

MID-SIOUX OPPORTUNITY, INC.
INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2012

MID-SIOUX OPPORTUNITY, INC.

SEPTEMBER 30, 2012

I N D E X

	<u>Page</u>
Officials	2
Independent Auditor's Report	3- 4
Basic Financial Statements:	
Statement of Financial Position.....	5
Statement of Activities	6
Statement of Functional Expenses.....	7
Statement of Cash Flows.....	8
Notes to Financial Statements.....	9-13
Supplementary Information:	
Schedule of Revenues and Expenses:	
Family Preservation and Strengthening Programs.....	14-19
Educational Services for the Disadvantaged Programs	20-22
Crisis Intervention and Prevention Programs.....	23-27
Management and General and Fundraising	28
Schedule of Expenditures of Federal Awards.....	29-30
Notes to Schedule of Expenditures of Federal Awards.....	31
Indirect Cost - Administration - Schedule of Costs Charged to Indirect Cost Pool.....	32
Schedule of Grant/Contract Activity:	
Iowa Department of Human Rights - Community Service Block Grant (CSBG-11-06).....	33
U.S. Department of Health and Human Services - Head Start/Early Start Program (07CH6102/45).....	34
Iowa Department of Human Rights - Family Development and Self-Sufficiency (FADSS 12-06).....	35
Iowa Department of Human Rights - Low Income Home Energy Assistance Program (LIHEAP 12-06).....	36
Iowa Department of Human Rights - Home Energy Assistance Weatherization Program (HEAP 11-06)	37
Iowa Department of Human Rights - Weatherization Assistance (MEC 11-06)	38
Iowa Department of Human Rights - Weatherization Assistance (IPL 11-06).....	39
Iowa Department of Human Rights - Weatherization Assistance (DOE-ARRA-09-06G).....	40
Iowa Department of Public Health - Child Screen Materials (5881OB03)	41
Iowa Department of Human Rights - Weatherization Assistance (DOE-11-06)	42
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 <i>Government Auditing Standards</i>	43-44
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	45-46
Schedule of Findings and Questioned Costs.....	47-48

MID-SIOUX OPPORTUNITY, INC.

OFFICIALS
SEPTEMBER 30, 2012

EXECUTIVE BOARD OF DIRECTORS

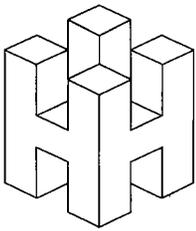
Tom Letsche - President
Caryn Barry - Vice-President
Carol Van Gelder - Secretary
Joe Cronin - Treasurer

BOARD MEMBERS

<u>County</u>	<u>Representing</u>		
	<u>Public</u>	<u>Low-Income</u>	<u>Private</u>
Plymouth	Tom Letsche Don Kass	Ann Cole-Nelson	Barry Thompson
Cherokee	Dean Schmidt	Caryn Barry	Jean Miller Betty Knudson
Sioux	Al Bloemendaal	Carolyn Salberg Vern Beernink	Carol Van Gelder
Lyon	Merle Koedam	Evelyn Baldwin	Gordon Smith
Ida	Joe Cronin		

AGENCY OFFICIALS

Dick Sievers - Executive Director
Sharon Heidesch - HR/Fiscal Director
Shannon Hofmann - Bookkeeper
Tammy Nilles - Bookkeeper
Melany Roling - Bookkeeper



**HENJES, CONNER &
WILLIAMS, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mid Sioux Opportunity, Inc.
Remsen, Iowa

We have audited the accompanying statement of financial position of MID-SIOUX OPPORTUNITY, INC. (a non-profit organization), as of September 30, 2012, and the related statements of activities, functional expenses, 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 Mid-Sioux Opportunity, Inc.'s 2011 financial statements and, in our report dated January 30, 2012, 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 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 previously present fairly, in all material respects, the financial position of Mid-Sioux Opportunity, Inc. as of September 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated January 25, 2013, on our consideration of Mid-Sioux Opportunity's, Inc. internal control over financial reporting and on 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 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 financial statements as a whole. The Supplementary Information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. These schedules are presented on the basis of accounting required by the grantees which differs from U.S. generally accepted accounting principles. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in accordance with the basis of accounting outlined above in all material respects in relation to the financial statements as a whole. In our opinion, the schedule of expenditures of federal awards is also fairly stated in all material respects in relation to the financial statements as a whole.

Henja, Lauer, & Williams, P.C.
Certified Public Accountants

Sioux City, Iowa
January 25, 2013

MID-SIOUX OPPORTUNITY, INC.
STATEMENT OF FINANCIAL POSITION

September 30, 2012

With Summarized Financial Information for September 30, 2011

	2012	2011
ASSETS		
Cash and Cash Equivalents.	\$ 696,103	\$ 751,240
Certificate of Deposit.	65,481	64,766
Accounts Receivable.	44,847	118,229
Grant Awards and Contracts Receivable.	678,226	621,716
Prepaid Fuel.	151,473	
Marketable Securities.	2,998	2,610
Notes Receivable - Related Parties.		90,000
Property and Equipment (Net).	<u>662,298</u>	<u>515,485</u>
Total Assets	<u>\$ 2,301,426</u>	<u>2,164,046</u>
LIABILITIES AND NET ASSETS		
Accounts Payable.	\$ 184,994	\$ 235,890
Accrued Salaries and Benefits.	84,908	95,636
Compensated Absences.	24,127	25,920
Grant Advances.	247,228	118,778
Due to Federal Home Loan Bank.		<u>90,000</u>
Total Liabilities	<u>541,257</u>	566,224
Net Assets:		
Unrestricted:		
Available for Programs.	743,133	582,851
Invested in Property and Equipment.	<u>287,261</u>	<u>273,285</u>
Total Unrestricted	1,030,394	856,136
Temporarily Restricted.	<u>729,775</u>	<u>741,686</u>
Total Net Assets	<u>1,760,169</u>	<u>1,597,822</u>
Total Liabilities and Net Assets	<u>\$ 2,301,426</u>	<u>\$ 2,164,046</u>

MID-SIOUX OPPORTUNITY, INC.
STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2012

With Summarized Financial Information for Year Ended September 30, 2011

	Unrestricted	Temporarily Restricted	Totals	
			2012	2011
Revenues, Gains, and Other Support:				
Governmental Funding Sources:				
U.S. Department of Health and Human Services.	\$ 2,079,580	\$ 150,613	\$ 2,230,193	\$ 2,272,626
Iowa Department of Human Rights.	2,462,135		2,462,135	3,241,431
Iowa Department of Education.	657,197	6,761	663,958	616,958
Iowa Department of Human Services.	1,001,324		1,001,324	1,058,193
Iowa Department of Public Health.	1,817,579	4,053	1,821,632	1,827,870
Iowa Department of Agriculture and Land Stewardship.	7,265		7,265	8,312
In-Kind Contributions.	141,427		141,427	39,659
Early Childhood Iowa Funds.	262,825		262,825	139,286
Public Support and Donations.	169,487	8,280	177,767	178,782
Interest Income.	5,337		5,337	10,822
Gain on Disposal of Assets.	11,031		11,031	
Other Income.	299,166		299,166	272,952
	<u>8,914,353</u>	<u>169,707</u>	<u>9,084,060</u>	<u>9,666,891</u>
Net Assets Released from Restrictions:				
Satisfaction of Program Requirements.	<u>181,618</u>	<u>(181,618)</u>	<u>0</u>	<u>0</u>
Total Revenues, Gains, and Other Support	9,095,971	(11,911)	9,084,060	9,666,891
Expenses:				
Program Services:				
Family Preservation and Strengthening.	3,796,331		3,796,331	3,653,147
Educational Services for the Disadvantaged.	2,714,386		2,714,386	2,720,703
Crisis Intervention and Prevention.	2,420,878		2,420,878	3,229,076
Management and General.	(31,073)		(31,073)	23,016
Fundraising.	21,191		21,191	33,645
Total Expenses	<u>8,921,713</u>	<u>0</u>	<u>8,921,713</u>	<u>9,659,587</u>
Change in Net Assets.	174,258	(11,911)	162,347	7,304
Net Assets, October 1, as Restated.	<u>856,136</u>	<u>741,686</u>	<u>1,597,822</u>	<u>1,590,518</u>
Net Assets, September 30,	<u>\$ 1,030,394</u>	<u>\$ 729,775</u>	<u>\$ 1,760,169</u>	<u>\$ 1,597,822</u>

MID-SIOUX OPPORTUNITY, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2012
 With Summarized Financial Information for Year Ended September 30, 2011

	Family Preservation and Strengthening	Educational Services for the Disadvantaged	Crisis Intervention and Prevention	All Programs Combined	Management and General	Fundraising	Totals	
							2012	2011
Salaries and Benefits:								
Salaries and Wages.....	\$ 952,828	\$ 1,148,852	\$ 253,893	\$ 2,355,573	\$ 237,130	\$	\$ 2,592,703	\$ 2,569,241
Fringe Benefits.....	<u>359,667</u>	<u>551,597</u>	<u>95,669</u>	<u>1,006,933</u>	<u>85,448</u>		<u>1,092,381</u>	<u>1,050,198</u>
Total Salaries and Benefits	1,312,495	1,700,449	349,562	3,362,506	322,578	0	3,685,084	3,619,439
Other Expenses:								
Professional and Contract Service Fees.....	109,347	166,080	319,688	595,115	39,186		634,301	920,336
Travel.....	75,065	10,736	31,125	116,926	2,107	64	119,097	112,173
Space Costs.....	31,619	111,000	24,498	167,117	(94,088)		73,029	84,669
Supplies.....	75,013	58,264	8,029	141,306	16,028	133	157,467	179,443
Equipment Purchase/Lease.....	4,362			4,362	13,381		17,743	22,562
Depreciation.....	8,470	45,162	9,306	62,938	49,887		112,825	122,408
Interest.....				0			0	1,381
Insurance.....	7,683	30,907	11,558	50,148	19,988		70,136	74,375
Telephone.....	32,523	23,136	11,858	67,517	9,751		77,268	75,596
Utilities.....		14,427		14,427	14,292		28,719	31,340
Printing and Postage.....	34,956	6,230	6,452	47,638	(18,494)	652	29,796	47,023
Training.....	52,788	4,976	15,177	72,941	8,300		81,241	67,527
Advertising.....	21,808			21,808	345		22,153	13,757
General Maintenance.....		22,476		22,476	39,182		61,658	51,473
Vehicle Costs.....		52,910	10,311	63,221			63,221	58,763
Computer Costs.....	18,185	15,765	16,816	50,766	3,990		54,756	63,981
Assistance to Individuals.....	1,733,590	120,642	1,190,457	3,044,689			3,044,689	3,401,785
Outreach Services.....	88,470			88,470			88,470	81,865
Loss on Disposal of Assets.....		9,676		9,676			9,676	10,937
Other Costs.....	7,243	1,126	367,226	375,595	12,087	20,342	408,024	579,095
In-Kind Expenses.....		<u>82,360</u>		<u>82,360</u>			<u>82,360</u>	<u>39,659</u>
Total Expenses Before Allocation of Indirect Costs.....	3,613,617	2,476,322	2,372,063	8,462,002	438,520	21,191	8,921,713	9,659,587
Allocation of Indirect Costs.....	<u>182,714</u>	<u>238,064</u>	<u>48,815</u>	<u>469,593</u>	<u>(469,593)</u>		<u>0</u>	<u>0</u>
Total Expenses	<u>\$ 3,796,331</u>	<u>\$ 2,714,386</u>	<u>\$ 2,420,878</u>	<u>\$ 8,931,595</u>	<u>\$ (31,073)</u>	<u>\$ 21,191</u>	<u>\$ 8,921,713</u>	<u>\$ 9,659,587</u>

MID-SIOUX OPPORTUNITY, INC.
STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2012
 With Summarized Financial Information for Year Ended September 30, 2011

	2012	2011
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 162,347	\$ 7,304
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation.....	112,825	122,408
Realized and Unrealized (Gain) Loss on Investments.....	(388)	368
(Gain) Loss on Disposal of Property and Equipment.....	(1,355)	10,937
In-Kind Contribution of Server.....	(59,067)	
Change in Operating Assets and Liabilities:		
Accounts Receivable.....	73,382	16,794
Grant Awards and Contracts Receivable.....	(56,510)	157,883
Prepaid Expenses.....	(151,473)	102,780
Accounts Payable.....	(50,896)	(111,482)
Accrued Salaries and Benefits.....	(10,728)	(96,113)
Compensated Absences.....	(1,793)	6,998
Grant Advances.....	<u>128,450</u>	<u>(148,105)</u>
Net Cash Provided by Operating Activities.....	144,794	69,772
Cash Flows from Investing Activities:		
Proceeds from Disposal of Property and Equipment.....	11,829	13,728
Purchase of Certificates of Deposit.....	(715)	(1,187)
Purchase of Property and Equipment.....	<u>(211,045)</u>	<u>(28,020)</u>
Net Cash Used by Investing Activities.....	(199,931)	(15,479)
Cash Flows Used by Financing Activities:		
Payments on Notes Payable.....	<u> </u>	<u>(61,695)</u>
Net Decrease in Cash.....	(55,137)	(7,402)
Cash, October 1,.....	<u>751,240</u>	<u>758,642</u>
Cash, September 30,	<u>\$ 696,103</u>	<u>\$ 751,240</u>
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for Interest.....		\$ 1,381
Non-Cash Investing Activities:		
In-Kind Contribution of Server.....	\$ 59,067	

NOTES TO FINANCIAL STATEMENTS

ORGANIZATION

Mid-Sioux Opportunity, Inc. (referred to as the "Agency") is a nonprofit organization. Mid-Sioux Opportunity, Inc. provides a variety of services to low income and elderly individuals in the Iowa counties of Plymouth, Sioux, Lyon, Cherokee, and Ida.

Program services conducted by the Agency include:

Family Preservation and Strengthening services are designed to provide supportive services that help to preserve and strengthen persons through programs relating to health, child care, nutrition, and other supportive measures.

Educational Services for the Disadvantaged are pre-school education and services related to those educational programs.

Crisis Intervention and Prevention services are centered on assistance with family emergency needs in the area of housing, energy, emergency services, and family economic self-sufficiency.

Support Services provide assistance to the overall mission of the Agency or provide support to all or most agency programs. Development efforts and facility operations are in this category.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and activities are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and activities of the Agency are classified as follows:

Unrestricted - Not subject to donor-imposed stipulations.

Temporarily Restricted - Subject to donor-imposed stipulations that will be met, either by actions of the Agency and/or the passage of time.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments, that are readily convertible to known amounts of cash, with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable for service fees are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts, historical trends, and other information. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and Grants

All contributions are available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give are recorded as received.

Grants and other contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the contribution as unrestricted.

A donor-imposed condition specifies a future and uncertain event (for example, a stipulation that the organization must meet a matching requirement) whose occurrence or failure to occur gives the donor the right of return of the assets or releases the donor from the obligation to transfer assets in the future. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions that are conditional upon the Agency incurring certain qualifying costs, are recognized as those costs are incurred.

Donated Services

Donated services that create or enhance non-financial assets or that require specialized skills that would have to be purchased, if not donated, are reported in the financial statements. A substantial number of volunteers have donated significant amounts of their time to the program activities. No amounts have been reflected in the statements for those services because they do not meet the requirement for recognition. Certain donated services not recognized in these financial statements are allowed for recovery under grant agreements.

Property and Equipment

Property and equipment is recorded at cost or at estimated fair value if donated. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. The Agency follows the practice of capitalizing all expenditures for equipment in excess of \$5,000. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

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

Functional Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated to the program and support services benefited.

Use of Estimates

The financial statements are prepared in conformity with generally accepted accounting principles and, accordingly, include amounts that are based on management's estimates and judgments.

PROPERTY AND EQUIPMENT

The estimated useful lives, cost, and book value of the Agency's property and equipment at September 30, 2012, are as follows:

	Estimated Useful Lives	Cost	Accumulated Depreciation	Book Value
Land Improvements.....	15 years	\$ 16,049	\$ 16,049	\$ 0
Buildings.....	10-40 years	742,073	537,043	205,030
Leasehold Improvements.....	5-39 years	275,712	23,059	252,653
Equipment.....	5-15 years	215,794	111,283	104,511
Vehicles.....	5 years	<u>830,335</u>	<u>730,231</u>	<u>100,104</u>
		<u>\$ 2,079,963</u>	<u>\$ 1,417,665</u>	<u>\$ 662,298</u>

TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are as follows:

	Beginning Balance	New Restrictions	Released from Restrictions	Temporarily Restricted Net Assets 9-30-12
Women, Infants, and Children.....	\$ 0	\$ 1,566,479	\$ 1,566,479	\$ 0
Maternal Child Health.....	0	174,048	174,048	0
Home Providers.....	0	446,131	439,396	6,735
School Based Dental Sealant.....	9,648	12,000	7,947	13,701
Child Care Resource and Referral.....	17,063	889,660	890,302	16,421
Northwest Iowa Early Childhood Iowa				
CNCC.....	0	59,552	59,552	0
I-Smile.....	0	66,855	66,855	0
Buena Vista, Sac, and Crawford Early				
Childhood Iowa.....	1,150	56,318	57,468	0
Linking Families and Communities.....	0	68,260	68,260	0
Early Childhood North Central Iowa.....	0	65,367	65,367	0
Siouxland Human Interest Partnership.....	0	13,328	13,328	0
Child Care Screen Time Materials.....	0	2,250	2,250	0
Iowa Farmers Market.....	0	7,265	7,265	0
Community Service Block Grant.....	0	173,486	173,486	0
Local Funds.....	143,965	83,049	79,985	147,029
Head Start.....	0	2,231,427	2,231,427	0
USDA Head Start.....	127,591	154,032	281,623	0
At Risk Child Development.....	1,044	63,895	63,869	1,070
Wrap-Around Grants.....	0	111,664	111,664	0
FADSS.....	0	124,660	124,660	0
LIHEAP.....	0	1,188,301	1,188,301	0
Utility Funds.....	31,415	17,752	12,536	36,631
Home Energy Assistance.....	32,280	161,597	193,877	0
Weatherization Program - ARRA.....	0	507,953	507,953	0
DOE Weatherization.....	0	160,555	160,555	0
Inventory Contract.....	17,855			17,855
Crisis Fund.....	117,475	69,353	71,532	115,296
MEC Weatherization.....	0	77,785	77,785	0
IPL Weatherization.....	0	42,924	42,924	0
Embrace Iowa.....	0	9,889	9,889	0
Miscellaneous Grants.....	0	8,400	8,400	0
Fixed Assets Restricted for Use by:				
Women, Infant, and Children.....	24,704		8,470	16,234
Head Start.....	185,263	205,451	54,838	335,876
DOE-ARRA.....	<u>32,233</u>		<u>9,306</u>	<u>22,927</u>
	<u>\$ 741,686</u>	<u>\$ 8,819,686</u>	<u>\$ 8,831,597</u>	<u>\$ 729,775</u>

IN-KIND CONTRIBUTIONS AND EXPENSES

Donated goods, facilities use, and services were as follows for the year ended September 30, 2012:

	<u>Family Preservation and Strengthening</u>	<u>Educational Services for the Disadvantaged</u>	<u>Management and General</u>	<u>Total</u>
Recognized in financial statements under generally accepted accounting principles:				
Professional Services.....	\$	\$ 14,422	\$	\$ 14,422
Rent.....		59,305		59,305
Computer Server.....	10,207	20,777	28,083	59,067
Materials.....		<u>8,633</u>		<u>8,633</u>
	<u>\$ 10,207</u>	<u>\$ 103,137</u>	<u>\$ 28,083</u>	<u>\$ 141,427</u>
Not recognized in financial statements but allowed as program costs by grantors:				
Volunteer Services and Matching Funds	<u>\$ 232,060</u>	<u>\$ 748,930</u>		<u>\$ 980,990</u>

OPERATING LEASES

The Agency leases buildings and equipment for offices and operations. The majority of the building leases are contingent on continued federal funding and are therefore cancellable. Rental expense for the year ended September 30, 2012, was \$138,318.

The following is a summary of the required minimum lease payments under noncancellable operating leases as of September 30, 2012.

<u>Year Ended September 30,</u>	<u>Amount</u>
2013.....	\$ 16,169
2014.....	10,104
2015.....	8,019
2016.....	6,444
2017.....	<u>0</u>
	<u>\$ 40,736</u>

PENSION AND RETIREMENT BENEFITS

Employees of the Agency are covered by the Iowa Public Employee Retirement System (IPERS). Prior to July 1, 2012, plan members were required to contribute 5.38% of their annual salary and the Agency was required to contribute 8.07% of annual payroll. Effective July 1, 2012, these percentages were increased to 5.78% and 8.67%, respectively. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the year ended September 30, 2012, was \$206,999.

INCOME TAXES

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Contributions to the Agency are deductible by the donor for income tax purposes. Tax years potentially subject to examination of returns by authorities are 2009, 2010, 2011, and 2012.

COMMITMENTS AND CONTINGENCIES

The Agency receives a substantial amount of its support from federal and Iowa government grants. A significant reduction in the level of government support, if this were to occur, may have an effect on the Agency's programs and activities.

SUMMARIZED FINANCIAL INFORMATION FOR 2011

The financial statements include certain 2011 financial information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended September 30, 2011, from which the summarized information was derived.

SUBSEQUENT EVENTS

In preparing the financial statements as of September 30, 2012, management considered the impact of subsequent events occurring through January 25, 2013, the date the financial statements were available to be issued, for potential recognition or disclosure in these financial statements.

RESTATEMENT OF SEPTEMBER 30, 2011 NET ASSETS

The Agency has restated the liability for unremitted health insurance premiums withheld that was included in accrued expenses as of September 30, 2011, to properly reflect the liability as of that date. The effect of the restatement was as follows:

	<u>As Restated</u>	<u>Previously Reported</u>
Accrued Expenses.....	\$ 95,636	\$ 140,716
Unrestricted Net Assets.....	<u>856,136</u>	<u>811,056</u>
	<u>\$ 951,772</u>	<u>\$ 951,772</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
FAMILY PRESERVATION AND STRENGTHENING PROGRAMS

For the Year Ended September 30, 2012

	Women, Infants, and Children	Maternal Child Health	Child and Adult Care Food Program	School Based Dental Sealant
Revenue:				
Governmental Funding Sources:				
Iowa Department of Human Rights.	\$	\$	\$	\$
Iowa Department of Education.			446,131	
Iowa Department of Human Services.				
Iowa Department of Public Health.	1,566,479	174,048		12,000
Iowa Department of Agriculture and Land Stewardship.				
In-Kind Contributions.				
Early Childhood Iowa Funds.				
Public Support and Donations.				
Interest Income.				
Other Income.	11,131	49,794		19,261
	<u>1,577,610</u>	<u>223,842</u>	<u>446,131</u>	<u>31,261</u>
Expense:				
Salaries and Wages.	163,771	121,009	35,562	7,773
Fringe Benefits.	58,882	49,319	12,080	3,318
Professional and Contract Service Fees.	39,489	14,840	2,988	4,565
Travel.	7,594	948	3,044	1,200
Space Costs.	11,777	2,648	1,109	
Supplies.	19,925	9,335	3,639	12,007
Equipment Purchase/Lease.				
Depreciation.				
Insurance.	3,907	1,061		
Telephone.	8,404	2,580	996	
Printing and Postage.	6,562	5,373	2,549	1,251
Training.			4,360	
Advertising.	757	178	693	
Computer Costs.	5,640	1,683	795	
Assistance to Individuals.	1,218,247		364,831	
Outreach Services.				
Other Costs.	1,483	600	80	
In-Kind Expenses.				
Total Expenses Before Allocation of Indirect Costs	<u>1,546,438</u>	<u>209,574</u>	<u>432,726</u>	<u>30,114</u>
Allocation of Indirect Costs.	31,172	22,949	6,670	1,553
Total Expenses	<u>1,577,610</u>	<u>232,523</u>	<u>439,396</u>	<u>31,667</u>
Transfer to Other Funds.	<u>(4,674)</u>			
Change in Net Assets.	(4,674)	(8,681)	6,735	(406)
Carryforward Net Assets.				
Net Assets, October 1,	<u>4,674</u>	<u>39,687</u>		<u>33,368</u>
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 31,006</u>	<u>\$ 6,735</u>	<u>\$ 32,962</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
FAMILY PRESERVATION AND STRENGTHENING PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Child Care Resource and Referral		Northwest Early Childhood Iowa CCNC		I-Smile
	6-30-12	6-30-13	6-30-12	6-30-13	
Revenue:					
Governmental Funding Sources:					
Iowa Department of Human Rights.....	\$	\$	\$	\$	\$
Iowa Department of Education.....					
Iowa Department of Human Services.....	693,476	196,184			
Iowa Department of Public Health.....					66,855
Iowa Department of Agriculture and Land Stewardship. . .					
In-Kind Contributions.....	201,876	40,391			
Early Childhood Iowa Funds.....			44,650	14,902	
Public Support and Donations.....					
Interest Income.....	(79)				
Other Income.....	5,985	1,115			12,508
	<u>901,258</u>	<u>237,690</u>	<u>44,650</u>	<u>14,902</u>	<u>79,363</u>
Expense:					
Salaries and Wages.....	311,563	96,819	22,746	7,553	42,064
Fringe Benefits.....	107,072	35,181	11,383	4,149	17,995
Professional and Contract Service Fees.....	8,229	95			960
Travel.....	39,881	10,437	2,277	1,099	2,340
Space Costs.....	11,240	3,403	470		972
Supplies.....	23,830	(2)	757	43	3,945
Equipment Purchase/Lease.....	3,054				
Depreciation.....					
Insurance.....	2,020	649	17	6	
Telephone.....	12,397	4,278	824	202	752
Printing and Postage.....	10,223	4,859	860	101	1,971
Training.....	12,191	589			
Advertising.....	17,951	2,229			
Computer Costs.....	7,010	2,408	538	111	
Assistance to Individuals.....	77,365	13,236			
Outreach Services.....					
Other Costs.....	1,497	3,523			
In-Kind Expenses.....	<u>201,876</u>	<u>30,184</u>			
Total Expenses Before Allocation of Indirect Costs	847,399	207,888	39,872	13,264	70,999
Allocation of Indirect Costs.....	58,590	18,480	4,778	1,638	8,408
Total Expenses	<u>905,989</u>	<u>226,368</u>	<u>44,650</u>	<u>14,902</u>	<u>79,407</u>
Transfer to Other Funds.....		(10,207)			
Change in Net Assets.....	(4,731)	1,115	0	0	(44)
Carryforward Net Assets.....	(22,406)	22,406			
Net Assets, October 1,.....	<u>27,137</u>				<u>9,022</u>
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 23,521</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,978</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
FAMILY PRESERVATION AND STRENGTHENING PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Bucna Vista, Sac, and Crawford Early Childhood Iowa		Linking Families and Communities	
	6-30-12	6-30-13	6-30-12	6-30-13
Revenue:				
Governmental Funding Sources:				
Iowa Department of Human Rights.	\$	\$	\$	\$
Iowa Department of Education.				
Iowa Department of Human Services.				
Iowa Department of Public Health.				
Iowa Department of Agriculture and Land Stewardship.				
In-Kind Contributions:				
Early Childhood Iowa Funds.	47,437	8,881	61,398	6,862
Public Support and Donations.				
Interest Income.	(15)			
Other Income.				
	<u>47,422</u>	<u>8,881</u>	<u>61,398</u>	<u>6,862</u>
Expense:				
Salaries and Wages.	11,838	3,681	20,697	3,451
Fringe Benefits.	5,779	2,120	7,452	1,426
Professional and Contract Service Fees.				
Travel.	1,565	624	3,533	480
Space Costs.				
Supplies.	443	235	745	111
Equipment Purchase/Lease.			1,308	
Depreciation.				
Insurance.	17	6		
Telephone.	848	287	734	221
Printing and Postage.	471	25	642	69
Training.	15,686	1,091	6,805	421
Advertising.				
Computer Costs.				
Assistance to Individuals.	9,473		15,481	
Outreach Services.				
Other Costs.			60	
In-Kind Expenses.				
Total Expenses Before Allocation of Indirect Costs	<u>46,120</u>	<u>8,069</u>	<u>57,457</u>	<u>6,179</u>
Allocation of Indirect Costs.	<u>2,467</u>	<u>812</u>	<u>3,941</u>	<u>683</u>
Total Expenses	<u>48,587</u>	<u>8,881</u>	<u>61,398</u>	<u>6,862</u>
Transfer to Other Funds.				
Change in Net Assets.	(1,165)	0	0	0
Carryforward Net Assets.				
Net Assets, October 1,	<u>1,165</u>			
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
FAMILY PRESERVATION AND STRENGTHENING PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Siouxland Human Investment Partnership				
	Early Childhood North Central IA		Ida County 6-30-12	Woodbury County 6-30-12	Woodbury County ECERS 6-30-12
	6-30-12	6-30-13			
Revenue:					
Governmental Funding Sources:					
Iowa Department of Human Rights.	\$	\$	\$	\$	\$
Iowa Department of Education.....					
Iowa Department of Human Services.....					
Iowa Department of Public Health.....					
Iowa Department of Agriculture and Land Stewardship. . .					
In-Kind Contributions.					
Early Childhood Iowa Funds.	55,212	10,155	2,943	8,500	1,885
Public Support and Donations.					
Interest Income.....					
Other Income.					
	<u>55,212</u>	<u>10,155</u>	<u>2,943</u>	<u>8,500</u>	<u>1,885</u>
Expense:					
Salaries and Wages.....		181			
Fringe Benefits.....		52			
Professional and Contract Service Fees.	28,636	9,545			
Travel.			43		
Space Costs.					
Supplies.					
Equipment Purchase/Lease.....					
Depreciation.					
Insurance.					
Telephone.....					
Printing and Postage.....					
Training.	11,300	345			
Advertising.					
Computer Costs.					
Assistance to Individuals.	15,276		2,900	8,500	1,885
Outreach Services.....					
Other Costs.....					
In-Kind Expenses.....					
Total Expenses Before Allocation of Indirect Costs	<u>55,212</u>	<u>10,123</u>	<u>2,943</u>	<u>8,500</u>	<u>1,885</u>
Allocation of Indirect Costs.....		32			
Total Expenses	<u>55,212</u>	<u>10,155</u>	<u>2,943</u>	<u>8,500</u>	<u>1,885</u>
Transfer to Other Funds.					
Change in Net Assets.	0	0	0	0	0
Carryforward Net Assets.					
Net Assets, October 1,.....					
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
FAMILY PRESERVATION AND STRENGTHENING PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Child Care Screen Time Materials 2-1-12	Iowa Farmers Market		Community Service Block Grant 12-31-12
		12-31-11	12-31-12	
Revenue:				
Governmental Funding Sources:				
Iowa Department of Human Rights.	\$	\$	\$	\$ 173,486
Iowa Department of Education.....				
Iowa Department of Human Services.....				
Iowa Department of Public Health.....	2,250			
Iowa Department of Agriculture and Land Stewardship.		575	6,690	
In-Kind Contributions.				
Early Childhood Iowa Funds.				
Public Support and Donations.				
Interest Income.....				
Other Income.				
	<u>2,250</u>	<u>575</u>	<u>6,690</u>	<u>173,486</u>
Expense:				
Salaries and Wages.....	1,470	414	226	97,378
Fringe Benefits.....	503	161	68	40,927
Professional and Contract Service Fees.				
Travel.				
Space Costs.				
Supplies.				
Equipment Purchase/Lease.....				
Depreciation.				
Insurance.				
Telephone.....				
Printing and Postage.....				
Training.				
Advertising.....				
Computer Costs.				
Assistance to Individuals.			6,396	
Outreach Services.....				15,818
Other Costs.....				
In-Kind Expenses.....				
Total Expenses Before Allocation of Indirect Costs	<u>1,973</u>	<u>575</u>	<u>6,690</u>	<u>154,123</u>
Allocation of Indirect Costs.....	<u>277</u>			<u>19,363</u>
Total Expenses	<u>2,250</u>	<u>575</u>	<u>6,690</u>	<u>173,486</u>
Transfer to Other Funds.				
Change in Net Assets.	0	0	0	0
Carryforward Net Assets.				
Net Assets, October 1,				
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
FAMILY PRESERVATION AND STRENGTHENING PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Local Funds	Family Preservation Fixed Assets	GAAP Differences	Total Family Preservation and Strength- ening Programs
Revenue:				
Governmental Funding Sources:				
Iowa Department of Human Rights.	\$	\$	\$	\$ 173,486
Iowa Department of Education.				446,131
Iowa Department of Human Services.				889,660
Iowa Department of Public Health.				1,821,632
Iowa Department of Agriculture and Land Stewardship.				7,265
In-Kind Contributions.			(232,060)	10,207
Early Childhood Iowa Funds.				262,825
Public Support and Donations.	83,049			83,049
Interest Income.				(94)
Other Income.				99,794
	<u>83,049</u>	<u>0</u>	<u>(232,060)</u>	<u>3,793,955</u>
Expense:				
Salaries and Wages.	4,632			952,828
Fringe Benefits.	1,800			359,667
Professional and Contract Service Fees.				109,347
Travel.				75,065
Space Costs.				31,619
Supplies.				75,013
Equipment Purchase/Lease.				4,362
Depreciation.		8,470		8,470
Insurance.				7,683
Telephone.				32,523
Printing and Postage.				34,956
Training.				52,788
Advertising.				21,808
Computer Costs.				18,185
Assistance to Individuals.				1,733,590
Outreach Services.	72,652			88,470
Other Costs.				7,243
In-Kind Expenses.			(232,060)	0
Total Expenses Before Allocation of Indirect Costs	<u>79,084</u>	<u>8,470</u>	<u>(232,060)</u>	<u>3,613,617</u>
Allocation of Indirect Costs.	901			182,714
Total Expenses	<u>79,985</u>	<u>8,470</u>	<u>(232,060)</u>	<u>3,796,331</u>
Transfer to Other Funds.				<u>(14,881)</u>
Change in Net Assets.	3,064	(8,470)	0	(17,257)
Carryforward Net Assets.				0
Net Assets, October 1.	<u>143,965</u>	<u>24,704</u>		<u>283,722</u>
Net Assets, September 30,	<u>\$ 147,029</u>	<u>\$ 16,234</u>	<u>\$ 0</u>	<u>\$ 266,465</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
EDUCATIONAL SERVICES FOR THE DISADVANTAGED PROGRAMS

For the Year Ended September 30, 2012

	U.S. Department of Health and Human Services		Head Start/ Early Head Start and at Risk USDA Food Reimburse- ment
	<u>Head Start/Early Head Start</u>		
	2-28-12	2-28-13	
Revenue:			
Governmental Funding Sources:			
U.S. Department of Health and Human Services.....	\$ 981,669	\$ 1,248,524	\$
Iowa Department of Education.....			154,032
Iowa Department of Human Services.....			
In-Kind Contributions.....	485,483	351,867	
Public Support and Donations.....	810	424	
Other Income.....	<u>17,433</u>	<u>7,366</u>	
	1,485,395	1,608,181	<u>154,032</u>
Expense:			
Salaries and Wages.....	484,639	589,870	24,546
Fringe Benefits.....	230,186	284,806	16,030
Professional and Contract Service Fees.....	47,188	34,335	
Travel.....	2,110	7,430	
Space Costs.....	45,636	56,978	
Supplies.....	19,772	8,882	24,086
Depreciation.....			
Insurance.....	12,404	17,890	
Telephone.....	9,524	13,209	
Printing and Postage.....	917	4,720	
Utilities.....	5,648	8,779	
General Maintenance.....	6,358	12,975	643
Vehicle Costs.....	20,347	32,563	
Computer Costs.....	6,609	9,156	
Training.....	847	3,934	
Assistance to Individuals.....	2,290	3,427	113,823
Loss on Disposal of Assets.....			
Other Costs.....	(1,301)	2,127	
Construction/Renovation.....	16,048	34,108	
In-Kind Expenses.....	<u>485,483</u>	<u>331,090</u>	
Total Expenses Before Allocation of Indirect Costs	1,394,705	1,456,279	179,128
Allocation of Indirect Costs.....	<u>100,075</u>	<u>122,457</u>	<u>5,680</u>
Total Expenses	1,494,780	1,578,736	184,808
Transfer to Other Funds.....		<u>(29,876)</u>	<u>(96,815)</u>
Change in Net Assets.....	(9,385)	(431)	(127,591)
Carryforward Net Assets.....	(13,186)	13,186	
Net Assets, October 1.....	<u>22,571</u>		<u>127,591</u>
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 12,755</u>	<u>\$ 0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
EDUCATIONAL SERVICES FOR THE DISADVANTAGED PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	At Risk Child Development Grants		Wrap-Around Grants	
	6-30-12	6-30-13	8-31-12	8-31-13
Revenue:				
Governmental Funding Sources:				
U.S. Department of Health and Human Services.....	\$	\$	\$	\$
Iowa Department of Education.....	53,458	10,337		
Iowa Department of Human Services.....			104,421	7,243
In-Kind Contributions.....	10,919	3,798		
Public Support and Donations.....	100			
Other Income.....				
	<u>64,477</u>	<u>14,135</u>	<u>104,421</u>	<u>7,243</u>
Expense:				
Salaries and Wages.....	24,556	4,914	18,431	1,896
Fringe Benefits.....	10,285	1,532	8,280	478
Professional and Contract Service Fees.....	673	412	73,970	4,537
Travel.....	811	385		
Space Costs.....	6,882	1,504		
Supplies.....	2,920	9		
Depreciation.....				
Insurance.....	454	159		
Telephone.....	306	97		
Printing and Postage.....	217	376		
Utilities.....				
General Maintenance.....				
Vehicle Costs.....				
Computer Costs.....				
Training.....	195			
Assistance to Individuals.....	1,055	47		
Loss on Disposal of Assets.....				
Other Costs.....	300			
Construction/Renovation.....				
In-Kind Expenses.....	<u>10,919</u>	<u>3,798</u>		
Total Expenses Before Allocation of Indirect Costs	59,573	13,233	100,681	6,911
Allocation of Indirect Costs.....	<u>4,878</u>	<u>902</u>	<u>3,740</u>	<u>332</u>
Total Expenses	<u>64,451</u>	<u>14,135</u>	<u>104,421</u>	<u>7,243</u>
Transfer to Other Funds.....				
Change in Net Assets.....	26	0	0	0
Carryforward Net Assets.....	(1,070)	1,070		
Net Assets, October 1.....	<u>1,044</u>			
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 1,070</u>	<u>\$ 0</u>	<u>\$ 0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
EDUCATIONAL SERVICES FOR THE DISADVANTAGED PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Miscel- laneous Grants 12-31-12	Fixed Assets Utilized in Education Services	GAAP Differences	Total Educational Services for the Dis- advantaged Programs
Revenue:				
Governmental Funding Sources:				
U.S. Department of Health and Human Services.....	\$	\$	\$	\$ 2,230,193
Iowa Department of Education.....				217,827
Iowa Department of Human Services.....				111,664
In-Kind Contributions.....			(748,930)	103,137
Public Support and Donations.....				1,334
Other Income.....	10,060			34,859
	<u>10,060</u>	<u>0</u>	<u>(748,930)</u>	<u>2,699,014</u>
Expense:				
Salaries and Wages.....				1,148,852
Fringe Benefits.....				551,597
Professional and Contract Service Fees.....	4,965			166,080
Travel.....				10,736
Space Costs.....				111,000
Supplies.....	2,595			58,264
Depreciation.....		45,162		45,162
Insurance.....				30,907
Telephone.....				23,136
Printing and Postage.....				6,230
Utilities.....				14,427
General Maintenance.....	2,500			22,476
Vehicle Costs.....				52,910
Computer Costs.....				15,765
Training.....				4,976
Assistance to Individuals.....				120,642
Loss on Disposal of Assets.....		9,676		9,676
Other Costs.....				1,126
Construction/Renovation.....		(50,156)		0
In-Kind Expenses.....			(748,930)	82,360
Total Expenses Before Allocation of Indirect Costs	<u>10,060</u>	<u>4,682</u>	<u>(748,930)</u>	<u>2,476,322</u>
Allocation of Indirect Costs.....				238,064
Total Expenses	<u>10,060</u>	<u>4,682</u>	<u>(748,930)</u>	<u>2,714,386</u>
Transfer from Other Funds.....		<u>135,897</u>		<u>9,206</u>
Change in Net Assets.....	0	131,215	0	(6,166)
Carryforward Net Assets.....				0
Net Assets, October 1,.....		<u>204,661</u>		<u>355,867</u>
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 335,876</u>	<u>\$ 0</u>	<u>\$ 349,701</u>

**MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
CRISIS INTERVENTION AND PREVENTION PROGRAMS**

For the Year Ended September 30, 2012

	FADSS		LIHEAP
	6-30-12	6-30-13	
Revenue:			
Governmental Funding Sources:			
Iowa Department of Human Rights.....	\$ 91,430	\$ 31,230	\$ 1,188,301
Public Support and Donations.....	2,000		
Interest Income.....			
Other Income.....			
	<u>93,430</u>	<u>31,230</u>	<u>1,188,301</u>
Expense:			
Salaries and Wages.....	50,235	15,747	57,003
Fringe Benefits.....	21,045	6,254	20,368
Professional and Contract Service Fees.....			557
Travel.....	7,583	1,913	1,298
Space Costs.....	3,504	1,016	10,621
Supplies.....	431	73	2,935
Depreciation.....			
Insurance.....	451	150	173
Telephone.....	2,855	1,278	2,787
Printing and Postage.....	213	50	4,165
Vehicle Costs.....			
Computer Costs.....	3,750	1,279	7,936
Training.....		390	
Assistance to Individuals.....			1,069,626
Other Costs.....			
Total Expenses Before Allocation of Indirect Costs	<u>90,067</u>	<u>28,150</u>	<u>1,177,469</u>
Allocation of Indirect Costs.....	<u>9,979</u>	<u>3,080</u>	<u>10,832</u>
Total Expenses	100,046	31,230	1,188,301
Transfer from Other Funds.....	<u>6,616</u>		
Change in Net Assets.....	0	0	0
Net Assets, October 1,.....			
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
CRISIS INTERVENTION AND PREVENTION PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Home Energy Assistance Program		Utility Fund
	12-31-11	12-31-12	
Revenue:			
Governmental Funding Sources:			
Iowa Department of Human Rights.	\$ (7,882)	\$ 169,479	\$
Public Support and Donations.			17,752
Interest Income.	(170)		
Other Income.	<u>(32,110)</u>	<u>18,085</u>	
	(40,162)	187,564	<u>17,752</u>
Expense:			
Salaries and Wages.	9,334	16,535	
Fringe Benefits.	387	638	
Professional and Contract Service Fees.	(34,518)	68,033	
Travel.		1,756	
Space Costs.		2,458	
Supplies.	(1,930)	2,617	
Depreciation.			
Insurance.	650	9,484	
Telephone.	1,495	2,081	
Printing and Postage.	442	1,554	
Vehicle Costs.	2,965	5,989	
Computer Costs.	943	1,941	
Training.	940	1,977	
Assistance to Individuals.			12,536
Other Costs.	<u>10,049</u>	<u>52,012</u>	
Total Expenses Before Allocation of Indirect Costs	(9,243)	167,075	12,536
Allocation of Indirect Costs.	<u>1,361</u>	<u>2,404</u>	
Total Expenses	(7,882)	169,479	12,536
Transfer from Other Funds.			
Change in Net Assets.	(32,280)	18,085	5,216
Net Assets, October 1,	<u>32,280</u>		<u>31,415</u>
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 18,085</u>	<u>\$ 36,631</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
CRISIS INTERVENTION AND PREVENTION PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	U.S. Department of Energy Weatheri- zation Assistance for Low-Income Persons DOE-ARRA 4-30-12	U.S. Department of Energy Weatheri- zation Assistance for Low-Income Persons DOE 3-31-13	Inventory Contract	Crisis Fund
Revenue:				
Governmental Funding Sources:				
Iowa Department of Human Rights.	\$ 507,953	\$ 160,555	\$	\$
Public Support and Donations.				69,353
Interest Income.				
Other Income.				
	<u>507,953</u>	<u>160,555</u>	<u>0</u>	<u>69,353</u>
Expense:				
Salaries and Wages.	65,126	28,462		
Fringe Benefits.	25,940	16,716		
Professional and Contract Service Fees.	188,866	48,662		
Travel.	18,575			
Space Costs.	6,899			
Supplies.	3,655			
Depreciation.				
Insurance.	650			
Telephone.	1,058			
Printing and Postage.	28			
Vehicle Costs.	1,357			
Computer Costs.	967			
Training.	11,870			
Assistance to Individuals.				71,532
Other Costs.	<u>170,214</u>	<u>66,715</u>		
Total Expenses Before Allocation of Indirect Costs	495,205	160,555	0	71,532
Allocation of Indirect Costs.	<u>12,748</u>	<u>6,325</u>		
Total Expenses	<u>507,953</u>	<u>166,880</u>	<u>0</u>	<u>71,532</u>
Transfer from Other Funds.				
Change in Net Assets.	0	(6,325)	0	(2,179)
Net Assets, October 1.			<u>17,855</u>	<u>117,475</u>
Net Assets, September 30,	<u><u>\$ 0</u></u>	<u><u>\$ (6,325)</u></u>	<u><u>\$ 17,855</u></u>	<u><u>\$ 115,296</u></u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
CRISIS INTERVENTION AND PREVENTION PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Utility Weatherization Programs		
	MEC 12-31-12	IPL 12-31-11	IPL 12-31-12
Revenue:			
Governmental Funding Sources:			
Iowa Department of Human Rights.	\$ 77,785	\$ 12,503	\$ 30,421
Public Support and Donations.			
Interest Income.			
Other Income.			
	<u>77,785</u>	<u>12,503</u>	<u>30,421</u>
Expense:			
Salaries and Wages.	7,328	1,526	2,597
Fringe Benefits.	2,901	509	911
Professional and Contract Service Fees.	32,965	3,751	11,372
Travel.			
Space Costs.			
Supplies.			248
Depreciation.			
Insurance.			
Telephone.			304
Printing and Postage.			
Vehicle Costs.			
Computer Costs.			
Training.			
Assistance to Individuals.			
Other Costs.	<u>33,159</u>	<u>6,554</u>	<u>14,498</u>
Total Expenses Before Allocation of Indirect Costs	<u>76,353</u>	<u>12,340</u>	<u>29,930</u>
Allocation of Indirect Costs.	<u>1,432</u>	<u>163</u>	<u>491</u>
Total Expenses	<u>77,785</u>	<u>12,503</u>	<u>30,421</u>
Transfer from Other Funds.			
Change in Net Assets.	0	0	0
Net Assets, October 1,			
Net Assets, September 30,	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
CRISIS INTERVENTION AND PREVENTION PROGRAMS (CONTINUED)

For the Year Ended September 30, 2012

	Miscel- laneous Grants 12-31-12	Fixed Assets Utilized in Crisis Intervention	GAAP Differences	Total Crisis Intervention and Prevention Programs
Revenue:				
Governmental Funding Sources:				
Iowa Department of Human Rights.	\$	\$	\$ 26,874	\$ 2,288,649
Public Support and Donations.				89,105
Interest Income.....				(170)
Other Income.	<u>9,889</u>	<u> </u>	<u>14,025</u>	<u>9,889</u>
	9,889	0	40,899	2,387,473
Expense:				
Salaries and Wages.....				253,893
Fringe Benefits.....				95,669
Professional and Contract Service Fees.				319,688
Travel.				31,125
Space Costs.				24,498
Supplies.				8,029
Depreciation.....		9,306		9,306
Insurance.				11,558
Telephone.....				11,858
Printing and Postage.....				6,452
Vehicle Costs.				10,311
Computer Costs.				16,816
Training.				15,177
Assistance to Individuals.	9,889		26,874	1,190,457
Other Costs.....	<u> </u>	<u> </u>	<u>14,025</u>	<u>367,226</u>
Total Expenses Before Allocation of Indirect Costs	9,889	9,306	40,899	2,372,063
Allocation of Indirect Costs.....	<u> </u>	<u> </u>	<u> </u>	<u>48,815</u>
Total Expenses	9,889	9,306	40,899	2,420,878
Transfer from Other Funds.	<u> </u>	<u> </u>	<u> </u>	<u>6,616</u>
Change in Net Assets.	0	(9,306)	0	(26,789)
Net Assets, October 1,	<u> </u>	<u>32,233</u>	<u> </u>	<u>231,258</u>
Net Assets, September 30,	<u>\$ 0</u>	<u>\$ 22,927</u>	<u>\$ 0</u>	<u>\$ 204,469</u>

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF REVENUES AND EXPENSES -
MANAGEMENT AND GENERAL AND FUNDRAISING

For the Year Ended September 30, 2012

	Management and General									Fund-raising and Community Development	
	Payroll Clearing	Internal Service Fund	Administration	Special Account	Agency AB Un-restricted	Agency Un-restricted	Miscellaneous Grants	General Fixed Assets	GAAP Differences		Total
Revenue:											
Public Support and Donations.....	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Interest Income.....		760				4,841				5,601	
In-Kind Contributions.....						28,083				28,083	
Gain on Disposal of Assets.....								11,031		11,031	
Other Income.....		150,054				236,594	8,400		(266,349)	128,699	25,925
		<u>760</u>	<u>150,054</u>	<u>0</u>	<u>0</u>	<u>269,518</u>	<u>8,400</u>	<u>11,031</u>	<u>(266,349)</u>	<u>173,414</u>	<u>30,204</u>
Expense:											
Salaries and Wages.....			3,408	233,722						237,130	
Fringe Benefits.....		3,189	1,080	82,972		(1,793)				85,448	
Professional and Contract Service Fees.....			250	34,286	4,650					39,186	
Travel.....				15,248		11,654			(24,795)	2,107	64
Space Costs.....									(94,088)	(94,088)	
Supplies.....		(2,665)	2,591	5,978	1,224	8,900				16,028	133
Equipment Purchase/Lease.....			13,381							13,381	
Depreciation.....			42,205					7,682		49,887	
Insurance.....			5,364	11,381		94,743			(91,500)	19,988	
Telephone.....			346	9,405						9,751	
Utilities.....			14,292							14,292	
Printing and Postage.....			9,329	5,463					(33,286)	(18,494)	652
Advertising.....				345						345	
General Maintenance.....			31,332		3,699		4,151			39,182	
Computer Costs.....			19,107	7,563					(22,680)	3,990	
Training.....						8,300				8,300	
Other Costs.....				7,383		4,704				12,087	20,342
Total Expenses Before Allocation of Indirect Costs		524	142,685	413,746	0	9,573	126,508	4,151	7,682	(266,349)	438,520
Allocation of Indirect Costs.....			628	(470,221)						(469,593)	
Total Expenses		<u>524</u>	<u>143,313</u>	<u>(56,475)</u>	<u>0</u>	<u>9,573</u>	<u>126,508</u>	<u>4,151</u>	<u>7,682</u>	<u>(266,349)</u>	<u>(31,073)</u>
Transfer from (to) Other Funds.....			(1,939)	(56,475)	(15,884)	80,976	(52,656)	(6,000)	57,653	5,675	(6,616)
Change in Net Assets.....		236	4,802	0	(15,884)	71,403	90,354	(1,751)	61,002	0	210,162
Net Assets, October 1.....		46,423	337,040		15,884		227,307	1,751	12,968		641,373
Net Assets, September 30.....	\$	<u>46,659</u>	<u>\$ 341,842</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 71,403</u>	<u>\$ 317,661</u>	<u>\$ 0</u>	<u>\$ 73,970</u>	<u>\$ 0</u>	<u>\$ 851,535</u>
											<u>\$ 87,999</u>

See independent auditor's report

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2012

Grantor/Program	CFDA Number	Agency or Pass-Through Entity Number	Program Expenditures
U.S. Department of Health and Human Services:			
Head Start/Early Head Start.	93.600	07CH6102/45	\$ 981,669
Head Start/Early Head Start.	93.600	07CH6102/46	<u>1,248,524</u>
Total Direct Awards Expended			2,230,193
Iowa Department of Public Health:			
Maternal and Child Health Services Grant to the States. . .	93.994	5881MH18	65,656
Iowa Department of Human Services:			
Child Care and Development Block Grant.. . . .	93.575	ACFS-12-093	835,730
Child Care and Development Block Grant.. . . .	93.575	DCFS-09-089-18	111,664
Siouxland Human Investment Partnership:			
Child Care and Development Block Grant.. . . .	93.575	1230-T	8,500
Child Care and Development Block Grant.. . . .	93.575	1281I-T	2,943
Child Care and Development Block Grant.. . . .	93.575	1253-T	1,885
Northwest Early Childhood Iowa:			
Child Care and Development Block Grant.. . . .	93.575		41,223
BVCS Early Childhood Iowa:			
Child Care and Development Block Grant.. . . .	93.575		48,351
Linking Families and Communities:			
Child Care and Development Block Grant.. . . .	93.575		68,260
Early Childhood North Central Iowa Area Board:			
Child Care and Development Block Grant.. . . .	93.575		56,792
Iowa Department of Human Rights:			
Temporary Assistance for Needy Families.	93.558	FADSS-12-06	49,372
Temporary Assistance for Needy Families.	93.558	FADSS-13-06	16,864
Low Income Home Energy Assistance.. . . .	93.568	LIHEAP-12-06	1,188,301
Low Income Home Energy Assistance.. . . .	93.568	HEAP-11-06	(7,882)
Low Income Home Energy Assistance.. . . .	93.568	HEAP-12-06	169,479
Community Services Block Grant.	93.569	CSBG-12-06	<u>173,486</u>
			2,830,624
U.S. Department of Agriculture:			
Iowa Department of Public Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children.. . . .	10.557	5889AO39	1,577,610
Community Action Agency Pilot Program for Child Care Screen Time Materials.	93.723	5881OB03	2,250
Iowa Department of Agriculture and Land Stewardship:			
WIC Farmers' Market Nutrition Program.	10.572		<u>7,004</u>
			1,586,864
U.S. Department of Education:			
Child and Adult Care Food Program.. . . .	10.558	75-8012	439,396
Child and Adult Care Food Program.. . . .	10.558	75-8010	<u>281,623</u>
			721,019

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the Year Ended September 30, 2012

Grantor/Program	CFDA Number	Agency or Pass-Through Entity Number	Program Expenditures
U.S. Department of Energy:			
Iowa Department of Human Rights:			
Weatherization Assistance for Low-Income Persons	81.042	DOE-12-06	\$ 166,880
ARRA - Weatherization Assistance for Low-Income Persons.	81.042	DOE-ARRA-09-06G	<u>507,952</u>
			<u>674,832</u>
Total Indirect Awards Expended			<u>5,813,339</u>
Total Federal Awards Expended			<u>\$ 8,043,532</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes all federal grant activity of Mid-Sioux Opportunity, Inc. Program expenditures included in the accompanying schedule is presented on the accrual basis of accounting modified to include fuel purchases when made and capital expenditures. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

NON-CASH EXPENDITURES

Non-monetary assistance is reported in the schedule at the fair market value of the assistance as follows:

Special Supplemental Food Program for Women, Infants, and Children Vouchers Rendered	\$ 1,218,247
WIC Farmers' Market Nutrition Program Vouchers Rendered	<u>6,396</u>
	<u>\$ 1,224,643</u>

MID-SIOUX OPPORTUNITY, INC.
INDIRECT COST - ADMINISTRATION
SCHEDULE OF COSTS CHARGED TO INDIRECT COST POOL

For the Year Ended September 30, 2012

	Actual	Original Budget
Receipts:		
Indirect Costs Allocated.	\$ 470,221	
Disbursements:		
Salaries and Wages.....	233,722	\$ 233,723
Fringe Benefits.	82,972	82,972
Professional and Contract Service Fees.	34,286	34,292
Travel.	15,248	15,268
Supplies.....	5,978	5,965
Insurance.....	11,381	11,381
Telephone.	9,405	9,405
Printing and Postage.	5,463	5,463
Computer Costs.....	10,043	10,000
Advertising.	345	345
Other Costs.	<u>7,383</u>	<u>7,412</u>
Total Disbursements	<u>416,226</u>	<u>\$ 416,226</u>
Excess of Amounts Allocated Over Costs	<u>\$ 53,995</u>	

**MID-SIOUX OPPORTUNITY, INC.
 IOWA DEPARTMENT OF HUMAN RIGHTS -
 COMMUNITY SERVICE BLOCK GRANT (CSBG-11-06)
 SCHEDULE OF GRANT/CONTRACT ACTIVITY**

For the Period from October 1, 2010 to December 31, 2011

Receipts:

Governmental Funding Sources:	
Iowa Department of Human Rights.	\$ 174,089

Disbursements:

Outreach Services.	<u>174,089</u>
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Excess of Receipts Over Disbursements.	0
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Fund Balance, October 1, 2010.	<u>0</u>
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Fund Balance, December 31, 2011	<u><u>0</u></u>
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MID-SIOUX OPPORTUNITY, INC.
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES -
HEAD START/EARLY HEAD START PROGRAM (07CH6102/45)
SCHEDULE OF GRANT/CONTRACT ACTIVITY

For the Year Ended February 28, 2012

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
U.S. Department of Health and Human Services.....	\$ 2,236,152	
In-Kind Contributions.....	810,238	
Organization Contribution.....	810	
Other Income.....	<u>27,497</u>	
Total Receipts	3,074,697	
Disbursements:		
Grantor's Share:		
Salaries and Wages.....	1,084,691	\$ 1,069,435
Fringe Benefits.....	505,580	522,973
Professional and Contract Service Fees.....	99,147	104,085
Travel.....	11,759	11,089
Space Costs.....	96,308	93,954
Supplies.....	41,056	18,333
Depreciation.....	11,681	13,044
Insurance.....	31,210	20,418
Telephone.....	22,419	23,136
Printing and Postage.....	8,661	13,479
Utilities.....	11,977	14,229
Assistance to Individuals.....	5,797	14,066
Vehicle Costs.....	50,608	36,898
General Maintenance.....	14,742	14,040
Computer Costs.....	17,101	13,100
Training.....	10,178	11,856
Construction/Renovation.....	16,048	19,047
Other Costs.....	2,048	2,103
Indirect Costs.....	<u>222,638</u>	<u>220,866</u>
Total Grantor's Share	2,263,649	2,236,151
Grantee's Share:		
Salaries/Fringe.....	749,620	484,366
Contractual.....		15,340
Travel.....	7,981	10,651
Space Costs.....	36,400	30,280
Supplies.....	<u>16,237</u>	<u>14,419</u>
Total Grantee's Share	810,238	555,056
Contribution Expense.....	<u>585</u>	<u>13,771</u>
Total Disbursements	<u>3,074,472</u>	<u>\$ 2,804,978</u>
Excess of Disbursements Over Receipts.....	225	
Fund Balance, March 1, 2011.....	<u>12,961</u>	
Fund Balance, February 28, 2012	\$ <u>13,186</u>	

**MID-SIOUX OPPORTUNITY, INC.
 IOWA DEPARTMENT OF HUMAN RIGHTS -
 FAMILY DEVELOPMENT AND SELF-SUFFICIENCY (FADSS 12-06)
 SCHEDULE OF GRANT/CONTRACT ACTIVITY**

For the Year Ended June 30, 2012

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.....	\$ 129,317	
Other Income.....	6,616	
Public Support and Donations.....	<u>2,000</u>	
Total Receipts	137,933	
 Disbursements:		
Salaries and Wages.....	69,839	\$ 63,990
Fringe Benefits.....	29,384	33,403
Travel.....	10,033	9,816
Space Costs.....	4,578	4,296
Supplies.....	513	900
Telephone.....	3,868	3,900
Postage.....	283	480
Publications.....	75	50
Other Costs.....	5,469	6,611
Indirect Costs.....	<u>13,891</u>	<u>13,635</u>
Total Disbursements	<u>137,933</u>	<u>\$ 137,081</u>
 Excess of Receipts Over Disbursements.....	 0	
 Fund Balance, July 1, 2011.....	 <u>0</u>	
 Fund Balance, June 30, 2012	 <u>\$ 0</u>	

MID-SIOUX OPPORTUNITY, INC.
IOWA DEPARTMENT OF HUMAN RIGHTS -
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP-12-06)
SCHEDULE OF GRANT/CONTRACT ACTIVITY

For the Year Ended September 30, 2012

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.....	\$ 1,188,301	
Disbursements:		
Grantor's Share:		
Client Assistance:		
Regular.....	858,070	\$ 909,628
ECIP.....	60,738	60,738
Client Services.....	17,166	17,166
Summer Deliverable Fuel.....	151,473	151,473
Administration.....	<u>100,854</u>	<u>110,914</u>
Total Disbursements	<u>1,188,301</u>	<u>\$ 1,249,919</u>
Excess of Receipts Over Disbursements.....	0	
Fund Balance, October 1, 2011.....	<u>0</u>	
Fund Balance, September 30, 2012	<u><u>\$ 0</u></u>	

MID-SIOUX OPPORTUNITY, INC.
IOWA DEPARTMENT OF HUMAN RIGHTS -
HOME ENERGY ASSISTANCE WEATHERIZATION PROGRAM (HEAP 11-06)
SCHEDULE OF GRANT/CONTRACT ACTIVITY

For the Year Ended December 31, 2011

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.	\$ 171,844	
Disbursements:		
Administration.....	8,471	\$ 13,080
Support.	60,198	61,164
Labor.....	544	63,785
Materials.....	24,556	63,785
Health and Safety.	67,609	47,183
Insurance.....	8,351	8,350
Training/Equipment.	<u>2,115</u>	<u>17,176</u>
Total Disbursements	<u>171,844</u>	<u>\$ 274,523</u>
Excess of Receipts Over Disbursements.....	0	
Fund Balance, January 1, 2011.....	<u>0</u>	
Fund Balance, December 31, 2011	<u>\$ 0</u>	

**MID-SIOUX OPPORTUNITY, INC.
 IOWA DEPARTMENT OF HUMAN RIGHTS -
 WEATHERIZATION ASSISTANCE (MEC 11-06)
 SCHEDULE OF GRANT/CONTRACT ACTIVITY**

For the Year Ended December 31, 2011

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.	\$ 155,570	
Disbursements:		
Administration.....	7,776	\$ 7,776
Support.	15,331	15,558
Labor.....	56,399	66,118
Materials.....	<u>76,064</u>	<u>66,118</u>
Total Disbursements	<u>155,570</u>	<u>\$ 155,570</u>
Excess of Receipts Over Disbursements.....	0	
Fund Balance, January 1, 2011.....	<u>0</u>	
Fund Balance, December 31, 2011	<u>\$ 0</u>	

**MID-SIOUX OPPORTUNITY, INC.
 IOWA DEPARTMENT OF HUMAN RIGHTS -
 WEATHERIZATION ASSISTANCE (IPL 11-06)
 SCHEDULE OF GRANT/CONTRACT ACTIVITY**

For the Year Ended December 31, 2011

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.....	\$ 50,421	
Disbursements:		
Administration.....	2,521	\$ 2,521
Support.....	5,015	5,042
Labor.....	18,161	21,429
Materials.....	<u>24,724</u>	<u>21,429</u>
Total Disbursements	<u>50,421</u>	<u>\$ 50,421</u>
Excess of Receipts Over Disbursements.....	0	
Fund Balance, January 1, 2011.....	<u>0</u>	
Fund Balance, December 31, 2011	<u>0</u>	

**MID-SIOUX OPPORTUNITY, INC.
 IOWA DEPARTMENT OF HUMAN RIGHTS -
 WEATHERIZATION ASSISTANCE (DOE-ARRA-09-06G)
 SCHEDULE OF GRANT/CONTRACT ACTIVITY**

For the Period Ended April 30, 2012

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.....	\$ 2,698,824	
Disbursements:		
Administration.....	120,924	\$ 148,721
Support.....	387,975	601,453
Labor.....	808,378	629,905
Materials.....	654,849	629,905
Health and Safety.....	489,798	466,440
TTA.....	165,221	178,642
Training/Equipment.....	<u>71,679</u>	<u>71,679</u>
Total Disbursements	<u>2,698,824</u>	<u>\$ 2,726,745</u>
Excess of Receipts Over Disbursements.....	0	
Fund Balance, April 1, 2009.....	<u>0</u>	
Fund Balance, April 30, 2012	\$ <u>0</u>	

MID-SIOUX OPPORTUNITY, INC.
IOWA DEPARTMENT OF PUBLIC HEALTH -
CHILD SCREEN MATERIALS (5881OB03)
SCHEDULE OF GRANT/CONTRACT ACTIVITY

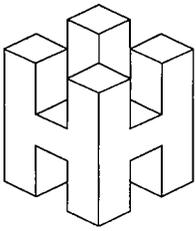
For the Period Ended February 28, 2012

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.....	\$ 4,500	
Disbursements:		
Grantor's Share:		
Salaries.....	2,930	\$
Fringe.....	1,017	
Indirect.....	553	
Total Disbursements	<u>4,500</u>	<u>\$ 0</u>
Excess of Receipts Over Disbursements.....	0	
Fund Balance, October 1, 2011.....	<u>0</u>	
Fund Balance, February 28, 2012	\$ <u>0</u>	

**MID-SIOUX OPPORTUNITY, INC.
 IOWA DEPARTMENT OF HUMAN RIGHTS -
 WEATHERIZATION ASSISTANCE (DOE-11-06)
 SCHEDULE OF GRANT/CONTRACT ACTIVITY**

For the Period Ended March 31, 2012

	Actual	Original Budget
Receipts:		
Governmental Funding Sources:		
Iowa Department of Human Rights.	\$ 0	
Disbursements:		
Administration..		\$ 8,146
Support.		34,170
Labor.		35,589
Materials.		35,589
Health and Safety.		<u>25,532</u>
Total Disbursements	<u>0</u>	<u>\$ 139,026</u>
Excess of Receipts Over Disbursements.	0	
Fund Balance, July 1, 2011.	<u>0</u>	
Fund Balance, March 31, 2012	<u>0</u>	



**HENJES, CONNER &
WILLIAMS, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITORS' 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**

To the Board of Directors
Mid-Sioux Opportunity, Inc.
Remsen, Iowa

We have audited the financial statements of MID-SIOUX, OPPORTUNITY, INC. (a non-profit organization), as of and for the year ended September 30, 2012, and have issued our report thereon dated January 25, 2013. 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

Management of Mid-Sioux Opportunity, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Mid-Sioux Opportunity, 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 Mid-Sioux Opportunity, Inc.'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.

A deficiency in internal control 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mid-Sioux Opportunity, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

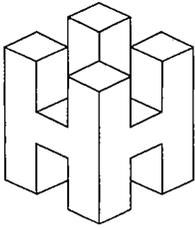
We noted certain other matters that we reported to management of Mid-Sioux Opportunity, Inc. in a separate letter dated January 25, 2013.

This report is intended solely for the information and use of management, others within the entity, the Board of Directors, 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.

Henjes, Connor, & Williams, P.C.

Certified Public Accountants

Sioux City, Iowa
January 25, 2013



**HENJES, CONNER &
WILLIAMS, P.C.**

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors
Mid-Sioux Opportunity, Inc.
Remsen, Iowa

Compliance

We have audited MID-SIOUX OPPORTUNITY, INC.'s compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Mid-Sioux Opportunity, Inc.'s major federal programs for the year ended September 30, 2012. Mid-Sioux Opportunity, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Mid-Sioux Opportunity, Inc.'s management. Our responsibility is to express an opinion on Mid-Sioux Opportunity, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States 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 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 Mid-Sioux Opportunity, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Mid-Sioux Opportunity, Inc.'s compliance with those requirements.

In our opinion, Mid-Sioux Opportunity, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2012.

Internal Control Over Compliance

Management of Mid-Sioux Opportunity, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Mid-Sioux Opportunity, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the 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, 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 Mid-Sioux Opportunity, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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.

This report is intended solely for the information and use of management, others within the entity, the Board of Directors, 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.

Henry J. Connor, & Williams, P.C.

Certified Public Accountants

Sioux City, Iowa
January 25, 2013

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Part I: Summary of the Independent Auditors' Results

- a. An unqualified opinion was issued on the financial statements.
- b. No significant deficiencies in internal control over financial reporting were disclosed by the audit of the financial statements.
- c. No non-compliance which is material to the financial statements was disclosed.
- d. No significant deficiencies in internal control over major programs were disclosed.
- e. An unqualified opinion was issued on compliance with requirements applicable to each major program.
- f. The audit did not disclose audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section 510(a).
- g. Major programs were as follows:
 - CFDA # 93.600 - Head Start
 - CFDA # 81.042 - ARRA - Weatherization Assistance for Low-Income Persons
CFDA # 81.042 - Weatherization Assistance for Low-Income Persons
 - CFDA # 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. Mid-Sioux Opportunity, Inc. did not qualify as a low-risk auditee.

MID-SIOUX OPPORTUNITY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Part II: Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards*

Instances of Non-Compliance:

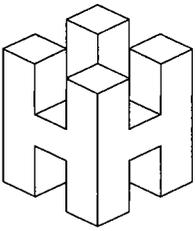
No matters were reported.
There were no prior year audit findings.

Material Weakness:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards
None Reported

Part IV: Summary Schedule of Prior Audit Findings
None Reported



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To the Board of Directors
Mid-Sioux Opportunity, Inc.
Remsen, Iowa

We have audited the financial statements of MID-SIOUX OPPORTUNITY, INC. for the year ended September 30, 2012, and have issued our report thereon dated January 25, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and OMB Circular A-133, 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 September 27, 2012. 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 Mid-Sioux Opportunity, Inc. are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2012. 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 most sensitive estimate affecting the financial statements was:

Management's estimate of donated materials, facilities, and services, along with the allocation of expenses by function which are based on management's knowledge and working experience with these areas. We evaluated the key factors and assumptions used to develop the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We have evaluated the disclosures in the financial statements and they are neutral, consistent, and clear in relation to the financial statements taken as a whole. The most sensitive disclosure affecting the financial statements was:

The disclosure of commitments and contingencies in the notes to the financial statements. This disclosure was made due to the large amount of government funding received and the Agency's dependency on these sources in order to continue operation in its current form.

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. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

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 January 25, 2013.

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 Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the basis of accounting required by the grantees which differs from U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of Mid-Sioux Opportunity, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Henje, Lomas & Williams, P.C.

Certified Public Accountants

Sioux City, Iowa
January 25, 2013

Mid-Sioux Opportunity, Inc.
Passed Adjusting Journal Entries
9/30/2012

1	Prepaid Expenses	18,683.17	
	Insurance Expense		5,480.88
	License Fee		2,287.53
	Software Expense		7,844.08
	Rent Expense		3,070.68

To pass adjustment to record prepaid expenses.

2	Accounts Receivable	4,091.42	
	Medicaid Revenue		4,091.42

To pass adjustment to record Medicaid receivables.

3	Grant Receivable - DOE	6,324.97	
	Grant Revenue - DOE		6,324.97

To pass adjustment to record additional DOE revenue and receivable.

	<u>Total</u> <u>Assets</u>	<u>Total</u> <u>Liabilities</u>	<u>Net</u> <u>Assets</u>	<u>Revenues</u>	<u>Expenses</u>
Over (Under)	(29,099)	-	-	(10,416)	18,683
Prior Year Reversal	N/A	N/A	N/A	8,157	(16,696)
Total	<u>(29,099)</u>	<u>-</u>	<u>-</u>	<u>(2,259)</u>	<u>1,987</u>