

**SOUTH CENTRAL IOWA COMMUNITY ACTION
PROGRAM, INC.**

Chariton, Iowa

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

October 31, 2012

(With Independent Auditor's Reports Thereon)

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Chariton, Iowa

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SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Board of Directors and Officers**Officers**

Dennis Ryan
 Jack Cooley
 Cindy Kendall
 Marilyn Runnells
 Susan McCleary

Chairman of the Board
 First Vice-Chairman
 Second Vice-Chairman
 Treasurer
 Board Secretary

Board Members

<u>County</u>	<u>Representing Private Sector</u>	<u>Representing Public Officials</u>	<u>Representing Low-Income</u>
Clarke	April Bundridge	Jack Cooley	Anita Gilmore
Decatur	Ted Smith	Morris Boswell	Bonnie Fairchild
Lucas	Marilyn Runnells	Dan Kozak	
Monroe	Jerry Durian	Dennis Ryan	Gail Wirtjes
Wayne		Amy Sinclair	Cindy Kendall

Management

Jim Smith
 Daniel Miller
 Tracy Moore
 Nancy Schnurr
 Linda Clark

Executive Director and Weatherization Director
 Financial Director
 Financial Assistant
 Head Start Director
 LIHEAP

MERIWETHER, WILSON AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
South Central Iowa Community Action Program, Inc.
Chariton, 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, 2012, 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 2011 financial statements and, in our report dated February 17, 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 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, 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 a report dated February 11, 2013, 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 performed for the purpose of forming an opinion on the financial statements as a whole. 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 not a required part of the financial statements. The additional supporting schedules are presented for purposes of additional analysis and are 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 information is fairly stated in all material respects in relation to the financial statements as a whole.


MERIWETHER, WILSON AND COMPANY, PLLC
Certified Public Accountants

February 11, 2013
West Des Moines, Iowa

MEMBERS AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Statement of Financial Position

October 31, 2012
(With Comparative Totals for 2011)

	Assets	<u>2012</u>	<u>2011</u>
Current Assets			
Cash and Cash Equivalents		\$ 181,839	165,452
Certificates of Deposit		347,089	334,309
Marketable Securities		23,872	22,274
Receivables			
Awards, Grants, and Contracts		245,501	290,915
Other		2,974	25
Prepaid Expenses		12,977	15,820
Work in Process		32,867	48,985
Inventories		2,186	2,784
Total Current Assets		<u>849,305</u>	<u>880,564</u>
Property and Equipment, at Cost			
Land		69,399	69,399
Buildings		748,800	764,101
Vehicles		334,021	331,357
Equipment		253,921	376,019
		<u>1,406,141</u>	<u>1,540,876</u>
Accumulated Depreciation		(688,614)	(784,973)
Net Property and Equipment		<u>717,527</u>	<u>755,903</u>
Total Assets		<u>\$ 1,566,832</u>	<u>1,636,467</u>
Liabilities and Net Assets			
Current Liabilities			
Owed to Grantor Agencies		\$ 26,419	3,865
Accounts Payable		91,425	46,244
Accrued Annual Leave		37,046	35,145
Other Accrued Expenses		83,517	66,038
Deferred Revenue		12,578	4,138
Total Current Liabilities		<u>250,985</u>	<u>155,430</u>
Net Assets			
Unrestricted			
Invested in Property and Equipment		717,527	755,903
Designated for Programs		8,034	11,953
Undesignated		399,884	418,212
Temporarily Restricted		190,402	294,969
Total Net Assets		<u>1,315,847</u>	<u>1,481,037</u>
Total Liabilities and Net Assets		<u>\$ 1,566,832</u>	<u>1,636,467</u>

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, 2012
(With Comparative Totals 2011)

	2012			2011
	Unrestricted	Temporarily Restricted	Total	Total All Funds
Support and Revenue				
Grants and Contract Revenue	\$ 4,341,857	--	4,341,857	5,617,344
Program Income and Public Support	12,948	62,443	75,391	34,111
Investment Income	4,839	--	4,839	201
Unrealized Gain (Loss) on Marketable Securities	1,598	--	1,598	4,115
Other Income	35,245	--	35,245	52,773
In Kind Support	503,052	--	503,052	533,937
Temporarily Restricted Funds				
Released from Restrictions	167,010	(167,010)	--	--
Total Support and Revenue	5,066,549	(104,567)	4,961,982	6,242,481
Expenses				
Head Start Programs	2,171,544	--	2,171,544	2,246,606
Child and Adult Care Food Program	99,891	--	99,891	84,814
Child Development Grants	129,696	--	129,696	92,506
Wrap-Around Child Care Grant	63,520	--	63,520	63,464
Empowerment Area Grants	142,917	--	142,917	202,667
Community Services Block Grants	152,566	--	152,566	138,291
Low Income Home Energy Assistance Program	1,201,448	--	1,201,448	1,761,434
Family Development and Self-Sufficiency	163,278	--	163,278	160,290
Child Care Resource and Referral	--	--	--	58,627
Housing Preservation Grant	38,877	--	38,877	49,972
Homeless Prevention and Rapid Rehousing	42,536	--	42,536	75,342
Weatherization Assistance Programs	718,409	--	718,409	1,066,290
Emergency Assistance	--	--	--	22,899
Embrace Iowa	10,082	--	10,082	14,362
Local Programs	92,707	--	92,707	133,528
Depreciation and Disposals	99,701	--	99,701	93,445
Total Expenses	5,127,172	--	5,127,172	6,264,537
Excess (Deficit) of Support and Revenue to Expenses	(60,623)	(104,567)	(165,190)	(22,056)
Net Assets - Beginning of Year	1,186,068	294,969	1,481,037	1,503,093
Net Assets - End of Year	\$ 1,125,445	190,402	1,315,847	1,481,037

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, 2012
(With Comparative Totals 2011)

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities		
Excess (Deficit) of Support and Revenue to Expenses	\$(165,190)	(22,056)
Noncash Items Included in Expenses		
Unrealized (Gain) Loss on Marketable Securities	(1,598)	916
Depreciation	93,565	91,165
(Gain) Loss on Sale of Property and Equipment	6,136	524
(Increase) Decrease in		
Receivables	42,465	351,712
Prepaid Expenses	2,843	(3,574)
Work in Process	16,118	(31,309)
Inventories	598	305
Increase (Decrease) in		
Owed to Grantor Agencies	22,554	(11,302)
Accounts Payable	45,181	(176,619)
Accrued Annual Leave	1,901	(2,899)
Other Accrued Expenses	17,479	(33,054)
Deferred Revenue	8,440	(10,203)
Net Cash Flows from Operating Activities	<u>90,492</u>	<u>153,606</u>
Cash Flows from Investing Activities		
(Increase) Decrease in Certificates of Deposit	(12,780)	(4,042)
Proceeds from the Sale of Property and Equipment	10,546	1,756
Property and Equipment Acquisitions	<u>(71,871)</u>	<u>(38,612)</u>
Net Cash Flows from Investing Activities	<u>(74,105)</u>	<u>(40,898)</u>
Cash Flows from Financing Activities		
Change in Operating Note Payable	<u>--</u>	<u>(70,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	16,387	42,708
Cash and Cash Equivalents - Beginning of Year	<u>165,452</u>	<u>122,744</u>
Cash and Cash Equivalents - End of Year	<u>\$ 181,839</u>	<u>165,452</u>
Supplemental Cash Flow Disclosures		
Interest Paid	<u>\$ --</u>	<u>1,435</u>

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

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

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Notes to Financial Statements

October 31, 2012

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, 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

Investments in marketable securities with readily determinable fair values are valued at their fair values in the Statement of Financial Position. The change in fair value during the fiscal period is 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.

Income Taxes

South Central Iowa Community Action Program, Inc. annually evaluates the impact of uncertain tax positions taken or expected to be taken in a tax return, which may require recognition of a liability related to those tax positions. At October 31, 2012, the Organization had no uncertain tax positions requiring recognition in the financial statements.

The Organization is no longer subject to federal and state income tax examinations by tax authorities for years ending before October 31, 2009.

Concentration of Credit Risks

South Central Iowa Community Action Program, Inc. received approximately 88% 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 four 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 no excess deposits subject to credit risk at October 31, 2012.

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

The Organization records financial assets and liabilities using 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.

The 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.

Marketable 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, 2011, from which the summarized information was derived. Certain reclassifications to the 2011 comparative totals have been made to conform to the 2012 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.

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.

4. Certificates of Deposit

South Central Iowa Community Action Program, Inc. held the following certificates of deposit at October 31, 2012:

	Interest Rate	Balance	Maturity Date
SCICAP Credit Union	0.65%	\$ 105,593	3/31/2013
Peoples State Bank	0.65%	112,859	3/10/2013
First Iowa State Bank	1.00%	118,584	9/10/2013
American State Bank	0.53%	10,053	6/24/2013
		<u>\$ 347,089</u>	

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, 2012 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)
Marketable Securities	<u>\$ 23,872</u>	<u>23,872</u>	<u>--</u>	<u>--</u>

6. 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 temporarily restricted net asset and is used to provide materials for the various ongoing weatherization programs.

As of October 31, 2012, the inventory totaled \$2,186.

7. Receivables

Awards, grants, or contract funds receivable at October 31, 2012, are summarized as follows:

Head Start & Early Head Start	\$ 59,763
Family Development and Self Sufficiency	22,076
Child and Adult Care Food Program	22,396
Wrap Around Child Care	12,303
Empowerment Area Grants	12,723
Community Services Block Grant	8,419
Housing Preservation	36,979
Low Income Energy Assistance Program	13,948
Weatherization Assistance Programs	56,672
Local Programs and Other	222
	<u>\$ 245,501</u>

8. Property and Equipment

Property and equipment are summarized as follows at October 31, 2012:

	Cost	Depreciation		Undepreciated Cost
		Current Period	Accumulated	
Head Start Program - Land	\$ 69,399	--	--	69,399
Head Start Program	829,932	61,925	369,174	460,758
Early Head Start	283,347	7,795	177,519	105,828
Resource and Referral	3,027	312	2,924	103
Weatherization Programs	110,596	17,853	65,121	45,475
CACFP	1,889	--	1,889	--
Low Income Home Energy Assistance Program	3,100	--	3,100	--
FaDSS	14,241	414	14,000	241
Parents as Teachers	1,738	--	1,738	--
Local Programs	88,872	5,266	53,149	35,723
	<u>\$ 1,406,141</u>	<u>93,565</u>	<u>688,614</u>	<u>717,527</u>

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. Grant and Contract Revenue Unearned

Grant and contract revenue received, which was not yet expended or earned at the year-end date, is summarized as follows:

Funding Source	Program	Amount
Iowa Department of Education	Shared Visions	<u>\$ 12,578</u>

10. Temporarily Restricted Net Assets

Contributions received from the public and program income or grant awards to be used for specific assistance to eligible low-income families are classified as temporarily restricted net assets. A description of these net assets is as follows:

Weatherization Inventory Grant	\$ 15,280
Weatherization Cost Pools	137,938
County Funds	29,304
Utility Funds	7,880
	<u>\$ 190,402</u>

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 5.78% (5.38% through June 2012) of their annual covered salary and the Organization is required to contribute 8.67% (8.07% through June 2012) of annual covered payroll. Contribution requirements are established by state statute. The Organization's contribution to IPERS for the year ended October 31, 2012, was \$133,762 equal to the required contribution for the year.

12. Rent and Leases

South Central Iowa Community Action Program, Inc. leases various facilities and equipment for administrative and program usage. These leases expire at various dates through April 2016. In addition, 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. The future annual minimum lease obligations at October 31, 2012 are summarized as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
October 31, 2013	\$ 43,762
October 31, 2014	31,570
October 31, 2015	24,172
October 31, 2016	875
October 31, 2017	--
Thereafter	--
Total	<u>\$ 100,379</u>

Total rent expense for the year ended October 31, 2012, was \$71,742.

13. Subsequent Events

The Organization has evaluated events and transactions occurring after October 31, 2012 for potential items required to be recognized or disclosed in the financial statements. Subsequent events were evaluated through February 11, 2013, the date the financial statements were available for issuance.

MERIWETHER, WILSON AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

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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.
Chariton, 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, 2012, and have issued our report thereon dated February 11, 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 South Central Iowa Community Action Program, Inc. is responsible for establishing and maintaining effective 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 South Central Iowa Community Action Program, Inc.'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization'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 previously.

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.

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


MERIWETHER, WILSON AND COMPANY, PLLC
Certified Public Accountants

February 11, 2013
West Des Moines, Iowa

MERIWETHER, WILSON AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

14

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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

INDEPENDENT AUDITOR'S REPORT

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

Compliance

We have audited South Central Iowa Community Action Program, Inc.'s (a nonprofit organization) 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 South Central Iowa Community Action Program, Inc.'s major federal programs for the year ended October 31, 2012. 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 programs 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 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 South Central Iowa Community Action Program, 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 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended October 31, 2012.

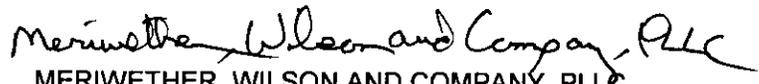
Internal Control over Compliance

Management of South Central Iowa Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered South Central Iowa Community Action Program, 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 South Central Iowa Community Action Program, 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 the 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.

The purpose of this report is solely to describe the scope of our testing of compliance with the types of compliance requirements applicable to each of South Central Iowa Community Action Program, Inc.'s major programs and our testing of internal control over compliance and the results of our testing, and to provide an opinion on South Central Iowa Community Action Program, Inc.'s compliance but not to provide an opinion on the effectiveness of South Central Iowa Community Action Program, Inc.'s internal control over compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering South Central Iowa Community Action Program, Inc.'s compliance with requirements applicable to each major program and its internal control over compliance. Accordingly, this report is not suitable for any other purpose.


MERIWETHER, WILSON AND COMPANY, PLLC
Certified Public Accountants

February 11, 2013
West Des Moines, Iowa

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Findings and Questioned Costs

Year Ended October 31, 2012

Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of South Central Iowa Community Action Program, Inc.
2. Internal Control Over Financial Reporting
 - No material weaknesses were identified.
 - No significant deficiencies were reported.
3. No instances of noncompliance material to the financial statements of South Central Iowa Community Action Program, Inc. were noted during the audit.
4. Internal Control Over Major Programs
 - No material weaknesses were identified.
 - No significant deficiencies were reported.
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 in accordance with Section 510(a) of OMB Circular A-133.
7. South Central Iowa Community Action Program, Inc. received major federal awards as defined by OMB A-133 during the year ended October 31, 2012. The following programs were audited as major programs:

Federal Grant	CFDA Number	Expenditures	
ARRA - Weatherization Assistance for Low-Income Persons	81.042	\$ 251,415	
Weatherization Assistance for Low-Income Persons	81.042	<u>135,200</u>	\$ 386,615
Head Start	93.600		<u>1,731,620</u>
			<u><u>\$ 2,118,235</u></u>

8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. South Central Iowa Community Action Program, Inc. qualified as a low-risk auditee.

Findings Related to the Financial Statements

None

Findings and Questioned Costs Related to Federal Awards

None

Summary Schedule of Prior Audit Findings

No Prior Audit Findings

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2012

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	07CH6086/46
Passed Through Iowa Department of Human Rights	
Community Services Block Grant	CSBG-13-13
Community Services Block Grant	CSBG-12-13
Community Services Block Grant	CSBG-11-13
Total CFDA #93.569	
Low Income Home Energy Assistance Program	LIHEAP-12-13
Low Income Home Energy Assistance Program	LIHEAP-13-13
HEAP Weatherization Assistance Program	HEAP-11-13
HEAP Weatherization Assistance Program	HEAP-12-13
Total CFDA #93.568	
Family Development and Self-Sufficiency	FaDSS-12-13
Family Development and Self-Sufficiency	FaDSS-13-13
Passed Through State of Iowa Department of Human Services	
Passed Through 4 Counties For Kids Empowerment Area	
Parents as Teachers - Educator	13-51
Parents as Teachers - Educator	12-40-EC
Total CFDA #93.558	
Wraparound Child Care	DCFS 09-089-27
Wraparound Child Care	DCFS 09-089-27
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	
Passed Through Iowa Department of Human Services	
Child and Adult Care Food Program - Centers	27-8010
U.S. Department of Energy	
Passed Through Iowa Department of Human Rights	
ARRA - DOE Weatherization Assistance Program	DOE-ARRA-09-13M
DOE Weatherization Assistance Program	DOE-11-13
DOE Weatherization Assistance Program	DOE-12-13
Total CFDA #81.042	

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2012

Federal CFDA Number	Grant Period		Program or Award Amount		Federal Expenses
	From	To			
93.600	11/01/11	06/30/13	\$ 3,046,454		<u>\$ 1,731,620 *</u>
93.569	10/01/12	12/31/13	160,000		--
93.569	10/01/11	03/31/13	160,000		129,053
93.569	10/01/10	12/31/11	160,000		23,513
					<u>152,566</u>
93.568	10/01/11	09/30/12	1,299,471		1,176,603
93.568	10/01/12	09/30/13	49,487		24,845
93.568	01/01/11	12/31/11	222,559		9,439
93.568	01/01/12	12/31/12	245,343		63,408
					<u>1,274,295</u>
93.558	07/01/11	06/30/12	148,176	54% Federal	54,762
93.558	07/01/12	06/30/13	180,037	54% Federal	32,161
93.558	07/01/12	06/30/13	38,978		13,940
93.558	07/01/11	06/30/12	37,842		23,031
					<u>123,894</u>
93.575	09/01/12	08/31/13	69,000		12,303
93.575	09/01/11	08/31/12	66,000		51,200
					<u>63,503</u>
10.433	10/01/11	09/30/13	55,161		4,815
10.433	10/01/10	09/30/12	61,185		34,062
					<u>38,877</u>
10.558	11/01/11	10/31/12	N/A		<u>99,891</u>
81.042	04/01/09	04/30/12	1,660,974		251,415 *
81.042	07/01/11	03/31/12	111,221		-- *
81.042	04/01/12	03/31/13	135,200		135,200 *
					<u>386,615</u>

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

Program Year Ended October 31, 2012

Federal Grantor/ Pass-Through Grantor/ Program Title	Grant or Award Number
U.S. Department of Housing and Urban Development Passed Through Iowa Finance Authority ARRA - Homeless Prevention and Rapid Re-Housing Program	
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, 2012

<u>Federal CFDA Number</u>	<u>Grant Period</u>		<u>Program or Award Amount</u>	<u>Federal Expenses</u>
	<u>From</u>	<u>To</u>		
14.257	07/14/09	07/13/12	173,410	<u>42,536</u>
				<u><u>\$ 3,913,797</u></u>

SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.**Notes to Schedule of Expenditures of Federal Awards**

Year Ended October 31, 2012

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, 2012

	Total	Eliminations	Administrative and Indirect	Property and Equipment	Local Programs
Revenue					
Grants and Contracts	\$ 4,341,857	--	--	--	--
Program Income and Public Support	75,391	--	--	--	62,443
Rental Income	--	--	--	--	--
Investment Income	6,437	--	--	--	6,437
Other Income	35,245	--	--	--	33,936
In Kind	503,052	--	--	--	--
Interagency Transfers	--	(344,728)	295,022	--	(32,926)
Total Revenue	4,961,982	(344,728)	295,022	--	69,890
Expenses					
Salaries and Fringe Benefits	2,080,746	--	125,967	--	21,460
Indirect and Administrative Costs	14,187	(264,602)	--	--	2,868
Direct Client Assistance	1,701,074	(71,726)	--	--	44,214
Program Expense	152,199	(8,400)	--	--	--
Supplies and Materials	59,935	--	736	--	421
Printing and Publication	18,387	--	461	--	193
Postage and Shipping	8,648	--	3,671	--	757
Contractual	220,411	--	99,420	--	18,960
Insurance	29,972	--	5,588	--	54
Interest	--	--	--	--	--
Telephone and Communications	30,138	--	7,877	--	173
Space	103,215	--	8,577	--	1,888
Equipment Maintenance and Repairs	5,249	--	4,283	--	260
Dues and Subscriptions	10,962	--	892	--	5
Facilities and Equipment	2,909	--	--	(61,325)	--
Conferences and Meetings	969	--	--	--	--
Training and Staff Development	29,080	--	--	--	100
Travel	55,091	--	7,246	--	640
Depreciation	93,565	--	--	93,565	--
Other Expenses	7,383	--	--	6,136	598
In Kind	503,052	--	--	--	--
Interagency Transfers	--	--	--	--	--
Total Expenses	5,127,172	(344,728)	264,718	38,376	92,591
Increase (Decrease) in Net Assets	(165,190)	--	30,304	(38,376)	(22,701)
Net Assets at Beginning of Year	1,481,037	--	(30,420)	755,903	626,341
Transfers	--	--	--	--	--
Net Assets at End of Year	\$ 1,315,847	--	(116)	717,527	603,640

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2012

	2013 Clarke Wrap- Around Child Care	2012 Clarke Wrap- Around Child Care	2013 Decatur Wrap- Around Child Care	2012 Decatur Wrap- Around Child Care	2013 Lucas Wrap- Around Child Care
Revenue					
Grants and Contracts	\$ 4,099	23,210	1,719	12,580	6,485
Program Income and Public Support	--	--	--	--	--
Rental Income	--	--	--	--	--
Investment Income	--	--	--	--	--
Other Income	--	--	--	--	--
In Kind	--	--	--	--	--
Interagency Transfers	--	--	--	--	--
Total Revenue	<u>4,099</u>	<u>23,210</u>	<u>1,719</u>	<u>12,580</u>	<u>6,485</u>
Expenses					
Salaries and Fringe Benefits	3,587	20,549	1,504	11,029	5,689
Indirect and Administrative Costs	512	2,661	215	1,568	796
Direct Client Assistance	--	--	--	--	--
Program Expense	--	--	--	--	--
Supplies and Materials	--	--	--	--	--
Printing and Publication	--	--	--	--	--
Postage and Shipping	--	--	--	--	--
Contractual	--	--	--	--	--
Insurance	--	--	--	--	--
Interest	--	--	--	--	--
Telephone and Communications	--	--	--	--	--
Space	--	--	--	--	--
Equipment Maintenance and Repairs	--	--	--	--	--
Dues and Subscriptions	--	--	--	--	--
Facilities and Equipment	--	--	--	--	--
Conferences and Meetings	--	--	--	--	--
Training and Staff Development	--	--	--	--	--
Travel	--	--	--	--	--
Depreciation	--	--	--	--	--
Other Expenses	--	--	--	--	--
In Kind	--	--	--	--	--
Interagency Transfers	--	--	--	--	--
Total Expenses	<u>4,099</u>	<u>23,210</u>	<u>1,719</u>	<u>12,597</u>	<u>6,485</u>
Increase (Decrease) in Net Assets	--	--	--	(17)	--
Net Assets at Beginning of Year	--	--	--	17	--
Transfers	--	--	--	--	--
Net Assets at End of Year	<u>\$ --</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2012

2012 Lucas Wrap- Around Child Care	2013 4 Counties For Kids Empowerment Area	2012 4 Counties For Kids Empowerment Area	2013 Wayne Empowerment Area	2012 Wayne Empowerment Area	2012 Decatur Empowerment Area	Embrace Iowa
15,410	3,633	14,760	2,012	--	15,807	--
--	--	--	--	3,059	--	9,889
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>15,410</u>	<u>3,633</u>	<u>14,760</u>	<u>2,012</u>	<u>3,059</u>	<u>15,807</u>	<u>9,889</u>
13,628	3,186	4,629	--	(201)	6,333	--
1,782	447	654	--	(26)	880	--
--	--	--	--	--	--	10,082
--	--	16,508	2,012	--	11,458	--
--	--	--	--	3,286	--	--
--	--	--	--	--	--	--
--	--	(7,031)	--	--	(2,864)	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>15,410</u>	<u>3,633</u>	<u>14,760</u>	<u>2,012</u>	<u>3,059</u>	<u>15,807</u>	<u>10,082</u>
--	--	--	--	--	--	(193)
--	--	--	--	(228)	--	193
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(228)</u>	<u>--</u>	<u>--</u>

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2012

	2013 Parents as Teachers Educator	2012 Parents as Teachers Educator	2013 Parents as Teachers	2012 Parents as Teachers	2011 Child Care Resource and Referral	2012 Community Services Block Grant
Revenue						
Grants and Contracts	\$13,940	23,031	23,637	43,038	--	129,053
Program Income and Public Support	--	--	--	--	--	--
Rental Income	--	--	--	--	--	--
Investment Income	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
In Kind	--	--	--	--	--	--
Interagency Transfers	--	973	--	6,675	906	--
Total Revenue	13,940	24,004	23,637	49,713	906	129,053
Expenses						
Salaries and Fringe Benefits	10,521	18,225	18,591	39,900	--	75,913
Indirect and Administrative Costs	1,469	2,590	2,608	5,647	--	10,056
Direct Client Assistance	--	--	--	--	--	--
Program Expense	--	--	--	--	--	10,387
Supplies and Materials	158	463	678	386	--	220
Printing and Publication	310	74	47	19	--	534
Postage and Shipping	45	48	5	11	--	288
Contractual	--	70	30	70	--	864
Insurance	33	87	19	87	--	6,480
Interest	--	--	--	--	--	--
Telephone and Communications	204	359	204	359	--	1,880
Space	412	756	562	1,207	--	16,752
Equipment Maintenance and Repairs	--	--	--	--	--	1,400
Dues and Subscriptions	--	--	--	--	--	2,783
Facilities and Equipment	--	--	--	--	--	--
Conferences and Meetings	--	--	--	--	--	938
Training and Staff Development	--	--	--	--	--	260
Travel	788	1,332	893	2,027	--	298
Depreciation	--	--	--	--	--	--
Other Expenses	--	--	--	--	--	--
In Kind	--	--	--	--	--	--
Interagency Transfers	--	--	--	--	--	--
Total Expenses	13,940	24,004	23,637	49,713	--	129,053
Increase (Decrease) in Net Assets	--	--	--	--	906	--
Net Assets at Beginning of Year	--	(75)	--	--	(906)	--
Transfers	--	--	--	--	--	--
Net Assets at End of Year	\$ --	(75)	--	--	--	--

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2012

	Payroll Pool	Support Pool	2012 HEAP
Revenue			
Grants and Contracts	\$ --	--	63,408
Program Income and Public Support	--	--	--
Rental Income	--	--	--
Investment Income	--	--	--
Other Income	--	--	--
In Kind	--	--	--
Interagency Transfers	53,460	18,266	--
Total Revenue	<u>53,460</u>	<u>18,266</u>	<u>63,408</u>
Expenses			
Salaries and Fringe Benefits	47,002	122,602	--
Indirect and Administrative Costs	6,458	17,073	2,315
Direct Client Assistance	--	14,641	57,467
Program Expense	--	--	--
Supplies and Materials	--	--	--
Printing and Publication	--	20	--
Postage and Shipping	--	43	--
Contractual	--	--	--
Insurance	--	--	--
Interest	--	--	--
Telephone and Communications	--	--	--
Space	--	--	--
Equipment Maintenance and Repairs	--	--	--
Dues and Subscriptions	--	--	--
Facilities and Equipment	--	--	--
Conferences and Meetings	--	--	--
Training and Staff Development	--	600	3,626
Travel	--	--	--
Depreciation	--	--	--
Other Expenses	--	--	--
In Kind	--	--	--
Interagency Transfers	--	--	--
Total Expenses	<u>53,460</u>	<u>154,979</u>	<u>63,408</u>
Increase (Decrease) in Net Assets	--	(136,713)	--
Net Assets at Beginning of Year	--	131,812	--
Transfers	--	--	--
Net Assets at End of Year	<u>\$ --</u>	<u>(4,901)</u>	<u>--</u>

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities and Changes in Net Assets - Continued

Year Ended October 31, 2012

Weatherization Assistance Programs

2011 HEAP	2013 DOE	2012 DOE ARRA	2012 IPL	2011 IPL
9,439	135,200	251,415	102,346	19,085
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>9,439</u>	<u>135,200</u>	<u>251,415</u>	<u>102,346</u>	<u>19,085</u>
--	--	--	--	--
200	6,448	--	5,225	--
9,239	129,555	250,371	97,121	19,085
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	(803)	--	--	--
--	--	--	--	--
--	--	1,044	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>9,439</u>	<u>135,200</u>	<u>251,415</u>	<u>102,346</u>	<u>19,085</u>
--	--	--	--	--
--	--	--	--	--
<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
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SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.
Head Start and Early Head Start Program Grant 07CH6086/46

Schedule of Revenue and Expenses

Program Year Ended October 31, 2012

	Approved Budget	Actual	COB Balances Current Year
Revenue			
Federal Funds	\$ 3,046,454	1,731,620	
Program Income	--	--	
Grantee Contribution	761,614	502,052	
Total Revenue	\$ 3,808,068	2,233,672	
Expenses			
Federal Share			
Full Year Head Start Part Day and Handicapped			
Direct Costs			
Personnel	\$ 1,615,881	880,912	734,969
Fringe Benefits	393,474	219,591	173,883
Travel	3,207	--	3,207
Equipment	76,888	64,641	12,247
Supplies	106,510	47,400	59,110
Contractual	254,704	115,351	139,353
Other	317,169	253,970	63,199
Total Direct Costs	2,767,833	1,581,865	1,185,968
Indirect Costs	278,621	149,755	128,866
Total Federal Share	3,046,454	1,731,620	1,314,834
Grantee's Share	761,614	502,052	
Total Expenses	\$ 3,808,068	2,233,672	

SEE INDEPENDENT AUDITOR'S REPORT

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

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2012

<u>Cost Category</u>	Contract No. CSBG-13-13		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	Grant Period 10/1/12 - 12/31/13			
	<u>Budget</u>	<u>Actual</u>		
Personnel Costs	\$ 98,222	--	--	--
Travel	1,950	--	--	--
Space Costs	33,079	--	--	--
Equipment Costs	2,750	--	--	--
Other Costs	10,608	--	--	--
Indirect Costs	13,391	--	--	--
Total CSBG	\$ 160,000	--	--	--

<u>Cost Category</u>	Contract No. CSBG-12-13		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	Grant Period 10/1/11 - 3/31/13			
	<u>Budget</u>	<u>Actual</u>		
Personnel Costs	\$ 92,376	75,913	--	75,913
Travel	1,450	1,236	--	1,236
Space Costs	30,085	23,232	--	23,232
Equipment Costs	2,640	2,264	--	2,264
Co-Funded Programs	12,170	8,401	--	8,401
Other Costs	9,308	7,951	--	7,951
Indirect Costs	11,971	10,056	--	10,056
Total CSBG	\$ 160,000	129,053	--	129,053

<u>Cost Category</u>	Contract No. CSBG-11-13		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	Grant Period 10/1/10 - 12/31/11			
	<u>Budget</u>	<u>Actual</u>		
Personnel Costs	\$ 87,425	87,426	71,204	16,222
Travel	3,764	3,764	3,661	103
Space Costs	32,722	32,722	29,047	3,675
Equipment Costs	2,843	2,843	2,525	318
Other Costs	20,955	20,955	19,994	961
Indirect Costs	12,291	12,290	10,056	2,234
Total	\$ 160,000	160,000	136,487	23,513

SEE INDEPENDENT AUDITOR'S REPORT

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

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2012

Contract No. LIHEAP-13-13

<u>Cost Category</u>	Grant Period 10/1/12 - 9/30/13		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	<u>Budget</u>	<u>Actual</u>		
Assistance				
Regular	\$ 9,897	9,380	--	9,380
ECIP	12,372	105	--	105
Client Services A&R	2,474	227	--	227
Administration Costs	<u>24,744</u>	<u>15,133</u>	<u>--</u>	<u>15,133</u>
Total	<u>\$ 49,487</u>	<u>24,845</u>	<u>--</u>	<u>24,845</u>

Contract No. LIHEAP-12-13

<u>Cost Category</u>	Grant Period 10/1/11 - 9/30/12		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	<u>Budget</u>	<u>Actual</u>		
Assistance				
Regular	\$ 865,111	806,648	--	806,648
ECIP	56,903	56,854	--	56,854
Client Services A&R	16,081	16,081	1,530	14,551
Summer Deliverable Fuel	257,465	234,500	--	234,500
Administration Costs	<u>103,911</u>	<u>78,334</u>	<u>14,284</u>	<u>64,050</u>
Total	<u>\$ 1,299,471</u>	<u>1,192,417</u>	<u>15,814</u>	<u>1,176,603</u>

SEE INDEPENDENT AUDITOR'S REPORT

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

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2012

Contract No. FaDDS-13-13

Cost Category	Grant Period 7/1/12 - 6/30/13		Less Expenses Reported in Previous Year	Expenses for Program Year
	Budget	Actual		
Administration	\$ 17,210	5,496	--	5,496
Salaries	101,234	34,160	--	34,160
Fringe Benefits	30,348	13,592	--	13,592
Travel	13,100	4,022	--	4,022
Space/Utilities	2,950	805	--	805
Telephone	3,500	746	--	746
Postage	400	75	--	75
Publications/Dues	150	75	--	75
Bonding	300	67	--	67
Supplies/Printing	5,100	469	--	469
Other	3,745	50	--	50
3rd Party Payments	2,000	--	--	--
	<u>180,037</u>	<u>59,557</u>	--	<u>59,557</u>
Local Funds - Third-Party Payments	<u>500</u>	<u>425</u>	--	<u>425</u>
Total	<u>\$ 180,537</u>	<u>59,982</u>	--	<u>59,982</u>

Contract No. FaDDS-12-13

Cost Category	Grant Period 7/1/11 - 6/30/12		Less Expenses Reported in Previous Year	Expenses for Program Year
	Budget	Actual		
Administration	\$ 14,631	15,317	4,862	10,455
Salaries	90,252	90,101	28,598	61,503
Fringe Benefits	25,063	24,854	6,745	18,109
Travel	11,000	10,945	4,056	6,889
Space/Utilities	2,900	2,870	508	2,362
Telephone	2,420	2,438	799	1,639
Postage	265	11	77	(66)
Publications/Dues	--	75	75	--
Bonding	255	254	33	221
Supplies/Printing	1,390	1,201	971	230
Other	--	110	40	70
	<u>148,176</u>	<u>148,176</u>	<u>46,764</u>	<u>101,412</u>
Local Funds - Third-Party Payments	<u>1,809</u>	<u>2,974</u>	<u>338</u>	<u>2,636</u>
Total	<u>\$ 149,985</u>	<u>151,150</u>	<u>47,102</u>	<u>104,048</u>

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, 2012

Contract No. HEAP-12-13

<u>Cost Category</u>	Grant Period 1/1/12 - 12/31/12		Less Expenses Reported in Previous Year	Expenses for Program Year
	<u>Budget</u>	<u>Actual</u>		
Administration	\$ 12,711	2,315	--	2,315
Health and Safety	44,175	27,131	--	27,131
Support	56,165	11,637	--	11,637
Labor	60,268	7,765	--	7,765
Materials	60,268	10,934	--	10,934
Equipment/Training	11,756	3,626	--	3,626
Total	<u>\$ 245,343</u>	<u>63,408</u>	<u>--</u>	<u>63,408</u>

Contract No. HEAP-11-13

<u>Cost Category</u>	Grant Period 1/1/11 - 12/31/11		Less Expenses Reported in Previous Year	Expenses for Program Year
	<u>Budget</u>	<u>Actual</u>		
Administration	\$ 10,464	2,281	2,081	200
Health and Safety	37,347	26,300	19,563	6,737
Support	48,412	5,786	4,074	1,712
Labor	50,487	3,372	3,232	140
Materials	50,487	9,080	8,430	650
Equipment/Training	25,362	23,606	23,606	--
Total	<u>\$ 222,559</u>	<u>70,425</u>	<u>60,986</u>	<u>9,439</u>

SEE INDEPENDENT AUDITOR'S REPORT

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

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2012

Contract No. DOE-ARRA-09-13M

Cost Category	Grant Period 4/1/09 - 3/31/12		Less Expenses Reported in Previous Year	Expenses for Program Year
	Budget	Actual		
Administration	\$ 101,445	83,585	83,585	--
Health and Safety	291,337	356,187	277,695	78,492
Support	374,551	415,210	416,745	(1,535)
Labor	393,876	351,869	259,168	92,701
Materials	393,876	336,728	256,015	80,713
Administration - Equipment T & TA	24,000	23,766	23,766	--
	81,889	73,389	72,345	1,044
Total	\$ 1,660,974	1,640,734	1,389,319	251,415

Contract No. DOE-12-13

Cost Category	Grant Period 4/1/12 - 3/31/13		Less Expenses Reported in Previous Year	Expenses for Program Year
	Budget	Actual		
Administration	\$ 6,760	6,448	--	6,448
Health and Safety	25,688	28,307	--	28,307
Support	32,448	53,047	--	53,047
Labor	35,152	28,222	--	28,222
Materials	35,152	19,979	--	19,979
Equipment	--	(803)	--	(803)
Total	\$ 135,200	135,200	--	135,200

Contract No. DOE-11-13

Cost Category	Grant Period 7/1/11 - 3/31/12		Less Expenses Reported in Previous Year	Expenses for Program Year
	Budget	Actual		
Administration	\$ 6,517	--	--	--
Health and Safety	20,426	--	--	--
Support	27,336	--	--	--
Labor	28,471	--	--	--
Materials	28,471	--	--	--
Total	\$ 111,221	--	--	--

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, 2012

Contract No. IPL-12-13

<u>Cost Category</u>	<u>Grant Period 1/1/12 - 12/30/12</u>		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	<u>Budget</u>	<u>Actual</u>		
Administration	\$ 6,862	5,225	--	5,225
Support	13,724	9,556	--	9,556
Labor	58,325	39,738	--	39,738
Materials	58,325	47,827	--	47,827
Total	\$ 137,236	102,346	--	102,346

Contract No. IPL-11-13

<u>Cost Category</u>	<u>Grant Period 1/1/11 - 12/30/11</u>		<u>Less Expenses Reported in Previous Year</u>	<u>Expenses for Program Year</u>
	<u>Budget</u>	<u>Actual</u>		
Administration	\$ 13,762	14,233	14,233	--
Support	27,524	25,952	24,060	1,892
Labor	116,975	111,421	104,106	7,315
Materials	116,975	123,627	113,749	9,878
Total	\$ 275,236	275,233	256,148	19,085

SEE INDEPENDENT AUDITOR'S REPORT

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

Schedule of Expenses Compared to Budget

Program Year Ended October 31, 2012

Contract No. MEC-12-13

<u>Cost Category</u>	<u>Grant Period</u> 1/1/12 - 12/30/12		<u>Less Expenses</u> <u>Reported in</u> <u>Previous Year</u>	<u>Expenses</u> <u>for Program</u> <u>Year</u>
	<u>Budget</u>	<u>Actual</u>		
Administration	\$ 168	--	--	--
Support	336	--	--	--
Labor	1,426	--	--	--
Materials	1,426	--	--	--
Total	<u>\$ 3,356</u>	<u>--</u>	<u>--</u>	<u>--</u>

Contract No. MEC-11-13

<u>Cost Category</u>	<u>Grant Period</u> 1/1/11 - 12/30/11		<u>Less Expenses</u> <u>Reported in</u> <u>Previous Year</u>	<u>Expenses</u> <u>for Program</u> <u>Year</u>
	<u>Budget</u>	<u>Actual</u>		
Administration	\$ 336	336	336	--
Support	672	629	629	--
Labor	2,852	1,877	1,877	--
Materials	2,852	3,837	3,837	--
Total	<u>\$ 6,712</u>	<u>6,679</u>	<u>6,679</u>	<u>--</u>

SEE INDEPENDENT AUDITOR'S REPORT

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Revenue and Expenses of Local Programs

Program Year Ended October 31, 2012

	Total	IDA Iowans Save	Outreach Centers	Clarke County Food Pantry	Utility Funds
Revenue					
Program Income and Public Support	\$ 62,443	--	--	45,815	11,372
Investment Income	6,437	--	--	--	--
Other Income	33,936	--	--	--	--
Interagency Transfers	(32,926)	--	(1,464)	350	--
Total Revenue	<u>69,890</u>	<u>--</u>	<u>(1,464)</u>	<u>46,165</u>	<u>11,372</u>
Expenses					
Salaries and Fringe Benefits	21,460	--	--	--	--
Indirect and Administrative Costs	2,868	--	--	--	--
Direct Client Assistance	44,214	--	--	18,189	14,459
Program Expense	--	--	--	--	--
Supplies and Materials	421	--	--	--	--
Printing and Publication	193	--	--	--	--
Postage and Shipping	757	--	--	--	--
Contractual	18,960	--	--	--	--
Insurance	54	--	--	--	--
Interest	--	--	--	--	--
Telephone and Communication	173	--	--	--	--
Space	1,888	--	--	--	--
Equipment Maintenance and Repairs	260	--	--	--	--
Dues and Subscriptions	5	--	--	--	--
Training and Staff Development	100	--	--	--	--
Travel	640	--	--	--	--
Other	598	--	--	--	--
Total Expenses	<u>92,591</u>	<u>--</u>	<u>--</u>	<u>18,189</u>	<u>14,459</u>
Increase (Decrease) in Net Assets	(22,701)	--	(1,464)	27,976	(3,087)
Net Assets - Beginning of Year	626,341	7,693	1,464	(350)	10,967
Transfers	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Assets - End of Year	<u>\$603,640</u>	<u>7,693</u>	<u>--</u>	<u>27,626</u>	<u>7,880</u>

SOUTH CENTRAL IOWA COMMUNITY ACTION PROGRAM, INC.

Revenue and Expenses of Local Programs

Program Year Ended October 31, 2012

<u>County Funds</u>	<u>Monroe County Zoning</u>	<u>Child Care R&R Local</u>	<u>Emergency Family Loan Fund</u>	<u>Weatherization Support</u>	<u>Credit Union</u>	<u>Unrestricted General Fund</u>
5,256	--	--	--	--	--	--
--	--	--	--	--	--	6,437
--	780	--	--	--	27,457	5,699
193	--	19	--	--	--	(32,024)
<u>5,449</u>	<u>780</u>	<u>19</u>	<u>--</u>	<u>--</u>	<u>27,457</u>	<u>(19,888)</u>
--	402	--	--	--	21,990	(932)
--	57	--	--	--	2,952	(141)
11,566	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	69	352
--	--	--	--	--	193	--
--	--	--	--	--	757	--
--	--	--	--	--	--	18,960
--	--	--	--	--	54	--
--	--	--	--	--	--	--
--	--	--	--	--	173	--
--	--	--	--	--	1,888	--
260	--	--	--	--	--	--
--	--	--	--	--	--	5
--	--	--	--	--	--	100
--	117	--	--	--	523	--
--	--	--	--	--	--	598
<u>11,826</u>	<u>576</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>28,599</u>	<u>18,942</u>
(6,377)	204	19	--	--	(1,142)	(38,830)
2,580	--	(19)	137	151,997	62	451,810
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>(3,797)</u>	<u>204</u>	<u>--</u>	<u>137</u>	<u>151,997</u>	<u>(1,080)</u>	<u>412,980</u>

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