

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

**Financial Statements
September 30, 2007**

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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, 2007. 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, 2007, 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 report dated August 20, 2008, 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 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 is important for 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.

HONKAMP KRUEGER & CO., P.C.

Honkamp Krueger & Co.

Dubuque, Iowa
August 20, 2008

Operation: New View Community Action Agency
Combined Statement of Financial Position
All Funds
September 30, 2007

Exhibit A

ASSETS	Administrative and Local Funds	Program Funds	Plant Fund	Total (Memorandum Only)
Current Assets				
Cash	\$ 17,071	\$ 509,449	\$ -	\$ 526,520
Certificates of Deposit	33,299	-	-	33,299
Due From Other Funds	417,912	31,054	-	448,966
Grants Receivable	-	331,120	-	331,120
Miscellaneous Receivable	(1,249)	413	-	(836)
Prepaid Expenses	5,438	980	-	6,418
Total Current Assets	<u>472,471</u>	<u>873,016</u>	<u>-</u>	<u>1,345,487</u>
Building and Equipment	-	-	554,805	554,805
Accumulated Depreciation	-	-	(214,200)	(214,200)
Net Equipment	<u>-</u>	<u>-</u>	<u>340,605</u>	<u>340,605</u>
Total Assets	<u>\$ 472,471</u>	<u>\$ 873,016</u>	<u>\$ 340,605</u>	<u>\$ 1,686,092</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Due to Other Funds	\$ 213,083	\$ 235,883	\$ -	\$ 448,966
Deferred Revenue	-	49,003	-	49,003
Accounts Payable	11,462	90,563	-	102,025
Note Payable	215,809	-	-	215,809
Accrued Payroll and Related Expenses	38,924	40,527	-	79,451
Total Liabilities	<u>479,278</u>	<u>415,976</u>	<u>-</u>	<u>895,254</u>
Net Assets				
Temporarily Restricted	-	457,040	-	457,040
Unrestricted	(6,807)	-	340,605	333,798
Total Net Assets	<u>(6,807)</u>	<u>457,040</u>	<u>340,605</u>	<u>790,838</u>
Total Liabilities and Net Assets	<u>\$ 472,471</u>	<u>\$ 873,016</u>	<u>\$ 340,605</u>	<u>\$ 1,686,092</u>

See Notes to Financial Statements

**Operation: New View Community Action Agency
Combined Statement of Activities
All Funds
Year Ended September 30, 2007**

Exhibit B

	Administrative and Local Funds	Program Funds	Plant Fund	Total (Memorandum Only)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVENUES				
Federal Funds	\$ -	\$ 4,484,514	\$ -	\$ 4,484,514
State Funds	-	97,826	-	97,826
County and City Funds	39,357	-	-	39,357
Other Revenue	61,562	396,492	-	458,054
Non-Cash Match	-	416,155	-	416,155
	<u>100,919</u>	<u>5,394,987</u>	<u>-</u>	<u>5,495,906</u>
EXPENDITURES				
Personnel Costs:				
Salaries	186,307	1,413,254	-	1,599,561
Fringe Benefits	30,632	269,371	-	300,003
Payroll Taxes	15,672	116,267	-	131,939
	<u>232,611</u>	<u>1,798,892</u>	<u>-</u>	<u>2,031,503</u>
Non-Personnel Costs:				
Consultant and Contract Service	35	29,980	-	30,015
Travel	9,373	317,990	-	327,363
Space Costs and Rentals	14,567	195,470	-	210,037
Consumable Supplies	24,387	52,241	-	76,628
Property and Equipment Costs	703	3,022	-	3,725
Depreciation	-	-	29,606	29,606
Other Costs, Including Direct Assistance Payments	101,067	2,614,384	-	2,715,451
	<u>150,132</u>	<u>3,213,087</u>	<u>29,606</u>	<u>3,392,825</u>
Expenses Allocated	<u>(229,074)</u>	<u>229,074</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>153,669</u>	<u>5,241,053</u>	<u>29,606</u>	<u>5,424,328</u>
Excess of Revenues or (Expenditures)	(52,750)	153,934	(29,606)	71,578
Net Assets Transfers	(1,325)	(18,803)	20,128	-
Net Assets, Beginning, as Previously Reported	<u>47,268</u>	<u>321,909</u>	<u>350,083</u>	<u>719,260</u>
Net Assets, Ending	<u>\$ (6,807)</u>	<u>\$ 457,040</u>	<u>\$ 340,605</u>	<u>\$ 790,838</u>

See Notes to Financial Statements

**Operation: New View Community Action Agency
 Combined Statement of Functional Expenses
 Administrative and Local Funds and Program Funds
 Year Ended September 30, 2007**

Exhibit C

	Administrative and Local Funds	Program Funds	Total
Salaries	\$ 186,307	\$ 1,413,254	\$ 1,599,561
Fringe Benefits	30,632	269,371	300,003
Payroll Taxes	15,672	116,267	131,939
Consultant and Contractual Services	35	29,980	30,015
Travel	9,373	317,990	327,363
Space Cost and Rentals	14,567	195,470	210,037
Consumable Supplies	24,387	52,241	76,628
Property and Equipment Costs	703	3,022	3,725
Other Costs, Including Direct Assistance Payments	<u>101,067</u>	<u>2,614,384</u>	<u>2,715,451</u>
Total Expenses before Allocation of Indirect Costs	382,743	5,011,979	5,394,722
Allocation of Indirect Costs	<u>(229,074)</u>	<u>229,074</u>	<u>-</u>
Total Expenses	<u>\$ 153,669</u>	<u>\$ 5,241,053</u>	<u>\$ 5,394,722</u>

See Notes to Financial Statements

Operation: New View Community Action Agency
Statement of Cash Flows
Year Ended September 30, 2007

Exhibit D

Reconciliation of Changes in Net Assets to Net Cash:

Cash Flows from Operating Activities:

Changes in Net Assets	\$ 71,578
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities:	
Depreciation	29,606
(Increase) Decrease in Assets:	
Receivables	(9,045)
Prepaid Expense	3,105
Increase (Decrease) in Liabilities:	
Payables	(90,750)
Deferred Revenue	27,667
Accrued Payroll and Related Expenses	<u>(19,454)</u>
Net Cash Provided by Operating Activities	<u>12,707</u>

Cash Flows from Investing Activities:

Purchase of Property and Equipment	(20,128)
Purchase of Investments	<u>(832)</u>
Net Cash (Used) by Investing Activities	<u>(20,960)</u>

Cash Flows from Financing Activities:

Payments on Long-Term Debt	<u>(2,513)</u>
Net Cash (Used) by Financing Activities	<u>(2,513)</u>
Net (Decrease) in Cash	(10,766)
Cash, Beginning	<u>537,286</u>
Cash, Ending	<u>\$ 526,520</u>

Supplemental Cash Flow Information:

Cash Paid for Interest	<u>\$ 10,428</u>
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Operation: New View Community Action Agency
Statement of Fiduciary Net Assets
September 30, 2007

Exhibit E

	<u>UNIDA</u> <u>Fund 950</u>
ASSETS	
Current Assets	
Cash	\$ 4,958
Total Assets	<u>\$ 4,958</u>
 LIABILITIES AND NET ASSETS	
Liabilities	
Accounts Payable	\$ 202
Due to UNIDA	<u>4,756</u>
Total Liabilities	<u>4,958</u>
 Net Assets	
Unrestricted	<u>-</u>
Total Net Assets	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 4,958</u>

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 1. Summary of Significant Accounting Policies

Operation: New View Community Action Agency (the "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 and Local Funds – The Administrative and 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)

Basis of Presentation (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, 2007.

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 statement of financial position:

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, 2007, 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 (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, 2007.

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 Agency 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 cost 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, 2007, 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 are U.S.D.A. reimbursements totaling \$114,760.

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, 2007, and for the program year ended October 31, 2006, are as follows:

	Fiscal Year Ended 09/30/07	Program Year Ended 10/31/06
Expenditure Accounts:		
Volunteers' Time	\$ 75,915	\$ 90,155
Space Costs	49,011	49,011
Travel	280,722	255,107
Other Resources	10,507	10,668
Total Non-Cash Match Received	416,155	404,941
Wrap Around Funding	42,000	42,000
Total Match Received	<u>\$ 458,155</u>	<u>\$ 446,941</u>
Match Required		<u>\$ 416,155</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, 2007:

<u>Acquiring Program/Source</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Head Start	\$ 350,707	\$ 64,102	\$ 414,809
Weatherization Assistance for Low-Income General Agency	-----	43,327	43,327
	-----	96,669	96,669
Total Cost	350,707	204,098	554,805
Less: Accumulated Depreciation	56,991	157,209	214,200
Net Equipment	<u>\$ 293,716</u>	<u>\$ 46,889</u>	<u>\$ 340,605</u>

The components of the Agency's accumulated depreciation as of September 30, 2007, is as follows:

	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Balance, Beginning of Year	\$ 48,223	\$ 136,371	\$ 184,594
Current Year Depreciation	8,768	20,838	29,606
Balance, End of Year	<u>\$ 56,991</u>	<u>\$ 157,209</u>	<u>\$ 214,200</u>

NOTE 6. Lease Agreement

The Agency leased its main office under a lease agreement which was due to expire June 30, 2007. The Agency renegotiated the lease, with an effective date of October 1, 2006. The lease requires monthly rents of \$3,134 through September 30, 2010. Minimum future rentals under this agreement for years ending September 30 are as follows:

2008	\$ 37,608
2009	37,608
2010	<u>37,608</u>
	<u>\$ 112,824</u>

Total lease expense relating to the above agreement was \$37,605 for the year ended September 30, 2007.

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 was 25 months from September 1, 2004 to May 31, 2006. Monthly rental payments due to the Agency are \$350. This lease was not formally extended and currently operates on a month-to-month basis.

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 year ended September 30, 2007, was \$80,156, which was equal to the required contribution.

NOTE 9. Long-Term Debt

The Agency has the following long-term debt at September 30, 2007:

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.	\$ 215,809
Less: Current Maturities	<u>2,634</u>
Total Long-Term Debt	<u>\$ 213,175</u>

Operation: New View Community Action Agency

Notes to Financial Statements

NOTE 9. Long-Term Debt (Continued)

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

2008	\$	2,634
2009		2,762
2010		2,896
2011		3,036
2012		3,184
Thereafter		<u>201,297</u>
	\$	<u>215,809</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 \$3,766,301 of funding from the Department of Health and Human Services for the year ended September 30, 2007.

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 and Local Funds
September 30, 2007**

Schedule 1

	Local Accounts Funds 870, 876, 891, & 595	Allocated Services Central Service Fund 006	Allocated Services Self-Funding Reserve Fund 003	Allocated Services Administrative Funds 000, 001, 002, & 018	Total (Memorandum Only)
ASSETS					
Current Assets					
Cash	\$ 4,376	\$ -	\$ 12,695	\$ -	\$ 17,071
Certificates of Deposit	33,299	-	-	-	33,299
Due from Other Funds	417,912	-	-	-	417,912
Miscellaneous Receivable	-	-	-	(1,249)	(1,249)
Prepaid Expenses	-	5,438	-	-	5,438
Total Current Assets	<u>455,587</u>	<u>5,438</u>	<u>12,695</u>	<u>(1,249)</u>	<u>472,471</u>
Total Assets	<u>\$ 455,587</u>	<u>\$ 5,438</u>	<u>\$ 12,695</u>	<u>\$ (1,249)</u>	<u>\$ 472,471</u>
 LIABILITIES AND NET ASSETS					
Liabilities					
Due to Other Funds	\$ -	\$ 27,427	\$ -	\$ 185,656	\$ 213,083
Accounts Payable	4,687	211	367	6,197	11,462
Note Payable	215,809	-	-	-	215,809
Accrued Payroll and Related Expenses	-	-	-	38,924	38,924
Total Liabilities	<u>220,496</u>	<u>27,638</u>	<u>367</u>	<u>230,777</u>	<u>479,278</u>
 Net Assets					
Unrestricted	<u>235,091</u>	<u>(22,200)</u>	<u>12,328</u>	<u>(232,026)</u>	<u>(6,807)</u>
Total Net Assets	<u>235,091</u>	<u>(22,200)</u>	<u>12,328</u>	<u>(232,026)</u>	<u>(6,807)</u>
Total Liabilities and Net Assets	<u>\$ 455,587</u>	<u>\$ 5,438</u>	<u>\$ 12,695</u>	<u>\$ (1,249)</u>	<u>\$ 472,471</u>

**Operation: New View Community Action Agency
Combining Statement of Activities
Administrative and Local Funds
Year Ended September 30, 2007**

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 000, 001, 002, & 018	
REVENUES					
Other Revenue	\$ 35,918	\$ 8,529	\$ 16,886	\$ 229	\$ 61,562
County and City Funds	39,357	-	-	-	39,357
Total Revenue	<u>75,275</u>	<u>8,529</u>	<u>16,886</u>	<u>229</u>	<u>100,919</u>
EXPENDITURES					
Personnel Costs:					
Salaries	-	-	-	186,307	186,307
Fringe Benefits	-	-	-	30,632	30,632
Payroll Taxes	-	-	-	15,672	15,672
Total Personnel Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>232,611</u>	<u>232,611</u>
Non-Personnel Costs:					
Consultant and Contract Service	-	-	-	35	35
Travel	2,992	-	-	6,381	9,373
Space Costs and Rental	-	-	-	14,567	14,567
Consumable Supplies	815	8,569	-	15,003	24,387
Property and Equipment Costs	-	-	-	703	703
Other Costs	58,867	-	11,189	31,011	101,067
Total Non-Personnel Costs	<u>62,674</u>	<u>8,569</u>	<u>11,189</u>	<u>67,700</u>	<u>150,132</u>
Expenses Allocated	<u>-</u>	<u>-</u>	<u>-</u>	<u>(229,074)</u>	<u>(229,074)</u>
Total Expenditures	<u>62,674</u>	<u>8,569</u>	<u>11,189</u>	<u>71,237</u>	<u>153,669</u>
Excess of Revenues or (Expenditures)	12,601	(40)	5,697	(71,008)	(52,750)
Net Assets Transfers	(1,325)	-	-	-	(1,325)
Beginning Net Assets, Unrestricted	223,815	(22,160)	6,631	(161,018)	47,268
Ending Net Assets, Unrestricted	<u>\$ 235,091</u>	<u>\$ (22,200)</u>	<u>\$ 12,328</u>	<u>\$ (232,026)</u>	<u>\$ (6,807)</u>

Operation: New View Community Action Agency
Combining Statement of Financial Position
Program Funds
September 30, 2007

Schedule 3

ASSETS	Community Block Grants (Schedule 11)	Weatherization Assistance (Schedule 5)
	<u> </u>	<u> </u>
Current Assets		
Cash	\$ 88,099	\$ 321,799
Due from Other Funds	-	16,854
Grants Receivable	-	43,339
Miscellaneous Receivable	-	45
Prepaid Expenses	-	-
	<u>88,099</u>	<u>382,037</u>
Total Current Assets		
	<u>88,099</u>	<u>382,037</u>
Total Assets	<u>\$ 88,099</u>	<u>\$ 382,037</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Due to Other Funds	\$ -	\$ 38,732
Deferred Revenue	49,003	-
Accounts Payable	1,648	7,522
Accrued Payroll and Related Expenses	<u>37,448</u>	<u>-</u>
Total Liabilities	<u>88,099</u>	<u>46,254</u>
 Net Assets		
Temporarily Restricted	<u>-</u>	<u>335,783</u>
Total Net Assets	<u>-</u>	<u>335,783</u>
Total Liabilities and Net Assets	<u>\$ 88,099</u>	<u>\$ 382,037</u>

Early Childhood Program (Schedule 7)	Low-Income Home Energy Assistance (Schedule 9)	Other Program Funds (Schedule 13)	Total (Memorandum Only)
\$ 24,827	\$ 43,048	\$ 31,676	\$ 509,449
-	14,200	-	31,054
284,454	3,327	-	331,120
368	-	-	413
980	-	-	980
<u>310,629</u>	<u>60,575</u>	<u>31,676</u>	<u>873,016</u>
<u>\$ 310,629</u>	<u>\$ 60,575</u>	<u>\$ 31,676</u>	<u>\$ 873,016</u>
\$ 180,635	\$ 14,200	\$ 2,316	\$ 235,883
-	-	-	49,003
64,566	16,521	306	90,563
525	2,554	-	40,527
<u>245,726</u>	<u>33,275</u>	<u>2,622</u>	<u>415,976</u>
<u>64,903</u>	<u>27,300</u>	<u>29,054</u>	<u>457,040</u>
<u>64,903</u>	<u>27,300</u>	<u>29,054</u>	<u>457,040</u>
<u>\$ 310,629</u>	<u>\$ 60,575</u>	<u>\$ 31,676</u>	<u>\$ 873,016</u>

Operation: New View Community Action Agency
Combining Statement of Activities
Program Funds
Year Ended September 30, 2007

Schedule 4

	<u>Community Block Grants (Schedule 12)</u>	<u>Weatherization Assistance (Schedule 6)</u>
REVENUES		
Federal Funds	\$ 238,566	\$ 501,804
State Funds	-	-
Other Revenue	775	209,669
Non-Cash Match	-	-
Total Revenue	<u>239,341</u>	<u>711,473</u>
EXPENDITURES		
Personnel Costs:		
Salaries	126,240	74,423
Fringe Benefits	37,008	14,486
Payroll Taxes	10,855	6,424
Total Personnel Costs	<u>174,103</u>	<u>95,333</u>
Non-Personnel Costs:		
Consultant and Contract Service	-	-
Travel	7,980	3,995
Space Costs and Rentals	19,089	5,640
Consumable Supplies	6,087	1,407
Property and Equipment Costs	1,782	90
Other Costs, Including Direct Assistance Payments	4,171	477,030
Total Non-Personnel Costs	<u>39,109</u>	<u>488,162</u>
Expenses Allocated	<u>21,845</u>	<u>12,793</u>
Total Expenditures	<u>235,057</u>	<u>596,288</u>
Excess of Revenues or (Expenditures)	4,284	115,185
Net Assets Transfers	(4,284)	(4,982)
Temporarily Restricted Net Assets, Beginning	-	225,580
Temporarily Restricted Net Assets, Ending	<u>\$ -</u>	<u>\$ 335,783</u>

Early Childhood Program (Schedule 8)	Low-Income Home Energy Assistance (Schedule 10)	Other Program Funds (Schedule 14)	Total (Memorandum Only)
\$ 2,111,030	\$ 1,633,114	\$ -	\$ 4,484,514
97,826	-	-	97,826
6,668	98,695	80,685	396,492
416,155	-	-	416,155
<u>2,631,679</u>	<u>1,731,809</u>	<u>80,685</u>	<u>5,394,987</u>
1,085,389	127,202	-	1,413,254
204,232	13,645	-	269,371
88,163	10,825	-	116,267
<u>1,377,784</u>	<u>151,672</u>	<u>-</u>	<u>1,798,892</u>
29,980	-	-	29,980
303,132	2,883	-	317,990
160,529	10,212	-	195,470
31,158	4,603	8,986	52,241
990	160	-	3,022
<u>543,544</u>	<u>1,534,055</u>	<u>55,584</u>	<u>2,614,384</u>
1,069,333	1,551,913	64,570	3,213,087
173,280	21,156	-	229,074
<u>2,620,397</u>	<u>1,724,741</u>	<u>64,570</u>	<u>5,241,053</u>
11,282	7,068	16,115	153,934
(7,997)	(1,540)	-	(18,803)
61,618	21,772	12,939	321,909
<u>\$ 64,903</u>	<u>\$ 27,300</u>	<u>\$ 29,054</u>	<u>\$ 457,040</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Weatherization Assistance
September 30, 2007**

Schedule 5

	DOE-07-10K Fund 235	Utility Company Funds 225, 259, & 265
ASSETS		
Current Assets		
Cash	\$ -	\$ 14,040
Due from Other Funds	-	-
Miscellaneous Receivable	-	-
Grants Receivable	16,854	4,607
Total Current Assets	16,854	18,647
Total Assets	\$ 16,854	\$ 18,647
 LIABILITIES AND NET ASSETS		
Liabilities		
Due to Other Funds	\$ 16,854	\$ -
Accounts Payable	-	-
Total Liabilities	16,854	-
 Net Assets		
Temporarily Restricted	-	18,647
Total Net Assets	-	18,647
Total Liabilities and Net Assets	\$ 16,854	\$ 18,647

HEAP-07-10K Fund 271	Golden Eagle Fund 600	Weatherization Allocation Funds 204 & 207	Total (Memorandum Only)
\$ -	\$ 6,000	\$ 301,759	\$ 321,799
-	-	16,854	16,854
-	-	45	45
<u>21,878</u>	-	-	<u>43,339</u>
<u>21,878</u>	<u>6,000</u>	<u>318,658</u>	<u>382,037</u>
<u>\$ 21,878</u>	<u>\$ 6,000</u>	<u>\$ 318,658</u>	<u>\$ 382,037</u>
\$ 21,878	\$ -	\$ -	\$ 38,732
-	-	7,522	7,522
<u>21,878</u>	-	<u>7,522</u>	<u>46,254</u>
-	<u>6,000</u>	<u>311,136</u>	<u>335,783</u>
-	<u>6,000</u>	<u>311,136</u>	<u>335,783</u>
<u>\$ 21,878</u>	<u>\$ 6,000</u>	<u>\$ 318,658</u>	<u>\$ 382,037</u>

**Operation: New View Community Action Agency
Combining Schedule of Activities
Weatherization Assistance
Year Ended September 30, 2007**

Schedule 6

	DOE-07-10K Fund 235 4/1/2007 3/31/2008	Utility Company Funds 225, 259, & 265	AQU-07-10K Fund 264 1/1/2007 12/31/2007	HEAP-07-10K Fund 271 4/1/2007 3/31/2008
REVENUES				
Federal Funds	\$ 155,030	\$ -	\$ -	\$ 107,788
Other Revenue	-	82,761	120,856	-
Total Revenue	<u>155,030</u>	<u>82,761</u>	<u>120,856</u>	<u>107,788</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	-	-	-	-
Property and Equipment Costs	-	-	-	-
Other Costs	155,030	81,741	120,856	105,366
Total Non-Personnel Costs	<u>155,030</u>	<u>81,741</u>	<u>120,856</u>	<u>105,366</u>
Expenses Allocated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>155,030</u>	<u>81,741</u>	<u>120,856</u>	<u>105,366</u>
Excess of Revenues or (Expenditures)	-	1,020	-	2,422
Transfer of Net Assets	-	-	-	(2,422)
Beginning Temporarily Restricted Net Assets	<u>-</u>	<u>17,627</u>	<u>-</u>	<u>-</u>
Ending Temporarily Restricted Net Assets	<u>\$ -</u>	<u>\$ 18,647</u>	<u>\$ -</u>	<u>\$ -</u>

Weatherization Allocation Funds 204 & 207	DOE-06-10K Fund 220 4/1/2006 3/31/2007	AQU-06-10K Fund 254 1/1/2006 12/31/2006	Golden Eagle Fund 600	HEAP-06-10K Fund 270 4/1/2006 3/31/2007	Total (Memorandum Only)
\$ -	\$ 41,015	\$ -	\$ -	\$ 197,971	\$ 501,804
-	-	52	6,000	-	209,669
-	41,015	52	6,000	197,971	711,473
74,423	-	-	-	-	74,423
14,486	-	-	-	-	14,486
6,424	-	-	-	-	6,424
95,333	-	-	-	-	95,333
3,995	-	-	-	-	3,995
5,640	-	-	-	-	5,640
1,407	-	-	-	-	1,407
90	-	-	-	-	90
(222,441)	41,015	52	-	195,411	477,030
(211,309)	41,015	52	-	195,411	488,162
12,793	-	-	-	-	12,793
(103,183)	41,015	52	-	195,411	596,288
103,183	-	-	6,000	2,560	115,185
-	-	-	-	(2,560)	(4,982)
207,953	-	-	-	-	225,580
\$ 311,136	\$ -	\$ -	\$ 6,000	\$ -	\$ 335,783

Operation: New View Community Action Agency
Combining Schedule of Financial Position
Early Childhood Program
September 30, 2007

Schedule 7

	Head Start PA 22/26 Funds <u>533 & 534</u>	Shared Visions Funds <u>566 & 567</u>	Head Start Wrap Around Funds 501, 502, & 508	Crisis Childcare Funds 597, 598, & 599	In Kind Fund 530
ASSETS					
Current Assets					
Cash	\$ -	\$ 6,802	\$ -	\$ 2,771	\$ 5,150
Miscellaneous Receivable	368	-	-	-	-
Grants Receivable	99,179	-	74,697	-	-
Prepaid Expenses	-	-	-	-	-
Total Current Assets	<u>99,547</u>	<u>6,802</u>	<u>74,697</u>	<u>2,771</u>	<u>5,150</u>
Total Assets	<u>\$ 99,547</u>	<u>\$ 6,802</u>	<u>\$ 74,697</u>	<u>\$ 2,771</u>	<u>\$ 5,150</u>
LIABILITIES AND NET ASSETS					
Liabilities					
Due to Other Funds	\$ 31,037	\$ -	\$ 67,370	\$ -	\$ -
Accounts Payable	18,510	399	7,327	235	-
Accrued Payroll and Related Expenses	-	525	-	-	-
Total Liabilities	<u>49,547</u>	<u>924</u>	<u>74,697</u>	<u>235</u>	<u>-</u>
Net Assets					
Temporarily Restricted	<u>50,000</u>	<u>5,878</u>	<u>-</u>	<u>2,536</u>	<u>5,150</u>
Total Net Assets	<u>50,000</u>	<u>5,878</u>	<u>-</u>	<u>2,536</u>	<u>5,150</u>
Total Liabilities and Net Assets	<u>\$ 99,547</u>	<u>\$ 6,802</u>	<u>\$ 74,697</u>	<u>\$ 2,771</u>	<u>\$ 5,150</u>

<u>Equipment Fund 550</u>	<u>Child and Adult Care Food Program 28-8011 Funds 544 & 545</u>	<u>Food Program 28-8010 Fund 516</u>	<u>Parents As Teachers Fund 555</u>	<u>Total (Memorandum Only)</u>
\$ 807	\$ -	\$ 8,765	\$ 532	\$ 24,827
-	-	-	-	368
-	106,442	4,136	-	284,454
-	980	-	-	980
<u>807</u>	<u>107,422</u>	<u>12,901</u>	<u>532</u>	<u>310,629</u>
<u>\$ 807</u>	<u>\$ 107,422</u>	<u>\$ 12,901</u>	<u>\$ 532</u>	<u>\$ 310,629</u>
\$ -	\$ 82,228	\$ -	\$ -	\$ 180,635
-	25,194	12,901	-	64,566
-	-	-	-	525
<u>-</u>	<u>107,422</u>	<u>12,901</u>	<u>-</u>	<u>245,726</u>
807	-	-	532	64,903
<u>807</u>	<u>-</u>	<u>-</u>	<u>532</u>	<u>64,903</u>
<u>\$ 807</u>	<u>\$ 107,422</u>	<u>\$ 12,901</u>	<u>\$ 532</u>	<u>\$ 310,629</u>

**Operation: New View Community Action Agency
Combining Schedule of Activities
Early Childhood Program
Year Ended September 30, 2007**

Schedule 8

	Head Start PA 22/26 Fund for FY 2007 533 & 534	Head Start PA 22/26 Funds for FY 2006 525 & 526	Shared Visions Funds 566 and 567	Head Start Wrap Around Funds 501, 502, & 508
REVENUES				
Federal Funds	\$ 1,406,547	\$ 182,315	\$ -	\$ -
State Funds	-	-	55,418	35,701
Other Revenue	4,455	350	-	-
Non-Cash Match	-	-	-	-
Total Revenues	<u>1,411,002</u>	<u>182,665</u>	<u>55,418</u>	<u>35,701</u>
EXPENDITURES				
Personnel Costs:				
Salaries	814,187	88,884	31,366	23,761
Fringe Benefits	168,446	16,275	6,661	1,671
Payroll Taxes	71,382	7,797	2,456	2,119
Total Personnel Costs	<u>1,054,015</u>	<u>112,956</u>	<u>40,483</u>	<u>27,551</u>
Non-Personnel Costs:				
Consultant and Contract Services	25,569	4,076	-	-
Travel	13,183	6,831	300	13
Space Costs and Rentals	78,193	14,547	3,595	4,030
Consumable Supplies	14,794	9,466	1,559	522
Property and Equipment Costs	405	585	-	-
Other Costs	81,302	13,656	1,544	43
Total Non-Personnel Cost	213,446	49,161	6,998	4,608
Expenses Allocated	<u>142,292</u>	<u>13,800</u>	<u>4,601</u>	<u>3,542</u>
Total Expenditures	<u>1,409,753</u>	<u>175,917</u>	<u>52,082</u>	<u>35,701</u>
Excess of Revenues or (Expenditures)	1,249	6,748	3,336	-
Transfer of Net Assets	48,751	(56,748)	-	-
Beginning Temporarily Restricted Net Assets	-	50,000	2,542	-
Ending Temporarily Restricted Net Assets	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 5,878</u>	<u>\$ -</u>

Crisis Childcare Funds 597, 598, & 599	In Kind Fund 530	Equipment Fund 550	Child and Adult Care Food Program 28-8011 Funds 544 & 545	Food Program 28-8010 Fund 516	Parents As Teachers Fund 555	Total (Memorandum Only)
\$ -	\$ -	\$ -	\$ 407,408	\$ 114,760	\$ -	\$ 2,111,030
6,707	-	-	-	-	-	97,826
-	1,863	-	-	-	-	6,668
-	416,155	-	-	-	-	416,155
<u>6,707</u>	<u>418,018</u>	<u>-</u>	<u>407,408</u>	<u>114,760</u>	<u>-</u>	<u>2,631,679</u>
2,612	75,915	-	48,664	-	-	1,085,389
203	-	-	10,976	-	-	204,232
209	-	-	4,200	-	-	88,163
<u>3,024</u>	<u>75,915</u>	<u>-</u>	<u>63,840</u>	<u>-</u>	<u>-</u>	<u>1,377,784</u>
-	-	-	335	-	-	29,980
19	280,722	-	2,064	-	-	303,132
-	49,011	-	11,153	-	-	160,529
-	-	-	4,817	-	-	31,158
-	-	-	-	-	-	990
<u>4,079</u>	<u>11,583</u>	<u>-</u>	<u>316,577</u>	<u>114,760</u>	<u>-</u>	<u>543,544</u>
4,098	341,316	-	334,946	114,760	-	1,069,333
423	-	-	8,622	-	-	173,280
<u>7,545</u>	<u>417,231</u>	<u>-</u>	<u>407,408</u>	<u>114,760</u>	<u>-</u>	<u>2,620,397</u>
(838)	787	-	-	-	-	11,282
-	-	-	-	-	-	(7,997)
<u>3,374</u>	<u>4,363</u>	<u>807</u>	<u>-</u>	<u>-</u>	<u>532</u>	<u>61,618</u>
<u>\$ 2,536</u>	<u>\$ 5,150</u>	<u>\$ 807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532</u>	<u>\$ 64,903</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Low-Income Home Energy Assistance
September 30, 2007**

Schedule 9

ASSETS	Fuel Assistance Refund Fund 408	Project I-Care Fund 413	LIHEAP-07-10K Fund 406
	<u> </u>	<u> </u>	<u> </u>
Current Assets			
Cash	\$ 11,531	\$ 1,310	\$ 1,659
Due From Other Funds	-	-	-
Grant Receivable	-	-	3,327
Total Current Assets	<u>11,531</u>	<u>1,310</u>	<u>4,986</u>
Total Assets	<u>\$ 11,531</u>	<u>\$ 1,310</u>	<u>\$ 4,986</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Due To Other Funds	\$ -	\$ -	\$ -
Accounts Payable	11,531	100	2,432
Accrued Payroll and Related Expenses	-	-	2,554
Total Liabilities	<u>11,531</u>	<u>100</u>	<u>4,986</u>
Net Assets			
Temporarily Restricted	-	1,210	-
Total Net Assets	<u>-</u>	<u>1,210</u>	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 11,531</u>	<u>\$ 1,310</u>	<u>\$ 4,986</u>

Hometown Care Fund 429	Delaware County Recare Fund 415	Project Helper Fund 417	Total (Memorandum Only)
\$ 26,738	\$ 1,810	\$ -	\$ 43,048
14,200	-	-	14,200
-	-	-	3,327
<u>40,938</u>	<u>1,810</u>	<u>-</u>	<u>60,575</u>
<u>\$ 40,938</u>	<u>\$ 1,810</u>	<u>\$ -</u>	<u>\$ 60,575</u>
-	\$ -	\$ 14,200	\$ 14,200
1,808	-	650	16,521
-	-	-	2,554
<u>1,808</u>	<u>-</u>	<u>14,850</u>	<u>33,275</u>
39,130	1,810	(14,850)	27,300
<u>39,130</u>	<u>1,810</u>	<u>(14,850)</u>	<u>27,300</u>
<u>\$ 40,938</u>	<u>\$ 1,810</u>	<u>\$ -</u>	<u>\$ 60,575</u>

**Operation: New View Community Action Agency
Combining Schedule of Activities
Low-Income Home Energy Assistance
Year Ended September 30, 2007**

Schedule 10

	Project I-Care Fund 413	LIHEAP-07-10K 10/1/06 - 09/30/07 Fund 406	Delaware County Recare Fund 415
	<u>Fund 413</u>	<u>Fund 406</u>	<u>Fund 415</u>
REVENUES			
Federal Funds	\$ -	\$ 1,633,114	\$ -
Other Revenue	5,496	-	1,642
Total Revenue	<u>5,496</u>	<u>1,633,114</u>	<u>1,642</u>
EXPENDITURES			
Personnel Costs:			
Salaries	-	127,202	-
Fringe Benefits	-	13,645	-
Payroll Taxes	-	10,825	-
Total Personnel Costs	<u>-</u>	<u>151,672</u>	<u>-</u>
Non-Personnel Costs:			
Travel	-	2,883	-
Space Costs and Rentals	-	10,212	-
Consumable Supplies	-	4,603	-
Property and Equipment Costs	-	160	-
Other Costs	12,758	1,440,888	820
Total Non-Personnel Costs	<u>12,758</u>	<u>1,458,746</u>	<u>820</u>
Expenses Allocated	<u>-</u>	<u>21,156</u>	<u>-</u>
Total Expenditures	<u>12,758</u>	<u>1,631,574</u>	<u>820</u>
Excess of Revenues or (Expenditures)	(7,262)	1,540	822
Transfer of Net Assets	-	(1,540)	-
Beginning Net Assets	<u>8,472</u>	<u>-</u>	<u>988</u>
Ending Net Assets	<u>\$ 1,210</u>	<u>\$ -</u>	<u>\$ 1,810</u>

Hometown Care Fund 429	Project Helper Fund 417	Total (Memorandum Only)
\$ -	\$ -	\$ 1,633,114
70,905	20,652	98,695
<u>70,905</u>	<u>20,652</u>	<u>1,731,809</u>
-	-	127,202
-	-	13,645
-	-	10,825
<u>-</u>	<u>-</u>	<u>151,672</u>
-	-	2,883
-	-	10,212
-	-	4,603
-	-	160
31,775	47,814	1,534,055
<u>31,775</u>	<u>47,814</u>	<u>1,551,913</u>
-	-	21,156
<u>31,775</u>	<u>47,814</u>	<u>1,724,741</u>
39,130	(27,162)	7,068
-	-	(1,540)
-	12,312	21,772
<u>\$ 39,130</u>	<u>\$ (14,850)</u>	<u>\$ 27,300</u>

**Operation: New View Community Action Agency
Combining Schedule of Financial Position
Community Block Grant Funds
September 30, 2007**

Schedule 11

	Community Services Block Grants (Funds 022 & and 024)	Total (Memorandum Only)
ASSETS	<u> </u>	<u> </u>
Current Assets		
Cash	\$ 88,099	\$ 88,099
Total Current Assets	<u>88,099</u>	<u>88,099</u>
Total Assets	<u>\$ 88,099</u>	<u>\$ 88,099</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$ 1,648	\$ 1,648
Deferred Revenue	49,003	49,003
Accrued Payroll and Related Expenses	<u>37,448</u>	<u>37,448</u>
Total Liabilities	<u>88,099</u>	<u>88,099</u>
Net Assets		
Temporarily Restricted	<u>-</u>	<u>-</u>
Total Net Assets	<u>-</u>	<u>-</u>
Total Liabilities and Net Assets	<u>\$ 88,099</u>	<u>\$ 88,099</u>

**Operation: New View Community Action Agency
Combining Schedule of Activities
Community Block Grant Funds
Year Ended September 30, 2007**

Schedule 12

	<u>Community Services Block Grants (Funds 022 & and 024)</u>	<u>Total (Memorandum Only)</u>
REVENUES		
Federal Funds	\$ 238,566	\$ 238,566
Other Revenue	775	775
Total Revenue	<u>239,341</u>	<u>239,341</u>
EXPENDITURES		
Personnel Costs:		
Salaries	126,240	126,240
Fringe Benefits	37,008	37,008
Payroll Taxes	10,855	10,855
Total Personnel Costs	<u>174,103</u>	<u>174,103</u>
Non-Personnel Costs:		
Travel	7,980	7,980
Space Costs and Rentals	19,089	19,089
Consumable Supplies	6,087	6,087
Property and Equipment Costs	1,782	1,782
Other Costs	4,171	4,171
Total Non-Personnel Costs	<u>39,109</u>	<u>39,109</u>
Expenses Allocated	<u>21,845</u>	<u>21,845</u>
Total Expenditures	<u>235,057</u>	<u>235,057</u>
Excess of Revenues or (Expenditures)	4,284	4,284
Transfer of Net Assets	(4,284)	(4,284)
Beginning Temporarily Restricted Net Assets	<u>-</u>	<u>-</u>
Ending Temporarily Restricted Net Assets	<u>\$ -</u>	<u>\$ -</u>

Operation: New View Community Action Agency
Combining Schedule of Financial Position
Other Program Funds
September 30, 2007
Schedule 13

	Project Holiday Fund 026	Emergency Food and Shelter Funds 052, 056, 057, & 058	Hauptert Foundation Fund 035	Tax Credit Fund 036
ASSETS				
Current Assets				
Cash	\$ 6,904	\$ -	\$ 1,044	\$ 4,022
Total Current Assets	6,904	-	1,044	4,022
Total Assets	\$ 6,904	\$ -	\$ 1,044	\$ 4,022
 LIABILITIES AND NET ASSETS				
Liabilities				
Accounts Payable	\$ -	\$ 306	\$ -	\$ -
Due To Other Funds	-	2,316	-	-
Total Liabilities	-	2,622	-	-
Net Assets				
Temporarily Restricted	6,904	(2,622)	1,044	4,022
Total Net Assets	6,904	(2,622)	1,044	4,022
Total Liabilities and Net Assets	\$ 6,904	\$ -	\$ 1,044	\$ 4,022

Keep Our Neighbors Warm Fund 046	Special Nutrition Program Fund 029	BB &C Green Fund 045	Dubuque Racing Assoc. Fund 091	Total (Memorandum Only)
\$ 2,475	\$ 3,000	\$ 14,029	\$ 202	\$ 31,676
<u>2,475</u>	<u>3,000</u>	<u>14,029</u>	<u>202</u>	<u>31,676</u>
\$ <u>2,475</u>	\$ <u>3,000</u>	\$ <u>14,029</u>	\$ <u>202</u>	\$ <u>31,676</u>
\$ -	\$ -	\$ -	\$ -	\$ 306
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,316</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,622</u>
2,475	3,000	14,029	202	29,054
<u>2,475</u>	<u>3,000</u>	<u>14,029</u>	<u>202</u>	<u>29,054</u>
\$ <u>2,475</u>	\$ <u>3,000</u>	\$ <u>14,029</u>	\$ <u>202</u>	\$ <u>31,676</u>

**Operation: New View Community Action Agency
Combining Schedule of Activities
Other Program Funds
Year Ended September 30, 2007
Schedule 14**

	<u>Project Holiday Fund 026</u>	<u>Emergency Food & Shelter Agency Funds 052, 056, 057, & 058</u>	<u>City of Dubuque Key Card Program Fund 317</u>	<u>Hauptert Foundation Fund 035</u>
REVENUES				
Other Revenue	\$ 28,335	\$ 3,976	\$ -	\$ -
Total Revenue	<u>28,335</u>	<u>3,976</u>	<u>-</u>	<u>-</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 Rental	-	-	-	-
Consumable Supplies	-	-	55	-
Other Costs	25,506	8,934	-	-
Total Non-Personnel Costs	<u>25,506</u>	<u>8,934</u>	<u>55</u>	<u>-</u>
Expenses Allocated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>25,506</u>	<u>8,934</u>	<u>55</u>	<u>-</u>
Excess of Revenues or (Expenditures)	2,829	(4,958)	(55)	-
Transfer of Net Assets	-	-	-	-
Beginning Net Assets	4,075	2,336	55	1,044
Ending Net Assets	<u>\$ 6,904</u>	<u>\$ (2,622)</u>	<u>\$ -</u>	<u>\$ 1,044</u>

<u>Tax Credit Fund 036</u>	<u>BB & C Green Fund 045</u>	<u>Dubuque Racing Assoc. Fund 091</u>	<u>Keep Our Neighbors Warm Fund 046</u>	<u>Special Nutrition Program Fund 029</u>	<u>Embrace Iowa Fund 028</u>	<u>Total (Memorandum Only)</u>
\$ 4,206	\$ 20,000	\$ 9,043	\$ 5,681	\$ -	\$ 9,444	\$ 80,685
<u>4,206</u>	<u>20,000</u>	<u>9,043</u>	<u>5,681</u>	<u>-</u>	<u>9,444</u>	<u>80,685</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7	-	8,924	-	-	-	8,986
<u>3,052</u>	<u>5,969</u>	<u>-</u>	<u>2,679</u>	<u>-</u>	<u>9,444</u>	<u>55,584</u>
<u>3,059</u>	<u>5,969</u>	<u>8,924</u>	<u>2,679</u>	<u>-</u>	<u>9,444</u>	<u>64,570</u>
-	-	-	-	-	-	-
<u>3,059</u>	<u>5,969</u>	<u>8,924</u>	<u>2,679</u>	<u>-</u>	<u>9,444</u>	<u>64,570</u>
1,147	14,031	119	3,002	-	-	16,115
-	-	-	-	-	-	-
<u>2,875</u>	<u>(2)</u>	<u>83</u>	<u>(527)</u>	<u>3,000</u>	<u>-</u>	<u>12,939</u>
<u>\$ 4,022</u>	<u>\$ 14,029</u>	<u>\$ 202</u>	<u>\$ 2,475</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 29,054</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Weatherization Assistance Program
DOE-07-10K
For the Period April 1, 2007 through March 31, 2008
Schedule 15

	Approved Budget Unaudited	Actual through 9/30/2007
REVENUES		
Federal	\$ 155,030	\$ 155,030
 EXPENDITURES		
Administration	\$ 18,251	\$ 17,250
Health and Safety	27,356	27,775
Support	35,461	50,770
Labor	36,981	22,254
Materials	36,981	36,981
Total Expenditures	\$ 155,030	\$ 155,030

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Weatherization Assistance Program
DOE-06-10K
For the Period April 1, 2006 through March 31, 2007
Schedule 16

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
REVENUES		
Federal	\$ 182,625	\$ 182,625
 EXPENDITURES		
Administration	\$ 23,347	\$ 19,951
Health and Safety	31,856	31,304
Support	41,294	43,634
Labor	43,064	34,917
Materials	43,064	52,819
Total Expenditures	\$ 182,625	\$ 182,625

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
HEAP Weatherization HEAP 07-10K
For the Period April 1, 2007 through March 31, 2008
Schedule 17

	Approved Budget Unaudited	Actual through 9/30/2007
REVENUES		
Federal	\$ 207,619	\$ 107,788
EXPENDITURES		
Administration	\$ 11,014	\$ 10,025
Support Services	48,379	40,154
Labor	50,452	8,407
Health and Safety	37,321	31,756
Materials	50,453	15,024
Other	10,000	2,422
Total Expenditures	\$ 207,619	\$ 107,788

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
HEAP Weatherization HEAP 06-10K
For the Period April 1, 2006 through March 31, 2007
Schedule 18

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
REVENUES		
Federal	\$ <u>248,532</u>	\$ <u>241,092</u>
 EXPENDITURES		
Administration	\$ 13,060	\$ 12,643
Support Services	58,456	96,574
Labor	60,961	24,564
Health and Safety	45,094	73,069
Materials	60,961	31,682
Other	<u>10,000</u>	<u>2,560</u>
Total Expenditures	\$ <u>248,532</u>	\$ <u>241,092</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Low-Income Home Energy Assistance Program
LIHEAP-07-10K
For the Period October 1, 2006 through September 30, 2007
Schedule 19

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
LiHeap		
Administration	\$ 138,416	\$ 129,189
Energy Crisis Intervention Payments	96,056	95,719
Summer Deliverable Fuel Payments	89,914	89,914
Regular Assistance	<u>1,260,884</u>	<u>1,249,470</u>
Total	<u>1,585,270</u>	<u>1,564,292</u>
Affordable Heating Program		
Developmental Assessment and Resolution Program	26,000	26,000
AHA Assessment and Resolution	<u>42,822</u>	<u>42,822</u>
Total	<u>68,822</u>	<u>68,822</u>
Total LiHeap	<u>\$ 1,654,092</u>	<u>\$ 1,633,114</u>

**Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Head Start Program Grant No. 07CH003/34
For the Period November 1, 2006 through October 31, 2007**

Schedule 20

	Approved Budget Unaudited	Actual through 9/30/2007
REVENUES		
<i>Office of Human Development Services:</i>		
Amount Awarded This Budget Period	\$ 1,689,058	\$ 1,406,547
Reimbursements U.S. D. A. Funds	143,259	114,760
Reimbursements Grantee Contributions	419,569	416,155
Other Revenue	-	4,455
Total Revenues	<u>\$ 2,251,886</u>	<u>\$ 1,941,917</u>
EXPENDITURES		
Federal Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Personnel and Fringe Benefits	\$ 1,232,675	\$ 1,052,179
Travel	664	1,239
Equipment	-	-
Supplies	18,397	11,660
Contractual	116,184	87,647
Indirect Costs	177,767	142,044
Other Costs	118,989	103,246
Total	<u>1,664,676</u>	<u>1,398,015</u>
<i>Training and Technical Assistance T20</i>		
Personnel and Fringe Benefits	9,430	1,835
Travel	5,363	5,412
Supplies	1,000	243
Indirect Costs	1,330	248
Other Costs	7,259	5,249
Total	<u>24,382</u>	<u>12,987</u>
Total Federal Share	<u>1,689,058</u>	<u>1,411,002</u>
Reimbursements Applied:		
<i>Head Start, Full Year/Part Day</i>		
Other Costs	143,259	114,760
Grantee Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Volunteers	21,819	75,915
Space Costs	48,423	49,011
Travel	285,631	280,722
Other Resources	63,696	10,507
Total Grantee's Share	<u>419,569</u>	<u>416,155</u>
Total Expenditures	<u>\$ 2,251,886</u>	<u>\$ 1,941,917</u>

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Head Start Program Grant No. 07CH003/33
For the Period November 1, 2005 through October 31, 2006

Schedule 21

REVENUES	Approved Budget Unaudited	Actual
<i>Office of Human Development Services:</i>		
Amount Awarded This Budget Period	\$ 1,664,620	\$ 1,628,358
Reimbursements U.S. D. A. Funds	138,257	119,545
Reimbursements Grantee Contributions	416,155	404,941
Other Revenue	-	4,862
Total Revenues	\$ 2,219,032	\$ 2,157,706
EXPENDITURES		
Federal Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Personnel and Fringe Benefits	\$ 1,210,947	\$ 1,171,112
Travel	664	488
Equipment	-	6,748
Supplies	19,875	22,332
Contractual	111,759	109,241
Facilities / Construction	11,032	-
Indirect Costs	163,478	156,681
Other Costs	122,483	142,774
Total	1,640,238	1,609,376
<i>Training and Technical Assistance T20</i>		
Personnel and Fringe Benefits	9,430	2,992
Travel	5,363	11,259
Supplies	1,000	-
Indirect Costs	1,273	404
Other Costs	7,316	9,189
Total	24,382	23,844
Total Federal Share	1,664,620	1,633,220
Reimbursements Applied:		
<i>Head Start, Full Year/Part Day</i>		
Other Costs	138,257	119,545
Grantee Share:		
<i>Head Start, Full Year/Part Day and Handicapped</i>		
Volunteers	26,658	90,155
Space Costs	49,011	49,011
Travel	287,756	255,107
Other Resources	52,730	10,668
Total Grantee's Share	416,155	404,941
Total Expenditures	\$ 2,219,032	\$ 2,157,706

Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Community Service Block Grant
CSBG-07-10-CK
For the Period October 1, 2006 through September 30, 2007
Schedule 22

	Approved Budget Unaudited	Actual Through 9/30/2007
REVENUES		
Federal	\$ 265,447	\$ 91,918
EXPENDITURES		
Personnel Costs	198,740	60,912
Travel	6,300	5,570
Space Costs	15,607	7,667
Equipment Costs	5,681	1,223
Other Costs	12,450	6,342
Indirect Costs	26,669	10,204
Total Expenditures	\$ 265,447	\$ 91,918

**Operation: New View Community Action Agency
Schedule of Budget Compared to Actual Expenditures
Community Service Block Grant
CSBG-06-10-CK
For the Period October 1, 2005 through March 31, 2007**

Schedule 23

	<u>Approved Budget Unaudited</u>	<u>Actual</u>
<i>REVENUES</i>		
Federal	\$ 265,448	\$ 265,448
 <i>EXPENDITURES</i>		
Personnel Costs	197,553	198,879
Travel	6,300	6,913
Space Costs	15,608	16,000
Equipment Costs	5,681	5,359
Other Costs	12,450	11,448
Indirect Costs	27,856	26,849
Total Expenditures	\$ 265,448	\$ 265,448

**Operation: New View Community Action Agency
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2007**

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	93.600	07CH0003/34	\$ <u>1,588,862</u>
Passed through State			
Department of Human Rights:			
Community Services Block Grant	13.792	CSBG-07-10CK	\$ 91,918
	13.792	CSBG-06-10CK	146,648
Low Income Home Energy Assistance Program	93.568	LIHEAP-07-10K	1,633,114
HEAP Weatherization	93.568	HEAP-06-10K	197,971
	93.568	HEAP-07-10K	<u>107,788</u>
Total Passed through State Department of Human Rights			\$ <u>2,177,439</u>
Total Department of Health and Human Services			<u>\$ 3,766,301</u>
<i>II. Department of Energy</i>			
Direct Programs:			
None			
Passed Through State			
Department of Human Rights			
Weatherization Assistance for Low-Income Persons	81.042	DOE-06-10K	\$ 41,015
	81.042	DOE-07-10K	<u>155,030</u>
Total Department of Energy			<u>\$ 196,045</u>

(Continued)

**Operation: New View Community Action Agency
 Schedule of Expenditures of Federal Awards
 For the Year Ended September 30, 2007**

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>522,168</u>
Total Department of Agriculture			\$ <u><u>522,168</u></u>
Total Federal Financial Assistance			\$ <u><u>4,484,514</u></u>

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.



**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, 2007, and have issued our report thereon dated August 20, 2008. 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 as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of Operation: New View Community Action Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting. Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies and other deficiencies we consider to be material weaknesses.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency or combination of control deficiencies, that adversely affects the Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control. We consider the deficiencies in internal control described in Part II of the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we believe items II-A-07, II-B-07, and II-C-07 are 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.

Comments involving statutory and other legal matters about the Agency's operations for the year ended September 30, 2007 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Agency. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Operation: New View Community Action Agency's responses to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we expressed our conclusions on the Agency's responses, we did not audit the Agency's responses and, accordingly we express no opinion on them.

We noted certain matters that we reported to management of Operation: New View Community Action Agency in a separate letter dated August 20, 2008.

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.

HONKAMP KRUEGER & CO., P.C.



Dubuque, Iowa
August 20, 2008



**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, 2007. The Agency's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the 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, 2007.

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 grant agreements 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, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Operation: New View Community Action Agency's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the Agency's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be a significant deficiency and others that we consider to be a material weakness.

A control deficiency in the Agency's internal control over compliance exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency or combination of control deficiencies, that adversely affects the Agency's ability to administer a federal program such that there is more than a remote likelihood noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Agency's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item III-A-07 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Agency's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item III-A-07 to be a material weakness.

Operation: New View Community Action Agency's responses to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we expressed our conclusions on the Agency's responses, we did not audit the Agency's responses and, accordingly we express no opinion on them.

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.

HONKAMP KRUEGER & CO., P.C.

Honkamp Krueger & Co.

Dubuque, Iowa
August 20, 2008

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2007**

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

- a. An unqualified opinion was issued on the financial statements.
- b. Significant deficiencies in internal control over financial reporting were disclosed by the audit of the financial statements, including material weaknesses.
- c. The audit did not disclose any non-compliance which is material to the financial statements.
- d. A significant deficiency in internal control over major programs was disclosed by the audit of the financial statements, including a material weakness.
- 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 programs were as follows:
 - CFDA Number 81.042 – Weatherization Assistance for Low-Income Persons
 - CFDA Number 93.568 – Low-Income Home Energy Assistance
- 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, 2007**

Part II. Findings Related to the Financial Statements:

Instances of Non-Compliance:

No matters were reported.

Significant Deficiencies:

II-A-07

Bank Account Reconciliations – During the audit, we noted that while regular monthly bank account reconciliations were performed over the course of the year, the reconciliations showed unreconciled differences each month.

Recommendation – Controls over the bank reconciliation process should be strengthened to provide accurate monthly reports. All variances should be investigated and resolved in timely manner.

Response – A reconciliation will be performed monthly, with all variances reconciled to the general ledger monthly.

Conclusion – Response accepted.

II-B-07

Financial Reporting – During the audit, we identified material amounts of receivables not recorded in the Agency's financial statements. Audit adjustments were made to properly include these amounts in the financial statements.

Recommendation – The Agency should implement procedures to ensure all receivables are identified and included in the Agency's financial statements.

Response – We will implement procedures to include these amounts in future years.

Conclusion – Response accepted.

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2007**

Part II. Findings Related to the Financial Statements (Continued):

Significant Deficiencies (Continued):

II-C-07

Preparation of Financial Statements – The Agency does not have an internal system designed to provide for the preparation of the financial statements being audited. The financial statements are the responsibility of management and those charged with governance.

Recommendation – We recommend that the Agency utilize individuals with the requisite knowledge and skill to reconcile the general ledger accounts and supporting documents of the Agency to the draft financial statements prepared by the auditors.

Response – We will implement procedures of a thorough review of the draft financial statements prepared by the auditors to ensure accuracy and agreement of information with Agency records.

Conclusion – Response accepted.

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2007**

Part III. Findings and Questioned Costs for Federal Awards:

Instances of Non-Compliance:

No matters were reported.

Significant Deficiencies:

III-A-07

Financial Reporting – During the audit, we identified material amounts of receivables not recorded in the Agency’s financial statements. Audit adjustments were made to properly include these amounts in the financial statements.

Recommendation – The Agency should implement procedures to ensure all receivables are identified and included in the Agency’s financial statements.

Response – We will implement procedures to include these amounts in future years.

Conclusion – Response accepted.

**Operation: New View Community Action Agency
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended September 30, 2007**

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

No matters were reported.

**Operation: New View Community Action Agency
Corrective Action Plan for Federal Audit Findings
For the Year Ended September 30, 2007**

Finding III-A-07. Financial Reporting

Contact person responsible for corrective action: Ronald Wartick (563) 556-5130

Corrective Action

Response: The Agency concurs with the recommendations, and will implement procedures to record grant receivables upon completion of grant reports routinely submitted to the grantor agencies.

Date of Completion

Ongoing.



HONKAMP KRUEGER & CO, P.C.

CPAs & Business Consultants

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

We have audited the financial statements of the Operation: New View Community Action Agency (the "Agency") for the year ended September 30, 2007, and have issued our report thereon dated August 20, 2008. Professional standards require that we provide you with the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

As stated in our engagement letter dated September 25, 2007, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered 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.

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective our audit. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the Agency's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the Agency's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Agency's compliance with those requirements.

Review of Internal Control

In planning and performing our audit of the financial statements of Operation: New View Community Action Agency as of and for the year ended September 30, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all matters in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and other deficiencies that we consider to be material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects an Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control.

A material weakness is a control deficiency, or combination of control deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

Our consideration of internal control was for the limited purpose described in the above paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We identified the following deficiencies in internal control that we consider to be significant deficiencies, which we also believe are material weaknesses.

Bank Account Reconciliations – It was noted that while regular monthly bank reconciliations were performed over the course of the year, the reconciliations showed unreconciled differences each month. We recommend further procedures to be implemented to reconcile any differences prior to the next month's reconciliation.

The Agency should implement a policy of management review of the bank reconciliation process to ensure timely, accurate reconciliations.

Preparation of Financial Statements – The Agency does not have an internal system designed to provide for the preparation of the financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. It is the responsibility of management and those charged with

governance to make the decision whether to accept the degree of risk with this condition because of cost or other considerations.

Financial Reporting – At year-end, the Agency did not record material amounts of grant receivables on the trial balance prior to audit fieldwork. Audit adjustments were made to properly include the amounts in the financial statements. We recommend the Agency implement procedures to ensure all receivables are identified and included in the Agency's trial balance.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2007. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. There were no significant transactions that have been recognized in the financial statements in a different period other than when the transaction occurred.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the receivables is based on review of balances and history of collections. We evaluated the key factors and assumptions used to develop the estimate of receivables in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of long-term debt in Note 9 to the financial statements. Financial institutions tend to rely on such information when granting the Agency additional financing.

The disclosure of grant matching requirements in Note 4 to the financial statements. This disclosure may affect future grant requests.

Audit Adjustments

For the purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Agency's financial reporting process (that is, cause future financial statements to be materially misstated). In our judgment, none of the adjustments we proposed, whether recorded or unrecorded by the Agency, either individually or in the aggregate, indicate matters that could have a significant effect on the Agency's financial reporting process, except as noted below.

The following are descriptions of adjustments arising from the audit that could, in our judgment, have a significant effect on the Agency's financial reporting process.

- Adjustments were made to record receivables and deferred revenues under grant agreements in order to achieve a proper cutoff and matching of revenues and expenses as prescribed by the accrual basis of accounting.
- An adjustment was made to capitalize equipment purchases under grant agreements and record the annual depreciation on all capitalized equipment.

There were also several adjustments made that were not significant but were made to correct financial statement amounts. There were no proposed audit adjustments that were not made by management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 3, 2008.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principal to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing our audit.

Other Comments

We have included additional comments regarding the financial statements and operations. These comments are not a result of in-depth study of any specific areas but are based on observations made during the course of our audit. Our observations indicate that overall financial operations of the Agency continue to be conducted in an efficient and effective manner.

As always, we will be happy to discuss these or any other topics at your convenience. We would like to take this opportunity to express our appreciation to you and your staff for the fine cooperation that we received during the course of the audit. We look forward to many years of continued service to the Operation: New View Community Action Agency.

HONKAMP KRUEGER & CO., P.C.



Dubuque, Iowa
August 20, 2008

**Operation: New View Community Action Agency
Year Ended September 30, 2007**

Other Comments:

Risk-Based Auditing

The AICPA issued several professional standards in March 2006 which collectively form the Risk Assessment Group of Standards (RAS). These standards will become effective for your 2008 audit.

The above-mentioned standards will change the audit process going forward. The RAS require the auditor to do in-depth planning and documentation of internal controls before audit fieldwork begins. We will also be doing tests of your internal controls. A level of risk will be assessed to each material balance sheet class based on the strength of controls.

The result is that we will spend more time documenting controls in place to develop our audit procedures.