other	105,694	164,573				3,242	9,310	
Total direct	391,245	726,347	-	-	27,901	41,234	39,473	
Indirect	33,922	53,543	3,659			2,428	2,570	
Total expenses	425,167	779,890	3,659	-	27,901	43,662	42,043	
Excess revenues over (under) expenditures	(25,469)	127,785	967	3,068	35,340	(8,456)	(18,803)	
FUND BALANCE, beginning of year	451,364	None	None	None	138,186	621,960	None	
TRANSFERS, NET REPROGRAMMED FUNDS	(425,895)	425,895	183 (1,150)	(4,218) 1,150	(30,297) None	1,604 (615,108)	615,108	
FUND BALANCE, end of year	\$ None	\$ 553,680	\$ None	\$ -	\$ 143,229	\$ None	\$ 596,305	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
LOCAL FUNDS
Year Ended January 31, 2005

	Weatherization Utilities		Contributions	Americorp	Low-Rent Housing		Total
	2004	2005		#02-AF-10	2004	2005	
REVENUES							
Federal grants				\$ (5,055)			\$ 325,975
State grants					\$ 29,940	\$ 3,895	339,553
Local revenue	\$ 160,866	\$ 24,079	\$ 845,347				1,830,328
Equity in limited partnerships earnings			(14)				(14)
Equity in limited partnership sale of state credits			258,002				258,002
Interest			29,608				29,578
Inkind				11,495			11,495
Total revenue	160,866	24,079	1,132,943	6,440	29,940	3,895	2,794,917
EXPENDITURES							
Direct							
Employee salaries			294,975		19,564	2,641	806,223
Enrollee salaries				(7,964)			(7,964)
Employee fringe benefits			81,466		7,779	916	213,826
Enrollee fringe benefits				344			344
Contractual			60,479				91,788
Travel			41,851				49,397
Space costs			11,807				55,064
Consumable supplies			38,396	1			61,796
Equipment			3,710				174,321
Direct assistance			49,898				49,898
Inkind				11,495			11,495
Depreciation			20,233				74,784
Augmentation	150,939	22,932					173,871
Other			133,504				416,323
Total direct	150,939	22,932	736,319	3,876	27,343	3,557	2,171,166
Indirect	14,339	2,179	8,659	2,564	2,597	338	126,798
Total expenses	165,278	25,111	744,978	6,440	29,940	3,895	2,297,964
Excess revenues over (under) expenditures	(4,412)	(1,032)	387,965	None	None	None	496,953
FUND BALANCE, beginning of year	None	None	1,507,228	None	None	None	2,718,738
TRANSFERS, NET REPROGRAMMED FUNDS	4,412	1,032	(16,492)	None	None	None	(43,776)
FUND BALANCE, end of year	\$ None	\$ None	\$ 1,878,701	\$ None	\$ None	\$ None	\$ 3,171,915

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
STATE DEPARTMENT OF HEALTH AND HUMAN SERVICES
Year Ended January 31, 2005

	Head Start #07CH6090/38		Combined Wrap-Arounds		Elkader Wrap-Around	Early Childhood #07CH6090/38		Total
	Direct	T & TA	2004	2005	2005	Direct	T & TA	
REVENUES								
Federal grants	\$ 1,590,966	\$ 27,722	\$ 324,749	\$ 119,046	\$ 8,672	\$ 638,528	\$ 11,233	\$ 2,720,916
Local revenue	-	-	-	-	-	-	-	-
Inkind	396,290	-	-	-	-	157,702	-	553,992
Total revenue	1,987,256	27,722	324,749	119,046	8,672	796,230	11,233	3,274,908
EXPENSES								
Direct								
Employee salaries	853,705	-	176,513	65,073	3,911	395,432	-	1,494,634
Employee fringe benefits	290,593	-	60,179	19,522	771	109,915	-	480,980
Contractual	23,767	-	-	-	-	87	-	23,854
Travel	3,259	-	1,729	410	-	13,865	-	19,263
Space costs	102,480	-	12,150	3,733	164	11,806	-	130,333
Consumable supplies	55,189	-	36,768	17,436	2,369	17,275	-	129,037
Equipment	54,555	-	-	-	-	-	-	54,555
Other	75,318	27,722	10,107	2,543	704	30,908	11,233	158,535
Inkind	396,290	-	-	-	-	157,702	-	553,992
Total direct	1,855,156	27,722	297,446	108,717	7,919	736,990	11,233	3,045,183
Indirect	149,482	None	27,303	10,329	753	72,155	-	260,022
Total expenses	2,004,638	27,722	324,749	119,046	8,672	809,145	11,233	3,305,205
Excess revenues over (under) expenses	(17,382)	None	None	None	None	(12,915)	None	(30,297)
FUND BALANCE, beginning of year	None	None	None	None	None	None	None	None
TRANSFERS, NET	17,382	-	-	-	-	12,915	-	30,297
FUND BALANCE, end of year	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 DEPARTMENT OF HOMELAND SECURITY
 Year Ended January 31, 2005

	Family Support Center 2004
REVENUES	
Federal grants	\$ 17,201
Local revenue	1,469
Total revenue	18,670
EXPENSES	
Direct	
Direct assistance	16,864
Indirect	1,806
Total expenses	18,670
Excess revenues over (under) expenses	None
FUND BALANCE, beginning of year	None
FUND BALANCE, end of year	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
STATE DEPARTMENT OF HUMAN RIGHTS
Year Ended January 31, 2005

	Weatherization Assistance for Low Income Persons		Low Income Heat Energy Assistance		HEAP Weatherization Assistance for Low Income Persons	
	DOE 03-09I	DOE 04-09I	04-09-I	05-09-I	HEAP 03-09I	HEAP 04-09I
REVENUES						
Federal grants	\$ 4,413	\$ 189,830	\$ 787,444	\$ 943,806	\$ 137,600	\$ 256,321
EXPENDITURES						
Direct						
Employee salaries	-	-	32,426	68,643	-	-
Employee fringe benefits	-	-	13,368	20,704	-	-
Contractual	-	-	-	-	-	-
Travel	-	-	792	1,229	-	-
Space costs	-	-	2,039	1,019	-	-
Consumable supplies	-	-	2,763	4,413	-	-
Equipment	-	-	3,910	-	-	-
Direct assistance	-	-	725,032	838,582	-	-
Augmentation	4,030	180,006	-	-	130,210	242,855
Other	-	-	2,067	16	-	-
Total direct	4,030	180,006	782,397	934,606	130,210	242,855
Indirect	383	9,641	5,047	9,200	7,390	13,466
Total expenditures	4,413	189,647	787,444	943,806	137,600	256,321
Excess revenues over (under) expenditures	None	183	None	None	None	None
FUND BALANCE, beginning of year	None	None	None	None	None	None
Less: funds returned or to be returned to funding source	None	None	None	None	None	None
TRANSFERS, NET	None	(183)	None	None	None	None
FUND BALANCE, end of year	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
STATE DEPARTMENT OF HUMAN RIGHTS
Year Ended January 31, 2005

	Community		Juvenile Justice		WAP Main		Total
	Services	Block Grant	2004	2005	2004	2005	
	CSBG-04-09-CI	CSBG-05-09-CI					
REVENUES							
Federal grants	\$ 247,196	\$ 48,729	\$ 49,173	\$ 15,328	\$ -	\$ -	\$ 2,679,840
EXPENDITURES							
Direct							
Employee salaries	147,849	26,753	27,599	9,000	29,637	174,006	515,913
Employee fringe benefits	44,825	8,807	5,520	4,361	13,056	74,961	185,602
Contractual	-	-	-	-	21,295	66,070	87,365
Travel	4,662	2,444	-	-	1,796	7,187	18,110
Space costs	10,918	2,187	-	-	791	2,374	19,328
Consumable supplies	2,685	814	-	242	395	1,474	12,786
Equipment	-	-	-	-	-	573	4,483
Direct assistance	-	-	-	-	-	-	1,563,614
Augmentation	-	-	-	-	(112,964)	(627,014)	(182,877)
Other	14,811	3,496	14,622	1,279	45,994	300,369	382,654
Total direct	225,750	44,501	47,741	14,882	None	None	2,606,978
Indirect	21,446	4,228	1,432	446	None	None	72,679
Total expenditures	247,196	48,729	49,173	15,328	None	None	2,679,657
Excess revenues over (under) expenditures	None	None	-	None	None	None	183
FUND BALANCE, beginning of year	None	None	None	None	None	None	None
Less: funds returned or to be returned to funding source	None	None	None	None	None	None	None
TRANSFERS, NET	None	None	None	None	None	None	(183)
FUND BALANCE, end of year	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
STATE DEPARTMENT OF HEALTH
Year Ended January 31, 2005

	Special Supplemental Food Program for Women, Infants and Children		Family Planning Project		Total
	#5884AO42	#5885AO42	#5884AO42	#5885AO42	
REVENUES					
Federal grants	\$ 139,481	\$ 70,464	\$ 30,722	\$ 30,661	\$ 271,328
Local	(134)	372	72,916	52,726	125,880
Total revenues	139,347	70,836	103,638	83,387	397,208
EXPENSES					
Direct					
Employee salaries	73,447	40,278	57,419	25,410	196,554
Employee fringe benefits	24,926	14,483	15,139	7,135	61,683
Contractual	9,696	1,046	28,961	14,503	54,206
Travel	8,828	2,860	3,985	571	16,244
Space costs	4,804	2,397	3,821	1,910	12,932
Consumable supplies	3,240	3,235	4,380	5,743	16,598
Other	1,536	1,241	5,181	531	8,489
Total direct	126,477	65,540	118,886	55,803	366,706
Indirect	12,052	6,226	11,278	5,302	34,858
Total expenses	138,529	71,766	130,164	61,105	401,564
Excess revenues over (under) expenditures	818	(930)	(26,526)	22,282	(4,356)
FUND BALANCE, beginning of year	26,487		11,313		37,800
REPROGRAMMED FUNDS	(25,754)	25,754	None	None	None
TRANSFERS, NET	(1,551)		15,213		13,662
FUND BALANCE, end of year	\$ None	\$ 24,824	\$ None	\$ 22,282	\$ 47,106

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 STATE DEPARTMENT OF ECONOMIC DEVELOPMENT
 Year Ended January 31, 2005

	Homeless Shelter		Total
	#03-II-96002	#05-II-96002	
REVENUES			
Federal grants	\$ 1,393	\$ 10,000	\$ 11,393
EXPENDITURES			
Direct			
Employee salaries	-	-	-
Employee fringe benefits	-	-	-
Direct assistance	1,393	10,000	11,393
Total direct	1,393	10,000	11,393
Indirect	None	None	None
Total expenditures	1,393	10,000	11,393
Excess revenues over (under) expenditures	None	None	None
FUND BALANCE, beginning of year	None	None	None
FUND BALANCE, end of year	\$ None	\$ None	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
U.S. DEPARTMENT OF AGRICULTURE
Year Ended January 31, 2005

	USDA		Family Day Care		Housing	Total
	#96-8010	#96-8010	#96-8013	#96-8013	Preservation	
REVENUES						
Federal grants	\$ 113,917	\$ 64,439	\$ 296,689	\$ 131,876	\$ 16,809	\$ 623,730
Local			-	-	13,652	13,652
Total revenues	113,917	64,439	296,689	131,876	30,461	637,382
EXPENDITURES						
Direct						
Employee salaries	11,935	1,843	30,168	17,604	-	61,550
Employee fringe benefits	3,764	665	8,749	5,589	-	18,767
Contractual	-	-	-	-	24,873	24,873
Travel	404	191	3,137	806	-	4,538
Space costs			1,141	693	-	1,834
Consumable supplies	660	1,276	2,824	940	-	5,700
Other	95,905	59,822	245,847	103,692	-	505,266
Total direct	112,668	63,797	291,866	129,324	24,873	622,528
Indirect	1,249	642	4,823	2,552	5,588	14,854
Total expenditures	113,917	64,439	296,689	131,876	30,461	637,382
Excess revenues over (under) expenditures	None	None	None	None	None	None
FUND BALANCE, beginning of year	None	None	None	None	None	None
TRANSFERS, net	None	None	None	None	None	None
FUND BALANCE, end of year	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

OTHER SOURCES

Year Ended January 31, 2005

	Child Development					
	Combined		Oelwein		FADSS	
	2003	2004	2004	2005	04-25-F4	05-25-F4
REVENUES						
Federal grants					\$ 30,701	\$ 61,571
State grants	\$ 61,744	\$ 102,903	\$ 27,904	\$ 34,376	73,912	54,601
Local revenue				-	(5,729)	20,147
Total revenue	61,744	102,903	27,904	34,376	98,884	136,319
EXPENSES						
Direct						
Employee salaries	39,362	66,049	18,658	23,932	54,832	81,466
Employee fringe benefits	13,695	23,917	5,742	7,423	20,140	27,118
Contractual	69	560	-	-	-	-
Travel	50	172	50	-	5,736	7,627
Space costs	3,723	-	-	-	1,905	2,367
Consumable supplies	-	320	1,033	-	1,322	-
Equipment	-	-	-	-	-	-
Direct assistance	-	-	-	-	1,222	1,060
Other	(511)	2,957	-	39	5,061	4,946
Total direct	56,388	93,975	25,483	31,394	90,218	124,584
Indirect	5,356	8,928	2,421	2,982	8,666	11,735
Total expenses	61,744	102,903	27,904	34,376	98,884	136,319
Excess of revenues over (under) expenditures	None	None	None	None	None	None
FUND BALANCE, beginning of year	None	None	None	None	None	None
REPROGRAMMED FUNDS	None	None	None	None	None	None
TRANSFERS, NET	None	None	None	None	None	None
FUND BALANCE, end of year	\$ None	\$ None	\$ None	\$ None	\$ None	\$ None

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
OTHER SOURCES
Year Ended January 31, 2005

	Utilities		Housing Capacity		Total
	2004	2005	2004	2005	
REVENUES					
Federal grants					\$ 92,272
State grants			\$ 18,477	\$ -	373,917
Local revenue	\$ 4,120	\$ 1,688	-	-	20,226
Total revenue	4,120	1,688	18,477	-	486,415
EXPENSES					
Direct					
Employee salaries	-	-	11,385	-	295,684
Employee fringe benefits	-	-	3,666	-	101,701
Contractual	-	-	-	-	629
Travel	-	-	-	-	13,635
Space costs	-	-	410	-	8,405
Consumable supplies	-	-	43	-	2,718
Equipment	-	-	-	1,500	1,500
Direct assistance	9,272	648	-	-	12,202
Other	-	-	-	-	12,492
Total direct	9,272	648	15,504	1,500	448,966
Indirect	-	-	1,473	-	41,561
Total expenses	9,272	648	16,977	1,500	490,527
Excess of revenues over (under) expenditures	(5,152)	1,040	1,500	(1,500)	(4,112)
FUND BALANCE, beginning of year	6,262	None	None	None	6,262
REPROGRAMMED FUNDS	None	None	(1,500)	1,500	None
TRANSFERS, NET	(1,110)	1,110	None	None	None
FUND BALANCE, end of year	\$ None	\$ 2,150	\$ None	\$ None	\$ 2,150

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 12

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

DEPARTMENT OF HOMELAND SECURITY

FY 2004 FAMILY SUPPORT CENTER

January 31, 2005

	Budget	Actual	Over (Under) Budget
ALLAMAKEE			
REVENUES			
Federal	\$ 3,932	\$ 3,932	\$ None
EXPENDITURES			
Rent	\$ 3,238	3,238	None
Utilities	615	615	None
Administration	79	77	(2)
Total expenditures	\$ 3,932	3,930	(2)
Excess revenues over (under) expenditures		2	\$ 2
FUND BALANCE, beginning of contract		None	
Less: Funds returned or to be returned to funding source		(2)	
FUND BALANCE, end of contract		\$ None	
FAYETTE			
REVENUES			
Federal	\$ 7,180	\$ 7,180	\$ None
EXPENDITURES			
Rent	\$ 2,896	3,257	361
Utilities	2,523	2,095	(428)
Food	1,617	1,617	None
Administration	144	140	(4)
Total expenditures	\$ 7,180	7,109	(71)
Excess revenues over (under) expenditures		71	\$ 71
FUND BALANCE, beginning of contract		None	
Less: Funds returned or to be returned to funding source		(71)	
FUND BALANCE, end of contract		\$ None	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 12

(Continued)

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

DEPARTMENT OF HOMELAND SECURITY

FY 2004 FAMILY SUPPORT CENTER

January 31, 2005

	Budget	Actual	Over (Under) Budget
BREMER			
REVENUES			
Federal	\$ 2,213	\$ 2,213	\$ None
EXPENDITURES			
Rent	\$ 1,106	1,606	500
Utilities	1,107	607	(500)
Total expenditures	\$ 2,213	2,213	None
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
FUND BALANCE, end of contract		\$ <u>None</u>	
HOWARD			
REVENUES			
Federal	\$ 1,510	\$ 1,510	\$ None
EXPENDITURES			
Rent	\$ 740	737	(3)
Utilities	740	743	3
Administration	30	30	None
Total expenditures	\$ 1,510	1,510	None
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
Less: Funds returned or to be returned to funding source		None	
FUND BALANCE, end of contract		\$ <u>None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 12
(Continued)

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
DEPARTMENT OF HOMELAND SECURITY
FY 2004 FAMILY SUPPORT CENTER
January 31, 2005

	Budget	Actual	Over (Under) Budget
RICEVILLE			
REVENUES			
Federal	\$ 500	\$ 500	\$ None
EXPENDITURES			
Food	\$ 490	490	None
Administration	10	10	None
Total expenditures	<u>\$ 500</u>	<u>500</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
Less: Funds returned or to be returned to funding source		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	
WINNESHIEK			
REVENUES			
Federal	\$ 4,079	\$ 4,079	\$ None
EXPENDITURES			
Rent	\$ 3,000	2,723	(277)
Utilities	997	1,273	276
Administration	82	80	(2)
Total expenditures	<u>\$ 4,079</u>	<u>4,076</u>	<u>(3)</u>
Excess revenues over (under) expenditures		3	<u>\$ 3</u>
FUND BALANCE, beginning of contract		None	
Less: Funds returned or to be returned to funding source		<u>(3)</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 12
(Continued)

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
DEPARTMENT OF HOMELAND SECURITY
FY 2004 FAMILY SUPPORT CENTER
January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
LOCAL			
REVENUES			
Local	<u>\$ 1,475</u>	<u>\$ 1,469</u>	<u>\$ (6)</u>
EXPENDITURES			
Other	<u>\$ 1,475</u>	<u>1,469</u>	<u>(6)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
Less: Funds returned or to be returned to funding source		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 13

NORTHEAST IOWA COMMUNITY ACTION CORPORATION
 SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 HEAD START PROGRAM
 GRANT #07CH6090/38
 January 31, 2005

	Budget	Actual	Over (Under) Budget
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
REVENUES			
Federal	\$ 1,736,163	\$ 1,654,688	\$ (81,475)
Local	434,042	413,672	(20,370)
Total revenues	<u>\$ 2,170,205</u>	<u>2,068,360</u>	<u>(101,845)</u>
EXPENDITURES			
Personnel	\$ 886,088	853,705	(32,383)
Fringe benefits	307,482	290,593	(16,889)
Travel	3,874	3,259	(615)
Equipment	100,530	90,555	(9,975)
Supplies	52,916	55,189	2,273
Contractual	28,500	23,767	(4,733)
Other costs	218,793	205,520	(13,273)
Total direct	1,598,183	1,522,588	(75,595)
Indirect	137,980	132,100	(5,880)
Total federal cost	<u>1,736,163</u>	<u>1,654,688</u>	<u>(81,475)</u>
GRANTEE CONTRIBUTION	<u>434,042</u>	<u>413,672</u>	<u>(20,370)</u>
Total expenditures	<u>\$ 2,170,205</u>	<u>2,068,360</u>	<u>(101,845)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 OELWEIN WRAP AROUND
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	Over (Under) <u>Budget</u>
REVENUES			
Federal	\$ 47,456	\$ 47,456	\$ None
EXPENDITURES			
Personnel costs	\$ 33,657	33,657	None
Facility costs	824	824	None
Supplies and materials	7,154	7,154	None
Net food costs	500	500	None
Transportation costs	1,200	1,200	None
Indirect	4,121	4,121	None
Total expenditures	<u>\$ 47,456</u>	<u>47,456</u>	<u>None</u>
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 POSTVILLE WRAP AROUND
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 42,515	\$ 42,515	\$ None
EXPENDITURES			
Personnel costs	\$ 24,703	24,703	None
Facility costs	3,454	3,454	None
Supplies and materials	9,755	9,755	None
Net food costs	900	900	None
Transportation costs	700	700	None
Indirect	3,003	3,003	None
Total expenditures	\$ 42,515	42,515	None
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		None	
FUND BALANCE, end of contract		\$ <u>None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 WAUKON WRAP AROUND
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 45,720	\$ 45,720	\$ None
EXPENDITURES			
Personnel costs	\$ 34,420	34,420	None
Facility costs	1,580	1,580	None
Supplies and materials	3,142	3,142	None
Net food costs	1,500	1,500	None
Transportation costs	1,000	1,000	None
Indirect	4,078	4,078	None
Total expenditures	\$ 45,720	45,720	None
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		None	
FUND BALANCE, end of contract		\$ <u>None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 WAVERLY WRAP AROUND
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 47,840	\$ 47,840	\$ None
EXPENDITURES			
Personnel costs	\$ 38,078	38,078	None
Facility costs	670	670	None
Supplies and materials	4,214	4,214	None
Net food costs	None	None	None
Transportation costs	800	800	None
Indirect	4,078	4,078	None
Total expenditures	\$ 47,840	47,840	None
Excess revenues over (under) expenditures		None	\$ None
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		None	
FUND BALANCE, end of contract		\$ None	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 CRESCO WRAP AROUND
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 47,970	\$ 47,970	\$ None
EXPENDITURES			
Personnel costs	\$ 34,829	34,829	None
Facility costs	836	836	None
Supplies and materials	6,984	6,984	None
Transportation costs	1,200	1,200	None
Indirect	4,121	4,121	None
Total expenditures	<u>\$ 47,970</u>	<u>47,970</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 GUTTENBERG WRAP AROUND
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 48,000	\$ 48,000	\$ None
EXPENDITURES			
Personnel costs	\$ 34,668	34,668	None
Facility costs	1,000	1,000	None
Supplies and materials	6,166	6,166	None
Net food costs	None	None	None
Transportation costs	2,045	2,045	None
Indirect	4,121	4,121	None
Total expenditures	<u>\$ 48,000</u>	<u>48,000</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 MONONA WRAP AROUND
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 48,000	\$ 48,000	\$ None
EXPENDITURES			
Personnel costs	\$ 39,460	39,460	None
Facility costs	760	760	None
Supplies and materials	3,202	3,202	None
Transportation costs	500	500	None
Indirect	4,078	4,078	None
Total expenditures	<u>\$ 48,000</u>	<u>48,000</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 21

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 RICEVILLE WRAP AROUND
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 48,000	\$ 48,000	\$ None
EXPENDITURES			
Personnel costs	\$ 32,678	32,678	None
Facility costs	1,230	1,230	None
Supplies and materials	8,171	8,171	None
Net food costs	None	None	None
Transportation costs	1,800	1,800	None
Indirect	4,121	4,121	None
Total expenditures	\$ 48,000	48,000	None
Excess revenues over (under) expenditures		None	\$ None
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		None	
FUND BALANCE, end of contract		\$ None	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 22

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 STRAWBERRY POINT WRAP AROUND
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 48,000	\$ 48,000	\$ None
EXPENDITURES			
Personnel costs	\$ 34,837	34,837	None
Facility costs	1,840	1,840	None
Supplies and materials	6,602	6,602	None
Net food costs	None	None	None
Transportation costs	600	600	None
Indirect	4,121	4,121	None
Total expenditures	\$ 48,000	48,000	None
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		None	
FUND BALANCE, end of contract		\$ <u>None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 23

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 FY 2004 DECORAH WRAP AROUND
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 45,345	\$ 45,345	\$ None
EXPENDITURES			
Personnel costs	\$ 35,687	35,687	None
Facility costs	910	910	None
Supplies and materials	4,274	4,274	None
Net food costs	None	None	None
Transportation costs	627	627	None
Indirect	3,847	3,847	None
Total expenditures	\$ 45,345	45,345	None
Excess revenues over (under) expenditures		None	\$ None
FUND BALANCE, beginning of contract		None	
REPROGRAMMED FUNDS		None	
FUND BALANCE, end of contract		\$ None	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
 EARLY CHILDHOOD PROGRAM
 GRANT #07CH6090/38
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 722,961	\$ 685,761	\$ (37,200)
Inkind	180,740	170,617	(10,123)
Total revenues	\$ 903,701	856,378	(47,323)
EXPENDITURES			
Personnel	\$ 401,402	395,432	(5,970)
Fringe benefits	110,213	109,915	(298)
Travel	6,523	13,865	7,342
Equipment	45,000	36,000	(9,000)
Supplies	18,679	17,275	(1,404)
Contractual	11,250	87	(11,163)
Other costs	71,245	53,947	(17,298)
Total direct	664,312	626,521	(37,791)
Indirect	58,649	59,240 *	591
Total federal cost	722,961	685,761	(37,200)
GRANTEE CONTRIBUTION	180,740	170,617	(10,123)
Total expenditures	\$ 903,701	856,378	(47,323)
Excess revenues over (under) expenditures		None	\$ <u>None</u>
FUND BALANCE, beginning of contract		None	
FUND BALANCE, end of contract		\$ <u>None</u>	

* Variance of \$ 3,022 between grantee's final expenditure report and the completed contract schedule is due to the final indirect cost rate adjustment at January 31, 2005.

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 25

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

FEDERAL - STATE DEPARTMENT OF HUMAN RIGHTS

FY 2004 WEATHERIZATION ASSISTANCE

PROGRAM (NO. HEAP 03-09I)

January 31, 2005

	Budget	Actual	Over (Under) Budget
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
REVENUES			
Federal	\$ 333,189	\$ 304,391	\$ (28,798)
EXPENDITURES			
Administration	\$ 15,384	15,384	None
Health and safety	117,495	111,739	(5,756)
Support	86,000	72,049	(13,951)
Labor	32,039	54,270	22,231
Materials	32,039	32,284	245
Liability insurance	7,251	7,251	None
Other	42,981	11,414	(31,567)
Total expenditures	<u>\$ 333,189</u>	<u>304,391</u>	<u>(28,798)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - STATE DEPARTMENT OF HUMAN RIGHTS
 FY 2004 WEATHERIZATION ASSISTANCE
 PROGRAM (NO. DOE 03-09I)
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 206,225	\$ 206,225	\$ None
EXPENDITURES (By contract line item)			
Administration	\$ 21,922	21,922	None
Health and safety	28,797	28,797	None
Support	40,316	40,316	None
Labor	57,595	57,595	None
Materials	57,595	57,595	None
Total expenditures	<u>\$ 206,225</u>	<u>206,225</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 27

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - STATE DEPARTMENT OF HUMAN RIGHTS
 FY 2004 COMMUNITY SERVICES BLOCK GRANT
 PROGRAM (NO. CSBG-04-09-CI)
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	Over (Under) <u>Budget</u>
REVENUES			
Federal	<u>\$ 298,365</u>	<u>\$ 298,365</u>	<u>\$ None</u>
EXPENDITURES (By contract line item)			
Salaries	\$ 180,500	180,037	(463)
Fringe benefits	53,942	53,925	(17)
Space costs	11,218	11,218	None
Travel	5,000	5,500	500
Other costs	21,820	21,800	(20)
Indirect	<u>25,885</u>	<u>25,885</u>	<u>None</u>
Total expenditures	<u>\$ 298,365</u>	<u>298,365</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 28

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

FEDERAL - STATE DEPARTMENT OF HUMAN RIGHTS

FaDSS-04-25-F4

January 31, 2005

	Budget	Actual	Over (Under) Budget
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
REVENUES			
Federal	\$ 117,380	\$ 117,380	\$ None
State	104,091	104,091	None
Local	21,115	10,996	(10,119)
	<u>242,586</u>	<u>232,467</u>	<u>(10,119)</u>
Total revenues	<u>\$ 242,586</u>	<u>232,467</u>	<u>(10,119)</u>
EXPENDITURES			
Personnel	\$ 189,610	181,104	(8,506)
Travel	13,000	12,930	(70)
Space/utilities	4,236	4,397	161
Other costs	10,800	11,795	995
Third-party payments	4,264	2,073	(2,191)
Indirect	20,676	20,168	(508)
	<u>242,586</u>	<u>232,467</u>	<u>(10,119)</u>
Total expenditures	<u>\$ 242,586</u>	<u>232,467</u>	<u>(10,119)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - STATE DEPARTMENT OF HUMAN RIGHTS
 2004 LOW INCOME HOME ENERGY ASSISTANCE
 PROGRAM (NO. LIHEAP-04-09-I)
 January 31, 2005

	Budget	Actual	Over (Under) Budget
GRANT REVENUE	\$ 1,721,617	\$ 1,714,032	\$ (7,585)
EXPENDITURES			
Section I			
A. Regular assistance	\$ 1,096,068	1,092,547	(3,521)
B. Energy crisis intervention			
Furnace repair	65,932	65,932	None
Emergency delivery	6,914	6,914	None
Emergency cooling	2,000	733	(1,267)
	<u>74,846</u>	<u>73,579</u>	<u>(1,267)</u>
C. Client services	29,076	29,076	None
D. Data expansion	11,062	8,265	(2,797)
E. Summer deliverable fuel	387,200	387,200	None
Section II			
Administration	123,365	123,365	None
Total expenditures	<u>\$ 1,721,617</u>	<u>1,714,032</u>	<u>(7,585)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 30

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - STATE DEPARTMENT OF HUMAN RIGHTS
 FY 2004 JUVENILE JUSTICE
 PROGRAM (NO. JJYD-S04-02)
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	Over (Under) <u>Budget</u>
REVENUES			
Federal	\$ 68,374	\$ 65,470	\$ (2,904)
EXPENDITURES			
Personnel	\$ 54,414	39,265	(15,149)
Fringe benefits	8,081	7,793	(288)
Supplies and materials	1,328	16,505	15,177
Contractual	2,551	-	(2,551)
Indirect	2,000	1,907	(93)
Total expenditures	<u>\$ 68,374</u>	<u>65,470</u>	<u>(2,904)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

FEDERAL - STATE DEPARTMENT OF HEALTH

FY 2004 FAMILY PLANNING PROGRAM (NO. 5884A042)

January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 64,999	\$ 64,999	\$ None
Local	136,462	134,362	(2,100)
Total revenues	<u>\$ 201,461</u>	<u>199,361</u>	<u>(2,100)</u>
EXPENDITURES/(By cost category)			
Employee salaries	\$ 85,429	85,687	258
Employee fringe benefits	22,831	22,166	(665)
Contractual	57,447	51,094	(6,353)
Administration/management	None	-	None
Supplies	13,769	12,615	(1,154)
Communication	None	-	None
Space costs	None	5,731	5,731
Travel	4,681	4,787	106
Training	None	-	None
Indirect	17,304	17,281	(23)
Total expenditures	<u>\$ 201,461</u>	<u>199,361</u>	<u>(2,100)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
Less: reprogrammed funds		None	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - STATE DEPARTMENT OF HEALTH
 FY 2004 SPECIAL SUPPLEMENTAL FOOD PROGRAMS FOR W.I.C.
 PROGRAM (NO.5884A042)
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 211,961	\$ 211,961	\$ None
Local	None		None
	<u>\$ 211,961</u>	<u>211,961</u>	<u>None</u>
EXPENDITURES			
Salaries	\$ 114,644	112,626	(2,018)
Fringe benefits	37,574	37,750	176
Contractual	15,002	16,346	1,344
Administration/management	15,811	15,265	(546)
Travel	10,541	11,551	1,010
Indirect	18,389	18,423	34
Total expenditures	<u>\$ 211,961</u>	<u>211,961</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		25,754	
REPROGRAMMED FUNDS		<u>(25,754)</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 STATE - DEPARTMENT OF ECONOMIC DEVELOPMENT
 FY 2004 HOMELESS SHELTER GRANT
 PROGRAM (NO. 03-II-96002)
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	<u>\$ 11,400</u>	<u>\$ 11,400</u>	<u>\$ None</u>
EXPENDITURES			
Personnel	\$ 1,279	1,279	None
Homeless prevention	10,000	9,999	(1)
Indirect	<u>121</u>	<u>122</u>	<u>1</u>
Total expenditures	<u>\$ 11,400</u>	<u>11,400</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

STATE - DEPARTMENT OF ECONOMIC DEVELOPMENT

HOUSING PRESERVATION

January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 55,888	\$ 55,888	\$ None
Local	<u>15,511</u>	<u>15,511</u>	<u>None</u>
	<u>\$ 71,399</u>	<u>71,399</u>	<u>\$ None</u>
EXPENDITURES (By contract line item)			
Contractual	\$ 65,811	65,811	\$ None
Indirect	<u>5,588</u>	<u>5,588</u>	<u>None</u>
Total expenditures	<u>\$ 71,399</u>	<u>71,399</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 35

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS

STATE - DEPARTMENT OF EDUCATION

OELWEIN CHILD DEVELOPMENT 2004

January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
State	\$ 54,254	\$ 54,254	None
EXPENDITURES			
Salaries	\$ 36,000	36,867	867
Employee benefits	11,724	11,447	(277)
Administration costs	4,707	4,707	None
Labor	200	-	(200)
Travel	50	50	None
Supplies	1,033	1,033	None
Other costs	540	150	(390)
Total expenditures	\$ 54,254	54,254	None
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		None	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 35
(Continued)

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
STATE - DEPARTMENT OF EDUCATION
CHILD DEVELOPMENT 2004
January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
State	\$ 173,305	\$ 173,305	None
EXPENDITURES			
Salaries	\$ 112,000	112,970	970
Employee benefits	37,371	38,359	988
Travel	270	242	(28)
Purchased services	None	476	476
Supplies	1,000	-	(1,000)
Other costs	7,629	6,223	(1,406)
Indirect	15,035	15,035	None
Total expenditures	\$ 173,305	173,305	None
Excess revenues over (under) expenditures		None	\$ None
FUND BALANCE, beginning of contract		None	
FUND BALANCE, end of contract		\$ None	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
OTHER SOURCES - VARIOUS (INCLUDING FEDERAL HIGHWAY
ADMINISTRATION AND IOWA DEPARTMENT OF TRANSPORTATION)
FY 2004 TRANSIT PROGRAM
January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 425,470	\$ 175,629	\$ (249,841)
State	265,466	280,184	14,718
Local	513,971	585,066	71,095
	<u>\$ 1,204,907</u>	<u>1,040,879</u>	<u>(164,028)</u>
EXPENDITURES			
Direct			
Employee salaries	\$ 347,750	438,625	90,875
Employee fringe benefits	155,977	119,868	(36,109)
Contractual	27,000	31,416	4,416
Travel	5,000	6,746	1,746
Space costs and rentals	8,500	11,473	2,973
Consumable supplies	20,300	15,394	(4,906)
Equipment	331,878	7,050	(324,828)
Other charges	232,360	281,986	49,626
	<u>1,128,765</u>	<u>912,558</u>	<u>(216,207)</u>
Indirect	<u>76,142</u>	<u>81,713</u> *	<u>5,571</u>
	<u>\$ 1,204,907</u>	<u>994,271</u>	<u>(210,636)</u>
Excess revenues over (under) expenditures		46,608	\$ 46,608
FUND BALANCE, beginning of contract		379,287	
REPROGRAMMED FUNDS		<u>(425,895)</u>	
FUND BALANCE, end of contract		\$ None	

* Variance of \$ 3,078 between grantee's final expenditure report and the completed contract schedule is due to the final indirect cost rate adjustment at January 31, 2005.

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 37

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FY 2004 WEATHERIZATION ASSISTANCE PROGRAM
 UTILITY CONTRACT
 January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
CONTRACT #MEC-04-09I			
REVENUES			
Local	<u>\$ 18,300</u>	<u>\$ 18,300</u>	<u>\$ None</u>
EXPENDITURES			
Administration-indirect	\$ 915	915	None
Support	1,830	1,830	None
Labor	7,778	6,662	(1,116)
Material	<u>7,777</u>	<u>8,893</u>	<u>1,116</u>
Total expenditures	<u>\$ 18,300</u>	<u>18,300</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	
CONTRACT #IPL-04-09I			
REVENUES			
Local	<u>\$ 95,960</u>	<u>\$ 95,960</u>	<u>\$ None</u>
EXPENDITURES			
Administration-indirect	\$ 7,034	7,034	None
Support	14,266	14,266	None
Labor	37,330	32,133	(5,197)
Material	<u>37,330</u>	<u>42,527</u>	<u>5,197</u>
Total expenditures	<u>\$ 95,960</u>	<u>95,960</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

SCHEDULE 37
(Continued)

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
FY 2004 WEATHERIZATION ASSISTANCE PROGRAM
UTILITY CONTRACT
January 31, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
CONTRACT #AQU-04-09I			
REVENUES			
Local	\$ 46,606	\$ 46,606	\$ None
EXPENDITURES			
Administration-indirect	\$ 1,978	1,978	None
Support	4,016	3,610	(406)
Labor	20,306	16,137	(4,169)
Material	20,306	24,881	4,575
Total expenditures	<u>\$ 46,606</u>	<u>46,606</u>	<u>None</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS
 FEDERAL - CORPORATION FOR NATIONAL AND COMMUNITY SERVICE
 FY 2002 AMERICORPS
 CONTRACT NUMBER 02-AF-10
 January 31, 2005

	Budget	Actual	Over (Under) Budget
REVENUES			
Federal	\$ 78,700	\$ 58,288	\$ (20,412)
State	78,700	59,609	(19,091)
Inkind			None
Total revenues	<u>\$ 157,400</u>	<u>117,897</u>	<u>(39,503)</u>
EXPENDITURES			
Employee salaries	\$ 12,698	3,432	(9,266)
Employee fringe benefits	4,142	1,376	(2,766)
Enrollee salaries	102,000	84,347	(17,653)
Enrollee fringe benefits	25,755	20,154	(5,601)
Travel	2,653	1,368	(1,285)
Supplies	710	742	32
Other	3,424	864	(2,560)
Evaluations	800		(800)
Indirect	5,218	5,614	396
Inkind			None
Total expenditures	<u>\$ 157,400</u>	<u>117,897</u>	<u>(39,503)</u>
Excess revenues over (under) expenditures		None	<u>\$ None</u>
FUND BALANCE, beginning of contract		<u>None</u>	
FUND BALANCE, end of contract		<u>\$ None</u>	

See Independent Auditor's Report on the Supplementary Information.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended January 31, 2005

Section I: Summary of the Independent Auditor's Results Yes No None Reported

Financial Statements

Type of auditor's report issued: unqualified.

Internal control over financial reporting:

Material weakness(es) identified? X

Reportable condition(s) identified that are not considered to be material weaknesses? X

Noncompliance material to financial statements noted? X

Federal Awards

Internal control over major programs:

Material weakness(es) identified? X

Reportable condition(s) identified that are not considered to be material weakness(es)? X

Type of auditor's report issued on compliance for major programs: unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? X

Identification of major programs

CFDA Number 93.568 Low Income Home Energy Assistance

CFDA Number 10.558 Child and Adult Care Food Program

Dollar threshold used to distinguish between

Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? X

Section II: Findings Related to the Financial Statements:

Reportable conditions - None

Section III: Findings and Questioned Costs for Federal Awards:

Instances of noncompliance - None

Reportable conditions - None

Section IV: Other Findings Related to Required Statutory Reporting:

See management letter dated April 27, 2005

Section V: Summary of Prior Federal Audit Findings and Questioned Costs:

N/A

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended January 31, 2005

Grantor/Program	CFDA Number	Grant Number	Period of Grant	Program Expenditures
U.S. Department of Health and Human Services				
Direct				
Head Start	93.600	07CH6090/38	02/01/04-01/31/05	\$ 1,618,688
Head Start Discretionary	93.600	07CH6090/38	02/01/04-01/31/05	649,761
Passed through Iowa Department of Human Rights				
Wrap-Around Child Care	93.600	N/A	09/01/03-08/31/04	324,749
			09/01/04-08/31/05	119,046
			09/01/04-08/31/05	8,672
				<u>2,720,916</u>
Passed through Iowa Department of Human Rights				
Low Income Home Energy Assistance	93.568	04-09-I	10/01/03-09/30/04	787,444
		05-09-I	10/01/04-09/30/05	943,806
		HEAP 03-09I	04/01/03-03/31/04	137,600
		HEAP 04-09I	04/01/04-03/31/05	256,321
				<u>2,125,171</u>
Subtotal U.S. Department of Health and Human Services				<u>4,846,087</u>
Other Federal Awards				
Department of Homeland Agency				
Direct				
Emergency Food and Shelter National Board Program	97.024	N/A	01/01/04-12/31/04	<u>17,201</u>
U.S. Department of Health and Human Services				
Passed through Iowa Department of Human Rights				
Community Services Block Grant	93.569	CSBG-04-09-CI	10/01/03-12/31/04	247,196
		CSBG-05-09-CI	10/01/04-09/30/05	48,729
				<u>295,925</u>
Community Services Block Grant Discretionary Awards				
	93.570	FADSS 04-25-F4	07/01/03-06/30/04	30,701
		FADSS 05-25-F4	07/01/04-06/30/05	61,571
				<u>92,272</u>

See Independent Auditor's Report on the Schedule of Expenditures of Federal Awards.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended January 31, 2005

Grantor/Program	CFDA Number	Grant Number	Period of Grant	Program Expenditures
Other Federal Awards (Continued)				
U.S. Department of Health and Human Services (Continued)				
Passed through Iowa Department of Health Family Planning Services	93.217	5884A042	10/01/03-09/30/04	\$ 30,722
		5885A042	10/01/04-09/30/05	30,661
				<u>61,383</u>
Passed through Northland Agency on Aging Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	N/A	07/01/03-06/30/04 07/01/04-06/30/05	10,370 15,685
				<u>26,055</u>
Subtotal U.S. Department of Health and Human Services				<u>475,635</u>
U.S. Department of Transportation				
Federal Transit Administration				
Formula Grants for Other Than Urbanized Areas	20.509	Section 5311	07/01/03-06/30/04 07/01/04-06/30/05	37,042 144,850
				<u>181,892</u>
Federal Transit - Capital Investment Grants	20.500	IA-18-X021	07/01/04-06/30/05	<u>123,083</u>
Subtotal U.S. Department of Transportation				<u>304,975</u>
U.S. Department of Housing and Urban Development				
Passed through Iowa Department of Economic Development				
Emergency Shelter Grants Program	14.231	03-II-96002	07/01/03-06/30/04	1,393
		05-II-96002	07/01/04-06/30/05	10,000
				<u>11,393</u>
Subtotal U.S. Department of Housing and Urban Development				<u>11,393</u>
U.S. Department of Energy				
Passed through Iowa Department of Human Rights				
Weatherization Assistance for Low Income Persons	81.042	DOE 03-09I	04/01/03-03/31/04	4,413
		DOE 04-09I	04/01/04-03/31/05	189,830
				<u>194,243</u>
Subtotal U.S. Department of Energy				<u>194,243</u>
See Independent Auditor's Report on the Schedule of Expenditures of Federal Awards.				

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended January 31, 2005

Grantor/Program	CFDA Number	Grant Number	Period of Grant	Program Expenditures
Other Federal Awards (Continued)				
U.S. Department of Agriculture				
Direct				
Rural Housing Preservation Grants	10.433	N/A	10/01/03-09/30/04	\$ 16,809
Passed through Iowa Department of Education				
Child and Adult Care Food Program	10.558	96-8010	10/01/03-09/30/04	113,917
			10/01/04-09/30/05	64,439
		96-8013	10/01/03-09/30/04	296,689
			10/01/04-09/30/05	131,876
				<u>606,921</u>
Passed through Iowa Department of Public Health				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	5884A042	10/01/03-09/30/04	139,481
		5885A042	10/01/04-09/30/05	70,464
				<u>209,945</u>
Subtotal U.S. Department of Agriculture				<u>833,675</u>
U.S. Department of Justice				
Passed through Division of Criminal and Juvenile and Justice Planning				
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	JJYD-S04-02	10/01/03-09/30/04	33,870
		JJYD-S05-02	10/01/04-09/30/05	3,578
				<u>37,448</u>
Title V Delinquency Prevention Program	16.548	JJYD-S05-02	10/01/04-09/30/05	740
Juvenile Accountability Incentive Block Grants (JAIBG)	16.523	JJYD-S04-02	10/01/03-09/30/04	15,175
		JJYD-S05-02	10/01/04-09/30/05	7,557
				<u>22,732</u>

See Independent Auditor's Report on the Schedule of Expenditures of Federal Awards.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended January 31, 2005

Grantor/Program	CFDA Number	Grant Number	Period of Grant	Program Expenditures
Other Federal Awards (Continued)				
U.S. Department of Justice (Continued)				
Enforcing Underage Drinking Laws Program	16.727	JJYD-S04-02	10/01/03-09/30/04	\$ 132
		JJYD-S05-02	10/01/04-09/30/05	<u>3,449</u>
				<u>3,581</u>
Subtotal U.S. Department of Justice				<u>64,501</u>
Corporation for National and Community Service				
Passed through Iowa Commission on Volunteer Service				
AmeriCorps	94.006	02-AF-10	09/01/02-08/31/04	<u>(5,055)</u>
Subtotal Other Federal Awards				<u>1,896,568</u>
Total Federal Awards				<u><u>\$ 6,742,655</u></u>

See Independent Auditor's Report on the Schedule of Expenditures of Federal Awards.

NORTHEAST IOWA COMMUNITY ACTION CORPORATION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended January 31, 2005

Note 1.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Northeast Iowa Community Action Corporation and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

See Independent Auditor's Report on the Schedule of Expenditures of Federal Awards.

HACKER, NELSON & CO., P.C.
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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

To the Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

We have audited the financial statements of Northeast Iowa Community Action Corporation (a nonprofit corporation) as of and for the year ended January 31, 2005 and have issued our report thereon dated April 27, 2005. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Northeast Iowa Community Action Corporation's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northeast Iowa Community Action Corporation'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*. However, we noted certain immaterial instances of noncompliance, which we have reported to the management of Northeast Iowa Community Action Corporation in a separate letter dated April 27, 2005.

This report is intended solely for the information and use of the Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Decorah, Iowa
April 27, 2005

Hacker, Nelson & Co., P.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

Compliance

We have audited the compliance of Northeast Iowa Community Action Corporation (a nonprofit corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended January 31, 2005. The Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Corporation's management. Our responsibility is to express an opinion on Northeast Iowa Community Action Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; 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 Northeast Iowa Community Action Corporation'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. Our audit does not provide a legal determination of Northeast Iowa Community Action Corporation's compliance with those requirements.

In our opinion, Northeast Iowa Community Action Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended January 31, 2005.

Internal Control Over Compliance

The management of Northeast Iowa Community Action Corporation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Northeast Iowa Community Action Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of Northeast Iowa Community Action Corporation as of and for the year ended January 31, 2005, and have issued our report thereon dated April 27, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hacker, Nelson & Co., P.C.

Decorah, Iowa
April 27, 2005

MANAGEMENT LETTER

To the Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

In planning and performing our audit of the financial statements of Northeast Iowa Community Action Corporation for the year ended January 31, 2005, we considered the Corporation's internal controls to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The following summarizes our comments and suggestions regarding those matters. A separate report dated April 27, 2005 contains our report on the Corporation's internal control. This letter does not affect our report dated April 27, 2005 on the financial statements of Northeast Iowa Community Action Corporation. Comments 2 and 3 are unresolved comments from prior year. All other prior year management letter comments have been resolved.

1. Program Budgets

Contract expenditures did not exceed amounts budgeted by program except for programs supplemented by local funds. Federal and state funded expenditures did not exceed amounts budgeted.

2. Fiscal Report Format

During our audit we noted the subtotals within the fiscal reports for each program are not always correctly named. The subtotal caption indicates the total is for one type of expenditure while the details indicate other categories are affected. This condition makes preparation of internal and external financial reports and budget comparisons more difficult.

Recommendation

We recommend the chart of accounts and fiscal reporting format be reviewed by management to improve financial report preparation. Since the subtotals in the format are not variable by program, other alternatives should be explored.

Response

We are limited by our reporting software which creates global formats for all financial reports and does not allow customization by program.

The accounting staff is more diligent in assigning account numbers under the correct subtotal captions as funds are developed for new programs. Unfortunately the established funds that are on going that have had accounts assigned under incorrect subtotals cannot be corrected because of the global formats.

Conclusion

Response accepted.

3. Indirect Costs

We noticed that the indirect rate was not being billed consistently among all the funds. One fund was just charged the administration fee that is recorded in the contracts.

Recommendation

We recommend that all funds be billed the proper indirect rate. OMB Circular A-122 Section D(2)(d) requires the indirect rate to be applied equally to all programs, unless a special rate is developed and approved by the cognizant agency.

Response

The AmeriCorp contract only accepts 5% of total costs to be charged for administrative costs (not the 9.5% of the allowable costs).

We will address this issue with the cognizant agency upon our next negotiations on how they would like us to handle these situations in the future.

Conclusion

Response accepted.

We would like to acknowledge the many courtesies and assistance extended to us by the personnel of Northeast Iowa Community Action Corporation during the course of our examination.

If you have any questions concerning these or other matters, we would be happy to discuss them with you at your convenience.

Hacker, Nelson & Co., P.C.

Decorah, Iowa
April 27, 2005