

**Southern Iowa Economic
Development Association**

Ottumwa, Iowa

Financial Statements and
Supplementary Information
Year Ended June 30, 2014

Southern Iowa Economic Development Association

Financial Statements and Supplementary Information
Year Ended June 30, 2014

Table of Contents

Independent Auditor's Report.....	1
Financial Statements	
Statement of Financial Position.....	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Supplementary Information	
Schedule of Program Activity	11
Schedule of Expenditures of Federal Awards and List of Programs	21
Statement of Financial Position – By Fund.....	25
Schedule of Revenue and Expenses Compared With Budget:	
Weatherization Assistance Programs.....	32
Low-Income Home Energy Assistance Program	36
Child and Adult Care Food Programs.....	37
Community Services Block Grant.....	39
Family Development and Self Sufficiency	40
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters	41
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance	43
Schedule of Findings and Questioned Costs.....	45



Independent Auditor's Report

Board of Directors
Southern Iowa Economic Development Association
Ottumwa, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of Southern Iowa Economic Development Association, which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southern Iowa Economic Development Association as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and list of programs as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of program activity on pages 11 to 20 and the schedules on pages 25 to 40, are presented for purposes of additional analysis, and are 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. Such 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. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the statement of financial position of Southern Iowa Economic Development Association as of June 30, 2012, and the related statements of activities and cash flows for the year ended June 30, 2012, and we expressed an unqualified opinion on those financial statements. In our opinion, the expenses for the year ended June 30, 2012, included in the schedule on page 32 is fairly presented, in all material respects, in relation to the financial statements from which they have been derived.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the statement of financial position of Southern Iowa Economic Development Association as of June 30, 2013, and the related statements of activities and cash flows for the year ended June 30, 2013, and we expressed an unmodified opinion on those financial statements. In our opinion, the prior year expenses included in the schedules on pages 32 through 40 are fairly presented, in all material respects, in relation to the financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2014, on our consideration of Southern Iowa Economic Development Association's 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 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* in considering Southern Iowa Economic Development Association's internal control over financial reporting and compliance.



Wipfli LLP

December 3, 2014
Madison, Wisconsin

Southern Iowa Economic Development Association

Statement of Financial Position

June 30, 2014

Assets	
Current assets:	
Cash and cash equivalents	\$ 1,027,404
Grants receivable	570,941
Prepaid expenses and other assets	48,384
Total current assets	1,646,729
Property and equipment, net	834,082
TOTAL ASSETS	\$ 2,480,811
Liabilities and Net Assets	
Current liabilities:	
Accounts payable	\$ 109,832
Accrued payroll and related expenses	86,585
Accrued vacation	102,929
Grant funds received in advance	159,219
Total current liabilities	458,565
Unrestricted net assets	2,022,246
TOTAL LIABILITIES AND NET ASSETS	\$ 2,480,811

Southern Iowa Economic Development Association

Statement of Activities

Year Ended June 30, 2014

Revenue and Support:	
Grant revenue	\$ 9,705,575
Program/other income	566,631
In-kind contributions	258,618
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Total revenue and support	10,530,824
<hr/>	
Expenses:	
Program activities:	
Weatherization assistance	987,689
Energy assistance	2,816,935
Child education	2,730,494
Substance abuse	1,419,011
Community services	491,062
Family development	337,267
Food programs	872,464
Discretionary activities	137,656
<hr/>	
Total program activities	9,792,578
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Management and general	490,460
<hr/>	
Total expenses	10,283,038
<hr/>	
Change in net assets	247,786
Net assets - Beginning of year	1,774,460
<hr/>	
Net assets - End of year	\$ 2,022,246

See accompanying notes to financial statements.

Southern Iowa Economic Development Association

Statement of Cash Flows

Year Ended June 30, 2014

Cash flows from operating activities:	
Change in net assets	\$ 247,786
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	60,531
Loss on disposal of property and equipment	10,606
Effects of changes in operating assets and liabilities:	
Grants receivable	(25,997)
Prepaid expenses and other assets	2,894
Accounts payable	(46,644)
Accrued payroll and related expenses	(63,660)
Accrued vacation	(4,054)
Grant funds received in advance	107,690
Net cash provided by operating activities	289,152
Cash flows from investing activities:	
Purchase of property and equipment	(732,631)
Net cash used in investing activities	(732,631)
Changes in cash and cash equivalents	(443,479)
Cash and cash equivalents - Beginning of year	1,470,883
Cash and cash equivalents - End of year	\$ 1,027,404

Southern Iowa Economic Development Association

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies**

Nature of Operations

Southern Iowa Economic Development Association (SIEDA) is a community action agency that serves the Iowa counties of Appanoose, Davis, Jefferson, Keokuk, Lucas, Mahaska, Marion, Monroe, Van Buren, Wapello, and Wayne.

SIEDA administers various programs funded by federal, state and local governments. SIEDA receives 21% and 36% of total grant revenue from federal Head Start and Low-Income Home Energy Assistance (LIHEAP) programs, respectively.

Classification of Net Assets

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

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

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

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

Use of Estimates in Preparing Financial Statements

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

Cash and Cash Equivalents

For purposes of reporting cash flows, SIEDA includes all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with an original maturity of three months or less as cash and cash equivalents.

Southern Iowa Economic Development Association

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Property and Equipment

Property and equipment are capitalized at cost and depreciated over their estimated useful life using the straight-line method. SIEDA considers property and equipment to be items with a cost of \$5,000 or more and a useful life of over two years.

Property and equipment purchased with grant funds is owned by SIEDA while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. Property and equipment purchased with grant funds, net of depreciation, was \$101,784 at June 30, 2014.

In-Kind Contributions

SIEDA has recorded in-kind contributions for space, supplies, and professional services in the statement of activities in accordance with Generally Accepted Accounting Principles (GAAP). GAAP requires that only contributions of service received which create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation, be recorded. The requirements of GAAP are different than the in-kind requirements of several of SIEDA's grant awards. SIEDA also received in-kind contributions for nonprofessional volunteers during the year with a value of \$174,120 for its Head Start program, which is not recorded in the statement of activities.

Revenue Recognition

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restriction.

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

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

A. Grant Awards That Are Contributions

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

Southern Iowa Economic Development Association

Notes to Financial Statements

Note 1 **Summary of Significant Accounting Policies (Continued)**

Revenue Recognition (Continued)

B. Grant Awards That Are Exchange Transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed. Amounts received in excess of those earned are reflected as deferred revenue.

Indirect Cost Rate

Joint costs are allocated to benefiting programs using an indirect cost rate. Joint costs are those costs incurred for the common benefit of all SIEDA's programs that cannot be readily identified with a final cost objective. A provisional indirect cost rate has been approved by the U.S. Department of Health and Human Services (DHHS). A provisional indirect cost rate is based upon the projected costs of SIEDA for the fiscal year under consideration. SIEDA adjusts the provisional rate based upon actual experience. This adjusted rate is subject to approval by SIEDA at which time the indirect cost rate becomes final.

Income Taxes

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

SIEDA is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. SIEDA has determined there are no amounts to record as assets or liabilities related to uncertain tax positions. Federal returns for the tax years 2010 and beyond remain subject to examination by the Internal Revenue Service.

Subsequent Events

Subsequent events have been evaluated through December 3, 2014, which is the date the financial statements were available to be issued.

Note 2 **Concentration of Risk**

SIEDA maintains several bank accounts at one financial institution; however, frequently the bank balances exceed the maximum amount insured by the Federal Deposit Insurance Corporation (FDIC). SIEDA's bank deposits at June 30, 2014, were entirely covered by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. Management believes the financial institution has a strong credit rating and credit risk related to these deposits is minimal.

Southern Iowa Economic Development Association

Notes to Financial Statements

Note 3 Grants Receivable

Grants receivable represent amounts due from various funding sources as follows:

Federal programs	\$ 432,841
State and local programs	138,100
<u>Total</u>	<u>\$ 570,941</u>

Note 4 Property and Equipment

Property and equipment is summarized as follows:

Land	\$ 82,482
Buildings and improvements	791,491
Equipment	460,535
Subtotal	1,344,508
Accumulated depreciation	(500,426)
<u>Total</u>	<u>\$ 834,082</u>

Note 5 Operating Leases

SIEDA leases various facilities for program operations. These leases generally are written over a one-year to ten-year period and SIEDA expects to renew or replace most leases at their expiration. Lease expense for the year ended June 30, 2014, was \$270,635.

Minimum lease payments beyond 2014, are as follows:

2015	\$ 25,913
2016	12,528
2017	8,628
2018	2,033
<u>Total</u>	<u>\$ 49,102</u>

Note 6 Contingencies

SIEDA receives funding from a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors and their representatives. Any disallowed claims, including amounts already collected, may constitute a liability of SIEDA. SIEDA is also required to match 25% of the grant funds received under the Head Start program through local sources. SIEDA believes that it is in substantial compliance with the grant programs, including matching requirements, and that disallowed amounts, if any, would not be significant.

Southern Iowa Economic Development Association

Notes to Financial Statements

Note 7 **Retirement Plans**

SIEDA 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. Additional plan information on IPERS can be found at www.ipers.org.

Participating employees are required to contribute 5.95% of their annual covered salary and SIEDA is required to contribute 8.93% of annual covered payroll. Contribution requirements to IPERS are established by state statute. SIEDA's contribution to IPERS for the year ended June 30, 2014, was \$262,248.

Note 8 **Grant Awards**

At June 30, 2014, SIEDA had commitments under various ongoing grant awards of approximately \$2,500,000. The revenue relating to these grants is not recognized in the accompanying financial statements because the revenue recognition is conditional on the incurrence of expenditures or the performance of services in the next fiscal year.

Supplementary Information

Southern Iowa Economic Development Association

Schedule A-1

Schedule of Program Activity

Year Ended June 30, 2014

	FEDERAL PROGRAMS							
	Department of Agriculture					HUD	DOE	
	10.558					14.239	81.042	
	Child and Adult Care	Child and Adult Care	Child and Adult Care	Child and Adult Care	10.558	Tenant Based Rental Assistance	Weatherization Assistance #DOE-12-15	
TOTAL	Food Program - Homes 13	Food Program - Homes 14	Food Program - Centers 13	Food Program - Centers 14	Subtotal	Assistance	#DOE-12-15	
	(1)	(2)	(3)	(4)		(5)	(6)	
REVENUE								
Grant revenue	\$ 9,705,575	\$ 223,877	\$ 577,064	\$ 15,043	\$ 99,332	\$ 915,316	\$ 13,345	\$ 9,770
Program/other income	566,631	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	258,618	0	0	0	0	0	0	0
Total Revenue	10,530,824	223,877	577,064	15,043	99,332	915,316	13,345	9,770
EXPENSES								
Salaries and wages	3,125,712	18,401	45,232	0	1,630	65,263	330	4,759
Fringe benefits	834,040	6,257	14,987	0	673	21,917	58	2,306
Contracted services/consultants	793,410	0	0	0	0	0	12,115	0
Day care provider payments	806,154	189,826	494,770	0	0	684,596	0	0
Energy assistance	2,971,299	0	0	0	0	0	0	0
Food	136,989	0	0	15,043	96,752	111,795	0	0
Indirect costs	0	3,128	7,690	0	277	11,095	56	1,999
Insurance	36,747	0	0	0	0	0	0	603
Occupancy	438,774	1,120	4,054	0	0	5,174	0	50
Supplies	520,290	1,288	4,387	0	0	5,675	88	53
Travel	111,094	1,964	2,869	0	0	4,833	0	0
Other	249,911	1,893	3,075	0	0	4,968	698	0
In-kind	258,618	0	0	0	0	0	0	0
Total Expenses	10,283,038	223,877	577,064	15,043	99,332	915,316	13,345	9,770
Change in net assets	247,786	0	0	0	0	0	0	0
Net assets - Beginning of year	1,774,460	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 2,022,246	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-2

Schedule of Program Activity

Year Ended June 30, 2014

	FEDERAL PROGRAMS							
	Department of Energy			Department of Health and Human Services				
	81.042			93.243		93.505		
	Weatherization Assistance #DOE-13-15 (7)	Weatherization Assistance #DOE-14-15 (8)	81.042 Subtotal	Capacity Coaching #588 4 IP08 (9)	SPFSIG #588 4 CP21 (10)	93.243 Subtotal	2013 MIECHV #5883CH04 (11)	2014 MIECHV #5884CH04 (12)
REVENUE								
Grant revenue	\$ 171,722	\$ 44,622	\$ 226,114	\$ 22,810	\$ 138,316	\$ 161,126	\$ 56,650	\$ 180,417
Program income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Total Revenue	171,722	44,622	226,114	22,810	138,316	387,240	56,650	180,417
EXPENSES								
Salaries and wages	48,724	3,351	56,834	9,995	68,661	78,656	23,854	101,770
Fringe benefits	11,544	614	14,464	3,022	16,078	19,100	5,753	21,536
Contracted services/consultants	44,472	23,307	67,779	0	8,910	8,910	13,435	152
Day care provider payments	0	0	0	0	0	0	0	0
Energy assistance	0	0	0	0	0	0	0	0
Food	0	0	0	0	0	0	0	0
Indirect costs	8,537	315	10,851	1,699	11,672	13,371	3,903	17,301
Insurance	0	0	603	0	0	0	0	0
Occupancy	2,416	0	2,466	456	5,485	5,941	4,146	15,579
Supplies	54,441	17,035	71,529	5,327	21,840	27,167	1,357	5,948
Travel	0	0	0	2,311	5,670	7,981	3,782	7,492
Other	1,588	0	1,588	0	0	0	420	10,639
In-kind	0	0	0	0	0	0	0	0
Total Expenses	171,722	44,622	226,114	22,810	138,316	387,240	56,650	180,417
Change in net assets	0	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-3

Schedule of Program Activity

Year Ended June 30, 2014

	FEDERAL PROGRAMS									
	Department of Health and Human Services									
	93.505	93.558			93.568					
	93.505	FADSS		93.558	HEAP		HEAP		LIHEAP	
	Subtotal	#FADSS-13-15	#FADSS-14-15	Subtotal	Weatherization	Weatherization	LIHEAP	LIHEAP		
		(13)	(14)		#HEAP-13-15	#HEAP-14-15	#LIHEAP-13-15	#LIHEAP-14-15		
					(15)	(16)	(17)	(18)		
REVENUE										
Grant revenue	\$ 237,067	\$ 44,119	\$ 130,623	\$ 174,742	\$ 197,718	\$ 357,463	\$ 389,070	\$ 2,566,223		
Program income	0	0	0	0	0	0	0	0		
Transfers	0	0	0	0	0	0	0	0		
In-kind contributions	0	0	0	0	0	0	0	0		
Total Revenue	237,067	44,119	130,623	174,742	197,718	357,463	389,070	2,566,223		
EXPENSES										
Salaries and wages	125,624	26,235	74,507	100,742	38,499	38,090	42,906	113,830		
Fringe benefits	27,289	8,031	18,206	26,237	12,616	12,378	13,090	29,220		
Contracted services/consultants	13,587	76	2,118	2,194	59,178	134,842	1,030	1,331		
Day care provider payments	0	0	0	0	0	0	0	0		
Energy assistance	0	0	0	0	69,446	101,013	311,780	2,373,128		
Food	0	0	0	0	0	0	0	0		
Indirect costs	21,204	4,460	12,666	17,126	6,545	6,475	7,294	19,351		
Insurance	0	0	0	0	301	4,081	0	0		
Occupancy	19,725	2,917	3,850	6,767	5,337	6,675	5,535	17,123		
Supplies	7,305	351	11,475	11,826	(390)	47,878	6,745	10,853		
Travel	11,274	977	3,908	4,885	5,936	4,873	490	1,075		
Other	11,059	1,072	3,893	4,965	250	1,158	200	312		
In-kind	0	0	0	0	0	0	0	0		
Total Expenses	237,067	44,119	130,623	174,742	197,718	357,463	389,070	2,566,223		
Change in net assets	0	0	0	0	0	0	0	0		
Net assets - Beginning of year	0	0	0	0	0	0	0	0		
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-4

Schedule of Program Activity

Year Ended June 30, 2014

	FEDERAL PROGRAMS							
	Department of Health and Human Services							
	93.568	93.569	93.600			93.959		
	93.568	Community Services Block Grant #CSBG-13-15 (19)	Head Start #07CH6142/47 (20)	Head Start #07CH6142/48 (21)	Subtotal 93.600	2014 Drug Alcohol - Prevention #588 4 CP21 (22)	2014 Drug and Alcohol - Treatment (23)	Subtotal 93.959
REVENUE								
Grant revenue	\$ 3,510,474	\$ 246,900	\$ 822,075	\$ 1,178,257	\$ 2,000,332	\$ 132,313	\$ 253,210	\$ 385,523
Program income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	0	0	318,389	114,349	432,738	0	0	0
Total Revenue	3,510,474	246,900	1,140,464	1,292,606	2,433,070	132,313	253,210	385,523
EXPENSES								
Salaries and wages	233,325	134,932	393,093	670,481	1,063,574	69,810	141,868	211,678
Fringe benefits	67,304	38,193	124,414	184,418	308,832	15,967	38,055	54,022
Contracted services/consultants	196,381	2,359	4,356	14,274	18,630	254	9,478	9,732
Day care provider payments	0	0	0	0	0	0	0	0
Energy assistance	2,855,367	0	0	0	0	0	0	0
Food	0	0	3,098	19,073	22,171	0	0	0
Indirect costs	39,665	22,938	66,826	113,982	180,808	11,868	24,118	35,986
Insurance	4,382	0	2,638	4,789	7,427	0	0	0
Occupancy	34,670	27,308	58,082	90,383	148,465	14,610	23,216	37,826
Supplies	65,086	10,418	99,834	38,696	138,530	7,305	10,291	17,596
Travel	12,374	6,294	8,973	12,093	21,066	7,608	2,397	10,005
Other	1,920	4,458	60,761	30,068	90,829	4,891	3,787	8,678
In-kind	0	0	318,389	114,349	432,738	0	0	0
Total Expenses	3,510,474	246,900	1,140,464	1,292,606	2,433,070	132,313	253,210	385,523
Change in net assets	0	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-5

Schedule of Program Activity

Year Ended June 30, 2014

	FEDERAL PROGRAMS	STATE AND LOCAL PROGRAMS						
	Total Federal Programs	I-Care (24)	Alliant Counseling (25)	FADSS #FADSS-13-15 (26)	FADSS #FADSS-14-15 (27)	St. Patrick's Fund (28)	St. Mary's Fund (29)	Miller Chapel Fund (30)
REVENUE								
Grant revenue	\$ 7,870,939	\$ 6,254	\$ 7,479	\$ 37,582	\$ 141,508	\$ 4,150	\$ 2,617	\$ 0
Program income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
In-kind contributions	432,738	0	0	0	0	0	0	0
Total Revenue	8,303,677	6,254	7,479	37,582	141,508	4,150	2,617	0
EXPENSES								
Salaries and wages	2,070,958	594	0	22,348	80,715	0	0	0
Fringe benefits	577,416	134	0	6,841	19,723	0	0	0
Contracted services/consultants	331,687	4,558	0	65	2,295	5,232	4,301	388
Day care provider payments	684,596	0	0	0	0	0	0	0
Energy assistance	2,855,367	0	0	0	0	0	0	0
Food	133,966	0	0	0	0	0	0	0
Indirect costs	353,100	101	0	3,799	13,722	0	0	0
Insurance	12,412	0	0	0	0	0	0	0
Occupancy	288,342	0	0	2,485	4,171	0	0	0
Supplies	355,220	4	3,448	299	12,432	0	0	0
Travel	78,712	0	0	832	4,233	0	0	0
Other	129,163	0	0	913	4,217	0	0	0
In-kind	432,738	0	0	0	0	0	0	0
Total Expenses	8,303,677	5,391	3,448	37,582	141,508	5,232	4,301	388
Change in net assets	0	863	4,031	0	0	(1,082)	(1,684)	(388)
Net assets - Beginning of year	0	1,101	5,040	0	0	1,082	1,684	388
NET ASSETS - END OF YEAR	\$ 0	\$ 1,964	\$ 9,071	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-6

Schedule of Program Activity

Year Ended June 30, 2014

STATE AND LOCAL PROGRAMS								
	PAT Mah/Wap FY2014 (31)	Van Buren Ext. Hrs. #EC11-04 (32)	Embrace Iowa (33)	IP&L Utilities Weatherization #IPL-13-15 (34)	IP&L Utilities Weatherization #IPL-14-15 (35)	MEC Weatherization #MEC-13-15 (36)	MEC Weatherization #MEC-14-15 (37)	Parents as Teachers ADLM #14-34-SR (38)
REVENUE								
Grant revenue	\$ 158,886	\$ 19,761	\$ 10,877	\$ 35,042	\$ 120,557	\$ 32,810	\$ 66,497	\$ 149,828
Program income	0	0	0	0	0	0	0	0
Transfers	1,656	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Total Revenue	160,542	19,761	10,877	35,042	120,557	32,810	66,497	149,828
EXPENSES								
Salaries and wages	89,389	9,801	0	0	0	0	0	83,265
Fringe benefits	22,200	2,493	0	0	0	0	0	20,218
Contracted services/consultants	435	5,801	11,395	20,331	65,194	19,106	34,343	791
Day care provider payments	0	0	0	0	0	0	0	0
Energy assistance	0	0	0	14,711	55,363	13,704	32,154	0
Food	0	0	0	0	0	0	0	0
Indirect costs	15,196	1,666	0	0	0	0	0	14,065
Insurance	0	0	0	0	0	0	0	0
Occupancy	12,184	0	0	0	0	0	0	15,404
Supplies	6,375	0	0	0	0	0	0	4,788
Travel	4,049	0	0	0	0	0	0	4,843
Other	10,714	0	0	0	0	0	0	6,454
In-kind	0	0	0	0	0	0	0	0
Total Expenses	160,542	19,761	11,395	35,042	120,557	32,810	66,497	149,828
Change in net assets	0	0	(518)	0	0	0	0	0
Net assets - Beginning of year	0	0	518	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-7

Schedule of Program Activity

Year Ended June 30, 2014

STATE AND LOCAL PROGRAMS								
	Hometown Cares (39)	Disaster CM ICAA (40)	ISP UNI Integrated Serv Proj (41)	Tobacco Prevention #5882TS42 (42)	Access to Recovery #5881AC23 (43)	Vocational Rehab (44)	Mahaska Gambling Grant #5880GP07 (45)	Keokuk Gambling Grant #5880GP082 (46)
REVENUE								
Grant revenue	\$ 98,843	\$ 52,765	\$ 8,579	\$ 71,456	\$ 236,894	\$ 6,214	\$ 250	\$ 750
Program income	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	(41,417)	(210)	(99)	(323)
In-kind contributions	0	0	0	0	0	0	0	0
Total Revenue	98,843	52,765	8,579	71,456	195,477	6,004	151	427
EXPENSES								
Salaries and wages	1,591	3,172	5,843	35,924	48,087	0	114	321
Fringe benefits	404	604	1,596	11,124	10,439	0	17	52
Contracted services/consultants	96,578	48,434	0	165	464	6,004	0	0
Day care provider payments	0	0	0	0	121,558	0	0	0
Energy assistance	0	0	0	0	0	0	0	0
Food	0	0	0	0	0	0	0	0
Indirect costs	271	539	993	6,107	8,175	0	20	54
Insurance	0	0	0	0	0	0	0	0
Occupancy	0	0	0	4,225	690	0	0	0
Supplies	0	16	0	9,663	474	0	0	0
Travel	0	0	147	3,498	5,590	0	0	0
Other	0	0	0	750	0	0	0	0
In-kind	0	0	0	0	0	0	0	0
Total Expenses	98,844	52,765	8,579	71,456	195,477	6,004	151	427
Change in net assets	0	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-8

Schedule of Program Activity

Year Ended June 30, 2014

STATE AND LOCAL PROGRAMS								
	JK ECI Quality Improvement (47)	2014 Drug and Alcohol - Prevention (48)	2014 Drug and Alcohol - Treatment (49)	App/Dav Ext. Hrs. Appanoose #14-28-SR (50)	App/Dav Ext. Hrs. Davis Co #14-29-SR (51)	J/K Transportation (52)	Davis St Christian Church (53)	1st UMC (54)
REVENUE								
Grant revenue	\$ 3,715	\$ 0	\$ 450,150	\$ 18,019	\$ 19,111	\$ 7,484	\$ 745	\$ 1,293
Program income	0	18,707	520,452	0	0	0	0	0
Transfers	0	(11,600)	(311,740)	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Total Revenue	3,715	7,107	658,862	18,019	19,111	7,484	745	1,293
EXPENSES								
Salaries and wages	0	4,343	369,190	13,011	13,522	0	0	0
Fringe benefits	0	1,184	99,039	2,796	3,290	0	0	0
Contracted services/consultants	0	2,079	24,888	0	0	6,484	745	1,293
Day care provider payments	0	0	0	0	0	0	0	0
Energy assistance	0	0	0	0	0	0	0	0
Food	0	0	0	0	0	0	0	0
Indirect costs	0	738	62,762	2,212	2,299	0	0	0
Insurance	0	0	0	0	0	0	0	0
Occupancy	0	543	60,328	0	0	0	0	0
Supplies	3,715	2,672	26,616	0	0	0	0	0
Travel	0	283	6,242	0	0	0	0	0
Other	0	(4,735)	9,797	0	0	0	0	0
In-kind	0	0	0	0	0	0	0	0
Total Expenses	3,715	7,107	658,862	18,019	19,111	6,484	745	1,293
Change in net assets	0	0	0	0	0	1,000	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,000	\$ 0	\$ 0

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-9

Schedule of Program Activity

Year Ended June 30, 2014

	STATE AND LOCAL PROGRAMS				DISCRETIONARY ACTIVITY			
	United Way (55)	United Way (56)	Affordable Care Act (57)	Total State and Local Programs	Total Program Activity	GAAP Adjustments (58)	Sigourney Building (59)	Sieda North Building (60)
REVENUE								
Grant revenue	\$ 841	\$ 54,000	\$ 10,289	\$ 1,835,246	\$ 9,705,575	\$ 0	\$ 0	\$ 0
Program income	0	0	0	539,159	539,159	(18,961)	11,579	9,414
Transfers	0	0	0	(363,733)	(363,733)	0	0	0
In-kind contributions	0	0	0	0	432,738	(174,120)	0	0
Total Revenue	841	54,000	10,289	2,010,672	10,313,739	(193,081)	11,579	9,414
EXPENSES								
Salaries and wages	160	3,397	2,722	787,509	2,857,676	0	0	0
Fringe benefits	34	572	518	203,278	781,619	0	0	0
Contracted services/consultants	0	49,454	162	410,985	742,672	0	0	0
Day care provider payments	0	0	0	121,558	806,154	0	0	0
Energy assistance	0	0	0	115,932	2,971,299	0	0	0
Food	0	0	0	0	133,966	0	0	0
Indirect costs	27	577	463	133,786	486,752	0	0	0
Insurance	0	0	0	0	12,412	0	0	0
Occupancy	0	0	783	100,813	389,155	(18,961)	0	12,296
Supplies	508	0	2,742	73,752	428,654	0	8	863
Travel	112	0	496	30,325	109,037	0	0	0
Other	0	0	2,403	30,513	159,676	0	9,547	0
In-kind	0	0	0	0	432,738	(174,120)	0	0
Total Expenses	841	54,000	10,289	2,008,451	10,311,810	(193,081)	9,555	13,159
Change in net assets	0	0	0	2,221	1,929	0	2,024	(3,745)
Net assets - Beginning of year	0	0	0	9,813	9,813	0	(342)	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 12,034	\$ 11,742	\$ 0	\$ 1,682	(\$ 3,745)

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule A-10

Schedule of Program Activity

Year Ended June 30, 2014

	DISCRETIONARY ACTIVITY			
	Sieda South Building (61)	Indirect Expenses (62)	Corporate Operations (63)	Total Discretionary Activity
REVENUE				
Grant revenue	\$ 0	\$ 0	\$ 0	\$ 0
Program income	0	0	25,440	27,472
Transfers	0	0	363,733	363,733
In-kind contributions	0	0	0	(174,120)
Total Revenue	0	0	389,173	217,085
EXPENSES				
Salaries and wages	0	267,709	327	268,036
Fringe benefits	0	52,173	248	52,421
Contracted services/consultants	4,441	39,740	6,557	50,738
Day care provider payments	0	0	0	0
Energy assistance	0	0	0	0
Food	0	0	3,023	3,023
Indirect costs	0	(487,051)	299	(486,752)
Insurance	0	24,335	0	24,335
Occupancy	21,162	27,415	7,707	49,619
Supplies	1,707	62,596	26,462	91,636
Travel	0	1,968	89	2,057
Other	0	14,526	66,162	90,235
In-kind	0	0	0	(174,120)
Total Expenses	27,310	3,411	110,874	(28,772)
Change in net assets	(27,310)	(3,411)	278,299	245,857
Net assets - Beginning of year	0	(143,127)	1,908,116	1,764,647
NET ASSETS - END OF YEAR	(\$ 27,310)	(\$ 146,538)	\$ 2,186,415	\$ 2,010,504

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule B-1

Schedule of Expenditures of Federal Awards and List of Programs

Year Ended June 30, 2014

<u>Federal Grantor/Pass-Through Number/Program Title</u>	<u>CFDA Number</u>	<u>Federal Grantor or Pass-Through Agency</u>	<u>Program Period</u>	<u>Federal Expenditures</u>
DEPARTMENT OF AGRICULTURE				
(1) Child and Adult Care Food Program - Homes #908017	10.558	Iowa Department of Education	10/01/12 - 09/30/13	\$ 223,877
(2) Child and Adult Care Food Program - Homes #908017		Iowa Department of Education	10/01/13 - 09/30/14	577,064
(3) Child and Adult Care Food Program - Centers #908010		Iowa Department of Education	10/01/12 - 09/30/13	15,043
(4) Child and Adult Care Food Program - Centers #908010		Iowa Department of Education	10/01/13 - 09/30/14	99,332
		Total Expenditures #10.558		915,316
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
(5) Tenant Based Rental Assistance #13P-763	14.239	Iowa Community Action Association	10/01/13-09/30/15	13,345
DEPARTMENT OF ENERGY				
(6) Weatherization Assistance #DOE-12-15	81.042	Iowa Department of Human Rights	04/01/12 - 12/31/13	9,770
(7) Weatherization Assistance #DOE-13-15		Iowa Department of Human Rights	08/1/13 - 03/31/14	171,722
(8) Weatherization Assistance #DOE-14-15		Iowa Department of Human Rights	04/01/14 - 03/31/15	44,622
		Total Expenditures #81.042		226,114
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
(9) Capacity Coaching #588 4 IP08	93.243	Iowa Department of Public Health	07/01/13 - 06/30/14	22,810
(10) SPF SIG		Iowa Department of Public Health	07/01/13 - 06/30/14	138,316
		Total Expenditures #93.243		161,126
(11) MIECHVP #5883CH04	93.505	Iowa Department of Public Health	10/31/12 - 09/30/13	56,650
(12) MIECHVP #5884CH04		Iowa Department of Public Health	10/31/13 - 09/30/14	180,417
		Total Expenditures #93.505		237,067

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Schedule B-2

Schedule of Expenditures of Federal Awards and List of Programs

Year Ended June 30, 2014

<u>Federal Grantor/Pass-Through Number/Program Title</u>	<u>CFDA Number</u>	<u>Federal Grantor or Pass-Through Agency</u>	<u>Program Period</u>	<u>Federal Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)				
(13) FADSS #FADSS-13-15	93.558	Iowa Department of Human Rights	10/01/12 - 09/30/13	44,119
(14) FADSS #FADSS-14-15		Iowa Department of Human Rights	10/01/13 - 09/30/14	130,623
Total Expenditures #93.558				<u>174,742</u>
(15) HEAP Weatherization #HEAP-13-15	93.568	Iowa Department of Human Rights	01/01/13 - 12/31/13	197,718
(16) HEAP Weatherization #HEAP-14-15		Iowa Department of Human Rights	01/01/14 - 12/31/14	357,463
(17) Low-Income Home Energy Assistance Program #LIHEAP-13-15		Iowa Department of Human Rights	10/01/12 - 09/30/13	389,070
(18) Low-Income Home Energy Assistance Program #LIHEAP-14-15		Iowa Department of Human Rights	10/01/13 - 09/30/14	2,566,223
Total Expenditures #93.568				<u>3,510,474</u>
(19) Community Services Block Grant #CSBG-13-15	93.569	Iowa Department of Human Rights	10/01/12 - 09/30/14	<u>246,900</u>
(20) Head Start 2013 #07CH6142/47	93.600	U.S. Department of Health and Human Services	12/01/12 - 11/30/13	822,075
(21) Head Start 2014 #07CH6142/48		U.S. Department of Health and Human Services	12/01/13 - 11/30/14	1,178,257
Total Expenditures #93.600				<u>2,000,332</u>
(22) Drug and Alcohol - Prevention #588 4 CP21	93.959	Iowa Department of Public Health	07/01/13 - 06/30/14	132,313
(23) Drug and Alcohol - Treatment #5881AC23		Iowa Department of Public Health	07/01/13 - 06/30/14	253,210
Total Expenditures #93.959				<u>385,523</u>
TOTAL FEDERAL EXPENDITURES				<u><u>\$ 7,870,939</u></u>

Southern Iowa Economic Development Association

Schedule B-3

Schedule of Expenditures of Federal Awards and List of Programs

Year Ended June 30, 2014

<u>State and Local Programs</u>	<u>Program Period</u>
STATE AND LOCAL PROGRAMS	
(24) I-Care	Ongoing
(25) Alliant Counseling	Ongoing
(26) FADSS #FADSS-13-15	10/01/12 - 09/30/13
(27) FADSS #FADSS-14-15	07/01/13 - 09/30/14
(28) St. Patrick's Fund	Ongoing
(29) St. Mary's Fund	Ongoing
(30) Miller Chapel Fund	Ongoing
(31) PAT Mah/Wap #2014-10	07/01/13 - 06/30/14
(32) Van Buren Ext. Hrs.	07/01/13 - 06/30/14
(33) Embrace Iowa	07/01/13 - 06/30/14
(34) IP&L Utilities Weatherization #IPL-13-15	01/01/13 - 12/31/13
(35) IP&L Utilities Weatherization #IPL-14-15	01/01/14 - 12/31/14
(36) MEC Weatherization #MEC-13-15	01/01/13 - 12/31/13
(37) MEC Weatherization #MEC-14-15	01/01/14 - 12/31/14
(38) Parents as Teachers ADLM #14-34-SR	07/01/13 - 06/30/14
(39) Hometown Cares	Ongoing
(40) Disaster CM ICAA	Ongoing
(41) ISP UNI Integrated Service Project	07/01/13 - 06/30/14
(42) Tobacco Prevention #5882TS42	07/01/13 - 08/31/14
(43) SAS Access to Recovery	07/01/13 - 06/30/14
(44) Vocational Rehab	Ongoing
(45) Mahaska Gambling Grant	07/01/13 - 06/30/14
(46) Keokuk Gambling Grant	07/01/13 - 06/30/14
(47) ECI Quality Improvement	07/01/13 - 06/30/14
(48) Drug and Alcohol - Prevention	07/01/13 - 06/30/14
(49) Drug and Alcohol - Treatment	07/01/13 - 06/30/14
(50) App/Dav Ext. Hrs. Appanoose	07/01/13 - 06/30/14
(51) App/Dav Ext. Hrs. Davis Co.	07/01/13 - 06/30/14
(52) J/K TRANSPORTATION	07/01/13 - 06/30/14
(53) Davis Street Christian Church	Ongoing
(54) 1ST UMC	Ongoing
(55) United Way	Ongoing
(56) United Way	08/01/13-06/30/14
(57) Affordable Care Act	01/01/14-03/31/14

Southern Iowa Economic Development Association

Schedule B-4

Schedule of Expenditures of Federal Awards and List of Programs

Year Ended June 30, 2014

DISCRETIONARY	Program Period
(58) GAAP Adjustments	Ongoing
(59) Sigourney Building	Ongoing
(60) Sieda North Building	Ongoing
(61) Sieda South Building	Ongoing
(62) Indirect Expenses	Ongoing
(63) Corporate Operations	Ongoing

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

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and list of programs (the "Schedule") includes the federal grant activity of Southern Iowa Economic Development Association under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Southern Iowa Economic Development Association, it is not intended to and does not present the financial position, changes in net assets or cash flows of Southern Iowa Economic Development Association.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	Total All Funds	Corporate Operations	Corporate Operations Property	Total Program Funds	Weatheri- zation	HEAP
Cash	\$ 1,027,404	\$ 1,256,167	\$ 0	(\$ 228,763)	(\$ 34,481)	(\$ 6,011)
Grants receivable	570,941	0	0	570,941	44,623	0
Prepaid expenses	48,384	48,384	0	0	0	0
Property and equipment, net	834,082	113,348	640,830	79,904	1,885	28,708
TOTAL ASSETS	\$ 2,480,811	\$ 1,417,899	\$ 640,830	\$ 422,082	\$ 12,027	\$ 22,697
LIABILITIES & NET ASSETS						
LIABILITIES						
Accounts payable	\$ 109,832	\$ 9,532	\$ 0	\$ 100,300	\$ 2,170	\$ 817
Accrued payroll and related expenses	86,585	20,539	0	66,046	4,535	0
Accrued vacation	102,929	18,447	0	84,482	5,322	0
Grant funds received in advance	159,219	0	0	159,219	0	21,880
Total Liabilities	458,565	48,518	0	410,047	12,027	22,697
Unrestricted net assets	2,022,246	1,369,381	640,830	12,035	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 2,480,811	\$ 1,417,899	\$ 640,830	\$ 422,082	\$ 12,027	\$ 22,697

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	MEC	IPL	I-Care	LIHEAP	Head Start	MIECHV
Cash	(\$ 7,372)	(\$ 13,516)	\$ 1,600	(\$ 18,923)	(\$ 127,099)	(\$ 46,253)
Grants receivable	7,372	17,422	364	24,926	120,532	53,554
Prepaid expenses	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	49,311	0
TOTAL ASSETS	\$ 0	\$ 3,906	\$ 1,964	\$ 6,003	\$ 42,744	\$ 7,301
LIABILITIES & NET ASSETS						
LIABILITIES						
Accounts payable	\$ 0	\$ 3,906	\$ 0	\$ 153	\$ 12,203	\$ 1,101
Accrued payroll and related expenses	0	0	0	2,865	13,094	4,452
Accrued vacation	0	0	0	2,985	17,447	1,748
Grant funds received in advance	0	0	0	0	0	0
Total Liabilities	0	3,906	0	6,003	42,744	7,301
Unrestricted net assets	0	0	1,964	0	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 0	\$ 3,906	\$ 1,964	\$ 6,003	\$ 42,744	\$ 7,301

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	Parents as Teachers ADLM	Parents as Teachers Mah/Wap	ADLM EXT HRS APP	ADLM EXT HRS DAVIS	Van Buren Ext. Hrs.	Day Care Homes
Cash	(\$ 28,945)	(\$ 19,157)	(\$ 2,041)	(\$ 1,948)	(\$ 1,995)	\$ 9,693
Grants receivable	31,883	31,117	2,041	1,948	1,995	56,524
Prepaid expenses	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	0	0
TOTAL ASSETS	\$ 2,938	\$ 11,960	\$ 0	\$ 0	\$ 0	\$ 66,217
LIABILITIES & NET ASSETS						
LIABILITIES						
Accounts payable	(\$ 245)	\$ 1,735	\$ 0	\$ 0	\$ 0	\$ 60,414
Accrued payroll and related expenses	2,373	2,253	0	0	0	1,998
Accrued vacation	810	7,972	0	0	0	3,805
Grant funds received in advance	0	0	0	0	0	0
Total Liabilities	2,938	11,960	0	0	0	66,217
Unrestricted net assets	0	0	0	0	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 2,938	\$ 11,960	\$ 0	\$ 0	\$ 0	\$ 66,217

See Independent Auditor's Report.

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	Drug and Alcohol - Treatment	SAS Access to Recovery	Voc Rehab	Drug and Alcohol Prevention	Drug and Alcohol - Tobacco	Capacity Coaching
Cash	(\$ 18,364)	(\$ 16,434)	(\$ 605)	(\$ 15,758)	(\$ 17,312)	(\$ 6,234)
Grants receivable	49,996	18,050	605	27,243	24,008	6,383
Prepaid expenses	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	0	0
TOTAL ASSETS	\$ 31,632	\$ 1,616	\$ 0	\$ 11,485	\$ 6,696	\$ 149
LIABILITIES & NET ASSETS						
LIABILITIES						
Accounts payable	\$ 1,822	\$ 447	\$ 0	\$ 546	\$ 4,285	\$ 149
Accrued payroll and related expenses	17,443	794	0	3,061	1,096	0
Accrued vacation	12,367	375	0	7,878	1,315	0
Grant funds received in advance	0	0	0	0	0	0
Total Liabilities	31,632	1,616	0	11,485	6,696	149
Unrestricted net assets	0	0	0	0	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 31,632	\$ 1,616	\$ 0	\$ 11,485	\$ 6,696	\$ 149

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	SPFSIG	CSBG	AFFORDABLE CARE ACT	FaDSS	ISP	TBRA
Cash	(\$ 32,266)	\$ 25,204	(\$ 3,182)	\$ 14,634	(\$ 1,011)	(\$ 4,924)
Grants receivable	34,995	0	3,182	1,478	1,011	4,974
Prepaid expenses	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	0	0
TOTAL ASSETS	\$ 2,729	\$ 25,204	\$ 0	\$ 16,112	\$ 0	\$ 50
LIABILITIES & NET ASSETS						
LIABILITIES						
Accounts payable	\$ 1,437	\$ 1,820	\$ 0	\$ 2,069	\$ 0	\$ 50
Accrued payroll and related expenses	880	5,289	0	5,913	0	0
Accrued vacation	412	13,916	0	8,130	0	0
Grant funds received in advance	0	4,179	0	0	0	0
Total Liabilities	2,729	25,204	0	16,112	0	50
Unrestricted net assets	0	0	0	0	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 2,729	\$ 25,204	\$ 0	\$ 16,112	\$ 0	\$ 50

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	ECI QUALITY IMPROVE	T/K TRANSP	ALLIANT COUNSELING	CACPF HEADSTART CENTERS	UNITED WAY	MAHASKA GAMBLING
Cash	\$ 0	\$ 1,000	\$ 9,071	\$ 1,688	\$ 852	(\$ 250)
Grants receivable	3,715	0	0	0	0	250
Prepaid expenses	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	0	0
TOTAL ASSETS	\$ 3,715	\$ 1,000	\$ 9,071	\$ 1,688	\$ 852	\$ 0
LIABILITIES & NET ASSETS						
LIABILITIES						
Accounts payable	\$ 3,715	\$ 0	\$ 0	\$ 1,688	\$ 18	\$ 0
Accrued payroll and related expenses	0	0	0	0	0	0
Accrued vacation	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	834	0
Total Liabilities	3,715	0	0	1,688	852	0
Unrestricted net assets	0	1,000	9,071	0	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 3,715	\$ 1,000	\$ 9,071	\$ 1,688	\$ 852	\$ 0

Southern Iowa Economic Development Association

Statement of Financial Position - By Fund

June 30, 2014

ASSETS	KEOKUK GAMBLING	ST. PATRICK'S FUND	ST. MARY'S FUND	UNITED METHODIST CHURCH	HOMETOWN CARE
Cash	(\$ 750)	\$ 212	\$ 924	\$ 30	\$ 131,160
Grants receivable	750	0	0	0	0
Prepaid expenses	0	0	0	0	0
Property and equipment, net	0	0	0	0	0
TOTAL ASSETS	\$ 0	\$ 212	\$ 924	\$ 30	\$ 131,160
LIABILITIES & NET ASSETS					
LIABILITIES					
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued payroll and related expenses	0	0	0	0	0
Accrued vacation	0	0	0	0	0
Grant funds received in advance	0	212	924	30	131,160
Total Liabilities	0	212	924	30	131,160
Unrestricted net assets	0	0	0	0	0
TOTAL LIABILITIES AND NET ASSETS	\$ 0	\$ 212	\$ 924	\$ 30	\$ 131,160

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: DOE-12-15

Contract Period: 04/01/12 - 12/31/13

	Approved Budget	Total	Actual 04/01/12 - 06/30/2012	Actual 07/01/12 - 06/30/2013	Actual 07/01/13 - 12/31/13
REVENUE					
Iowa Department of Human Rights	\$ 390,620	\$ 390,620	\$ 149,270	\$ 231,580	\$ 9,770
EXPENSE					
Administration	\$ 19,531	\$ 19,480	\$ 3,309	\$ 13,820	\$ 2,351
Support	93,749	85,440	56,928	40,959	(12,447)
Health and safety	74,218	99,605	30,699	53,816	15,090
Labor	101,561	100,032	24,727	72,670	2,635
Materials	101,561	86,063	33,607	50,315	2,141
TOTAL EXPENSE	\$ 390,620	\$ 390,620	\$ 149,270	\$ 231,580	\$ 9,770

Contract Number: DOE-13-15

Contract Period: 08/01/13 - 03/31/14

	Approved Budget	Actual 08/01/13 - 03/31/14
REVENUE		
Iowa Department of Human Rights	\$ 171,722	\$ 171,722
EXPENSE		
Administration	\$ 18,686	\$ 12,951
Support	39,637	60,103
Health and safety	30,607	35,175
Labor	41,396	37,938
Materials	41,396	25,555
TOTAL EXPENSE	\$ 171,722	\$ 171,722

Contract Number: DOE-14-15

Contract Period: 04/01/14 - 03/31/15

	Approved Budget	Actual 04/01/14 - 06/30/2014
REVENUE		
Iowa Department of Human Rights	\$ 157,699	\$ 44,622
EXPENSE		
Administration	\$ 18,161	\$ 0
Support	36,168	4,280
Health and safety	27,936	13,258
Labor	37,717	15,796
Materials	37,717	11,288
TOTAL EXPENSE	\$ 157,699	\$ 44,622

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: HEAP-13-15

Contract Period: 01/01/13 -12/31/13

	Approved Budget	Total	Actual 01/01/13 - 06/30/13	Actual 07/01/13 - 12/31/13
REVENUE				
Iowa Department of Human Rights	\$ 802,036	\$ 574,101	\$ 376,383	\$ 197,718
EXPENSE				
Administration	\$ 42,096	\$ 10,885	\$ 384	\$ 10,501
Support	189,501	131,577	73,994	57,583
Labor	197,023	120,216	89,789	30,427
Materials	197,023	78,103	66,896	11,207
Insurance	0	3,580	3,279	301
Health and safety	146,393	229,291	142,311	86,980
Training and equipment	30,000	449	(270)	719
TOTAL EXPENSE	\$ 802,036	\$ 574,101	\$ 376,383	\$ 197,718

Contract Number: HEAP-14-15

Contract Period: 01/01/14 -12/31/14

	Approved Budget	Actual 01/01/14 - 06/30/14
REVENUE		
Iowa Department of Human Rights	\$ 689,558	\$ 357,463
EXPENSE		
Administration	\$ 33,751	\$ 17,963
Support	161,851	57,142
Labor	168,026	91,796
Materials	168,026	67,677
Insurance	2,875	4,081
Health and safety	125,029	73,510
Training and equipment	30,000	45,294
TOTAL EXPENSE	\$ 689,558	\$ 357,463

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs
 Mid American Energy Company
 Contract Number: MEC-13-15
 Contract Period: 01/01/13 - 12/31/13

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 01/01/13 - 06/30/13</u>	<u>Actual 07/01/13 - 12/31/13</u>
REVENUE				
Iowa Department of Human Rights	\$ 137,721	\$ 129,819	\$ 97,009	\$ 32,810
EXPENSE				
Administration	\$ 6,885	\$ 0	\$ 0	\$ 0
Support	13,772	0	0	0
Labor	58,532	63,913	44,807	19,106
Materials	58,532	65,906	52,202	13,704
TOTAL EXPENSE	<u>\$ 137,721</u>	<u>\$ 129,819</u>	<u>\$ 97,009</u>	<u>\$ 32,810</u>

Contract Number: MEC-14-15
 Contract Period: 01/01/14 - 12/31/14

	<u>Approved Budget</u>	<u>Actual 01/01/14 - 06/30/14</u>
REVENUE		
Iowa Department of Human Rights	\$ 140,532	\$ 66,497
EXPENSE		
Administration	\$ 7,027	\$ 0
Support	14,053	0
Labor	59,726	34,343
Materials	59,726	32,154
TOTAL EXPENSE	<u>\$ 140,532</u>	<u>\$ 66,497</u>

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Interstate Power and Light

Contract Number: IPL-13-15

Contract Period: 01/01/13 - 12/31/13

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 01/01/13 - 06/30/13</u>	<u>Actual 07/01/13 - 12/31/13</u>
REVENUE				
Iowa Department of Human Rights	\$ 214,396	\$ 80,465	\$ 45,423	\$ 35,042
EXPENSE				
Administration	\$ 10,720	\$ 0	\$ 0	\$ 0
Support	21,440	0	0	0
Labor	91,118	40,615	20,284	20,331
Materials	91,118	39,850	25,139	14,711
TOTAL EXPENSE	<u>\$ 214,396</u>	<u>\$ 80,465</u>	<u>\$ 45,423</u>	<u>\$ 35,042</u>

Contract Number: IPL-14-15

Contract Period: 01/01/14 - 12/31/14

	<u>Approved Budget</u>	<u>Actual 01/01/13 - 06/30/13</u>
REVENUE		
Iowa Department of Human Rights	\$ 299,045	\$ 120,557
EXPENSE		
Administration	\$ 14,952	\$ 0
Support	29,905	0
Labor	127,094	65,194
Materials	127,094	55,363
TOTAL EXPENSE	<u>\$ 299,045</u>	<u>\$ 120,557</u>

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Low Income Home Energy Assistance Program

Contract Number: LIHEAP-13-15

Contract Period: 10/01/12 - 09/30/13

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 10/01/12- 06/30/13</u>	<u>Actual 07/01/13 - 09/30/13</u>
REVENUE				
Iowa Department of Human Rights	\$ 2,905,622	\$ 2,829,158	\$ 2,440,088	\$ 389,070
EXPENSE				
Administration	\$ 240,039	\$ 240,039	\$ 174,133	\$ 65,906
Regular assistance	2,184,347	2,107,883	2,114,300	(6,417)
Crisis assistance	129,021	129,021	127,033	1,988
Client services	36,006	36,006	24,622	11,384
Summer deliverable fuel	316,209	316,209	0	316,209
TOTAL EXPENSE	<u>\$ 2,905,622</u>	<u>\$ 2,829,158</u>	<u>\$ 2,440,088</u>	<u>\$ 389,070</u>

Contract Number: LIHEAP-14-15

Contract Period: 10/01/13 - 09/30/14

	<u>Approved Budget</u>	<u>Actual 10/01/12- 06/30/13</u>
REVENUE		
Iowa Department of Human Rights	\$ 3,003,200	\$ 2,566,223
EXPENSE		
Administration	\$ 239,659	\$ 170,908
Regular assistance	2,190,952	2,178,377
Crisis assistance	223,914	194,751
Client services	32,953	22,187
Summer deliverable fuel	315,722	0
TOTAL EXPENSE	<u>\$ 3,003,200</u>	<u>\$ 2,566,223</u>

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Child and Adult Care Food Program (CACFP) - Home Providers

Agreement Number: 908017

Contract Period: 10/01/12 - 09/30/13

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 10/01/12 - 06/30/13</u>	<u>Actual 07/01/13 - 09/30/13</u>
REVENUE				
Iowa Department of Education	\$ 146,478	\$ 870,116	\$ 646,239	\$ 223,877
Cofund Income	0	0	0	0
TOTAL REVENUE	<u>\$ 146,478</u>	<u>\$ 870,116</u>	<u>\$ 646,239</u>	<u>\$ 223,877</u>
EXPENSE				
Labor and benefits	\$ 99,209	\$ 89,618	\$ 64,959	\$ 24,659
In-state travel expenses	8,270	6,934	4,230	2,704
Out of state travel expenses	1,732	267	0	267
Program supplies	8,789	4,898	4,434	464
Office rent	3,151	3,146	2,210	936
Communications	7,796	2,275	1,266	1,009
Training	4,100	3,475	2,591	884
Indirect	13,430	11,423	8,295	3,128
Total administrative expenses	<u>146,477</u>	<u>122,036</u>	<u>87,985</u>	<u>34,051</u>
Home providers - Reimbursement of meals served	N/A	<u>748,080</u>	<u>558,254</u>	<u>189,826</u>
TOTAL EXPENSE	<u>\$ 146,477</u>	<u>\$ 870,116</u>	<u>\$ 646,239</u>	<u>\$ 223,877</u>

Child and Adult Care Food Program (CACFP) - Home Providers

Agreement Number: 908017

Contract Period: 10/01/13 - 09/30/14

	<u>Approved Budget</u>	<u>Actual 10/01/13 - 06/30/14</u>
REVENUE		
Iowa Department of Education	<u>\$ 128,722</u>	<u>\$ 577,064</u>
EXPENSE		
Labor and benefits	\$ 92,174	\$ 60,220
In-state travel expenses	5,526	3,263
Program supplies	7,770	1,671
Office rent	4,287	3,517
Communications	3,091	3,337
Training	3,255	2,286
Other	427	310
Indirect	<u>12,193</u>	<u>7,690</u>
Total administrative expenses	<u>128,723</u>	<u>82,294</u>
Home providers - Reimbursement of meals served	N/A	<u>494,770</u>
TOTAL EXPENSE	<u>\$ 128,723</u>	<u>\$ 577,064</u>

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Child and Adult Care Food Program (CACFP) - HS Food

Agreement Number: 908010

Contract Period: 10/01/12 - 09/30/13

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 10/01/12 - 06/30/13</u>	<u>Actual 07/01/13 - 09/30/13</u>
REVENUE				
Iowa Department of Education	\$ 152,745	\$ 118,149	\$ 103,106	\$ 15,043
EXPENSE				
Food supplies	129,648	112,261	100,566	11,695
Food supplies-admin	<u>23,097</u>	<u>5,888</u>	<u>2,540</u>	<u>3,348</u>
TOTAL EXPENSE	<u>\$ 152,745</u>	<u>\$ 118,149</u>	<u>\$ 103,106</u>	<u>\$ 15,043</u>

Child and Adult Care Food Program (CACFP) - HS Food

Agreement Number: 908010

Contract Period: 10/01/13 - 09/30/14

	<u>Approved Budget</u>	<u>Actual 10/01/13 - 06/30/14</u>
REVENUE		
Iowa Department of Education	\$ 123,750	\$ 99,332
EXPENSE		
Food supplies	121,000	96,752
admin	<u>2,750</u>	<u>2,580</u>
TOTAL EXPENSE	<u>\$ 123,750</u>	<u>\$ 99,332</u>

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Community Services Block Grant

Contract Number: CSBG-13-15

Contract Period: 10/01/12 - 09/30/14

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 10/01/12 - 06/30/13</u>	<u>Actual 07/01/13 - 6/30/2014</u>
REVENUE				
Iowa Department of Human Rights	\$ 338,366	\$ 247,568	\$ 668	\$ 246,900
EXPENSE				
Personnel costs	231,571	173,126	0	173,126
Travel	9,100	6,375	81	6,294
Space costs	32,800	19,459	587	18,872
Co-funded programs	2,000	0	0	0
Other costs	33,071	25,670	0	25,670
Indirect costs	29,824	22,938	0	22,938
TOTAL EXPENSE	<u>\$ 338,366</u>	<u>\$ 247,568</u>	<u>\$ 668</u>	<u>\$ 246,900</u>

Southern Iowa Economic Development Association

Schedule of Revenue and Expenses Compared with Budget

Family Development and Self Sufficiency

Contract Number: FaDSS-13-15

Contract Period: 10/01/12 - 09/30/13

	<u>Approved Budget</u>	<u>Total</u>	<u>Actual 10/01/12 - 06/30/13</u>	<u>Actual 07/01/13 - 09/30/13</u>
REVENUE				
Iowa Department of Human Rights	\$ 362,638	\$ 362,638	\$ 280,937	\$ 81,701
EXPENSES				
Salaries	\$ 201,703	\$ 210,753	\$ 162,170	\$ 48,583
Benefits	62,528	63,569	48,697	14,872
Travel	20,343	11,712	9,904	1,808
Space Costs	15,000	9,710	8,146	1,564
Other Costs	25,992	31,066	24,451	6,615
Equipment	3,800	0	0	0
Indirect Costs	33,272	35,828	27,569	8,259
TOTAL EXPENSES	\$ 362,638	\$ 362,638	\$ 280,937	\$ 81,701

Contract Number: FaDSS-14-15-FL

Contract Period: 7/01/13 - 09/30/14

	<u>Approved Budget</u>	<u>Actual 10/01/13 - 06/30/14</u>
REVENUE		
Iowa Department of Human Rights	\$ 362,749	\$ 272,131
EXPENSE		
Salaries	\$ 209,536	\$ 155,222
Benefits	51,992	37,929
Travel	10,455	8,141
Space Costs	10,000	8,021
Other Costs	45,145	36,430
Indirect Costs	35,621	26,388
TOTAL EXPENSE	\$ 362,749	\$ 272,131



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

Board of Directors
Southern Iowa Economic Development Association
Ottumwa, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Southern Iowa Economic Development Association, which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 3, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southern Iowa Economic Development Association's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southern Iowa Economic Development Association's internal control. Accordingly, we do not express an opinion on the effectiveness of Southern Iowa Economic Development Association's internal control.

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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention of those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern Iowa Economic Development Association's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southern Iowa Economic Development Association's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering Southern Iowa Economic Development Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

December 3, 2014
Madison, Wisconsin



Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance

Board of Directors
Southern Iowa Economic Development Association
Ottumwa, Iowa

Report on Compliance for Each Major Federal Program

We have audited Southern Iowa Economic Development Association's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. Southern Iowa Economic Development Association's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management of Southern Iowa Economic Development Association is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Southern Iowa Economic Development Association's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southern Iowa Economic Development Association'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 on compliance for each major federal program. However, our audit does not provide legal determination Southern Iowa Economic Development Association's compliance.

Opinion on Each Major Program

In our opinion, Southern Iowa Economic Development Association complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Southern Iowa Economic Development Association is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Southern Iowa Economic Development Association's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 Southern Iowa Economic Development Association'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 or state 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 or state program will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention of those charged with governance.

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. However, material weaknesses may exist that have not been identified.

The purpose of this report is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Wipfli LLP

December 3, 2014
Madison, Wisconsin

Southern Iowa Economic Development Association

Schedule of Findings and Questioned Costs

A. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the financial statements of Southern Iowa Economic Development Association.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.
3. No instances of noncompliance material to the financial statements of Southern Iowa Economic Development Association were disclosed during the audit.
4. No significant deficiencies or material weaknesses were disclosed during the audit of the major federal award programs as reported in the Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance.
5. The auditor's report on compliance for the major federal award programs for Southern Iowa Economic Development Association expresses an unmodified opinion.
6. There were no audit findings relative to the major federal award programs for Southern Iowa Economic Development Association.
7. The programs tested as a major program were as follows:
 - Department of Health and Human Services, CFDA #93.600
 - Department of Health and Human Services, CFDA #93.959
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Southern Iowa Economic Development Association was determined to be a low-risk auditee.

B. Findings – Financial Statements Audit

Findings: None

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

Findings: None

Questioned Costs: None

D. Status of Prior Year Findings

Findings: None