

**COMMUNITY ACTION AGENCY OF SIOUXLAND**  
**Independent Auditors' Report**  
**Financial Statements**  
**And**  
**Supplemental Information**  
**Schedule of Findings and Questioned Costs**  
**September 30, 2004**

COMMUNITY ACTION AGENCY OF SIOUXLAND

**COMMUNITY ACTION AGENCY OF SIOUXLAND**

**Table of Contents  
September 30, 2004**

	<u>Pages</u>
<b>BASIC FINANCIAL STATEMENTS</b>	
Board of Directors, Officers and Management	1
Independent Auditors' Report	2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 14

<b>SUPPLEMENTAL INFORMATION</b>	
Combining Statement of Financial Position	15-19
Combining Statement of Activities	20-27
Schedule of Expenditures of Federal Awards	28

<b>NON-GAAP SUPPLEMENTAL INFORMATION</b>	
Schedules of Grant/Contract Activity	
Community Service Block Grant	29
Low Income Home Energy Assistance Program	30
Head Start Grant	31
Early Head Start Grant	32
Wrap Around Child Care Grant	33
Extended Child Care – Bridges Grant	34
Child Development Shared Vision Grant	35
Weatherization Assistance Programs	36
Family Development and Self-Sufficiency Grant	37
Emergency Food and Shelter Program	38
Senior Service of America, Inc.	39
Schedules of Revenue and Expenses	
Indirect Cost Allocation Pools	40
Indirect Reimbursement from Programs	41

<b>OMB CIRCULAR A-133 COMPLIANCE SECTION</b>	
Independent Auditors' Report on Compliance with Requirements Applicable To Each Major Program and Internal Control Over Compliance In Accordance with OMB Circular A-133	42-43
Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards	44-45
Schedule of Findings and Questioned Costs	46
Schedule of Prior Year Audit Findings	47

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Board of Directors, Officers and Management

**Officers**

Bill Wilson  
Susan Barta  
Dave Holub  
Theresa Jackson

Chairperson  
Vice-Chairperson  
Secretary  
Treasurer

**Board Members**

<u>Area</u>	<u>Representing Private</u>	<u>Representing Government</u>	<u>Representing Low-Income</u>
Northeast Rural		Cheryl Spear	Debra Dashner
Southwest Rural		Douglas Walsh	Glenda Wiggs
Westside			Mary Alice Shores
Mid-City			Susan Barta
No. Morningside			Dick Pruehs
Sioux City At-Large			Sharon Kunkel
Head Start			Theresa Jackson
Community Development		Bob Padmore	
Employment		Bill Wilson	
Welfare		Chris Jensen	
Health		Steve Hansen	
Education		Richard Caldwell	
Business	Duane Benson		
Minority Indian	Scott Barta		
Minority Black	Vacant		
Religion	Vacant		
Labor	Scott Utech		
Minority Spanish	Raymond Barron		
Finance	Dave Holub		

**Administration and Component Staff**

Jean Logan	Executive Director
Pat Mack	Development Director
Vicky Hollingshead	Fiscal Officer
Scot Orban	Human Resource Director
Caroline Gomez	Executive Secretary
Sandy Kluver	Accounting Clerk
Sheila Cronin	Accounting Clerk
Judy Dickinson	Accounting Clerk, Computer Supplies
LaRae Lyons	Community Services Director
Bonnie Petersen	Assistant Community Services Director
Cindy Thomas	Director, Child & Adult Care Food Program and Senior AIDES Program
Patty Keeley	Director, Head Start Program
Joan O'Conner	Director, Early Head Start Program
Dennis Krause	Director, Housing/Weatherization
Norma DeLaO	Director, New Iowa Center



1009 Iowa Avenue  
P.O. Box 238  
Onawa, IA 51040  
Phone (712) 423-2616  
Fax (712) 423-2626

### Independent Auditors' Report

To the Board of Directors  
Community Action Agency of Siouxland  
Sioux City, IA

We have audited the accompanying statement of financial position of Community Action Agency of Siouxland as of September 30, 2004 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Community Action Agency of Siouxland'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 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 Community Action Agency of Siouxland as of September 30, 2004, 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 January 21, 2005 on our consideration of Community Action Agency of Siouxland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purposes of forming an opinion on the basic financial statements of Community Action Agency of Siouxland taken as a whole. The supplemental information as listed in the table of contents, including the Schedule of Expenditures of Federal Awards, is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, 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.

The accompanying Non-GAAP supplemental information as listed in the table of contents is presented for purposes of additional analysis 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.

*Williams & Company P.C.*  
Certified Public Accountants

Sioux City, Iowa  
January 21, 2005

COMMUNITY ACTION AGENCY OF SIOUXLAND

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Statement of Financial Position  
September 30, 2004

<u>Assets</u>	<u>Current</u>	<u>Local Property and Equipment</u>	<u>Total</u>
Current Assets			
Cash	\$ 209,319		\$ 209,319
Receivables			
Grant Awards and Contracts - Note 5	435,609		435,609
Other	6,111		6,111
Notes Receivable - Note 6	395,377		395,377
Prepaid Expenses	13,932		13,932
Total Current Assets	1,060,348		1,060,348
Property and Equipment - Note 2			
Land		\$ 106,747	106,747
Building and Leasehold Improvements		627,044	627,044
Vehicles and Equipment		305,347	305,347
		1,039,138	1,039,138
Accumulated Depreciation		494,972	494,972
Net Property and Equipment		544,166	544,166
Total Assets	1,060,348	544,166	1,604,514
<u>Liabilities, Deferred Revenue and Net Assets</u>			
Liabilities and Deferred Revenue			
Accounts Payable	139,050		139,050
Payroll Taxes and Benefits Payable	78,490		78,490
Accrued Vacation	81,323		81,323
Notes Payable - Note 8	395,377	287,874	683,251
Deferred Revenue - Note 7	217,005		217,005
Total Liabilities and Deferred Revenue	911,245	287,874	1,199,119
Net Assets			
Unrestricted			
Invested in Property and Equipment		256,292	256,292
Designated for Programs	9,909		9,909
Undesignated	139,194		139,194
Total Net Assets	149,103	256,292	405,395
Total Liabilities, Deferred Revenue and Net Assets	\$ 1,060,348	\$ 544,166	\$ 1,604,514

See Accompanying Notes to Financial Statements

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Statement of Activities  
For the Year Ended September 30, 2004

	Current	Local Property and Equipment	Total
<b>Support and Revenue</b>			
Government Funding Sources			
U.S. Department of HUD	\$ 97,157		\$ 97,157
U.S. Department of Labor	322,634		322,634
U.S. Department of Energy	272,231		272,231
U.S. Department of Health and Human Services	4,924,780		4,924,780
U.S. Department of Agriculture	698,421		698,421
Iowa Department of Education	171,679		171,679
FEMA	15,000		15,000
Iowa Workforce Development	337,370		337,370
In-Kind Contributions	6,545		6,545
Miscellaneous	766,269		766,269
CSBG Co-Funding	-		-
Total Support and Revenue	7,612,086		7,612,086
<b>Expenses</b>			
Program Services			
Low Income Home Energy Assistance Program (LIHEAP)	1,279,821		1,279,821
Head Start	2,518,788		2,518,788
Early Head Start	748,387		748,387
Woodbury County Empowerment Contract (Bridges)	29,749		29,749
Weatherization Assistance Programs	717,880		717,880
Wrap Around Child Care Grants	166,519		166,519
Family Development and Self-Sufficiency Grant	145,436		145,436
Shared Vision Grants	199,483		199,483
Crossroads	121,297		121,297
I Care and Other Assistance	44,419		44,419
New Iowan Center and Migrant Workers	209,959		209,959
Iowa Workforce Development Programs	135,866		135,866
General Relief	130,118		130,118
Senior Service of America, Inc. Administration	21,768		21,768
Senior Service of America, Inc. Enrollees	344,509		344,509
Children & Adult Care Food Program	530,974		530,974
Transitional Housing	49,239		49,239
Family Development	11,250		11,250
Cost Allocation Pools - Net of Internal Reimbursements	(21,240)		(21,240)
Supporting Services			
Undesignated Fund Expenses	145,470		145,470
Interest Payment		\$ 20,513	20,513
Depreciation		76,024	76,024
Total Expenses	7,529,692	96,537	7,626,229
<b>Excess (Deficiency) of Support and Revenue</b>			
Over Expenses Before Capital Additions	82,394	(96,537)	(14,143)
<b>Capital Activity</b>			
Capital Additions - Purchase of Capital Equipment and Buildings		44,400	44,400
<b>Excess (Deficiency) of Support and Revenue</b>			
Over Capital Activity and Other Revenue	82,394	(52,137)	30,257
<b>Transfers</b>			
Principal and Interest Payments on Note	(29,957)	29,957	
Net Assets - Beginning of Year	96,666	278,472	375,138
Net Assets - End of Year	\$ 149,103	\$ 256,292	\$ 405,395

See Accompanying Notes to Financial Statements

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Statement of Functional Expenses  
For the Year Ended September 30, 2004

	<u>Program Services</u>	<u>Indirect Management and General</u>	<u>Total</u>
Expenses			
Personnel	\$ 2,741,184	\$ 379,409	\$ 3,120,593
Fringe Benefits and Payroll Taxes	878,289	131,347	1,009,636
Assistance to Individuals	2,253,740	-	2,253,740
Travel	65,509	13,589	79,098
Rent	145,751	18,360	164,111
Repairs and Maintenance	51,913	-	51,913
Weatherization Labor, Support and Administration	256,314	-	256,314
Utilities and Telephone	133,128	7,752	140,880
Supplies and Material	139,299	14,973	154,272
Equipment	21,478	-	21,478
Renovations	32,610	-	32,610
Printing, Publications and Postage	35,939	3,245	39,184
Insurance	66,124	1,712	67,836
Depreciation	-	76,024	76,024
Interest	-	20,513	20,513
In-Kind	6,545	-	6,545
Miscellaneous	96,025	35,457	131,482
Indirect Costs	627,084	(627,084)	-
Total Expenses	<u>\$ 7,550,932</u>	<u>\$ 75,297</u>	<u>\$ 7,626,229</u>

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Statement of Cash Flows  
For the Year Ended September 30, 2004

Cash Flows from Operating Activities	
Excess of Support and Revenue over Expenses	
After Capital Additions	\$ 30,257
Adjustments to Reconcile Excess of Support and Revenue over	
Expenses to Net Cash Provided (Used) by Operating Activities	
Expenses Not Requiring Cash Expenditures - Depreciation	76,024
Changes in Asset and Liability Accounts Affecting Cash	
Receivables	(39,097)
Prepaid Expenses	(9,445)
Accounts Payable	
and Liability to Funding Sources	(80,962)
Deferred Revenue	(554)
	<hr/>
Net Cash Flows (Used) by Operating Activities	(23,777)
Cash Flows from Investing Activities	
Purchase of Property and Equipment	(44,400)
Cash Flows from Financing Activities	
Payments on Note Payable	(9,444)
	<hr/>
Net (Decrease) in Cash	(77,621)
Cash Balances - Beginning of Year	<hr/> 286,940
Cash Balances - End of Year	<hr/> <u>\$ 209,319</u>

See Accompanying Notes to Financial Statements

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity – The Community Action Agency of Siouxland, a not-for-profit corporation, is a community action agency that serves primarily Woodbury County in Iowa. Community Action Agency of Siouxland is exempt from income tax under section 501(C)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law which provide tax exemption for corporations organized and operated exclusively for religious, charitable or educational purposes.

Community Action Agency of Siouxland administers various programs funded by federal, state and local governmental bodies. Each program is accounted for as a separate fund.

The Agency's financial statements are prepared in accordance with U.S. generally accepted accounting principles as prescribed by the Financial Accounting Standards Board for non-profit corporations.

Fund Accounting – The accounts of the Agency are organized on the basis of funds, each of which is considered to be a separate accounting entity. 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 various funds are summarized as follows in the financial statements:

Current Fund – The Current Fund represents funds derived from local sources such as donations, rents and miscellaneous activities. The Agency's overall management and administrative expenses are charged to this fund and then allowable indirect costs are allocated to the various programs which the Agency administers. The Current Fund is also used to account for the revenues and expenses that are contractually restricted by the funding source for specific purposes.

Local Property and Equipment Fund – The Local Property and Equipment Fund is used to accumulate the net investment in fixed assets and to account for the unexpended resources contributed specifically for the purpose of acquiring fixed assets for the Agency.

Basis of Accounting – Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles. Revenues are recognized when earned and expenses are recorded when the liability is incurred. Purchase of fixed assets providing future benefits are recorded as expenses in the program at the time of purchase and capitalized in the Local Property and Equipment fund.

Basis of Presentation – Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Agency and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Assets, Liabilities and Net Assets – The following accounting policies are followed in preparing the combined statement of financial position:

Cash and Cash Equivalents – The Agency considers demand deposits and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Several programs may share a common checking account and accordingly programs may utilize cash attributable to other programs on a short-term basis. The Agency accounts for this by netting the accounts on the combined statement of financial position.

Receivables from Grantor Agencies – Reimbursement procedures used for grants and contracts may result in timing differences between program reimbursements and expenses as of the beginning and end of the year. Receivables from Grantor Agencies represent an excess of expenses over cash basis reimbursements at year end.

Receivables/Payables from Other Funds – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. To the extent that certain transactions between funds had not been paid or received as of September 30, 2004, balances of interfund amounts receivable or payable have been recorded.

Property and Equipment – Property and equipment are valued at historical cost or estimated cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation.

Property and equipment purchased are recorded as expenses in the fund purchasing the asset. The purchases are then capitalized in the local property and equipment fund accumulating the net investment in fixed assets. Depreciation has been provided in the local property and equipment fund using the straight-line method over the estimated useful lives of the respective assets, generally 3 to 40 years. The depreciated cost of the property and equipment does not purport to be either a realizable value or a replacement value.

Expenses for maintenance, repairs and minor replacements are charged to the current year, while the cost for major replacements and betterments are capitalized. The cost of assets disposed of is deleted. No interest costs were capitalized since there were no qualifying assets.

Deferred Revenue – Deferred revenue represents an excess of cash advances by the funding source over accrued expenses at year-end.

Accrued Vacation – Employees of the Agency accumulate a limited amount of earned but unused vacation payable to employees. Amounts representing the cost of compensated absences are recorded as liabilities of the Current Fund. This liability has been computed based on rates of pay in effect at September 30, 2004.

In-Kind Contributions – The Agency recognizes donated labor, services, materials and rent-free usage of facilities and equipment as in-kind revenues at the time the services and materials are received. These in-kind contributions and the corresponding expense are valued at their estimated fair market value and recognized in the financial statements in accordance with GAAP requirements.

Cost Allocation – The Agency utilizes cost allocation methods to distribute certain direct and indirect costs to its various programs. Costs which are common to more than one program have been identified and classified into cost pools. These cost pools have been allocated to the programs based on formulas developed by the Agency for each pool.

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Total Column – The total column on the combined statement of financial position and the statement of activities is presented to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation.

**NOTE 2 – PROPERTY AND EQUIPMENT**

A summary of property and equipment comprising the local property and equipment fund is as follows at September 30, 2004:

	Balance October 1, 2003	Additions	Retirements	Balance September 30, 2004
Land	\$ 106,747			\$ 106,747
Buildings	602,544	\$ 24,500	-	627,044
Office Furnishings & Equipment	60,046			60,046
Vehicles	225,401	19,900	-	245,301
	994,738	44,400	-	1,039,138
Less Accumulated Depreciation	(418,948)	(76,024)	-	494,972
Net	\$ 575,290	\$ (31,420)	-	\$ 544,166

**NOTE 3 – PENSION AND RETIREMENT BENEFITS**

Community Action Agency of Siouxland 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 contribute 3.70 percent of their annual salary and Community Action Agency of Siouxland is required to contribute 5.75 percent of annual covered payroll. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the year ended September 30, 2004 was \$160,085, equal to the required contribution for the year.

**NOTE 4 – PRINCIPAL PROGRAMS**

The following is a description of the principal programs administered by the Agency:

Community Services Block Grant (CSBG) is funded by the U.S. Department of Health and Human Services. These funds are passed through the Iowa Department of Human Rights on an annual basis. The grant provides funding for the administration of human service programs or provides direct support to individual programs which require co-funding to complete their activities.

Head Start and Early Head Start is funded by the U.S. Department of Health and Human Services through an annual grant. Head Start and Early Head Start provides a comprehensive developmental program for children from birth through preschool, primarily all of whom come from low income families.

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 4 – PRINCIPAL PROGRAMS (CONTINUED)**

Low Income Home Energy Assistance Program (LIHEAP) is funded by the U.S. Department of Health and Human Services. These funds are passed through the Iowa Department of Human Rights on an annual basis. The program provides assistance to low income households in paying their heating bills.

Weatherization Assistance Program is funded through grants from both the U.S. Department of Energy and the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. Other funding is also received from local utility companies under varying contracts. The programs provide resources to weatherize the homes of qualifying low income households and to provide assistance for various utilities.

Wrap Around Child Care is funded by the U.S. Department of Health and Human Services. These funds are passed through the Iowa Department of Human Services under annual grants. Wrap Around Child Care is a program which serves children who are enrolled in core head start programs. Wrap Around Child Care provides basic care for enrolled children before and after the core head start program, including summers and other breaks in the core program schedule.

Transitional Housing is a program established to provide transitional housing and assistance to low income families. The ultimate goal is to assist and educate the families in becoming self-sufficient.

Senior Service of America, Inc. is funded by the U.S. Department of Labor. Funding is passed through annual grants from the Senior Service Center of America, Inc. The program provides employment activities for senior citizens.

Child and Adult Care Food Program is funded by the U.S. Department of Agriculture. These funds are passed through the Iowa Department of Education under annual contracts. The contracts provide assistance for food and nutritional needs of low income children enrolled in Head Start centers and day care homes.

Family Development and Self Sufficiency Grant is partially funded by U.S. Department of Health and Human Services and passed through to Iowa Department of Human Rights. The program provides family development and self-sufficiency counseling assistance to low income households.

Emergency Shelter/Homeless Services Program is funded by the U.S. Department of Housing and Urban Development and the City of Sioux City. These funds are passed through the Iowa Department of Economic Development under annual contracts. The program provides self-sufficiency development services to homeless persons.

Shared Visions – This program is funded by the Iowa Child Development Coordinating Council to develop and implement programs serving at-risk 3 and 4 year old children.

**NOTE 5– RECEIVABLES**

Receivables from grantor agencies resulting from program activities are summarized as follows:

<u>Funding Source and Program Activity</u>	September 30, <u>2004</u>
U.S. Department of Health and Human Services	
Head Start	\$ 144,189
Early Head Start	<u>50,802</u>
	<u>\$ 195,001</u>

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 5- RECEIVABLES (CONTINUED)**

	September 30, <u>2004</u>
Iowa Department of Education Child and Adult Care Food Program	\$ <u>37,494</u>
Iowa Department of Human Rights LIHEAP Weatherization Assistance Programs	<u>2,204</u> <u>46,596</u> <u>48,800</u>
Iowa Department of Human Services Bridges – Temporary Assistance for Needy Families Family Development and Self-Sufficiency Grant	<u>3,122</u> <u>32,143</u> <u>35,265</u>
U.S. Department of Labor Senior Service of America, Inc.	<u>29,066</u>
U.S. Department of Housing and Urban Development New Iowan Center Migrant Workers Program Crossroads Transitional Housing	<u>38,642</u> <u>11,445</u> <u>2,369</u> <u>3,967</u> <u>56,423</u>
Woodbury County Board of Supervisors: General Relief	<u>23,565</u>
Iowa Workforce Development	<u>9,997</u>
TOTAL	\$ <u>435,609</u>

**NOTE 6- NOTES RECEIVABLE FROM RELATED PARTIES**

Promissory notes receivable (from related parties) as of September 30, 2004 are comprised of:

A \$80,000 promissory note receivable from Carnegie Place, L.P., Sioux City, Iowa, calling for annual payments \$2,034 commencing February 10, 2001 including interest at the per annum rate of 1 percent until February 10, 2050. The note is secured by a mortgage on certain residential real estate located in Sioux City, Iowa. The rights of Community Action Agency of Siouxland under this mortgage have been assigned to the City of Sioux City, Iowa as collateral for a promissory note payable in the same amount. \$ 80,000

A \$265,377 promissory note receivable from Carnegie Place, L.P., Sioux City, Iowa, calling for annual payment of \$5,000 commencing December 1, 1998 including interest at the per annum rate of 1 percent until December 31, 2017, when the entire principal and any unpaid interest become due and payable. The note is secured by a mortgage on certain residential real estate located in Sioux City, Iowa. The rights of Community Action Agency of Siouxland under this mortgage have been assigned to the Iowa Department of Economic Development as collateral for a promissory note payable in the same amount. \$ 265,377

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 6- NOTES RECEIVABLE FROM RELATED PARTIES (CONTINUED)**

A \$50,000 promissory note receivable from Carnegie Place, L.P., Sioux City, Iowa, having no set terms of repayment. The note is secured by a mortgage on certain residential real estate located in Sioux City, Iowa. Any payments received by Community Action Agency of Siouxland under this mortgage must be returned to the Federal Home Loan Bank of Des Moines.

\$ 50,000

\$ 395,377

Payments on these notes receivable are contingent upon the maker having sufficient cash flow. If cash flow is insufficient to pay the annual payment, the unpaid amount accrues. Any subsequent surplus cash flow must be used to make up any prior deficiencies.

**NOTE 7- DEFERRED REVENUES**

A Summary of Grant/Contract advances follows:

	<u>ADVANCES</u>
Crossroads	\$ 6,712
Community Service Block Grants	11,251
Weatherization Assistance Grants	21,612
Wrap Around Child Care Grants	136,797
Shared Vision Grants	24,545
I Care and Other Assistance	15,541
Indirect Cost Allocation Pool	<u>547</u>
Total Deferred Revenue	<u>\$ 217,005</u>

**NOTE 8- NOTES PAYABLE**

Notes payable consists of the following:

	<u>September 30, 2004</u>
Note to the City of Sioux City, 1% interest, \$2,034 annually beginning February 10, 2001 until February 10, 2015.	\$ 80,000
Note to Federal Home Loan Bank, Des Moines	50,000
Note to Iowa Department of Economic Development, 1% interest, \$5,000 due annually beginning December 31, 1998 and December 31, 2017	265,377
Note to I.L.L., Inc., 7.0% interest, due monthly beginning September 1, 2000 until September 1, 2010	<u>287,874</u>
	<u>\$ 683,251</u>

The first three notes above financed Carnegie Place, a low income housing development. Funds were obtained by Community Action Agency of Siouxland and passed through to Carnegie Place, Limited Partnership. Community Action Agency of Siouxland is the primary obligor on the notes and repayment terms from Carnegie are the same terms as indicated in Note 6.

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 8-- NOTES PAYABLE (CONTINUED)**

Community Action Agency of Siouxland entered into a limited partnership agreement with Carnegie Place, Limited Partnership as of November 8, 1995. Community Action Agency of Siouxland and Community Housing Initiatives, Inc. are general partners each having a .5 percent capital ownership and profit-sharing interests and Carnegie Place, Limited Partnership and Housing Outreach, Limited Partnership, as limited partners having 99.5 percent of capital ownership and profit-sharing interests.

The note to Federal Home Loan Bank is a grant awarded for the Carnegie Place Apartments project through the Bank's Affordable Housing Program (AHP). Repayment is conditional upon the use of Carnegie Place Apartments for housing to elderly and low income individuals or families. Commencing upon the project's completion date, September 1997, there is a 30-year retention period after which, no obligation for repayment remains.

The note to I.L.L., Inc. relates to the purchase of the Isabelle Sloan School building located on South Helen Street in Sioux City, Iowa. The building is used mainly to house the Early Head Start Program. The repayment terms require equal monthly installments of \$2,496.46 for the first two years at a fixed interest rate of 7.0 percent. During the remaining eight years of the note, the monthly payments will be adjusted periodically to reflect any change in interest rates. The rate will equal the average yield on actively traded United States Treasury Securities plus 2.0 percent, not to exceed 9.0 percent, nor shall it be less than 7.0 percent average percentage rate. The remaining balance is due in full on September 1, 2010.

The future maturities of the note to I.L.L. for the next five years are as follows:

2005	\$ 10,127
2006	10,859
2007	11,644
2008	12,486
2009	13,389
Thereafter	<u>229,369</u>
	\$ <u>287,874</u>

**NOTE 9-- LEASE OBLIGATIONS**

The Agency leases various office equipment and administrative and program space under operating leases. The terms of the leases are primarily for one year or less, with the option for annual renewal with one lease expiring in July 2009. The total amount of rent expense reported under these leases for the current fiscal year was \$22,893.

The following are the remaining future minimum lease payments required:

2005	\$ 27,896
2006	12,000
2007	12,000
2008	12,000
2009	10,000

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Notes to Financial Statements  
September 30, 2004

**NOTE 10- GROUP HEALTH INSURANCE**

The Agency sponsors a partially self-insured group health insurance program on behalf of its employees and their dependents. Under the plan, the Agency pays for claims up to \$15,000 annually per individual with two employees whose limits have been increased to \$30,000 and \$75,000. In addition, there is an overall maximum of \$1,000,000. A contract with an insurance company is maintained to provide coverage in excess of the Agency's liability.

At September 30, 2004, management estimated the reserve for insurance claims to be \$185,386. The reserve represents individual case estimates for reported claims, estimates of expenses for investigating and settling claims, and estimates for incurred but not reported (IBNR) claims based on actual historical claims' costs for medical claims adjusted for current events.

**NOTE 11- RISK MANAGEMENT AND CONTINGENCIES**

Community Action Agency of Siouxland 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 Agency 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.

As a general partner in the Carnegie Place, L.P. limited partnership, Community Action Agency of Siouxland can be held jointly and severally liable, along with other general partners, for claims of creditors, recourse indebtedness, and litigation involving the partnerships.

In addition, the general partners have agreed to advance funds to the partnerships as needed to eliminate operating cash deficits. No advances are outstanding as of September 30, 2004.

**NOTE 12- CONCENTRATION OF CREDIT RISK**

Community Action Agency of Siouxland maintains its cash balances in two local area banks. The accounts are insured up to \$100,000 per each banking institution. At the end of the year the Agency had \$437,453 of cash deposits in banks, of which \$299,795 was over the insured limits. However, the banks with deposits in excess of the insured amounts have pledged securities they were holding as collateral for the deposits.

SUPPLEMENTAL INFORMATION

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Financial Position  
September 30, 2004

<u>Assets</u>	<u>Designated Funds</u>		
	<u>Total</u>	<u>CSBG</u>	<u>LIHEAP</u>
Current Assets			
Cash	\$ 209,319	\$ 11,251	\$ (2,308)
Receivables			
Grant Awards and Contracts	435,609		2,204
Other	6,111		39
Notes Receivable	395,377		
Prepaid Expenses	13,932		188
Total Current Assets	<u>1,060,348</u>	<u>11,251</u>	<u>123</u>
Property and Equipment			
Land	106,747		
Building and Leasehold Improvements	627,044		
Vehicles and Equipment	305,347		
	<u>1,039,138</u>	<u>-</u>	<u>-</u>
Accumulated Depreciation	494,972		
Net Property and Equipment	<u>544,166</u>	<u>-</u>	<u>-</u>
Total Assets	<u>1,604,514</u>	<u>11,251</u>	<u>123</u>
<u>Liabilities, Deferred Revenue and Net Assets</u>			
Liabilities and Deferred Revenue			
Accounts Payable	139,050		26
Payroll Taxes and Benefits Payable	78,490		97
Accrued Vacation	81,323		
Notes Payable	683,251		
Deferred Revenue	217,005	11,251	
Total Liabilities and Deferred Revenue	<u>1,199,119</u>	<u>11,251</u>	<u>123</u>
Net Assets			
Unrestricted			
Invested in Property and Equipment	256,292		
Designated for Programs	9,909		
Undesignated	139,194		
Total Net Assets	<u>405,395</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Revenue and Net Assets	<u>\$ 1,604,514</u>	<u>\$ 11,251</u>	<u>\$ 123</u>

Designated Funds

Head Start	Early Head Start	Woodbury County Empowerment Contract	Weatherization Assistance Programs	Weatherization Assistance Administration	Wrap Around Child Care Grants
\$ (112,773)	\$ (42,867)	\$ (2,540)	\$ (43,473)	\$ 24,446	\$ 140,168
144,199	50,802	3,122	46,596		
1,572	390		435	226	
	959	51			579
<u>32,998</u>	<u>9,284</u>	<u>633</u>	<u>3,558</u>	<u>24,672</u>	<u>140,747</u>
24,600					
156,607	37,090				
39,741	186,172		28,413		
220,948	223,262	-	28,413	-	-
122,957	164,721		20,062		
97,991	58,541	-	8,351	-	-
<u>130,989</u>	<u>67,825</u>	<u>633</u>	<u>11,909</u>	<u>24,672</u>	<u>140,747</u>
15,782	3,353	465	3,558	781	459
17,216	5,931	168		2,279	3,491
				21,612	136,797
<u>32,998</u>	<u>9,284</u>	<u>633</u>	<u>3,558</u>	<u>24,672</u>	<u>140,747</u>
97,991	58,541		8,351		
<u>97,991</u>	<u>58,541</u>	<u>-</u>	<u>8,351</u>	<u>-</u>	<u>-</u>
<u>\$ 130,989</u>	<u>\$ 67,825</u>	<u>\$ 633</u>	<u>\$ 11,909</u>	<u>\$ 24,672</u>	<u>\$ 140,747</u>

(Continued)

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Financial Position (Continued)  
September 30, 2004

	Designated Funds			
	Family Development & Self Sufficiency (FaDSS)	Shared Vision Grants	Crossroads	I Care and Other Assistance
<u>Assets</u>				
Current Assets				
Cash	\$ (30,242)	\$ 27,183	\$ 2,193	\$ 18,423
Receivables				
Grant Awards and Contracts	32,143		2,369	
Other	7		4	
Notes Receivable				
Prepaid Expenses	136	835	4,238	
Total Current Assets	<u>2,044</u>	<u>28,018</u>	<u>8,804</u>	<u>18,423</u>
Property and Equipment				
Land			1	
Building and Leasehold Improvements			25,274	
Vehicles and Equipment		1,213		
	-	1,213	25,275	-
Accumulated Depreciation		1,213	17,060	
Net Property and Equipment	-	-	8,215	-
Total Assets	<u>2,044</u>	<u>28,018</u>	<u>17,019</u>	<u>18,423</u>
<u>Liabilities, Deferred Revenue and Net Assets</u>				
Liabilities and Deferred Revenue				
Accounts Payable	485	2,177	749	2,789
Payroll Taxes and Benefits Payable	1,559	1,296	1,343	93
Accrued Vacation				
Notes Payable				
Deferred Revenue		24,545	6,712	15,541
Total Liabilities and Deferred Revenue	<u>2,044</u>	<u>28,018</u>	<u>8,804</u>	<u>18,423</u>
Net Assets				
Unrestricted				
Invested in Property and Equipment			8,215	
Designated for Programs				
Undesignated				
Total Net Assets	<u>-</u>	<u>-</u>	<u>8,215</u>	<u>-</u>
Total Liabilities, Deferred Revenue and Net Assets	<u>\$ 2,044</u>	<u>\$ 28,018</u>	<u>\$ 17,019</u>	<u>\$ 18,423</u>

Designated Funds

New Iowan Center and Migrant Workers	Iowa Workforce Development Programs	General Relief	Senior Service of America, Inc.		Child & Adult Care Food Program
			Administration	Enrollees	
\$ (46,523)	\$ (2,717)	\$ (20,304)	\$ (685)	\$ (28,931)	\$ (1,126)
50,085	9,997	23,565		29,066	37,494
9			600		
641	21		142	1,569	161
<u>4,212</u>	<u>7,301</u>	<u>3,261</u>	<u>57</u>	<u>1,704</u>	<u>36,529</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,212</u>	<u>7,301</u>	<u>3,261</u>	<u>57</u>	<u>1,704</u>	<u>36,529</u>
2,883	7,301	3,261	54	123	35,842
1,329			3	1,581	687
<u>4,212</u>	<u>7,301</u>	<u>3,261</u>	<u>57</u>	<u>1,704</u>	<u>36,529</u>
-	-	-	-	-	-
<u>\$ 4,212</u>	<u>\$ 7,301</u>	<u>\$ 3,261</u>	<u>\$ 57</u>	<u>\$ 1,704</u>	<u>\$ 36,529</u>

(Continued)

COMMUNITY ACTION AGENCY OF SIOUXLAND

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Financial Position (Continued)  
September 30, 2004

	Designated Funds				Undesignated
	Traditional Housing	Family Development	Indirect Cost Allocation Pool	Property and Equipment	
<u>Assets</u>					
Current Assets					
Cash	\$ 5,802	\$ (93)	\$ 75,956		\$ 238,479
Receivables					
Grant Awards and Contracts	3,967				
Other			1,522		1,307
Notes Receivable					395,377
Prepaid Expenses	579	253	1,736		1,844
Total Current Assets	<u>10,348</u>	<u>160</u>	<u>79,214</u>		<u>637,007</u>
Property and Equipment					
Land	3,146			\$ 79,000	
Building and Leasehold Improvements	75,202			332,871	
Vehicles and Equipment				49,808	
	<u>78,348</u>	<u>-</u>	<u>-</u>	<u>461,679</u>	<u>-</u>
Accumulated Depreciation	60,145			108,814	
Net Property and Equipment	<u>18,203</u>	<u>-</u>	<u>-</u>	<u>352,865</u>	<u>-</u>
Total Assets	<u>28,551</u>	<u>160</u>	<u>79,214</u>	<u>352,865</u>	<u>637,007</u>
<u>Liabilities, Deferred Revenue and Net Assets</u>					
Liabilities and Deferred Revenue					
Accounts Payable	237		38,164		20,561
Payroll Taxes and Benefits Payable	202	160	40,503		552
Accrued Vacation					81,323
Notes Payable				287,874	395,377
Deferred Revenue			547		
Total Liabilities and Deferred Revenue	<u>439</u>	<u>160</u>	<u>79,214</u>	<u>287,874</u>	<u>497,813</u>
Net Assets					
Unrestricted					
Invested in Property and Equipment	18,203			64,991	
Designated for Programs	9,909				
Undesignated					139,194
Total Net Assets	<u>28,112</u>	<u>-</u>	<u>-</u>	<u>64,991</u>	<u>139,194</u>
Total Liabilities, Deferred Revenue and Net Assets	<u>\$ 28,551</u>	<u>\$ 160</u>	<u>\$ 79,214</u>	<u>\$ 352,865</u>	<u>\$ 637,007</u>

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Activities  
For the Year Ended September 30, 2004

	Total	Designated Funds		
		CSBG 03-17CP	CSBG 04-17CP	LIHEAP 04-18-R
<b>Revenues</b>				
Government Funding Sources				
U.S. Department of HUD	\$ 97,157			
U.S. Department of Labor	322,634			
U.S. Department of Energy	272,231			
U.S. Department of Health and Human Services	4,924,780	\$ 82,045	\$ 164,626	\$ 1,250,564
U.S. Department of Agriculture	698,421			
Iowa Department of Education	171,679			
FEMA	15,000			
Iowa Workforce Development	337,370			
In-Kind Contributions	6,545			
Miscellaneous	766,269			
CSBG Co-Funding	-	\$ (82,045)	\$ (164,626)	29,257
Total Support and Revenue	<u>7,612,086</u>	<u>-</u>	<u>-</u>	<u>1,279,821</u>
<b>Expenses</b>				
Personnel	3,120,593			78,201
Fringe Benefits and Payroll Taxes	1,009,636			28,776
Assistance to Individuals	2,253,740			1,141,660
Travel	79,098			612
Rent	164,111			1,305
Repairs and Maintenance	51,913			
Weatherization Labor, Support and Administration	256,314			
Utilities and Telephone	140,880			381
Supplies and Material	154,272			10,643
Equipment	21,478			
Renovations	32,610			
Printing, Publications and Postage	39,184			1,535
Insurance	67,836			635
Depreciation	76,024			
Interest	20,513			
In-Kind	6,545			
Miscellaneous	131,482			26
Indirect Costs	-			16,047
Total Expenses	<u>7,626,229</u>	<u>-</u>	<u>-</u>	<u>\$ 1,279,821</u>
Excess (Deficiency) of Support and Revenue Over Expenses Before Capital Additions	(14,143)	-	-	-
<b>Capital Activity</b>				
Capital Additions - Purchase of Capital Equipment and Buildings	<u>44,400</u>			
Excess (Deficiency) of Support and Revenue Over Capital Activity and Other Revenue	30,257	-	-	-
<b>Transfers</b>				
Capital Activity Transferred to Property and Equipment Fund and Retirements	-			
Interfund Transfers	-			
Net Assets (Deficit) - Beginning of Year	<u>375,138</u>			
Net Assets (Deficit) - End of Year	<u>\$ 405,395</u>	<u>-</u>	<u>-</u>	<u>-</u>

Designated Funds

Head Start		Early Head Start		Woodbury County Empowerment Contract	
07CH-7018 32	07CH-7018 33	03-04	04-05	03-04	04-05
\$ 1,052,689	\$ 1,227,549	\$ 281,841	\$ 442,586	\$ 24,952	\$ 3,123
64,665	71,972			1,570	104
4,619	1,926				
42,332	53,036	7,458	16,502		
<u>1,164,305</u>	<u>1,354,483</u>	<u>289,299</u>	<u>459,088</u>	<u>26,522</u>	<u>3,227</u>
632,357	697,363	144,521	229,131	16,477	2,102
209,198	239,127	54,397	86,632	4,589	585
70,527	79,032	2,496	3,557	1,505	72
4,809	8,627	6,748	15,434		
45,035	35,085	14,183	20,575		
2,627	4,390	2,026	2,379		
11,944	14,023	2,736	4,920		
12,385	37,418	2,366	10,307		41
	32,610	19,900			
1,524	5,220	1,028	1,572		
1,132	12,099		12,071	622	30
4,619	1,926				
8,652	16,809	3,853	11,482	169	(39)
159,496	170,754	35,045	61,028	3,160	436
<u>\$ 1,164,305</u>	<u>1,354,483</u>	<u>289,299</u>	<u>\$ 459,088</u>	<u>\$ 26,522</u>	<u>\$ 3,227</u>
-	-	-	-	-	-
	24,500	19,900			
-	24,500	19,900	-	-	-
	\$ (24,500)	\$ (19,900)			
-	-	-	-	-	-

(Continued)

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Activities (Continued)  
For the Year Ended September 30, 2004

Designated Funds

Weatherization Assistance Programs

	DOE-03-18R	DOE-04-18R	HEAP-03-18R	HEAP-04-18R	Utility
<b>Revenues</b>					
Government Funding Sources					
U.S. Department of HUD					
U.S. Department of Labor					
U.S. Department of Energy	\$ 85,863	\$ 186,368			
U.S. Department of Health and Human Services			\$ 113,303	\$ 63,575	
U.S. Department of Agriculture					
Iowa Department of Education					
FEMA					
Iowa Workforce Development					
In-Kind Contributions					
Miscellaneous					
CSBG Co-Funding					
Total Support and Revenue	<u>85,863</u>	<u>186,368</u>	<u>113,303</u>	<u>63,575</u>	
<b>Expenses</b>					
Personnel					
Fringe Benefits and Payroll Taxes					
Assistance to Individuals	50,682	71,825	73,199	36,899	
Travel					
Rent					
Repairs and Maintenance					
Weatherization Labor, Support and Administration	35,181	114,543	35,106	9,747	
Utilities and Telephone					
Supplies and Material					
Equipment			1,578		
Renovations					
Printing, Publications and Postage					
Insurance				14,222	
Depreciation					
Interest					
In-Kind					
Miscellaneous			3,420	2,707	\$ 90
Indirect Costs					
Total Expenses	<u>\$ 85,863</u>	<u>\$ 186,368</u>	<u>\$ 113,303</u>	<u>\$ 63,575</u>	<u>90</u>
Excess (Deficiency) of Support and Revenue Over Expenses Before Capital Additions	-	-	-	-	(90)
<b>Capital Activity</b>					
Capital Additions - Purchase of Capital Equipment and Buildings					
Excess (Deficiency) of Support and Revenue Over Capital Activity and Other Revenue	-	-	-	-	(90)
<b>Transfers</b>					
Capital Activity Transferred to Property and Equipment Fund and Retirements					
Interfund Transfers					
Net Assets (Deficit) - Beginning of Year					\$ 90
Net Assets (Deficit) - End of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Designated Funds

Weatherization Assistance Programs			Wrap Around Child Care Grants					
MEC-03-18R	MEC-04-18R	Administration	WRA 1-03	WRA 1-04	WRA 2-03	WRA 2-04	WRA 3-03	WRA 3-04
			\$ 46,275	\$ 2,297	\$ 45,380	\$ 2,496	\$ 45,335	\$ 2,410
			3,284	141	4,186	155	3,737	164
\$ 1,021	\$ 117,244	\$ 160,811						
			4,922	187	4,218	206	792	334
<u>1,021</u>	<u>117,244</u>	<u>160,811</u>	<u>54,481</u>	<u>2,625</u>	<u>53,784</u>	<u>2,857</u>	<u>49,864</u>	<u>2,908</u>
		86,759	32,628	1,644	30,840	1,771	30,118	1,888
		32,585	10,192	434	10,878	527	8,681	484
327	56,201		2,432	163	3,510	144	2,937	115
		5,179			6			
		2,790	658		600		600	
		125						
694	61,043							
		759	2					
		969	1,500	34	1,050	31	1,061	27
		589	16		16	1	17	
		1,815	630	38	627	38	631	38
		944						
		17,902	6,423	312	6,257	345	5,819	356
<u>\$ 1,021</u>	<u>\$ 117,244</u>	<u>150,416</u>	<u>\$ 54,481</u>	<u>\$ 2,625</u>	<u>\$ 53,784</u>	<u>\$ 2,857</u>	<u>\$ 49,864</u>	<u>\$ 2,908</u>
		10,395	-	-	-	-	-	-
		10,395	-	-	-	-	-	-
		\$ (10,395)						

(Continued)

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Activities (Continued)  
For the Year Ended September 30, 2004

Designated Funds

	Family Development & Self Sufficiency		Shared Vision Grants	
	FaDDS 04-18FR	FaDDS 05-18FR	02-03	03-04
<b>Revenues</b>				
Government Funding Sources				
U.S. Department of HUD				
U.S. Department of Labor				
U.S. Department of Energy				
U.S. Department of Health and Human Services	\$ 56,698	\$ 17,036		
U.S. Department of Agriculture			\$ 15,994	\$ 1,475
Iowa Department of Education			153,379	18,300
FEMA				
Iowa Workforce Development				
In-Kind Contributions				
Miscellaneous	50,279	15,107		
CSBG Co-Funding	2,335	3,981	8,991	1,344
<b>Total Support and Revenue</b>	<b>109,312</b>	<b>36,124</b>	<b>178,364</b>	<b>21,119</b>
<b>Expenses</b>				
Personnel	57,055	18,624	99,371	12,157
Fringe Benefits and Payroll Taxes	22,202	7,913	23,642	2,869
Assistance to Individuals			17,151	1,906
Travel	5,490	2,149	713	38
Rent	7,706	2,226	9,315	606
Repairs and Maintenance			(156)	
Weatherization Labor, Support and Administration				
Utilities and Telephone	1,807	769	922	279
Supplies and Material	1,066	177	2,863	788
Equipment				
Renovations				
Printing, Publications and Postage	590	225	155	25
Insurance	661		2,247	197
Depreciation				
Interest				
In-Kind				
Miscellaneous	847	60	1,062	
Indirect Costs	11,888	3,981	21,079	2,254
<b>Total Expenses</b>	<b>\$ 109,312</b>	<b>\$ 36,124</b>	<b>\$ 178,364</b>	<b>\$ 21,119</b>
Excess (Deficiency) of Support and Revenue Over Expenses Before Capital Additions	-	-	-	-
<b>Capital Activity</b>				
Capital Additions - Purchase of Capital Equipment and Buildings				
Excess (Deficiency) of Support and Revenue Over Capital Activity and Other Revenue	-	-	-	-
<b>Transfers</b>				
Capital Activity Transferred to Property and Equipment Fund and Retirements				
Interfund Transfers				
Net Assets (Deficit) - Beginning of Year				
Net Assets (Deficit) - End of Year				

Designated Funds

Crossroads 03-04	I Care and Other Assistance		New lowan Center and Migrant Workers	Iowa Workforce Development Programs	General Relief
	02-03	03-04			
\$ 97,157					
		\$ 15,000	\$ 201,504	\$ 135,866	
24,140	\$ 1,200	28,219	8,455		\$ 130,118
<u>121,297</u>	<u>1,200</u>	<u>43,219</u>	<u>209,959</u>	<u>135,866</u>	<u>130,118</u>
69,910			127,643		
19,918			42,552		
7,105	1,200	43,219	1,610		130,118
133			7,055		
686				19,918	
6,723			1,874	45,088	
1,207			1,596	40,849	
257			188	2,978	
1,013			1,270		
871			666	27,033	
13,474			25,505		
<u>\$ 121,297</u>	<u>\$ 1,200</u>	<u>\$ 43,219</u>	<u>\$ 209,959</u>	<u>\$ 135,866</u>	<u>\$ 130,118</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

(Continued)

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Combining Statement of Activities (Continued)  
For the Year Ended September 30, 2004

	Designated Funds				Child & Adult Care Food Program
	Senior Service of America, Inc.				
	Administration		Enrollees		
	03-04	04-05	03-04	04-05	
<b>Revenues</b>					
Government Funding Sources					
U.S. Department of HUD					
U.S. Department of Labor			\$ 255,721	\$ 66,913	
U.S. Department of Energy					
U.S. Department of Health and Human Services					
U.S. Department of Agriculture					\$ 530,974
Iowa Department of Education					
FEMA					
Iowa Workforce Development					
In-Kind Contributions					
Miscellaneous	\$ 15,300	\$ 3,881			
CSBG Co-Funding	846	211	12,641	9,234	
Total Support and Revenue	<u>16,146</u>	<u>4,092</u>	<u>268,362</u>	<u>76,147</u>	<u>530,974</u>
<b>Expenses</b>					
Personnel	4,481	1,172	206,367	58,982	41,433
Fringe Benefits and Payroll Taxes	1,529	424	25,003	6,804	16,743
Assistance to Individuals			2,287		451,861
Travel	1,375	231			3,389
Rent	1,836				1,836
Repairs and Maintenance					
Weatherization Labor, Support and Administration					
Utilities and Telephone	432	100			440
Supplies and Material	548	68			3,689
Equipment					
Renovations					
Printing, Publications and Postage	1,110	660		219	1,659
Insurance	641				629
Depreciation					
Interest					
In-Kind					
Miscellaneous	680	74		274	568
Indirect Costs	5,044	1,363	34,705	9,868	8,727
Total Expenses	<u>17,676</u>	<u>\$ 4,092</u>	<u>\$ 268,362</u>	<u>\$ 76,147</u>	<u>\$ 530,974</u>
<b>Excess (Deficiency) of Support and Revenue Over Expenses Before Capital Additions</b>					
	(1,530)	-	-	-	-
<b>Capital Activity</b>					
Capital Additions - Purchase of Capital Equipment and Buildings					
<b>Excess (Deficiency) of Support and Revenue Over Capital Activity and Other Revenue</b>					
	(1,530)	-	-	-	-
<b>Transfers</b>					
Capital Activity Transferred to Property and Equipment Fund and Retirements					
Interfund Transfers					
<b>Net Assets (Deficit) - Beginning of Year</b>					
	\$ 1,530				
<b>Net Assets (Deficit) - End of Year</b>					
	-	-	-	-	-

Designated Funds

Transitional Housing 03-04	Family Development 03-04	Indirect Cost Allocation Pools	Property and Equipment	Undesignated
\$ 22,621				\$ 196,328
28,139	\$ 11,250			
<u>50,760</u>	<u>11,250</u>	-	-	<u>196,328</u>
21,583	6,053	\$ 379,409		30,553
8,463	2,673	131,347		10,469
1,434	593	13,589		1,494
1,395		18,360		
3,108				16,810
5,173		7,752		34,756
1,501		14,973		7,115
715		3,245		15,640
1,308	622	1,712		12,908
			\$ 76,024	
			20,513	
52		35,457		15,725
4,507	1,309	(627,084)		
<u>49,239</u>	<u>\$ 11,250</u>	<u>(21,240)</u>	<u>96,537</u>	<u>145,470</u>
1,521	-	21,240	(96,537)	50,858
1,521	-	21,240	(96,537)	50,858
			44,400	
		\$ (21,240)		21,240
8,388			278,472	97,053
<u>\$ 9,909</u>	<u>-</u>	<u>-</u>	<u>\$ 226,335</u>	<u>\$ 169,151</u>

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2004

Federal Grantor / Pass-Through Grantor / Program Title	CFDA #	Grant Period	Federal Expenses
<b>Direct Federal Awards</b>			
U.S. Department of Health and Human Services			
Direct Program			
Head Start	93.600	3/1/03 - 2/29/04	\$ 1,334,530
Head Start	93.600	3/1/04 - 2/28/05	1,670,135
<b>Indirect Federal Awards</b>			
U.S. Department of Health and Human Services			
Passed Through Iowa Department of Human Rights			
Community Service Block Grant	93.569	10/1/02 - 12/31/03	82,045
Community Service Block Grant	93.569	10/1/03 - 09/30/04	164,626
Low Income Home Energy Assistance Program	93.568	10/1/03 - 9/30/04	1,250,564
Low Income Home Energy Assistance Program	93.568	4/1/03 - 3/31/04	113,303
Low Income Home Energy Assistance Program	93.568	4/1/04 - 3/31/05	63,575
Passed Through Woodbury County Empowerment Area			
Temporary Assistance to Needy Families	93.575	7/1/03 - 6/30/04	24,952
Temporary Assistance to Needy Families	93.575	7/1/04 - 6/30/05	3,123
Passed Through Iowa Department of Human Services			
Child Care and Development Block Grant	93.575	9/1/03 - 8/31/04	136,990
Child Care and Development Block Grant	93.575	9/1/04 - 8/31/05	7,203
Family Development and Self-Sufficiency Program	93.558	7/1/03 - 6/30/04	56,698
Family Development and Self-Sufficiency Program	93.558	7/1/04 - 6/30/05	17,036
Total U.S. Department of Health and Human Services			4,924,780
U.S. Department of Agriculture			
Passed Through Iowa Department of Education			
Child/Adult Care Food Program	10.558	10/1/03 - 9/30/04	530,974
Child/Adult Care Food Program	10.558	10/1/03 - 9/30/04	167,447
Total U.S. Department of Agriculture			698,421
U.S. Department of Labor			
Senior Service of America, Inc.			
Senior Community Service Employment Program	17.235	7/1/03 - 6/30/04	255,721
Senior Community Service Employment Program	17.235	7/1/04 - 6/30/05	66,913
Total U.S. Department of Labor			322,634
U.S. Department of Energy			
Passed Through Iowa Department of Human Rights			
Weatherization Assistance for Low-Income Persons	81.042	4/1/03 - 3/31/04	85,863
Weatherization Assistance for Low-Income Persons	81.042	4/1/04 - 3/31/05	186,368
Total U.S. Department of Energy			272,231
U.S. Department of Housing and Urban Development			
Passed Through the Iowa Department of Economic Development and the City of Sioux City			
Emergency Shelter Grants Program	14.231	10/1/03 - 9/30/04	97,157
Federal Emergency Management Agency			
Emergency Food and Shelter National Board Program	83.523	12/1/03 - 11/30/04	15,000
Total Expenditures of Federal Awards			<u>\$ 6,330,223</u>

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Action Agency of Siouxland 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 Basic Financial Statements.

NON-GAAP SUPPLEMENTAL INFORMATION

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Iowa Department of Human Rights

**Community Service Block Grant No. 03-17CR**

Schedule of Grant/Contract Activity

For the Period From October 1, 2002 to September 30, 2003 (Extended to December 31, 2003)

	<u>Budget</u>	<u>Actual</u>
Co-Funded Programs		
Child and Adult Care Food Program	\$ 8,559	-
Family Development and Self-Sufficiency	51,316	\$ 18,753
Housing	58,348	39,957
Head Start/Early Head Start	72,500	104,341
LIHEAP	13,000	44,515
Senior Service of America, Inc.	42,000	41,753
Shared Vision	11,430	6,468
Wrap Around	15,929	16,420
New lowan Center	7,880	8,755
	<u>280,962</u>	<u>280,962</u>
Total Expenditures	<u>\$ 280,962</u>	<u>\$ 280,962</u>

Community Action Agency of Siouxland  
Iowa Department of Human Rights

**Low Income Home Energy Assistance Program Contract LIHEAP-04-18-R**

Schedule of Grant/Contract Activity

For the Period From October 1, 2003 to September 30, 2004

Cost Category	<u>Budget</u>	<u>Actual</u>
Expenses		
Regular Assistance	\$ 1,024,689	\$ 1,018,796
Energy Crisis Assistance	38,167	38,167
Emergency Delivery/Reconnect	12,744	12,743
Client Services	23,341	23,341
Summer Fuel Delivery	73,600	73,600
Administration	83,917	83,917
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 1,256,458</u>	<u>\$ 1,250,564</u>

Community Action Agency of Siouxland  
Iowa Department of Human Rights

**Head Start Grant No. 07CH 7018(32)**  
Schedule of Grant/Contract Activity  
For the Period From March 1, 2003 to February 29, 2004

	<u>Budget</u>	<u>Actual</u>
<b>Revenues</b>		
Grant Revenue	\$ 2,145,926	\$ 2,145,926
Other Revenue		121,480
CSBG Support Revenue		73,074
Grantee's Contribution - In Kind	<u>536,482</u>	<u>749,349</u>
Total Revenue	<u>2,682,408</u>	<u>3,089,829</u>
<b>Expenses - Grantor's Share</b>		
<b>P/A 22</b>		
Salaries and Employee Benefits	1,481,653	1,568,643
Participant and Client Assistance	36,935	12,357
Travel	7,394	4,762
Rent	87,901	69,601
Repairs and Maintenance	3,435	12,719
Utilities and Telephone	22,178	24,383
Supplies and Materials	29,220	27,295
Printing, Publications and Postage	7,340	8,090
Insurance	8,600	10,023
Other	14,150	13,408
Indirect	<u>45,715</u>	<u>44,582</u>
Total P/A 22	1,744,521	1,795,863
<b>P/A 22 Administrative</b>		
Salaries and Employee Benefits	129,584	94,256
Travel	1,581	734
Rent	4,248	4,901
Utilities and Telephone	1,056	276
Supplies and Materials	120	166
Printing, Publications and Postage	780	282
Insurance	1,031	-
Other	760	780
Indirect	<u>197,709</u>	<u>197,709</u>
Total P/A 22 Administrative	336,869	299,104
<b>P/A 20 T/TA</b>		
Travel	16,902	5,893
Supplies and Materials	4,475	12,501
Other	<u>13,300</u>	<u>11,735</u>
Total P/A 20 T/TA	34,677	30,129
<b>P/A 26</b>		
Salaries and Employee Benefits	27,660	17,906
Participant and Client Assistance	990	1,385
Travel	19	99
Supplies and Materials	125	883
Printing, Publications and Postage	125	
Other	80	
Indirect	<u>860</u>	<u>557</u>
Total P/A 26	<u>29,859</u>	<u>20,830</u>
Total Grantor's Share	2,145,926	2,145,926
Expenses - CACFP		121,480
Expenses - CSBG Co-Funded (Indirect)		73,074
Expenses - Grantee's Share (In-Kind) - P/A 22	<u>536,482</u>	<u>745,349</u>
Total Expenses	<u>\$ 2,682,408</u>	<u>\$ 3,085,829</u>

Community Action Agency of Siouxland  
Iowa Department of Human Rights

**Early Head Start Grant No. 07CH 7018(32)**  
Schedule of Grant/Contract Activity  
For the Period From March 1, 2003 to February 29, 2004

	Budget	Actual
<b>Revenues</b>		
Grant Revenue	\$ 339,378	\$ 339,378
Grantee's Contribution - In Kind	84,845	166,925
CSBG Support Revenue	-	9,077
Total Revenue	424,223	515,380
<b>Expenses - Grantor's Share</b>		
<b>P/A 25</b>		
Salaries and Employee Benefits	211,383	209,828
Participant and Client Assistance	3,950	2,984
Travel	3,126	4,670
Rent	13,379	13,633
Repairs and Maintenance	480	2,330
Utilities and Telephone	2,855	3,057
Supplies and Materials	4,263	4,576
Equipment	18,000	19,900
Printing, Publications and Postage	725	1,177
Insurance	4,120	379
Other	2,066	3,858
Indirect	7,503	6,501
Total P/A 25	271,850	272,893
<b>P/A 25 Administrative</b>		
Salaries and Employee Benefits	30,027	28,154
Travel		178
Rent	621	674
Utilities and Telephone	145	221
Supplies and Materials	300	103
Printing, Publications and Postage	25	21
Insurance	13	-
Other		155
Indirect	28,708	29,087
Total P/A 25 Administrative	59,839	58,593
<b>P/A 11 T/TA</b>		
Travel	3,521	5,875
Tuition/Conference Registration	4,168	2,017
Total P/A 11 T/TA	7,689	7,892
Total Grantor's Share	339,378	339,378
Expenses - CSBG Co-Funded		9,077
Expenses - Grantee's Share (In-Kind) - P/A 25	84,845	166,925
Total Expenses	\$ 424,223	\$ 515,380

Community Action Agency of Siouxland  
Iowa Department of Human Rights

**Wrap Around Child Care Grant BDPS-04-015**  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2003 to August 31, 2004

	<u>Budget</u>	<u>Actual</u>
Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	\$ 43,551	\$ 43,812
Facility Costs	600	1,271
Supplies and Materials	300	1,114
Net Food Costs	507	3,836
Transportation Costs	135	104
Indirect	<u>2,907</u>	<u>6,572</u>
Total	48,000	56,709
Less: CACFP		4,319
CSBG Co-Funded - Indirect		<u>4,390</u>
Total Expenses	<u>48,000</u>	<u>48,000</u>

**Wrap Around Child Care Grant BDPS-04-017**  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2003 to August 31, 2004

Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	43,975	44,132
Facility Costs	600	1,335
Supplies and Materials	300	1,537
Net Food Costs	507	2,776
Transportation Costs	135	
Indirect	<u>2,483</u>	<u>6,620</u>
Total	48,000	56,400
Less: CACFP		3,357
CSBG Co-Funded - Indirect		<u>5,043</u>
Total Expenses	<u>48,000</u>	<u>48,000</u>

**Wrap Around Child Care Grant BDPS-04-019**  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2003 to August 31, 2004

Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	40,152	40,941
Facility Costs	600	1,274
Supplies and Materials	650	1,101
Net Food Costs	507	3,181
Transportation Costs	135	25
Indirect	<u>5,956</u>	<u>6,141</u>
Total	48,000	52,663
Less: CACFP		3,795
CSBG Co-Funded - Indirect		<u>868</u>
Total Expenses	<u>\$ 48,000</u>	<u>\$ 48,000</u>

Community Action Agency of Siouxland  
Iowa Department of Human Services

**Woodbury Empowerment Contract**  
**Extended Childcare - Bridges Grant 245E**  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2003 to June 30, 2004

	<u>Budget</u>	<u>Actual</u>
Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	\$ 23,554	\$ 23,565
Food and Snacks	169	169
Insurance	622	622
Supplies	109	109
Indirect Cost	<u>3,546</u>	<u>3,535</u>
Total	<u>\$ 28,000</u>	<u>\$ 28,000</u>

Community Action Agency of Siouxland  
Iowa Department of Economic Development

**Child Development Shared Vision Grant WO-04-0497-122**  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2003 to June 30, 2004

	<u>Budget</u>	<u>Actual</u>
Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	\$ 48,383	\$ 52,486
Travel and Training	250	267
Purchased/Contract Services	633	439
Supplies	1,147	1,262
Other	6,276	10,750
Program Evaluation	586	-
	<u>57,275</u>	<u>65,204</u>
In-kind	<u>11,455</u>	<u>40,328</u>
Total Expenses	<u><u>68,730</u></u>	<u><u>105,532</u></u>

**Child Development Shared Vision Grant WO-04-0495-123**  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2003 to June 30, 2004

Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	50,439	53,124
Travel and Training	450	301
Purchased/Contract Services	1,076	478
Supplies	1,147	1,262
Other	3,577	8,877
Program Evaluation	586	425
	<u>57,275</u>	<u>64,467</u>
In-kind	<u>11,455</u>	<u>91,476</u>
Total Expenses	<u><u>68,730</u></u>	<u><u>155,943</u></u>

**Child Development Shared Vision Grant WO-04-0496-124**  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2003 to June 30, 2004

Expenses		
Iowa Department of Human Services		
Personnel and Fringe Benefits	49,067	52,160
Travel and Training	240	242
Purchased/Contract Services	533	262
Supplies	1,063	1,163
Other	5,786	19,644
Program Evaluation	586	-
	<u>57,275</u>	<u>73,471</u>
In-kind	<u>11,455</u>	<u>24,840</u>
Total Expenses	<u><u>\$ 68,730</u></u>	<u><u>\$ 98,311</u></u>

Community Action Agency of Siouxland  
Iowa Department of Human Rights

**Weatherization Assistance Programs  
Contract DOE-03-18R**

Schedule of Grant/Contract Activity  
For the Period From April 1, 2003 to March 31, 2004

	<u>Budget</u>	<u>Actual</u>
Expenses		
Administration	\$ 19,152	\$ 17,559
Support	35,964	33,355
Health and Safety	25,689	36,609
Labor	51,376	49,580
Materials	<u>51,376</u>	<u>46,454</u>
Total Expenses	<u>183,557</u>	<u>183,557</u>

**Weatherization Assistance Programs  
Contract HEAP 03-18R**

Schedule of Grant/Contract Activity  
For the Period From April 1, 2003 to March 31, 2004

Expenses		
Administration	11,328	2,470
Support	62,254	34,123
Health and Safety	84,465	57,827
Labor	22,741	8,539
Materials	22,741	17,852
Liability Insurance	1,199	1,199
Training/Equipment	<u>23,232</u>	<u>15,463</u>
Total Expenses	<u>227,960</u>	<u>137,473</u>

**Contract MEC-03-18R**

Schedule of Grant/Contract Activity  
For the Period From January 1, 2003 to December 31, 2003

Expenses		
Administration	3,776	3,776
Support	7,550	4,895
Labor	32,087	31,457
Materials	<u>32,087</u>	<u>35,372</u>
Total Expenses	<u>\$ 75,500</u>	<u>\$ 75,500</u>

Community Action Agency of Siouxland  
Iowa Department of Human Rights  
Division of Community Action Agencies

**Family Development and Self-Sufficiency Grant Contract FaDSS-04-18-FR**  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2003 to June 30, 2004

	Budget	Actual
Expenses		
Indirect Costs - Administrative	\$ 9,518	\$ 16,134
Personnel Wages	77,261	77,261
Benefits	30,233	30,233
Travel	6,715	6,715
Space Costs/Utilities	10,092	10,092
Other Costs	6,058	6,058
Total	139,877	146,493
Less: CSBG Co-funded		6,616
Total Expenses	\$ 139,877	\$ 139,877

Community Action Agency of Siouxland  
U.S. Department of Housing and Urban Development

**Emergency Food And Shelter Program**  
Schedule of Grant/Contract Activity  
For the Period From December 1, 2002 to November 30, 2003

	<u>Budget</u>	<u>Actual</u>
Revenue		
Miscellaneous Revenues	<u>\$ 7,411</u>	<u>\$ 7,411</u>
Expenses		
Participant and Client Assistance	<u>\$ 7,411</u>	<u>\$ 7,411</u>

Community Action Agency of Siouxland  
U.S. Department of Labor

**Senior Service of America, Inc.**  
Senior Aides (Title V) Program - Project 77  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2003 to June 30, 2004

	<u>Budget</u>	<u>Actual</u>
Expenses		
Personnel		
Wages and Employee Benefits	\$ 259,915	\$ 255,458
Fringe Benefits		
FICA	19,883	19,544
Workers' Compensation	8,576	8,612
Physical Exams	100	-
OEC/Direct Services	11,609	10,344
Supportive Services		
Training	2,039	2,627
Project Administrative Wages	28,285	28,285
Total Federal Share	<u>\$ 330,407</u>	<u>\$ 324,870</u>

Community Action Agency of Siouxland  
Schedule of Revenue and Expenses  
Indirect Cost Allocation Pools  
For the Year Ended September 30, 2004

	<u>Administration</u>	<u>Neighborhood Services</u>	<u>Total</u>
Revenue			
Reimbursed by Programs	<u>\$ 482,236</u>	<u>\$ 144,848</u>	<u>\$ 627,084</u>
Expenses			
Personnel	288,097	91,312	379,409
Fringe Benefits and Payroll Taxes	94,608	36,739	131,347
Professional Fees	17,000		17,000
Computer Expense	3,599	2,390	5,989
Rent	10,566	7,794	18,360
Supplies	11,856	1,920	13,776
Conferences and Annual Meeting	8,367		8,367
Subscriptions/Publications	1,197		1,197
Travel	13,004	585	13,589
Telephone	3,716	2,177	5,893
Insurance	1,051	661	1,712
On-Line Services	1,859		1,859
Photocopy/Postage	2,463	782	3,245
Dues/Fees	490		490
Other Direct Expenses	3,123	488	3,611
Total Expenses	<u>460,996</u>	<u>\$ 144,848</u>	<u>605,844</u>
Excess Revenues Over Expenditures	<u>\$ 21,240</u>	<u>-</u>	<u>\$ 21,240</u>

Community Action Agency of Siouxland  
Schedule of Revenue and Expenses  
Indirect Reimbursement from Programs  
For the Year Ended September 30, 2004

Program	Wages and Fringe Benefits	Indirect Cost
Low Income Home Energy Assistance Program	\$ 106,977	\$ 16,047
Head Start - Wages and Benefits	1,778,045	
- Inkind Wages and Benefits	427,111	
Total	<u>2,205,156</u>	330,250
Early Head Start - Wages and Benefits	514,681	
- Inkind Wages and Benefits	126,680	
Total	<u>641,361</u>	96,073
Head Start Wrap Around Child Care Grant	130,085	19,512
Woodbury County Empowerment Contract	23,753	3,596
Weatherization Assistance	119,344	17,902
Crossroads	89,828	13,474
Child and Adult Care Food Program	58,176	8,727
Shared Visions - Wages and Benefits	138,039	
- Inkind Wages and Benefits	17,608	
Total	<u>155,647</u>	23,333
Family Development and Self-Sufficiency Grant	105,795	15,869
Senior Service of America, Inc.	297,156	44,573
Senior Service of America, Inc. - Administration - Wages and Benefits	7,606	
- Administration - Inkind Wages and Benefits	34,508	
Total	<u>42,114</u>	6,407
New Iowan Center and Migrant Outreach	170,195	25,505
Transitional Housing	30,046	4,507
Family Development	8,726	1,309
Totals	<u>\$ 4,184,359</u>	<u>627,084</u>
Total Wages and Accrued Leave		4,184,359
Indirect Cost Percentage		<u>15.0%</u>
Total Indirect Reimbursement Available for Programs		<u>\$ 627,653</u>

OMB CIRCULAR A-133 COMPLIANCE SECTION



1009 Iowa Avenue  
P.O. Box 238  
Onawa, IA 51040  
Phone (712) 423-2616  
Fax (712) 423-2626

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

To the Board of Directors  
Community Action Agency of Siouxland  
Sioux City, Iowa

**Compliance:**

We have audited the compliance of Community Action Agency of Siouxland 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 September 30, 2004. Community Action Agency of Siouxland's major federal programs are identified in the summary of auditors' 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 Community Action Agency of Siouxland's management. Our responsibility is to express an opinion on the Organizations' 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 Community Action Agency of Siouxland'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 on the Organizations' compliance with those requirements.

In our opinion, Community Action Agency of Siouxland 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 September 30, 2004.

**Internal Control Over Compliance:**

The management of Community Action Agency of Siouxland is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Community Action Agency of Siouxland'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 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 weakness. A material weakness is a 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 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 operations that we consider to be material weaknesses.

This report is intended solely for the information of the audit committee, management, Department of Human Services, federal awarding agencies, and pass-through entities and is not intended to be used by anyone other than these specified parties.

*Willems & Company P.C.*  
Certified Public Accountants

Sioux City, Iowa  
January 21, 2005



1009 Iowa Avenue  
P.O. Box 238  
Onawa, IA 51040  
Phone (712) 423-2616  
Fax (712) 423-2626

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

To the Board of Directors  
Community Action Agency of Siouxland, Sioux City, Iowa

We have audited the financial statements of Community Action Agency of Siouxland as of and for the year ended September 30, 2004, and have issued our report thereon dated January 21, 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.

**Compliance:**

As part of obtaining reasonable assurance about whether Community Action Agency of Siouxland's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting:**

In planning and performing our audit, we considered Community Action Agency of Siouxland'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 assurance 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 over financial reporting that might be material weaknesses. A material weakness is a 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 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.

This report is intended solely for the information of the audit committee, management, Department of Human Services, federal awarding agencies, and pass-through entities and is not intended to be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Community Action Agency of Siouxland during the course of our audit.

Should you have any questions concerning any of the above matters we shall be pleased to discuss them with you at your convenience.

*Willcove & Company P.C.*  
Certified Public Accountants

Sioux City, Iowa  
January 21, 2005

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Schedule of Findings and Questioned Costs  
For the Year Ended September 30, 2004

Section I --- Summary of Auditors' Results

- (a) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (b) No reportable conditions or material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No reportable conditions or material weaknesses in internal control over financial reporting were identified.
- (e) The audit disclosed no audit findings which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (f) Major programs were as follows:  
CFDA Number 93.600 – Head Start  
CFDA Number 93.568 – Low Income Home Energy Assistance Program
- (g) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (h) Community Action Agency of Siouxland does not qualify as a low-risk auditee.

Section II ---Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

COMMUNITY ACTION AGENCY OF SIOUXLAND  
Schedule of Prior Year Audit Findings  
For the Year Ended September 30, 2004

There were no audit findings in the prior year.

COMMUNITY ACTION AGENCY OF SIOUXLAND