SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Leon, Iowa

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

October 31, 2009

(With Independent Auditor's Reports Thereon)

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Leon, Iowa

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SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Board of Directors and Officers

Officers

Dennis Ryan	Chairman of the Board
Jack Cooley	First Vice-Chairman
Dan Kozak	Second Vice-Chairman
Susan McCleary	Board Secretary
Marilyn Runnells	Treasurer

Board Members

County	Representing Private Sector	Representing Public Officials	Representing Low-Income
Clarke	April Cavitt	Jack Cooley	Sandra Adler
Decatur	Ted Smith	Gary Stripe	Bonnie Fairchild
Lucas	Marilyn Runnells	Dan Kozak	Ella McDermott
Monroe		Dennis Ryan	
Wayne	Sue Brock	Amy Sinclair	

Management

Jim Smith	Executive Director and Weatherization Director
Martha Palmer	Financial Director
Sandra Moeller	Financial Assistant
Nancy Schnurr	Head Start Director
Linda Clark	LIHEAP

MERIWETHER, WILSON AND COMPANY, P.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

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STEPHEN L. KOEHN, CPA
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
South Central Iowa Community Action Program, Inc.
Leon, Iowa

We have audited the accompanying Statement of Financial Position of South Central Iowa Community Action Program, Inc. (a nonprofit organization) as of October 31, 2009, and the related Statements of Activities and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2008 financial statements and, in our report dated March 4, 2009 we expressed an unqualified opinion on those financial statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of South Central Iowa Community Action Program, Inc. as of October 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated March 18, 2010, on our consideration of South Central Iowa Community Action Program, 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 conducted for the purpose of forming an opinion on the basic financial statements of South Central Iowa Community Action Program, Inc. taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. The combining statement of activities and additional supporting schedules that follow are presented for purposes of further analysis and are not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

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

March 18, 2010
West Des Moines, Iowa

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Statement of Financial Position

October 31, 2009
(With Summarized Financial Information for October 31, 2008)

	2009			
	Current Funds	Property and Equipment Funds	Total All Funds	2008 Total All Funds
Assets				
Current Assets				
Cash and Cash Equivalents	$ 79,892	--	79,892	140,333
Certificates of Deposit	428,392	--	428,392	410,118
Marketable Securities	21,635	--	21,635	16,407
Receivables				
Awards, Grants, and Contracts	439,702	--	439,702	338,709
Note Receivable - Current Portion	15,000	--	15,000	15,000
Other	7,805	--	7,805	1,395
Prepaid Expenses	1,254	--	1,254	--
Work in Process	26,746	--	26,746	20,767
Inventories	2,925	--	2,925	4,064
Total Current Assets	1,023,351	--	1,023,351	946,793
Property and Equipment, at Cost				
Land	--	23,802	23,802	23,802
Buildings	--	464,324	464,324	464,324
Vehicles	--	399,819	399,819	399,819
Equipment	--	472,494	472,494	460,106
	--	1,360,439	1,360,439	1,348,051
Accumulated Depreciation	--	(1,084,823)	(1,084,823)	(1,034,825)
Net Property and Equipment	--	275,616	275,616	313,226
Other Assets				
Note Receivable - Non-Current Portion	8,750	--	8,750	23,750
Total Other Assets	8,750	--	8,750	23,750
Total Assets	$ 1,032,101	275,616	1,307,717	1,283,769
Liabilities and Net Assets				
Current Liabilities				
Owed to Grantor Agencies	$ 3,196	--	3,196	11,841
Accounts Payable	181,836	--	181,836	106,674
Accrued Annual Leave	34,498	--	34,498	28,709
Other Accrued Expenses	76,661	--	76,661	123,908
Deferred Revenue	63,600	--	63,600	29,351
Total Current Liabilities	359,791	--	359,791	300,483
Net Assets				
Unrestricted				
Invested in Property and Equipment	--	275,616	275,616	313,226
Designated for Programs	215,502	--	215,502	208,024
Undesignated	456,808	--	456,808	462,036
Total Net Assets	672,310	275,616	947,926	983,286
Total Liabilities and Net Assets	$ 1,032,101	275,616	1,307,717	1,283,769

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

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Statement of Activities

Year Ended October 31, 2009
(With Summarized Financial Information for the Year Ended October 31, 2008)

	2009 Unrestricted			
	Current	Property and Equipment	Total	2008 Total
Support and Revenue				
Grants and Contract Revenue	$ 5,262,128	--	5,262,128	4,520,475
Program Income and Public Support	60,674	--	60,674	51,745
Investment Income	18,204	--	18,204	17,646
Unrealized Gain (Loss) on Marketable Securities	5,227	--	5,227	(42,060)
Other Income	29,398	--	29,398	49,526
In Kind Support	468,738	--	468,738	462,608
Total Support and Revenue	5,844,369	--	5,844,369	5,059,940
Expenses				
Head Start Programs	2,164,559	--	2,164,559	2,179,589
Child and Adult Care Food Program	235,159	--	235,159	180,618
Child Development Grants	119,897	--	119,897	149,890
Wrap-Around Child Care Grant	77,580	--	77,580	130,126
Empowerment Area Grants	42,332	--	42,332	175,921
Community Services Block Grants	176,829	--	176,829	199,776
Low Income Home Energy Assistance Program	1,971,322	--	1,971,322	1,187,691
Family Development and Self-Sufficiency	144,293	--	144,293	148,139
Child Care Resource and Referral	139,786	--	139,786	134,342
Housing Preservation Grant	56,049	--	56,049	54,486
Weatherization Assistance Programs	439,538	--	439,538	211,678
Emergency Food and Shelter Program	26,502	--	26,502	12,114
Embrace Iowa	11,556	--	11,556	--
Parents as Teachers	119,142	--	119,142	98,702
Crisis Child Care	5,906	--	5,906	19,531
Other Grant Programs	6,551	--	6,551	--
Local Programs	92,731	--	92,731	266,681
Depreciation	--	49,997	49,997	68,482
Total Expenses	5,829,732	49,997	5,879,729	5,217,766
Excess (Deficit) of Support and Revenue to Expenses	14,637	(49,997)	(35,360)	(157,826)
Net Capital Additions - Awards Received for Capital Expenditures	(12,387)	12,387	--	--
Net Assets - Beginning of Year	670,060	313,226	983,286	1,141,112
Net Assets - End of Year	$ 672,310	275,616	947,926	983,286

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

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Statement of Cash Flows

Year Ended October 31, 2009
(With Summarized Financial Information for the Year Ended October 31, 2008)

	Total All Funds	
	2009	2008
Cash Flows from Operating Activities		
Deficit of Support and Revenue over Expenses	$ (35,360)	(157,826)
Noncash Items Included in Expenses		
Unrealized (Gain) Loss on Marketable Securities	(5,227)	42,060
Depreciation	49,997	68,482
Gain on Sale of Property and Equipment	--	(6,255)
(Increase) Decrease in		
Receivables	(92,404)	(37,201)
Prepaid Expenses	(1,254)	2,295
Work in Process	(5,979)	19,456
Inventories	1,139	(87)
Increase (Decrease) in		
Owed to Grantor Agencies	(8,645)	(21,619)
Accounts Payable	75,162	23,436
Accrued Annual Leave	5,789	(10,097)
Other Accrued Expenses	(47,247)	(1,716)
Deferred Revenue	34,249	2,152
Net Cash Flows from Operating Activities	(29,780)	(76,920)
Cash Flows from Investing Activities		
Increase in Certificates of Deposit	(18,274)	(3,454)
Proceeds from the Sale of Property and Equipment	--	12,941
Property and Equipment Acquisitions	(12,387)	(22,365)
Net Cash Flows from Investing Activities	(30,661)	(12,878)
Net Decrease in Cash and Cash Equivalents	(60,441)	(89,798)
Cash and Cash Equivalents - Beginning of Year	140,333	230,131
Cash and Cash Equivalents - End of Year	$ 79,892	140,333

Supplemental Cash Flow Disclosures

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

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Notes to Financial Statements

October 31, 2009

1. Nature of Activities

Reporting Entity

South Central Iowa Community Action Program, Inc. (the Grantee) administers programs funded by federal, state, and local agencies. These programs are operated for the benefit of eligible participants using the guidelines of the funding agencies.

This report includes financial statements of all the programs, by funding source, as well as general funds which are administered by the Grantee.

South Central Iowa Community Action Program, Inc. is an Iowa not-for-profit corporation and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is not considered a private foundation for income tax reporting purposes.

2. Summary of Significant Accounting Policies

Standards of Accounting and Financial Reporting

The accompanying financial statements have been prepared in accordance with guidelines established for nonprofit organizations by the American Institute of Certified Public Accountants. The following describes the significant accounting policies.

Financial Statement Presentation and Contributions

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

Revenues from grant awards or contract reimbursements are considered unrestricted since the revenue is earned as allowable program expenses are incurred.

Revenue Recognition

Revenue from awards or grants is recognized when reimbursable expenses are incurred in conducting program activities.

Program service revenues are generally recorded when earned.

Donations and public support are generally recognized when an unconditional pledge is received, except for small donations, which are recorded when received.

In Kind Donations

Supplies and services received as donations to programs are recorded at their fair market value at the time they are received. Certain programs require a local match and these in kind donations are recorded to reflect compliance with these conditions. The following programs received contributed supplies and services: Head Start, Early Head Start, Child Care Resource and Referral, and Child Development.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with maturities of three months or less to be cash and cash equivalents.

Marketable Securities

The Organization's investments in marketable equity securities are held for an indefinite period and thus are classified as available for sale. Available-for-sale securities are recorded at fair value with the change in fair value during the fiscal period included in revenue as unrealized gain (loss) on marketable securities. The cost of securities is determined using the specific identification method.

Receivables

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

Deferred Revenue

Deferred revenue primarily represents funds received under grant awards or contracts for which program expenses have not yet been incurred.

Weatherization Work in Process

Weatherization projects are comprised of homes being weatherized and not yet completed at the year-end date. Materials and labor on these projects are recorded at cost and will be charged to the program grants upon completion.

Inventories

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of building materials and related supplies used in the weatherization of homes.

Property and Equipment

Use of unrestricted funds for property and equipment acquisitions is accounted for as transfers to the property and equipment fund. Proceeds from the sale of property and equipment assets, if unrestricted, are transferred to unrestricted net assets, or, if restricted, to restricted or temporarily restricted net assets for use as directed by the associated grant program.

Property and equipment are recorded at cost when purchased or at their fair value when contributed. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

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

Advertising and Promotion Activities

Advertising and promotion costs are expensed as incurred on the Statement of Activities and Changes in Net Assets.

Concentration of Credit Risks

South Central Iowa Community Action Program, Inc. received approximately 98% of its support and revenue from governmental grants. A significant reduction in the level of government participation would have a major effect on Organization's program activities.

The Organization maintains its cash balances at three banks and one credit union. These accounts are insured up to $250,000 at each financial institution. Cash in these accounts at times exceeds $250,000. The Organization had excess deposits subject to credit risk in the amount of $34,427 at October 31, 2009. However, the bank has pledged securities it was holding as collateral for this excess amount.

Allocation of Expenses

The Organization allocates indirect expenses and joint program direct expenses individually to programs at the time of recording based on the estimated benefits to the programs of the cost incurred.

Fair Value of Financial Instruments

Effective November 1, 2008, the Organization adopted the provisions of FASB Accounting Standards Codification 820-10, *Fair Value Measurements and Disclosures*, for financial assets and liabilities. FASB ASC 820-10 establishes a framework for measuring fair value and requires enhanced disclosures about assets and liabilities carried at fair value.

As defined in FASB ASC 820-10, fair value is the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. FASB ASC 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair value into three broad levels as follows:

Level 1 – Quoted prices (unadjusted) are available in active markets for identical assets or liabilities as of the reporting date.

Level 2 – Pricing inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3 – Significant inputs to pricing have little or no observability as of the reporting date. The types of assets or liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation, such as complex and subjective models and forecasts used to determine fair value.

As required by FASB ASC 820-10, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Organization's assessment of significance to a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments.

Available-for-sale securities and cash equivalents are measured at fair value based on quoted prices in active markets and as such are categorized as Level 1.

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Prior Year Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended October 31, 2008, from which the summarized information was derived. Certain reclassifications to the 2008 comparative totals have been made to conform to the 2009 presentation.

3. **Principal Programs**

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

Head Start

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

Community Services Block Grant

This grant is funded by the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. The grant provides funding for the administration of human service programs or provides direct support to individual programs which require co-funding to complete their activities.

Weatherization Assistance Programs

Weatherization Assistance programs are funded by both the U.S. Department of Health and Human Services and the U.S. Department of Energy through the Iowa Department of Human Rights. The programs provide resources to use in weatherizing homes of qualifying low-income households.

Low Income Home Energy Assistance Program (LIHEAP)

LIHEAP is funded by the U.S. Department of Energy through the Iowa Department of Human Rights. The program is established to aid low-income families and individuals in paying their household heating costs.

Child Development Grant

Child Development Grant is funded by the Iowa Department of Education under an annual grant. The program provides child development services for three to four year old children who are determined to be at risk.

Child and Adult Care Food Program (CACFP)

CACFP is funded by the U.S. Department of Agriculture through the Iowa Department of Education. The program provides assistance for food and nutritional needs of low income families' children enrolled in head start centers and family day care homes.

Family Development and Self-Sufficiency Program (FaDSS)

FaDSS is funded by the U.S. Department of Health and Human Services and the Iowa Department of Human Rights. The program provides development and self-sufficiency services to families enrolled in the state's Family Investment Program and are determined to be at risk of long-term welfare dependency.

Local Programs

The funding for local programs is provided by fees charged, local revenue sharing, donations, and interest. These funds are used to supplement the administration of the Organization and its various programs.

4. **Certificates of Deposit**

South Central Iowa Community Action Program, Inc. held the following certificates of deposit at October 31, 2009:

	Interest Rate	Fair Value	Maturity Date
SCICAP Credit Union	2.00%	$ 102,121	1/13/2010
Great Western Bank	1.95%	104,095	3/12/2010
Peoples State Bank	3.00%	107,887	3/10/2010
First Iowa State Bank	1.15%	114,289	3/10/2010
		$ 428,392	

5. **Fair Value of Financial Instruments**

The Organization's assets and liabilities that are measured at fair value on a recurring basis as of October 31, 2009 are presented below based on the fair value hierarchy levels:

	Total	Quoted Price in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Available for Sale Securities	$ --	21,635	--	--

6. **Receivables**

Awards, grants, or contract funds receivable at October 31, 2009, are summarized as follows:

Head Start & Early Head Start	$ 152,756
Family Development and Self Sufficiency	22,767
Child and Adult Care Food Program	20,960
Wrap Around Child Care	8,661
Resource and Referral	29,114
Empowerment Area Grants	36,840
Community Services Block Grant	36,990
Housing Preservation	46,147
Low Income Energy Assistance Program	14,861
Weatherization Assitance Programs	66,141
Local Programs and Other	4,465
	$ 439,702

7. **Inventories**

The Organization has entered into a contract which provides funding for weatherization materials inventory. This funding in the amount of $15,280 is treated as a program designated fund balance and is used to provide materials for the various ongoing weatherization programs.

As of October 31, 2009, the inventory totaled $2,925.

8. **Property and Equipment**

Property and equipment are summarized as follows at October 31, 2009:

		Depreciation		
	Cost	Current Period	Accumulated	Undepreciated Cost
Head Start Program - Land	$ 23,802	--	--	23,802
Head Start Program	751,201	25,633	667,087	84,114
Early Head Start	331,635	14,795	197,633	134,002
Resource and Referral	8,267	879	6,491	1,776
Weatherization Programs	42,211	2,324	41,073	1,138
CACFP	1,889	11	1,889	--
Low Income Home Energy Assistance Progran	18,544	--	18,544	--
Child Development Grants	4,650	--	4,650	--
FaDSS	33,551	527	32,029	1,522
Parents as Teachers	5,743	113	5,743	--
ARRA	12,387	1,239	1,239	11,148
Local Programs	126,559	4,476	108,445	18,114
	$ 1,360,439	49,997	1,084,823	275,616

The Organization's equipment acquired primarily under various grants with federal, state, or local governmental entities may revert back to these funding sources in the event these programs terminate or the use of the property changes from its original purpose.

9. **Rent and Leases**

The Organization leases facilities for outreach centers and head start centers under operating leases on an annual basis. Management expects that in most cases, these leases will be renewed or replaced by other leases in the normal course of business.

Total rent expense for the year ended October 31, 2009, was $43,584.

10. **Salary Reduction Plan**

The Organization sponsors a salary reduction plan for all eligible employees under Section 403(B) of the Internal Revenue Code. The maximum contributed on behalf of each employee is 4% of gross wages provided that the employee contributes 4% of gross wages. The maximum amount that any employee may contribute is 15% of gross wages. The total contributed by the Organization for the year ended October 31, 2009, amounted to $798. During the fiscal year ended October 31, 2009 the Organization discontinued participation in this plan.

11. **Iowa Public Employees Retirement System**

The Organization contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information.

Plan members are required to contribute 4.30% (4.10% through June 2009) of their annual covered salary and the Organization is required to contribute 6.65% (6.35% through June 2009) of annual covered payroll. Contribution requirements are established by state statute. The Organization's contribution to IPERS for the year ended October 31, 2009, was $114,860 equal to the required contribution for the year. Employees are allowed to participate in only one of the two available retirement plans.

12. **Subsequent Events**

The Organization has evaluated events and transactions occurring after October 31, 2009 for potential items required to be recognized or disclosed in the financial statements. Subsequent events were evaluated through March XX, 2010, the date the financial statements were issued.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
South Central Iowa Community Action Program, Inc.
Leon, Iowa

We have audited the financial statements of South Central Iowa Community Action Program, Inc. (a nonprofit organization) as of and for the year ended October 31, 2009, and have issued our report thereon dated March 18, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered South Central Iowa Community Action Program, Inc.'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 an opinion on the effectiveness of South Central Iowa Community Action Program, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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 the organization'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 organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant 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 organization'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 internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Page Two

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Compliance and Other Matters

As part of obtaining reasonable assurance about whether South Central Iowa Community Action Program, 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.

We noted certain matters that we reported to management of South Central Iowa Community Action Program, Inc. in a separate letter dated March 18, 2010.

This report is intended solely for the information and use of the Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

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

March 18, 2010
West Des Moines, Iowa

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

Board of Directors
South Central Iowa Community Action Program, Inc.
Leon, Iowa

Compliance

We have audited the compliance of South Central Iowa Community Action Program, 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 October 31, 2009. South Central Iowa Community Action Program, 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 program is the responsibility of South Central Iowa Community Action Program, Inc.'s management. Our responsibility is to express an opinion on South Central Iowa Community Action Program, Inc.'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 Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the compliance of South Central Iowa Community Action Program, Inc.'s 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 of South Central Iowa Community Action Program, Inc.'s compliance with those requirements.

In our opinion, South Central Iowa Community Action Program, 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 October 31, 2009.

Internal Control over Compliance

The management of South Central Iowa Community Action Program, 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 South Central Iowa Community Action Program, 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of South Central Iowa Community Action Program, Inc.'s internal control over compliance.

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

A control deficiency in an organization's internal control over compliance 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 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 organization's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program, will not be prevented or detected by the organization's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

We noted certain matters that we reported to management of South Central Iowa Community Action Program, Inc. in a separate letter dated March 18, 2010.

This report is intended solely for the information of the Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified entities.

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

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

March 18, 2010
West Des Moines, Iowa

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Findings and Questioned Costs

Year Ended October 31, 2009

Summary of Auditor's Results

1. We have issued an unqualified opinion in our report on the financial statements of South Central Iowa Community Action Program, Inc. as of and for the year ended October 31, 2009.

2. No significant deficiencies relating to the audit of the financial statements are reported in the auditor's report on internal control over financial reporting and on compliance and other matters.

3. No instances of noncompliance material to the financial statements of South Central Iowa Community Action Program, Inc. were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs are reported in the auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

5. The auditor's report on compliance for the major federal award programs for South Central Iowa Community Action Program, Inc. expresses an unqualified opinion on all major federal programs.

6. The results of our audit disclosed no audit findings which we are required to report under section 510(a) of OMB Circular A-133.

7. The dollar threshold used to distinguish between Type A and Type B programs was $300,000.

8. South Central Iowa Community Action Program, Inc. received major federal awards as defined by OMB A-133 during the year ended October 31, 2009. The following were audited as major programs:

Federal Grant	CFDA Number	Expenditures	
Head Start	93.600	$ 1,692,281	
ARRA - Head Start	93.708	36,579	
Total Head Start Cluster			$ 1,728,860
Low Income Home Energy Assistance Program	93.568		2,075,778
Weatherization Assistance for Low-Income Persons	81.042	181,217	
ARRA - Weatherization Assistance for Low-Income Persons	81.042	27,698	208,915
			$ 4,013,553

9. South Central Iowa Community Action Program, Inc. did not qualify as a low-risk auditee.

Findings Related to the Financial Statements

None

Findings and Questioned Costs Related to Federal Awards

None

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Summary Schedule of Prior Audit Findings

Year Ended October 31, 2009

Prior Audit Finding:

Findings Related to the Financial Statements

No. 2008-1: One objective of internal control is the preparation of reliable financial statements that are fairly presented in conformity with generally accepted accounting principles. Those responsible for the accounting and reporting function within the Organization do not have the specific education and continuing training necessary to apply generally accepted accounting principles in recording the entity's financial activity and preparing its financial statements, including required disclosures. The effect of this condition is that the entity's internal control might not prevent or detect a material misstatement of the financial statements.

Status of Finding

South Central Iowa Community Action Program, Inc. has retained a competent consultant to help close the books and records, review financial statements prepared in conformity with accounting principles generally accepted in the United States, and provide other services as needed.

There is no similar finding in the current year audit.

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Grant or Award Number
U.S. Department of Health and Human Services	
Direct Programs	
Head Start and Early Head Start Program	07CH6086/43
ARRA - Head Start and Early Head Start	07SE6086/01
Total CFDA Cluster #93.600 and #93.708	
Passed Through Iowa Department of Human Rights	
ARRA - Community Services Block Grant	CSBG R9-13
Community Services Block Grant	CSBG 10-13
Community Services Block Grant	CSBG 09-13-CM
Total CFDA Cluster #93.569 and #93.710	
Low Income Home Energy Assistance Program	LIHEAP 10-13-M
Low Income Home Energy Assistance Program	LIHEAP 09-13-M
HEAP Weatherization Assistance Program	HEAP 09-13M
HEAP Weatherization Assistance Program	HEAP 08-13M
Total CFDA #93.568	
Family Development and Self-Sufficiency	FaDSS-10-13-FM
Family Development and Self-Sufficiency	FaDSS-09-13-FM
Passed Through State of Iowa Department of Human Services	
DECAT Crisis	DCAT-07-010
Passed Through A.D.L.M. Empowerment Area	
Home Consultant	09-16-EC
Home Consultant	10-16-EC
Passed Through Wayne County Empowerment	
Home Consultant	
Home Consultant	
Total CFDA #93.558	
Wraparound Child Care	CFS-CC-08113
Wraparound Child Care	CFS-CC-08114
Wraparound Child Care	CFS-CC-08115
Wraparound Child Care	CFS-CC-08113
Wraparound Child Care	CFS-CC-08114
Wraparound Child Care	CFS-CC-08115
Passed Through West Central Community Action	
Child Care Resource and Referral Contract	10-SCICAP
Child Care Resource and Referral Contract	09-SCICAP
Total CFDA Cluster #93.575 and #93.596	
U.S. Department of Agriculture	
Direct Program	
Housing Preservation Grant	
Housing Preservation Grant	
Total CFDA #10.433	

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2009

Federal CFDA Number	Grant Period From	Grant Period To	Program or Award Amount		Federal Expenses
93.600	11/01/08	10/31/09	$ 2,157,769		$ 1,692,281 *
93.708	06/01/09	09/30/10	135,809		36,579 *
					1,728,860
93.710	04/10/09	09/30/10	214,285		19,541
93.569	10/01/09	12/31/10	160,000		2,489
93.569	10/01/08	12/31/09	160,000		158,024
					180,054
93.568	10/01/09	09/30/10	1,467,818		21,513 *
93.568	10/01/08	09/30/09	1,972,158		1,950,996 *
93.568	01/01/09	12/31/09	228,561		83,723 *
93.568	01/01/08	12/31/08	176,165		19,546 *
					2,075,778
93.558	07/01/09	06/30/10	152,450	53% Federal	12,401
93.558	07/01/08	06/30/09	154,283	53% Federal	66,906
93.558	07/01/08	06/30/09	11,000		5,581
93.558	07/01/08	06/30/09	20,885		11,927
93.558	07/01/09	06/30/10	16,097		4,397
93.558	07/01/08	06/30/09	5,925		4,193
93.558	07/01/09	06/30/10	5,201		467
					105,872
93.575	09/01/08	08/31/09	30,720		27,340
93.575	09/01/08	08/31/09	21,500		15,947
93.575	09/01/08	08/31/09	33,125		25,632
93.575	09/01/09	08/31/10	24,000		1,263
93.575	09/01/09	08/31/10	18,000		2,696
93.575	09/01/09	08/31/10	27,000		4,702
93.596	07/01/09	06/30/10	111,513		33,341
93.596	07/01/08	06/30/09	111,513		76,984
					187,905
10.433	10/01/09	10/31/11	56,812		1,424
10.433	10/01/07	10/31/09	57,078		54,625
					56,049

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2009

Federal Grantor/ Pass-Through Grantor/ Program Title	Grant or Award Number
U.S. Department of Agriculture - Continued	
Passed Through Iowa Department of Human Services	
Child and Adult Care Food Program - Centers	27-8010
Child and Adult Care Food Program - Homes	27-8012
Child and Adult Care Food Program - Homes	27-8012
Total CFDA #10.558	
U.S. Department of Energy	
Passed Through Iowa Department of Human Rights	
DOE Weatherization Assistance Program	DOE-09-13M
DOE Weatherization Assistance Program	DOE-08-13M
ARRA - DOE Weatherization Assistance Program	DOE-ARRA-09-13M
Total CFDA #81.042	
Department of Homeland Security	
Emergency Food and Shelter National Board Program	27-2886-00
Emergency Food and Shelter National Board Program	27-2900-00
Emergency Food and Shelter National Board Program	27-2970-00
Emergency Food and Shelter National Board Program	27-2988-00
Emergency Food and Shelter National Board Program	27-3044-00
ARRA - Emergency Food and Shelter National Board Program	Various
Total CFDA Cluster #97.024 and #97.114	
U.S. Department of Housing and Urban Development	
Passed Through Iowa Finance Authority	
ARRA - Homeless Prevention and Rapid Re-Housing Program	S09-DY-19-0001
Total Federal Awards	

* Denotes a Major Program

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2009

Federal CFDA Number	Grant Period From	Grant Period To	Program or Award Amount	Federal Expenses
10.558	11/01/08	10/31/09	N/A	63,716
10.558	10/01/08	09/30/09	N/A	12,666
10.558	10/01/08	09/30/09	N/A	161,150
				237,532
81.042	04/01/09	03/31/10	137,340	137,340 *
81.042	04/01/08	03/31/09	107,251	43,877 *
81.042	04/01/09	03/31/12	758,942	27,698 *
				208,915
97.024	11/01/08	10/31/09	3,289	3,289
97.024	11/01/08	10/31/09	4,132	4,132
97.024	10/01/08	09/30/09	4,339	4,335
97.024	10/01/08	09/30/09	3,165	3,165
97.024	11/01/08	11/30/09	2,753	2,253
97.114	10/01/08	12/31/09	12,734	9,328
				26,502
14.257	07/14/09	07/13/12	994,690	410
				$ 4,807,877

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Notes to Schedule of Expenditures of Federal Awards

Year Ended October 31, 2009

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

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets

Year Ended October 31, 2009

	Total	Eliminations	Administrative and Indirect	Property and Equipment	Local Programs
Revenue					
Grants and Contracts	$ 5,262,128	--	--	--	--
Program Income and Public Support	60,674	--	--	--	60,674
Rental Income	--	(22,472)	22,472	--	--
Investment Income	23,431	--	--	--	23,431
Other Income	29,398	--	--	--	29,922
In-Kind	468,738	--	--	--	--
Interagency Transfers	--	(445,006)	269,291	--	--
Total Revenue	5,844,369	(467,478)	291,763	--	114,027
Expenses					
Salaries and Fringe Benefits	2,151,949	--	215,028	--	12,455
Indirect and Administrative Costs	8,818	(269,291)	--	--	--
Direct Client Assistance	2,284,349	--	--	--	--
Program Expense	246,245	(109,580)	--	--	51,178
Supplies and Materials	42,178	--	3,366	--	240
Printing and Publication	16,972	--	1,587	--	--
Postage and Shipping	11,096	--	1,379	--	--
Contractual	202,936	--	32,073	--	--
Insurance	37,465	--	(1,355)	--	--
Telephone and Communications	37,649	--	2,741	--	--
Space	83,472	(22,472)	13,659	--	--
Equipment Maintenance and Rental	59,708	--	13,613	--	9,813
Dues and Subscriptions	8,819	--	746	--	2,695
Equipment	14,676	--	--	(12,387)	--
Conferences and Meetings	7,214	--	--	--	--
Training and Staff Development	56,407	--	3,045	--	--
Travel	77,757	--	5,881	--	--
Depreciation	49,997	--	--	49,997	--
Other Expenses	13,284	--	--	--	8,878
In-Kind	468,738	--	--	--	--
Interagency Transfers	--	(66,135)	--	--	--
Total Expenses	5,879,729	(467,478)	291,763	37,610	85,259
Increase (Decrease) in Net Assets	(35,360)	--	--	(37,610)	28,768
Net Assets at Beginning of Year	983,286	--	--	313,226	643,542
Transfers	--	--	--	--	--
Net Assets at End of Year	$ 947,926	--	--	275,616	672,310

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets

Year Ended October 31, 2009

Total Program Activity	2009 Head Start / Early Head Start	2010 Head Start /EHS ARRA	2009 CACFP Centers	2009 CACFP Homes	2010 CACFP Homes	2008 Head Start Collaboration	2009 Head Start Collaboration	2010 Head Start Collaboration
5,262,128	1,692,280	36,580	63,716	161,150	12,666	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
(524)	--	--	--	--	--	(745)	(3,189)	3,448
468,738	431,918	--	--	--	--	--	--	--
175,715	15,000	--	--	--	--	--	--	62,910
5,906,057	2,139,198	36,580	63,716	161,150	12,666	(745)	(3,189)	66,358
1,924,466	1,118,630	24,131	--	23,440	2,147	(745)	(34)	47,114
278,109	150,642	3,194	--	3,233	290	--	--	6,034
2,284,349	--	--	--	--	--	--	--	--
304,647	82,151	--	63,716	127,451	9,490	--	--	497
38,572	15,631	--	--	970	19	--	(1,273)	4,704
15,385	8,160	--	--	379	413	--	--	95
9,717	3,913	--	--	916	101	--	--	--
170,863	74,720	1,605	--	--	--	--	(1,293)	4,580
38,820	16,466	--	--	85	--	--	--	--
34,908	19,262	--	--	546	17	--	--	--
92,285	50,783	--	--	2,200	173	--	(236)	1,934
36,282	21,560	7,508	--	--	--	--	(95)	623
5,378	2,589	--	--	90	16	--	--	--
27,063	400	--	--	--	--	--	--	--
7,214	--	--	--	--	--	--	--	--
53,362	38,793	142	--	50	--	--	(195)	660
71,876	37,945	--	--	1,790	--	--	(50)	117
--	--	--	--	--	--	--	--	--
4,406	2,725	--	--	--	--	--	(13)	--
468,738	431,918	--	--	--	--	--	--	--
66,135	62,910	--	--	--	--	--	--	--
5,932,575	2,139,198	36,580	63,716	161,150	12,666	(745)	(3,189)	66,358
(26,518)	--	--	--	--	--	--	--	--
26,518	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

	2009 Wayne Shared Visions/ First Step	2010 Wayne Shared Visions/ First Step	2009 Monroe Shared Visions/ First Step	2010 Monroe Shared Visions/ First Step	2008 Clarke Wrap-Around Child Care	2009 Clarke Wrap-Around Child Care
Revenue						
Grants and Contracts	$ 43,506	13,994	41,557	14,505	13,720	13,620
Program Income and Public Support	--	--	--	--	--	--
Rental Income	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
In-Kind	1,419	2,570	397	1,949	--	--
Interagency Transfers	--	--	--	--	--	--
Total Revenue	44,925	16,564	41,954	16,454	13,720	13,620
Expenses						
Salaries and Fringe Benefits	38,283	12,213	37,048	12,673	704	(237)
Indirect and Administrative Costs	4,215	1,384	4,075	1,435	42	(30)
Direct Client Assistance	--	--	--	--	--	--
Program Expense	--	--	--	--	--	--
Supplies and Materials	--	--	--	--	--	--
Printing and Publication	--	--	--	--	--	--
Postage and Shipping	--	--	--	--	--	--
Contractual	--	--	--	--	12,856	13,887
Insurance	--	--	--	--	--	--
Telephone and Communications	--	--	--	--	--	--
Space	493	247	494	247	--	--
Equipment Maintenance and Rental	--	--	--	--	--	--
Dues and Subscriptions	--	--	--	--	--	--
Equipment	--	--	--	--	--	--
Conferences and Meetings	--	--	--	--	--	--
Training and Staff Development	--	--	--	--	--	--
Travel	515	150	(60)	150	118	--
Depreciation	--	--	--	--	--	--
Other Expenses	--	--	--	--	--	--
In-Kind	1,419	2,570	397	1,949	--	--
Interagency Transfers	--	--	--	--	--	--
Total Expenses	44,925	16,564	41,954	16,454	13,720	13,620
Increase (Decrease) in Net Assets	--	--	--	--	--	--
Net Assets at Beginning of Year	--	--	--	--	--	--
Transfers	--	--	--	--	--	--
Net Assets at End of Year	$ --	--	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

2010 Clarke Wrap-Around Child Care	2008 Decatur Wrap-Around Child Care	2009 Decatur Wrap-Around Child Care	2010 Decatur Wrap-Around Child Care	2008 Lucas Wrap-Around Child Care	2009 Lucas Wrap-Around Child Care	2010 Lucas Wrap-Around Child Care	2010 A.D.L.M. Empowerment Area
1,263	8,750	7,197	2,696	14,000	11,632	4,702	5,678
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
1,263	8,750	7,197	2,696	14,000	11,632	4,702	5,678
--	7,594	6,378	2,381	12,060	10,230	4,148	803
--	1,156	819	315	1,631	1,402	554	108
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	130	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
1,263	--	--	--	--	--	--	4,767
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--	--	--	--	179	--	--	--
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--	--	--	--	--	--	--	--
1,263	8,750	7,197	2,696	14,000	11,632	4,702	5,678
--	--	--	--	--	--	--	--
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SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

	2009 Wayne Empowerment Area	2010 Wayne Empowerment Area	2009 Decatur Empowerment Area	2010 Decatur Empowerment Area
Revenue				
Grants and Contracts	$ 5,980	2,122	8,320	1,059
Program Income and Public Support	--	--	--	--
Rental Income	--	--	--	--
Investment Income	--	--	--	--
Other Income	--	--	--	--
In-Kind	--	--	--	--
Interagency Transfers	--	--	--	--
Total Revenue	5,980	2,122	8,320	1,059
Expenses				
Salaries and Fringe Benefits	5,187	1,801	7,337	950
Indirect and Administrative Costs	731	221	983	109
Direct Client Assistance	--	--	--	--
Program Expense	--	--	--	--
Supplies and Materials	--	--	--	--
Printing and Publication	--	--	--	--
Postage and Shipping	--	--	--	--
Contractual	--	--	--	--
Insurance	--	--	--	--
Telephone and Communications	--	--	--	--
Space	--	--	--	--
Equipment Maintenance and Rental	--	--	--	--
Dues and Subscriptions	--	--	--	--
Equipment	--	--	--	--
Conferences and Meetings	--	--	--	--
Training and Staff Development	--	--	--	--
Travel	62	100	--	--
Depreciation	--	--	--	--
Other Expenses	--	--	--	--
In-Kind	--	--	--	--
Interagency Transfers	--	--	--	--
Total Expenses	5,980	2,122	8,320	1,059
Increase (Decrease) in Net Assets	--	--	--	--
Net Assets at Beginning of Year	--	--	--	--
Transfers	--	--	--	--
Net Assets at End of Year	$ --	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

2008 Community Services Block Grant	2009 Community Services Block Grant	2010 Community Services Block Grant	2010 Community Services Block Grant ARRA	2009 Youth Employment	2009 Clarke Volunteer Services	2009 Decatur Volunteer Services	2009 Decatur Supervisors Volunteer Services
--	158,024	2,489	19,541	--	1,980	167	500
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	269	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	3,225	--	--	--
--	158,024	2,489	19,541	3,494	1,980	167	500
(871)	90,794	658	4,315	3,492	1,864	167	--
(506)	12,227	84	--	--	--	--	--
--	--	--	--	--	--	--	--
--	3,544	--	5,378	--	--	--	--
--	5,022	1,795	--	--	--	--	--
--	788	--	3	--	1	--	--
--	795	--	12	--	--	--	--
--	--	175	303	--	--	--	--
--	17,502	--	--	--	--	--	--
--	1,849	--	5	2	--	--	--
1,220	15,254	34	--	--	--	--	--
152	1,999	(257)	--	--	--	--	--
--	1,225	--	550	--	--	--	--
--	--	--	7,383	--	--	--	--
--	--	--	--	--	--	--	--
--	1,610	--	--	--	--	--	--
--	1,366	--	1,592	--	--	--	--
--	--	--	--	--	--	--	--
5	824	--	--	--	115	--	500
--	--	--	--	--	--	--	--
--	3,225	--	--	--	--	--	--
--	158,024	2,489	19,541	3,494	1,980	167	500
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

	2009 LIHEAP	2010 LIHEAP	2009 FaDDS	2010 FaDDS	2009 Child Care Resource and Referral	2010 Child Care Resource and Referral
Revenue						
Grants and Contracts	$1,950,996	21,513	121,144	23,399	76,984	33,341
Program Income and Public Support	--	--	--	--	--	--
Rental Income	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Other Income	--	--	(632)	--	--	--
In-Kind	--	--	--	--	30,485	--
Interagency Transfers	--	--	--	--	--	--
Total Revenue	1,950,996	21,513	120,512	23,399	107,469	33,341
Expenses						
Salaries and Fringe Benefits	78,880	14,811	88,418	15,469	42,065	18,970
Indirect and Administrative Costs	10,377	1,944	11,302	1,973	5,773	2,556
Direct Client Assistance	1,848,571	--	--	--	--	--
Program Expense	--	--	--	--	5,452	2,757
Supplies and Materials	3,638	384	989	455	3,060	397
Printing and Publication	292	27	392	610	2,199	546
Postage and Shipping	2,018	316	275	10	755	295
Contractual	--	--	6,235	--	2,200	1,600
Insurance	44	--	117	--	137	--
Telephone and Communications	2,741	397	2,106	2,113	1,802	1,352
Space	1,100	87	4,259	1,086	1,350	624
Equipment Maintenance and Rental	2,520	2,272	--	--	--	--
Dues and Subscriptions	--	--	488	--	140	55
Equipment	--	1,071	--	--	--	--
Conferences and Meetings	--	--	--	--	4,553	2,661
Training and Staff Development	--	--	2,239	--	1,463	55
Travel	815	204	9,418	1,683	5,785	1,473
Depreciation	--	--	--	--	--	--
Other Expenses	--	--	--	--	250	--
In-Kind	--	--	--	--	30,485	--
Interagency Transfers	--	--	--	--	--	--
Total Expenses	1,950,996	21,513	126,238	23,399	107,469	33,341
Increase (Decrease) in Net Assets	--	--	(5,726)	--	--	--
Net Assets at Beginning of Year	--	--	5,726	--	--	--
Transfers	--	--	--	--	--	--
Net Assets at End of Year	$ --	--	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

2009 Wayne Empowerment Home Consultant	2010 Wayne Empowerment Home Consultant	2009 A.D.L.M. Empowerment Childcare Consultant	2010 A.D.L.M. Empowerment Childcare Consultant	2009 Housing Preservation	2010 Housing Preservation	2010 Homeless Prevention and Rapid Rehousing ARRA
4,193	467	11,927	4,397	54,625	1,424	410
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
4,193	467	11,927	4,397	54,625	1,424	410
2,759	347	5,328	2,971	6,717	116	--
243	47	754	400	837	32	10
--	--	--	--	--	--	--
--	--	2,093	--	--	--	--
100	--	169	4	8	--	--
100	--	410	26	56	1	398
122	13	44	8	44	--	1
--	--	--	--	46,691	1,274	--
--	--	68	--	--	--	--
--	--	835	(37)	7	1	1
--	43	1,575	193	--	--	--
--	--	--	--	--	--	--
--	--	105	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
572	--	--	--	--	--	--
297	17	546	832	265	--	--
--	--	--	--	--	--	--
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--	--	--	--	--	--	--
--	--	--	--	--	--	--
4,193	467	11,927	4,397	54,625	1,424	410
--	--	--	--	--	--	--
--	--	--	--	--	--	--
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--	--	--	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

					Weatherization Assistance	
	Payroll Pool	Payroll Pool ARRA	2008 HEAP	2009 HEAP	2009 DOE	2010 DOE
Revenue						
Grants and Contracts	$ --	--	19,546	83,723	23,110	137,340
Program Income and Public Support	--	--	--	--	--	--
Rental Income	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
In-Kind	--	--	--	--	--	--
Interagency Transfers	81,172	13,408	--	--	--	--
Total Revenue	81,172	13,408	19,546	83,723	23,110	137,340
Expenses						
Salaries and Fringe Benefits	71,931	11,852	--	--	--	--
Indirect and Administrative Costs	9,241	1,556	2,739	2,707	6,559	8,922
Direct Client Assistance	--	--	16,807	76,766	37,318	128,418
Program Expense	--	--	--	--	--	--
Supplies and Materials	--	--	--	--	--	--
Printing and Publication	--	--	--	--	--	--
Postage and Shipping	--	--	--	--	--	--
Contractual	--	--	--	--	--	--
Insurance	--	--	--	4,250	--	--
Telephone and Communications	--	--	--	--	--	--
Space	--	--	--	--	--	--
Equipment Maintenance and Rental	--	--	--	--	--	--
Dues and Subscriptions	--	--	--	--	--	--
Equipment	--	--	--	--	--	--
Conferences and Meetings	--	--	--	--	--	--
Training and Staff Development	--	--	--	--	--	--
Travel	--	--	--	--	--	--
Depreciation	--	--	--	--	--	--
Other Expenses	--	--	--	--	--	--
In-Kind	--	--	--	--	--	--
Interagency Transfers	--	--	--	--	--	--
Total Expenses	81,172	13,408	19,546	83,723	43,877	137,340
Increase (Decrease) in Net Assets	--	--	--	--	(20,767)	--
Net Assets at Beginning of Year	--	--	--	--	20,767	--
Transfers	--	--	--	--	--	--
Net Assets at End of Year	$ --	--	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

Programs					Emergency Food and Shelter Programs					
2010 DOE ARRA	2008 IPL	2009 IPL	2008 MEC	2009 MEC	2009 Clarke County	2009 Decatur County	2009 Lucas County	2009 Monroe County	2009 Wayne County	2009 ARRA
27,698	22,664	114,109	(31)	2,999	3,289	4,132	4,335	3,165	2,253	9,328
--	--	--	--	--	--	--	--	--	--	--
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--	--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--	--	--
27,698	22,664	114,109	(31)	2,999	3,289	4,132	4,335	3,165	2,253	9,328
--	--	--	--	--	--	--	--	--	--	--
133	(832)	4,136	(31)	159	66	83	83	63	55	--
1,801	23,496	109,973	--	2,840	3,223	4,049	4,252	3,102	2,198	9,328
--	--	--	--	--	--	--	--	--	--	--
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18,209	--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--	--	--
7,555	--	--	--	--	--	--	--	--	--	--
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--	--	--	--	--	--	--	--	--	--	--
27,698	22,664	114,109	(31)	2,999	3,289	4,132	4,335	3,165	2,253	9,328
--	--	--	--	--	--	--	--	--	--	--
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SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2009

	2009 DECAT Crisis	Embrace Iowa	2009 Parents as Teachers Educator	2010 Parents as Teachers Educator	2009 Parents as Teachers	2010 Parents as Teachers
Revenue						
Grants and Contracts	$5,581	11,556	25,814	13,856	51,077	28,370
Program Income and Public Support	--	--	--	--	--	--
Rental Income	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Other Income	325	--	--	--	--	--
In-Kind	--	--	--	--	--	--
Interagency Transfers	--	--	--	--	--	--
Total Revenue	5,906	11,556	25,814	13,856	51,077	28,370
Expenses						
Salaries and Fringe Benefits	3,752	--	17,426	9,762	37,455	20,782
Indirect and Administrative Costs	345	--	2,298	1,583	4,854	2,794
Direct Client Assistance	651	11,556	--	--	--	--
Program Expense	--	--	757	230	752	379
Supplies and Materials	25	--	770	4	1,546	25
Printing and Publication	19	--	460	--	10	--
Postage and Shipping	24	--	44	--	11	--
Contractual	--	--	--	--	--	--
Insurance	--	--	69	--	82	--
Telephone and Communications	581	--	272	169	549	338
Space	250	--	1,575	1,050	3,500	2,750
Equipment Maintenance and Rental	--	--	--	--	--	--
Dues and Subscriptions	--	--	--	40	--	80
Equipment	--	--	--	--	--	--
Conferences and Meetings	--	--	--	--	--	--
Training and Staff Development	--	--	179	--	204	35
Travel	259	--	1,964	1,018	2,139	1,187
Depreciation	--	--	--	--	--	--
Other Expenses	--	--	--	--	--	--
In-Kind	--	--	--	--	--	--
Interagency Transfers	--	--	--	--	--	--
Total Expenses	5,906	11,556	25,814	13,856	51,102	28,370
Increase (Decrease) in Net Assets	--	--	--	--	(25)	--
Net Assets at Beginning of Year	--	--	--	--	25	--
Transfers	--	--	--	--	--	--
Net Assets at End of Year	$ --	--	--	--	--	--

SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
Head Start and Early Head Start Program Grant 07CH6086/43

Schedule of Revenue and Expenses

Program Year Ended October 31, 2009

	Approved Budget	Actual	COB Balances Current Year
Revenue			
Federal Funds	$ 2,157,769	1,692,280	
Grantee Contribution	543,011	431,918	
Total Revenue	$ 2,700,780	2,124,198	
Expenses			
Federal Share			
Full Year Head Start Part Day and Handicapped			
Direct Costs			
Personnel	$ 1,037,219	1,010,814	26,405
Fringe Benefits	230,500	180,667	49,833
Travel	17,415	13,485	3,930
Equipment	220,000	--	220,000
Supplies	52,758	76,282	(23,524)
Contractual	45,013	63,008	(17,995)
Facilities/Construction	200,000	--	N/A
Other	194,094	191,348	2,746
Total Direct Costs	1,996,999	1,535,604	261,395
Indirect Costs	160,770	156,676	4,094
Total Federal Share	2,157,769	1,692,280	265,489
Grantee's Share	543,011	431,918	
Total Expenses	$ 2,700,780	2,124,198	

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
ARRA - Head Start and Early Head Start Program Grant 07SE6086/01
Grant Period 6/1/09 to 9/30/10

Schedule of Revenue and Expenses

Program Year Ended October 31, 2009

	Approved Budget	Actual	COB Balances Current Year
Revenue			
Federal Funds	$ 135,809	36,580	
Grantee Contribution	33,952	--	
Total Revenue	$ 169,761	36,580	
Expenses			
Federal Share			
Full Year Head Start Part Day and Handicapped			
Direct Costs			
Personnel	$ 49,715	19,734	29,981
Fringe Benefits	7,774	4,397	3,377
Other	70,614	9,255	61,359
Total Direct Costs	128,103	33,386	94,717
Indirect Costs	7,706	3,194	4,512
Total Federal Share	135,809	36,580	99,229
Grantee's Share	33,952	431,918	
Total Expenses	$ 169,761	468,498	

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
Community Services Block Grant

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. CSBG 10-13

Cost Category	Grant Period 10/1/09 - 12/31/10 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Personnel Costs	$ 96,520	658	--	658
Travel	2,700	--	--	--
Space Costs	37,090	34	--	34
Equipment Costs	1,280	(257)	--	(257)
Other Costs	9,507	1,970	--	1,970
Indirect Costs	12,903	84	--	84
Total CSBG	$ 160,000	2,489	--	2,489

Contract No. CSBG 09-13CM

Cost Category	Grant Period 10/1/08 - 12/31/09 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Personnel Costs	$ 88,050	92,760	1,966	90,794
Travel	2,700	2,190	--	2,190
Space Costs	36,940	33,487	--	33,487
Equipment Costs	1,280	1,268	--	1,268
Other Costs	18,463	18,068	10	18,058
Indirect Costs	12,567	12,227	--	12,227
Total	$ 160,000	160,000	1,976	158,024

Contract No. CSBG 08-13CM

Cost Category	Grant Period 10/1/07 - 12/31/08 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Personnel Costs	$ 88,050	81,132	82,003	(871)
Travel	2,700	4,330	4,330	--
Space Costs	36,940	34,917	33,697	1,220
Equipment Costs	1,280	4,448	4,296	152
Other Costs	18,463	23,690	23,685	5
Indirect Costs	12,567	11,483	11,989	(506)
Total	$ 160,000	160,000	160,000	--

SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
ARRA - Community Services Block Grant

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. CSBG R9-13

Cost Category	Grant Period 4/10/09 - 9/30/10 Budget	Grant Period 4/10/09 - 9/30/10 Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Travel	$ 3,285	1,592	--	1,592
Equipment Costs	16,000	7,383	--	7,383
Other Costs	12,000	558	--	558
CSBG ARRA Programs	183,000	10,008	--	10,008
Total CSBG	$ 214,285	19,541	--	19,541

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
Low Income Home Energy Assistance Program

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. LIHEAP 10-13-M

Cost Category	Grant Period 10/1/09 - 9/30/10 Budget	Grant Period 10/1/09 - 9/30/10 Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Assistance				
Regular	$ 1,289,768	--	--	--
ECIP	70,672	--	--	--
Client Services A&R	19,038	2,079	--	2,079
Administration Costs	88,340	19,434	--	19,434
Total	$ 1,467,818	21,513	--	21,513

Contract No. LIHEAP 09-13-M

Cost Category	Grant Period 10/1/08 - 9/30/09 Budget	Grant Period 10/1/08 - 9/30/09 Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Assistance				
Regular	$ 1,371,403	1,365,611	--	1,365,611
ECIP	83,856	80,637	--	80,637
Client Services A&R	19,400	19,400	933	18,467
Summer Delivery Fuel	399,442	399,442	--	399,442
Administration Costs	98,057	98,057	11,218	86,839
Total	$ 1,972,158	1,963,147	12,151	1,950,996

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
Family Development and Self-Sufficiency

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. FaDDS-10-13-FM

Cost Category	Grant Period 7/1/09 - 6/30/10 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 15,725	1,973	--	1,973
Salaries	96,470	12,086	--	12,086
Fringe Benefits	20,802	3,383	--	3,383
Travel	9,073	1,683	--	1,683
Space/Utilities	4,325	1,086	--	1,086
Telephone	4,176	2,113	--	2,113
Postage	200	10	--	10
Publications/Dues	389	610	--	610
Supplies/Printing	290	455	--	455
Other	1,000	--	--	--
	152,450	23,399	--	23,399
Local Funds - Third-Party Payments	500	--	--	--
Total	$ 152,950	23,399	--	23,399

Contract No. FaDDS-09-13-FM

Cost Category	Grant Period 7/1/08 - 9/30/09 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 13,446	12,925	1,622	11,303
Salaries	80,517	82,504	10,743	71,761
Fringe Benefits	21,685	21,169	4,512	16,657
Travel	14,136	13,880	4,462	9,418
Space/Utilities	6,300	6,300	2,042	4,258
Consultants	8,360	8,403	2,168	6,235
Telephone	4,760	3,472	1,367	2,105
Postage	340	404	129	275
Publications/Dues	575	1,387	736	651
Supplies/Printing	1,464	1,453	118	1,335
Other	2,700	2,386	146	2,240
	154,283	154,283	28,045	126,238
Local Funds	500	--	--	--
Total	$ 154,783	154,283	28,045	126,238

SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
HEAP Weatherization Assistance Program

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. HEAP 09-13M

Cost Category	Grant Period 1/1/09 - 12/31/09 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 10,577	4,564	--	4,564
Health and Safety	34,747	17,926	--	17,926
Support	45,042	31,761	--	31,761
Labor	46,972	15,446	--	15,446
Materials	46,973	9,776	--	9,776
Liability Insurance	4,250	4,250	--	4,250
Equipment/Training	40,000	--	--	--
Total	$ 228,561	83,723	--	83,723

Contract No. HEAP 08-13M

Cost Category	Grant Period 1/1/08 - 12/31/08 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 8,086	5,096	2,357	2,739
Health and Safety	27,416	18,136	15,912	2,224
Support	35,539	44,561	31,393	13,168
Labor	37,062	13,520	12,375	1,145
Materials	37,062	10,149	9,879	270
Equipment/Training	30,000	--	--	--
Total	$ 175,165	91,462	71,916	19,546

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
DOE Weatherization Assistance Program

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. DOE-ARRA-09-13M

Cost Category	Grant Period 4/1/09 - 3/31/12 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 42,034	133	--	133
Health and Safety	113,622	7	--	7
Support	147,708	662	--	662
Labor	153,389	653	--	653
Materials	153,389	479	--	479
Administration - Equipment	24,000	18,209	--	18,209
T & TA	124,800	7,555	--	7,555
Total	$758,942	27,698	--	27,698

Contract No. DOE-09-13M

Cost Category	Grant Period 4/1/09 - 3/31/11 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 8,922	8,922	--	8,922
Health and Safety	25,684	22,592	--	22,592
Support	33,294	49,990	--	49,990
Labor	34,720	23,063	--	23,063
Materials	34,720	32,773	--	32,773
Total	$137,340	137,340	--	137,340

Contract No. DOE-08-13M

Cost Category	Grant Period 4/1/08 - 3/31/09 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 16,035	16,034	9,475	6,559
Health and Safety	18,243	15,531	10,282	5,249
Support	23,649	19,166	14,601	4,565
Labor	24,662	27,734	15,314	12,420
Materials	24,662	28,786	13,702	15,084
Total	$107,251	107,251	63,374	43,877

SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
IPL Weatherization Assistance

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. IPL 09-13M

Cost Category	Grant Period 1/1/09 - 12/31/09 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 6,861	4,136	--	4,136
Support	13,724	12,980	--	12,980
Labor	58,325	45,185	--	45,185
Materials	58,325	51,808	--	51,808
Total	$ 137,235	114,109	--	114,109

Contract No. IPL 08-13M

Cost Category	Grant Period 1/1/08 - 12/31/08 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 4,113	1,952	2,784	(832)
Health and Safety	--	--	4,261	(4,261)
Support	8,226	9,165	4,481	4,684
Labor	34,959	29,013	17,781	11,232
Materials	34,959	31,918	20,077	11,841
Total	$ 82,257	72,048	49,384	22,664

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
MEC Weatherization Assistance Program

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2009

Contract No. MEC-09-13M

Cost Category	Grant Period 1/1/09 - 12/31/09 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 159	159	--	159
Support	319	281	--	281
Labor	1,357	1,042	--	1,042
Materials	1,357	1,517	--	1,517
Total	$ 3,192	2,999	--	2,999

Contract No. MEC-08-13M

Cost Category	Grant Period 1/1/08 - 12/31/08 Budget	Actual	Less Expenses Reported in Previous Year	Expenses for Program Year
Administration	$ 134	103	134	(31)
Health and Safety	--	--	600	(600)
Support	267	298	--	298
Labor	1,135	1,178	876	302
Materials	1,135	1,061	1,061	--
Total	$ 2,671	2,640	2,671	(31)

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Revenue and Expenses of Local Programs

Program Year Ended October 31, 2009

	Total	IDA Iowans Save	Volunteer Program	Food Pantry	Project Assistance
Revenue					
Program Income	$ 18,899	--	--	--	--
Investment Income	23,431	--	--	--	--
Donations	41,775	--	--	12,992	27,564
Other	29,922	--	--	--	--
Total Revenue	114,027	--	--	12,992	27,564
Expenses					
Program/Assistance	51,178	--	--	1,527	28,956
Supplies	240	--	--	17	--
Dues	2,695	--	--	--	--
Salaries and Fringe	12,455	--	--	--	--
Equipment Maintenance and Rental	9,813	--	--	--	--
Other	8,878	--	--	--	--
Total Expenses	85,259	--	--	1,544	28,956
Excess (Deficit) of Revenue over Expenses	28,768	--	--	11,448	(1,392)
Net Assets - Beginning of Year	643,542	7,875	2,627	4,661	13,911
Net Assets - End of Year	$672,310	7,875	2,627	16,109	12,519

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Revenue and Expenses of Local Programs

Program Year Ended October 31, 2009

Head Start Empowerment	Head Start Local	LIHEAP Local	Emergency Family Loan Fund	Weatherization Support	Credit Union	Unrestricted General Fund
18,899	--	--	--	--	--	--
--	--	99	4	--	--	23,328
--	1,219	--	--	--	--	--
9,867	2,291	3,072	--	--	10,162	4,530
28,766	3,510	3,171	4	--	10,162	27,858
28,254	17,457	386	--	(40,402)	--	15,000
--	--	--	--	--	--	223
--	--	--	--	--	--	2,695
--	--	--	--	--	10,162	2,293
3,090	--	--	--	--	--	6,723
1,614	905	57	150	--	--	6,152
32,958	18,362	443	150	(40,402)	10,162	33,086
(4,192)	(14,852)	2,728	(146)	40,402	--	(5,228)
5,681	46,766	5,112	285	94,588	--	462,036
1,489	31,914	7,840	139	134,990	--	456,808

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March 18, 2010

Board of Directors
South Central Iowa Community Action Program, Inc.
Leon, Iowa

We have audited the financial statements of South Central Iowa Community Action Program, Inc. for the year ended October 31, 2009, and have issued our report thereon dated March 18, 2010. Professional standards require that we provide you information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 9, 2009. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by are described in Note 2 to the financial statements. As described in Note 2, the Organization changed accounting policies related to the disclosures about assets carried at fair value by adopting FASB Accounting Standards Codification 820-10, *Fair Value Measurements and Disclosures*, during the year ended October 31, 2009. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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 financial statements include significant estimates regarding the ability to collect various accounts receivable and the useful lives of property and equipment. Actual results could differ from those estimates based upon future events. We evaluated the key factors and assumptions used by management in developing these estimates and believe that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In our judgment, the adjustments we recorded to correct certain receivables and to adjust weatherization work in process, do indicate matters that could have a significant effect on the Organization's financial reporting process.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, 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 March 18, 2010.

Management 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 principle to the Organization'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.

Other Audit Findings or Issues

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 Organization's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

Other Comments

Audit Preparation

Due to the books and records of South Central Iowa Community Action Program, Inc. not being fully closed out prior to the start of our audit fieldwork, the audit did not proceed as efficiently as possible. We would recommend that in future years, the audit fieldwork be delayed to a point in time where the financial information is fully prepared for audit. This would greatly increase the efficiency of the audit and limit the amount of time spent on site.

Indirect Cost Allocations

During our audit testing we noted some minor variations regarding the allocations of indirect costs in accordance with the approved indirect cost rate and allocation base. Through discussions with client personnel and further testing and reconciliation, we were able to determine that the indirect charges were not materially misstated. We would, however, recommend that steps be taken to verify on a monthly basis that the indirect charges are correct and in accordance with the approved rate agreement.

This communication is intended solely for the information and use of the Board of Directors, management, and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

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

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