

**SOUTHERN IOWA
ECONOMIC DEVELOPMENT
ASSOCIATION
OTTUMWA, IOWA**

Independent Auditors' Report
Financial Statements and Supplementary Data
Reports on Compliance and Internal Controls
Schedule of Findings and Questioned Costs

June 30, 2009

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Contents

	<u>Exhibit/ Schedule</u>	<u>Page</u>
Introductory:		
Revenues By Funding Source		1
Revenues By Program.....		2
Expenditures By Function		3
Expenditures By Program.....		4
Independent Auditors' Report.		5-6
Financial Statements:		
Combined Statement of Financial Position – All Funds	A	7
Combined Statement of Activities – All Funds.....	B	8
Combined Statement of Functional Expenditures – All Funds	C	9
Statement of Cash Flows.....	D	10
Notes to Financial Statements		11-20
Supplementary Data:		
Schedule of Expenditures of Federal Awards	1	21-23
Combining Schedule of Financial Position – Program Funds.....	2	24-27
Combining Schedule of Activities – Program Funds	3	28-32
Schedules of Revenues and Expenses Compared to Budget:		
Housing Stabilization Unit:		
DOE – DOE-08-15L and DOE-09-15L	4	33
DOE-ARRA – DOE-ARRA-09-15L.....	5	34
HEAP – HEAP-08-15L and HEAP-09-15L.....	6	35
MEC – MEC-08-15L.....	7	36
IPS – IPL-08-15L	8	37
Low Income Home Energy Assistance Program – LIHEAP-08-15-L and LIHEAP-09-15-L	9	38
Child Development Division:		
Department of Health and Human Services – Head Start – 07CH6142/42.	10	39
Department of Health and Human Services – Head Start – 07CH6142/43	11	40
Child and Adult Care Food Program – Day Care Homes – 90-8017	12	41
Child and Adult Care Food Program – Day Care Homes – 90-8017	13	42

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

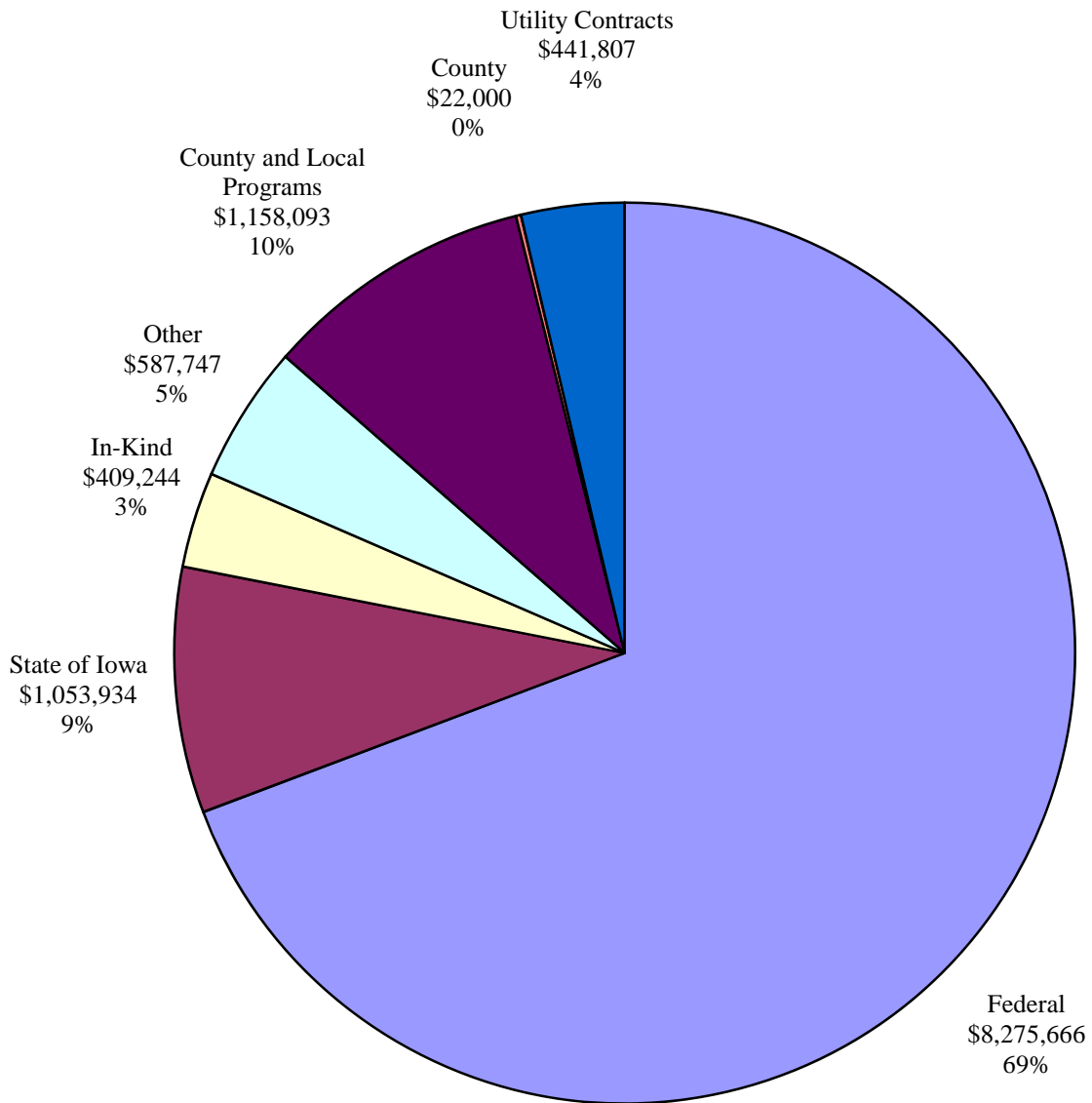
Contents (Continued)

	<u>Exhibit/ Schedule</u>	<u>Page</u>
Supplementary Data (continued):		
Schedules of Revenues and Expenses Compared to Budget:		
Drug and Alcohol – Treatment – SIEDA – DPH.....	14	43
Drug and Alcohol – Prevention – 5889CP21.....	15	44
Family Development – Community Services Block		
Grant – CSBG-07-15-CL and CSBG-08-15-CL.....	16	45
CSBG-R9-15.....	17	46
Family Development – Family Development and Self		
Sufficiency Demonstration Grant – FaDSS-09-15-FL	18	47
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		48-49
Independent Auditors’ Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133		50-51
Schedule of Findings and Questioned Costs/ Summary Schedule of Prior Audit Findings		52-54

Introductory

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

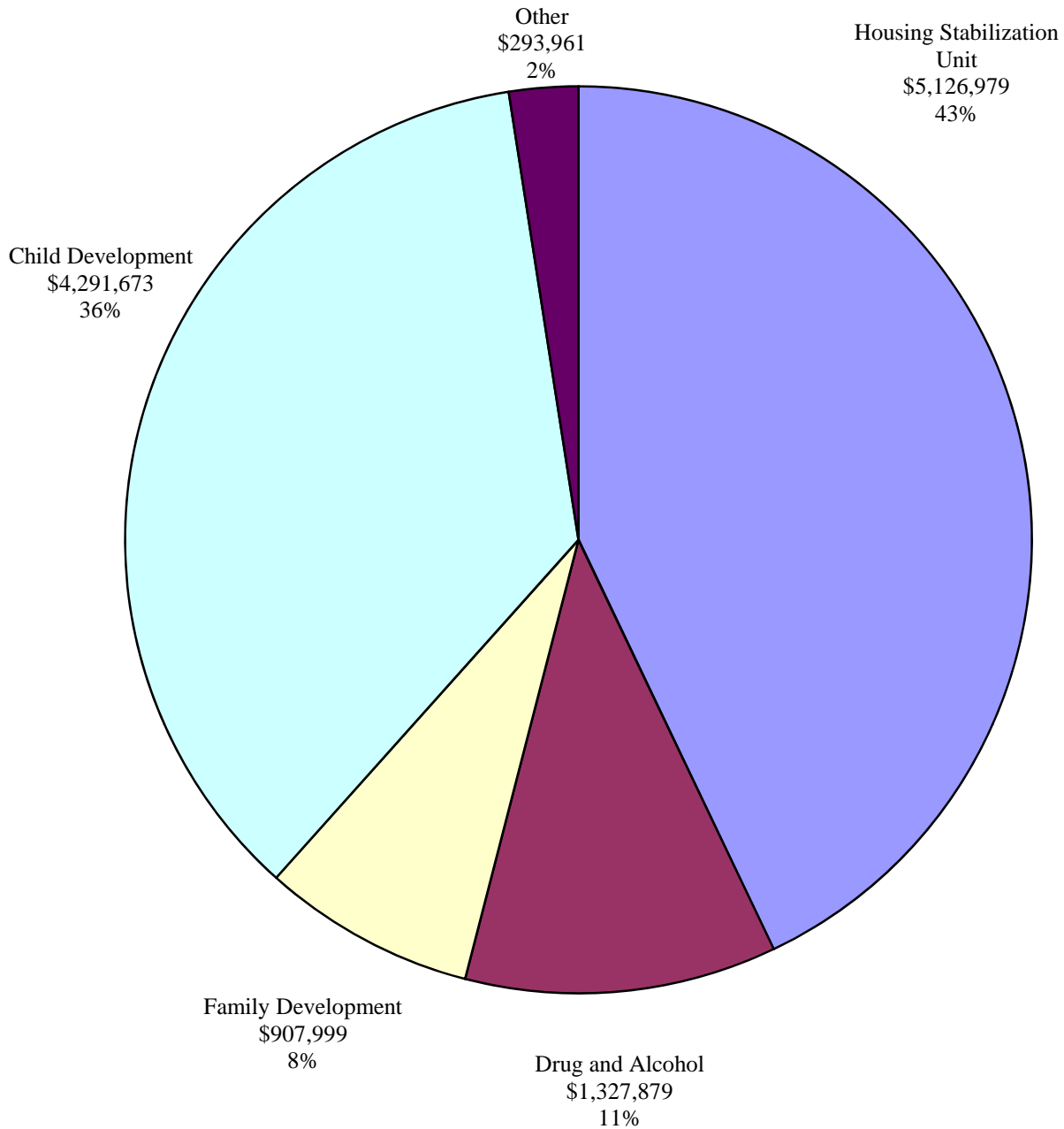
Revenues By Funding Source For Fiscal Year Ending June 30, 2009



Total Revenues By Funding Source \$11,948,491

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

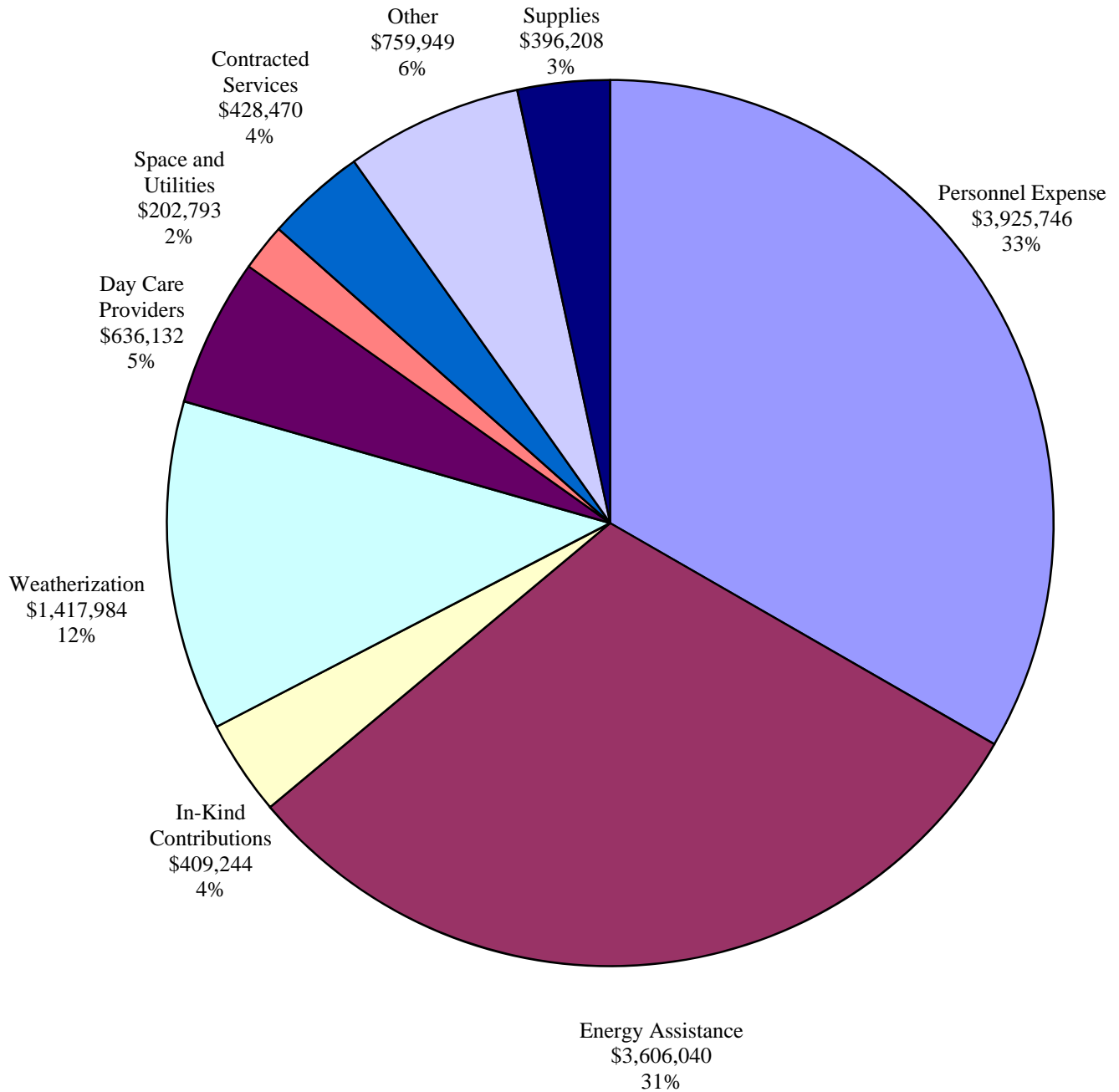
Revenues By Program For Fiscal Year Ending June 30, 2009



Total Revenues By Program \$11,948,491

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

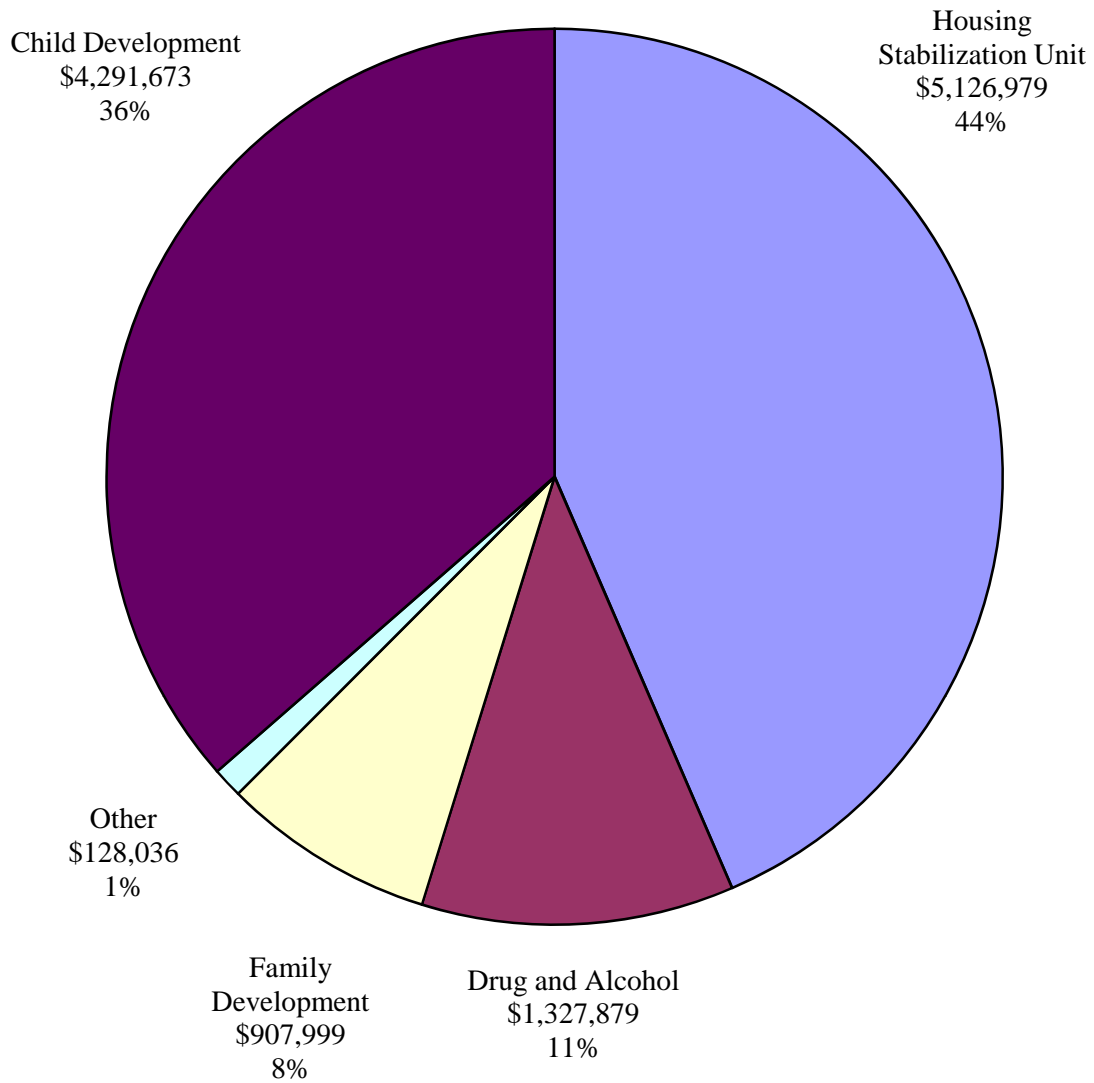
Expenditures By Function For the Fiscal Year Ending June 30, 2009



Total Expenditures by Function \$11,782,566

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Expenditures By Program For the Fiscal Year Ending June 30, 2009



Total Expenditures by Program \$11,782,566

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Financial Statements

June 30, 2009



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Independent Auditors' Report

Board of Directors
Southern Iowa Economic Development Association
Ottumwa, Iowa

We have audited the accompanying financial statements, listed as exhibits in the table of contents of this report, of the Southern Iowa Economic Development Association as of and for the year ended June 30, 2009. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As disclosed in footnote 1 and footnote 12, the Agency has elected not to recognize depreciation on property and equipment, except for one piece of real estate, or accrue compensated absences. In our opinion, accounting principles generally accepted in the United States of America require that depreciation on property and equipment be recognized on all property and equipment and compensated absences be accrued. It was not practical to determine the effects of the unrecorded depreciation on the financial statements.

In our opinion, except for the effects of not recognizing depreciation on all property and equipment or accruing compensated absences, as explained in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Southern Iowa Economic Development Association as of June 30, 2009, and the changes in its net assets, and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated October 26, 2009, on our consideration of the Southern Iowa Economic Development Association'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 compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and is important for assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule 1, 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 basic financial statements. The other supplementary data included on pages 1 to 4 and in Schedules 2 to 18 is presented for analysis purposes only and is not a required part of the basic financial statements. Such data has been subjected to the auditing procedures applied in the audit of the aforementioned financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

TDE&T Financial Group, P.C.

Sigourney, Iowa
October 26, 2009

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
 Combined Statement of Financial Position - All Funds
 June 30, 2009

	Admin- istrative <u>Funds</u>	Program <u>Funds</u>	Plant <u>Fund</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 388,376	242,866	443	631,685
Petty cash	50	50	-	100
Receivables:				
Grantor agencies	-	530,256	-	530,256
Other sources	906	274	-	1,180
Other funds	277,720	227,099	-	504,819
Prepaid expenses	58,681	58,636	-	117,317
Inventory	2,366	4,192	-	6,558
Property and equipment at cost, net of accumulated depreciation of \$57,429	-	-	393,375	393,375
Total assets	<u>\$ 728,099</u>	<u>1,063,373</u>	<u>393,818</u>	<u>2,185,290</u>
Liabilities and Net Assets				
Liabilities:				
Accounts payable	\$ 9,562	103,161	443	113,166
Accrued payroll	14,130	109,183	-	123,313
Accrued payroll taxes	5,537	53,067	-	58,604
Other funds	-	504,819	-	504,819
Deferred revenue	-	293,143	-	293,143
Current portion of notes payable - building	-	-	4,574	4,574
Long-term portion of notes payable - building	-	-	11,835	11,835
Total liabilities	29,229	1,063,373	16,852	1,109,454
Net assets:				
Unrestricted	<u>698,870</u>	<u>-</u>	<u>376,966</u>	<u>1,075,836</u>
Total liabilities and net assets	<u>\$ 728,099</u>	<u>1,063,373</u>	<u>393,818</u>	<u>2,185,290</u>

See accompanying notes to financial statements.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
 Combined Statement of Activities - All Funds
 For the Year Ended June 30, 2009

	Unrestricted			<u>Total</u>
	<u>Admin- istrative Funds</u>	<u>Program Funds</u>	<u>Plant Fund</u>	
Revenues:				
Governmental funding sources:				
Department of Energy	\$ -	499,933	-	499,933
Department of Health and Human Services	-	6,875,421	-	6,875,421
Department of Agriculture	-	889,600	-	889,600
FEMA	-	10,712	-	10,712
Iowa Department of Human Services	-	171,394	-	171,394
Iowa Department of Public Health	-	882,540	-	882,540
In-kind contributions	-	409,244	-	409,244
County and local contracts	-	1,158,093	-	1,158,093
Utility Companies	-	441,807	-	441,807
CSBG budgeted co-funding	-	4,349	-	4,349
County contributions	22,000	-	-	22,000
Other sources	112,451	446,939	24,008	583,398
Total revenues	<u>134,451</u>	<u>11,790,032</u>	<u>24,008</u>	<u>11,948,491</u>
Expenditures:				
Weatherization assistance	-	1,503,539	-	1,503,539
Low Income Home Energy Assistance	-	3,623,440	-	3,623,440
Head Start	-	2,387,644	-	2,387,644
Child Care Food Program (Day Care Homes)	-	889,724	-	889,724
Other Child Development grants	-	1,014,305	-	1,014,305
Substance Abuse Services grants	-	1,327,879	-	1,327,879
Community Services Block Grant	-	390,186	-	390,186
FaDSS	-	368,214	-	368,214
Other Family Development grants	-	149,599	-	149,599
Administrative/Other	110,004	-	18,032	128,036
Total expenditures	<u>110,004</u>	<u>11,654,530</u>	<u>18,032</u>	<u>11,782,566</u>
Change in net assets	24,447	135,502	5,976	165,925
Unrestricted net assets at beginning of year	538,921	-	350,808	889,729
Transfer to administrative funds	135,502	(135,502)	-	-
Net purchases (disposal) of plant assets	-	-	20,182	20,182
Unrestricted net assets at end of year	<u>\$ 698,870</u>	<u>-</u>	<u>376,966</u>	<u>1,075,836</u>

See accompanying notes to financial statements.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
 Combined Statement of Functional Expenditures - All Funds
 For the Year Ended June 30, 2009

	Unrestricted			<u>Total</u>
	<u>Admin- istrative Funds</u>	<u>Program Funds</u>	<u>Plant Fund</u>	
Salaries and wages	\$ 272,221	2,734,553	-	3,006,774
Fringe benefits	66,116	852,856	-	918,972
Contracted services/consultants	11,654	416,736	80	428,470
Co-funding	-	3,856	-	3,856
Day care provider payments	-	636,132	-	636,132
Energy assistance/administrative	-	3,606,040	-	3,606,040
Food	-	137,250	-	137,250
In-kind contributions	-	409,244	-	409,244
Equipment/vehicles	-	20,454	-	20,454
Insurance	3,369	18,907	653	22,929
Other	49,094	296,834	1,239	347,167
Printing, postage and publications	19,426	35,933	-	55,359
Professional expense	32,134	-	-	32,134
Space costs	30,905	155,828	16,060	202,793
Supplies	27,754	368,454	-	396,208
Telephone	3,855	36,231	-	40,086
Travel	9,495	91,219	-	100,714
Weatherization	-	1,417,984	-	1,417,984
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures before allocation of indirect costs	526,023	11,238,511	18,032	11,782,566
Allocation of indirect costs	<u>(416,019)</u>	<u>416,019</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	<u>\$ 110,004</u>	<u>11,654,530</u>	<u>18,032</u>	<u>11,782,566</u>

See accompanying notes to financial statements.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
Statement of Cash Flows
For the Year Ended June 30, 2009

Cash flows from operating activities:	
Change in net assets	\$ 165,925
Adjustments to reconcile change in unrestricted net assets to net cash provided (used) by operating activities:	
Depreciation expense	10,461
(Increase) decrease in:	
Grantor and other receivables	2,028
Other funds	(184,509)
Prepaid expenses	(53,436)
Inventory	(1,390)
Increase (decrease) in:	
Accounts payable	(11,424)
Accrued expenses	15,063
Other funds	184,509
Deferred revenue	(14,210)
Net cash provided (used) by operating activities	<u>113,017</u>
Cash flows from investing activities:	
Purchases of equipment	<u>(11,955)</u>
Net cash provided (used) by investing activities	<u>(11,955)</u>
Cash flows from financing activities:	
Payments on notes payable - building	<u>(4,482)</u>
Net cash provided (used) by financing activities	<u>(4,482)</u>
Net change in cash and cash equivalents	96,580
Cash and cash equivalents, beginning of year	<u>535,205</u>
Cash and cash equivalents, end of year	<u>\$ 631,785</u>

See accompanying notes to financial statements.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements June 30, 2009

Note 1 – Summary of Significant Accounting Policies

The significant accounting policies followed by the Southern Iowa Economic Development Association are described below to enhance the usefulness of these annual financial statements to the reader.

Reporting Entity

The Southern Iowa Economic Development Association, a not-for-profit corporation, is a community action agency that serves the Iowa counties of Appanoose, Davis, Jefferson, Keokuk, Lucas, Mahaska, Marion, Monroe, Van Buren, Wapello and Wayne. Southern Iowa Economic Development Association is exempt from income tax under section 501(c)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law, which provides tax exemption for corporations organized and operated exclusively for religious, charitable, or educational purposes.

Southern Iowa Economic Development Association administers various programs funded by Federal, State and local governmental bodies. Each program is accounted for as a separate fund.

The Agency's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board for non-profit corporations.

Fund Accounting

The accounts of the Agency are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenditures. The various funds are summarized as follows in the financial statements:

Administrative Fund – The Administrative Fund represents funds derived from local sources such as donations, county match and miscellaneous activities. The Agency's overall management and administrative expenditures are charged to this fund and then allowable indirect costs are allocated to the various programs which the Agency administers. Footnote 7 refers to the funds combined in the Administrative Fund.

Program Funds – Program Funds are used to account for the revenues and expenditures that are contractually restricted by the funding source for specific purposes.

Plant Fund – The Plant Fund is used to accumulate the net investment in fixed assets and to account for the unexpended resources contributed specifically for the purpose of acquiring fixed assets for the Agency. The Agency has elected not to report depreciation expense except on the building it owns in Sigourney, Iowa. The space in this building is rented to programs.

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 1 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Grant or contract revenue is recognized when earned. The grants and contracts are written on an expenditure reimbursement basis and accordingly, grant or contract revenue is earned when allowable program expenditures are incurred. The financial statements present any funds received and not expended as deferred revenue.

Expenditures are recorded when the liability is incurred. Disbursements for the purchase of fixed assets providing future benefits are recorded as expenditures in the program at the time of purchase and capitalized in the plant fund.

Basis of Presentation

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

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, money market funds, and any other highly liquid investments with a maturity of three months or less. Cash paid for interest during the year was \$377.

Receivables from Grantor Agencies

Reimbursement procedures used for grants and contracts may result in timing differences between program reimbursements and expenditures as of the beginning and end of the year. Receivables from Grantor Agencies represent an excess of expenditures over cash basis reimbursements at year end.

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 1 – Summary of Significant Accounting Policies (Continued)

Receivables/Payables from Other Funds

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. To the extent certain transactions between funds had not been paid or received as of June 30, 2009, balances of interfund amounts receivable or payable have been recorded.

Inventory

Inventory purchased through vendors is accounted for at the lower of cost (first-in, first-out) or market. Inventory is composed of office supplies and weatherization materials and is recorded as expenditures as it is used rather than when purchased.

Property and Equipment

The Agency reports all property and equipment additions which have extended useful lives as program expenditures to match budgeting methods in the fund purchasing the asset. The Agency then capitalizes in the plant fund, property and equipment with a cost of over \$5,000 as an asset with a related investment in property and equipment net assets. All repairs and general maintenance are recognized as program or administrative expenditures as incurred. No interest costs were capitalized since there were no qualifying assets.

The Agency has elected to not record depreciation for financial reporting purposes in the program funds as their grant budgeting process does not include such. They do however, recognized depreciation for a piece of real estate and its fixtures that was not purchased with program funds. To recognize depreciation expense on property purchased with grant funds would be of no economic benefit.

Deferred Revenue

Deferred revenue represents an excess of cash advances by the funding source over paid or accrued expenditures at year end.

Program Reporting Year Ends

The Southern Iowa Economic Development Association has adopted a fiscal reporting year end of June 30. Certain program grants administered have different program period ending dates based on grantor requirements. All grants ending June 30, 2009 have been included in this annual report and amounts included for these programs are for the twelve month period ending June 30, 2009. This report also includes those grants which end on various dates as specified in the contracts. Therefore, these financial statements include revenue and expenditure statements for two grant periods for certain grants. One covers revenue and expenditure amounts for the partial grant period which began during the current year and one covers the revenues and expenditures for the partial grant year that began during the previous year.

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 1 – Summary of Significant Accounting Policies (Continued)

Indirect Expense Allocation

Expenses relating to the administration of the Agency in general are allocated to the specific program grants based upon a predetermined rate of 14.0% of gross salaries charged to the grant, actual space occupied (rent, utilities), or some other equitable basis depending upon the nature of the expenditure. The predetermined rate is based on a formula developed by the Agency and approved by the Department of Health and Human Services, its oversight agency. Grants whose budgets do not allow for the total indirect cost allocation are co-funded through the CSBG grant.

In-Kind Contributions

The Agency recognizes donated labor, services, materials and rent-free usage of facilities and equipment as in-kind revenues at the time the services and materials are received within some of the programs. These in-kind contributions and the corresponding expense are valued at their estimated fair market value and recognized in the financial statements in accordance with grant requirements.

Total Column

The total column on the combined statement of financial position, statement of activities and statement of functional expenditures is presented to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. In these financial statements, assets, liabilities, and the reported amount of revenues and expenses involve extensive reliance on management's estimates. Actual results could differ from those estimates.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 2 – Net Cash

Cash and cash overdrafts as presented in Exhibit A include amounts in demand deposits and are composed of the following components:

Cash in bank:	
Agency – checking	\$ 361,261
Agency – savings	25,010
I-Care – checking	4,929
Head Start – savings	2,601
State Fund Deposit Savings	<u>237,884</u>
	<u>631,685</u>
Petty cash:	
Agency	50
Substance Abuse Services	<u>50</u>
	<u>100</u>
	\$ <u>631,785</u>

The cash balances shown are insured up to the Federal Deposit Insurance Corporation's limit of \$250,000 for interest bearing accounts, and have unlimited coverage for non interest bearing accounts. However, SIEDA's banking institute provides collateral which is assigned to these accounts.

Note 3 – Receivable-Grantor Agencies

Receivable-Grantor Agencies at June 30, 2009 as reported in Exhibit A is composed of the following:

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued)
June 30, 2009

Note 3 – Receivable-Grantor Agencies (Continued)

Department of Energy:		
Iowa Department of Human Rights:		
DOE	\$	5,383
Department of Agriculture:		
Iowa Department of Education:		
Supplemental Foods		20,974
Day Care Homes		77,566
Department of Health and Human Services:		
Head Start (Direct)		48,061
Iowa Department of Human Rights:		
CSBG		54,669
HEAP		9,565
LIHEAP		23,786
CSBG-ARRA		17,864
Iowa Department of Public Health:		
Prevention		12,934
Treatment		18,849
Tobacco		9,056
Access to Recovery		37,027
Iowa Department of Human Services:		
FaDSS		4,235
Iowa Department of Human Rights:		
MEC – Weatherization Assistance		40,551
Empowerment Boards:		
ADLM		18,744
Mahaska/Wapello		86,945
Jefferson/Keokuk		16,329
Iowa Division of Vocational Rehab Services:		
Vocational Rehab		1,294
Van Buren County – VCFSS		250
ADLM Extended Hours and Recruiter		11,435
Van Buren Extended Hours		1,723
AIM Extended Hours		7,927
Prevent Child Abuse Iowa		1,201
Mahaska County – Gambling Funds		1,635
Keokuk County – Gambling Funds		<u>2,253</u>
	\$	<u>530,256</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 4 – Property and Equipment

SIEDA does not recognize depreciation on any of its fixed assets except one building they own. Depreciation expense on the building was \$10,461 for the year ended June 30, 2009. The building and fixtures are being depreciated over 40 years.

The following is a detail by program of the equipment and building amount reported in Exhibit A identified to the program it relates to:

	<u>Equipment</u>	<u>Land and Buildings</u>	<u>Total</u>
DOE/HEAP-Weatherization	\$ 70,108	-	70,108
Department of Health and Human Services – Head Start	42,569	-	42,569
Iowa Department of Substance Abuse – Substance Abuse Services and Alcohol: Treatment	14,301	-	14,301
Agency, net of accumulated depreciation of \$57,429	11,791	240,236	252,027
Parents as Teachers	<u>14,370</u>	<u>-</u>	<u>14,370</u>
	<u>\$ 153,139</u>	<u>240,236</u>	<u>393,375</u>

Equipment and building are reported at original cost or donated value with an offsetting amount of investment in equipment and building net assets. It is the Agency’s policy to capitalize equipment with a purchase price equal to or over \$5,000.

Note 5 – Line of Credit

As of June 30, 2009, SIEDA has a \$250,000 line of credit secured by all receivables, cash accounts and general intangibles. The interest rate is 1 percent above the Wells Fargo prime rate index, floating. The balance was \$-0- as of June 30, 2009.

Note 6 – Long Term Liabilities

The Agency obtained a long term real estate contract from the City of Sigourney. The contract calls for monthly payments of \$405 and accrues interest of 2 percent per annum. The related building secures the contract. The balance at June 30, 2009, is \$16,409. Final payment is due December 2012.

Principal amounts due during the next five fiscal years are as follows:

2010	\$	4,574
2011		4,666
2012		4,760
2013		2,409
2014		-

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 7 – Administrative Net Assets

Administrative net assets at June 30, 2009 as reported in Exhibit A are composed of the following:

Discretionary Fund	\$ 648,965
Indirect Cost Pool	(109,027)
Head Start – Discretionary Funds	800
Head Start – Health Care Donations	4,159
Head Start – Interest	2
Weatherization – Interest Earned and Program Income	34
Substance Abuse Services – Treatment	135,189
Art Johnson Memorial	300
Parents as Teachers	224
Parenting Wisely	30
Flood Donations	1,040
FaDSS – Discretionary Funds	1,316
Resource Centers	15,257
Emergency Housing	50
State Bank interest earned	231
Plymouth Congregational Church	<u>300</u>
	\$ <u>698,870</u>

Note 8 – Provider Relationship

The Agency provides outpatient counseling, education, and substance abuse prevention service to residents of the eleven county area under authorization from the Iowa Department of Public Health, Division of Substance Abuse and Health Promotion. Services are provided under a license which extends through July 13, 2012. Provision of services after that date is contingent upon continued licensure by the Iowa Department of Public Health, Division of Substance Abuse and Health Promotion.

Note 9 – Match Funds Required – Head Start Program

The Head Start grant requires grantee provided support to match Federal funding in the amount of 20% of the total Federal and non-Federal revenues. Based on grant terms for Grant Number 6142(42) for the period December 1, 2007 through November 30, 2008 the grant provided for \$1,924,452 of Federal support and grantee matching support in the amount of \$481,113. Such grantee match requirement of 20% of federal funding was met.

Grant terms for Grant Number 6142(43) for the period December 1, 2008 through November 30, 2009 provided for \$1,917,277 of Federal support and grantee matching support in the amount of \$479,319. At June 30, 2009 matching support had not been met.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 10 – Lease of Space

SIEDA leases the space where their offices are located in Ottumwa and several other neighborhood center locations. The office lease has an option to be renewed every five years and is currently renewable February 28, 2011. The space is expensed to the individual programs by a square footage allocation. The resource centers have varying expirations. The current contracts required annual lease payments of approximately \$273,000 for the space leased at June 30, 2009. At June 30, 2009, the lease commitments for each of the next five years are as follows:

2010	\$ 273,000
2011	170,000
2012	79,000
2013	80,000
2014	68,000

Note 11 – Retirement Plan

The Agency 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. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 4.10% of their annual salary and the Agency is required to contribute 6.35% of annual covered payroll. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the years ended June 30, 2009, 2008 and 2007 was \$198,854, \$180,973, \$172,981, respectively, equal to the required contributions for the year.

Note 12 – Employee Vacation Benefit

Agency employees accumulate vacation leave hours for subsequent use or payment upon termination or retirement. The accumulations are not recognized as expenses until used or paid which is in accordance with grant requirements for allowable costs. As of June 30, 2009 vested unpaid vacation leave for Agency employees was \$134,774.

Note 13 – Economic Dependency

SIEDA is dependent upon federal, state, and local monies to maintain its operations. In the event that these monies are not available from such sources, SIEDA may not continue as a going concern.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Notes to Financial Statements (Continued) June 30, 2009

Note 14 – Contingent Liability

SIEDA is contingently liable to grantors for monies received until each grant has been closed by the grantor.

Note 15 – Risk Management

Southern Iowa Economic Development Association is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no claims from these risks that have exceeded commercial insurance coverage for the past three years.

Note 16 – Contingency

The Agency was not in compliance with provisions of federal contract agreements as listed in the schedule of findings and questioned costs. An estimate of the loss associated with this noncompliance cannot be made.

Note 17 – Uncertain Tax Positions

The Financial Accounting Standards Board has deferred until fiscal years beginning after December 15, 2008, the effective date of FASB Codification Topic 740, Accounting for Income Taxes, for nonpublic organizations. The Agency's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions and other evidence. It is the opinion of management the Agency has no uncertain tax positions that would be subject to FASB Codification Topic 740.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Supplementary Data

June 30, 2009

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Schedule of Expenditures of Federal Awards
For the Period July 1, 2008 through June 30, 2009

<u>Grant Name/ Federal Grantor/ Pass Through Grantor</u>	<u>CFDA Number/ Grant Period</u>	<u>Grantor Contract Number</u>	<u>Expenditures</u>
Department of Health and Human Services:			
Office of Human Development			
Services (Direct)			
	Head Start, Full Year		
	Part Day and Handicapped		
	/93.600*		
	12/01/07 – 11/30/08	07CH6142/42	\$ 874,260
	12/01/08 – 11/30/09	07CH6142/43	1,108,270
			<u>1,982,530</u>
Iowa Department of Human			
Rights, Division of Community			
Action Agencies			
	Home Energy Assistance		
	Program – Weatherization		
	/93.568*		
	01/01/08– 12/31/08	HEAP-08-15L	215,055
	01/01/09 – 12/31/09	HEAP-09-15L	317,303
	Low Income Home Energy		
	Assistance Program/93.568		
	10/01/07 – 09/30/08	LIHEAP-08-15-L	372,070
	10/01/08 – 09/30/09	LIHEAP-09-15-L	3,247,893
	Weatherization Assistance		
	Program/93.568		
	04/01/09 - 03/31/12	DOE-ARRA-09-15L	<u>18,027</u>
			<u>4,170,348</u>
	Family Development and Self		
	Sufficiency/93.558		
	07/01/08 – 06/30/09	FaDSS-09-15-FL	<u>193,275</u>

(continued)

* = Major program

See accompanying independent auditors' reports.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Schedule of Expenditures of Federal Awards (Continued)
For the Period July 1, 2008 through June 30, 2009

<u>Grant Name/ Federal Grantor/ Pass Through Grantor</u>	<u>CFDA Number/ Grant Period</u>	<u>Grantor Contract Number</u>	<u>Expenditures</u>
	Community Services		
	Block Grant/93.569		
	10/01/06 – 09/30/08	CSBG-07-15-CL	311,926
	10/01/07 – 09/30/09	CSBG-08-15-CL	60,396
			<u>372,322</u>
	Community Services		
	Block ARRA Grant/93.710		
	4/10/09 - 9/30/10	CSBG-R9-15	<u>17,864</u>
Iowa Department of Public Health, Division of Substance Abuse/ Health Promotion	Prevention/93.959		
	07/01/08 – 06/30/09	5889CP21	<u>139,082</u>
	Total Department of Health and Human Services		<u>6,875,421</u>
Department of Energy:			
Iowa Department of Human Rights, Division of Community Action Agencies	DOE – Weatherization Assistance for Low Income Persons/81.042*		
	04/01/08 – 03/31/09	DOE-08-15L	146,017
	04/01/09 – 03/31/11	DOE-09-15L	<u>353,916</u>
	Total Department of Energy		<u>499,933</u>

(continued)

* = Major program

See accompanying independent auditors' reports.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Schedule of Expenditures of Federal Awards (Continued)
For the Period July 1, 2008 through June 30, 2009

<u>Grant Name/ Federal Grantor/ Pass Through Grantor</u>	<u>CFDA Number/ Grant Period</u>	<u>Grantor Contract Number</u>	<u>Expenditures</u>
Department of Agriculture:			
Iowa Department of Education	Child and Adult Care Food Program – Supplemental Food/10.558*		
	10/01/07 – 09/30/08	90-8010	15,687
	10/01/08 – 09/30/09	90-8010	122,617
	Child and Adult Care Food Program – Day Care Homes /10.558 *		
	10/01/07 – 09/30/08	90-8017	195,065
	10/01/08 – 09/30/09	90-8017	<u>556,231</u>
	Total Department of Agriculture		<u>889,600</u>
Federal Emergency Management Association	Emergency Food and Shelter Program/83.523	N/A	<u>10,712</u>
			<u>\$ 8,275,666</u>

Basis of presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Southern Iowa Economic Development Association and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

* = Major program

See accompanying independent auditors' reports.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
Combining Schedule of Financial Position - Program Funds
June 30, 2009

	<u>DOE</u>	<u>HEAP</u>	<u>MEC</u>	<u>Alliant Counseling</u>	<u>I-Care</u>
Assets					
Cash and cash equivalents	\$ 35,260	-	-	-	4,929
Petty cash	-	-	-	-	-
Receivables:					
Grantor agencies	5,383	9,565	40,551	-	-
Other sources	99	-	-	-	-
Other funds	-	-	-	74	3,232
Prepaid expenses	3,184	-	-	-	-
Inventory	4,192	-	-	-	-
	<u>48,118</u>	<u>9,565</u>	<u>40,551</u>	<u>74</u>	<u>8,161</u>
Total assets	\$ 48,118	9,565	40,551	74	8,161
Liabilities and Net Assets					
Liabilities:					
Accounts payable	\$ 697	3	-	-	-
Accrued payroll	6,601	-	-	-	-
Accrued payroll taxes	2,927	-	-	-	-
Other current liabilities	-	-	-	-	-
Other funds	37,893	9,562	40,551	-	-
Deferred revenue	-	-	-	74	8,161
	<u>48,118</u>	<u>9,565</u>	<u>40,551</u>	<u>74</u>	<u>8,161</u>
Total liabilities	48,118	9,565	40,551	74	8,161
Net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and net assets	\$ 48,118	9,565	40,551	74	8,161

(continued)

<u>Project Helper</u>	<u>Alliant Hometown Cares</u>	<u>I Care Mid-American</u>	<u>Hometown Cares-HACAP</u>	<u>LIHEAP</u>	<u>Head Start</u>	<u>Parents as Teachers ADLM</u>
-	-	-	-	25,691	2,601	-
-	-	-	-	-	-	-
-	-	-	-	23,786	48,061	12,123
-	-	-	-	-	16	2
5,240	2,087	2,295	22,352	-	-	-
-	-	-	-	982	23,491	944
-	-	-	-	-	-	-
<u>5,240</u>	<u>2,087</u>	<u>2,295</u>	<u>22,352</u>	<u>50,459</u>	<u>74,169</u>	<u>13,069</u>
-	-	-	-	2,203	7,075	87
-	-	-	-	3,698	20,952	3,614
-	-	-	-	1,484	16,083	1,603
-	-	-	-	-	-	-
-	-	-	-	38,292	30,059	7,765
<u>5,240</u>	<u>2,087</u>	<u>2,295</u>	<u>22,352</u>	<u>4,782</u>	<u>-</u>	<u>-</u>
5,240	2,087	2,295	22,352	50,459	74,169	13,069
-	-	-	-	-	-	-
<u>5,240</u>	<u>2,087</u>	<u>2,295</u>	<u>22,352</u>	<u>50,459</u>	<u>74,169</u>	<u>13,069</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
Combining Schedule of Financial Position - Program Funds (Continued)
June 30, 2009

	Parents as Teachers <u>Mah/Wap</u>	Parents as Teachers <u>Jeff./Keokuk</u>	BASEC PAT Educator <u>Mah/Wap</u>	Child Care Educator <u>ADLM</u>
Assets				
Cash and cash equivalents	\$ -	-	-	-
Petty cash	-	-	-	-
Receivables:				
Grantor agencies	29,707	11,257	41,496	2,990
Other sources	6	66	-	-
Other funds	-	-	-	-
Prepaid expenses	1,753	234	-	162
Inventory	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 31,466</u>	 <u>11,557</u>	 <u>41,496</u>	 <u>3,152</u>
 Liabilities and Net Assets				
Liabilities:				
Accounts payable	\$ 248	247	22,229	2
Accrued payroll	7,173	2,702	158	458
Accrued payroll taxes	3,300	999	23	637
Other current liabilities	-	-	-	-
Other funds	20,612	7,609	19,086	2,055
Deferred revenue	133	-	-	-
	<u>31,466</u>	<u>11,557</u>	<u>41,496</u>	<u>3,152</u>
Net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total liabilities and net assets	 <u>\$ 31,466</u>	 <u>11,557</u>	 <u>41,496</u>	 <u>3,152</u>

(continued)

<u>Child Care Educator Mah/Wap</u>	<u>Child Care Educator Jeff/Keokuk</u>	<u>Reading is Fun</u>	<u>Youth Mentoring</u>	<u>Infant Message</u>	<u>ADLM Child Care Recruiter</u>	<u>ADLM Extended Hours</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
15,742	5,072	-	-	-	3,074	8,361
-	-	-	-	-	-	-
-	-	580	-	-	-	-
987	397	-	-	-	476	-
-	-	-	-	-	-	-
<u>16,729</u>	<u>5,469</u>	<u>580</u>	<u>-</u>	<u>-</u>	<u>3,550</u>	<u>8,361</u>
455	205	59	-	-	3	-
3,346	1,110	-	-	-	777	-
1,079	480	-	-	-	376	-
-	-	-	-	-	-	-
11,849	3,674	-	-	-	2,394	8,361
-	-	521	-	-	-	-
<u>16,729</u>	<u>5,469</u>	<u>580</u>	<u>-</u>	<u>-</u>	<u>3,550</u>	<u>8,361</u>
-	-	-	-	-	-	-
<u>16,729</u>	<u>5,469</u>	<u>580</u>	<u>-</u>	<u>-</u>	<u>3,550</u>	<u>8,361</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
Combining Schedule of Financial Position - Program Funds (Continued)
June 30, 2009

	Jeff/Keokuk Transportation <u>/Ext. Hours</u>	Van Buren Head Start <u>Ext. Hours</u>	Day Care <u>Homes</u>	Supp <u>Foods</u>
Assets				
Cash and cash equivalents	\$ -	-	75,697	-
Petty cash	-	-	-	-
Receivables:				
Grantor agencies	7,927	1,723	77,566	20,974
Other sources	-	-	70	-
Other funds	-	-	-	-
Prepaid expenses	-	-	975	-
Inventory	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 7,927</u>	 <u>1,723</u>	 <u>154,308</u>	 <u>20,974</u>
Liabilities and Net Assets				
Liabilities:				
Accounts payable	\$ -	-	59,927	2,017
Accrued payroll	-	-	3,446	-
Accrued payroll taxes	-	-	1,369	-
Other current liabilities	-	-	-	-
Other funds	7,927	1,723	89,566	18,957
Deferred revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	7,927	1,723	154,308	20,974
 Net assets	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Total liabilities and net assets	 <u>\$ 7,927</u>	 <u>1,723</u>	 <u>154,308</u>	 <u>20,974</u>

(continued)

<u>Drug and Alcohol - Treatment</u>	<u>Drug and Alcohol - Prevention</u>	<u>Drug and Alcohol - Tobacco</u>	<u>Access to Recovery</u>	<u>Mahaska Gambling Grant</u>	<u>Keokuk Gambling Grant</u>	<u>CSBG</u>
-	-	-	-	-	-	42,370
50	-	-	-	-	-	-
18,849	12,934	9,056	37,027	1,635	2,253	54,669
15	-	-	-	-	-	-
188,554	-	-	-	-	-	-
12,118	2,147	639	-	-	-	6,013
-	-	-	-	-	-	-
<u>219,586</u>	<u>15,081</u>	<u>9,695</u>	<u>37,027</u>	<u>1,635</u>	<u>2,253</u>	<u>103,052</u>
3,254	142	25	3,219	35	35	616
21,307	3,541	2,609	1,372	217	192	10,985
8,755	1,932	922	297	32	30	5,225
-	-	-	-	-	-	-
-	9,466	6,139	2,571	1,351	1,996	58,174
<u>186,270</u>	<u>-</u>	<u>-</u>	<u>29,568</u>	<u>-</u>	<u>-</u>	<u>28,052</u>
219,586	15,081	9,695	37,027	1,635	2,253	103,052
-	-	-	-	-	-	-
<u>219,586</u>	<u>15,081</u>	<u>9,695</u>	<u>37,027</u>	<u>1,635</u>	<u>2,253</u>	<u>103,052</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
Combining Schedule of Financial Position - Program Funds (Continued)
June 30, 2009

	<u>CSBG</u> <u>ARRA</u>	<u>Van Buren</u> <u>VCFSS</u>	<u>Voc.</u> <u>Rehab.</u>	<u>FaDSS</u>
Assets				
Cash and cash equivalents	\$ -	-	3,040	53,278
Petty cash	-	-	-	-
Receivables:				
Grantor agencies	17,864	250	1,294	4,235
Other sources	-	-	-	-
Other funds	-	57	-	-
Prepaid expenses	73	-	-	3,699
Inventory	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 17,937</u>	<u>307</u>	<u>4,334</u>	<u>61,212</u>
Liabilities and Net Assets				
Liabilities:				
Accounts payable	\$ -	-	-	375
Accrued payroll	3,596	285	-	10,276
Accrued payroll taxes	581	22	-	4,557
Other current liabilities	-	-	-	-
Other funds	13,760	-	3,354	46,004
Deferred revenue	-	-	980	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	17,937	307	4,334	61,212
Net assets	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 17,937</u>	<u>307</u>	<u>4,334</u>	<u>61,212</u>

<u>Prevent Child Abuse Iowa</u>	<u>United Way</u>	<u>Mahaska County Wal-Mart Nest</u>	<u>St. Patricks Fund</u>	<u>ADLM Nest</u>	<u>Total (Memo Only)</u>
-	-	-	-	-	242,866
-	-	-	-	-	50
1,201	-	-	-	3,631	530,256
-	-	-	-	-	274
-	1,935	389	304	-	227,099
362	-	-	-	-	58,636
-	-	-	-	-	4,192
<u>1,563</u>	<u>1,935</u>	<u>389</u>	<u>304</u>	<u>3,631</u>	<u>1,063,373</u>

3	-	-	-	-	103,161
768	-	-	-	-	109,183
354	-	-	-	-	53,067
-	-	-	-	-	-
438	-	-	-	3,631	504,819
-	1,935	389	304	-	293,143
<u>1,563</u>	<u>1,935</u>	<u>389</u>	<u>304</u>	<u>3,631</u>	<u>1,063,373</u>
-	-	-	-	-	-
<u>1,563</u>	<u>1,935</u>	<u>389</u>	<u>304</u>	<u>3,631</u>	<u>1,063,373</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
Combining Schedule of Activities - Program Funds
For the Year Ended June 30, 2009

	<u>DOE</u> <u>3/31/2009</u>	<u>DOE</u> <u>3/31/2011</u>	<u>DOE-ARRA</u> <u>3/31/2012</u>	<u>HEAP</u> <u>12/31/2008</u>
Revenues:				
Governmental funding sources:				
Department of Energy	\$ 146,017	353,916	-	-
Dept. of Health and Human Services	-	-	18,027	215,055
Department of Agriculture	-	-	-	-
FEMA	-	-	-	-
Iowa Department of Human Services	-	-	-	-
Iowa Department of Public Health	-	-	-	-
In-kind contributions	-	-	-	-
County and local contracts	-	-	-	-
Utility Companies	-	-	-	-
CSBG budgeted co-funding	-	-	-	72
Other sources	-	-	-	-
Total revenues	<u>146,017</u>	<u>353,916</u>	<u>18,027</u>	<u>215,127</u>
Expenditures:				
Salaries and wages	-	-	-	-
Fringe benefits	-	-	-	-
Contracted services/consultants	-	-	-	-
Co-funding	-	-	-	-
Day care provider payments	-	-	-	-
Energy assistance/administrative	-	-	-	-
Food	-	-	-	-
Indirect costs	-	-	-	-
In-kind contributions	-	-	-	-
Equipment/vehicles	-	-	-	-
Insurance	-	-	-	-
Other	-	-	-	-
Space costs	-	-	-	-
Supplies	-	-	-	-
Telephone	-	-	-	-
Travel	-	-	-	-
Weatherization	146,017	364,648	18,027	215,127
Total expenditures	<u>146,017</u>	<u>364,648</u>	<u>18,027</u>	<u>215,127</u>
Change in net assets	-	(10,732)	-	-
Net assets at beginning of year	-	-	-	-
Transfer to (from) administrative funds	-	10,732	-	-
Net assets at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Combining Schedule of Activities - Program Funds (Continued)

For the Year Ended June 30, 2009

	Hometown				
	Cares- <u>HACAP</u>	LIHEAP <u>9/30/2008</u>	LIHEAP <u>9/30/2009</u>	Head Start <u>11/30/2008</u>	Head Start <u>11/30/2009</u>
Revenues:					
Governmental funding sources:					
Department of Energy	\$ -	-	-	-	-
Dept. of Health and Human Services	-	372,070	3,247,893	874,260	1,108,270
Department of Agriculture	-	-	-	-	-
FEMA	-	-	-	-	-
Iowa Department of Human Services	-	-	-	-	-
Iowa Department of Public Health	-	-	-	-	-
In-kind contributions	-	-	-	200,661	182,633
County and local contracts	-	-	-	-	-
Utility Companies	64,772	-	-	-	-
CSBG budgeted co-funding	-	2,877	-	-	-
Other sources	-	-	600	4,691	17,129
Total revenues	<u>64,772</u>	<u>374,947</u>	<u>3,248,493</u>	<u>1,079,612</u>	<u>1,308,032</u>
Expenditures:					
Salaries and wages	-	-	-	429,709	623,651
Fringe benefits	-	-	-	135,479	201,593
Contracted services/consultants	64,772	-	-	22,231	36,915
Co-funding	-	-	-	-	-
Day care provider payments	-	-	-	-	-
Energy assistance/administrative	-	374,947	3,248,493	-	-
Food	-	-	-	-	-
Indirect costs	-	-	-	60,130	87,311
In-kind contributions	-	-	-	200,661	182,633
Equipment/vehicles	-	-	-	20,454	-
Insurance	-	-	-	-	-
Other	-	-	-	121,480	126,652
Space costs	-	-	-	-	-
Supplies	-	-	-	88,861	43,363
Telephone	-	-	-	-	-
Travel	-	-	-	607	5,914
Weatherization	-	-	-	-	-
Total expenditures	<u>64,772</u>	<u>374,947</u>	<u>3,248,493</u>	<u>1,079,612</u>	<u>1,308,032</u>
Change in net assets	-	-	-	-	-
Net assets at beginning of year	-	-	-	-	-
Transfer to (from) administrative funds	-	-	-	-	-
Net assets at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

<u>Parents as Teachers ADLM</u>	<u>Parents as Teachers Mah/Wap</u>	<u>Parents as Teachers Jeff./Keokuk</u>	<u>BASEC PAT Educator Mah/Wap</u>	<u>Child Care Educator ADLM</u>	<u>Child Care Educator Mah/Wap</u>	<u>Child Care Educator Jeff/Keo</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
138,635	250,528	91,509	171,289	41,158	115,356	50,987
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,028</u>	<u>1,200</u>	<u>146</u>	<u>-</u>	<u>270</u>	<u>-</u>	<u>1,065</u>
<u>141,663</u>	<u>251,728</u>	<u>91,655</u>	<u>171,289</u>	<u>41,428</u>	<u>115,356</u>	<u>52,052</u>
84,505	147,444	53,125	5,441	26,474	67,914	27,557
20,668	41,632	11,600	1,502	6,282	22,088	10,117
-	-	-	162,528	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,831	20,642	7,437	762	3,706	9,508	3,858
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,564	2,333	478	-	317	472	157
4,351	6,224	5,802	723	104	4,365	818
7,806	10,762	4,121	-	2,544	2,681	1,303
4,150	11,790	4,118	333	467	6,382	4,306
1,078	1,927	1,323	-	159	-	-
5,710	8,974	3,651	-	1,375	1,946	3,936
-	-	-	-	-	-	-
<u>141,663</u>	<u>251,728</u>	<u>91,655</u>	<u>171,289</u>	<u>41,428</u>	<u>115,356</u>	<u>52,052</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Combining Schedule of Activities - Program Funds (Continued)

For the Year Ended June 30, 2009

	Reading <u>Is Fun</u>	Appanoose Child Care <u>Recruiter</u>	ADLM Extended <u>Hours</u>	Mahaska Transportation <u>Grant</u>
Revenues:				
Governmental funding sources:				
Department of Energy	\$ -	-	-	-
Dept. of Health and Human Services	-	-	-	-
Department of Agriculture	-	-	-	-
FEMA	-	-	-	-
Iowa Department of Human Services	-	-	-	-
Iowa Department of Public Health	-	-	-	-
In-kind contributions	-	-	-	-
County and local contracts	-	27,041	31,951	34,161
Utility Companies	-	-	-	-
CSBG budgeted co-funding	-	-	-	-
Other sources	245	1,013	9	-
Total revenues	<u>245</u>	<u>28,054</u>	<u>31,960</u>	<u>34,161</u>
Expenditures:				
Salaries and wages	-	14,899	22,172	5,730
Fringe benefits	-	6,034	6,205	1,624
Contracted services/consultants	-	-	-	26,004
Co-funding	-	-	-	-
Day care provider payments	-	-	-	-
Energy assistance/administrative	-	-	-	-
Food	-	-	-	-
Indirect costs	-	2,086	3,104	803
In-kind contributions	-	-	-	-
Equipment/vehicles	-	-	-	-
Insurance	-	-	-	-
Other	4	367	-	-
Space costs	-	1,208	-	-
Supplies	241	1,555	-	-
Telephone	-	291	-	-
Travel	-	1,614	479	-
Weatherization	-	-	-	-
Total expenditures	<u>245</u>	<u>28,054</u>	<u>31,960</u>	<u>34,161</u>
Change in net assets	-	-	-	-
Net assets at beginning of year	-	-	-	-
Transfer to (from) administrative funds	-	-	-	-
Net assets at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Combining Schedule of Activities - Program Funds (Continued)

For the Year Ended June 30, 2009

	<u>Drug and Alcohol - Prevention</u>	<u>Drug and Alcohol - Tobacco</u>	<u>Access To Recovery</u>	<u>Mahaska Gambling Grant</u>
Revenues:				
Governmental funding sources:				
Department of Energy	\$ -	-	-	-
Dept. of Health and Human Services	139,082	-	-	-
Department of Agriculture	-	-	-	-
FEMA	-	-	-	-
Iowa Department of Human Services	-	-	-	-
Iowa Department of Public Health	-	99,244	106,478	-
In-kind contributions	-	25,950	-	-
County and local contracts	-	-	-	5,658
Utility Companies	-	-	-	-
CSBG budgeted co-funding	-	-	-	-
Other sources	5,643	2,084	-	-
Total revenues	<u>144,725</u>	<u>127,278</u>	<u>106,478</u>	<u>5,658</u>
Expenditures:				
Salaries and wages	78,168	58,309	16,261	2,934
Fringe benefits	25,096	18,409	5,026	868
Contracted services/consultants	-	-	-	-
Co-funding	-	-	-	-
Day care provider payments	-	-	-	-
Energy assistance/administrative	-	-	-	-
Food	-	-	-	-
Indirect costs	10,943	8,163	2,277	411
In-kind contributions	-	25,950	-	-
Equipment/vehicles	-	-	-	-
Insurance	1,548	-	-	-
Other	402	16,447	-	-
Space costs	12,173	-	-	-
Supplies	6,859	-	81,608	895
Telephone	306	-	-	-
Travel	9,230	-	1,306	550
Weatherization	-	-	-	-
Total expenditures	<u>144,725</u>	<u>127,278</u>	<u>106,478</u>	<u>5,658</u>
Change in net assets	-	-	-	-
Net assets at beginning of year	-	-	-	-
Transfer to (from) administrative funds	-	-	-	-
Net assets at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Combining Schedule of Activities - Program Funds (Continued)

For the Year Ended June 30, 2009

	Prevent Child Abuse <u>Iowa</u>	Community Based Child Abuse Prevention	United Way	Wapello Co Drug Decat <u>Contract</u>
Revenues:				
Governmental funding sources:				
Department of Energy	\$ -	-	-	-
Dept. of Health and Human Services	-	-	-	-
Department of Agriculture	-	-	-	-
FEMA	-	-	-	-
Iowa Department of Human Services	-	-	-	-
Iowa Department of Public Health	-	-	-	-
In-kind contributions	-	-	-	-
County and local contracts	56,304	820	13,436	-
Utility Companies	-	-	-	-
CSBG budgeted co-funding	-	379	-	-
Other sources	267	-	445	1,200
Total revenues	<u>56,571</u>	<u>1,199</u>	<u>13,881</u>	<u>1,200</u>
Expenditures:				
Salaries and wages	36,568	798	-	-
Fringe benefits	11,956	289	-	-
Contracted services/consultants	-	-	-	-
Co-funding	-	-	-	-
Day care provider payments	-	-	-	-
Energy assistance/administrative	-	-	-	-
Food	-	-	-	-
Indirect costs	5,120	112	-	-
In-kind contributions	-	-	-	-
Equipment/vehicles	-	-	-	-
Insurance	-	-	-	-
Other	650	-	-	-
Space costs	-	-	-	-
Supplies	220	-	13,881	-
Telephone	73	-	-	-
Travel	1,984	-	-	-
Weatherization	-	-	-	-
Total expenditures	<u>56,571</u>	<u>1,199</u>	<u>13,881</u>	<u>-</u>
Change in net assets	-	-	-	1,200
Net assets at beginning of year	-	-	-	-
Transfer to (from) administrative funds	-	-	-	(1,200)
Net assets at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
HOUSING STABILIZATION UNIT
DOE

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. DOE-08-15L			
For the Period April 1, 2008 through			
<u>March 31, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 229,302	229,302	-
	<u>229,302</u>	<u>229,302</u>	<u>-</u>
Expenses:			
Administration	22,298	16,789	5,509
Health and safety	41,401	42,487	(1,086)
Support	53,667	48,497	5,170
Labor	55,968	59,324	(3,356)
Materials	55,968	62,205	(6,237)
Total expenses	<u>229,302</u>	<u>229,302</u>	<u>-</u>
Total	\$ <u>-</u>	<u>-</u>	<u>-</u>
Contract No. DOE-09-15L			
For the Period April 1, 2009 through			
<u>June 30, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 353,916	353,916	-
Expenses:			
Administration	22,991	10,228	12,763
Support	85,795	30,753	55,042
Health and safety	66,186	71,502	(5,316)
Labor	89,472	93,526	(4,054)
Materials	89,472	158,639	(69,167)
Total expenses	<u>353,916</u>	<u>364,648</u>	<u>(10,732)</u>
Transfer from administrative funds	<u>-</u>	<u>10,732</u>	<u>(10,732)</u>
Total	\$ <u>-</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
HOUSING STABILIZATION UNIT
DOE-ARRA

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. DOE-ARRA-09-15L			
For the Period April 1, 2009			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 138,026	18,027	119,999
Expenses:			
Administration - equipment	30,826	18,027	12,799
Training and technical assistance	<u>107,200</u>	<u>-</u>	<u>107,200</u>
Total expenses	<u>138,026</u>	<u>18,027</u>	<u>119,999</u>
Total	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
HOUSING STABILIZATION UNIT
HEAP

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. HEAP-08-15L			
For the Period January 1, 2008			
<u>through December 31, 2008</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 379,047	343,499	35,548
Expenses:			
Administration	18,799	16,304	2,495
Health and safety	66,050	127,330	(61,280)
Support	85,620	55,532	30,088
Labor	89,289	65,575	23,714
Materials	89,289	58,567	30,722
Equipment/training	30,000	20,191	9,809
Total expenses	<u>379,047</u>	<u>343,499</u>	<u>35,548</u>
Total	\$ <u>-</u>	<u>-</u>	<u>-</u>
Contract No. HEAP-09-15L			
For the Period January 1, 2009			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 510,533	317,303	193,230
Expenses:			
Administration	27,257	7,169	20,088
Health and safety	92,693	132,007	(39,314)
Support	120,158	37,647	82,511
Labor	125,308	60,231	65,077
Materials	125,308	61,362	63,946
Equipment/training	19,809	18,887	922
Total expenses	<u>510,533</u>	<u>317,303</u>	<u>193,230</u>
Total	\$ <u>-</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
HOUSING STABILIZATION UNIT
MEC

Schedules of Revenues and Expenses Compared to Budget

	Approved Budget	Actual	(Over) Under Budget
Contract No. MEC-08-15L			
For the Period January 1, 2008			
<u>through December 31, 2008</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 103,994	103,994	-
Expenses:			
Administration	5,200	5,200	-
Support	10,400	9,851	549
Labor	44,197	33,710	10,487
Materials	44,197	55,233	(11,036)
Total expenses	103,994	103,994	-
Total	\$ -	-	-
Contract No. MEC-09-15L			
For the Period January 1, 2009			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 124,330	92,826	31,504
Expenses:			
Administration	6,217	4,087	2,130
Support	12,433	6,605	5,828
Labor	52,840	25,956	26,884
Materials	52,840	56,178	(3,338)
Total expenses	124,330	92,826	31,504
Total	\$ -	-	-

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
HOUSING STABILIZATION UNIT
IPL

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. IPL-08-15L			
For the Period January 1, 2008			
<u>through December 31, 2008</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 250,861	250,498	363
Expenses:			
Administration	12,543	12,496	47
Support	25,086	25,086	-
Labor	106,616	73,532	33,084
Materials	106,616	139,384	(32,768)
Total expenses	<u>250,861</u>	<u>250,498</u>	<u>363</u>
Total	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Contract No. IPL-09-15L			
For the Period January 1, 2009			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ 93,214	93,214	-
Expenses:			
Administration	4,660	3,742	918
Support	9,320	9,320	-
Labor	39,617	28,141	11,476
Materials	39,617	52,011	(12,394)
Total expenses	<u>93,214</u>	<u>93,214</u>	<u>-</u>
Total	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
HOUSING STABILIZATION UNIT
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. LIHEAP-08-15-L For the Period October 1, 2007 <u>through September 30, 2008</u>			
Revenues:			
Grant award – Department of Human Rights	\$ <u>2,578,595</u>	<u>2,548,079</u>	<u>30,516</u>
Expenses:			
Administration	161,287	161,287	-
Regular assistance (net of refunds of \$14,500)	1,894,124	1,889,163	4,961
Energy Crisis Intervention payments furnace repair	119,170	119,170	-
Client services	44,801	41,173	3,628
Developmental Assessment & Resolution Program	22,200	273	21,927
Summer deliverable fuel payments	<u>337,013</u>	<u>337,013</u>	<u>-</u>
Total expenses	<u>2,578,595</u>	<u>2,548,079</u>	<u>30,516</u>
Total	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Contract No. LIHEAP-09-15-L For the Period October 1, 2008 <u>through June 30, 2009</u>			
Revenues:			
Grant award – Department of Human Rights	\$ <u>4,255,275</u>	<u>3,248,493</u>	<u>1,006,782</u>
Expenses:			
Administration	227,376	199,227	28,149
Regular assistance (net of refunds of \$28,184)	3,236,275	2,852,267	384,008
Energy Crisis Intervention payments	194,451	176,727	17,724
Client services	44,984	20,272	24,712
Summer deliverable fuel payments	<u>552,189</u>	<u>-</u>	<u>552,189</u>
Total expenses	<u>4,255,275</u>	<u>3,248,493</u>	<u>1,006,782</u>
Total	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
CHILD DEVELOPMENT DIVISION
DEPARTMENT OF HEALTH AND HUMAN
SERVICES – HEAD START

Schedule of Revenues and Expenses Compared to Budget

	Approved Budget	Actual	(Over) Under Budget
Contract No. 07CH6142/42			
For the Period December 1, 2007			
<u>through November 30, 2008</u>			
Revenues:			
Grant award – Department of Health and Human Services	\$ 1,924,452	1,909,118	15,334
Grantee provided support	481,113	703,145	(222,032)
Other income	-	8,676	(8,676)
Total revenues	2,405,565	2,620,939	(215,374)
Expenses:			
OHD share:			
Head Start full year – part day (CAN No. 2008 G074122):			
Direct costs:			
Personnel	1,086,850	988,496	98,354
Fringe benefits	304,318	323,453	(19,135)
Travel	3,800	2,704	1,096
Supplies	47,608	125,629	(78,021)
Contractual	83,010	54,087	28,923
Other	224,315	258,537	(34,222)
	1,749,901	1,752,906	(3,005)
Indirect costs	142,377	133,331	9,046
	1,892,278	1,886,237	6,041
Head Start Training and Technical Assistance (CAN No. 2008 G074120):			
Direct costs:			
Personnel	3,208	3,208	-
Fringe benefits	632	632	-
Travel	7,510	7,725	(215)
Indirect	420	420	-
Contractual	20,404	19,572	832
	32,174	31,557	617
Grantee share:			
Grantee (note 9)	481,113	703,145	(222,032)
Total expenses	2,405,565	2,620,939	(215,374)
Total	\$ -	-	-

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
CHILD DEVELOPMENT DIVISION
DEPARTMENT OF HEALTH AND HUMAN
SERVICES – HEAD START

Schedule of Revenues and Expenses Compared to Budget

	Approved Budget	Actual	(Over) Under Budget
Contract No. 07CH6142/43			
For the Period December 1, 2008			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Department of Health and Human Services	\$ 1,917,277	1,108,270	809,007
Grantee provided support	479,319	182,633	296,686
Other income	-	17,129	(17,129)
Total revenues	2,396,596	1,308,032	1,088,564
Expenses:			
OHD share:			
Head Start full year – part day (CAN No. 2009 G074122):			
Direct costs:			
Personnel	1,071,574	623,651	447,923
Fringe benefits	321,472	201,593	119,879
Travel	1,055	3,466	(2,411)
Supplies	31,461	43,363	(11,902)
Contractual	71,309	36,915	34,394
Other	255,031	120,882	134,149
	1,751,902	1,029,870	722,032
Indirect costs	140,376	87,311	53,065
	1,892,278	1,117,181	775,097
Head Start Training and Technical Assistance (CAN No. 2009 G074120):			
Direct costs:			
Travel	8,521	2,448	6,073
Contractual	8,224	5,770	2,454
Other	8,254	-	8,254
	24,999	8,218	16,781
Grantee share:			
Grantee (note 9)	479,319	182,633	296,686
Total expenses	2,396,596	1,308,032	1,088,564
Total	\$ -	-	-

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
CHILD DEVELOPMENT DIVISION
CHILD AND ADULT CARE FOOD PROGRAM
– DAY CARE HOMES

Schedule of Revenues and Expenses

	Actual
Contract No. 90-8017	
For the Period October 1, 2007	
<u>Through September 30, 2008</u>	
Revenues:	
Iowa Department of Education	\$ 669,480
Co-fund revenue	124
	669,604
Expenses:	
Personnel costs	49,528
Fringe benefits	16,773
Travel	3,809
Space costs	1,271
Supplies	12,184
Printing/copier	2,686
Telephone	252
Postage/freight	2,310
Indirect costs	6,613
Other	3,421
Day care provider payments	570,757
Total expenses	669,604
Total	\$ -

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
CHILD DEVELOPMENT DIVISION
CHILD AND ADULT CARE FOOD PROGRAM
– DAY CARE HOMES

Schedule of Revenues and Expenses

	Actual
Contract No. 90-8017	
For the Period October 1, 2008	
<u>through June 30, 2009</u>	
Revenues:	
Iowa Department of Education	\$ 556,231
Expenses:	
Personnel costs	44,979
Fringe benefits	16,222
Supplies	4,545
Travel	4,582
Space costs	1,005
Printing/copier	3,086
Telephone	197
Other	2,962
Postage and supplies	2,176
Indirect costs	6,297
Day care provider payments	470,180
Total expenses	556,231
Subtotal	-
Cofund	240
Total	\$ 240

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
DRUG AND ALCOHOL
TREATMENT

Schedule of Revenues and Expenses

	Actual
Contract No. SIEDA - DPH	
For the Period July 1, 2008	
<u>through June 30, 2009</u>	
Revenues:	
Grant award – Iowa Division of Substance Abuse:	
Counseling	\$ 672,221
Federal Probation Revenue	37,728
PRI Grant	7,888
Family Drug Court Initiative	8,000
OWI Class/Point 05	23,535
8th Judicial	9,073
STAR-SI Project	3,000
Client fees/insurance proceeds	303,718
Other	15,512
Total revenues	1,080,675
Expenses:	
Salaries	513,482
Fringe benefits	160,922
Contractors	28,511
Other	2,674
Indirect costs	71,888
Insurance	6,138
Leasehold improvement	10,250
Postage	4,007
Space	55,810
Supplies	53,068
Telephone	15,067
Travel	17,991
Total expenses	939,808
Transfer to administrative funds	(140,867)
Total	\$ -

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
 DRUG AND ALCOHOL SERVICES
 PREVENTION

Schedule of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. 5889CP21			
For the Period July 1, 2008			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Iowa Division of Substance Abuse			
– Prevention	\$ 139,082	139,082	-
Client fees	-	1,210	(1,210)
Miscellaneous income	-	4,433	(4,433)
Total revenues	<u>139,082</u>	<u>144,725</u>	<u>(5,643)</u>
Expenses:			
Salaries and benefits	101,034	103,264	(2,230)
Other	27,788	30,518	(2,730)
Indirect costs	10,260	10,943	(683)
Total expenses	<u>139,082</u>	<u>144,725</u>	<u>(5,643)</u>
Total	<u>\$ -</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
FAMILY DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT

Schedules of Revenues and Expenses Compared to Budget

	Approved Budget	Actual	(Over) Under Budget
	<u> </u>	<u> </u>	<u> </u>
Contract No. CSBG-07-15-CL			
For the Period October 1, 2006			
<u>Through September 30, 2008</u>			
Revenues:			
Division of Community Action Agencies	\$ 344,158	344,158	-
	<u>344,158</u>	<u>344,158</u>	<u>-</u>
Expenses:			
Personnel costs	232,652	237,488	(4,836)
Travel	8,200	8,618	(418)
Space costs	30,800	30,984	(184)
Consultants/co-funded programs	7,000	6,339	661
Other costs	41,901	37,623	4,278
Indirect costs	23,605	23,106	499
Total expenses	<u>344,158</u>	<u>344,158</u>	<u>-</u>
Total	<u>\$ -</u>	<u>-</u>	<u>-</u>
Contract No. CSBG-08-15-CL			
For the Period October 1, 2007			
<u>Through September 30, 2009</u>			
Revenues:			
Division of Community Action Agencies	\$ 356,728	311,926	44,802
	<u>356,728</u>	<u>311,926</u>	<u>44,802</u>
Expenses:			
Personnel costs	245,228	217,298	27,930
Travel	8,500	7,824	676
Space costs	32,408	23,412	8,996
Co-funded programs	4,000	5,794	(1,794)
Other costs	41,600	34,152	7,448
Indirect costs	24,992	23,446	1,546
Total expenses	<u>356,728</u>	<u>311,926</u>	<u>44,802</u>
Total	<u>\$ -</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
FAMILY DEVELOPMENT
COMMUNITY SERVICES BLOCK GRANT

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. CSBG-R9-15			
For the Period April 10, 2009			
<u>Through June 30, 2009</u>			
Revenues:			
Division of Community Action Agencies	\$ 565,678	17,864	547,814
	<u>565,678</u>	<u>17,864</u>	<u>547,814</u>
Expenses:			
Personnel costs	144,162	15,369	128,793
Travel	4,000	-	4,000
Space costs	3,140	-	3,140
Consultants/co-funded programs	1,000	-	1,000
Other costs	12,500	746	11,754
Indirect costs	15,646	1,749	13,897
CSBG ARRA Programs	<u>385,230</u>	<u>-</u>	<u>385,230</u>
Total expenses	<u>565,678</u>	<u>17,864</u>	<u>547,814</u>
Total	<u>\$ -</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION
 FAMILY DEVELOPMENT
 FAMILY DEVELOPMENT AND
 SELF SUFFICIENCY DEMONSTRATION GRANT

Schedules of Revenues and Expenses Compared to Budget

	<u>Approved Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Contract No. FaDSS-09-15-FL			
For the Period July 1, 2008			
<u>through June 30, 2009</u>			
Revenues:			
Grant award – Iowa Department of Human Rights	\$ 364,669	364,669	-
Other income (in-kind)	200	200	-
	<u>364,869</u>	<u>364,869</u>	<u>-</u>
Expenses:			
Base:			
Administrative	32,636	31,991	645
Salaries	233,114	228,511	4,603
Benefits	62,941	71,320	(8,379)
Travel	10,355	10,802	(447)
Space/utilities	10,920	11,890	(970)
Other costs	14,703	10,155	4,548
	<u>364,669</u>	<u>364,669</u>	<u>-</u>
Local funds:			
Third party payments	200	200	-
	<u>200</u>	<u>200</u>	<u>-</u>
Total expenses	<u>364,869</u>	<u>364,869</u>	<u>-</u>
Total	\$ <u>-</u>	<u>-</u>	<u>-</u>

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

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

Schedule of Findings and Questioned Costs/
Summary Schedule of Prior Audit Findings

June 30, 2009



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Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Board of Directors
Southern Iowa Economic Development Association
Ottumwa, Iowa

We have audited the financial statements of the Southern Iowa Economic Development Association (SIEDA) as of and for the year ended June 30, 2009, and have issued our report thereon dated October 26, 2009, which was modified due to the omission of the recognition of depreciation of fixed assets and accrued compensated absences. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Southern Iowa Economic Development Association's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of SIEDA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of SIEDA's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern Iowa Economic Development Association'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2009-01 and 2009-02.

SIEDA's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit SIEDA's response and, accordingly, we express no opinion on it.

Comments involving statutory and other legal matters about the Association's operations for the year ended June 30, 2009 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

This report, a public record by law, is intended solely for the information and use of SIEDA and other parties to whom SIEDA may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

TDE&T Financial Group, P.C.

Sigourney, Iowa
October 26, 2009



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

Board of Directors
Southern Iowa Economic Development Association
Ottumwa, Iowa

Compliance

We have audited the compliance of the Southern Iowa Economic Development Association with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Southern Iowa Economic Development Association's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Southern Iowa Economic Development Association's management. Our responsibility is to express an opinion on the Southern Iowa Economic Development Association'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 the 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. Our audit does not provide a legal determination of the Southern Iowa Economic Development Association's compliance with those requirements.

As described in items 2009-01 and 2009-02, in the accompanying schedule of findings and questioned costs, the Southern Iowa Economic Development Association did not comply with requirements regarding Allowable Costs/Cost Principles and the applicable federal and state laws, rules, regulations and requirements, that are applicable to the Home Energy Assistance Program – Weatherization and Weatherization Assistance for Low-Income Persons programs. Compliance with such requirements is necessary, in our opinion, for the Southern Iowa Economic Development Association to comply with the requirements applicable to those programs.

In our opinion, because of the effects of the noncompliance described in the preceding paragraph, the Southern Iowa Economic Development Association did not comply, in all material respects, with the requirements referred to above that are applicable to the Home Energy Assistance Program – Weatherization and Weatherization Assistance for Low-Income Persons programs. Also, in our opinion, the Southern Iowa Economic Development Association complied, in all material respects, with the requirements referred to above that are applicable to each of its other major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Southern Iowa Economic Development Association is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Southern Iowa Economic Development Association's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of Southern Iowa Economic Development Association's 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.

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

A control deficiency in the Agency's internal control over compliance exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects SIEDA's ability to administer a federal program such that there is more than a remote likelihood noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by SIEDA's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2009-01 and 2009-02 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Agency's internal control. The significant deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2009-01 and 2009-02 are considered to be material weaknesses.

SIEDA's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit SIEDA's responses and, accordingly, we express no opinion on them.

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

TDE&T Financial Group, P.C.

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

Part I: Summary of auditors' audit results:

- a) Auditor issued a qualified report on the financial statements due to lack of recognition of depreciation and accrued compensated absences.
- b) There were no significant deficiencies in internal control reported.
- c) The audit disclosed noncompliance which is material to the financial statements.
- d) There were significant deficiencies in internal control over major programs disclosed by the audit, which are considered to be material weaknesses.
- e) Auditor issued an adverse opinion on compliance with requirements applicable to each major program.
- f) The audit disclosed audit findings which the auditor is required to report in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- g) The following programs were considered to be major programs:
 - i) Head Start, CFDA #93.600
 - ii) Child and Adult Care Food Program, CFDA #10.558
 - iii) Low Income Home Energy Assistance Program, HEAP, CFDA #93.568
 - iv) DOE – Weatherization Assistance for Low Income Persons, CFDA #81.042
- h) The threshold between a Type A and Type B program was \$300,000.
- i) The auditee qualified as a low-risk auditee.

Part II: Findings Related to the Financial Statements:

Significant Deficiencies:

None

Instances of Noncompliance:

See findings 2009-01 and 2009-02 listed in Part III.

Part III: Findings and Questioned Costs for Federal Awards:

Department of Health and Human Services and Department of Energy

Home Energy Assistance Program – Weatherization-CFDA No. 93.568; Grant No. HEAP-08-15L and HEAP-09-15L; Grant periods ending December 31, 2008 and 2009
Weatherization Assistance for Low-Income Persons-CFDA No. 81.042; Grant No. DOE-08-15L and DOE-09-15L; Grant periods ending March 31, 2009 and 2011

- 2009-01 Condition: Upon re-inspection of homes weatherized by the Weatherization Program at SIEDA, the staff of the Iowa Department of Human Rights, Division of Community Action Agencies, determined that the Program was not in compliance with Section 18.0, Section 20.4, Section 22.0, and Section 29.0 of the contracts noted above. Sections 18.0 and 22.0 refer to OMB Circular A-122, “Cost Principles for Non-Profit Organizations” for the definition of allowable costs. Section 20.4 of the contracts noted above states: Reimbursement is allowed for actual expenses paid by the Contractor (SIEDA) for work that is done on a home before all work on the home is complete. Section 29.0 requires the final inspection of every home. OMB Circular A-122, in addition to the specific cost items listed in Section 18.0, in correlation with the findings of the re-inspections, lead us to conclude that the Program is not in compliance with the cost principles of this program.

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Schedule of Findings and Questioned Costs (Continued) For the Year Ended June 30, 2009

Criteria: Only actual labor may be charged as a labor cost to this contract. Only actual expenditures for materials may be charged as a material cost to this contract. Only work that is done on a home can be an actual expense. Every home must be inspected prior to being considered complete. A home cannot be considered complete or reported to the Agency (DHR) as complete until the Contractor (SIEDA) has verified the satisfactory completion of all work done on the home by completing a final inspection of the work. The final inspection must not be done until all work on the home has been completed. A final inspection form must be completed for all homes inspected. The inspection form must be signed and dated by the person who conducted the final inspection. Every effort should be made to obtain the client's signature on the form. The inspection form must not be signed until the final inspection has been conducted. Every effort must be made to fully inspect all homes that receive weatherization. Repeated efforts to inspect a home must be made. If a client or landlord refuses to allow the final inspector in the home to conduct the inspection, the Contractor (SIEDA) must document the efforts made to conduct the inspection. This documentation must be filed in the client file.

Cause: Inspections of homes were either not completed or not completed in accordance with the current Iowa Weatherization Program's requirements and work standards although the inspector had signed-off that the homes were complete. Approvals of requested changes to the work order were not appropriately approved and documented. Furnace and hot water heater repairs and replacements needs were not being determined by an independent evaluator.

Effect: Because inspection of homes was either not completed or not completed appropriately, change orders were not appropriately approved, nor were furnace and hot water heater replacements being determined by an independent evaluator, actual labor and materials appear to have been charged to the program when the work or materials were shoddy, not necessary, or nonexistent.

Recommendation: The Iowa Division of Community Action Agencies, a division of the Department of Human Rights, has provided documentation of the instances of noncompliance and have required a Corrective Plan of Action be developed and the necessary action be taken to correct the items discovered during re-inspection of the homes. We recommend that this happens in its entirety. We have noted that SIEDA has taken action to accomplish this by providing and implementing a Corrective Plan of Action while working diligently in cooperation with the Division of Community Action Agencies.

Response: SIEDA is working with the state and with their staff to implement corrections including rework of homes, re-inspections, and approval of homes. By the end of October 2009, SIEDA is well on their way to taking the necessary steps to correct all homes that required additional work and have provided draft policies and procedures to the State for approval and implementation so there will be compliance with the requirements of the grants in the future.

(continued)

SOUTHERN IOWA ECONOMIC DEVELOPMENT ASSOCIATION

Schedule of Findings and Questioned Costs (Continued) For the Year Ended June 30, 2009

2009-02 Condition: Upon re-inspection of homes weatherized by the Weatherization Program at SIEDA, the staff of the Iowa Department of Human Rights, Division of Community Action Agencies, determined that the Program was not in compliance with Section 8.0 of the contracts noted above which states: the contractor shall comply with all applicable federal and state laws, rules, regulations, and requirements, including, but not limited to the following:

Environmental Protection Agency (EPA) rule, 40 CFR Part 745, titled: Lead; Requirements for Hazard Education Before Renovation of Target Housing and Chapter 69 of the Iowa Administrative Code (IAC) that require persons who perform work on target housing to provide lead paint information pamphlets to the occupants of the homes prior to commencing work on the homes.

Requirements described in the Weatherization Work Standards, and Iowa Weatherization Program Notices and other directives.

Criteria: The re-inspections noted that the program is out of compliance with the State's lead safe work (LSW) practices requirement. Photos of lead safe work practices occurring are required to be in the house files to document the required procedures. No documentation was present.

Cause: SIEDA did not implement procedures to be in compliance with the requirements noted above.

Effect: Noncompliance with the State's lead safe work practice requirements can result in unsafe homes and penalties from the Department of Public Health.

Recommendation: Procedures must be implemented to assure compliance with Section 8.0 of the contracts noted above. We have noted that SIEDA has taken action to accomplish this by providing and implementing a Corrective Plan of Action and working diligently in cooperation with the Division of Community Action Agencies.

Response: SIEDA is working with the state and with their staff to implement corrections including rework of homes, re-inspections, and approval of homes. By the middle of October 2009, SIEDA is well on their way to taking the necessary steps to correct all homes that require additional lead safe work practices and have provided draft policies and procedures to the State for approval and implementation.

Summary Schedule of Prior Audit Findings

Questioned
Program

Findings/Noncompliance

Costs

None