

**Operation: New View
Community Action Agency
Dubuque, Iowa**

**Financial Statements
September 30, 2005**

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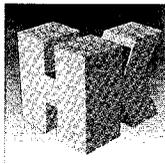
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Honkamp Krueger & Co., PC.
*Certified Public Accountants
& Business Consultants*

Independent Auditor's Report

To the Board of Directors
Operation: New View Community Action Agency
Dubuque, Iowa

We have audited the accompanying financial statements, listed as exhibits in the table of contents of this report, of Operation: New View Community Action Agency, Dubuque, Iowa, as of and for the year ended September 30, 2005. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

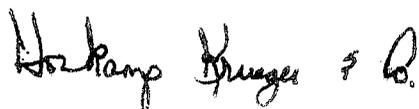
We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Operation: New View Community Action Agency as of September 30, 2005, and the results of its operations, changes in 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 reports dated November 22, 2005 on our consideration of Operation: New View Community Action Agency'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 those reports is to describe the scope of our testing of internal controls 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. Those reports are 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 financial statements taken as a whole. The supplemental information included in Schedules 1 through 24, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations is presented for purposes of additional analysis, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our 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.

A handwritten signature in cursive script that reads "Hank Kruger & Co." The signature is written in dark ink and is positioned above the typed name and date.

Dubuque, Iowa
November 22, 2005

Operation: New View Community Action Agency
Combined Statement of Financial Position
All Funds
September 30, 2005
Exhibit A

<i>ASSETS</i>	Administrative & Local Funds	Program Funds	Plant Fund	Total (Memorandum Only)
Current Assets				
Cash	\$ 22,912	\$ 324,128	\$ -	\$ 347,040
Certificate of Deposit	31,267	-	-	31,267
Due From Other Funds	367,758	31,829	-	399,587
Grants Receivable	-	390,659	-	390,659
Miscellaneous Receivable	590	40	-	630
Prepaid Expenses	8,298	43	-	8,341
Total Current Assets	430,825	746,699	-	1,177,524
Building and Equipment	-	-	529,398	529,398
Accumulated Depreciation	-	-	(152,003)	(152,003)
Net Equipment	-	-	377,395	377,395
Total Assets	\$ 430,825	\$ 746,699	\$ 377,395	\$ 1,554,919
 LIABILITIES AND NET ASSETS				
Liabilities				
Due to Other Funds	\$ 113,755	\$ 285,832	\$ -	\$ 399,587
Deferred Revenue	-	16,346	-	16,346
Accounts Payable	8,431	208,711	-	217,142
Grant Payable	-	2,487	-	2,487
Notes Payable	220,719	-	-	220,719
Accrued Payroll and Related Expenses	52,696	40,527	-	93,223
Total Liabilities	395,601	553,903	-	949,504
 Net Assets				
Temporarily Restricted	-	192,796	-	192,796
Unrestricted	35,224	-	377,395	412,619
Total Net Assets	35,224	192,796	377,395	605,415
Total Liabilities and Net Assets	\$ 430,825	\$ 746,699	\$ 377,395	\$ 1,554,919

See Notes to Financial Statements

Operation: New View Community Action Agency
Combined Statement of Activities
All Funds
Year Ended September 30, 2005
Exhibit B

	Administrative & Local Funds	Program Funds	Plant Fund	Total (Memorandum Only)
REVENUES				
Federal Funds	\$ -	\$ 4,528,082	\$ -	\$ 4,528,082
State Funds	-	111,861	-	111,861
County and City Funds	33,209	-	-	33,209
Other Revenue	34,772	257,264	-	292,036
Non-Cash Match	-	476,508	-	476,508
Total Revenue	<u>67,981</u>	<u>5,373,715</u>	<u>-</u>	<u>5,441,696</u>
EXPENDITURES				
Personnel Costs:				
Salaries	173,319	1,478,761	-	1,652,080
Fringe Benefits	21,581	265,369	-	286,950
Payroll Taxes	14,490	122,477	-	136,967
Total Personnel Costs	<u>209,390</u>	<u>1,866,607</u>	<u>-</u>	<u>2,075,997</u>
Non-Personnel Costs:				
Consultant and Contract Service	1,937	34,017	-	35,954
Travel	4,164	390,812	-	394,976
Space Costs and Rentals	12,692	200,452	-	213,144
Consumable Supplies	37,823	39,732	-	77,555
Property & Equipment Costs	768	3,042	-	3,810
Depreciation	-	-	30,372	30,372
Other Costs, Including Direct Assistance Payments	46,461	2,542,395	-	2,588,856
Total Non-Personnel Costs	<u>103,845</u>	<u>3,210,450</u>	<u>30,372</u>	<u>3,344,667</u>
Expenses Allocated	<u>(253,449)</u>	<u>253,449</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>59,786</u>	<u>5,330,506</u>	<u>30,372</u>	<u>5,420,664</u>
Excess of Revenues or (Expenditures)	8,195	43,209	(30,372)	21,032
Net Assets Transfers	-	(21,283)	21,283	-
Net Assets, Beginning	27,029	170,870	386,484	584,383
Net Assets, Ending	<u>\$ 35,224</u>	<u>\$ 192,796</u>	<u>\$ 377,395</u>	<u>\$ 605,415</u>

See Notes to Financial Statements

**Operation: New View Community Action Agency
 Combined Statement of Functional Expenses
 Administrative & Local Funds and Program Funds
 Year Ended September 30, 2005**

Exhibit C

	Administrative & Local Funds	Program Funds	Total
	<u> </u>	<u> </u>	<u> </u>
Salaries	\$ 173,319	\$ 1,478,761	\$ 1,652,080
Fringe Benefits	21,581	265,369	286,950
Payroll Taxes	14,490	122,477	136,967
Consultant and Contractual Services	1,937	34,017	35,954
Travel	4,164	390,812	394,976
Space Cost and Rentals	12,692	200,452	213,144
Consumable Supplies	37,823	39,732	77,555
Property & Equipment Costs	768	3,042	3,810
Other Costs, including Direct Assistance Payments	<u>46,461</u>	<u>2,542,395</u>	<u>2,588,856</u>
Total Expenses before Allocation of Indirect Costs	313,235	5,077,057	5,390,292
Allocation of Indirect Costs	<u>(253,449)</u>	<u>253,449</u>	<u>-</u>
Total Expenses	<u>\$ 59,786</u>	<u>\$ 5,330,506</u>	<u>\$ 5,390,292</u>

Operation: New View Community Action Agency
Statement of Cash Flows
Year Ended September 30, 2005

Exhibit D

Reconciliation of Changes in Net Assets to Net Cash:

Cash Flows From Operating Activities:

Changes in Net Assets	\$	21,032
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation		30,372
(Increase) Decrease in Assets:		
Receivables		95,971
Prepaid Expense		(1,674)
Increase (Decrease) in Liabilities:		
Payables		130,369
Deferred Revenue		7,771
Accrued Payroll and Related Expenses		(18,610)
Net Cash Provided by Operating Activities		265,231

Cash Flows From Investing Activities:

Purchase of Property and Equipment		(21,283)
Purchase of Investments		(692)
Net Cash (Used) by Investing Activities		(21,975)

Cash Flows From Financing Activities:

Payments on Long-Term Debt		(2,285)
Net Cash (Used) by Financing Activities		(2,285)
Net Increase in Cash		240,971
Cash, Beginning		106,069
Cash, Ending	\$	347,040
Cash Paid for Interest	\$	10,546

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 1. Summary of Significant Accounting Policies

Operation: New View Community Action Agency, a not-for-profit corporation, is a community action agency that serves the Iowa counties of Dubuque, Delaware, and Jackson Counties. Operation: New View Community Action Agency is exempt from income tax under section 501(c)1 of the Internal Revenue Code and a similar section of the Iowa income tax law, which provides tax exemption for corporations organized and operated exclusively for religious, charitable or educational purposes. Operation: New View Community Action Agency 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 accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board for non-profit corporations.

Reporting Entity

For financial reporting purposes, Operation: New View Community Action Agency has included all funds, organizations, account groups, agencies, boards, commissions and authorities. The Agency has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Agency are such that exclusion would cause the Agency's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Agency to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the Agency. Operation: New View Community Action Agency has no component units which meet the Governmental Accounting Standards Board criteria.

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:

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 1. Summary of Significant Accounting Policies (Continued)

Administrative & Local Funds – The Administrative & Local Funds represent funds derived from local sources such as donations, rents and miscellaneous activities. The Agency's overall management and administrative expenses are charged to these funds and then allowable indirect costs are allocated to the various programs which the Agency administers.

Program Funds – Program Funds are used to account for the revenues and expenses that are contractually restricted by the funding source for specific purposes.

Plant Fund – The Plant 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 accounting principles generally accepted in the United States of America. Revenues are recognized when earned and expenses are recorded when the liability is incurred.

Purchases of fixed assets providing future benefits are recorded as expenses in the program at the time of purchase and capitalized in the plant 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: Unrestricted net assets include all net assets which are neither temporarily or permanently restricted.

Temporarily Restricted: Temporarily restricted net assets include contributed net assets for which donor imposed time and purpose restrictions have not been met, and the ultimate purpose of the contribution is not permanently restricted.

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 1. Summary of Significant Accounting Policies (Continued)

Permanently Restricted: Permanently restricted net assets include contributions and other inflows of assets whose use by the Agency is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Agency. The Agency has no permanently restricted net assets for the year ended September 30, 2005.

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.

Assets, Liabilities and Net Assets

The following accounting policies are followed in preparing the combined balance sheet:

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

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, 2005, balances of interfund amounts receivable or payable have been recorded.

Inventory – Minor materials and supplies are charged to expense during the period of purchase. As a result, no inventory is recognized on the statement of financial position.

Property and Equipment – Property and equipment are valued at historical cost. Donated fixed assets are valued at their estimated fair value on the date of donation.

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 1. Summary of Significant Accounting Policies (Continued)

Property and equipment purchased are recorded as expenses in the fund purchasing the asset. The purchases are then capitalized in the plant fund accumulating the net investment in fixed assets. Depreciation has been provided in the plant 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.

Compensated Absences – 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 Administrative Fund. This liability has been computed based on rate of pay in effect at September 30, 2005.

Recognition of Grant Revenue and Donor Restricted Contributions

Support that is restricted by the grantor or donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Personnel

Agency administrative and financial personnel record the time they spend working on specific programs and general agency matters on their time sheets. The time specifically identifiable to a particular program is charged to that program. The time spent on general agency matters is charged to programs using a percentage based on the direct labor charges to programs.

Other Indirect Costs

Other indirect costs (telephone, copier costs, insurance, computer usage, etc.), are allocated to agency programs based on the amounts used by each program.

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 1. Summary of Significant Accounting Policies (Continued)

Space Costs

Space costs (maintenance costs, supplies, depreciation, etc.), are allocated based on the number of square feet of space each program occupies. Space occupied by administrative staff is allocated based upon the allocation of the administrative staff's time.

Advertising Expenses

The Organization expenses advertising costs as incurred.

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 accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation.

Use of Estimates

The preparation of financial statements on the basis of accounting, as described above, 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. Estimates also affect the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

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 grant 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 costs pools have been allocated to the programs based on formulas developed by the Agency for each pool.

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 2. Uninsured Cash Balances

The Agency's deposits in banks at September 30, 2005 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

NOTE 3. U.S.D.A. Reimbursements

Included in federal revenue under the Head Start Program is U.S.D.A. reimbursements totaling \$123,849.

NOTE 4. Head Start Program Match

The Head Start Program, funded by the Department of Health and Human Services, requires that the Head Start Program receive matching funds equal to 20% of total federal expenditures.

The grantee's matching funds which are recorded in revenues and expenditures for the fiscal year ended September 30, 2005, and for the program year ended October 31, 2004, are as follows:

	Fiscal Year Ended <u>09/30/05</u>	Program Year Ended <u>10/31/04</u>
Expenditure Accounts:		
Volunteers' Time	\$ 66,736	\$ 60,861
Space Costs	49,103	48,988
Travel	354,280	281,890
Other Resources	<u>6,389</u>	<u>15,160</u>
Total Non-Cash Match Received	476,508	406,899
Wrap Around Funding	<u>31,414</u>	<u>31,414</u>
Total Match Received	<u>\$ 507,922</u>	<u>\$ 438,313</u>
Match Required		<u>\$ 400,929</u>

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 5. Property and Equipment

A summary of property and equipment comprising the plant fund, categorized by acquiring program/source, is as follows at September 30, 2005:

<u>Acquiring Program/Source</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Head Start	\$ 350,707	\$ 56,105	\$ 406,812
Weatherization Assistance for Low-Income	-----	33,576	33,576
General Agency	-----	89,010	89,010
Total Cost	<u>350,707</u>	<u>178,691</u>	<u>529,398</u>
Less: Accumulated Depreciation	<u>39,455</u>	<u>112,548</u>	<u>152,003</u>
Net	<u>\$ 311,252</u>	<u>\$ 66,143</u>	<u>\$ 377,395</u>

The components of the Agency's accumulated depreciation as of September 30, 2005 is as follows:

<u>Acquiring Program/Source</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, Beginning of Year	\$ 30,687	\$ 90,944	\$ 121,631
Current Year Depreciation	<u>8,768</u>	<u>21,604</u>	<u>30,372</u>
Balance, End of Year	<u>\$ 39,455</u>	<u>\$ 112,548</u>	<u>\$ 152,003</u>

NOTE 6. Lease Agreement

The Agency leases its main office under a lease agreement which expires June 30, 2007. The lease requires monthly rents of \$2,350 for three years, \$2,559 for the next three years, and \$2,772 for the final four years of the agreement. The minimum future rentals under this agreement for years ending September 30 are as follows:

2006	\$ 33,264
2007	<u>24,948</u>
	<u>\$ 58,212</u>

Total lease expense relating to the above agreement was \$35,293 for the year ended September 30, 2005.

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 7. Building Lease

The Agency leases a portion of the Dyersville Early Childhood Center building to the Kid Project. The term of the lease is 25 months from September 1, 2004 to May 31, 2006. Monthly rental payments due to the Agency are \$350.

Minimum future rentals receivable by the Agency for the following years ended September 30 are as follows:

2006	\$ <u>2,800</u>
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NOTE 8. Pension and Retirement Benefits

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

Plan members are required to contribute 3.70% of their annual salary and the Agency is required to contribute 5.75% of annual covered payroll. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the years ended September 30, 2005 and 2004 was \$84,479 and \$81,887, respectively, equal to the required contribution for each year.

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 9. Long Term Debt

The Agency has the following long-term debt at September 30, 2005.

Note Payable, U.S. Department of Agriculture, due in interest only payments of \$10,688 on October 19, 2003, and monthly payments of \$1,069 beginning November 19, 2003, including interest at 4.75%. This note is due October 19, 2041, and is secured by all assets of the Agency.	\$ 220,719
Less: Current Maturities	<u>2,396</u>
Total Long-Term Debt	<u>\$ 218,323</u>

Maturities of notes payable for years ending September 30 are as follows:

2006	\$ 2,396
2007	2,512
2008	2,634
2009	2,762
2010	2,896
Thereafter	<u>207,519</u>
	<u>\$ 220,719</u>

NOTE 10. Disclosure about Certain Concentrations

The Agency is subject to a certain degree of vulnerability due to concentrations of revenue received from a major funder. Operation: New View Community Action Agency received \$3,852,146 of funding from the Department of Health and Human Services for the year ended September 30, 2005.

NOTE 11. Risk Management

Operation: New View Community Action Agency is exposed to various risks of loss related to torts; thefts 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.

Supplementary Information

Operation: New View Community Action Agency
Combining Statement of Financial Position
Administrative & Local Funds
September 30, 2005

Schedule 1

<i>ASSETS</i>	Local Accounts Funds 870, 876, 891 & 595	Allocated Services Central Service Fund 006	Allocated Services Self-Funding Reserve Fund 003	Allocated Services Administrative Funds 001, 002 & 015	Total (Memorandum Only)
Current Assets					
Cash	\$ 12,441	\$ -	\$ 6,445	\$ 4,026	\$ 22,912
Certificates of Deposit	31,267	-	-	-	31,267
Due From Other Funds	341,544	-	-	26,214	367,758
Miscellaneous Receivable	-	-	-	590	590
Prepaid Expenses	-	8,298	-	-	8,298
Total Current Assets	<u>385,252</u>	<u>8,298</u>	<u>6,445</u>	<u>30,830</u>	<u>430,825</u>
Total Assets	<u>\$ 385,252</u>	<u>\$ 8,298</u>	<u>\$ 6,445</u>	<u>\$ 30,830</u>	<u>\$ 430,825</u>
 LIABILITIES AND NET ASSETS					
Liabilities					
Due to Other Funds	\$ -	\$ 33,022	\$ -	\$ 80,733	\$ 113,755
Accounts Payable	317	23	-	8,091	8,431
Note Payable	220,719	-	-	-	220,719
Accrued Payroll and Related Expenses	-	-	-	52,696	52,696
Total Liabilities	<u>221,036</u>	<u>33,045</u>	<u>-</u>	<u>141,520</u>	<u>395,601</u>
 Net Assets					
Unrestricted	<u>164,216</u>	<u>(24,747)</u>	<u>6,445</u>	<u>(110,690)</u>	<u>35,224</u>
Total Net Assets	<u>164,216</u>	<u>(24,747)</u>	<u>6,445</u>	<u>(110,690)</u>	<u>35,224</u>
Total Liabilities and Net Assets	<u>\$ 385,252</u>	<u>\$ 8,298</u>	<u>\$ 6,445</u>	<u>\$ 30,830</u>	<u>\$ 430,825</u>

Operation: New View Community Action Agency
Combining Statement of Activities
Administrative & Local Funds
Year Ended September 30, 2005

Schedule 2

	Unrestricted				Total (Memorandum Only)
	Local	Allocated Services			
	Accounts 870, 876, 891 & 595	Central Service Fund 006	Self-funding Reserve Fund 003	Administrative Funds 001, 002 & 015	
REVENUES:					
Other Revenue	\$ 20,018	\$ 10,151	\$ 301	\$ 4,302	\$ 34,772
County and City Funds	33,209	-	-	-	33,209
Total Revenue	53,227	10,151	301	4,302	67,981
EXPENDITURES:					
Personnel Costs:					
Salaries	100	-	-	173,219	173,319
Fringe Benefits	-	-	-	21,581	21,581
Payroll Taxes	9	-	-	14,481	14,490
Total Personnel Costs	109	-	-	209,281	209,390
Non-Personnel Costs:					
Consultant Contract Service	1,917	-	-	20	1,937
Travel	32	-	-	4,132	4,164
Space Costs and Rental	-	-	-	12,692	12,692
Consumable Supplies	20,357	6,788	-	10,678	37,823
Property & Equipment Costs	-	-	-	768	768
Other Costs	16,672	-	143	29,646	46,461
Total Non-Personnel Costs	38,978	6,788	143	57,936	103,845
Expenses Allocated	-	-	-	(253,449)	(253,449)
Total Expenditures	39,087	6,788	143	13,768	59,786
Excess of Revenues or (Expenditures)	14,140	3,363	158	(9,466)	8,195
Beginning Net Assets, Unrestricted	150,076	(28,110)	6,287	(101,224)	27,029
Ending Net Assets, Unrestricted	\$ 164,216	\$ (24,747)	\$ 6,445	\$ (110,690)	\$ 35,224

Operation: New View Community Action Agency
Combining Statement of Financial Position
Program Funds
September 30, 2005
Schedule 3

<i>ASSETS</i>	<u>Community Block Grants (Schedule 11)</u>	<u>Weatherization Assistance (Schedule 5)</u>
Current Assets		
Cash	\$ 54,612	\$ 72,657
Due From Other Funds	-	31,829
Grants Receivable	-	33,001
Miscellaneous Receivable	-	45
Prepaid Expenses	-	-
Total Current Assets	<u>54,612</u>	<u>137,532</u>
Total Assets	<u>\$ 54,612</u>	<u>\$ 137,532</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Due to Other Funds	\$ -	\$ 31,829
Deferred Revenue	14,676	-
Accounts Payable	2,488	3,572
Grant Payable	-	-
Accrued Payroll and Related Expenses	<u>37,448</u>	<u>-</u>
Total Liabilities	<u>54,612</u>	<u>35,401</u>
Net Assets		
Temporarily Restricted	<u>-</u>	<u>102,131</u>
Total Net Assets	<u>-</u>	<u>102,131</u>
Total Liabilities and Net Assets	<u>\$ 54,612</u>	<u>\$ 137,532</u>

Early Childhood Program (Schedule 7)	Low-Income Home Energy Assistance (Schedule 9)	Other Program Funds (Schedule 13)	Total (Memorandum Only)
\$ 19,070	\$ 159,612	\$ 18,177	\$ 324,128
-	-	-	31,829
354,868	-	2,790	390,659
(5)	-	-	40
43	-	-	43
<u>373,976</u>	<u>159,612</u>	<u>20,967</u>	<u>746,699</u>
<u>\$ 373,976</u>	<u>\$ 159,612</u>	<u>\$ 20,967</u>	<u>\$ 746,699</u>
\$ 250,788	\$ -	\$ 3,215	\$ 285,832
1,670	-	-	16,346
59,235	143,046	370	208,711
-	2,487	-	2,487
525	2,554	-	40,527
<u>312,218</u>	<u>148,087</u>	<u>3,585</u>	<u>553,903</u>
61,758	11,525	17,382	192,796
<u>61,758</u>	<u>11,525</u>	<u>17,382</u>	<u>192,796</u>
<u>\$ 373,976</u>	<u>\$ 159,612</u>	<u>\$ 20,967</u>	<u>\$ 746,699</u>

Operation: New View Community Action Agency
Combining Statement of Activities
Program Funds
Year Ended September 30, 2005
Schedule 4

	Community Block Grants (Schedule 12)	Weatherization Assistance (Schedule 6)
REVENUES		
Federal Funds	\$ 277,648	\$ 333,258
State Funds	-	-
Other Revenue	626	167,525
Non-Cash Match	-	-
Total Revenue	<u>278,274</u>	<u>500,783</u>
EXPENDITURES		
Personnel Costs:		
Salaries	152,478	77,167
Fringe Benefits	35,130	13,462
Payroll Taxes	13,179	6,535
Total Personnel Costs	<u>200,787</u>	<u>97,164</u>
Non-Personnel Costs:		
Consultant and Contract Service	-	-
Travel	10,149	5,282
Space Costs and Rentals	19,697	5,462
Consumable Supplies	4,000	870
Property & Equipment Costs	1,935	-
Other Costs, Including Direct Assistance Payments	<u>9,682</u>	<u>364,225</u>
Total Non-Personnel Costs	45,463	375,839
Expenses Allocated	<u>31,406</u>	<u>13,700</u>
Total Expenditures	<u>277,656</u>	<u>486,703</u>
Excess of Revenues or (Expenditures)	618	14,080
Net Assets Transfers	(618)	(3,486)
Temporarily Restricted Net Assets, Beginning	-	91,537
Temporarily Restricted Net Assets, Ending	<u>\$ -</u>	<u>\$ 102,131</u>

Early Childhood Program (Schedule 8)	Low-Income Home Energy Assistance (Schedule 10)	Other Program Funds (Schedule 14)	Total (Memorandum Only)
\$ 2,265,607	\$ 1,651,569	\$ -	\$ 4,528,082
111,861	-	-	111,861
11,494	10,389	67,230	257,264
476,508	-	-	476,508
<u>2,865,470</u>	<u>1,661,958</u>	<u>67,230</u>	<u>5,373,715</u>
1,154,746	94,370	-	1,478,761
206,076	10,701	-	265,369
94,545	8,218	-	122,477
<u>1,455,367</u>	<u>113,289</u>	<u>-</u>	<u>1,866,607</u>
34,017	-	-	34,017
374,025	1,356	-	390,812
165,611	9,682	-	200,452
30,993	3,869	-	39,732
595	512	-	3,042
<u>590,086</u>	<u>1,512,529</u>	<u>65,873</u>	<u>2,542,395</u>
1,195,327	1,527,948	65,873	3,210,450
192,218	15,974	151	253,449
<u>2,842,912</u>	<u>1,657,211</u>	<u>66,024</u>	<u>5,330,506</u>
22,558	4,747	1,206	43,209
(15,459)	-	(1,720)	(21,283)
54,659	6,778	17,896	170,870
<u>\$ 61,758</u>	<u>\$ 11,525</u>	<u>\$ 17,382</u>	<u>\$ 192,796</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Weatherization Assistance
September 30, 2005**

Schedule 5

	<u>DOE-05-10K Fund 210</u>	<u>Utility Company Funds 225, 257 & 258</u>	<u>AQU-05-10K Fund 252</u>
ASSETS			
Current Assets			
Cash	\$ -	\$ 14,715	\$ -
Due From Other Funds	-	-	-
Miscellaneous Receivables	-	-	-
Grants Receivable	<u>17,654</u>	<u>1,172</u>	<u>7,540</u>
Total Current Assets	<u>17,654</u>	<u>15,887</u>	<u>7,540</u>
 Total Assets	 <u>\$ 17,654</u>	 <u>\$ 15,887</u>	 <u>\$ 7,540</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Due to Other Funds	\$ 17,654	\$ -	\$ 7,540
Accounts Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>17,654</u>	<u>-</u>	<u>7,540</u>
 Net Assets			
Temporarily Restricted	<u>-</u>	<u>15,887</u>	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 17,654</u>	<u>\$ 15,887</u>	<u>\$ 7,540</u>

<u>HEAP-05-10K Fund 242</u>	<u>Weatherization Allocation Fund 208</u>	<u>Total (Memorandum Only)</u>
\$ -	\$ 57,942	\$ 72,657
-	31,829	31,829
-	45	45
<u>6,635</u>	<u>-</u>	<u>33,001</u>
<u>6,635</u>	<u>89,816</u>	<u>137,532</u>
<u>\$ 6,635</u>	<u>\$ 89,816</u>	<u>\$ 137,532</u>
\$ 6,635	\$ -	\$ 31,829
<u>-</u>	<u>3,572</u>	<u>3,572</u>
<u>6,635</u>	<u>3,572</u>	<u>35,401</u>
<u>-</u>	<u>86,244</u>	<u>102,131</u>
<u>\$ 6,635</u>	<u>\$ 89,816</u>	<u>\$ 137,532</u>

Operation: New View Community Action Agency
Combining Schedule of Activities
Weatherization Assistance
Year Ended September 30, 2005
Schedule 6

	DOE-05-10K Fund 210 4/1/2005 <u>3/31/2006</u>	Utility Company Funds 225, 257 & 258	AQU-05-10K Fund 252 1/1/2005 <u>12/31/2005</u>	HEAP-05-10K Fund 242 4/1/2005 <u>3/31/2006</u>
REVENUES:				
Federal Funds	\$ 106,569	\$ -	\$ -	\$ 13,955
Other Revenue	-	42,267	106,820	-
Total Revenue	<u>106,569</u>	<u>42,267</u>	<u>106,820</u>	<u>13,955</u>
EXPENDITURES:				
Personnel Costs:				
Salaries	-	-	-	-
Fringe Benefits	-	-	-	-
Payroll Taxes	-	-	-	-
Total Personnel Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-Personnel Costs:				
Travel	-	-	-	-
Space Costs and Rentals	-	-	-	-
Consumable Supplies	-	-	-	-
Other Costs	106,569	40,407	106,820	13,955
Total Non-Personnel Costs	<u>106,569</u>	<u>40,407</u>	<u>106,820</u>	<u>13,955</u>
Expenses Allocated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>106,569</u>	<u>40,407</u>	<u>106,820</u>	<u>13,955</u>
Excess of Revenues or (Expenditures)	-	1,860	-	-
Transfer of Net Assets	-	-	-	-
Beginning Temporarily Restricted Net Assets	-	14,027	-	-
Ending Temporarily Restricted Net Assets	<u>\$ -</u>	<u>\$ 15,887</u>	<u>\$ -</u>	<u>\$ -</u>

Weatherization Allocation Fund 208	DOE-04-10K Fund 234 4/1/2004 3/31/2005	AQU-04-10K Fund 251 1/1/2004 12/31/2004	HEAP-04-10K Fund 241 4/1/2004 3/31/2005	Total (Memorandum Only)
\$ -	\$ 10,161	\$ -	\$ 202,573	\$ 333,258
326	-	18,112	-	167,525
<u>326</u>	<u>10,161</u>	<u>18,112</u>	<u>202,573</u>	<u>500,783</u>
77,167	-	-	-	77,167
13,462	-	-	-	13,462
6,535	-	-	-	6,535
<u>97,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,164</u>
5,282	-	-	-	5,282
5,462	-	-	-	5,462
870	-	-	-	870
(130,886)	10,161	18,112	199,087	364,225
(119,272)	10,161	18,112	199,087	375,839
13,700	-	-	-	13,700
<u>(8,408)</u>	<u>10,161</u>	<u>18,112</u>	<u>199,087</u>	<u>486,703</u>
8,734	-	-	3,486	14,080
-	-	-	(3,486)	(3,486)
<u>77,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,537</u>
<u>\$ 86,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,131</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Early Childhood Program
September 30, 2005**

Schedule 7

	Head Start PA 22/26 Funds 511 & 513	Shared Beginnings Funds 560, 561 & 564	Head Start Wrap Around Funds 506 & 508	Crisis Childcare Funds 590, 593 & 594	In Kind Fund 530
ASSETS					
Current Assets					
Cash	\$ -	\$ 4,922	\$ -	\$ 5,416	\$ 4,251
Miscellaneous Receivables	(5)	-	-	-	-
Grants Receivable	163,305	-	79,602	-	-
Prepaid Expenses	-	-	-	-	-
Total Current Assets	163,300	4,922	79,602	5,416	4,251
Total Assets	\$ 163,300	\$ 4,922	\$ 79,602	\$ 5,416	\$ 4,251
 LIABILITIES AND NET ASSETS					
Liabilities					
Due to Other Funds	\$ 99,097	\$ -	\$ 79,425	\$ -	\$ -
Deferred Revenue	-	1,670	-	-	-
Accounts Payable	14,203	1,975	177	-	-
Accrued Payroll and Related Expenses	-	525	-	-	-
Total Liabilities	113,300	4,170	79,602	-	-
 Net Assets					
Temporarily Restricted	50,000	752	-	5,416	4,251
Total Liabilities and Net Assets	\$ 163,300	\$ 4,922	\$ 79,602	\$ 5,416	\$ 4,251

Equipment Fund 550	Child and Adult Care Food Program 28-8011 Funds 542 & 543	Food Program 28-8010 Fund 516	Parents As Teachers Fund 555	Total (Memorandum Only)
\$ 807	\$ -	\$ 3,142	\$ 532	\$ 19,070
-	-	-	-	(5)
-	101,045	10,916	-	354,868
-	43	-	-	43
<u>807</u>	<u>101,088</u>	<u>14,058</u>	<u>532</u>	<u>373,976</u>
<u>\$ 807</u>	<u>\$ 101,088</u>	<u>\$ 14,058</u>	<u>\$ 532</u>	<u>\$ 373,976</u>
\$ -	\$ 72,266	\$ -	\$ -	\$ 250,788
-	-	-	-	1,670
-	28,822	14,058	-	59,235
-	-	-	-	525
-	<u>101,088</u>	<u>14,058</u>	-	<u>312,218</u>
<u>807</u>	<u>-</u>	<u>-</u>	<u>532</u>	<u>61,758</u>
<u>\$ 807</u>	<u>\$ 101,088</u>	<u>\$ 14,058</u>	<u>\$ 532</u>	<u>\$ 373,976</u>

**Operation: New View Community Action Agency
Combining Schedule of Activities
Early Childhood Program
Year Ended September 30, 2005**

Schedule 8

	Head Start PA 22/26 Fund For FY 2005 511 & 513	Head Start PA 22/26 Funds For FY 2004 510 & 512	Shared Beginnings Funds 560, 561 and 564	Head Start Wrap Around Funds 506 & 508
REVENUES:				
Federal Funds	\$ 1,518,685	\$ 189,153	\$ -	\$ -
State Funds	-	-	59,169	40,422
Other Revenue	4,800	368	-	-
Non-Cash Match	-	-	-	-
Total Revenues	<u>1,523,485</u>	<u>189,521</u>	<u>59,169</u>	<u>40,422</u>
EXPENDITURES:				
Personnel Costs:				
Salaries	888,940	84,603	33,922	29,478
Fringe Benefits	164,851	23,622	4,749	2,541
Payroll Taxes	77,637	7,240	2,642	2,660
Total Personnel Costs	<u>1,131,428</u>	<u>115,465</u>	<u>41,313</u>	<u>34,679</u>
Non-Personnel Costs:				
Consultant and Contract Services	30,355	3,006	526	-
Travel	14,615	1,430	338	263
Space Costs and Rentals	95,241	8,772	3,241	449
Consumable Supplies	17,807	3,315	5,766	269
Property & Equipment Costs	206	389	-	-
Other Costs	74,302	26,027	1,486	139
Total Non-Personnel Cost	<u>232,526</u>	<u>42,939</u>	<u>11,357</u>	<u>1,120</u>
Expenses Allocated	<u>159,531</u>	<u>13,048</u>	<u>5,747</u>	<u>4,623</u>
Total Expenditures	<u>1,523,485</u>	<u>171,452</u>	<u>58,417</u>	<u>40,422</u>
Excess of Revenues or (Expenditures)	-	18,069	752	-
Transfer of Net Assets	50,000	(65,459)	-	-
Beginning Temporarily Restricted Net Assets	-	47,390	-	-
Ending Temporarily Restricted Net Assets	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 752</u>	<u>\$ -</u>

Crisis Childcare Funds 590, 593 & 594	In Kind Fund 530	Equipment Fund 550	Child and Adult Care Food Program 28-8011 Funds 542 & 543	Food Program 28-8010 Fund 516	Parents As Teachers Fund 555	Total (Memorandum Only)
\$ -	\$ -	\$ -	\$ 433,920	\$ 123,849	\$ -	\$ 2,265,607
12,270	-	-	-	-	-	111,861
-	2,350	-	3,501	-	475	11,494
-	476,508	-	-	-	-	476,508
<u>12,270</u>	<u>478,858</u>	<u>-</u>	<u>437,421</u>	<u>123,849</u>	<u>475</u>	<u>2,865,470</u>
3,411	66,736	-	47,656	-	-	1,154,746
246	-	-	10,067	-	-	206,076
271	-	-	4,095	-	-	94,545
<u>3,928</u>	<u>66,736</u>	<u>-</u>	<u>61,818</u>	<u>-</u>	<u>-</u>	<u>1,455,367</u>
-	-	-	130	-	-	34,017
24	354,280	-	3,075	-	-	374,025
-	49,103	-	8,805	-	-	165,611
20	129	-	3,687	-	-	30,993
-	-	-	-	-	-	595
<u>6,704</u>	<u>6,389</u>	<u>-</u>	<u>351,190</u>	<u>123,849</u>	<u>-</u>	<u>590,086</u>
6,748	409,901	-	366,887	123,849	-	1,195,327
553	-	-	8,716	-	-	192,218
<u>11,229</u>	<u>476,637</u>	<u>-</u>	<u>437,421</u>	<u>123,849</u>	<u>-</u>	<u>2,842,912</u>
1,041	2,221	-	-	-	475	22,558
-	-	-	-	-	-	(15,459)
<u>4,375</u>	<u>2,030</u>	<u>807</u>	<u>-</u>	<u>-</u>	<u>57</u>	<u>54,659</u>
<u>\$ 5,416</u>	<u>\$ 4,251</u>	<u>\$ 807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532</u>	<u>\$ 61,758</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Low-Income Home Energy Assistance
September 30, 2005**

Schedule 9

<i>ASSETS</i>	Fuel Assistance Refund Fund 408	Project I-Care Fund 413	LIHEAP-05-10K Fund 411
Current Assets			
Cash	\$ 9,776	\$ 8,952	\$ 138,073
Grant Receivable	-	-	-
Total Current Assets	<u>9,776</u>	<u>8,952</u>	<u>138,073</u>
 Total Assets	 <u>\$ 9,776</u>	 <u>\$ 8,952</u>	 <u>\$ 138,073</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Due To Other Funds	\$ -	\$ -	\$ -
Accounts Payable	9,776	100	133,032
Grant Payable	-	-	2,487
Accrued Payroll and Related Expenses	<u>-</u>	<u>-</u>	<u>2,554</u>
Total Liabilities	<u>9,776</u>	<u>100</u>	<u>138,073</u>
 Net Assets			
Temporarily Restricted	<u>-</u>	<u>8,852</u>	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 9,776</u>	<u>\$ 8,952</u>	<u>\$ 138,073</u>

Delaware County Recare Fund 415	Project Helper Fund 417	Total (Memorandum Only)
\$ 1,498	\$ 1,313	\$ 159,612
<u>-</u>	<u>-</u>	<u>-</u>
<u>1,498</u>	<u>1,313</u>	<u>159,612</u>
<u>\$ 1,498</u>	<u>\$ 1,313</u>	<u>\$ 159,612</u>
\$ -	\$ -	\$ -
-	138	143,046
-	-	2,487
<u>-</u>	<u>-</u>	<u>2,554</u>
<u>-</u>	<u>138</u>	<u>148,087</u>
<u>1,498</u>	<u>1,175</u>	<u>11,525</u>
<u>\$ 1,498</u>	<u>\$ 1,313</u>	<u>\$ 159,612</u>

Operation: New View Community Action Agency
Combining Schedule of Activities
Low-Income Home Energy Assistance
Year Ended September 30, 2005

Schedule 10

	Project I-Care Fund 413	LIHEAP-05-10K 10/1/04 - 09/30/05 Fund 411	Delaware County Recare Fund 415
REVENUES:			
Federal Funds	\$ -	\$ 1,651,569	\$ -
Other Revenue	6,048	-	1,347
Total Revenue	<u>6,048</u>	<u>1,651,569</u>	<u>1,347</u>
EXPENDITURES:			
Personnel Costs:			
Salaries	-	94,370	-
Fringe Benefits	-	10,701	-
Payroll Taxes	-	8,218	-
Total Personnel Costs	<u>-</u>	<u>113,289</u>	<u>-</u>
Non-Personnel Costs:			
Travel	-	1,356	-
Space Costs and Rentals	-	9,682	-
Consumable Supplies	-	3,869	-
Property & Equipment Costs	-	512	-
Other Costs	2,909	1,506,887	607
Total Non-Personnel Costs	<u>2,909</u>	<u>1,522,306</u>	<u>607</u>
Expenses Allocated	<u>-</u>	<u>15,974</u>	<u>-</u>
Total Expenditures	<u>2,909</u>	<u>1,651,569</u>	<u>607</u>
Excess of Revenues or (Expenditures)	3,139	-	740
Beginning Net Assets	<u>5,713</u>	<u>-</u>	<u>758</u>
Ending Net Assets	<u>\$ 8,852</u>	<u>\$ -</u>	<u>\$ 1,498</u>

Project Helper Fund 417	Total (Memorandum Only)
\$ -	\$ 1,651,569
<u>2,994</u>	<u>10,389</u>
<u>2,994</u>	<u>1,661,958</u>
-	94,370
-	10,701
<u>-</u>	<u>8,218</u>
<u>-</u>	<u>113,289</u>
-	1,356
-	9,682
-	3,869
-	512
<u>2,126</u>	<u>1,512,529</u>
2,126	1,527,948
-	15,974
<u>2,126</u>	<u>1,657,211</u>
868	4,747
<u>307</u>	<u>6,778</u>
<u>\$ 1,175</u>	<u>\$ 11,525</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Community Block Grant Funds
September 30, 2005**

Schedule 11

	Community Services Block Grants (Funds 010 & and 023)	Washington Tool Library Fund 055	Total (Memorandum Only)
ASSETS			
Current Assets			
Cash	\$ 54,612	\$ -	\$ 54,612
Grant Receivable	-	-	-
Total Current Assets	<u>54,612</u>	<u>-</u>	<u>54,612</u>
 Total Assets	 <u>\$ 54,612</u>	 <u>\$ -</u>	 <u>\$ 54,612</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Accounts Payable	\$ 2,488	\$ -	\$ 2,488
Deferred Revenue	14,676	-	14,676
Accrued Payroll and Related Expenses	<u>37,448</u>	<u>-</u>	<u>37,448</u>
Total Liabilities	<u>54,612</u>	<u>-</u>	<u>54,612</u>
 Net Assets			
Temporarily Restricted	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 54,612</u>	<u>\$ -</u>	<u>\$ 54,612</u>

Operation: New View Community Action Agency
Combining Schedule of Activities
Community Block Grant Funds
Year Ended September 30, 2005

Schedule 12

	<u>Community Services Block Grants (Funds 010 & and 023)</u>	<u>Washington Tool Library Fund 055</u>	<u>Total (Memorandum Only)</u>
REVENUES:			
Federal Funds	\$ 276,211	\$ 1,437	\$ 277,648
Other Revenue	626	-	626
Total Revenue	<u>276,837</u>	<u>1,437</u>	<u>278,274</u>
EXPENDITURES:			
Personnel Costs:			
Salaries	152,478	-	152,478
Fringe Benefits	35,130	-	35,130
Payroll Taxes	13,179	-	13,179
Total Personnel Costs	<u>200,787</u>	<u>-</u>	<u>200,787</u>
Non-Personnel Costs:			
Travel	10,149	-	10,149
Space Costs and Rentals	19,697	-	19,697
Consumable Supplies	4,000	-	4,000
Property & Equipment Costs	1,935	-	1,935
Other Costs	9,682	-	9,682
Total Non-Personnel Costs	45,463	-	45,463
Expenses Allocated	<u>31,406</u>	<u>-</u>	<u>31,406</u>
Total Expenditures	<u>277,656</u>	<u>-</u>	<u>277,656</u>
Excess of Revenues or (Expenditures)	(819)	1,437	618
Transfer of Net Assets	819	(1,437)	(618)
Beginning Temporarily Restricted Net Assets	<u>-</u>	<u>-</u>	<u>-</u>
Ending Temporarily Restricted Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Other Program Funds
September 30, 2005**

Schedule 13

	Project Holiday Fund 026	Emergency Food and Shelter Funds 030, 033 & 039	City of Dubuque Key Card Program Fund 317
ASSETS			
Current Assets			
Cash	\$ 13,086	\$ 1,357	\$ 55
Grants Receivable	-	-	-
Total Current Assets	<u>13,086</u>	<u>1,357</u>	<u>55</u>
Total Assets	<u>\$ 13,086</u>	<u>\$ 1,357</u>	<u>\$ 55</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Accounts Payable	\$ 112	\$ 258	\$ -
Due To Other Funds	-	-	-
Total Liabilities	<u>112</u>	<u>258</u>	<u>-</u>
 Net Assets			
Temporarily Restricted	<u>12,974</u>	<u>1,099</u>	<u>55</u>
Total Net Assets	<u>12,974</u>	<u>1,099</u>	<u>55</u>
Total Liabilities and Net Assets	<u>\$ 13,086</u>	<u>\$ 1,357</u>	<u>\$ 55</u>

Hauptert Foundation Fund 035	Tax Credit Fund 036	BB &C Green Fund 045	Dubuque Racing Assoc. Funds 092 & 093	Total (Memorandum Only)
\$ 2,000	\$ 1,472	\$ 207	\$ -	\$ 18,177
-	-	-	2,790	2,790
<u>2,000</u>	<u>1,472</u>	<u>207</u>	<u>2,790</u>	<u>20,967</u>
<u>\$ 2,000</u>	<u>\$ 1,472</u>	<u>\$ 207</u>	<u>\$ 2,790</u>	<u>\$ 20,967</u>
\$ -	\$ -	\$ -	\$ -	\$ 370
-	-	-	3,215	3,215
-	-	-	3,215	3,585
<u>2,000</u>	<u>1,472</u>	<u>207</u>	<u>(425)</u>	<u>17,382</u>
<u>2,000</u>	<u>1,472</u>	<u>207</u>	<u>(425)</u>	<u>17,382</u>
<u>\$ 2,000</u>	<u>\$ 1,472</u>	<u>\$ 207</u>	<u>\$ 2,790</u>	<u>\$ 20,967</u>

Operation: New View Community Action Agency
Combining Schedule of Activities
Other Program Funds
Year Ended September 30, 2005
Schedule 14

	Project Holiday Fund 026	Emergency Food & Shelter Agency Funds 030, 033 & 039	City of Dubuque Key Card Program Fund 317
REVENUES:			
Other Revenue	\$ 36,330	\$ 8,996	\$ -
Total Revenue	<u>36,330</u>	<u>8,996</u>	<u>-</u>
EXPENDITURES:			
Personnel Costs:			
Salaries	-	-	-
Fringe Benefits	-	-	-
Payroll Taxes	-	-	-
Total Personnel Costs	<u>-</u>	<u>-</u>	<u>-</u>
Non-Personnel Costs:			
Travel	-	-	-
Space Costs and Rental	-	-	-
Consumable Supplies	-	-	-
Other Costs	34,098	8,835	-
Total Non-Personnel Costs	<u>34,098</u>	<u>8,835</u>	<u>-</u>
Expenses Allocated	<u>-</u>	<u>151</u>	<u>-</u>
Total Expenditures	<u>34,098</u>	<u>8,986</u>	<u>-</u>
Excess of Revenues or (Expenditures)	2,232	10	-
Transfer of Net Assets	-	-	-
Beginning Net Assets	<u>10,742</u>	<u>1,089</u>	<u>55</u>
Ending Net Assets	<u>\$ 12,974</u>	<u>\$ 1,099</u>	<u>\$ 55</u>

<u>Hauptert Foundation Fund 035</u>	<u>Tax Credit Fund 036</u>	<u>BB & C Green Fund 045</u>	<u>Dubuque Racing Assoc. Funds 092 & 093</u>	<u>Embrace Iowa Fund 028</u>	<u>Total (Memorandum Only)</u>
\$ -	\$ 1,257	\$ 7,000	\$ 4,577	\$ 9,070	\$ 67,230
-	1,257	7,000	4,577	9,070	67,230
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,228	6,793	2,849	9,070	65,873
-	4,228	6,793	2,849	9,070	65,873
-	-	-	-	-	151
-	4,228	6,793	2,849	9,070	66,024
-	(2,971)	207	1,728	-	1,206
-	-	-	(1,720)	-	(1,720)
2,000	4,443	-	(433)	-	17,896
<u>\$ 2,000</u>	<u>\$ 1,472</u>	<u>\$ 207</u>	<u>\$ (425)</u>	<u>\$ -</u>	<u>\$ 17,382</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Weatherization Assistance Program
DOE-05-10K
For the Period April 1, 2005 through March 31, 2006
Schedule 15

	<u>Approved Budget Unaudited</u>	<u>Actual Through 9/30/2005</u>
REVENUES:		
Federal	\$ <u>177,732</u>	\$ <u>106,569</u>
 EXPENDITURES:		
Administration	\$ 19,349	\$ 11,509
Health & Safety	31,677	14,261
Support	41,062	36,337
Labor	42,822	21,810
Materials	<u>42,822</u>	<u>22,652</u>
Total Expenditures	\$ <u>177,732</u>	\$ <u>106,569</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Weatherization Assistance Program
DOE-04-10K
For the Period April 1, 2004 through March 31, 2005
Schedule 16

	Approved Budget <u>Unaudited</u>	<u>Actual</u>
<i>REVENUES:</i>		
Federal	\$ <u>180,226</u>	\$ <u>180,226</u>
 <i>EXPENDITURES:</i>		
Administration	\$ 19,478	\$ 19,478
Health and Safety	32,150	33,317
Support	41,676	57,110
Labor	43,461	33,764
Materials	<u>43,461</u>	<u>36,557</u>
Total Expenditures	\$ <u>180,226</u>	\$ <u>180,226</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
HEAP Weatherization HEAP 05-10K
For the Period April 1, 2005 through March 31, 2006
Schedule 17

	<u>Approved Budget Unaudited</u>	<u>Actual Through 9/30/2005</u>
REVENUES:		
Federal	\$ <u>238,107</u>	\$ <u>13,955</u>
 EXPENDITURES:		
Administration	\$ 12,511	\$ 884
Support Services	55,895	12,764
Labor	58,291	-
Health & Safety	43,119	307
Materials	58,291	-
Other	<u>10,000</u>	-
Total Expenditures	\$ <u>238,107</u>	\$ <u>13,955</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
HEAP Weatherization HEAP 04-10K
For the Period April 1, 2004 through March 31, 2005
Schedule 18

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
REVENUES:		
Federal	\$ <u>236,049</u>	\$ <u>225,089</u>
 EXPENDITURES:		
Administration	\$ 11,868	\$ 11,868
Support Services	52,904	64,730
Labor	55,172	35,228
Health & Safety	40,812	67,890
Materials	55,172	36,212
Insurance	2,850	2,850
Training / Equipment	<u>17,271</u>	<u>6,311</u>
Total Expenditures	\$ <u>236,049</u>	\$ <u>225,089</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Low-Income Home Energy Assistance Program
LIHEAP-05-10K
For the Period October 1, 2004 through September 30, 2005
Schedule 19

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
LiHeap		
Administration	\$ 121,449	\$ 105,529
Energy Crisis Intervention Payments	98,994	91,293
Summer Deliverable Fuel Payments	197,000	197,000
Regular Assistance	<u>1,219,877</u>	<u>1,218,415</u>
Total	<u>1,637,320</u>	<u>1,612,237</u>
Affordable Heating Program		
AHA Assessment and Resolution	<u>39,369</u>	<u>39,332</u>
Total LiHeap	<u><u>\$ 1,676,689</u></u>	<u><u>\$ 1,651,569</u></u>

**Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Head Start Program Grant No. 07CH003/32
For the Period November 1, 2004 through October 31, 2005**

Schedule 20

	Approved Budget Unaudited	Actual Through 9/30/2005
REVENUES:		
<i>Office of Human Development Services:</i>		
Amount Awarded This Budget Period	\$ 1,690,681	\$ 1,518,685
Reimbursements U.S. D. A. Funds	135,620	123,849
Reimbursements Grantee Contributions	422,671	476,508
Other Revenue	-	4,800
Total Revenues	<u>\$ 2,248,972</u>	<u>\$ 2,123,842</u>
EXPENDITURES:		
Federal Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Personnel and Fringe Benefits	\$ 1,264,764	\$ 1,125,400
Travel	444	1,737
Equipment	11,928	-
Supplies	23,580	16,422
Contractual	79,029	77,850
Indirect Costs	161,356	158,681
Other Costs	125,198	125,492
Total	<u>1,666,299</u>	<u>1,505,582</u>
<i>Training and Technical Assistance T20</i>		
Personnel and Fringe Benefits	10,945	6,029
Travel	3,995	2,907
Supplies	1,036	-
Indirect Costs	1,543	850
Other Costs	6,863	8,117
Total	<u>24,382</u>	<u>17,903</u>
Total Federal Share	<u>1,690,681</u>	<u>1,523,485</u>
Reimbursements Applied:		
<i>Head Start, Full Year/Part Day</i>		
Other Costs	<u>135,620</u>	<u>123,849</u>
Grantee Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Volunteers	117,031	66,736
Space Costs	54,026	49,103
Travel	205,145	354,280
Other Non Cash Resources	-	-
Other Resources	46,469	6,389
Total Grantee's Share	<u>422,671</u>	<u>476,508</u>
Total Expenditures	<u>\$ 2,248,972</u>	<u>\$ 2,123,842</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Head Start Program Grant No. 07CH003/31
For the Period November 1, 2003 through October 31, 2004

Schedule 21

REVENUES:	Approved Budget	
	<u>Unaudited</u>	<u>Actual</u>
<i>Office of Human Development Services:</i>		
Amount Awarded This Budget Period	\$ 1,681,809	\$ 1,673,780
Reimbursements U.S. D. A. Funds	115,834	115,834
Reimbursements Grantee Contributions	400,929	438,313
Other Revenue	2,000	1,284
Total Revenues	<u>\$ 2,200,572</u>	<u>\$ 2,229,211</u>
EXPENDITURES:		
Federal Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Personnel and Fringe Benefits	\$ 1,236,877	\$ 1,225,421
Travel	1,852	(10)
Equipment	-	15,594
Supplies	42,931	22,060
Contractual	74,629	60,141
Indirect Costs	173,182	169,780
Other Costs	127,956	168,358
Total	<u>1,657,427</u>	<u>1,661,344</u>
<i>Training and Technical Assistance T20</i>		
Personnel and Fringe Benefits	10,330	2,421
Travel	4,982	4,810
Supplies	100	-
Indirect Costs	1,446	342
Other Costs	7,524	6,147
Total	<u>24,382</u>	<u>13,720</u>
Total Federal Share	<u>1,681,809</u>	<u>1,675,064</u>
Reimbursements Applied:		
<i>Head Start, Full Year/Part Day</i>		
Other Costs	<u>115,834</u>	<u>115,834</u>
Grantee Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Volunteers	32,009	60,861
Space Costs	47,857	48,988
Travel	288,849	281,890
Other Non Cash Resources	-	15,160
Other Resources	32,214	31,414
Total Grantee's Share	<u>400,929</u>	<u>438,313</u>
Total Expenditures	<u>\$ 2,198,572</u>	<u>\$ 2,229,211</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Community Service Block Grant
CSBG-05-10-CK
For the Period October 1, 2004 through December 31, 2005
Schedule 22

	<u>Approved Budget Unaudited</u>	<u>Actual Through 9/30/2005</u>
REVENUES:		
Federal	\$ <u>275,975</u>	\$ <u>141,250</u>
 EXPENDITURES:		
Personnel Costs	214,926	111,344
Travel	6,535	4,936
Space Costs	13,394	7,893
Equipment Costs	1,800	-
Other Costs	8,306	5,552
Indirect Costs	<u>31,014</u>	<u>11,525</u>
Total Expenditures	\$ <u>275,975</u>	\$ <u>141,250</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Community Service Block Grant
CSBG-04-10-CK
For the Period October 1, 2003 through March 31, 2005

Schedule 23

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
<i>REVENUES:</i>		
Federal	\$ 286,145	\$ 286,145
 <i>EXPENDITURES:</i>		
Personnel Costs	203,087	206,014
Travel	9,842	9,368
Space Costs	13,616	13,576
Equipment Costs	6,340	5,746
Co-Funded Programs	-	-
Other Costs	22,955	21,418
Indirect Costs	30,305	30,023
Total Expenditures	\$ 286,145	\$ 286,145

**Operation: New View Community Action Agency
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2005**

Schedule 24

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantors' Numbers	Program Disbursements
<i>I. Department of Health and Human Services</i>			
Direct Programs:			
Head Start	13.600	07CH0003/32	\$ <u>1,707,838</u>
Passed Through State			
Department of Human Rights:			
Community Services Block Grant	13.792	CSBG-05-10CK	\$ 141,250
	13.792	CSBG-04-10CK	134,961
Low Income Home Energy Assistance Program	93.568	LIHEAP-05-10K	1,651,569
HEAP Weatherization	93.568	HEAP-04-10K	202,573
	93.568	HEAP-05-10K	<u>13,955</u>
Total Passed Through State Department of Human Rights			\$ <u>2,144,308</u>
Total Department of Health and Human Services			<u>\$ 3,852,146</u>
<i>II. Department of Energy</i>			
Direct Programs:			
None			
Passed Through State			
Department of Human Rights			
Weatherization Assistance for	81.042	DOE-05-10K	\$ 106,569
Low-Income Persons	81.042	DOE-04-10K	<u>10,161</u>
Total Department of Energy			<u>\$ 116,730</u>

(Continued)

Operation: New View Community Action Agency
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2005
Schedule 24 (Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantors' Numbers	Program Disbursements
III. Department of Agriculture			
Direct Programs:			
None			
Passed Through State			
Department of Education			
Adult and Child Care			
Food Program	10.558	22-8011	\$ <u>557,769</u>
Total Department of Agriculture			\$ <u><u>557,769</u></u>
IV. Department of Housing and Urban Development			
Direct Programs:			
None			
Passed Through State			
IA Department of Economic Development			
Community Development Block Grant			
State's Program	14.228	-	\$ <u>1,437</u>
Total Department of Housing and Urban Development			\$ <u><u>1,437</u></u>
Total Federal Financial Assistance			\$ <u><u>4,528,082</u></u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

Operation: New View Community Action Agency

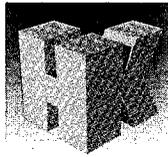
Notes to Schedule of Expenditures of Federal Awards

NOTE 1. Basis of Presentation

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

NOTE 2. Risk-Based Audit Approach

The dollar threshold used to distinguish between Type A and Type B programs is \$300,000. The Agency does qualify as a low-risk auditee.



Honkamp Krueger & Co., PC.
*Certified Public Accountants
& Business Consultants*

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Governmental Auditing Standards***

To the Board of Directors
Operation: New View Community Action Agency
Dubuque, Iowa

We have audited the financial statements of Operation: New View Community Action Agency, Dubuque, Iowa, as of and for the year ended September 30, 2005, and have issued our report thereon dated November 22, 2005. We conducted our audit in accordance with U.S. generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Operation: New View Community Action Agency'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

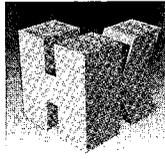
As part of obtaining reasonable assurance about whether Operation: New View Community Action Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could 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.

We noted certain matters that we reported to management of Operation: New View Community Action Agency in a separate letter dated November 22, 2005.

This report, a public record by law, is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.



Dubuque, Iowa
November 22, 2005



Honkamp Krueger & Co., PC.
Certified Public Accountants
& Business Consultants

Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance In Accordance with OMB Circular A-133

To the Board of Directors
Operation: New View Community Action Agency
Dubuque, Iowa

Compliance

We have audited the compliance of Operation: New View Community Action Agency, Dubuque, Iowa, 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, 2005. The Agency's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on Operation: New View Community Action Agency's compliance 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 Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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 Agency'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 compliance with those requirements.

In our opinion, Operation: New View Community Action Agency 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, 2005.

Internal Control Over Compliance

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Agency'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 weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report, is intended solely for the information and use of the audit committee, management and other parties to whom Operation: New View Community Action Agency may report, including federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.



Dubuque, Iowa
November 22, 2005

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2005**

Part I. Summary of the Independent Auditor's Results:

- a. An unqualified opinion was issued on the financial statements.
- b. Reportable conditions in internal control over financial reporting were not 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. Reportable conditions in internal control over major programs were not disclosed by the audit of the financial statements.
- e. An unqualified opinion was issued on compliance with requirements applicable to each major program.
- f. The audit disclosed no audit findings which were required to be reported in accordance with Office of Management and Budget (OMB) Circular A-133, Section .510(a).
- g. The Major program was as follows:
 - CFDA Number 93.568 – Home Energy Assistance Program
- h. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- i. Operation: New View Community Action Agency does qualify as a low-risk auditee.

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2005**

Part II. Findings Related to the Financial Statements:

Instances of Non-Compliance

No matters were reported.

Reportable Conditions

No matters were noted.

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2005**

Part III. Findings and Questioned Costs for Federal Awards:

Instances of Non-Compliance

No matters were reported.

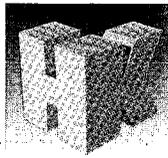
Reportable Conditions

No matters were noted.

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2005**

Part IV. Other Findings Related to Statutory Requirements and Other Matters:

No matters were reported.



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Honkamp Krueger & Co., PC.
Certified Public Accountants
& Business Consultants

To the Board of Directors
Operation: New View Community Action Agency
Dubuque, Iowa

In planning and performing our audit of the financial statements of Operation: New View Community Action Agency for the year ended September 30, 2005, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

During the course of our audit, we became aware of matters which we feel are opportunities for improving operations and for strengthening internal controls and operating efficiency. The following items have not been listed in any particular order of significance or importance. This letter does not affect our report dated November 22, 2005 on the financial statements of Operation: New View Community Action Agency.

Outstanding Checks

During the course of the year-end audit, it was noted that there were several outstanding checks older than one year on the Operation: New View Community Action Agency's general bank reconciliation which totaled \$2,356. There were also two outstanding checks older than one year on Operation: New View Community Action Agency's fuel bank reconciliation which totaled \$500. The Organization should implement a policy of management review of old outstanding checks.

The following is a summary of how the checks are to be handled, depending on type:

Unclaimed Paychecks

Paychecks that are unclaimed and uncashed by employees become a form of "abandoned property" the employer must pay over to the appropriate state agency (usually the treasury) if they remain unclaimed for a certain number of years.

Generally, unclaimed wages must be returned to the state of the employee's last known address. If there is no address, then it should be returned to the state in which the business remitting the funds is incorporated. Most states require employers to contact employees in an attempt to keep unclaimed wages from becoming abandoned property.

The time frame for unclaimed wages in Iowa changed from 3 years to 1 year for the 2005 reporting period. The time periods for Wisconsin and Illinois have not changed.

The following table shows the length of time before unclaimed wages become abandoned property and provide contact information for Iowa, Illinois, and Wisconsin. For the other states, information is available by request.

State	Unclaimed Wages Become Abandoned After...	State Unclaimed Property Offices Mailing Address
IOWA	1 Year	State Treasurer's Office Unclaimed Property Division State Capitol Building Des Moines, IA 50319 Phone: (515) 281-5367
ILLINOIS	5 Years	Office of State Treasurer Unclaimed Property Division P.O. Box 19496 Springfield, IL 62794-9496 Phone: (217) 782-6692
WISCONSIN	1 Year	State Treasurer's Office Unclaimed Property Division P.O. Box 2114 Madison, WI 53701-2114 Phone: (608) 267-7977

Other Unclaimed Checks

There are no laws concerning unclaimed checks that we could find. Discussions with bank personnel indicate that banks will honor checks, regardless of the date written, unless there is a "valid date" printed on the check.

Internal Controls

In planning and performing our audit, we considered the Agency's internal controls 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 controls. Our consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses.

Sarbanes-Oxley and SOX 404, which require evaluation and testing of internal controls, are phrases now being discussed among all entities, whether small or large. Although the requirements of the aforementioned are currently a requirement of companies mandated by the SEC, many organizations that are not required to adhere to the Sarbanes-Oxley requirements are still demanding to have similar controls. This is an excellent strategy because strong controls mean more accurate and reliable financial reports which benefit management, financial institutions and funding agencies.

Most non-profit organizations simply do not have strong internal controls. This is usually due

to insufficient staff. However, you can still strengthen your current controls with the staff you have. Before this can be done, however, you need to assess the current internal control structure to determine what the weaknesses are and how to strengthen those weaknesses. Some simple areas to help improve your internal control are:

1. Network Security – Do you know which areas your employees have access to and is that much access necessary? Have you tested the level of access given to verify its integrity?
2. Policies and procedures for automatic log off – does your system require a password to regain access if the user has left their desk for five minutes or longer?
3. Disaster recovery plans and data back-up procedures to restore loss of data – do you have such a plan in place and have you tested it annually to verify it works?

Our firm has experience evaluating internal controls and would be happy to assist the Agency with an internal control engagement.

Relationships with Other Organizations

During the fiscal year, we noted that a Foundation was formed to obtain funding through its 501(c)(3) status to support Operation: New View Community Action Agency. This Foundation may need to be consolidated with Operation: New View Community Action Agency in future years due to current accounting standards.

The FASB has issued guidance regarding the accounting of activities where Organizations are “financially interrelated.” Organizations are considered “financially interrelated” if the relationship between them has both the following characteristics:

1. One Organization has the ability to influence the operating and financial decisions of the other AND
2. One Organization has an ongoing economic interest in the net assets of the other.

The ability to influence another organization can be demonstrated in several ways, such as:

Affiliated organizations, one organization having considerable representation in the governing board of the other organization, the by-laws of one organization limiting its activities to those that are beneficial to the other or an agreement between the organizations allowing one organization to actively participate in the policymaking process of the other, such as budgets, etc.

The Board should evaluate relationships with other organizations before entering into transactions to ensure issues of consolidation do not arise, if that is not the intent of the Board.

This report is intended solely for the information and use of the Board of Directors and management of Operation: New View Community Action Agency and is not intended to be and should not be used by anyone other than these specified parties.

Harvey Huges & Co.

Dubuque, Iowa
November 22, 2005