

Northeast Iowa Community Action Corporation

Financial Statements and
Supplementary Information

Year Ended January 31, 2025



Northeast Iowa Community Action Corporation

Year Ended January 31, 2025

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Independent Auditor's Report

Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Northeast Iowa Community Action Corporation, a nonprofit organization, which comprise the statement of financial position as of January 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Northeast Iowa Community Action Corporation as of January 31, 2025, 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northeast Iowa Community Action Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Northeast Iowa Community Action Corporation's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Northeast Iowa Community Action Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Northeast Iowa Community Action Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 18 to 41 which includes the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all materiality 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 Northeast Iowa Community Action Corporation as of January 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended (not presented herein), and we expressed an unmodified opinion on those financial statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The supplementary schedules on pages 30-34, 36-38 and 42 are presented for purposes of additional analysis. 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 January 31, 2024 financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 prior year expenses included on the supplementary schedules on pages 30-34, 36-38 and 42 are fairly presented, in all material respects, in relation to the financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2025 on our consideration of Northeast Iowa Community Action Corporation'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 solely 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 effectiveness of Northeast Iowa Community Action Corporation's 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 Northeast Iowa Community Action Corporation's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Madison, Wisconsin

May 14, 2025

Northeast Iowa Community Action Corporation

Statement of Financial Position

January 31, 2025

Assets	
Current assets:	
Cash	\$ 6,100,031
Grants receivable	1,241,240
Accounts receivable	223,018
Notes receivable - current portion	78,119
Prepaid expenses and other assets	57,423
Lease receivable - current portion Waukon CSD	8,638
Housing inventory	234,671
Total current assets	7,943,140
Long-term assets:	
Right-of-use asset, operating leases	100,506
Lease receivable - Waukon CSD	151,008
Notes receivable	698,515
Total long-term assets	950,029
Property and equipment, net	4,315,928
TOTAL ASSETS	\$ 13,209,097
Liabilities and Net Assets	
Current liabilities:	
Long-term debt - current portion	\$ 33,091
Operating lease liability - current portion	26,562
Accounts payable	458,242
Accrued payroll	263,626
Compensated absences	178,700
Refundable advances	192,367
Total current liabilities	1,152,588
Long-term liabilities:	
Long-term debt	1,291,284
Operating lease liability	73,944
Total long-term liabilities	1,365,228
Total liabilities	2,517,816
Net assets: Without donor restrictions	10,232,063
Net assets: With donor restrictions	459,218
Total net assets	10,691,281
TOTAL LIABILITIES AND NET ASSETS	\$ 13,209,097

See accompanying notes to financial statements.

Northeast Iowa Community Action Corporation

Statement of Activities

Year Ended January 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grants	\$ 11,154,815	\$ 4,646	\$ 11,159,461
Program income	1,196,032	162,129	1,358,161
Rental income	365,502	0	365,502
Interest	141,974	0	141,974
Contributions	97,367	271,198	368,565
Other income	62,929	0	62,929
In-kind contributions	829,999	0	829,999
Net assets released from restrictions	321,851	(321,851)	0
Total revenue and support	14,170,469	116,122	14,286,591
Expenses:			
Program activities:			
Food and nutrition	706,173	0	706,173
Children and families	4,448,468	0	4,448,468
Energy & crisis assistance	3,662,211	0	3,662,211
Transportation	2,778,895	0	2,778,895
Housing	478,632	0	478,632
Total program activities	12,074,379	0	12,074,379
Management and general	973,004	0	973,004
Fund-raising expenses	13,055	0	13,055
Total expenses	13,060,438	0	13,060,438
Change in net assets	1,110,031	116,122	1,226,153
Net assets - Beginning of year	9,122,032	343,096	9,465,128
Net assets - End of year	\$ 10,232,063	\$ 459,218	\$ 10,691,281

See accompanying notes to financial statements.

Northeast Iowa Community Action Corporation

Statement of Functional Expenses

Year Ended January 31, 2025

	Food and Nutrition	Children and Families	Energy and Crisis Assistance	Transportation	Housing	Total Program	Management & General	Fund-raising	Total
Salaries and wages	\$ 74,590	\$ 2,914,119	\$ 860,450	\$ 1,339,366	\$ 54,079	\$ 5,242,604	\$ 477,071	\$ 1,110	\$ 5,720,785
Fringe benefits	14,771	863,812	292,449	418,238	19,308	1,608,578	121,603	306	1,730,487
Occupancy	2,115	61,669	17,864	16,386	1,663	99,697	14,209	0	113,906
Contracted services	4,731	111,897	482,680	121,330	22,862	743,500	256,608	10,000	1,010,108
Client assistance	224,004	42,361	1,683,822	0	0	1,950,187	0	0	1,950,187
Day care provider payments	364,478	0	0	0	0	364,478	0	0	364,478
Insurance	345	41,961	36,582	102,509	46,890	228,287	32,473	0	260,760
Vehicle costs	0	16,701	21,626	267,482	0	305,809	0	0	305,809
Telecommunications	554	47,243	22,075	37,875	2,044	109,791	12,874	0	122,665
Utilities	195	61,038	11,727	14,391	35,247	122,598	5,752	0	128,350
Other	20,390	248,330	191,388	93,399	14,373	567,880	52,414	1,639	621,933
Depreciation	0	39,337	41,548	367,919	282,166	730,970	0	0	730,970
Total expenses	\$ 706,173	\$ 4,448,468	\$ 3,662,211	\$ 2,778,895	\$ 478,632	\$ 12,074,379	\$ 973,004	\$ 13,055	\$ 13,060,438

See accompanying notes to financial statements.

Northeast Iowa Community Action Corporation

Statement of Cash Flows

Year Ended January 31, 2025

Increase (decrease) in cash and cash equivalents:

Cash flows from operating activities:

Change in net assets	\$	1,226,153
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Adjustments to reconcile change in net assets to net cash
from operating activities:

Depreciation		730,970
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Gain on disposal of property and equipment	(41,800)
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Donated property received	(829,999)
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Forgiveness of notes receivable		78,199
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Noncash lease expense		88,326
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Effects of changes in operating assets and liabilities:

Grants receivable	(187,454)
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Accounts receivable	(105,343)
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Prepaid expenses and other assets		5,475
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Accounts payable	(62,352)
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Accrued payroll		44,375
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Compensated absences		2,558
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Refundable advances	(75,941)
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Lease liability	(88,326)
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Net cash from operating activities		784,841
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Cash flows from investing activities:

Principal payments received on finance lease		8,450
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Notes receivable issued	(201,439)
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Proceeds from sale of property and equipment		41,800
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Purchase of property and equipment	(1,204,680)
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Net cash from investing activities	(1,355,869)
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Cash flows from financing activities:

Principal payments on notes payable	(34,634)
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Net cash from financing activities	(34,634)
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Changes in cash and cash equivalents	(605,662)
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Cash and cash equivalents - Beginning of year		6,705,693
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Cash and cash equivalents - End of year	\$	6,100,031
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Supplemental Schedule of Other Cash Activity:

Interest paid and expensed	\$	12,319
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See accompanying notes to financial statements.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Activities

Northeast Iowa Community Action Corporation (NEICAC) is a nonprofit corporation organized under the laws of the State of Iowa. NEICAC was created under the Economic Opportunity Act of 1964. The Corporation operates programs in seven northeast Iowa counties and is governed by a Board of Directors. Through dynamic partnerships, quality family services, advocacy and education, NEICAC advances community development and improves social and economic conditions for individuals and families with limited resources.

The basic programs operated during the year by NEICAC include:

Food and Nutrition:

Includes the Child & Adult Care Food Program, which promotes nutrition and positive eating habits for children in regulated childcare facilities.

Children and Families:

Includes Early Childhood and Family Development & Self-Sufficiency Programs, which promote school readiness of children birth to age five and provides a volunteer, strength-based home visiting program for families with limited resources.

Energy and Crisis Assistance:

Includes the Low Income Home Energy Assistance, Weatherization, and Crisis Programs, which provide financial assistance for home heating costs, emergency crises, food, and the means to remain in their homes safely, comfortably, and affordably for individuals and families with limited resources.

Transportation:

Promotes community development with safe and affordable transportation to the public.

Housing:

Provides safe and affordable housing to seniors, individuals with disabilities, and individuals and families with limited resources.

Basis of Accounting

The financial statements of NEICAC are prepared on the accrual basis of accounting in accordance with accounting standards contained in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The ASC is the single source of authoritative accounting principles generally accepted in the United States (GAAP) to be applied to nongovernmental entities in the preparation of financial statements in accordance with GAAP.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in accordance with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue, support, and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Contributions

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Grants

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

Grant Awards That Are Contributions - Grants awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as refundable advances.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Grant Awards That Are Exchange Transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

Program Income

Program income represents contribution revenue from program beneficiaries. The contributions are to help defray the cost of the specific program in which the beneficiary received assistance.

Contracted Services

NEICAC operates the EARL Transit Program (EARL) which provides door-to-door service in the Northeast corner counties of Allamakee, Clayton, Fayette, Howard and Winneshiek. All rides are open to the general public, including persons with disabilities.

EARL is operated using grants provided by the Iowa Department of Transportation and fare box revenue. Fare box revenue is reported at the point in time the ride is provided to the customer, at an amount that reflects the consideration to which NEICAC believes is entitled in exchange for providing the transportation service. Customers pay per ride upon entering the bus through cash or check deposits on the buses, or by adding funds to their account through bus drivers or the Transportation office. NEICAC also provides transportation services where consideration for the service provided is expected to be paid for by third-party payors. Generally, third party payors are billed in the month the service is provided. NEICAC determines the transaction price based on the contractual agreement with the third-party payor or established fare rates. The amount recorded for transportation services provided at the point in time the service is performed was \$1,130,762 for the year ended of January 31, 2025 and is included in program income in the statement of activities.

Accounts receivable for EARL were \$109,388 on February 1, 2024 and \$211,672 as of January 31, 2025. There were no contract assets or liabilities as of February 1, 2024 or January 31, 2025.

Notes Receivable

NEICAC operates a lease to purchase home ownership program funded by the Iowa Finance Authority (IFA). The program obtains loan funds from IFA for the purchase of land and construction of homes. See Note 6 for the corresponding long-term debt from IFA. The homes are then either sold to eligible individuals or leased to eligible individuals until they are able to purchase the home. The homes are sold at below market prices and the difference between the purchase price and NEICAC's cost are captured in the form of a no-interest forgivable note payable to NEICAC. The note receivable is forgiven over time so long as the individual remains in the home.

Notes receivable are not evaluated for collectability as they are considered conditional contributions to the homebuyers.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Housing Inventory

Housing inventory represents homes that are in-progress or completed homes which are leased to prospective home buyers. Costs are capitalized as incurred and are recorded at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Rented homes are on short-term leases and do not include any type of purchase agreements or commitments from the lessor.

Property, Equipment and Depreciation

Property and equipment are capitalized at cost or, if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. NEICAC capitalizes property and equipment with a cost greater than or equal to \$5,000 and a useful life of greater than one year.

Long-lived assets, such as property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying value of the asset exceeds its fair value. NEICAC has not encountered any events in which impairment of fixed assets has occurred.

Property and equipment purchased with grant funds are owned by NEICAC while used in the program for which it was 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 there from, is subject to funding source regulations. The property and equipment purchased with grant funds are normally restricted for use in specific programs operated by NEICAC. The net book value of grant-funded property and equipment included on the statement of financial position is \$759,869 as of January 31, 2025.

Lease Accounting

NEICAC is a lessee in multiple noncancelable operating leases. If the contract provides NEICAC the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Lease Accounting (Continued)

NEICAC has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate if the implicit rate in the lease contract is not readily determinable.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. For operating leases with lease payments that fluctuate over the lease term, the total lease costs are recognized on a straight-line basis over the lease term.

For all underlying classes of assets, NEICAC has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that NEICAC is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. NEICAC recognizes short-term lease cost on a straight-line basis over the lease term.

NEICAC made an accounting policy election for all leased assets to not separate the lease components of a contract and its associated non-lease components for maintenance and other services.

Net Assets

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

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions: Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restriction expires within the same reporting period in which the contribution is received. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

In-Kind Contributions

NEICAC records in-kind contributions in accordance with GAAP which requires only contributions of services received that 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 NEICAC's grant awards. NEICAC received contributions of \$907,447, primarily for its Head Start program which are not recorded in the statement of activities.

NEICAC purchased a building for \$1 that is included in property and equipment at \$830,000. The value of the building was determined based on appraised value and does not contain donor restrictions. The contribution of \$829,999 is recorded in the statement of activities.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been reported on a functional basis in the statement of activities. The statement of functional expenses present the natural classification details of expenses by function. Expenses which directly benefit the program, management and general, or fundraising are charged to the respective functional area based on direct assignment. Expenses not charged based on direct assignment are allocated on estimates. Occupancy and related expenses are allocated based on square footage while salaries, benefits and other remaining costs are allocated based on time and effort.

Income Tax Status

NEICAC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law, though it is subject to tax on income unrelated to its exempt purpose. Accordingly, no provision or liability for income taxes has been included in the financial statements. Management does not believe there are any uncertain tax positions as of January 31, 2025.

Subsequent Events

NEICAC has evaluated events and transactions for potential recognition or disclosure in the financial statements through May 14, 2025, which is the date the financial statements were available to be issued.

Note 2: Concentration of Credit Risk

NEICAC maintains cash balances in financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times during the year, balances in these accounts may exceed the insurance limit. Management believes the institutions have strong credit ratings and credit risks related to these deposits is minimal.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 3: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash	\$ 6,100,031
Grants and accounts receivable	1,464,258
Subtotal Financial Assets	7,564,289
Less: Accounts payable designated for grant expenditure	(458,242)
Less: Accrued payroll designated for grant expenditure	(263,626)
Less: Refundable advances	(192,367)
Less: Net assets with donor restrictions	(459,218)
Total available financial assets	\$ 6,190,836

NEICAC does not have a formal liquidity policy but maintains financial assets in liquid form to meet ongoing liquidity needs. Most of NEICAC's grant awards reimburse expenditures as they are incurred.

Note 4: Grants Receivable

Grants receivable represents the following amounts due from the various funding sources as of January 31, 2025:

State of Iowa	\$ 1,118,302
Other sources	122,938
Total	\$ 1,241,240

Note 5: Property and Equipment

Land	\$ 376,355
Buildings and improvements	6,177,064
Vehicles	4,351,365
Equipment	505,322
Total	11,410,106
Less accumulated depreciation	7,094,178
Net property and equipment	\$ 4,315,928

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 6: Long-Term Debt

Long-term debt consisted of the following at January 31, 2025:

Decorah Bank & Trust Company:

4.05% interest bearing note payable, due \$1,836 per month including interest through November 2027, collateralized by real estate. \$ 58,875

Waukon USDA:

U.S. Department of Agriculture:

4.75% interest bearing note payable, due \$1,615 monthly including interest through November 2042, collateralized by real estate. 193,177

Single Family Rental:

Iowa Finance Authority:

0.0% interest bearing note payable, forgivable in 2031. Collateralized by real estate. 517,962

Postville Four Plex:

Iowa Finance Authority:

0.0% interest bearing note payable with a balloon payment due February 1, 2039 collateralized by real estate. 529,100

Ridgewood Duplex Building:

Winneshiek County Habitat for Humanity:

0.0% interest bearing note payable, due \$304 monthly through September 2032, collateralized by real estate. 25,261

Total long-term debt 1,324,375

Less current portion (33,091)

Long-term portion \$ 1,291,284

Approximate future annual minimum principal payments beyond January 31, 2025 are as follows:

2026 \$ 33,091

2027 34,387

2028 32,067

2029 14,565

2030 15,071

Thereafter 1,195,194

Total \$ 1,324,375

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 7: Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes:

Children and family	\$	351
Energy and crisis		450,295
Transportation		8,572
		<hr/>
Total net assets with donor restrictions	\$	459,218

NEICAC releases net assets from donor restrictions as expenditures satisfying donor restrictions occur. Net assets released from donor restrictions totaled \$321,851 for the year ended January 31, 2025.

Note 8: Pension and Retirement Benefits

Plan's legal name:	Iowa Public Employees' Retirement System
Employer identification number:	42-6150870

NEICAC is one of over 1,900 public employers participating in the plan, which has a plan net position exceeding \$40 billion as of June 30, 2024. As with any multi-employer plan, the plan's financial results may be affected by other employers entering or withdrawing from the plan, actions by the plan's board of trustees, and other events beyond NEICAC's control. IPERS' funded status was 92.30%, leaving an unfunded actuarial liability of approximately \$3.6 billion as of June 30, 2024, as reported in IPERS' comprehensive annual financial report. For additional IPERS plan information, see www.ipers.org.

Participating employees are required to contribute 6.29% of their annual covered salary and NEICAC is required to contribute 9.44% of annual covered payroll. Contribution requirements to IPERS are established by state statute. NEICAC's contribution to IPERS for the year ended January 31, 2025 was \$514,191.

Note 9: Leases

NEICAC leases land, facilities and copiers for program operations. The leases are reported as operating or short-term leases

Operating Lease Assets and Liabilities

Leases for land and facilities are ongoing and only end if terminated with 30 - 90 days notice by the lessor or lessee. Accordingly management has made estimates of reasonably certain lease terms varying from two to ten-years to calculate the ROU asset and lease liability. Copier leases continue as month to month leases after the stated expiration date requiring management to make estimates on the holding period to calculate the ROU asset and lease liability.

As described in Note 1, during the year ended January 31, 2025, a building that NEICAC was leasing was sold to NEICAC for \$1. The impact was a reduction in the ROU asset and lease liability of \$594,801.

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 9: Leases (Continued)

NEICAC's lease agreements do not contain any residual value guarantees or material restrictive covenants. Payments due under the lease contracts include fixed payments. Lease expense was \$96,388 for the year ended January 31, 2025.

The weighted-average remaining lease term for operating leases was 4.72 years at January 31, 2025. The weighted-average discount rate was 1.83% at January 31, 2025.

Maturities of lease liabilities are as follows as of January 31, 2025:

2026	\$	28,051
2027		27,198
2028		25,493
2029		4,800
2030		4,800
Thereafter		14,400
<hr/>		
Total lease payments		104,742
Less imputed interest		(4,236)
<hr/>		
Total	\$	100,506

Short-term leases

Short-term leases include leases that at the commencement date have a lease term of 12 months or less and cancelable leases with annual options to extend (year-to-year leases). Rental expense under short-term leases were \$85,575 for the year ended January 31, 2025.

Note 10: Lessor Activity

NEICAC owns apartments and homes that are a mix of low- to moderate-income housing facilities. Leases are all for one year or less. Rental income on the housing projects for the year ended January 31, 2025, was \$365,502. A summary of the acquisition costs and accumulated depreciation on leased properties is as follows:

Land	\$	173,355
Buildings		5,043,610
Equipment		117,042
<hr/>		
Total		5,334,007
<hr/>		
Less accumulated depreciation		3,425,242
<hr/>		
Net property and equipment	\$	1,908,765

Northeast Iowa Community Action Corporation

Notes to Financial Statements

Note 10: Lessor Activity (Continued)

In addition, housing inventory consisting of two homes with a cost of \$234,671 are leased under short-term agreements.

NEICAC leases a facility under a financing lease. The lease requires monthly payments of \$1,004 and ends September 2040 in which the ownership of the building will transfer to the lessee. Future cash flows beyond January 31, 2025 are as follows:

2026	\$	12,048
2027		12,048
2028		12,048
2029		12,048
2030		12,048
Thereafter		128,503
		<hr/>
Total lease payments		188,743
Amount representing interest		(29,097)
		<hr/>
Total	\$	159,646

Note 11: Contingencies

NEICAC participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants were subjected to local audit but still remain open to audit by the appropriate grantor government. If expenditures are disallowed by the grantor government due to noncompliance with grant program regulations, NEICAC may be required to reimburse the grantor government. As of January 31, 2025, significant amounts of grant expenditures have not been audited by granting authorities, but NEICAC believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of NEICAC.

At January 31, 2025, NEICAC had commitments under various grants of approximately \$3,300,000. These commitments are not recognized in the accompanying financial statements as they are conditional awards.

Supplementary Information

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

FEDERAL PROGRAMS								
Department of Agriculture						Department of Transportation		
10.558						20.509		
TOTAL	Child and Adult Care Food Program Centers 2024	Child and Adult Care Food Program Centers 2025	Child and Adult Care Food Program Homes 2024	Child and Adult Care Food Program Homes 2025	10.558 Subtotal	FTA 2024 Formula Grants for Rural Areas	FTA Fellowship Grants for Rural Areas	
	(1)	(2)	(3)	(4)		(5)	(6)	
REVENUE								
Grants	\$ 11,159,461	\$ 183,632	\$ 110,906	\$ 291,036	\$ 131,547	\$ 717,121	\$ 446,608	\$ 11,712
Program income	1,358,161	0	0	0	0	0	0	0
Rental income	365,502	0	0	0	0	0	0	0
Interest	141,974	0	0	0	0	0	0	0
Contributions	368,565	0	0	0	0	0	0	0
Other income	62,929	0	0	272	0	272	0	0
In-kind contributions	829,999	0	0	0	0	0	0	0
Transfers	0	0	0	(272)	0	(272)	0	0
Total Revenue	14,286,591	183,632	110,906	291,036	131,547	717,121	446,608	11,712
EXPENSES								
Salaries and wages	5,720,785	31,744	10,065	22,170	10,207	74,186	324,152	0
Fringe benefits	1,730,487	6,356	1,735	4,658	1,984	14,733	65,474	0
Occupancy	113,906	0	0	2,115	0	2,115	0	0
Contracted services	1,010,108	685	1,033	1,900	1,045	4,663	0	0
Client assistance	1,950,187	128,122	95,882	0	0	224,004	0	0
Day care provider payments	364,478	0	0	249,631	114,847	364,478	0	0
Insurance	260,760	0	0	347	(2)	345	0	0
Vehicle costs	305,809	0	0	0	0	0	4,382	0
Telecommunications	122,665	51	35	272	196	554	0	0
Utilities	128,350	0	0	0	0	0	0	0
Other	621,933	11,569	563	6,348	1,624	20,104	0	11,712
Equipment	0	0	0	0	0	0	0	0
Depreciation	730,970	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
Indirect	0	5,105	1,593	3,595	1,646	11,939	52,600	0
Total Expenses	13,060,438	183,632	110,906	291,036	131,547	717,121	446,608	11,712
Change in net assets	1,226,153	0	0	0	0	0	0	0
Net assets - Beginning of year	9,465,128	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 10,691,281	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

FEDERAL PROGRAMS								
Department of Transportation							DOE	
20.526							81.042	
FTA Fellowship Grants for Rural Areas (7)	20.509 Subtotal	FTA Bus Project Shortfall 7524 (8)	FTA Bus Project Shortfall 7525 (9)	FTA Bus & Bus Facilities Project 22319 (10)	FTA Bus & Bus Facilities Project 22507 (11)	20.526 Subtotal	DOE Weatherization 23-09 (12)	
REVENUE								
Grants	\$ 548,280	\$ 1,006,600	\$ 130,029	\$ 130,029	\$ 238,935	\$ 238,935	\$ 737,928	\$ 9,780
Program income	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Revenue	548,280	1,006,600	130,029	130,029	238,935	238,935	737,928	9,780
EXPENSES								
Salaries and wages	397,946	722,098	0	0	0	0	0	0
Fringe benefits	83,075	148,549	0	0	0	0	0	0
Occupancy	0	0	0	0	0	0	0	0
Contracted services	0	0	0	0	0	0	0	0
Client assistance	0	0	0	0	0	0	0	0
Day care provider payments	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0
Vehicle costs	2,321	6,703	0	0	0	0	0	0
Telecommunications	0	0	0	0	0	0	0	0
Utilities	0	0	0	0	0	0	0	0
Other	0	11,712	0	0	0	0	0	9,780
Equipment	0	0	130,029	130,029	238,935	238,935	737,928	0
Depreciation	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
Indirect	64,938	117,538	0	0	0	0	0	0
Total Expenses	548,280	1,006,600	130,029	130,029	238,935	238,935	737,928	9,780
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.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

	FEDERAL PROGRAMS							
	Department of Energy			Department of Health and Human Services				
	81.042			93.558				93.568
	DOE Weatherization 24-09 (13)	DOE Weatherization BIL22-09 (14)	81.042 Subtotal	FADSS 24-09 (15)	FADSS FWBP-EIS-25-067 (16)	93.558 Subtotal	LIHEAP 23-09 (17)	LIHEAP 23ES-09 (18)
REVENUE								
Grants	\$ 348,631	\$ 374,448	\$ 732,859	\$ 51,583	\$ 51,936	\$ 103,519	\$ 1,351	\$ 1,600
Program income	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Revenue	348,631	374,448	732,859	51,583	51,936	103,519	1,351	1,600
EXPENSES								
Salaries and wages	0	0	0	30,489	31,940	62,429	0	0
Fringe benefits	0	0	0	9,761	9,200	18,961	0	0
Occupancy	0	0	0	1,013	575	1,588	0	0
Contracted services	0	0	0	293	854	1,147	0	0
Client assistance	0	0	0	0	0	0	1,351	1,600
Day care provider payments	0	0	0	0	0	0	0	0
Insurance	0	0	0	62	57	119	0	0
Vehicle costs	0	0	0	0	0	0	0	0
Telecommunications	0	0	0	183	150	333	0	0
Utilities	0	0	0	(4)	52	48	0	0
Other	348,631	374,448	732,859	4,393	3,554	7,947	0	0
Equipment	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
Indirect	0	0	0	5,393	5,554	10,947	0	0
Total Expenses	348,631	374,448	732,859	51,583	51,936	103,519	1,351	1,600
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.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

FEDERAL PROGRAMS									
Department of Health and Human Services									
93.568						93.569			
	LIHEAP 23IIJA-09 (19)	LIHEAP 24-09 (20)	LIHEAP 25-09 (21)	HEAP 24-09 (22)	HEAP 3E-09 (23)	93.568 Subtotal	Community Services Block Grant 24-09 (24)	Community Services Block Grant 25-09 (25)	Subtotal 93.569
REVENUE									
Grants	\$ 5,133	\$ 857,682	\$ 754,713	\$ 204,899	\$ 4,256	\$ 1,829,634	\$ 251,760	\$ 11,469	\$ 263,229
Program income	0	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0
Total Revenue	5,133	857,682	754,713	204,899	4,256	1,829,634	251,760	11,469	263,229
EXPENSES									
Salaries and wages	0	126,768	70,660	0	0	197,428	103,059	6,316	109,375
Fringe benefits	0	44,525	20,500	0	0	65,025	31,549	1,226	32,775
Occupancy	0	5,285	310	0	0	5,595	6,617	0	6,617
Contracted services	0	11,385	1,415	0	0	12,800	62,084	2,832	64,916
Client assistance	5,133	627,013	643,669	0	0	1,278,766	0	0	0
Day care provider payments	0	0	0	0	0	0	0	0	0
Insurance	0	465	(4)	19,318	0	19,779	1,362	(20)	1,342
Vehicle costs	0	0	0	0	0	0	0	0	0
Telecommunications	0	5,930	1,423	0	0	7,353	9,743	22	9,765
Utilities	0	897	435	0	0	1,332	1,922	0	1,922
Other	0	12,275	3,998	85,472	4,256	106,001	17,252	75	17,327
Equipment	0	0	0	100,109	0	100,109	0	0	0
Depreciation	0	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0	0
Indirect	0	23,139	12,307	0	0	35,446	18,172	1,018	19,190
Total Expenses	5,133	857,682	754,713	204,899	4,256	1,829,634	251,760	11,469	263,229
Change in net assets	0	0	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

	FEDERAL PROGRAMS							
	Department of Health and Human Services				Department of Homeland Security			
	93.575		93.600		97.024			
	Child Care Block Grant Wrap Around 2024 (26)	Child Care Block Grant Wrap Around 2025 (27)	Subtotal 93.575	Head Start Early Head Start 07CH011393 (28)	Emergency Food and Shelter Phase 41 (29)	Emergency Food and Shelter Phase 41 (30)	Subtotal 97.024	Total Federal Programs
REVENUE								
Grants	\$ 168,476	\$ 367,602	\$ 536,078	\$ 3,629,782	\$ 6,270	\$ 3,654	\$ 9,924	\$ 9,566,674
Program income	0	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0
Contributions	0	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0	272
In-kind contributions	0	0	0	907,447	0	0	0	907,447
Transfers	0	0	0	0	0	0	0	(272)
Total Revenue	168,476	367,602	536,078	4,537,229	6,270	3,654	9,924	10,474,121
EXPENSES								
Salaries and wages	109,817	243,907	353,724	2,140,795	0	0	0	3,660,035
Fringe benefits	27,098	57,947	85,045	658,045	0	0	0	1,023,133
Occupancy	3,300	10,350	13,650	34,659	0	0	0	64,224
Contracted services	0	0	0	77,747	0	0	0	161,273
Client assistance	0	0	0	39,551	6,270	3,654	9,924	1,552,245
Day care provider payments	0	0	0	0	0	0	0	364,478
Insurance	0	0	0	20,612	0	0	0	42,197
Vehicle costs	0	0	0	16,701	0	0	0	23,404
Telecommunications	2,359	4,357	6,716	39,376	0	0	0	64,097
Utilities	7,555	10,291	17,846	35,978	0	0	0	57,126
Other	0	0	0	181,142	0	0	0	1,077,092
Equipment	0	0	0	0	0	0	0	838,037
Depreciation	0	0	0	7,333	0	0	0	7,333
In-kind expenses	0	0	0	907,447	0	0	0	907,447
Indirect	18,347	40,750	59,097	377,843	0	0	0	632,000
Total Expenses	168,476	367,602	536,078	4,537,229	6,270	3,654	9,924	10,474,121
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.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

STATE AND LOCAL PROGRAMS								
	Transit Operating (31)	FaDSS 2024 (32)	FaDSS FWBP-EIS-25-067 (33)	CSBG CSBG 24-09 (34)	LIHEAP LIHEAP 24-09 (35)	Shared Visions 2024 (36)	Shared Visions 2025 (37)	Disaster (38)
REVENUE								
Grants	\$ 492,285	\$ 77,374	\$ 77,903	\$ 2,666	\$ 16,899	\$ 109,451	\$ 115,788	\$ 9,455
Program income	1,130,762	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0
Contributions	21,884	0	0	0	0	0	0	0
Other income	10,838	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Revenue	1,655,769	77,374	77,903	2,666	16,899	109,451	115,788	9,455
EXPENSES								
Salaries and wages	623,504	45,733	47,911	1,780	12,276	68,984	69,465	3,223
Fringe benefits	269,689	14,641	13,800	569	2,626	19,656	21,036	911
Occupancy	16,386	1,519	863	0	0	3,390	6,000	0
Contracted services	121,330	439	1,281	0	0	0	0	9
Client assistance	0	0	0	0	0	1,419	98	4,730
Day care provider payments	0	0	0	0	0	0	0	0
Insurance	102,509	93	85	0	0	0	0	0
Vehicle costs	260,779	0	0	0	0	0	0	0
Telecommunications	37,875	275	224	0	0	0	0	0
Utilities	14,391	(5)	79	0	0	2,500	3,500	0
Other	81,687	6,589	5,329	0	0	1,737	3,471	26
Equipment	5,456	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0	0
In-kind expenses	0	0	0	0	0	0	0	0
Indirect	120,581	8,090	8,331	317	1,997	11,765	12,218	556
Total Expenses	1,654,187	77,374	77,903	2,666	16,899	109,451	115,788	9,455
Change in net assets	1,582	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	\$ 1,582	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

STATE AND LOCAL PROGRAMS

	LIHEAP Black Hills (39)	County General Relief (40)	Weatherization Utilities (41)	Weatherization Clearing (42)	Energy Assistance Utilities (43)	Waukon USDA (44)	Early Childhood Grants (45)	Lease Purchase Maintenance (46)
REVENUE								
Grants	\$ 17,194	\$ 0	\$ 170,079	\$ 60,762	\$ 0	\$ 0	\$ 102,376	\$ 0
Program income	0	56,808	0	0	162,129	0	0	0
Rental income	0	0	0	0	0	12,047	0	15,000
Interest	0	0	0	0	0	538	0	537
Contributions	0	0	0	0	0	0	0	0
Other income	0	0	0	1,400	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Revenue	17,194	56,808	170,079	62,162	162,129	12,585	102,376	15,537
EXPENSES								
Salaries and wages	669	16,853	0	344,695	0	0	92,808	1,037
Fringe benefits	213	5,236	0	132,867	0	0	27,605	333
Occupancy	0	907	0	2,169	0	0	0	33
Contracted services	0	92	0	397,209	0	0	0	93
Client assistance	16,194	29,943	0	(2,600)	195,274	0	800	0
Day care provider payments	0	0	0	0	0	0	0	0
Insurance	0	295	0	7,804	0	0	0	2,408
Vehicle costs	0	0	0	21,626	0	0	0	0
Telecommunications	0	0	0	4,389	0	0	319	44
Utilities	0	262	0	4,146	0	0	184	10
Other	0	244	170,079	(854,622)	0	9,432	0	(121,609)
Equipment	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	(7,333)	0	0
In-kind expenses	0	0	0	0	0	0	0	0
Indirect	118	2,976	0	64,315	0	0	16,200	185
Total Expenses	17,194	56,808	170,079	121,998	195,274	2,099	137,916	(117,466)
Change in net assets	0	0	0	(59,836)	(33,145)	10,486	(35,540)	133,003
Net assets - Beginning of year	0	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 0	\$ 0	\$ 0	(\$ 59,836)	(\$ 33,145)	\$ 10,486	(\$ 35,540)	\$ 133,003

See Independent Auditor's Report.

Northeast Iowa Community Action Corporation

Schedule of Program Activity

Year Ended January 31, 2025

	STATE AND LOCAL PROGRAMS			DISCRETIONARY ACTIVITIES			
	Housing Properties (47)	County Crisis (48)	Total State and Local Programs	Indirect (49)	GAAP Adjustments (50)	Corporate (51)	Total Discretionary Activity
REVENUE							
Grants	\$ 0	\$ 332,887	\$ 1,585,119	\$ 0	\$ 0	\$ 7,668	\$ 7,668
Program income	0	0	1,349,699	0	0	8,462	8,462
Rental income	322,034	0	349,081	0	2,911	13,510	16,421
Interest	3,889	0	4,964	0	0	137,010	137,010
Contributions	0	275,498	297,382	0	0	71,183	71,183
Other income	5,853	0	18,091	0	36,800	7,766	44,566
In-kind contributions	0	0	0	0	(907,447)	829,999	(77,448)
Transfers	0	(781)	(781)	0	0	1,053	1,053
Total Revenue	331,776	607,604	3,603,555	0	(867,736)	1,076,651	208,915
EXPENSES							
Salaries and wages	53,079	173,421	1,555,438	477,071	0	28,241	505,312
Fringe benefits	18,642	48,354	576,178	121,603	0	9,573	131,176
Occupancy	799	2,346	34,412	14,209	0	1,061	15,270
Contracted services	22,469	4,310	547,232	256,608	0	44,995	301,603
Client assistance	0	149,271	395,129	0	0	2,813	2,813
Day care provider payments	0	0	0	0	0	0	0
Insurance	44,482	147	157,823	32,473	0	28,267	60,740
Vehicle costs	0	0	282,405	0	0	0	0
Telecommunications	2,000	568	45,694	12,874	0	0	12,874
Utilities	35,237	270	60,574	5,752	0	4,898	10,650
Other	135,874	14,628	(547,135)	52,414	11,380	28,182	91,976
Equipment	0	0	5,456	0	(1,161,679)	318,186	(843,493)
Depreciation	0	0	(7,333)	0	730,970	0	730,970
In-kind expenses	0	0	0	0	(907,447)	0	(907,447)
Indirect	9,682	29,834	287,165	(924,451)	0	5,286	(919,165)
Total Expenses	322,264	423,149	3,393,038	48,553	(1,326,776)	471,502	(806,721)
Change in net assets	9,512	184,455	210,517	(48,553)	459,040	605,149	1,015,636
Net assets - Beginning of year	0	0	0	0	0	0	0
NET ASSETS - END OF YEAR	\$ 9,512	\$ 184,455	\$ 210,517	(\$ 48,553)	\$ 459,040	\$ 605,149	\$ 1,015,636

See Independent Auditor's Report.

Northeast Iowa Community Action Corporation

Schedule of Expenditures of Federal Awards

Year Ended January 31, 2025

Federal Grantor/Pass-Through Entity/ Program or Cluster Title	Assistance Listing Number	Federal Grantor or Pass-Through Agency	Program Period	Award Number	Federal Expenditures
DEPARTMENT OF AGRICULTURE					
(1) Child and Adult Care Food Program - Centers #968010	10.558	Iowa Department of Education	10/01/23 - 09/30/24	968010	183,632
(2) Child and Adult Care Food Program - Centers #968010	10.558	Iowa Department of Education	10/01/24 - 09/30/25	968010	110,906
(3) Child and Adult Care Food Program - Home Providers #968013	10.558	Iowa Department of Education	10/01/23 - 09/30/24	968013	291,036
(4) Child and Adult Care Food Program - Home Providers #968013	10.558	Iowa Department of Education	10/01/24 - 09/30/25	968013	131,547
Total Federal Expenditures #10.558					717,121
DEPARTMENT OF AGRICULTURE					
Community Facilities Loans and Grants	10.766	US Department of Agriculture	N/A	N/A	203,125
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Home Investment Partnership Program	14.239	Iowa Finance Authority	01/01/15 - 12/01/31	14JUL-HM-924	519,836
Home Investment Partnership Program	14.239	Iowa Finance Authority	02/01/20 - 02/01/39	18MAY-HM-326	529,100
Total Federal Expenditures #14.239					1,048,936
DEPARTMENT OF TRANSPORTATION					
(5) Formula Grants for Rural Areas	20.509	Iowa Department of Transportation	07/01/23 - 06/30/24	6141	446,608
(6) Formula Grants for Rural Areas	20.509	Iowa Department of Transportation	02/01/24 - 01/31/25	Fellowship	11,712
(7) Formula Grants for Rural Areas	20.509	Iowa Department of Transportation	07/01/24 - 06/30/25	8553	548,280
Total Federal Expenditures #20.509					1,006,600
Federal Transit Cluster					
(8) FTA Bus Project (Shortfall)	20.526	Iowa Department of Transportation	05/26/20 - 9/01/26	7524	130,029
(9) FTA Bus Project (Shortfall)	20.526	Iowa Department of Transportation	08/18/20 - 09/01/26	7525	130,029
(10) FTA Bus Project Bus & Bus Facilities Project	20.526	Iowa Department of Transportation	05/26/20 - 12/31/24	22319	238,935
(11) FTA Bus Project Bus & Bus Facilities Project	20.526	Iowa Department of	08/18/20 - 12/31/24	22507	238,935
Total Federal Expenditures #20.526					737,928
DEPARTMENT OF ENERGY					
(12) Weatherization	81.042	Iowa Department of Health and Human Services	04/01/23 - 03/31/24	DOE-23-09	9,780
(13) Weatherization	81.042	Iowa Department of Health and Human Services	04/01/24 - 03/31/25	DOE-24-09	348,631
(14) Weatherization	81.042	Iowa Department of Health and Human Services	07/01/22 - 06/30/25	DOE-BIL22-09	374,448
Total Federal Expenditures #81.042					732,859
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
(15) Temporary Assistance for Needy Families	93.558	Iowa Department of Health and Human Services	07/01/23 - 09/30/24	FADSS-24-09	51,583
(16) Temporary Assistance for Needy Families	93.558	Iowa Department of Health and Human Services	07/01/24 - 07/31/25	FWBP-EIS-25-067	51,936
Total Federal Expenditures #93.558					103,519

See Independent Auditor's Report.

See accompanying notes to the schedule of expenditures of federal awards.

Northeast Iowa Community Action Corporation

Schedule of Expenditures of Federal Awards

Year Ended January 31, 2025

Federal Grantor/Pass-Through Number/Program Title		Assistance Listing Number	Federal Grantor or Pass-Through Agency	Program Period	Award Number	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)						
(17)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	10/01/22 - 03/31/24	LIHEAP-23-09	1,351
(18)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	10/01/22 - 03/31/24	LIHEAP-23ES-09	1,600
(19)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	09/22/23 - 06/30/24	LIHEAP-23IIJA-09	5,133
(20)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	10/01/23 - 12/31/24	LIHEAP-24-09	857,682
(21)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	10/01/24 - 12/31/25	LIHEAP-25-09	754,713
(22)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	01/01/24 - 12/31/25	HEAP-24-09	204,899
(23)	Low-Income Home Energy Assistance Program	93.568	Iowa Department of Health and Human Services	06/01/23 - 09/30/25	HEAP-3E-09	4,256
Total Federal Expenditures #93.568						1,829,634
(24)	Community Services Block Grant	93.569	Iowa Department of Health and Human Services	10/01/23 - 03/31/25	CSBG-24-09	251,760
(25)	Community Services Block Grant	93.569	Iowa Department of Health and Human Services	10/01/24 - 12/31/25	CSBG-25-09	11,469
Total Federal Expenditures #93.569						263,229
CCDF Cluster						
(26)	Child Care Block Grant Wrap Around	93.575	Iowa Department of Health and Human Services	07/01/23 - 06/30/24	ACFS 21_014	168,476
(27)	Child Care Block Grant Wrap Around	93.575	Iowa Department of Health and Human Services	07/01/24 - 06/30/25	ACFS 21_014	367,602
Total Federal Expenditures #93.575						536,078
Head Start Cluster						
(28)	Head Start	93.600	US Department of Health and Human Services	02/01/23 - 01/31/24	07CH011393-03	3,629,782
Total Federal Expenditures #93.600						3,629,782
DEPARTMENT OF HOMELAND SECURITY						
(29)	Emergency Food and Shelter	97.024	Emergency Food and Shelter National Board	08/01/24 - 12/31/24	Phase 41-Bremer	6,270
(30)	Emergency Food and Shelter	97.024	Emergency Food and Shelter National Board	08/01/24 - 12/31/24	Phase 41-Chickasaw	3,654
Total Federal Expenditures #97.024						9,924
TOTAL FEDERAL EXPENDITURES						\$ 10,818,735

See Independent Auditor's Report.

See accompanying notes to the schedule of expenditures of federal awards.

Northeast Iowa Community Action Corporation

Notes to Schedule of Expenditures of Federal Awards

Year Ended January 31, 2025

Note 1: General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Northeast Iowa Community Action Corporation under programs of the federal government for the year ended January 31, 2025. The information in this schedule is presented in accordance with requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the schedule presents only a selected portion of the operations of Northeast Iowa Community Action Corporation, it is not intended to and does not present the financial position, changes in net assets or cash flows of Northeast Iowa Community Action Corporation.

Note 2: Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3: Indirect Cost Rate

NEICAC has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Sub-Recipients

NEICAC does not have any sub-recipients of federal awards.

Note 5: Balance of Outstanding Loans

Loans outstanding at the beginning of the year, and loans made during the year, are included in the federal expenditures presented in the Schedule. The balance of the loans outstanding at January 31, 2025 was \$1,047,062 for the Home Investment Partnership Program AL #14.239 and \$193,177 for Community Facilities Loans and Grants AL #10.766.

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget FY 2024 Transit Operating

Contract Period: 07/01/2023 - 06/30/2024

	Budget	Total	Actual 07/01/23 - 01/31/24	Actual 02/01/24 - 06/30/24
REVENUE				
Federal Grants	\$ 976,000	\$ 975,831	\$ 517,770	\$ 458,061
State Grants	416,860	486,446	298,503	187,943
Local	1,249,500	1,163,999	712,992	451,007
Total Revenue	2,642,360	2,626,276	1,529,265	1,097,011
EXPENSES				
Salaries and wages	1,180,879	1,374,865	827,671	547,194
Fringe benefits	367,495	432,025	253,130	178,895
Occupancy	21,546	24,233	14,136	10,097
Contracted Services	102,810	115,403	78,734	36,669
Insurance	89,438	90,386	(877)	91,263
Vehicle Costs	287,465	271,674	161,822	109,852
Telecommunications	42,231	41,129	24,107	17,022
Utilities	12,657	13,202	7,654	5,548
Other	59,050	109,040	53,280	55,760
Indirect	205,934	242,849	144,827	98,022
Total Expenses	\$ 2,369,505	\$ 2,714,806	\$ 1,564,484	\$ 1,150,322

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Community Services Block Grant

Contract Number: CSBG-25-09
 Contract Period: 10/01/24 - 12/31/25

	Approved Budget	Total	Actual 10/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 270,366	\$ 11,469	\$ 11,469
EXPENSE			
Personnel	189,101	7,542	7,542
Travel/transportation	6,000	0	0
Space costs	10,100	(20)	(20)
Other costs	37,575	2,929	2,929
Indirect costs	25,340	1,018	1,018
State FIP Appropriation	2,250	0	0
TOTAL EXPENSE	\$ 270,366	\$ 11,469	\$ 11,469

Contract Number: CSBG-24-09
 Contract Period: 10/01/23 - 03/31/25

	Approved Budget	Total	Actual 02/01/23 - 01/31/24	Actual 02/01/24 - 01/31/25
REVENUE				
Iowa HHS	\$ 270,792	\$ 259,717	\$ 5,291	\$ 254,426
EXPENSE				
Personnel	130,647	136,990	2,382	134,608
Travel/transportation	6,000	4,201	0	4,201
Space costs	15,000	10,091	190	9,901
Other costs	98,977	87,278	2,400	84,878
Indirect costs	17,502	18,491	319	18,172
State FIP Appropriation	2,666	2,666	0	2,666
TOTAL EXPENSE	\$ 270,792	\$ 259,717	\$ 5,291	\$ 254,426

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Low-Income Home Energy Assistance Program

Contract Number: LIHEAP-25-09
Contract Period: 10/01/24 - 12/31/25

	Approved Budget	Total	Actual 10/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 2,030,989	\$ 754,713	\$ 754,713
EXPENSE			
Administration	95,112	39,512	39,512
ECIP	150,225	40,526	40,526
Program Support	107,304	67,570	67,570
Regular Assistance	1,635,427	603,143	603,143
Assurance 16	42,921	3,962	3,962
TOTAL EXPENSE	\$ 2,030,989	\$ 754,713	\$ 754,713

Contract Number: LIHEAP-24-09
Contract Period: 10/01/23 - 12/31/24

	Approved Budget	Total	Actual 02/01/23 - 01/31/24	Actual 02/01/24 - 12/31/24
REVENUE				
Iowa HHS	\$ 2,032,680	\$ 2,025,060	\$ 1,150,479	\$ 874,581
EXPENSE				
Administration	160,890	160,890	14,802	146,088
ECIP	103,800	103,343	25,841	77,502
Program Support	144,051	144,051	67,498	76,553
Regular Assistance	1,472,316	1,465,153	1,040,379	424,774
Summer Pre-Buy	124,737	124,737	0	124,737
Assurance 16	9,987	9,987	1,959	8,028
Special Funding	16,899	16,899	0	16,899
TOTAL EXPENSE	\$ 2,032,680	\$ 2,025,060	\$ 1,150,479	\$ 874,581

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Low-Income Home Energy Assistance Program

Low-Income Home Energy Assistance Program

Contract Number: LIHEAP-23IIJA-09

Contract Period: 09/22/23 - 06/30/24

	Approved Budget	Total	Actual 09/22/23 - 01/31/24	Actual 02/01/24 - 6/30/2024
REVENUE				
Iowa HHS	\$ 38,741	\$ 38,741	\$ 33,608	\$ 5,133
EXPENSE				
Administration	3,874	3,874	3,874	0
ECIP	28,600	28,600	23,467	5,133
Program Support	4,981	4,981	4,981	0
Assurance 16	1,286	1,286	1,286	0
TOTAL EXPENSE	\$ 38,741	\$ 38,741	\$ 33,608	\$ 5,133

Low-Income Home Energy Assistance Program

Contract Number: LIHEAP-23ES-09

Contract Period: 10/01/22 - 03/31/24

	Approved Budget	Total	Actual 10/01/22 01/31/23	Actual 02/01/23 - 01/31/24	Actual 02/01/24 - 03/31/24
REVENUE					
Iowa HHS	\$ 1,438,537	\$ 1,438,537	\$ 14,760	\$ 1,422,177	\$ 1,600
EXPENSE					
Administration	89,139	89,139	99	89,040	0
ECIP	871,292	871,292	13,596	856,096	1,600
Program Support	30,564	30,564	566	29,998	0
Summer Pre-Buy	442,625	442,625	0	442,625	0
Assurance 16	4,917	4,917	499	4,418	0
TOTAL EXPENSE	\$ 1,438,537	\$ 1,438,537	\$ 14,760	\$ 1,422,177	\$ 1,600

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Low-Income Home Energy Assistance Program

Contract Number: LIHEAP-23-09

Contract Period: 10/01/22 - 03/31/24

	Approved Budget	Total	Actual 10/01/22 01/31/23	Actual 02/01/23 - 01/31/24	Actual 02/01/24 - 03/31/24
REVENUE					
Iowa HHS	\$ 1,743,530	\$ 1,743,530	\$ 998,244	\$ 743,935	\$ 1,351
EXPENSE					
Administration	203,000	203,000	125,281	77,719	0
ECIP	186,435	186,435	83,176	101,069	2,190
Program Support	42,316	42,316	4,518	37,798	0
Regular Assistance	1,309,598	1,309,598	783,640	526,797	(839)
Assurance 16	2,181	2,181	1,629	552	0
TOTAL EXPENSE	\$ 1,743,530	\$ 1,743,530	\$ 998,244	\$ 743,935	\$ 1,351

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Low-Income Home Energy Assistance Program

Contract Number: LIHEAP-24BH-09

Contract Period: 12/01/23 - 12/31/24

	Approved Budget	Total	Actual 02/01/24 - 12/31/24
REVENUE			
Iowa HHS	\$ 13,100	\$ 13,084	\$ 13,084
EXPENSE			
Administration	1,000	1,000	1,000
ECIP	12,100	12,084	12,084
TOTAL EXPENSE	\$ 13,100	\$ 13,084	\$ 13,084

Contract Number: LIHEAP-24BH-2-09

Contract Period: 03/15/24 - 12/31/24

	Approved Budget	Total	Actual 03/15/24 - 12/31/24
REVENUE			
Iowa HHS	\$ 50,000	\$ 4,110	\$ 4,110
EXPENSE			
Admin	4,000	0	0
Program Support	2,500	0	0
ECIP	43,500	4,110	4,110
TOTAL EXPENSE	\$ 50,000	\$ 4,110	\$ 4,110

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: DOE-24-09

Contract Period: 04/01/24 - 03/31/25

	Approved Budget	Total	Actual 04/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 523,827	\$ 348,631	\$ 348,631
EXPENSE			
Administration	51,232	39,874	39,874
Materials	86,335	60,507	60,507
Support	95,809	101,853	101,853
Labor	86,335	56,536	56,536
Health and safety	101,082	69,150	69,150
Training and Technical Assistance	19,687	7,315	7,315
Readiness	83,347	13,396	13,396
TOTAL EXPENSE	\$ 523,827	\$ 348,631	\$ 348,631

Contract Number: DOE-BIL22-09

Contract Period: 07/01/22 - 06/30/25

	Approved Budget	Total	Actual 02/01/23 - 01/31/24	Actual 02/01/24 - 01/31/25
REVENUE				
Iowa HHS	\$ 1,238,312	\$ 1,108,286	\$ 733,838	\$ 374,448
EXPENSE				
Administration	130,810	92,546	87,546	5,000
Materials	229,744	274,820	178,053	96,767
Support	241,469	261,027	161,630	99,397
Labor	229,744	215,732	132,847	82,885
Health and safety	228,704	242,518	155,463	87,055
Training and Technical Assistance	177,841	21,643	18,299	3,344
TOTAL EXPENSE	\$ 1,238,312	\$ 1,108,286	\$ 733,838	\$ 374,448

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: DOE-23-09

Contract Period: 04/01/23 - 03/31/24

	Approved Budget	Total	Actual 04/01/23 - 01/31/24	Actual 02/01/24 - 03/31/24
REVENUE				
Iowa HHS	\$ 285,176	\$ 272,041	\$ 262,261	\$ 0
EXPENSE				
Administration	44,327	44,327	44,327	0
Materials	49,499	62,083	62,083	0
Support	44,857	47,709	47,709	0
Labor	49,499	38,275	38,275	0
Health and safety	49,079	44,867	44,867	0
Training and Technical Assistance	25,000	25,000	25,000	0
Readiness	22,915	9,780	0	9,780
TOTAL EXPENSE	\$ 285,176	\$ 272,041	\$ 262,261	\$ 9,780

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: HEAP-3E-09

Contract Period: 06/01/23 -09/30/25

	Approved Budget	Total	Actual 02/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 81,948	\$ 4,256	\$ 4,256
EXPENSE			
Administration	4,097	0	0
Health and safety	18,100	3,318	3,318
Support	20,183	0	0
Labor	19,784	0	0
Materials	19,784	938	938
Equipment/training	0	0	0
Insurance	0	0	0
TOTAL EXPENSE	\$ 81,948	\$ 4,256	\$ 4,256

Contract Number: HEAP-24-09

Contract Period: 01/01/24 -12/31/25

	Approved Budget	Total	Actual 01/01/24 - 01/31/24	Actual 02/01/24 - 01/31/25
REVENUE				
Iowa HHS	\$ 699,409	\$ 227,801	\$ 22,902	\$ 204,899
EXPENSE				
Administration	30,181	6,144	1,222	4,922
Health and safety	186,198	45,824	2,965	42,859
Support	137,920	47,211	17,360	29,851
Labor	103,939	3,564	493	3,071
Materials	103,939	5,631	862	4,769
Equipment/training	117,914	100,109	0	100,109
Insurance	19,318	19,318	0	19,318
TOTAL EXPENSE	\$ 699,409	\$ 227,801	\$ 22,902	\$ 204,899

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: BHE-24-09

Contract Period: 09/01/24 - 12/31/25

	Approved Budget	Total	Actual 09/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 80,870	\$ 17,851	\$ 17,851
EXPENSE			
Administration	3,516	673	673
Support	7,032	1,562	1,562
Labor	35,161	5,398	5,398
Materials	35,161	10,218	10,218
TOTAL EXPENSE	\$ 80,870	\$ 17,851	\$ 17,851

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: IPL-24-09

Contract Period: 01/01/24 - 12/31/25

	Approved Budget	Total	Actual 02/01/24 - 01/31/25
REVENUE			
Iowa HHS	<u>\$ 278,063</u>	<u>\$ 127,416</u>	<u>\$ 127,416</u>
EXPENSE			
Administration	12,089	2,382	2,382
Support	24,178	11,344	11,344
Labor	120,898	52,072	52,072
Materials	<u>120,898</u>	<u>61,618</u>	<u>61,618</u>
TOTAL EXPENSE	<u>\$ 278,063</u>	<u>\$ 127,416</u>	<u>\$ 127,416</u>

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Weatherization Assistance Programs

Contract Number: MEC-24-09

Contract Period: 01/01/24 - 12/31/25

	Approved Budget	Total	Actual 02/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 60,294	\$ 24,812	\$ 24,812
EXPENSE			
Administration	2,620	1,079	1,079
Support	5,242	2,157	2,157
Labor	26,216	9,149	9,149
Materials	26,216	12,427	12,427
TOTAL EXPENSE	\$ 60,294	\$ 24,812	\$ 24,812

Northeast Iowa Community Action Corporation

Schedule of Revenue and Expenses Compared with Budget

Family Development and Self Sufficiency

Contract Number: FaDSS-24-09
Contract Period: 07/01/23 - 09/30/24

	Approved Budget	Total	Actual 07/01/23 - 01/31/24	Actual 02/01/24 - 09/30/24
REVENUE				
Iowa HHS	\$ 250,000	\$ 250,000	\$ 121,043	\$ 128,957
EXPENSES				
Salaries	140,685	145,502	69,280	76,222
Benefits	51,472	47,789	23,387	24,402
Travel	17,382	17,796	9,672	8,124
Space Costs	4,768	4,466	1,789	2,677
Other	9,944	8,546	4,498	4,048
Indirect Costs	25,749	25,901	12,417	13,484
TOTAL EXPENSES	\$ 250,000	\$ 250,000	\$ 121,043	\$ 128,957

Contract Number: FWBP-EIS-25-067
Contract Period: 07/01/24 - 03/31/25

	Approved Budget	Total	Actual 07/01/24 - 01/31/25
REVENUE			
Iowa HHS	\$ 230,000	\$ 129,839	\$ 129,839
EXPENSE			
Salaries	128,361	79,851	79,851
Benefits	47,364	23,000	23,000
Travel	16,382	8,624	8,624
Space Costs	4,402	1,711	1,711
Other Costs	9,542	2,768	2,768
Indirect Costs	23,949	13,885	13,885
TOTAL EXPENSES	\$ 230,000	\$ 129,839	\$ 129,839

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

Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

We have audited, 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, the financial statements of Northeast Iowa Community Action Corporation, which comprise the statement of financial position as of January 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northeast Iowa Community Action Corporation's internal control over financial reporting (internal control) as a basis for designing 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 Northeast Iowa Community Action Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Northeast Iowa Community Action Corporation'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 reasonable possibility that a material misstatement of Northeast Iowa Community Action Corporation's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northeast Iowa Community Action Corporation'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 financial statements. 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 Northeast Iowa Community Action Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northeast Iowa Community Action Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Madison, Wisconsin

May 14, 2025

Independent Auditor's Report on Compliance for the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Directors
Northeast Iowa Community Action Corporation
Decorah, Iowa

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Northeast Iowa Community Action Corporation's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended January 31, 2025. Northeast Iowa Community Action Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Northeast Iowa Community Action Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended January 31, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northeast Iowa Community Action Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Northeast Iowa Community Action Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Northeast Iowa Community Action Corporation's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northeast Iowa Community Action Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Northeast Iowa Community Action Corporation's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Northeast Iowa Community Action Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Northeast Iowa Community Action Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Northeast Iowa Community Action Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over-compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

Madison, Wisconsin

May 14, 2025

Northeast Iowa Community Action Corporation

Schedule of Findings and Questioned Costs

Year Ended January 31, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major program:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)]? ☐ Yes ☒ No

Identification of major federal program:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
93.600	Head Start Cluster

Dollar threshold used to distinguish between Type A and Type B programs \$ 750,000

Auditee qualified as low-risk auditee? Yes

Northeast Iowa Community Action Corporation

Schedule of Findings and Questioned Costs (Continued)

Year Ended January 31, 2025

Section II - Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Summary of Prior Year Audit Findings

None