

COMMUNITY ACTION OF SOUTHEAST IOWA

Burlington, Iowa

**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA
(OMB Circular A-133, Single Audit Report)**

September 30, 2004

(With Independent Auditor's Reports Thereon)

COMMUNITY ACTION OF SOUTHEAST IOWA

Burlington, Iowa

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COMMUNITY ACTION OF SOUTHEAST IOWA
Board of Directors and Organization Officials

Executive Board of Directors

Glenwood Tolson	President
Keith Percell	Vice-President
Ken Purdy	Secretary
Marian Brunken	Treasurer

Board Members

<u>County</u>	<u>Representing Government</u>	<u>Program Participant</u>	<u>Representing Private</u>
Henry	Glenwood Tolson	Heidi Ewoldt	Lorene Anderson
Louisa	Ken Purdy	Jose Tabor	Mary Boysen
Des Moines	Edgar Blow Marion Brunken	Melenda McCampbell	Frank Silici
Lee	Bob Woodruff	Alice Tripp	Linda Mullen Keith Percell

Organization Officials

Sharon Ford	Executive Director
Sandra Gerst	Fiscal Officer
Sheri Lewis	Executive Assistant
Lyn Stinson	Neighborhood Center Director/Equal Opportunity Officer
Marcia Munford	Head Start Director
Cheryl Flaatten	Family Day Care/Resource and Referral Director
Christine O'Brien	WIC Director
Jane Wilson	LIHEAP Director
Mike Hurley	RTA Director
Tom Richert	Weatherization Director
Martin Distlehorst	Community Resource Development Director

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Community Action of Southeast Iowa
Burlington, Iowa

We have audited the accompanying Statement of Financial Position of Community Action of Southeast Iowa. (a nonprofit organization) as of September 30, 2004, and the related Statements of Activities and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2003 financial statements and, in our report dated November 20, 2003 and February 6, 2004, with regards to Note #15, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 of Southeast Iowa as of September 30, 2004, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2004, on our consideration of Community Action of Southeast Iowa's internal control over financial reporting and 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.

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 the purpose 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. The additional supporting schedules are presented for purposes of additional analysis and are also not a required part of the basic financial statements. Such supplementary 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.

Meriwether Wilson and Company, P.L.C.
MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

November 11, 2004
West Des Moines, Iowa

COMMUNITY ACTION OF SOUTHEAST IOWA

Statement of Financial Position

Year Ended September 30, 2004
(With Comparative Totals for 2003)

	<u>2004</u>	<u>2003</u>
Assets		
Current Assets		
Cash	\$ 413,956	1,156,678
Cash Investments	--	27,824
Receivables	749,796	655,307
Prepaid Expenses and Deposits	69,479	83,353
Inventories	23,497	22,748
Total Current Assets	<u>1,256,728</u>	<u>1,945,910</u>
Noncurrent Asset		
Certificates of Deposit	<u>28,931</u>	<u>--</u>
Property and Equipment		
Land	7,550	7,550
Building and Leasehold Improvements	1,353,219	1,208,566
Vehicles and Equipment	888,137	1,583,646
	<u>2,248,906</u>	<u>2,799,762</u>
Less Accumulated Depreciation	818,314	1,386,996
Net Property and Equipment	<u>1,430,592</u>	<u>1,412,766</u>
Total Assets	<u>\$ 2,716,251</u>	<u>3,358,676</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 606,878	842,734
Notes Payable - Current Portion	6,667	6,409
Owed to Grantor Agencies	90,987	312,561
Deferred Revenue	96,712	124,057
Other Current Liabilities	1,310	55,589
Total Current Liabilities	<u>802,554</u>	<u>1,341,350</u>
Mortgage Notes Payable (Net of Current Portion)	<u>193,829</u>	<u>200,496</u>
Total Liabilities	<u>996,383</u>	<u>1,541,846</u>
Net Assets		
Unrestricted		
Designated for Program Purposes	(19,496)	168,361
Invested in Property and Equipment	1,230,096	1,205,861
Undesignated	491,816	417,130
Total Unrestricted	<u>1,702,416</u>	<u>1,791,352</u>
Temporarily Restricted	17,452	25,478
Total Net Assets	<u>1,719,868</u>	<u>1,816,830</u>
Total Liabilities and Net Assets	<u>\$ 2,716,251</u>	<u>3,358,676</u>

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

COMMUNITY ACTION OF SOUTHEAST IOWA

Statement of Activities

Year Ended September 30, 2004
(With Comparative Totals for 2003)

	2004		2003	
	Unrestricted	Temporarily Restricted	Total All Funds	Total All Funds
Support and Revenue				
Government Awards and Contract Revenue	\$ 11,174,241	--	11,174,241	10,626,742
Services and Project Revenue	234,536	--	234,536	245,114
Interest Income	5,724	--	5,724	13,908
In Kind Donations	877,372	--	877,372	789,723
Other Support and Revenue	93,329	22,918	116,247	90,127
	<u>12,385,202</u>	<u>22,918</u>	<u>12,408,120</u>	<u>11,765,614</u>
Net Assets Released from Restriction	30,944	(30,944)	--	--
Total Support and Revenue	<u>12,416,146</u>	<u>(8,026)</u>	<u>12,408,120</u>	<u>11,765,614</u>
Expenses				
Head Start and Early Head Start	4,353,892	--	4,353,892	4,136,680
Shared Visions/At Risk Child Development	570,616	--	570,616	420,812
Child and Adult Care Food Program	309,889	--	309,889	289,064
Low Income Home Energy Assistance Program	1,663,395	--	1,663,395	1,526,346
Weatherization Assistance	383,773	--	383,773	339,424
Weatherization Assistance - Utility	202,819	--	202,819	127,633
Women, Infants, and Children	3,370,145	--	3,370,145	3,226,444
Regional Transit Authority	394,956	--	394,956	854,075
Family Development - FaDSS	276,389	--	276,389	285,631
Temporary Assistance for Needy Families	163,575	--	163,575	176,677
Community Services Block Grants	355,568	--	355,568	301,348
Other Programs	517,976	--	517,976	440,171
Cost Pools - Net of Reimbursements				
Weatherization Inventory/WIP	(45,595)	--	(45,595)	4,434
Indirect Costs	(45,338)	--	(45,338)	(86,840)
Other Administrative Costs	2,703	--	2,703	2,448
Depreciation and Loss on Disposed Assets	324,837	--	324,837	199,140
Total Expenses	<u>12,799,600</u>	<u>--</u>	<u>12,799,600</u>	<u>12,243,487</u>
Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions	(383,454)	(8,026)	(391,480)	(477,873)
Capital Additions - Awards Received for Capital Expenditures	294,518	--	294,518	218,484
Excess (Deficiency) of Support and Revenue over Expenses After Capital Additions	(88,936)	(8,026)	(96,962)	(259,389)
Net Assets - Beginning of Year	<u>1,791,352</u>	<u>25,478</u>	<u>1,816,830</u>	<u>2,076,219</u>
Net Assets - End of Year	<u>\$ 1,702,416</u>	<u>17,452</u>	<u>1,719,868</u>	<u>1,816,830</u>

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

COMMUNITY ACTION OF SOUTHEAST IOWA

Statement of Cash Flows

Year Ended September 30, 2004
(With Comparative Totals for 2003)

	Total All Funds	
	2004	2003
Cash Flows from Operating Activities		
Excess of Support and Revenue over Expenses After Capital Additions	\$ (96,962)	(259,389)
Adjustment to Reconcile Excess of Support and Revenue over Expenses to Net Cash Provided by Operating Activities		
Expenses Not Requiring Expenditure of Cash		
Depreciation and Book Value of Disposed Assets	324,837	199,140
Changes in Asset and Liability Accounts Affecting Cash		
Receivables	(94,489)	14,049
Prepaid Expenses and Deposits	13,874	10,739
Inventories	(749)	(4,613)
Accounts Payable and Accrued Expenses	(235,856)	127,343
Owed to Grantor Agencies	(221,574)	219,205
Deferred Revenue	(27,345)	45,512
Other Current Liabilities	(54,279)	6,043
Net Cash Flows from Operating Activities	<u>(392,543)</u>	<u>358,029</u>
Cash Flows from Investing Activities		
Purchases of Property and Equipment	(342,663)	(332,161)
Interest Income Reinvested in Cash Investments	(1,107)	(1,047)
Net Cash Flows from Investing Activities	<u>(343,770)</u>	<u>(333,208)</u>
Cash Flows from Financing Activities		
Repayments on Term Notes Payable	(6,409)	(6,168)
Net Increase (Decrease) in Cash	(742,722)	18,653
Cash Balances - Beginning of Year	<u>1,156,678</u>	<u>1,138,025</u>
Cash Balances - End of Year	<u><u>\$ 413,956</u></u>	<u><u>1,156,678</u></u>

Supplemental Cash Flow Disclosures

The Organization is exempt from income taxes and, accordingly, no cash payments for income taxes were made.

The Organization paid \$6,730 of interest in cash during the year (\$6,972 in 2003).

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

COMMUNITY ACTION OF SOUTHEAST IOWA

Notes to Financial Statements

September 30, 2004

1. Nature of Business and Organization

Community Action of Southeast Iowa is a private nonprofit corporation as defined under Section 501(c)(3) of the Internal Revenue Code. The Agency was incorporated under the laws of the state of Iowa and is defined as a community action agency in accordance with Iowa House File 2437 under the 69th General Assembly. The Organization is not considered a private foundation for income tax reporting purposes.

Community Action of Southeast Iowa serves the Iowa counties of Des Moines, Henry, Lee, and Louisa.

Community Action of Southeast Iowa's purpose is to serve as an advocate of the poor and elderly on matters of public policy and to provide a broadened resource base of programs directed to the elimination of poverty.

Community Action of Southeast Iowa administers programs funded or supported by federal, state, and local government agencies. These programs are operated for the benefit of eligible participants as defined under guidelines issued by the respective granting agencies. The Organization's goal is to provide quality programming for families and individuals in need, assisting them in achieving self-sufficiency, in strengthening families, and in improving their quality of life.

2. Summary of Significant Accounting Policies

The accounting and reporting policies of Community Action of Southeast Iowa conform to accounting principles generally accepted in the United States of America. The following describes the more significant of those policies.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. The Organization records contributions received as unrestricted, temporarily restricted, or permanently restricted revenue depending on the existence or nature of any donor restrictions. When a donor purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restriction.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

Reclassifications and Summarized Financial Information from the Prior Year

Certain reclassifications to the 2003 financial statements have been made to conform to the 2004 presentation. The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2003, from which the summarized information was derived.

Financial Instruments

The carrying amounts of cash, receivables, prepaid expenses, accounts payable, accrued expenses, deferred revenue, and other liabilities approximate their fair values due to the short-term maturities of these financial instruments.

The carrying amounts of notes payable and debt issued pursuant to the Organization's bank credit agreements approximate fair value because the interest rates on these financial instruments change with market rates.

Cash

For purposes of the Statement of Cash Flows, the Organization considers all cash in checking and savings accounts and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Receivables

Receivables comprised primarily of reimbursements from grant award activities are reported at net realizable value. All amounts are considered collectible and accordingly, no provision for bad debts has been recorded.

Inventories

Weatherization inventories are valued at the lower of cost or market. Cost is determined primarily on the first-in, first-out basis or on the average cost basis.

Property and Equipment

Property and equipment is recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range as follows:

Buildings	20 to 30 Years
Building Improvements	5 to 15 Years
Equipment and Vehicles	5 Years

Property acquired with grant funds are charged to program expenses in accordance with grant budget guidelines and are then capitalized to the property and equipment accounts as capital additions on the Statement of Activities. The Organization follows the policy of capitalizing equipment costing over \$2,500 with a useful life expectancy of over one year.

Long-Lived Assets

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. When required, impairment losses on assets are recognized based upon the fair value of the asset.

Revenue Recognition

Revenue from awards or reimbursement type contracts is recorded when expenses are incurred in conducting activities specified in contract conditions. Award or contract funds received in excess of program expenses are recorded as deferred revenue. Since grant award revenues are earned when allowable expenses are incurred, the revenue is considered unrestricted.

In Kind Donations

Supplies and services received as donations to programs are recorded at their fair value at the time they are received. Certain programs require a local match which are met with in kind donations recorded to reflect program compliance since Community Action of Southeast Iowa would otherwise be required to purchase these services.

Cost Allocations

The Agency charges indirect costs to an indirect cost pool, which is distributed to individual programs on the basis of an indirect cost rate approved by the U.S. Department of Health and Human Services. The rate is applied to each program's direct wages and benefits as a basis for distribution.

Other common costs are allocated to programs on the basis of usage or occupancy records or other methods, which represent the estimation of benefits received.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

3. Principal Programs

The following is a summary description of the principal programs administered by Community Action of Southeast Iowa:

Head Start is a comprehensive development program for preschool children, primarily all of whom come from low-income families. The program's goal is to provide activities designed to assist those children with their education and training and to improve their health and well being.

Early Head Start Program provides physical, cognitive, social, and emotional growth of infants and toddlers and strengthens family and community support for children and families.

Shared Vision/At Risk Child Development provides assistance to families with children for day care in each of the counties served. Families of children who are determined to be at risk are eligible through state sponsored programs and are referred by the Iowa Department of Human Services.

The Child and Adult Care Food Program provides assistance for food and nutritional needs of low income families' children enrolled in head start centers and family day care homes and centers.

Low Income Home Energy Assistance Program (LIHEAP) provides assistance to low-income households in paying their heating costs.

Weatherization Assistance programs provide resources to use in weatherizing homes of qualifying low-income households. Weatherization includes the insulation of homes and minor structural repairs to result in more comfortable living conditions for eligible families.

Weatherization Utility Contracts provide funding from area utility companies for weatherization services to low-income households.

Special Supplemental Food Program for Women, Infants, and Children (WIC) provides nutritional assistance to low income women who are pregnant or have an infant or young child.

Regional Transit Authority Program provides transportation services to the general public including special-needs individuals, elderly and handicapped, who require and can use such transit services. During the fiscal year ended September 30, 2004 the Organization ceased operating this program.

Family Development Program provides family development services to families currently enrolled in the state's Family Investment Program and are determined to be at risk of long-term welfare dependency.

Temporary Assistance for Needy Families (TANF) passes through Empowerment Areas to provide assistance to children 0-5 and their families, as well as providing child care services and training for child care providers.

Community Services Block Grant (CSBG) provides support for outreach and general administrative expenses incurred in carrying out program activities not funded by specific awards or contracts.

Other programs, not individually identified on the Statement of Activities, are summarized as follows:

Program Title	Program Expenses
Iowa Electric - LIHEAP	\$ 11,362
WIC - Muscatine	13,916
Parents as Teachers	95,869
Homeless Assistance Grant	11,386
Child Care Resource and Referral	90,538
Home Consultant	50,206
Elder Care/Home Repair	71,867
FEMA	42,812
Medical Assistance Program	17,652
Ft. Madison/Henry County United Way	13,283
6-Plex	30,766
Consultec CMPFE Title XIX	29,049
Other	39,270
	<u>\$ 517,976</u>

4. **Concentration of Credit Risks**

Community Action of Southeast Iowa received approximately 90% of its support and revenue from governmental grants. A significant reduction in the level of government participation would have a major effect on Community Action of Southeast Iowa's program activities.

Deposits in bank accounts in excess of federally insured limits (FDIC) at the year-end date totaled \$338,971. The Organization's Bank, however, has been designated a "Pledging Bank" for the deposit of public funds. Pursuant to this, the Bank is required to pledge collateral to further secure excess public funds on deposit.

5. **Receivables**

Receivables, primarily representing funding under various grants or contracts for program expenditure reimbursements, are summarized as follows:

Due From	For	Amount
U.S. Department of Health and Human Services	Head Start and Early Head Start	\$ 209,596
Iowa Department of Education	Shared Visions/At Risk Child Development	141,787
Iowa Department of Education	CACFP	25,359
Iowa Department of Human Rights	Weatherization Assistance	18,943
Iowa Department of Public Health	WIC	125,717
Iowa Department of Transportation	Regional Transit Authority	13,722
Iowa Department of Human Rights	Family Development - FaDSS	50,119
Local Empowerment Areas	Temporary Assistance for Needy Families	28,030
Children First Executive Board	Parents as Teachers	20,684
Area Agency on Aging	Elderly Services	26,156
Other	Contracted Services, etc.	89,683
		<u>\$ 749,796</u>

6. **Prepaid Expenses and Deposits**

Prepaid expenses and deposits are summarized as follows:

Prepaid Insurance	\$ 787
Security Deposits	400
Weatherization Costs on Homes in Progress	68,292
	<u>\$ 69,479</u>

7. **Property and Equipment**

Property and equipment is summarized as follows:

	Cost	Current Depreciation	Accumulated Depreciation	Depreciated Cost
Land	\$ 7,550	--	--	7,550
Building and Leasehold Improvements	1,349,619	58,701	322,614	1,027,005
Furniture and Equipment	420,639	43,016	293,191	127,448
Vehicles	471,098	90,603	202,509	268,589
	<u>\$ 2,248,906</u>	<u>192,320</u>	<u>818,314</u>	<u>1,430,592</u>

Property and equipment costing \$1,336,151 has been acquired with funds received under various grant award agreements. These grants generally contain conditions that require the property be used in activities sponsored by the grant. At the conclusion of the grant activity, the grantors may reclaim the equipment.

8. **Accounts Payable and Accrued Expenses**

Accounts payable and accrued expenses are summarized as follows:

	Amount
Trade Accounts Payable	\$ 215,873
Accrued Wages	163,941
Payroll Taxes, Fringes, and Withholdings	122,334
Accrued Vacation Benefits	101,839
Property Taxes	2,891
	<u>\$ 606,878</u>

9. **Owed to Grantor Agency**

The amount owed to grantors is summarized as follows:

Program	For	Amount
WIC	Advance on Claim for Reimbursement	\$ 48,193
Weatherization	Inventory Advance	42,794
		<u>\$ 90,987</u>

10. **Deferred Revenue**

Deferred revenue is summarized as follows:

Grantor	Program	Amount
Iowa Department of Human Rights	Weatherization Assistance	\$ 52,813
Atmos Energy	Weatherization Utility Contracts	17,437
Federal Emergency Management Agency	FEMA	15,727
Other	Various	10,735
		<u>\$ 96,712</u>

11. Mortgages Payable

Payable To	Secured Asset	Commitment or Original Note Amount	Balance 9-30-04	Interest Rate	Maturity Date
Midwest Federal Savings and Loan Association of Eastern Iowa	6-Plex 413 Franklin St. Keokuk, Iowa	\$ 91,959	\$ 76,217	7.0%	9-01-18
Iowa Department of Economic Development	6-Plex 413 Franklin St. Keokuk, Iowa	120,486	113,712	1.0%	3-31-20
Iowa Finance Authority	6-Plex 413 Franklin St. Keokuk, Iowa	15,000	<u>10,567</u>	1.0%	7-11-11
			<u>\$ 200,496</u>		

The mortgage payable to Midwest Federal is to be repaid in monthly installments of \$713 including interest with final payment due September 1, 2018.

The mortgage payable to Iowa Department of Economic Development is payable in annual installments beginning on March 31, 2001. The installments, including interest and principal, begin at \$2,500 and increase to \$5,000 through March 31, 2019. The final payment on the balance of the mortgage then becomes due March 31, 2020.

The Iowa Finance Authority note is payable in ten annual installments of \$1,584, including interest, with a final payment of all unpaid principal and interest due on July 1, 2011.

The repayment schedule for the above loans over the next five years is as follows:

Year Ended	Amount
September 30, 2005	\$ 6,667
September 30, 2006	7,190
September 30, 2007	7,485
September 30, 2008	8,048
September 30, 2009	8,383
Thereafter	<u>162,723</u>
	<u>\$ 200,496</u>

Interest expense on all mortgages for the year ended September 30, 2004, totaled \$6,730.

12. Temporarily Restricted Net Assets

Restrictions on net assets relate to funds received from private or public sources, where the use of such funds has been restricted for a specified purpose. The following summarizes the temporarily restricted resources of the organization by fund.

Program	Funding Source	Amount
Medical Assistance Program	Great River Medical Center and Local	\$ 11,588
United Way	United Way - Ft. Madison and Henry Co.	<u>5,864</u>
		<u>\$ 17,452</u>

13. **Operating Leases**

Community Action of Southeast Iowa leases various offices and facilities for administrative and program usage. These leases expire at various dates through July 2012. Lease expense for the year ended September 30, 2004, totaled \$84,656.

The annual minimum lease obligations on existing noncancellable leases through their remaining years are summarized as follows:

<u>Year Ended</u>	<u>Amount</u>
September 30, 2005	\$ 54,211
September 30, 2006	14,535
September 30, 2007	6,600
September 30, 2008	6,600
September 30, 2009	6,600
Thereafter	<u>18,700</u>
	<u><u>\$ 107,246</u></u>

14. **Retirement Plan**

Community Action of Southeast Iowa contributes to a tax sheltered annuity 403(b) plan on behalf of its employees. The maximum contributed on behalf of each employee is 5.75% of gross wages, which is based on a match of the employee's contribution. The total contributed by the Organization during the fiscal year amounted to \$94,426. The employee contributions totaled \$112,793.

The Organization contributes to the Iowa Public Employees Retirement System (IPERS) for certain employees, 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.

Plan members are required to contribute 3.70% of their annual covered salary and Community Action of Southeast Iowa is required to contribute 5.75% of annual covered payroll. Contribution requirements are established by state statute. The Organization's contribution to IPERS for the year ended September 30, 2004, was \$97,537, equal to the required contribution for the year, while the employees contributed \$62,763.

MERIWETHER, WILSON AND COMPANY, P.L.C.
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Community Action of Southeast Iowa
Burlington, Iowa

We have audited the financial statements of Community Action of Southeast Iowa (a nonprofit organization) as of and for the year ended September 30, 2004, and have issued our report thereon dated November 11, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Community Action of Southeast Iowa'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 Community Action of Southeast Iowa'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.

This report is intended solely for the information of the Board of Directors, management, 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.

Meriwether, Wilson and Company, P.L.C.

MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

November 11, 2004
West Des Moines, Iowa

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

Board of Directors
Community Action of Southeast Iowa
Burlington, Iowa

Compliance

We have audited the compliance of Community Action of Southeast Iowa (a nonprofit organization) 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. The major federal programs of Community Action of Southeast Iowa 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 its major federal programs is the responsibility of Community Action of Southeast Iowa. Our responsibility is to express an opinion on the compliance of Community Action of Southeast Iowa based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the compliance of Community Action of Southeast Iowa 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 compliance of Community Action of Southeast Iowa with those requirements.

In our opinion, Community Action of Southeast Iowa complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended September 30, 2004.

Internal Control over Compliance

The management of Community Action of Southeast Iowa 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 the internal controls of Community Action of Southeast Iowa 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.

Page Two

Report on Compliance with Requirements Applicable to Each Major Program
and 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 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 operation that we consider to be material weaknesses.

This report is intended solely for the information of the Board of Directors, management, 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.

Meriwether, Wilson and Company, P.L.C.

MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

November 11, 2004
West Des Moines, Iowa

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Findings and Questioned Costs

Year Ended September 30, 2004

Summary of Auditor's Results

1. We have issued an unqualified opinion in our report on the basic financial statements of Community Action of Southeast Iowa as of and for the year ended September 30, 2004.
2. No reportable conditions relating to the audit of the financial statements are reported in the auditor's report on internal control over financial reporting and on compliance and other matters.
3. The results of our audit disclosed no instances of noncompliance that were considered material to the basic financial statements and would be required to be reported in accordance with Government Auditing Standards.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Community Action of Southeast Iowa expresses an unqualified opinion on all major federal programs.
6. The results of our audit disclosed no audit findings, which we are required to report under Government Auditing Standards or OMB Circular A-133.
7. The dollar threshold used to distinguish between Type A and Type B programs was \$301,926.
8. Community Action of Southeast Iowa received the following federal awards that were audited as major programs during the year ended September 30, 2004:

<u>Federal Grant</u>	<u>CFDA No.</u>	<u>Expenditures</u>
Supplemental Food Program for Women, Infants, and Children	10.557	\$ 3,366,203
Child and Adult Care Food Program	10.558	462,036
Weatherization Assistance Programs	81.042	225,202
Weatherization Assistance and Low Income Home Energy Assistance Programs	93.568	1,820,591
Community Services Block Grant	93.569	319,919
Head Start and Early Head Start	93.600	3,321,066
		<u>\$ 9,515,017</u>

9. Community Action of Southeast Iowa did not qualify as a low-risk auditee.

Findings Related to the Financial Statements

None

Findings and Questioned Costs Related to Federal Awards

None

COMMUNITY ACTION OF SOUTHEAST IOWA

Summary Schedule of Prior Audit Findings

Year Ended September 30, 2004

The prior audit for the year ended September 30, 2003 disclosed the following finding that was required to be reported under OMB Circular A-133.

Finding 03-A – Regional Transit Authority

Condition: The Iowa Department of Transportation's Office of Public Transit performed a review of the Organization's regional transit authority's operating reports during the fiscal year ended September 30, 2003. Based upon their review, the results of which were released in January 2004, it was found that the number of rides provided and miles driven were erroneously over-reported from 1995 through 2002. These reporting errors resulted in the over-allocation of state and federal funds to the Organization in the amount of \$218,752 over that time period. The State accordingly requested repayment of such amount.

Recommendation: It was recommended that management take steps to assure that all reports filed by program personnel with funding sources are periodically reviewed by personnel other than the person who initially prepared the report, prior to issuance.

Current Status: The above-mentioned funds were returned to the State of Iowa. The Organization has adopted the auditor's recommendation and no similar findings were noted in the current audit.

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Expenditures of Federal Awards

October 1, 2003 through September 30, 2004

Federal Grantor/Pass-Through Grantor/ Program Title	Grant or Award Number
Type A Programs - \$301,926 or More	
U.S. Department of Health and Human Services	
Direct Awards	
Head Start	07CH 6220(38)
Head Start	07CH 6220(39)
Total CFDA #93.600	
Indirect Awards	
Passed Through Iowa Department of Human Rights	
Low Income Home Energy Assistance Program	LIHEAP-04-14-N
Weatherization Assistance Program	HEAP-03-14N
Weatherization Assistance Program	HEAP-04-14N
Total CFDA #93.568	
Community Services Block Grant	
Community Services Block Grant	CSBG-03-14-CN
Community Services Block Grant	CSBG-04-14-CN
Total CFDA #93.569	
Family Development and Self-Sufficiency	
Family Development and Self-Sufficiency	FaDSS-04-14-FN
Family Development and Self-Sufficiency	FaDSS-05-14-FN
Passed Through Iowa Department of Human Services	
Temporary Assistance for Needy Families	TANF03-19
Temporary Assistance for Needy Families	Various Awards
Temporary Assistance for Needy Families	N/A
Temporary Assistance for Needy Families	Various Awards
Total CFDA #93.558	
U.S. Department of Agriculture	
Indirect Awards	
Passed Through Iowa Department of Education	
Child and Adult Care Food Program - Day Care Homes	29-8012
Child and Adult Care Food Program - Day Care Centers	29-8010
Total CFCA #10.558	
Passed Through Iowa Department of Public Health	
Special Supplemental Food Program for Women, Infants, and Children - Cash	5884A045
Special Supplemental Food Program for Women, Infants, and Children - Noncash Food Vouchers	
Passed Through Iowa Department of Agriculture	
Farmers Market	N/A
Farmers Market	N/A
Total CFCA #10.557	
Total Type A Programs	

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Expenditures of Federal Awards

October 1, 2003 through September 30, 2004

<u>Catalog of Federal Domestic Assistance Number</u>	<u>Period of Grant</u>	<u>Grant or Award Amount</u>	<u>Federal Expenditures</u>
93.600	09/01/03-08/31/04	\$ 3,294,876	*** \$ 2,990,364
93.600	09/01/04-08/31/05	3,335,368	*** 330,702
			<u>3,321,066</u>
93.568	10/01/03-09/30/04	1,687,153	*** 1,663,395
93.568	04/01/03-03/31/04	218,070	*** 150,737
93.568	04/01/04-03/31/05	249,239	*** 6,459
			<u>1,820,591</u>
93.569	10/01/02-12/31/03	276,257	*** 53,500
93.569	10/01/03-12/31/04	270,653	*** 266,419
			<u>319,919</u>
93.558	07/01/03-06/30/04	270,427 53% Federal	107,911
93.558	07/01/04-06/30/05	270,427 53% Federal	36,283
93.558	07/01/02-06/30/03	14,020	85
93.558	07/01/03-06/30/04	158,566	110,950
93.558	08/01/04-09/30/04	25,320	25,240
93.558	07/01/04-06/30/05	155,269	25,656
			<u>306,125</u>
10.558	10/01/03-09/30/04	N/A	*** 308,772
10.558	10/01/03-09/30/04	N/A	*** 153,264
			<u>462,036</u>
10.557	10/01/03-09/30/04	517,149	*** 517,149
10.557	10/01/03-09/30/04	N/A	*** 2,847,321
10.557	10/01/02-09/30/03	N/A 70% Federal	*** (1,052)
10.557	10/01/03-09/30/04	N/A 70% Federal	*** 2,785
			<u>3,366,203</u>
			<u>9,595,940</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Expenditures of Federal Awards

October 1, 2003 through September 30, 2004

Federal Grantor/Pass-Through Grantor/ Program Title	Grant or Award Number
Type B Programs	
U.S. Department of Health and Human Services	
Indirect Awards	
Passed Through Iowa Department of Human Services	
Iowa East Central T.R.A.I.N./Mahaska County - Child Care Resource and Referral	N/A
Iowa East Central T.R.A.I.N./Mahaska County - Child Care Resource and Referral	N/A
Iowa East Central T.R.A.I.N. - Child Care Resource and Referral	N/A
Iowa East Central T.R.A.I.N. - Child Care Resource and Referral - Parent Services	N/A
Iowa East Central T.R.A.I.N. - Child Care Resource and Referral	N/A
Iowa East Central T.R.A.I.N. - Home Consultant	N/A
Iowa East Central T.R.A.I.N. - Home Consultant	N/A
Total CFDA #93.575	
U.S. Department of Energy	
Indirect Awards	
Passed Through Iowa Department of Human Rights	
Weatherization Assistance Program	DOE-03-14N
Weatherization Assistance Program	DOE-04-14N
Total CFDA #81.042	
U.S. Department of Housing and Urban Development	
Indirect Awards	
Passed Through Iowa Department of Economic Development	
HOME Investment Partnership Program - Loan	98-HM-202-21
HOME Investment Partnership Program - Rent Subsidy	98-HM-202-21
Total CFDA #14.239	
Federal Older Americans Act (OAA) Title III	
Indirect Award	
Passed Through Southeast Iowa Area Agency on Aging, Inc.	ES/IIIB/Home Repair
Passed Through Southeast Iowa Area Agency on Aging, Inc.	ES/IIIB/Home Repair
Total CFDA #93.044	
Federal Older Americans Act (OAA) Title V	
Indirect Award	
Passed Through Generations Area Agency on Aging	N/A
Passed Through Generations Area Agency on Aging	N/A
Total CFDA #17.235	
Department of National Security	
Emergency Food and Shelter National Board Program	21-2904-00
Emergency Food and Shelter National Board Program	22-2904-00
Emergency Food and Shelter National Board Program	Various Awards
Emergency Food and Shelter National Board Program	Various Awards
Emergency Food and Shelter National Board Program	Various Awards
Total CFDA #83.523	

Total Type B Programs

Total Federal Awards

N/A - Not Available

*** Audited as a Major Program

COMMUNITY ACTION OF SOUTHEAST IOWA
Schedule of Expenditures of Federal Awards
 October 1, 2003 through September 30, 2004

<u>Catalog of Federal Domestic Assistance Number</u>	<u>Period of Grant</u>	<u>Grant or Award Amount</u>	<u>Federal Expenditures</u>
93.575	07/01/03-06/30/04	5,050 40% Federal	1,644
93.575	07/01/04-06/30/05	5,050 40% Federal	75
93.575	07/01/03-06/30/04	66,700 40% Federal	22,080
93.575	02/01/03-06/30/04	10,000 40% Federal	3,866
93.575	07/01/04-06/30/05	70,143 40% Federal	6,037
93.575	07/01/03-06/30/04	50,000 40% Federal	14,482
93.575	07/01/04-06/30/05	50,000 40% Federal	5,600
			<u>53,784</u>
81.042	04/01/03-03/31/04	179,829	*** 53,841
81.042	04/01/04-03/31/05	185,693	*** 171,361
			<u>225,202</u>
14.239	03/31/00-03/31/20	120,486 Loan	115,556
14.239	03/31/00-03/31/20	N/A	18,742
			<u>134,298</u>
93.044	07/01/03-06/30/04	8,124 31.6% Federal	2,557
93.044	07/01/04-06/30/05	10,067	2,567
			<u>5,124</u>
17.235	11/04/02-06/30/04	24,512	4,817
17.235	12/30/03-06/30/04	N/A	2,214
			<u>7,031</u>
97.024	01/01/03-12/31/03	25,651	17,806
97.024	01/01/04-12/31/04	26,368	13,033
97.024	10/01/02-09/30/03	14,567	3,267
97.024	10/01/03-12/31/04	8,398	4,542
97.024	12/01/03-12/31/04	7,184	4,164
			<u>42,812</u>
			<u>468,251</u>
			<u>\$ 10,064,191</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA

Notes to Schedule of Expenditures of Federal Awards

Year Ended September 30, 2004

Note A – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Community Action of Southeast Iowa 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 Nonprofit Organizations. Some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position

September 30, 2004

	<u>Total</u>	<u>Head Start and Early Head Start</u>	<u>Shared Visions/ At Risk Child Development</u>
Assets			
Current Assets			
Cash and Cash Investments	\$ 413,956	(16,247)	(127,614)
Receivables	749,796	209,596	141,787
Prepaid Expenses and Deposits	69,479	1,670	--
Inventories	23,497	--	--
Total Current Assets	<u>1,256,728</u>	<u>195,019</u>	<u>14,173</u>
Noncurrent Asset			
Certificates of Deposit	<u>28,931</u>	<u>--</u>	<u>--</u>
Property and Equipment			
Land	7,550	--	--
Building and Leasehold Improvements	1,353,219	456,165	--
Vehicles and Equipment	888,137	633,187	14,451
	<u>2,248,906</u>	<u>1,089,352</u>	<u>14,451</u>
Less Accumulated Depreciation	818,314	383,148	6,217
Net Property and Equipment	<u>1,430,592</u>	<u>706,204</u>	<u>8,234</u>
 Total Assets	 <u>\$ 2,716,251</u>	 <u>901,223</u>	 <u>22,407</u>
Liabilities and Net Assets			
Liabilities			
Accounts Payable and Accrued Expenses	\$ 606,878	171,676	14,177
Owed to Grantor Agencies	90,987	--	--
Deferred Revenue	96,712	--	--
Other Current Liabilities	1,310	--	--
Notes Payable	200,496	--	--
Total Liabilities	<u>996,383</u>	<u>171,676</u>	<u>14,177</u>
Net Assets			
Invested in Property and Equipment	1,230,096	706,204	8,234
Temporarily Restricted	17,452	--	--
Designated for Programs	(19,496)	23,343	(4)
Undesignated	491,816	--	--
Total Net Assets	<u>1,719,868</u>	<u>729,547</u>	<u>8,230</u>
 Total Liabilities and Net Assets	 <u>\$ 2,716,251</u>	 <u>901,223</u>	 <u>22,407</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position

September 30, 2004

Child and Adult Care Food Program	LIHEAP	Weatheri- zation Assistance	Weatherization Utility Contracts	Iowa Electric - LIHEAP	WIC	Regional Transit Authority
18,604	9,094	21,682	(1,506)	(52,688)	(80,678)	(70,925)
25,359	251	--	18,943	7,398	127,493	62,901
--	--	--	--	--	(200)	--
--	--	--	--	--	--	--
<u>43,963</u>	<u>9,345</u>	<u>21,682</u>	<u>17,437</u>	<u>(45,290)</u>	<u>46,615</u>	<u>(8,024)</u>
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	48,919	--
--	20,579	--	--	--	34,361	--
--	20,579	--	--	--	83,280	--
--	20,579	--	--	--	69,049	--
--	--	--	--	--	14,231	--
<u>43,963</u>	<u>9,345</u>	<u>21,682</u>	<u>17,437</u>	<u>(45,290)</u>	<u>60,846</u>	<u>(8,024)</u>
44,576	5,715	--	--	256	18,084	1,686
--	--	--	--	--	48,193	--
--	4,152	21,682	17,437	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>44,576</u>	<u>9,867</u>	<u>21,682</u>	<u>17,437</u>	<u>256</u>	<u>66,277</u>	<u>1,686</u>
--	--	--	--	--	14,231	--
--	--	--	--	--	--	--
(613)	(522)	--	--	(45,546)	(19,662)	(9,710)
--	--	--	--	--	--	--
<u>(613)</u>	<u>(522)</u>	<u>--</u>	<u>--</u>	<u>(45,546)</u>	<u>(5,431)</u>	<u>(9,710)</u>
<u>43,963</u>	<u>9,345</u>	<u>21,682</u>	<u>17,437</u>	<u>(45,290)</u>	<u>60,846</u>	<u>(8,024)</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position - Continued

September 30, 2004

	Family Development FaDSS	Des Moines/ Louisa TANF	Lee Van Buren TANF	Parents As Teachers
Assets				
Current Assets				
Cash and Cash Investments	\$ (42,301)	(8,313)	(7,568)	(17,655)
Receivables	50,124	14,864	13,166	20,684
Prepaid Expenses and Deposits	--	--	--	--
Inventories	--	--	--	--
Total Current Assets	<u>7,823</u>	<u>6,551</u>	<u>5,598</u>	<u>3,029</u>
Noncurrent Asset				
Certificates of Deposit	--	--	--	--
Property and Equipment				
Land	--	--	--	--
Building and Leasehold Improvements	--	--	--	521
Vehicles and Equipment	33,121	--	--	--
	<u>33,121</u>	<u>--</u>	<u>--</u>	<u>521</u>
Less Accumulated Depreciation	28,526	--	--	39
Net Property and Equipment	<u>4,595</u>	<u>--</u>	<u>--</u>	<u>482</u>
Total Assets	<u>\$ 12,418</u>	<u>6,551</u>	<u>5,598</u>	<u>3,511</u>
Liabilities and Net Assets				
Liabilities				
Accounts Payable and Accrued Expenses	\$ 7,320	6,551	5,598	3,029
Owed to Grantor Agencies	--	--	--	--
Deferred Revenue	--	--	--	--
Other Current Liabilities	--	--	--	--
Notes Payable	--	--	--	--
Total Liabilities	<u>7,320</u>	<u>6,551</u>	<u>5,598</u>	<u>3,029</u>
Net Assets				
Invested in Property and Equipment	4,595	--	--	482
Temporarily Restricted	--	--	--	--
Designated for Programs	503	--	--	--
Undesignated	--	--	--	--
Total Net Assets	<u>5,098</u>	<u>--</u>	<u>--</u>	<u>482</u>
Total Liabilities and Net Assets	<u>\$ 12,418</u>	<u>6,551</u>	<u>5,598</u>	<u>3,511</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position - Continued

September 30, 2004

<u>CSBG</u>	<u>Homeless Assistance Grant</u>	<u>Child Care Resource and Referral</u>	<u>R & R Damage Deposits</u>	<u>Home Consultant</u>	<u>Day of the Child</u>	<u>The Sponsor Association</u>	<u>Senior Employment</u>
1,400	(5,954)	13,028	510	101	325	(3,489)	(1,912)
8,949	6,054	188	--	1,501	--	3,489	2,214
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>10,349</u>	<u>100</u>	<u>13,216</u>	<u>510</u>	<u>1,602</u>	<u>325</u>	<u>--</u>	<u>302</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
7,079	--	475	--	--	--	--	--
2,608	--	4,254	--	--	--	--	--
<u>9,687</u>	<u>--</u>	<u>4,729</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,487	--	3,985	--	--	--	--	--
<u>8,200</u>	<u>--</u>	<u>744</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>18,549</u>	<u>100</u>	<u>13,960</u>	<u>510</u>	<u>1,602</u>	<u>325</u>	<u>--</u>	<u>302</u>
8,605	100	3,844	--	1,602	--	--	302
--	--	--	--	--	--	--	--
--	--	6,583	--	--	--	--	--
--	--	--	510	--	--	--	--
--	--	--	--	--	--	--	--
<u>8,605</u>	<u>100</u>	<u>10,427</u>	<u>510</u>	<u>1,602</u>	<u>--</u>	<u>--</u>	<u>302</u>
8,200	--	744	--	--	--	--	--
--	--	--	--	--	--	--	--
1,744	--	2,789	--	--	325	--	--
--	--	--	--	--	--	--	--
<u>9,944</u>	<u>--</u>	<u>3,533</u>	<u>--</u>	<u>--</u>	<u>325</u>	<u>--</u>	<u>--</u>
<u>18,549</u>	<u>100</u>	<u>13,960</u>	<u>510</u>	<u>1,602</u>	<u>325</u>	<u>--</u>	<u>302</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position - Continued

September 30, 2004

	Elder Care/ Home Repair	Elder Telephone Reassurance	Project Share	FEMA	Medical Assistance Program
Assets					
Current Assets					
Cash and Cash Investments	\$ (18,016)	(4,405)	2,279	16,176	11,971
Receivables	26,156	5,107	113	--	--
Prepaid Expenses and Deposits	--	--	--	--	--
Inventories	--	--	--	--	--
Total Current Assets	<u>8,140</u>	<u>702</u>	<u>2,392</u>	<u>16,176</u>	<u>11,971</u>
Noncurrent Asset					
Certificates of Deposit	--	--	--	--	--
Property and Equipment					
Land	--	--	--	--	--
Building and Leasehold Improvements	--	--	--	--	--
Vehicles and Equipment	--	--	--	--	--
Less Accumulated Depreciation	--	--	--	--	--
Net Property and Equipment	--	--	--	--	--
Total Assets	<u>\$ 8,140</u>	<u>702</u>	<u>2,392</u>	<u>16,176</u>	<u>11,971</u>
Liabilities and Net Assets					
Liabilities					
Accounts Payable and Accrued Expenses	\$ 2,746	702	--	449	383
Owed to Grantor Agencies	--	--	--	--	--
Deferred Revenue	--	--	--	15,727	--
Other Current Liabilities	--	--	--	--	--
Notes Payable	--	--	--	--	--
Total Liabilities	<u>2,746</u>	<u>702</u>	<u>--</u>	<u>16,176</u>	<u>383</u>
Net Assets					
Invested in Property and Equipment	--	--	--	--	--
Temporarily Restricted	--	--	--	--	11,588
Designated for Programs	5,394	--	2,392	--	--
Undesignated	--	--	--	--	--
Total Net Assets	<u>5,394</u>	<u>--</u>	<u>2,392</u>	<u>--</u>	<u>11,588</u>
Total Liabilities and Net Assets	<u>\$ 8,140</u>	<u>702</u>	<u>2,392</u>	<u>16,176</u>	<u>11,971</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position - Continued

September 30, 2004

Fort Madison/ Henry Co. United Way	Collab- orator Project	Public Relations	Changing Families	6-Plex	Housing	SEIRPC	Consultec CMPFE Title XIX
5,864	2,271	7,101	519	(7,308)	(688)	--	(1,691)
--	--	--	--	--	--	--	3,263
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>5,864</u>	<u>2,271</u>	<u>7,101</u>	<u>519</u>	<u>(7,308)</u>	<u>(688)</u>	<u>--</u>	<u>1,572</u>
--	--	--	--	--	5,000	--	--
--	--	--	--	--	7,550	--	--
--	--	--	--	223,505	--	--	--
--	--	--	--	--	--	1,620	--
--	--	--	--	223,505	7,550	1,620	--
--	--	--	--	42,373	--	1,620	--
--	--	--	--	181,132	7,550	--	--
<u>5,864</u>	<u>2,271</u>	<u>7,101</u>	<u>519</u>	<u>173,824</u>	<u>11,862</u>	<u>--</u>	<u>1,572</u>
--	--	--	--	4,024	--	--	16
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	800	--	--	--
--	--	--	--	200,496	--	--	--
--	--	--	--	205,320	--	--	16
--	--	--	--	(19,364)	7,550	--	--
5,864	--	--	--	--	--	--	--
--	2,271	--	519	(12,132)	4,312	--	1,556
--	--	7,101	--	--	--	--	--
<u>5,864</u>	<u>2,271</u>	<u>7,101</u>	<u>519</u>	<u>(31,496)</u>	<u>11,862</u>	<u>--</u>	<u>1,556</u>
<u>5,864</u>	<u>2,271</u>	<u>7,101</u>	<u>519</u>	<u>173,824</u>	<u>11,862</u>	<u>--</u>	<u>1,572</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Financial Position - Continued

September 30, 2004

	Weatherization Inventory/WIP Cost Pools	Weather- ization Proprietary	Payroll Clearing	Indirect and Administrative
Assets				
Current Assets				
Cash and Cash Investments	\$ 13,278	4,069	169,238	585,404
Receivables	--	--	--	196
Prepaid Expenses and Deposits	68,292	--	(425)	142
Inventories	23,497	--	--	--
Total Current Assets	<u>105,067</u>	<u>4,069</u>	<u>168,813</u>	<u>585,742</u>
Noncurrent Asset				
Certificates of Deposit	--	--	--	23,931
Property and Equipment				
Land	--	--	--	--
Building and Leasehold Improvements	12,116	--	--	604,439
Vehicles and Equipment	66,695	--	--	77,261
	<u>78,811</u>	<u>--</u>	<u>--</u>	<u>681,700</u>
Less Accumulated Depreciation	32,830	--	--	228,461
Net Property and Equipment	<u>45,981</u>	<u>--</u>	<u>--</u>	<u>453,239</u>
Total Assets	<u>\$ 151,048</u>	<u>4,069</u>	<u>168,813</u>	<u>1,062,912</u>
Liabilities and Net Assets				
Liabilities				
Accounts Payable and Accrued Expenses	\$ 11,666	--	168,205	125,566
Owed to Grantor Agencies	42,794	--	--	--
Deferred Revenue	31,131	--	--	--
Other Current Liabilities	--	--	--	--
Notes Payable	--	--	--	--
Total Liabilities	<u>85,591</u>	<u>--</u>	<u>168,205</u>	<u>125,566</u>
Net Assets				
Invested in Property and Equipment	45,981	--	--	453,239
Temporarily Restricted	--	--	--	--
Designated for Programs	19,476	4,069	--	--
Undesignated	--	--	608	484,107
Total Net Assets	<u>65,457</u>	<u>4,069</u>	<u>608</u>	<u>937,346</u>
Total Liabilities and Net Assets	<u>\$ 151,048</u>	<u>4,069</u>	<u>168,813</u>	<u>1,062,912</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Activities

Year Ended September 30, 2004

	Total	Elimination of Internal Program Support and Reimbursement	Total Before Eliminations
	<u> </u>	<u> </u>	<u> </u>
Support and Revenue			
Government Awards and Contract Revenue			
Iowa Department of Human Rights	\$ 2,811,640	--	2,811,640
U.S. Department of Health and Human Services	3,321,066	--	3,321,066
Iowa Department of Education	1,032,648	--	1,032,648
Iowa Department of Public Health	521,425	--	521,425
IDPH - Non-Cash Food Vouchers	2,847,321	--	2,847,321
Iowa Department of Human Services	--	--	--
Iowa Department of Transportation	89,841	--	89,841
Iowa Department of Agriculture	2,477	--	2,477
Emergency Food and Shelter National Board Program	42,812	--	42,812
Area Agency on Aging	84,713	--	84,713
Iowa Institute for Community Alliances	11,386	--	11,386
Utility Companies	19,305	--	19,305
Iowa East Central T.R.A.I.N.	130,163	--	130,163
Empowerment Areas	259,444	--	259,444
Services and Project Revenue	234,536	--	234,536
Interest Income	5,724	--	5,724
Internal Program Support and Cost Pool Reimbursement	--	(568,047)	568,047
In Kind Donations	877,372	--	877,372
Other Revenue	116,247	--	116,247
Total Support and Revenue	<u>12,408,120</u>	<u>(568,047)</u>	<u>12,976,167</u>
Expenses	<u>12,799,600</u>	<u>(568,047)</u>	<u>13,367,647</u>
Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions	(391,480)	--	(391,480)
Capital Additions - Awards Received for Capital Expenditures	<u>294,518</u>	<u>--</u>	<u>294,518</u>
Excess (Deficiency) of Support and Revenue over Expenses After Capital Additions	(96,962)	--	(96,962)
Transfers	--	--	--
Net Assets - Beginning of Year	<u>1,816,830</u>	<u>--</u>	<u>1,816,830</u>
Net Assets - End of Year	<u>\$ 1,719,868</u>	<u>--</u>	<u>1,719,868</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Activities

Year Ended September 30, 2004

<u>Head Start and Early Head Start</u>	<u>Shared Visions/ At Risk Child Development</u>	<u>Child and Adult Care Food Program</u>	<u>LIHEAP</u>	<u>Weatheri- zation Assistance</u>	<u>Weatherization Utility Contracts</u>
--	--	--	1,663,395	382,398	202,819
3,321,066	--	--	--	--	--
153,264	570,612	308,772	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
877,372	--	--	--	--	--
1,472	--	--	--	1,375	--
<u>4,353,174</u>	<u>570,612</u>	<u>308,772</u>	<u>1,663,395</u>	<u>383,773</u>	<u>202,819</u>
4,353,892	570,616	309,889	1,663,395	383,773	202,819
(718)	(4)	(1,117)	--	--	--
<u>242,038</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>30,489</u>	<u>--</u>
241,320	(4)	(1,117)	--	30,489	--
(242,038)	--	--	--	(30,489)	--
<u>24,061</u>	<u>--</u>	<u>504</u>	<u>(522)</u>	<u>--</u>	<u>--</u>
<u>23,343</u>	<u>(4)</u>	<u>(613)</u>	<u>(522)</u>	<u>--</u>	<u>--</u>

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Activities - Continued

Year Ended September 30, 2004

	Iowa Electric - LIHEAP	WIC	WIC - Muscatine	Regional Transit Authority
Support and Revenue				
Government Awards and Contract Revenue				
Iowa Department of Human Rights	\$ --	--	--	--
U.S. Department of Health and Human Services	--	--	--	--
Iowa Department of Education	--	--	--	--
Iowa Department of Public Health	--	521,425	--	--
IDPH - Non-Cash Food Vouchers	--	2,847,321	--	--
Iowa Department of Human Services	--	--	--	--
Iowa Department of Transportation	--	--	--	89,841
Iowa Department of Agriculture	--	2,477	--	--
Emergency Food and Shelter National Board Program	--	--	--	--
Area Agency on Aging	--	--	--	--
Iowa Institute for Community Alliances	--	--	--	--
Utility Companies	19,305	--	--	--
Iowa East Central T.R.A.I.N. Empowerment Areas	--	--	--	--
Services and Project Revenue	--	--	13,916	118,617
Interest Income	--	--	--	245
Internal Program Support and Cost Pool Reimbursement	--	--	--	--
In Kind Donations	--	--	--	--
Other Revenue	--	390	--	59,810
Total Support and Revenue	19,305	3,371,613	13,916	268,513
Expenses	11,362	3,370,145	13,916	394,956
Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions	7,943	1,468	--	(126,443)
Capital Additions - Awards Received for Capital Expenditures	--	--	13,916	--
Excess (Deficiency) of Support and Revenue over Expenses After Capital Additions	7,943	1,468	13,916	(126,443)
Transfers	(15,430)	(29,348)	(13,916)	--
Net Assets - Beginning of Year	(38,059)	8,218	--	116,733
Net Assets - End of Year	\$ (45,546)	(19,662)	--	(9,710)

COMMUNITY ACTION OF SOUTHEAST IOWA

Combining Statement of Activities - Continued

Year Ended September 30, 2004

Family Development FaDSS	Des Moines/ Louisa TANF	Louisa County Technical Assistance	Lee/ Van Buren TANF	South Lee County	Parents As Teachers	CSBG	Homeless Assistance Grant	Child Care Resource and Referral
272,064	--	--	--	--	--	319,919	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	11,386	--
--	--	--	--	--	--	--	--	79,957
--	96,523	--	67,052	--	95,869	--	--	--
--	--	--	--	--	--	--	--	10,701
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
1,000	--	(6,984)	--	(6,000)	--	15,999	--	8,597
273,064	96,523	(6,984)	67,052	(6,000)	95,869	335,918	11,386	99,255
276,389	96,523	--	67,052	--	95,869	355,568	11,386	90,538
(3,325)	--	(6,984)	--	(6,000)	--	(19,650)	--	8,717
--	--	--	--	--	521	7,079	--	475
(3,325)	--	(6,984)	--	(6,000)	521	(12,571)	--	9,192
--	--	--	--	--	(521)	(7,079)	--	(18,245)
3,828	--	6,984	--	6,000	--	21,394	--	11,842
503	--	--	--	--	--	1,744	--	2,789

COMMUNITY ACTION OF SOUTHEAST IOWA
Combining Statement of Activities - Continued

Year Ended September 30, 2004

	Home Con- sul- tant	Child Specialty Clinic	Day of the Child
Support and Revenue			
Government Awards and Contract Revenue			
Iowa Department of Human Rights	\$ --	--	--
U.S. Department of Health and Human Services	--	--	--
Iowa Department of Education	--	--	--
Iowa Department of Public Health	--	--	--
IDPH - Non-Cash Food Vouchers	--	--	--
Iowa Department of Human Services	--	--	--
Iowa Department of Transportation	--	--	--
Iowa Department of Agriculture	--	--	--
Emergency Food and Shelter National Board Program	--	--	--
Area Agency on Aging	--	--	--
Iowa Institute for Community Alliances	--	--	--
Utility Companies	--	--	--
Iowa East Central T.R.A.I.N.	50,206	--	--
Empowerment Areas	--	--	--
Services and Project Revenue	--	172	480
Interest Income	--	--	--
Internal Program Support and Cost Pool Reimbursement	--	--	--
In Kind Donations	--	--	--
Other Revenue	--	--	--
Total Support and Revenue	50,206	172	480
Expenses	50,206	158	587
Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions	--	14	(107)
Capital Additions - Awards Received for Capital Expenditures	--	--	--
Excess (Deficiency) of Support and Revenue over Expenses After Capital Additions	--	14	(107)
Transfers	--	--	--
Net Assets - Beginning of Year	--	(14)	432
Net Assets - End of Year	\$ --	--	325

COMMUNITY ACTION OF SOUTHEAST IOWA
Combining Statement of Activities - Continued

Year Ended September 30, 2004

The Sponsor Associa- tion	Senior Employ- ment	Elder Care/ Home Repair	Elder Telephone Reassur- ance	Project Share	FEMA	Medical Assistance Program	Embrace Iowa	Reading is Funda- mental
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	42,812	--	--	--
--	7,031	68,727	8,325	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
3,483	--	--	--	4,832	--	--	7,604	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	1,863	--	--	--	22,446	--	3,165
3,483	7,031	70,590	8,325	4,832	42,812	22,446	7,604	3,165
3,483	7,031	71,867	8,325	3,000	42,812	17,652	7,838	3,275
--	--	(1,277)	--	1,832	--	4,794	(234)	(110)
--	--	--	--	--	--	--	--	--
--	--	(1,277)	--	1,832	--	4,794	(234)	(110)
--	--	--	--	--	--	--	--	--
--	--	6,671	--	560	--	6,794	234	110
--	--	5,394	--	2,392	--	11,588	--	--

COMMUNITY ACTION OF SOUTHEAST IOWA
Combining Statement of Activities - Continued

Year Ended September 30, 2004

	Reading is Funda- mental/ Coca-Cola	Ft. Madison/ Henry Co. United Way	Collab- orator Project	Public Relations
Support and Revenue				
Government Awards and Contract Revenue				
Iowa Department of Human Rights	\$ --	--	--	--
U.S. Department of Health and Human Services	--	--	--	--
Iowa Department of Education	--	--	--	--
Iowa Department of Public Health	--	--	--	--
IDPH - Non-Cash Food Vouchers	--	--	--	--
Iowa Department of Human Services	--	--	--	--
Iowa Department of Transportation	--	--	--	--
Iowa Department of Agriculture	--	--	--	--
Emergency Food and Shelter National Board Program	--	--	--	--
Area Agency on Aging	--	--	--	--
Iowa Institute for Community Alliances	--	--	--	--
Utility Companies	--	--	--	--
Iowa East Central T.R.A.I.N.	--	--	--	--
Empowerment Areas	--	--	--	--
Services and Project Revenue	--	--	--	6,198
Interest Income	--	--	--	--
Internal Program Support and Cost Pool Reimbursement	--	--	--	--
In Kind Donations	--	--	--	--
Other Revenue	--	13,456	--	--
Total Support and Revenue	<u>--</u>	<u>13,456</u>	<u>--</u>	<u>6,198</u>
Expenses	<u>9</u>	<u>13,283</u>	<u>--</u>	<u>5,528</u>
Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions	(9)	173	--	670
Capital Additions - Awards Received for Capital Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Support and Revenue over Expenses After Capital Additions	(9)	173	--	670
Transfers	--	--	--	--
Net Assets - Beginning of Year	<u>9</u>	<u>5,691</u>	<u>2,271</u>	<u>6,431</u>
Net Assets - End of Year	<u>\$ --</u>	<u>5,864</u>	<u>2,271</u>	<u>7,101</u>

COMMUNITY ACTION OF SOUTHEAST IOWA
Combining Statement of Activities - Continued

Year Ended September 30, 2004

Changing Families	6-Plex	Housing	Consultec CMPFE Title XIX	Weather- ization Inventory/ WIP Cost Pools	Weather- ization Propri- etary	Payroll Clearing	Indirect and Adminis- trative	Property and Equipment
--	--	--	--	(28,955)	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	630	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	27,281	--	29,975	--	--	--	11,277	--
--	--	--	--	--	--	10	5,469	--
--	--	--	--	--	--	--	568,047	--
--	--	--	--	--	--	--	--	--
--	416	--	--	(980)	--	--	222	--
--	27,697	--	30,605	(29,935)	--	10	585,015	--
--	41,941	36	29,049	(45,595)	--	--	525,412	313,662
--	(14,244)	(36)	1,556	15,660	--	10	59,603	(313,662)
--	--	--	--	--	--	--	--	--
--	(14,244)	(36)	1,556	15,660	--	10	59,603	(313,662)
--	--	--	--	--	--	--	14,403	342,663
519	(17,252)	11,898	--	3,816	4,069	598	410,101	1,212,909
519	(31,496)	11,862	1,556	19,476	4,069	608	484,107	1,241,910

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
U.S. Department of Health and Human Services

Schedule of Revenue and Expenses Compared to Budget

Head Start Grant No. 07CH 6220/38

(Contract Period 9/1/03 - 8/31/04)

	Approved Budget	Actual Revenue/Expenses		
		Total	10/01/03 - 08/31/04	9/01/03 - 9/30/03
Revenue				
U.S. Department of Health and Human Services	\$ 3,294,876	3,294,876	2,990,364	304,512
USDA/Iowa Department of Education - Food Reimbursement	--	158,072	140,793	17,279
Grantee's Share - In Kind	818,720	818,720	752,627	66,093
Other Non-Federal Revenue	--	1,264	1,264	--
Total Revenue	\$ 4,113,596	4,272,932	3,885,048	387,884
Expenses				
Grantor's Share				
Personnel	\$ 1,742,048	1,653,865	1,495,884	157,981
Fringe Benefits	542,517	546,605	494,549	52,056
Travel	13,501	4,806	2,208	2,598
Equipment	145,000	113,024	112,620	404
Supplies	94,338	145,162	141,893	3,269
Contractual	17,500	34,296	25,711	8,585
Other	432,244	499,880	448,603	51,277
Indirect	307,728	297,238	268,896	28,342
Total Grantor's Share	3,294,876	3,294,876	2,990,364	304,512
Program Expenses Not Charged to Grant	--	2,087	2,069	18
Food Expenses - Child and Adult Care Food Program	--	158,072	140,793	17,279
Grantee's Share - In Kind Donations	818,720	818,720	752,627	66,093
Total Expenses	\$ 4,113,596	4,273,755	3,885,853	387,902

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
U.S. Department of Health and Human Services

Schedule of Revenue and Expenses Compared to Budget

Head Start Grant No. 07CH 6220/39

(Contract Period 9/1/04 - 8/31/05)

	<u>Approved Budget</u>	<u>Actual Revenue/Expenses 9/01/04 - 9/30/04</u>
Revenue		
U.S. Department of Health and Human Services	\$ 3,335,368	330,702
USDA/Iowa Department of Education - Food Reimbursement	--	12,472
Grantee's Contribution - In Kind	794,358	124,745
Other Non-Federal Revenue	--	207
	<u> </u>	<u> </u>
Total Revenue	<u>\$ 4,129,726</u>	<u>468,126</u>
Expenses		
Grantor's Share		
Personnel	\$ 1,789,741	143,585
Fringe Benefits	569,373	45,528
Travel	21,820	--
Equipment	170,000	46,568
Supplies	62,630	14,694
Other	404,925	55,011
Indirect	316,879	25,436
Total Grantor's Share	<u>3,335,368</u>	<u>330,822</u>
Program Expenses Not Charged to Grant	--	--
Food Expenses - Child and Adult Care Food Program	--	12,472
Grantee's Share - In Kind Donations	<u>794,358</u>	<u>124,745</u>
	<u> </u>	<u> </u>
Total Expenses	<u>\$ 4,129,726</u>	<u>468,039</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Low Income Home Energy Assistance Program

Contract No. LIHEAP-04-14-N

(Contract Period 10/1/03 - 9/30/04)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses 10/01/03 - 9/30/04</u>
Assistance Awards		
Regular Assistance	\$ 1,326,536	1,320,441
Energy Crisis Intervention - Furnace	49,726	33,448
Energy Crisis Intervention - Emergency Delivery	17,303	16,579
Energy Crisis Intervention - Temporary Shelter	607	454
Energy Crisis Intervention - Emergency Cooling	4,149	3,641
Client Services	32,911	32,911
Summer Deliverable Fuel	137,600	137,600
Administration	<u>118,321</u>	<u>118,321</u>
 Total	 <u><u>\$ 1,687,153</u></u>	 <u><u>1,663,395</u></u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Public Health

Schedule of Expenses Compared to Budget

Special Supplemental Food Program for Women, Infants, and Children

Contract No. 5883AO45

(Contract Period 10/1/03 - 9/30/04)

Cost Category	Approved Budget	Actual Expenses 10/01/03 - 9/30/04
Salaries	\$ 403,342	388,896
Office Management	50,795	60,888
Travel	11,636	14,864
Indirect	51,376	52,501
Total Cash Expenses	\$ 517,149	517,149
Non-Cash Food Vouchers		2,847,321
Total Federal Cost		3,364,470
Non-Grant Expenses		5,675
Total Program Expenses		3,370,145

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

**Family Development and Self-Sufficiency
Demonstration Grants**

Contract No. FaDSS 05-14-FN
(Contract Period 7/1/04 - 6/30/05)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses 7/01/04 - 9/30/04</u>
Administrative	\$ 28,151	7,009
Salaries	143,211	35,802
Benefits	65,311	16,116
Travel	12,469	2,850
Space/Utilities	4,000	1,130
Other	12,285	1,682
3rd Party Payments	<u>5,000</u>	<u>3,869</u>
 Total Grant Expenses	 270,427	 68,458
 Non-Grant Third Party Expense	 <u>5,000</u>	 <u>--</u>
 Total	 <u><u>\$ 275,427</u></u>	 <u><u>68,458</u></u>

Contract No. FaDSS 04-14-FN
(Contract Period 7/1/03 - 6/30/04)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses</u>		
		<u>Total</u>	<u>10/01/03 - 06/30/04</u>	<u>07/01/03 - 09/30/03</u>
Administrative	\$ 26,816	26,575	19,847	6,728
Salaries	138,734	139,305	104,522	34,783
Benefits	59,901	57,550	42,536	15,014
Travel	12,400	12,284	9,373	2,911
Space/Utilities	4,141	4,202	3,376	826
Other	18,435	19,545	14,681	4,864
3rd Party Payments	<u>10,000</u>	<u>10,966</u>	<u>9,271</u>	<u>1,695</u>
 Total Grant Expenses	 270,427	 270,427	 203,606	 66,821
 Non-Grant Third Party Expense	 <u>5,000</u>	 <u>4,325</u>	 <u>4,325</u>	 <u>--</u>
 Total	 <u><u>\$ 275,427</u></u>	 <u><u>274,752</u></u>	 <u><u>207,931</u></u>	 <u><u>66,821</u></u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Transportation

Schedule of Expenses

Regional Transit Authority
July 1, 2003 through June 30, 2004

Category	Approved Budget	Actual Expenses		
		Total	10/01/03 - 06/30/04	07/01/03 - 09/30/03
Salaries and Wages	\$ 245,809	231,453	167,280	64,173
Payroll Taxes and Benefits	96,357	88,205	63,777	24,428
Training	4,700	952	542	410
Vehicle Maintenance	35,000	20,164	11,617	8,547
Travel and Per Diem	1,500	2,825	2,623	202
Gasoline	50,000	54,042	39,937	14,105
Radio	1,750	1,755	1,350	405
Space and Utilities	14,000	33,697	30,770	2,927
Telephone	3,315	2,518	2,109	409
Office Supplies	1,700	1,900	1,304	596
Postage	400	228	170	58
Advertising	5,000	1,601	1,343	258
Program Supplies	1,400	2,995	2,447	548
Equipment	44,743	588	588	--
Printing	400	316	220	96
Membership/Subscriptions/ Publications	2,300	1,650	1,650	--
Vehicle Insurance and Licenses	30,000	32,511	33,859	(1,348)
Indirect	46,193	43,154	31,193	11,961
Other	3,850	2,918	2,008	910
Total Program Expenditures	588,417	523,472	394,787	128,685
Non-Federal Expenditures	--	195	169	26
Office of Public Transit - Repayment	--	218,752	--	218,752
Less Equipment Capitalized	--	--	--	--
Total Expenses	\$ 588,417	742,419	394,956	347,463

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. DOE-04-14N
(Contract Period 4/1/04 - 3/31/05)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses 4/01/04 - 9/30/04</u>
Administration	\$ 20,331	18,925
Health and Safety	33,072	25,094
Support	42,872	59,295
Labor	44,709	50,532
Materials	44,709	17,515
Total	<u><u>\$ 185,693</u></u>	<u><u>171,361</u></u>

Contract No. DOE-03-14N
(Contract Period 4/1/03 - 3/31/04)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses</u>		
		<u>Total</u>	<u>10/01/03 - 03/31/04</u>	<u>04/01/03 - 09/30/03</u>
Administration	\$ 18,782	18,782	6,782	12,000
Health and Safety	25,164	22,205	7,459	14,746
Support	35,229	32,125	17,172	14,953
Labor	50,327	75,838	15,936	59,902
Materials	50,327	33,379	7,492	25,887
Landlord Contribution	--	(2,500)	(1,000)	(1,500)
Total	<u><u>\$ 179,829</u></u>	<u><u>179,829</u></u>	<u><u>53,841</u></u>	<u><u>125,988</u></u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. HEAP 04-14N
(Contract Period 4/1/04 - 3/31/05)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses 4/01/04 - 9/30/04</u>
Administration	\$ 12,225	--
Health and Safety	42,091	--
Support	54,563	6,459
Labor	56,901	--
Materials	56,901	--
Equipment/Training	26,558	--
Total	<u>\$ 249,239</u>	<u>6,459</u>

Contract No. HEAP 03-14N
(Contract Period 4/1/03 - 3/31/04)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Total</u>	<u>Actual Expenses</u>	
			<u>10/01/03 - 04/30/04</u>	<u>04/01/03 - 09/30/03</u>
Administration	\$ 11,097	11,097	8,539	2,558
Health and Safety	82,613	20,641	20,641	--
Support	60,987	90,706	49,547	41,159
Labor	22,242	51,203	48,037	3,166
Materials	22,242	25,913	22,018	3,895
Liability Insurance	2,331	2,330	2,330	--
Equipment/Training/Other	16,558	--	--	--
Landlord Contribution	--	(375)	(375)	--
Total	<u>\$ 218,070</u>	<u>201,515</u>	<u>150,737</u>	<u>50,778</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Revenue and Expenses Compared to Budget

Weatherization Assistance

Contract No. MEC-03-14N
(Contract Period 1/1/03 - 12/31/03)

Cost Category	Approved Budget	Total	Actual Expenditures	
			10/01/03 - 12/31/03	01/01/03 - 09/30/03
Administration	\$ 550	550	195	355
Support	1,100	968	104	864
Labor	4,675	6,657	1,489	5,168
Materials	4,675	2,825	1,100	1,725
Total	<u>\$ 11,000</u>	<u>11,000</u>	<u>2,888</u>	<u>8,112</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Revenue and Expenses Compared to Budget

Weatherization Assistance

Contract No. IPL-04-14N
(Contract Period 1/1/04 - 12/31/04)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses 1/01/04 - 9/30/04</u>
Administration	\$ 14,156	7,998
Support	28,741	23,432
Labor	73,011	57,016
Materials	73,012	39,585
Total	<u>\$ 188,920</u>	<u>128,031</u>

Contract No. IPL-03-14N
(Contract Period 1/1/03 - 12/31/03)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenditures</u>		
		<u>Total</u>	<u>10/01/03 - 12/31/03</u>	<u>1/01/03 - 9/30/03</u>
Administration	\$ 7,770	7,770	1,960	5,810
Support	23,310	22,138	6,004	16,134
Labor	46,620	57,764	17,286	40,478
Materials	46,620	36,648	11,276	25,372
Total	<u>\$ 124,320</u>	<u>124,320</u>	<u>36,526</u>	<u>87,794</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Community Services Block Grant

Contract No. CSBG-04-14-CN
(Contract Period 10/1/03 - 12/31/04)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenses 10/01/03 - 9/30/04</u>
Grant Expenses		
Personnel	\$ 200,535	203,426
Travel	3,100	3,479
Space	24,900	20,719
Equipment	2,000	1,889
Other Costs	13,047	9,897
Indirect Costs	<u>27,071</u>	<u>27,009</u>
Total Grant Expenses	<u>\$ 270,653</u>	266,419
Other Expenses Not Reimbursed by Grant		<u>27,355</u>
Total		<u>293,774</u>

Contract No. CSBG-03-14-CN
(Contract Period 10/1/02 - 12/31/03)

<u>Cost Category</u>	<u>Approved Budget</u>	<u>Actual Expenditures</u>		
		<u>Total</u>	<u>10/01/03 - 12/31/03</u>	<u>10/01/02 - 9/30/03</u>
Grant Expenses				
Personnel	\$ 208,024	209,584	41,449	168,135
Travel	6,200	3,085	477	2,608
Space	23,500	23,799	4,773	19,026
Equipment	1,200	1,320	304	1,016
Other Costs	9,250	10,175	653	9,522
Indirect Costs	<u>28,083</u>	<u>28,294</u>	<u>5,844</u>	<u>22,450</u>
Total Grant Expenses	<u>\$ 276,257</u>	276,257	53,500	222,757
Other Expenses Not Reimbursed by Grant		<u>33,643</u>	<u>8,294</u>	<u>25,349</u>
Total		<u>309,900</u>	<u>61,794</u>	<u>248,106</u>

SEE INDEPENDENT AUDITOR'S REPORT

COMMUNITY ACTION OF SOUTHEAST IOWA

Schedule of Activities

Indirect Cost Pool and Other Administrative

October 1, 2003 through September 30, 2004

	<u>Total</u>	<u>Indirect Cost Pool</u>	<u>Other Administrative</u>
Revenue			
Reimbursements from Programs	\$ 568,047	568,047	--
Interest Income	5,469	--	5,469
Property Use Charges	11,277	--	11,277
FEMA Assistance for Flood Damage	--	--	--
Other	222	--	222
Total Revenue	<u>585,015</u>	<u>568,047</u>	<u>16,968</u>
Expenses			
Salaries and Wages	295,712	295,712	--
Benefits and Payroll Taxes	96,279	96,279	--
Workmen's Compensation	1,000	1,000	--
Audit	20,744	20,744	--
Training and Meetings	7,328	7,328	--
Travel and Per Diem	18,466	18,466	--
Space and Utilities	17,071	17,071	--
Pest Control	146	146	--
Telephone	3,586	3,586	--
Office Supplies	21,515	21,515	--
Postage	7,857	7,857	--
Equipment	9,205	9,205	--
Printing/Copies	(1,710)	(1,710)	--
Advertising	1,346	1,346	--
Professional/Technical	2,209	2,209	--
Liability Insurance and Bonding	9,159	9,159	--
Membership/Subscriptions/Publications	7,454	7,454	--
Building Maintenance and Rehabilitation	4,210	4,210	--
Miscellaneous	3,835	1,132	2,703
Total Expenses	<u>525,412</u>	<u>522,709</u>	<u>2,703</u>
Excess of Revenue over Expenses	59,603	45,338	14,265
Fund Balance Transfers	14,403	--	14,403
Net Assets - Beginning of Year	<u>410,101</u>	<u>255,703</u>	<u>154,398</u>
Net Assets - End of Year	<u>\$ 484,107</u>	<u>301,041</u>	<u>183,066</u>

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