Upper Des Moines Opportunity Inc.

Graettinger, Iowa

Financial Statements and Additional Information

Year Ended September 30, 2005

Upper Des Moines Opportunity, Inc.

Financial Statements and Additional Information
Year Ended September 30, 2005

Table of Contents

Independent Auditor's Report 1

Financial Statements

- Statement of Financial Position 3
- Statement of Activities 4
- Statement of Cash Flows 5
- Notes to Financial Statements 6

Additional Information

- Schedule of Program Activity 14
- Schedule of Expenditures of Federal Awards and List of Programs 25
- Schedule of Indirect Cost Account 30
- Schedule of Computation of Indirect Costs 31
- Schedule of Federal and Iowa Department of Human Rights Grant Expenses of Completed Contracts Overlapping Fiscal Years 32
- Schedule of Revenue and Expenses Compared to Budget 33

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters 47

Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance 49

Schedule of Findings and Questioned Costs 51

75 YEARS

WIPFLi LLP

Independent Auditor's Report

Board of Directors
Upper Des Moines Opportunity, Inc.
Graettinger, Iowa

We have audited the accompanying statement of financial position of Upper Des Moines Opportunity, Inc. (a nonprofit organization) as of September 30, 2005, 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.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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 Upper Des Moines Opportunity, Inc. as of September 30, 2005, 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.

In accordance with *Government Auditing Standards,* we have also issued our report dated November 11, 2005, on our consideration of Upper Des Moines Opportunity, Inc.'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 program activity, Schedule A-1 to A-11, schedule of expenditures of federal awards and list of programs, Schedule B-1 to B-5, which includes the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and Schedules C through F are presented for purpose of additional analysis and are not a required part of the basic financial statements. The information in these schedules 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.

Wipfli LLP

Wipfli LLP

November 11, 2005
Madison, Wisconsin

Upper Des Moines Opportunity, Inc.

Statement of Financial Position
September 30, 2005

Assets	
Current assets:	
Cash	$ 874,975
Custodial cash	159,699
Grants receivable	447,324
Accounts receivable	64,041
Accounts receivable, related party	10,000
Inventory	216,718
Prepaid expenses	8,108
Note receivable, current portion	6,099
Total current assets	1,786,964
Long-term assets:	
Investment in and advances to partnership	339,519
Notes receivable, long term	44,349
Restricted cash	8,625
Total long-term assets	392,493
Property and equipment, net	581,295
TOTAL ASSETS	$ 2,760,752

Liabilities and Net Assets	
Current liabilities:	
Current maturities of long-term debt	$ 12,275
Amount due to Lakes Area Decategorization/Empowerment Board	159,699
Accounts payable	55,863
Accrued payroll and related expenses	246,059
Accrued other liabilities	44,982
Grant funds received in advance	330,125
Total current liabilities	849,003
Long-term liabilities:	
Long-term debt	344,615
Security deposits	7,241
Total long-term liabilities	351,856
Total liabilities	1,200,859
Net assets:	
Unrestricted	1,544,539
Temporarily restricted	15,354
Total net assets	1,559,893
TOTAL LIABILITIES AND NET ASSETS	$ 2,760,752

See accompanying notes to financial statements.

Upper Des Moines Opportunity, Inc.

Statement of Activities

Year Ended September 30, 2005

	Unrestricted	Temporarily Restricted	Total
Revenue:			
Grant revenue	$ 9,111,626	$ 0	$ 9,111,626
Program income	255,108	0	255,108
Rental income	80,831	0	80,831
Interest income	35,045	0	35,045
Title XIX income	131,166	0	131,166
Donations	256,378	2,698	259,076
Other income	166,848	0	166,848
In-kind contributions	755,679	0	755,679
Total revenue	10,792,681	2,698	10,795,379
Expenses:			
Salaries	3,811,425	0	3,811,425
Fringe	947,811	0	947,811
Contract services	242,151	0	242,151
Travel	248,262	0	248,262
Space	327,050	0	327,050
Consumable supplies	293,162	0	293,162
Equipment lease	26,950	0	26,950
Direct client assistance	2,996,925	0	2,996,925
Other operational	301,888	0	301,888
Indirect	726,826	0	726,826
In-kind expense	755,679	0	755,679
Total expenses	10,678,129	0	10,678,129
Change in net assets	114,552	2,698	117,250
Net assets - September 30, 2004	1,429,987	12,656	1,442,643
Net assets - September 30, 2005	$ 1,544,539	$ 15,354	$ 1,559,893

See accompanying notes to financial statements.

Upper Des Moines Opportunity, Inc.

Statement of Cash Flows
Year Ended September 30, 2005

Increase (decrease) in cash:		
Cash flows from operating activities:		
Change in net assets	$	117,250
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		124,245
Loss on disposal of equipment		9,960
Changes in operating assets and liabilities:		
Grants receivable	(	8,305)
Custodial cash	(	57,889)
Accounts receivable		5,885
Accounts receivable, related parties		3,596
Inventory	(	112,280)
Prepaid expenses	(	2,495)
Accounts payable		9,134
Amount due to Lakes Area Decategorization/Empowerment Board		57,889
Accrued payroll and related expenses		8,728
Accrued other liabilities	(	2,778)
Security deposits		1,018
Grant funds received in advance	(	132,121)
Net cash provided by operating activities		21,837
Cash flows from investing activities:		
Deposits into restricted cash	(	4,334)
Withdrawals from restricted cash		3,135
Issuance of notes receivable	(	53,000)
Collection of notes receivable		2,552
Purchase of property and equipment	(	111,329)
Net cash used in investing activities	(	162,976)
Cash flows from financing activities:		
Payments on long-term debt	(	17,589)
Net cash used in financing activities	(	17,589)
Net change in cash	(	158,728)
Cash - September 30, 2004		1,033,703
Cash - September 30, 2005	$	874,975

Supplemental schedule of operating activities:

Interest paid and expensed	$	1,222

See accompanying notes to financial statements.

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Upper Des Moines Opportunity, Inc. (UDMO or the "Organization) was organized as a nonprofit organization in 1966. UDMO's mission is to build a partnership within communities to alleviate the conditions and causes of poverty. These activities are performed through a variety of programs in the Iowa counties of Buena Vista, Clay, Dickinson, Emmet, O'Brien, Hamilton, Humboldt, Webster, Wright, Osceola, Palo Alto, and Pocahontas. UDMO is primarily supported through federal, state, and local grants. Low-Income Home Energy Assistance grants are approximately 25% of its total revenue. Head Start grants are approximately 29% of its total revenue.

Basis of Presentation

All financial statements are prepared using the accrual basis of accounting.

Classification of Net Assets

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

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes. Currently, UDMO does not have any permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 1 Summary of Significant Accounting Policies (Continued)

Revenue Recognition/Grant Funds Received in Advance

Contributions are recognized when the donor makes a promise to give to UDMO that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards that are Contributions

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance.

B. Grant Awards that are Exchange Transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Accounts Receivable, Notes Receivable, and Allowance for Doubtful Accounts

UDMO analyzes the receivables and records an allowance that management believes will reserve for possible losses on existing receivables that may become uncollectible. The evaluations take into consideration such factors as evaluations of the collectibility, prior loss experience, current economic conditions, and the age of the receivable balance. An account is considered uncollectible when all collection efforts prove worthless. Currently, management believes all to be collectible; therefore, there is no allowance.

Collateral is generally required for notes receivable.

Inventory

Inventory, which is primarily weatherization inventory, is valued at the lower of cost or market. Cost is determined on the first-in, first-out basis. The costs of inventories are recorded as expenses when consumed.

Note 1 Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. The Organization capitalizes equipment purchased with agency funds with a cost greater than $5,000 and a useful life of more than one year. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. If there are no donor restrictions regarding how long a donated asset must be maintained, the Organization reports expirations of donor restrictions when the donated assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment purchased with grant funds is owned by the Organization while used in the program for which it was purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The amount of grant-funded equipment was $769,666.

Income Taxes

UDMO is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law, which provides tax exemption for corporations organized and operated exclusively for religious, charitable, or educational purposes.

In-Kind Contributions

UDMO has recorded in-kind contributions for space and professional services in the statement of activities in accordance with Financial Accounting Standard No. 116 (FAS 116), *Accounting for Contributions Received and Contributions Made.* FAS 116 requires that only contributions of service received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of FAS 116 are different than the in-kind requirements of several of UDMO's grant awards. UDMO received contributions of nonprofessional volunteers during the year with a value of $149,519, primarily for its Head Start program which are not recorded in the statement of activities.

Indirect Cost Rate

To facilitate equitable distribution of common purpose costs benefiting more than one direct cost allocation objective, UDMO has negotiated an indirect cost allocation plan with the Department of Health and Human Services (DHHS). The rate is based upon a percentage of total modified allowable direct costs. A provisional rate of 21.5% has been approved until amended by DHHS.

Note 1 Summary of Significant Accounting Policies (Continued)

Cost Allocation

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

Change in Reporting Entity

In the prior year, UDMO's financial statements were combined with Community Housing Initiatives, Inc. (CHI) because UDMO had control over appointing CHI's Board of Directors. In the current year, UDMO no longer has control to appoint the majority of CHI's Board of Directors. The effect of this change on the net assets at September 30, 2004, would be a decrease of $679,551.

Note 2 Custodial Cash Amount Due to Lakes Area Decategorization/ Empowerment Board

UDMO acts as a fiscal agent for the Lakes Area Decategorization/Empowerment Board (LADE). The revenue and expenses related to this activity are not included in these financial statements. As of September 30, 2005, the custodial cash balance and amount due to LADE was $159,699.

Note 3 Concentration of Credit Risk

UDMO maintains cash balances at two banks. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to $100,000. Balances in excess of $100,000 are secured by the bank as required by the state of Iowa through Chapter 12C of the Iowa Code. UDMO has obtained a bank deposit guaranty bond for up to $2,000,000. As of September 30, 2005, there were no amounts in excess of the FDIC limit and the bank deposit guaranty bond.

Note 4 Restricted Cash

Restricted cash consists of funds set aside for the housing projects. UDMO is required to make periodic deposits to various reserve funds established to meet future commitments of the housing projects. These funds are restricted and disbursements must be approved by the funding source. As of September 30, 2005, the restricted cash balance was $8,625.

Note 5 Grants Receivable

This balance consists of amounts due from various agencies as follows:

Federal programs	$	326,913
State programs		100,833
Other		19,578
Total	$	447,324

Note 6 Investment In and Advances to Partnerships

UDMO has investments in and advances to a limited partnership that are recorded under the equity method. UDMO is a 1% general partner in the limited partnership. There is no active market for the limited partnership interest. The note receivable from the various partnerships consists of the following:

Note receivable from Sibley One Limited Partnership, collateralized by real estate, payable in annual installments beginning May 2001 of $3,059 to the extent of available cash flow from operations, until October 2005 at which time the annual payments are $22,061. The note includes interest at 1% and is due October 2016.	$	305,873
Investment in limited partnership		33,646
Total	$	339,519

Note 7 Property and Equipment

The balance at September 30, 2005, consists of the following:

Buildings	$	297,186
Equipment		1,253,451
		1,550,637
Accumulated depreciation	(	969,342)
Property and equipment, net	$	581,295

Note 8 Lessor Activity

UDMO owns a project that is a mix of low- to moderate-income housing facilities. Leases are all for one year or less.

Note 8 Lessor Activity (Continued)

A summary of the acquisition costs and accumulated depreciation on the above properties is as follows:

Land	$	80,635
Buildings		615,926
		696,561
Accumulated depreciation	(	413,857)
Land and building, net	$	282,704

Rental income for the year ended September 30, 2005, was $80,381.

Note 9 Long-Term Debt

Long-term debt consists of the following:

Note payable to Iowa Department of Economic Development, collateralized by real estate, payable in annual installment of $3,120, including interest of 1%, until October 2016 at which time the remaining note is due October 2016.	$	305,873
Note payable to Iowa Finance Authority, collateralized by real estate, payable in quarterly installments of $1,417, including interest at 3%, due February 2013.		37,935
Note payable to Ford Motor Credit, collateralized by an automobile, payable in monthly installment of $605 with 0% interest, due December 2005		1,816
Note payable to GMAC, collateralized by an automobile, payable in monthly installments of $489 with 0% interest, due September 2007.		11,266
Subtotal		356,890
Current maturities of notes payable	(	12,275)
Long-term notes payable	$	344,615

Note 9 Long-Term Debt (Continued)

Maturities of long-term debt are as follows:

Year Ending September 30	Amount
2006	$ 12,275
2007	10,107
2008	4,863
2009	5,010
2010	5,162
Thereafter	319,473
Total	$ 356,890

Note 10 Operating Leases

UDMO leases buildings and equipment for offices and operations. The leases are operating leases with lease periods up to 18 years. Building and equipment rental expense for the year ended September 30, 2005, amounted to $201,337 Future minimum lease payments under all leases are as follows:

Year Ending September 30	Amount
2006	$ 92,394
2007	49,323
2008	33,816
2009	25,584
2010	25,584
Thereafter	52,268
Total	$ 278,969

Note 11 Pension and Retirement Benefits

UDMO contributes to the 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.

Plan members are required to contribute 3.70% of their annual salary and UDMO is required to contribute 5.75% of annual payroll. Contribution requirements are established by state statute. UDMO's contribution to IPERS for the year ended September 30, 2005, was $216,605.

Note 12 Temporarily Restricted Net Assets

Temporarily restricted net assets of $15,354 consist of restricted funds unspent in state and local programs as of September 30, 2005.

Note 13 Functional Classification of Expenses

The following program and supporting services are reflected in the statement of activities for the year ended September 30, 2005:

Child education	$ 3,826,274
Weatherization/energy assistance	3,057,287
Community services	1,098,452
Health services	908,026
Food programs	552,365
Total program activities	9,442,404
Outreach	378,640
Corporate	145,754
UDMO rental	73,601
Total support services	597,995
Fund-raising	64,922
Management and general	572,808
Total expenses	$ 10,678,129

Note 14 Grant Awards

At September 30, 2005, UDMO had received future funding commitments under various grants of approximately $3,275,869. These commitments are not recognized in the accompanying financial statements as revenue and receivables as they are conditional awards.

Additional Information

Upper Des Moines Opportunity, Inc.

Schedule A-1
Schedule of Program Activity
Year Ended September 30, 2005

		FEDERAL PROGRAMS								
		Department of Agriculture								DOE
		10.557			10.558					81.042
	Total	Women, Infants, and Children 5885A047	Women, Infants, and Children 1191-05-47	10.557 Subtotal	Food Reimb. 74-8011	Food Reimb. 74-8018	Food Reimb. 74-8018	Child & Adult Care Food 74-8017	10.558 Subtotal	Weatherization DOE 05-160
		(1)	(2)		(3)	(4)	(5)	(6)		(7)
REVENUE										
Grant revenue	$ 9,111,626	$ 357,715	$ 860	$ 358,575	$ 158,236	$ 16,164	$ 34,483	$ 376,990	$ 585,873	$ 119,489
Program income	255,108	0	0	0	0	0	0	0	0	0
Rental income	80,831	0	0	0	0	0	0	0	0	0
Interest income	35,045	0	0	0	0	0	0	0	0	0
Title XIX income	131,166	315	0	315	0	0	0	0	0	0
Donations	259,076	100	0	100	0	0	0	0	0	0
Other income	166,848	0	0	0	0	0	0	0	0	0
In-kind contributions	755,679	0	0	0	0	0	0	0	0	0
Total Revenue	**10,795,379**	**358,130**	**860**	**358,990**	**158,236**	**16,164**	**34,483**	**376,990**	**585,873**	**119,489**
EXPENSES										
Salaries	3,811,425	178,734	0	178,734	16,842	648	6,121	38,037	61,648	0
Fringe	947,811	44,489	0	44,489	4,140	154	1,504	9,466	15,264	0
Contract services	242,151	44,431	146	44,577	0	0	0	0	0	0
Travel	248,262	8,190	0	8,190	0	0	0	3,389	3,389	0
Space	327,050	10,476	0	10,476	0	0	0	4,440	4,440	0
Consumable supplies	293,162	20,287	54	20,341	7,791	772	1,435	8,348	18,346	0
Equipment lease	26,950	5,127	0	5,127	0	0	0	0	0	0
Direct client assistance	2,996,925	0	0	0	0	0	0	0	0	119,489
Other operational	301,888	7,968	660	8,628	125,777	14,450	24,107	305,132	469,466	0
Indirect	726,826	38,428	0	38,428	3,686	140	1,316	8,178	13,320	0
In-kind expense	755,679	0	0	0	0	0	0	0	0	0
Total Expenses	**10,678,129**	**358,130**	**860**	**358,990**	**158,236**	**16,164**	**34,483**	**376,990**	**585,873**	**119,489**
Change in Net Assets	**117,250**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	1,442,643	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 1,559,893**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-2
Schedule of Program Activity
Year Ended September 30, 2005

	FEDERAL PROGRAMS									
	DOE		Department of Health and Human Services (DHHS)							
	81.042		93.110	93.558			93.568			
	Weatherization DOE 04-160	81.042 Subtotal	IDPH Coord. 5885AO47	FaDSS 06-16-FO	FaDSS 05-16-FO	93.558 Subtotal	LIHEAP 05-160	HEAP 05-160	HEAP 04-160	93.568 Subtotal
	(8)		(9)	(10)	(11)		(12)	(13)	(14)	
REVENUE										
Net grant revenue	$ 143,922	$ 263,411	$ 12,000	$ 32,815	$ 102,946	$ 135,761	$ 2,371,597	$ 24,545	$ 290,518	$ 2,686,660
Program income	0	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0
Total Revenue	**143,922**	**263,411**	**12,000**	**32,815**	**102,946**	**135,761**	**2,371,597**	**24,545**	**290,518**	**2,686,660**
EXPENSES										
Salaries	0	0	1,932	19,204	57,370	76,574	141,004	74,183	79,009	294,196
Fringe	0	0	492	4,668	14,407	19,075	35,302	18,399	19,752	73,453
Contract services	0	0	5,129	0	0	0	0	0	0	0
Travel	0	0	2,259	1,996	6,692	8,688	1,891	4,520	4,284	10,695
Space	0	0	0	1,659	5,473	7,132	4,570	1,887	2,833	9,290
Consumable supplies	0	0	671	430	2,288	2,718	17,237	5,423	8,551	31,211
Equipment lease	0	0		0	0	0	0	(183)	(198)	(381)
Direct client assistance	143,922	263,411	0	0	0	0	2,136,227	(98,315)	155,297	2,193,209
Other operational	0	0	1,101	729	4,382	5,111	5,050	2,682	4,003	11,735
Indirect	0	0	416	4,129	12,334	16,463	30,316	15,949	16,987	63,252
In-kind expense	0	0	0	0	0	0	0	0	0	0
Total Expenses	**143,922**	**263,411**	**12,000**	**32,815**	**102,946**	**135,761**	**2,371,597**	**24,545**	**290,518**	**2,686,660**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-3
Schedule of Program Activity
Year Ended September 30, 2005

	FEDERAL PROGRAMS									
	Department of Health and Human Services (DHHS)									
	93.569	93.575			93.600					93.994
	CSBG 05-16-CO	Resource and Referral	Resource and Referral	93.575 Subtotal	Early H.S. 07CH6131/39	Early H.S. 07CH6131/38	Head Start 07CH6131/39	Head Start 07CH6131/38	93.600 Subtotal	Maternal and Child 5885AO47
	(15)	(16)	(17)		(18)	(19)	(20)	(21)		(22)
REVENUE										
Net grant revenue	$ 407,922	$ 8,113	$ 43,612	$ 51,725	$ 481,388	$ 404,156	$ 1,195,751	$ 1,010,153	$ 3,091,448	$ 98,000
Program income	0	0	0	0	0	0	2,500	0	2,500	0
Rental income	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	121,905
Donations	0	0	0	0	0	750	800	5,563	7,113	0
Other income	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	10,566	10,566	153,705	94,789	336,459	252,439	837,392	0
Total Revenue	**407,922**	**8,113**	**54,178**	**62,291**	**635,093**	**499,695**	**1,535,510**	**1,268,155**	**3,938,453**	**219,905**
EXPENSES										
Salaries	269,396	4,239	15,507	19,746	290,776	229,750	665,620	601,152	1,787,298	126,996
Fringe	67,349	1,022	3,903	4,925	72,271	57,438	164,419	150,288	444,416	31,624
Contract services	9,257	0	15	15	4,847	3,232	30,156	8,298	46,533	13,675
Travel	371	595	2,651	3,246	8,476	4,348	32,868	18,475	64,167	2,853
Space	0	282	892	1,174	6,279	9,014	28,180	34,378	77,851	6,112
Consumable supplies	0	753	4,420	5,173	19,696	10,085	50,790	18,782	99,353	6,599
Equipment lease	0	0	0	0	0	28,461	33,137	(2,141)	59,457	0
Direct client assistance	1,086	0	0	0	0	0	0	0	0	0
Other operational	2,543	311	12,890	13,201	16,526	13,182	50,773	57,236	137,717	4,742
Indirect	57,920	911	3,334	4,245	62,517	49,396	143,108	129,248	384,269	27,304
In-kind expense	0	0	10,566	10,566	153,705	94,789	336,459	252,439	837,392	0
Total Expenses	**407,922**	**8,113**	**54,178**	**62,291**	**635,093**	**499,695**	**1,535,510**	**1,268,155**	**3,938,453**	**219,905**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-4
Schedule of Program Activity
Year Ended September 30, 2005

	FEDERAL PROGRAMS				STATE AND LOCAL PROGRAMS				
	DHHS 93.994		DHS 97.024						
	Dental Sealant 5885DHO7 (23)	93.994 Subtotal	Emergency Food & Shelter (24)	Total Federal Programs	Buena Vista Empowerment (25)	Buena Vista Empowerment (26)	United CHC (27)	Lakes Empowerment (28)	Lakes Empowerment (29)
REVENUE									
Net grant revenue	$ 15,880	$ 113,880	$ 34,170	$ 7,741,425	$ 10,214	$ 15,832	$ 26,215	$ 54,103	$ 175,123
Program income	0	0	0	2,500	0	0	0	0	50
Rental income	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0
Title XIX income	8,946	130,851	0	131,166	0	0	0	0	0
Donations	0	0	0	7,213	0	0	0	0	0
Other income	0	0	0	0	0	0	1,550	0	0
In-kind contributions	0	0	0	847,958	0	0	0	0	0
Total Revenue	**24,826**	**244,731**	**34,170**	**8,730,262**	**10,214**	**15,832**	**27,765**	**54,103**	**175,173**
EXPENSES									
Salaries	0	126,996	0	2,816,520	4,713	6,106	9,167	27,517	75,449
Fringe	0	31,624	0	701,087	1,135	1,527	2,273	6,551	18,943
Contract services	18,434	32,109	214	137,834	0	0	1,360	159	38
Travel	2,922	5,775	0	106,780	940	2,749	1,276	4,017	19,000
Space	0	6,112	0	116,475	345	920	0	389	3,277
Consumable supplies	3,268	9,867	0	187,680	1,641	2,302	1,117	2,728	2,601
Equipment lease	0	0	0	64,203	0	0	0	0	0
Direct client assistance	0	0	33,553	2,491,259	0	0	0	0	0
Other operational	202	4,944	403	654,849	427	915	10,601	6,826	39,643
Indirect	0	27,304	0	605,617	1,013	1,313	1,971	5,916	16,222
In-kind expense	0	0	0	847,958	0	0	0	0	0
Total Expenses	**24,826**	**244,731**	**34,170**	**8,730,262**	**10,214**	**15,832**	**27,765**	**54,103**	**175,173**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-5
Schedule of Program Activity
Year Ended September 30, 2005

	STATE AND LOCAL PROGRAMS										
	Hawk-I 5885A047 (30)	Teammates for Kids (31)	Pocahontas Emergency Funds (32)	Pocahontas Emergency Funds (33)	Lakes Emergency Funds (34)	Life Skills (35)	Life Skills (36)	Decat Coordinators (37)	Decat Coordinators (38)	Child Care Resource and Referral (39)	Child Care Resource and Referral (40)
REVENUE											
Net grant revenue	$ 8,993	$ 800	$ 4,747	$ 15,766	$ 14,242	$ 6,283	$ 20,594	$ 3,732	$ 15,239	$ 5,585	$ 20,669
Program income	0	0	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**8,993**	**800**	**4,747**	**15,766**	**14,242**	**6,283**	**20,594**	**3,732**	**15,239**	**5,585**	**20,669**
EXPENSES											
Salaries	1,838	0	0	0	0	4,061	12,961	2,385	9,338	3,275	7,952
Fringe	461	0	0	0	0	997	3,288	580	2,349	789	1,988
Contract services	6,271	641	0	0	0	0	0	0	912	0	0
Travel	8	0	0	0	0	121	294	224	543	612	2,155
Space	0	0	0	0	0	0	0	0	0	0	0
Consumable supplies	14	159	0	0	13	127	665	30	0	50	252
Equipment lease	0	0	0	0	0	0	0	0	0	0	0
Direct client assistance	0	0	450	0	10,888	0	0	0	0	0	0
Other operational	6	0	4,297	15,766	3,341	104	600	0	89	155	6,612
Indirect	395	0	0	0	0	873	2,786	513	2,008	704	1,710
In-kind expense	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	**8,993**	**800**	**4,747**	**15,766**	**14,242**	**6,283**	**20,594**	**3,732**	**15,239**	**5,585**	**20,669**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-6
Schedule of Program Activity
Year Ended September 30, 2005

	STATE AND LOCAL PROGRAMS										
	Elderly (41)	Elderly (42)	Embrace Iowa (43)	Medical Access Assistance (44)	ILCC Wrap (45)	Buena Vista Decat (46)	Buena Vista Decat (47)	Home Repair (48)	Home Repair (49)	Chore Services (50)	Chore Services (51)
REVENUE											
Net grant revenue	$ 11,205	$ 45,446	$ 9,070	$ 5,250	$ 119	$ 3,323	$ 18,667	$ 6,867	$ 26,679	$ 32	$ 38,000
Program income	0	0	0	0	0	0	0	0	0	0	148
Rental income	0	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**11,205**	**45,446**	**9,070**	**5,250**	**119**	**3,323**	**18,667**	**6,867**	**26,679**	**32**	**38,148**
EXPENSES											
Salaries	2,690	7,894	0	0	70	0	0	0	0	0	0
Fringe	645	1,985	0	0	16	0	0	0	0	0	0
Contract services	7,292	33,473	0	0	0	0	414	0	1,401	0	552
Travel	0	190	0	0	0	0	0	0	0	0	0
Space	0	0	0	0	0	0	0	0	0	0	0
Consumable supplies	0	0	0	0	18	0	0	0	0	32	196
Equipment lease	0	0	0	0	0	0	0	0	0	0	0
Direct client assistance	0	0	9,070	5,250	0	0	0	6,867	25,278	0	37,400
Other operational	0	207	0	0	0	3,323	18,253	0	0	0	0
Indirect	578	1,697	0	0	15	0	0	0	0	0	0
In-kind expense	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	**11,205**	**45,446**	**9,070**	**5,250**	**119**	**3,323**	**18,667**	**6,867**	**26,679**	**32**	**38,148**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-7
Schedule of Program Activity
Year Ended September 30, 2005

	STATE AND LOCAL PROGRAMS									
	HSOGP 06-II-74003 (52)	HSOGP 05-II-74003 (53)	Safe Harbor (54)	Safe Harbor (55)	Sheldon Wrap (56)	Sheldon Wrap (57)	Child Dev. Spirit Lake UD-06-0495-115 (58)	Child Dev. Spirit Lake UD-05-0495-115 (59)	Clay Wrap Around (60)	Clay Wrap Around (61)
REVENUE										
Net grant revenue	$ 1,331	$ 11,197	$ 2,998	$ 11,137	$ 180	$ 15,531	$ 12,963	$ 41,667	$ 4,473	$ 28,640
Program income	0	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	50	0	0
Other income	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	4,753	7,923	0	0
Total Revenue	**1,331**	**11,197**	**2,998**	**11,137**	**180**	**15,531**	**17,716**	**49,640**	**4,473**	**28,640**
EXPENSES										
Salaries	0	1,041	0	431	0	2,186	7,522	24,450	2,312	13,307
Fringe	0	266	0	110	0	547	1,801	6,137	514	3,342
Contract services	0	0	0	0	83	417	159	19	321	29
Travel	0	0	0	98	0	0	284	1,408	0	81
Space	0	0	2,400	5,400	0	10,383	266	2,114	200	2,400
Consumable supplies	0	24	165	609	0	955	636	714	10	159
Equipment lease	0	0	0	0	0	0	0	0	0	0
Direct client assistance	1,331	9,642	398	4,358	97	573	0	0	619	6,173
Other operational	0	0	35	38	0	0	678	1,618	0	288
Indirect	0	224	0	93	0	470	1,617	5,257	497	2,861
In-kind expense	0	0	0	0	0	0	4,753	7,923	0	0
Total Expenses	**1,331**	**11,197**	**2,998**	**11,137**	**180**	**15,531**	**17,716**	**49,640**	**4,473**	**28,640**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-8
Schedule of Program Activity
Year Ended September 30, 2005

	STATE AND LOCAL PROGRAMS								
	Child Dev. Spencer UD-06-3490-114 (62)	Child Dev. Spencer UD-05-3490-114 (63)	Child Dev. Storm Lake UD-06-0495-116 (64)	Child Dev. Storm Lake UD-05-0495-116 (65)	Project Helper (66)	RIF (67)	I CARE IPS (68)	I CARE IPS (69)	Project Share Utilities (70)
REVENUE									
Net grant revenue	$ 13,809	$ 46,506	$ 13,471	$ 44,907	$ 8,023	$ 292	$ 0	$ 0	$ 0
Program income	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	3,419	1,157	2,900
Other income	0	0	0	0	0	0	0	0	(542)
In-kind contributions	4,508	10,004	5,434	8,768	0	0	0	0	0
Total Revenue	**18,317**	**56,510**	**18,905**	**53,675**	**8,023**	**292**	**3,419**	**1,157**	**2,358**
EXPENSES									
Salaries	8,611	30,551	8,104	29,667	0	0	0	0	0
Fringe	2,033	7,660	1,925	7,441	0	0	0	0	0
Contract services	160	29	159	29	0	0	0	0	0
Travel	72	91	184	266	0	0	0	0	0
Space	100	1,880	9	0	0	0	0	0	0
Consumable supplies	595	264	891	337	0	292	0	0	0
Equipment lease	0	0	0	0	0	0	0	0	0
Direct client assistance	0	0	0	0	5,636	0	3,059	300	2,859
Other operational	387	(538)	457	789	405	0	0	0	0
Indirect	1,851	6,569	1,742	6,378	0	0	0	0	0
In-kind expense	4,508	10,004	5,434	8,768	0	0	0	0	0
Total Expenses	**18,317**	**56,510**	**18,905**	**53,675**	**6,041**	**292**	**3,059**	**300**	**2,859**
Change in Net Assets	**0**	**0**	**0**	**0**	**1,982**	**0**	**360**	**857**	**(501)**
Net assets - September 30, 2004	0	0	0	0	3,696	0	4,665	0	4,295
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 5,678**	**$ 0**	**$ 5,025**	**$ 857**	**$ 3,794**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-9
Schedule of Program Activity
Year Ended September 30, 2005

	STATE AND LOCAL PROGRAMS										
	Project Share Utilities (71)	FaDSS 06-16-FO (72)	FaDSS 05-16-FO (73)	Maternal and Child 5885A047 (74)	Aquila 05-160 (75)	IPL 05-160 (76)	IPL 04-160 (77)	MEC 05-160 (78)	MEC 04-160 (79)	Sioux Rapids Wrap (80)	Sioux Rapids Wrap (81)
REVENUE											
Net grant revenue	$ 0	$ 29,100	$ 91,292	$ 28,943	$ 58,095	$ 36,293	$ 59,656	$ 56,515	$ 14,406	$ 43	$ 3,156
Program income	0	0	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	0	0
Donations	60	0	0	392	0	0	0	0	0	0	0
Other income	542	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	**602**	**29,100**	**91,292**	**29,335**	**58,095**	**36,293**	**59,656**	**56,515**	**14,406**	**43**	**3,156**
EXPENSES											
Salaries	0	17,031	50,876	16,941	0	0	0	0	0	0	0
Fringe	0	4,139	12,775	4,218	0	0	0	0	0	0	0
Contract services	0	0	0	1,825	0	0	0	0	0	0	0
Travel	0	1,769	5,934	380	0	0	0	0	0	0	0
Space	0	1,472	4,853	816	0	0	0	0	0	0	0
Consumable supplies	0	381	2,029	880	0	0	0	0	0	0	984
Equipment lease	0	0	0	0	0	0	0	0	0	0	0
Direct client assistance	602	0	0	0	58,095	36,293	59,656	56,515	14,406	43	2,172
Other operational	0	647	3,886	632	0	0	0	0	0	0	0
Indirect	0	3,661	10,939	3,643	0	0	0	0	0	0	0
In-kind expense	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	**602**	**29,100**	**91,292**	**29,335**	**58,095**	**36,293**	**59,656**	**56,515**	**14,406**	**43**	**3,156**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-10
Schedule of Program Activity
Year Ended September 30, 2005

	STATE AND LOCAL PROGRAMS										
	Resource and Referral (82)	Resource and Referral (83)	Laurens Wrap (84)	NWIRHA Fam. Dev. (85)	Dads Make A Difference (86)	Dads Make A Difference (87)	Kossuth Wrap Around (88)	Kossuth Wrap Around (89)	Ham., Hum., Wright Co. Decat (90)	Sibley Wrap (91)	Sibley Wrap (92)
REVENUE											
Net grant revenue	$ 12,170	$ 65,417	$ 4,207	$ 23,546	$ 801	$ 4,000	$ 17,732	$ 32,960	$ 5,426	$ 35	$ 6,488
Program income	0	0	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0	0	0
Investment income	0	0	0	0	0	0	0	0	0	0	0
Title XIX income	0	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	15,850	0	0	0	0	0	0	0	0	0
Total Revenue	**12,170**	**81,267**	**4,207**	**23,546**	**801**	**4,000**	**17,732**	**32,960**	**5,426**	**35**	**6,488**
EXPENSES											
Salaries	6,357	23,261	0	13,938	603	1,809	0	0	1,981	0	1,450
Fringe	1,534	5,855	0	3,485	147	454	0	0	456	0	362
Contract services	0	22	75	481	(209)	(1,181)	7,202	0	0	0	0
Travel	893	3,975	0	1,028	0	408	0	76	185	0	0
Space	423	1,338	0	0	0	0	0	0	0	35	239
Consumable supplies	1,130	6,630	1,483	564	131	1,811	0	0	1,600	0	1,806
Equipment lease	0	0	0	0	0	0	0	0	0	0	0
Direct client assistance	0	0	2,349	0	0	0	0	0	0	0	1,583
Other operational	466	19,335	300	1,053	0	310	10,530	32,884	778	0	736
Indirect	1,367	5,001	0	2,997	129	389	0	0	426	0	312
In-kind expense	0	15,850	0	0	0	0	0	0	0	0	0
Total Expenses	**12,170**	**81,267**	**4,207**	**23,546**	**801**	**4,000**	**17,732**	**32,960**	**5,426**	**35**	**6,488**
Change in Net Assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net assets - September 30, 2004	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS - SEPTEMBER 30, 2005	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-11
Schedule of Program Activity
Year Ended September 30, 2005

	STATE & LOCAL		DISCRETIONARY				
	Total State and Local Programs	TOTAL PROGRAM ACTIVITY	Outreach UDMO (93)	Rental UDMO (94)	Corporate UDMO (95)	Corporate GAAP AJE	TOTAL DISCRETIONARY
REVENUE							
Net grant revenue	$ 1,370,201	$ 9,111,626	$ 0	$ 0	$ 0	$ 0	$ 0
Program income	198	2,698	129,604	0	122,806	0	252,410
Rental income	0	0	0	80,831	0	0	80,831
Investment income	0	0	7	179	34,859	0	35,045
Title XIX income	0	131,166	0	0	0	0	0
Donations	7,978	15,191	212,345	0	31,540	0	243,885
Other income	1,550	1,550	55,526	217	109,555	0	165,298
In-kind contributions	57,240	905,198	0	0	0	(149,519)	(149,519)
Total Revenue	**1,437,167**	**10,167,429**	**397,482**	**81,227**	**298,760**	**(149,519)**	**627,950**
EXPENSES							
Salaries	437,845	3,254,365	46,145	0	510,915	0	557,060
Fringe	108,728	809,815	10,839	0	127,157	0	137,996
Contract services	62,133	199,967	2,822	9,864	29,498	0	42,184
Travel	49,261	156,041	26,071	189	65,961	0	92,221
Space	39,259	155,734	93,354	30,328	47,634	0	171,316
Consumable supplies	37,025	224,705	13,835	9,140	45,482	0	68,457
Equipment lease	0	64,203	0	0	17,448	(54,701)	(37,253)
Direct client assistance	361,962	2,853,221	140,622	0	3,082	0	143,704
Other operational	186,879	841,728	35,031	24,080	(656,063)	57,112	(539,840)
Indirect	94,137	699,754	9,921	0	17,151	0	27,072
In-kind expense	57,240	905,198	0	0	0	(149,519)	(149,519)
Total Expenses	**1,434,469**	**10,164,731**	**378,640**	**73,601**	**208,265**	**(147,108)**	**513,398**
Change in Net Assets	**2,698**	**2,698**	**18,842**	**7,626**	**90,495**	**(2,411)**	**114,552**
Net assets - September 30, 2004	12,656	12,656	655,065	74,606	700,316	0	1,429,987
NET ASSETS - SEPTEMBER 30, 2005	**$ 15,354**	**$ 15,354**	**$ 673,907**	**$ 82,232**	**$ 790,811**	**($ 2,411)**	**$ 1,544,539**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule B-1
Schedule of Expenditures of Federal Awards and List of Programs
Year Ended September 30, 2005

Federal Grantor/Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Program Period	Federal Expenditures
DEPARTMENT OF AGRICULTURE				
(1) Women, Infants, and Children 5885A047	10.557	Iowa Department of Public Health	10/01/04-09/30/05	$ 357,715
(2) Women, Infants, and Children 1191-05-47		Iowa Department of Public Health	03/01/05-12/31/07	860
		Total Federal Expenditures CFDA 10.557		**358,575**
(3) DPI Food Reimbursement 74-8011	10.558	Iowa Department of Education	10/01/04-09/30/05	158,236
(4) CDC DPI Food Reimbursement 74-8018		Iowa Department of Education	10/01/04-09/30/05	16,164
(5) CDC DPI Food Reimbursement 74-8018		Iowa Department of Education	10/01/04-09/30/05	34,483
(6) Child and Adult Care Food Program 74-8017		Iowa Department of Education	10/01/04-09/30/05	376,990
		Total Federal Expenditures CFDA 10.558		**585,873**
DEPARTMENT OF ENERGY				
(7) Weatherization DOE 05-160	81.042	Iowa Department of Human Rights	04/01/05-03/31/06	119,489
(8) Weatherization DOE 04-160		Iowa Department of Human Rights	04/01/04-03/31/05	143,922
		Total Federal Expenditures CFDA 81.042		**263,411**
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
(9) IDPH Coord. 5885A047	93.110	Iowa Department of Public Health	10/01/04-09/30/05	**12,000**
(10) FaDSS 06-16-FO	93.558	Iowa Department of Human Rights	07/01/05-06/30/06	32,815
(11) FaDSS 05-16-FO		Iowa Department of Human Rights	07/01/04-06/30/05	102,946
		Total Federal Expenditures CFDA 93.558		**135,761**
(12) LIHEAP 05-160	93.568	Iowa Department of Human Rights	10/01/04-09/30/05	2,371,597
(13) HEAP 05-160		Iowa Department of Human Rights	04/01/05-03/31/06	24,545
(14) HEAP 04-160		Iowa Department of Human Rights	04/01/04-03/31/05	290,518
		Total Federal Expenditures CFDA 93.568		**2,686,660**
(15) Community Service Block Grant 05-16-CO	93.569	Iowa Department of Human Rights	10/01/04-09/30/05	**407,922**
(16) Resource and Referral	93.575	Iowa Department of Human Services	07/01/05-06/30/06	8,113
(17) Resource and Referral		Iowa Department of Human Services	07/01/04-06/30/05	43,612
		Total Federal Expenditures CFDA 93.575		**51,725**

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule B-2
Schedule of Expenditures of Federal Awards and List of Programs
Year Ended September 30, 2005

Federal Grantor/Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Program Period	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
(18) Early Head Start 07CH6131/39	93.600	Department of Health and Human Services	03/01/05-02/28/06	481,388
(19) Early Head Start 07CH6131/38		Department of Health and Human Services	03/01/04-02/28/05	404,156
(20) Head Start 07CH6131/39		Department of Health and Human Services	03/01/05-02/28/06	1,195,751
(21) Head Start 07CH6131/38		Department of Health and Human Services	03/01/04-02/28/05	1,010,153
		Total Federal Expenditures CFDA 93.600		**3,091,448**
(22) Maternal and Child Health 5885AO47	93.994	Iowa Department of Public Health	10/01/04-09/30/05	$ 98,000
(23) Dental Sealant 5885DHO7		Iowa Department of Public Health	10/01/04-09/30/05	15,880
		Total Federal Expenditures CFDA 93.994		**113,880**
DEPARTMENT OF HOMELAND SECURITY				
(24) Emergency Food and Shelter National Board Program	97.024	Department of Homeland Security	10/01/04-09/30/05	**34,170**
		TOTAL FEDERAL EXPENDITURES		**$ 7,741,425**
STATE AND LOCAL PROGRAMS				
(25) Buena Vista Empowerment		Buena Vista Empowerment	07/01/05-06/30/06	
(26) Buena Vista Empowerment		Buena Vista Empowerment	07/01/04-06/30/05	
(27) United CHC		Emmet Empowerment	10/01/04-09/30/05	
(28) Lakes Empowerment		Lakes Area Empowerment	07/01/05-06/30/06	
(29) Lakes Empowerment		Lakes Area Empowerment	07/01/04-06/30/05	
(30) Hawk-I 5885A047		Iowa Department of Human Rights	10/01/04-09/30/05	
(31) Teammates for Kids		Iowa Department of Human Services	01/01/04-12/31/04	
(32) Pocahontas Emergency Funds		Iowa Department of Human Services	07/01/05-06/30/06	
(33) Pocahontas Emergency Funds		Iowa Department of Human Services	07/01/04-06/30/05	
(34) Lakes Emergency Funds		Iowa Department of Human Services	10/01/04-09/30/05	
(35) Life Skills		Iowa Department of Human Services	07/01/05-06/30/06	
(36) Life Skills		Iowa Department of Human Services	07/01/04-06/30/05	
(37) Decat Coordinators		Iowa Department of Human Services	07/01/05-06/30/06	
(38) Decat Coordinators		Iowa Department of Human Services	07/01/04-06/30/05	
(39) Child Care Resource and Referral		Emmet Co. Empowerment	07/01/05-06/30/06	
(40) Child Care Resource and Referral		Emmet Co. Empowerment	07/01/04-06/30/05	

Upper Des Moines Opportunity, Inc.

Schedule B-3
Schedule of Expenditures of Federal Awards and List of Programs
Year Ended September 30, 2005

Federal Grantor/Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Program Period
STATE AND LOCAL PROGRAMS (Continued)			
(41) Elderly		Northwest Aging Association	07/01/05-06/30/06
(42) Elderly		Northwest Aging Association	07/01/04-06/30/05
(43) Embrace Iowa		ICAA-The Des Moines Register	10/01/04-09/30/05
(44) Medical Access Assistance		Elderbridge Agency on Aging	07/01/04-06/30/05
(45) ILCC Wrap		Iowa Department of Human Services	09/01/05-08/31/06
(46) Buena Vista Decat		Iowa Department of Human Services	07/01/05-06/30/06
(47) Buena Vista Decat		Iowa Department of Human Services	07/01/04-06/30/05
(48) Home Repair		Elderbridge Agency and Northwest Aging	07/01/05-06/30/06
(49) Home Repair		Elderbridge Agency and Northwest Aging	07/01/04-06/30/05
(50) Chore Services		Elderbridge Agency and Northwest Aging	07/01/05-06/30/06
(51) Chore Services		Elderbridge Agency and Northwest Aging	07/01/04-06/30/05
(52) HSOGP 06-II-74003		Iowa Department of Economic Development	07/01/05-06/30/06
(53) HSOGP 05-II-74003		Iowa Department of Economic Development	07/01/04-06/30/05
(54) Safe Harbor		Iowa Department of Economic Development	07/01/05-06/30/06
(55) Safe Harbor		Iowa Department of Economic Development	07/01/04-06/30/05
(56) Sheldon Wrap		Iowa Department of Human Services	09/01/05-08/31/06
(57) Sheldon Wrap		Iowa Department of Human Services	09/01/04-08/31/05
(58) Child Development - Spirit Lake UD-06-0495-115		Iowa Department of Education	07/01/05-06/30/06
(59) Child Development - Spirit Lake UD-05-0495-115		Iowa Department of Education	07/01/04-06/30/05
(60) Clay Wrap Around		Iowa Department of Education	09/01/05-08/31/06
(61) Clay Wrap Around		Iowa Department of Education	09/01/04-08/31/05
(62) Child Development - Spencer UD-06-3490-114		Iowa Department of Education	07/01/05-06/30/06
(63) Child Development - Spencer UD-05-3490-114		Iowa Department of Education	07/01/04-06/30/05
(64) Child Development - Storm Lake UD-06-0495-116		Iowa Department of Education	07/01/05-06/30/06

Upper Des Moines Opportunity, Inc.

Schedule B-4
Schedule of Expenditures of Federal Awards and List of Programs
Year Ended September 30, 2005

Federal Grantor/Program Title	Funding Source/ Pass-Through Entity	Program Period
STATE AND LOCAL PROGRAMS (Continued)		
(65) Child Development - Storm Lake UD-05-0495-116	Iowa Department of Education	07/01/04-06/30/05
(66) Project Helper	Iowa Department of Human Services/ICAA	10/01/04-09/30/05
(67) RIF	Local Donations	10/01/04-09/30/05
(68) I CARE IPS	Iowa Public Service	01/01/05-12/31/05
(69) I CARE IPS	Iowa Public Service	01/01/04-12/31/04
(70) Project Share Utilities	Various Utilities	01/01/05-12/31/05
(71) Project Share Utilities	Various Utilities	01/01/04-12/31/04
(72) FaDSS 06-16-FO	Iowa Department of Human Rights	07/01/05-06/30/06
(73) FaDSS 05-16-FO	Iowa Department of Human Rights	07/01/04-06/30/05
(74) Maternal and Child Health 5885AO47	Iowa Department of Public Health	10/01/04-09/30/05
(75) Aquila 05-160	Iowa Department of Human Rights	01/01/05-12/31/05
(76) IPL Weatherization 05-160	Iowa Department of Human Rights	01/01/05-12/31/05
(77) IPL Weatherization 04-160	Iowa Department of Human Rights	01/01/04-12/31/04
(78) MEC Weatherization 05-160	Iowa Department of Human Rights	01/01/05-12/31/05
(79) MEC Weatherization 04-160	Iowa Department of Human Rights	01/01/04-12/31/04
(80) Sioux Rapids Wrap	Iowa Department of Education	09/01/05-08/31/06
(81) Sioux Rapids Wrap	Iowa Department of Education	09/01/04-08/31/05
(82) Resource and Referral	Iowa Department of Human Services	07/01/05-06/30/06
(83) Resource and Referral	Iowa Department of Human Services	07/01/04-06/30/05
(84) Laurens Wrap	Iowa Department of Education	09/01/05-08/31/06
(85) NWIRHA Family Development	Northwest Iowa Regional Housing Authority	05/01/04-04/30/05
(86) Dads Make a Difference	Webster County Family Development Council	07/01/05-06/30/06
(87) Dads Make a Difference	Webster County Family Development Council	07/01/04-06/30/05
(88) Kossuth Wrap Around	Iowa Department of Human Services	07/01/05-06/30/06
(89) Kossuth Wrap Around	Iowa Department of Human Services	07/01/04-06/30/05
(90) Hamilton, Humboldt, Wright Co. Decat	Iowa Department of Human Services	07/01/05-06/30/06
(91) Sibley Wrap	Iowa Department of Education	09/01/05-08/31/06
(92) Sibley Wrap	Iowa Department of Education	09/01/04-08/31/05

Upper Des Moines Opportunity, Inc.

Schedule B-5
Schedule of Expenditures of Federal Awards and List of Programs
Year Ended September 30, 2005

Federal Grantor/Program Title	Funding Source/ Pass-Through Entity	Program Period
DISCRETIONARY		
(93) Outreach UDMO	Fees, program income, donations	10/01/04-09/30/05
(94) Rental UDMO	Rental activity	10/01/04-09/30/05
(95) Corporate UDMO	Discretionary interest, misc. income activities	10/01/04-09/30/05

Notes to Schedule of Expenditures of Federal Awards and List of Programs

NOTE 1 - This schedule includes the federal grant activity of Upper Des Moines Opportunity, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - The expenses reported on Schedule A-1 to A-11 include both federal and nonfederal expenditures and are for the period October 1, 2004 to September 30, 2005. The federal expenditures represent the amount of federal grant funds expended.

Upper Des Moines Opportunity, Inc.

Schedule C
Schedule of Indirect Cost Account
Year Ended September 30, 2005

Expenditures:		
Salaries	$	431,141
Fringe		107,369
Other professional		1,927
Contracted services		4,754
Auditing		9,495
Travel		41,616
Occupancy		16,932
Stationary		4,701
Reproduction		2,498
Computer supplies		9,378
Office supplies		4,799
Depreciation		13,207
Insurance		39,965
Telephone		4,887
Internet		4,435
Postage		6,185
Miscellaneous		12,552
Service contracts		3,246
Registrations		8,434
Total indirect cost expenses		727,521
Reimbursement		726,761
Current year excess of expenses over reimbursements	(	760)
Net assets - September 30, 2004		1,456
Net assets - September 30, 2005	$	696

Upper Des Moines Opportunity, Inc.

Schedule D
Schedule of Computation of Indirect Costs
Year Ended September 30, 2005

Total salaries - regular	$ 3,811,425
Indirect cost salaries	(431,141)
Total direct salaries	3,380,284
Indirect cost rate	21.5%
Allocable indirect costs	726,761
Amount reimbursed	726,761
Variance	$ 0

Upper Des Moines Opportunity, Inc.

Schedule E
Schedule of Federal and Iowa Department of Human Rights Grant Expenses of Completed Contracts Overlapping Fiscal Years
Year Ended September 30, 2005

Program	Grant Number	Grant Period	Expenses Prior Year	Expenses Current Year	Total	Program Budget
DOE - Weatherization Assistance	DOE-04-160	04/01/04-03/31/05	$ 167,265	$ 143,922	$ 311,187	$ 311,187
Family Development and Self-Sufficiency	FaDSS 05-16-FO	07/01/04-06/30/05	62,202	194,238	256,440	256,440
HEAP Weatherization	04-160	04/01/04-03/31/05	34,342	290,518	324,860	395,622
Aquila Weatherization	04-160	01/01/04-12/31/04	34,185	0	34,185	34,185
MEC Weatherization	04-160	01/01/04-12/31/04	90,694	14,406	105,100	105,100
IPL Weatherization	04-160	01/01/04-12/31/04	36,184	59,656	95,840	95,840
Resource and Referral	N/A	07/01/04-06/30/05	18,768	109,029	127,797	127,797
Early Head Start	07CH6131/38	03/01/04-02/28/05	433,272	404,156	837,428	837,428
Head Start	07CH6131/38	03/01/04-02/28/05	1,181,683	1,010,153	2,191,836	2,194,636

See Independent Auditor's Report

Upper Des Moines Opportunity, Inc.

Schedule F-1
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed DOE Weatherization (Contract No. DOE 05-160)
Year Ended March 31, 2006

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 296,545	$ 119,488	$ 177,057
Program expenses:			
Administration	22,659	8,482	14,177
Health and safety	54,777	20,280	34,497
Support	71,007	45,886	25,121
Labor	74,051	20,824	53,227
Material	74,051	24,016	50,035
Totals	$ 296,545	$ 119,488	$ 177,057

Upper Des Moines Opportunity, Inc.

Schedule F-2
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed DOE Weatherization (Contract No. DOE 04-160)
Year Ended March 31, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 311,187	$ 311,187	$ 0
Program expenses:			
Administration	22,403	22,403	0
Health and safety	57,756	51,924	5,832
Support	74,870	99,620	(24,750)
Labor	78,079	74,485	3,594
Material	78,079	62,755	15,324
Totals	$ 311,187	$ 311,187	$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-3
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed HEAP Weatherization (Contract No. HEAP 05-160)
Year Ended March 31, 2006

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 407,882	$ 24,545	$ 383,337
Program expenses:			
Administration	20,874	0	20,874
Health and safety	73,281	9,796	63,485
Support	94,995	11,734	83,261
Labor	99,066	1,220	97,846
Material	99,066	1,795	97,271
Equipment	20,600	0	20,600
Totals	$ 407,882	$ 24,545	$ 383,337

Upper Des Moines Opportunity, Inc.

Schedule F-4
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed HEAP Weatherization (Contract No. HEAP 04-160)
Year Ended March 31, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 395,622	$ 324,860	$ 70,762
Program expenses:			
Administration	20,486	17,388	3,098
Health and safety	71,890	93,488	(21,598)
Support	93,190	66,050	27,140
Labor	97,184	73,225	23,959
Material	97,184	69,621	27,563
Equipment	10,600	0	10,600
Pollution Occurrence Insurance	5,088	5,088	0
Totals	$ 395,622	$ 324,860	$ 70,762

Upper Des Moines Opportunity, Inc.

Schedule F-5
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed Low-Income Home Emergency Assistance Program
Contract No. LIHEAP 05-160
Year Ended September 30, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 2,373,134	$ 2,371,597	$ 1,537
Program expenses:			
Administration	177,765	177,765	0
Regular assistance	1,744,421	1,742,911	1,510
E.C.I.P. - furnace repair	127,262	65,195	62,067
E.C.I.P. - emergency delivery	16,201	79,221	(63,020)
Emergency temp. shelter/blankets	1,380	400	980
Client services	57,605	57,605	0
Summer deliverable fuel payments	248,500	248,500	0
Totals	$ 2,373,134	$ 2,371,597	$ 1,537

Upper Des Moines Opportunity, Inc.

Schedule F-6
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed Family Development and Self-Sufficiency
Contract No. FaDSS 06-16-FO
Year Ended June 30, 2006

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 256,440	$ 61,915	$ 194,525
Program expenses:			
Administration	31,808	7,790	24,018
Personnel:			
Salaries	147,945	36,235	111,710
Benefits	37,726	8,807	28,919
Travel	11,794	3,765	8,029
Space/utilities	13,089	3,131	9,958
Other	14,078	2,187	11,891
Totals	$ 256,440	$ 61,915	$ 194,525

Upper Des Moines Opportunity, Inc.

Schedule F-7
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed Family Development and Self-Sufficiency
Contract No. FaDSS 05-16-FO
Year Ended June 30, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 256,440	$ 256,440	$ 0
Program expenses:			
Administration	31,576	31,049	527
Personnel:			
Salaries	143,429	143,591	(162)
Benefits	35,857	35,333	524
Travel	14,547	15,973	(1,426)
Space/utilities	14,089	13,829	260
Other	16,942	16,665	277
Totals	$ 256,440	$ 256,440	$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-8
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed Aquila Weatherization (Contract No. AQU 05-160)
Year Ended December 31, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 58,095	$ 58,095	$ 0
Program expenses:			
Administration	2,905	3,414	(509)
Support	5,810	5,299	511
Labor	24,690	26,635	(1,945)
Material	24,690	22,747	1,943
Totals	$ 58,095	$ 58,095	$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-9
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed Aquila Weatherization (Contract No. AQU 04-160)
Year Ended December 31, 2004

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 34,185	$ 34,185	$ 0
Program expenses:			
Administration	954	1,093	(139)
Support	1,935	1,796	139
Labor	15,648	12,388	3,260
Material	15,648	18,908	(3,260)
Totals	$ 34,185	$ 34,185	$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-10
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed IPL Weatherization (Contract No. 05-160)
Year Ended December 31, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 99,233	$ 36,293	$ 62,940
Program expenses:			
Administration	4,962	2,139	2,823
Support	9,923	3,305	6,618
Labor	42,174	14,996	27,178
Material	42,174	15,853	26,321
Totals	$ 99,233	$ 36,293	$ 62,940

Upper Des Moines Opportunity, Inc.

Schedule F-11
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed IPL Weatherization (Contract No. 04-160)
Year Ended December 31, 2004

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 95,840	$ 95,840	$ 0
Program expenses:			
Administration	6,762	6,840	(78)
Support	13,729	13,651	78
Labor	37,674	36,542	1,132
Material	37,675	38,807	(1,132)
Totals	$ 95,840	$ 95,840	$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-12
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed MEC Weatherization (Contract No. 05-160)
Year Ended December 31, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 118,757	$ 56,515	$ 62,242
Program expenses:			
Administration	5,937	3,193	2,744
Support	11,876	5,284	6,592
Labor	50,472	19,612	30,860
Material	50,472	28,426	22,046
Totals	$ 118,757	$ 56,515	$ 62,242

Upper Des Moines Opportunity, Inc.

Schedule F-13
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed MEC Weatherization (Contract No. 04-160)
Year Ended December 31, 2004

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 105,100	$ 105,100	$ 0
Program expenses:			
Administration	5,255	4,294	961
Support	10,510	11,471	(961)
Labor	44,668	37,719	6,949
Material	44,667	51,616	(6,949)
Totals	$ 105,100	$ 105,100	$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-14
Schedule of Revenue and Expenses Compared to Budget
Expenses of Completed Community Service Block Grant
(Contract No. CSBG 05-16-CO)
Year Ended September 30, 2005

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	$ 407,922	$ 407,922	$ 0
Program expenses:			
Co-funded programs	407,922	407,922	0
Totals	$ 407,922	$ 407,922	$ 0

WIPFLi LLP

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Board of Directors
Upper Des Moines Opportunity, Inc.
Graettinger, Iowa

We have audited the financial statements of Upper Des Moines Opportunity, Inc. (a nonprofit organization) as of and for the year ended September 30, 2005, and have issued our report thereon dated November 11, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States 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 Upper Des Moines Opportunity, Inc.'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 over financial reporting 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 Upper Des Moines Opportunity, Inc.'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 and use of 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.

Wipfli LLP

Wipfli LLP

November 11, 2005
Madison, Wisconsin

75 YEARS

WIPFLi LLP

Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance

Board of Directors
Upper Des Moines Opportunity, Inc.
Graettinger, Iowa

Compliance

We have audited the compliance of Upper Des Moines Opportunity, Inc. (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, 2005. Upper Des Moines Opportunity, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Upper Des Moines Opportunity, Inc.'s management. Our responsibility is to express an opinion on Upper Des Moines Opportunity, Inc.'s compliance based on our audit.

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

In our opinion, Upper Des Moines Opportunity, Inc. 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 Upper Des Moines Opportunity, Inc. 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 Upper Des Moines Opportunity, Inc.'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 applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to the 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 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.

Wipfli LLP

Wipfli LLP

November 11, 2005
Madison, Wisconsin

Upper Des Moines Opportunity, Inc.

Schedule of Findings and Questioned Costs

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Upper Des Moines Opportunity, Inc.

2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.

3. No instances of noncompliance material to the financial statements of Upper Des Moines Opportunity, Inc. were disclosed during the audit.

4. No reportable conditions were disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance.

5. The auditor's report on compliance for the major federal award programs for Upper Des Moines Opportunity, Inc. expresses an unqualified opinion.

6. There were no audit findings relative to the major federal award programs for Upper Des Moines Opportunity, Inc.

7. The programs tested as major programs were the Department of Health and Human Services CFDA #93.568 and the Community Service Block Grant CFDA #93.569.

8. The threshold for distinguishing Types A and B programs was $300,000.

9. Upper Des Moines Opportunity, Inc. was determined to be a low-risk auditee.

B. Findings – Financial Statements Audit

None

C. Findings and Questioned Costs – Major Federal Award Programs Audit

Findings: None

Questioned Costs: None

5132/2005/595132fs - Combined