

WEST CENTRAL COMMUNITY ACTION
INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2022

WEST CENTRAL COMMUNITY ACTION

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WEST CENTRAL COMMUNITY ACTION

BOARD OF DIRECTORS

Executive Board of Directors

Charles Parkhurst President
Joan Martens Vice President
Trista McLaughlin Secretary

Board Members

Representing

<u>County</u>	<u>Government</u>	<u>Private</u>	<u>Low-Income</u>
Cass	Steve Green	Steve Barber	Justin Williams
Crawford	Jeri Vogt	Donna Childress	Connie McGee
Fremont	Dustin Sheldon	Vacant	Cynthia Williams
Harrison	Walter Utman	Trista McLaughlin	Vacant
Mills	Carol Vinton	Coleen Driscoll	Donna Maddocks
Monona	Tom Brouillette	Vacant	Brent Watkins
Montgomery	Charla Schmid	Pat Berendes	Vacant
Page	Alan Armstrong	Lisa Connell	Jeannine Liljedahl
Pottawattamie	Lynn Grobe	Bob Burnett	Molly Cummings
Shelby	Charles Parkhurst	Bryan Swain	Kris Olson Harmon

Agency Officials

Wendy Mueller	Executive Director
Keith Bruck	Fiscal Officer
Angela Bladt	Human Resource Director
Debra Martens	Child & Adult Care Service Director
Danielle Segebart	Head Start/Early Head Start Director
Kelly Mahlberg	Weatherization Director
Ivy Nielsen	LIHEAP Director
Brittany Schoof	CSBG Director/CACFP Coordinator
Amanda Blum	WIC Director
Mindy Williamson	FaDSS Director

The Board of Directors and Officers of West Central Community Action represent each of the counties. The board members shall serve as follows:

- a. One-third shall be persons who are currently on a Board of Supervisors or their designee and appointed each January by each county board.
- b. One-third shall be persons who are representatives of business, industry, labor, religious, welfare and education organizations, or other major interest groups. Individuals are nominated by these interest groups and elected by the Organization's Board of Directors to a three year term with no limit on the number of terms they may serve.
- c. At least one-third shall be persons who, according to federal guidelines, have incomes at or below poverty level and are elected by such persons, or are representatives elected by such persons for a three year term with no limit on the number of terms they may serve.

Gronewold, Bell, Kyhnn & Co. P.C.

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KENNETH P. TEGELS
CHRISTOPHER J. NELSON
DAVID A. GINTHER
DUSTIN T. VEENSTRA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
West Central Community Action
Harlan, Iowa

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of West Central Community Action (an Iowa Non-Profit Corporation) which comprise the statement of financial position as of September 30, 2022 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Central Community Action as of September 30, 2022, 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 of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 West Central Community Action, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation 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 West Central Community Action's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement 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 West Central Community Action'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about West Central Community Action'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.

To the Board of Directors
West Central Community Action

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise West Central Community Action's basic financial statements. We previously audited, in accordance with the standards referred to in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report, the financial statements for the two years ended September 30, 2021 (which are not presented herein) and expressed an unmodified opinion on those financial statements. The supplementary information included on page 1 and on Schedules 1 through 18, including the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 20, 2023 on our consideration of West Central Community Action'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 West Central Community Action'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 West Central Community Action's internal control over financial reporting and compliance.

Amesworth, Bell, Thylor - Co. P.C.

Atlantic, Iowa
March 20, 2023

WEST CENTRAL COMMUNITY ACTION
Statement of Financial Position
September 30, 2022

ASSETS

	<u>Total</u>
Cash	\$ 1,551,081
Investments:	
Cash and cash equivalents	32,503
Certificates of deposit	327,587
Accrued interest receivable	591
Receivables:	
Grantor agencies	1,263,078
Other sources	15,636
Prepaid expenses	26,571
Property and equipment at cost, less accumulated depreciation of \$2,363,548	<u>2,148,346</u>
Total Assets	<u>\$ 5,365,393</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 409,804
Accrued salaries and benefits	284,379
Compensated absences	326,419
Advances from grantors and others	344,652
Notes payable	<u>488,003</u>
Total Liabilities	1,853,257
Net Assets	
Without donor restrictions	2,101,236
With donor restrictions	<u>1,410,900</u>
Total Net Assets	<u>3,512,136</u>
Total Liabilities and Net Assets	<u>\$ 5,365,393</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Activities
Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Totals
Public Support and Revenues:			
Grant Revenues	\$ 16,927,015	\$ 171,413	\$ 17,098,428
In-Kind Contributions	1,333,478	--	1,333,478
Public Support and Contributions	199,825	19,823	219,648
Co-funding	512,493	--	512,493
Investment Income	2,327	--	2,327
Miscellaneous	456,317	52,461	508,778
Total Public Support and Revenues	19,431,455	243,697	19,675,152
Net Assets Released form Restrictions	236,932	(236,932)	--
Total Public Support, Revenues, and Net Assets Released from Program Restrictions	19,668,387	6,765	19,675,152
Expenses:			
Head Start	5,278,732	--	5,278,732
Community Services Block Grant (CSBG)	579,400	--	579,400
Child and Adult Care Food Program (CACFP)	909,239	--	909,239
Women, Infants and Children (WIC)	264,830	--	264,830
Low-Income Household Water Assistance Program (LIHWAP)	347,746	--	347,746
Low-Income Home Energy Assistance Program (LIHEAP)	7,543,683	--	7,543,683
Weatherization Assistance	942,859	--	942,859
Child Care Resource & Referral (CCR&R)	897,630	--	897,630
Family Development	551,741	--	551,741
Early Childhood Iowa	204,925	--	204,925
Outreach	970,456	--	970,456
Other Programs	591,757	--	591,757
Administration	243,277	--	243,277
Depreciation	212,622	--	212,622
Total Expenses	19,538,897	--	19,538,897
Change in Net Assets	129,490	6,765	136,255
Net Assets - Beginning of Year	1,971,746	1,404,135	3,375,881
Net Assets - End of Year	\$ 2,101,236	\$ 1,410,900	\$ 3,512,136

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Functional Expenses
Year Ended September 30, 2022

	<u>Management and General</u>	<u>Program Services</u>	<u>Total</u>
Salaries and wages	\$ 408,435	\$ 3,904,325	\$ 4,312,760
Fringe benefits	83,258	1,127,669	1,210,927
Assistance to individuals	--	9,541,471	9,541,471
Professional fees	42,275	512,080	554,355
Travel	8,322	71,565	79,887
Occupancy	68,697	571,147	639,844
Utilities and telephone	20,900	190,041	210,941
Supplies and materials	49,891	414,032	463,923
Buildings and equipment	58,076	22,628	80,704
Printing, publications, and postage	58,756	131,289	190,045
Insurance	29,612	76,420	106,032
Interest expense	4,854	16,756	21,610
Miscellaneous	2,504	65,128	67,632
Co-funding	173	512,493	512,666
In-Kind:			
Labor	--	194,707	194,707
Materials and other	--	1,138,771	1,138,771
Depreciation	<u>83,542</u>	<u>129,080</u>	<u>212,622</u>
Total Expenses before Allocation of Indirect Costs	919,295	18,619,602	19,538,897
Allocation of Indirect Costs	<u>(592,476)</u>	<u>592,476</u>	<u>--</u>
Total Expenses	<u>\$ 326,819</u>	<u>\$ 19,212,078</u>	<u>\$ 19,538,897</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Cash Flows
Year Ended September 30, 2022

Cash flows from operating activities:	
Cash received from State agencies	\$ 12,399,135
Cash received from Federal grantors	4,311,759
Contributions received	219,648
Investment income	2,049
Other receipts	526,614
Cash paid to employees and suppliers	(17,185,388)
Interest paid	(21,610)
Net cash provided by operating activities	<u>252,207</u>
Cash flows from investing activities:	
Change in investments	(1,407)
Payments to acquire property and equipment	(285,138)
Net cash used in investing activities	<u>(286,545)</u>
Cash flows from financing activities:	
Payments on notes payable	<u>(37,682)</u>
Net decrease in cash and cash equivalents	(72,020)
Cash and cash equivalents at beginning of year	<u>1,655,604</u>
Cash and cash equivalents at end of year	<u>\$ 1,583,584</u>
Reconciliation of cash and cash equivalents to the statement of financial position:	
Cash	\$ 1,551,081
Cash and cash equivalents in investments	<u>32,503</u>
	<u>\$ 1,583,584</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

West Central Community Action (the Agency), a not-for-profit corporation, is a community action agency that serves the Iowa counties of Cass, Crawford, Fremont, Harrison, Mills, Monona, Montgomery, Page, Pottawattamie, and Shelby. The Agency 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 provide tax exemption for corporations organized and operated exclusively for religious, charitable or educational purposes. The Agency is required to file a Form 990 annually to maintain its exempt status.

The Agency administers various programs funded by Federal, State and local governmental bodies. Each program is accounted for as a separate fund. For the year ended September 30, 2022, the Agency received approximately 85% of its revenues from five governmental funding sources. The Agency has renewed substantially all of these governmental funding sources for fiscal year October 1, 2022 to September 30, 2023 except for the LIHEAP ARPA supplemental program which ended September 30, 2022.

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.

B. Basis of Accounting

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. Revenues are recognized when earned and expenses are recorded when the liability is incurred.

C. Revenue Recognition

Grant revenue is either considered revenue from contributions or from exchange transactions based on criteria contained in the grant award, and is considered to be earned over time. Grant revenue considered to be revenue from contributions is recognized in the period in which the related allowable expenses are incurred or when the capital asset is placed in service. Grant revenue considered to be revenue from exchange transactions is recognized when the performance obligations in the contract with the grantor agency are met. Grant revenues that are received in advance of when expenses are incurred, or performance obligations are met, are reflected as a liability titled advances from grantors.

Local funding and donations are generally recognized as revenue at the point in time that the unconditional pledge or contribution is received.

The Agency recognizes program revenue in the period in which it satisfies the performance obligations under contracts by providing services to its clients. These revenues are considered to be earned over time and are reported at the amounts the Agency expects to receive in exchange for providing client services.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. 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:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

Unconditional promises to give cash and other assets to the Agency are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Agency, unless the donor provides more specific directions about the period of its use.

Revenues and expenses are reported as increases or decreases in net assets without donor restrictions unless use of the related assets is limited by donor or grantor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. Assets, Liabilities and Net Assets

The following accounting policies are followed in preparing the Statement of Financial Position:

Cash and Cash Equivalents - The Agency considers demand deposits and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments - Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the change in net assets unless the income or loss is restricted by donor or law. Unrealized gains or losses are recorded in investment income (loss) on trading securities and as a change in net assets on available for sale and held to maturity securities.

Receivables from Grantor Agencies and Other Sources - 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 and other sources represent an excess of expenditures over cash basis reimbursements at year end.

All receivables are considered fully collectible. Accordingly, no provision for uncollectible amounts has been recorded.

Prepaid Expenses - Prepaid expenses consist of the unexpired portion of insurance premiums for Agency auto, liability, property damage, and worker's compensation coverage.

Property and Equipment - Property and equipment are valued at historical cost or estimated cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation.

Depreciation has been provided using the straight-line method over the estimated useful lives of the respective assets, generally 5 to 40 years. The depreciated cost of the property and equipment does not purport to be either a realizable value or a replacement value.

Expenses for maintenance, repairs and minor replacements are charged to the current year, while the cost for major replacements and betterments are capitalized. The cost of assets disposed of is deleted. No interest costs were capitalized during the year ended September 30, 2022.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Advances from Grantors - Advances from grantors represents an excess of cash advances by the funding source over expenses incurred by year end.

Compensated Absences - Employees of the Agency accumulate a limited amount of earned but unused vacation payable to employees. Amounts representing the cost of compensated absences are recorded as liabilities on the Statement of Financial Position. This liability has been computed based on rates of pay in effect at September 30, 2022.

Rent Expense - The Agency leases office and classroom space under leases which may be canceled by either party by giving written notice ranging from thirty to ninety days of their intention to vacate the lease. The Agency also leases copy machines, mailing systems and computer servers under leases having immaterial non-cancelable obligations remaining at September 30, 2022. Rent expense under these leases totaled \$215,453 during the year ended September 30, 2022.

Advertising and Promotion Costs - Advertising and promotion costs are expensed as they are incurred. Advertising and promotion costs totaled \$16,314 during the year ended September 30, 2022.

F. In-Kind Contributions

The Agency recognizes donated labor, services, materials and rent-free or rent-reduced usage of facilities and equipment as in-kind revenues at the time the services and materials are received. 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.

G. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. These statements report certain categories of expenses that are attributable to both program or supporting functions of the Agency. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage for space and utility costs and time and effort for personnel expenses and other costs.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - INDIRECT COST RATE AGREEMENT

West Central Community Action entered into an Indirect Cost Rate Agreement with their cognizant agency, Department of Health and Human Services, setting a provisional Indirect Cost Rate of 10.7% from October 1, 2019 to December 31, 2021 and 12.2% from January 1, 2022 to September 30, 2022. The Indirect Cost allowed is calculated by multiplying the approved rate (10.7% or 12.2%) times the allocation base. The allocation base is the Agency's direct salaries and wages, including fringe benefits and is applicable to all programs. The use of the Indirect Cost Rate allows for an allocation process of the Agency's costs that are incurred for common or joint objectives and, therefore, cannot be readily and specifically identified with a particular project or activity.

NOTE 3 - DEPOSITS AND INVESTMENTS

The Agency's deposits at September 30, 2022 were entirely covered by Federal depository insurance, collateralized with securities or letters of credit held by the Agency or the Agency's agent in the Agency's name, or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

Investments are stated as indicated in Note 1. All cash and certificates of deposit are considered deposits and, therefore, not subject to market value fluctuations. The composition of investments is as set forth below:

Cash and cash equivalents	\$	32,503
Certificates of deposit		<u>327,587</u>
		<u>\$ 360,090</u>

Investment income is composed entirely of interest income for the year ended September 30, 2022.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions of \$1,410,900 consist of undepreciated capital items restricted for use within a specific program, and unspent donations restricted for expenditure for specific purposes, primarily food pantry and utility assistance.

Net assets released from restrictions of \$236,932 during the year ended September 30, 2022 represent amounts that satisfied program restrictions or were utilized during the time period for which it was restricted.

NOTE 5 - FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of September 30, 2022, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital costs not financed with debt, were as follows:

Financial assets:

Cash and cash equivalents	\$ 1,583,584
Certificates of deposit	327,587
Accrued interest receivable	591
Receivables from grantor agencies and other sources	<u>1,278,714</u>
Total financial assets available within one year	<u>\$ 3,190,476</u>

The Agency does not have a formal liquidity policy but generally maintains financial assets in liquid form such as cash and cash equivalents. Most of the Agency's grant awards reimburse expenditures as they are incurred to meet liquidity needs.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 6 - PROPERTY AND EQUIPMENT

A summary of property and equipment comprising the plant fund at September 30, 2022, categorized by acquiring program/source, is as follows:

<u>Acquiring Program/Source</u>	<u>Land and Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
General Agency	\$ 426,848	\$ 54,975	\$ 1,850	\$ 483,673
Shelby County Early Childhood Center	1,230,637	--	29,121	1,259,758
Harlan Administrative Building	508,743	--	54,132	562,875
Head Start	--	180,151	354,222	534,373
Child Care Resource & Referral	--	--	8,124	8,124
CSBG	--	--	3,135	3,135
Family Development	--	--	3,350	3,350
Women, Infants and Children	62,458	30,799	12,567	105,824
LIHEAP	--	--	2,640	2,640
Weatherization - HEAP	--	37,869	17,506	55,375
Early Head Start	996,389	139,945	278,677	1,415,011
Weatherization Pool	--	48,470	20,774	69,244
Indirect Cost Pool	--	--	8,512	8,512
Total Cost	<u>3,225,075</u>	<u>492,209</u>	<u>794,610</u>	<u>4,511,894</u>
Less Accumulated Depreciation	<u>(1,424,263)</u>	<u>(232,764)</u>	<u>(706,521)</u>	<u>(2,363,548)</u>
Net	<u>\$1,800,812</u>	<u>\$ 259,445</u>	<u>\$ 88,089</u>	<u>\$ 2,148,346</u>

The components of the Agency's accumulated depreciation at September 30, 2022 are as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Balance Beginning of Year	\$1,326,436	\$ 206,359	\$ 698,779	\$ 2,231,574
Current Year Depreciation	97,827	86,704	28,091	212,622
Less Disposals	<u>--</u>	<u>(60,299)</u>	<u>(20,349)</u>	<u>(80,648)</u>
Balance End of Year	<u>\$1,424,263</u>	<u>\$ 232,764</u>	<u>\$ 706,521</u>	<u>\$ 2,363,548</u>

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 7 - NOTES PAYABLE

Notes payable consist of the following at September 30, 2022:

Note payable to bank	\$ 102,058
Note payable to U.S. Department of Agriculture (USDA)	378,597
Note payable to U.S. Department of Agriculture (USDA)	<u>7,348</u>
	<u>\$ 488,003</u>

The bank note payable of \$102,058 is payable in monthly installments of \$2,268, which consists of principal and interest computed at 4.19% per annum through October, 2026. The note is secured by a mortgage agreement on a commercial building owned and occupied by the Agency.

The note payable to the USDA of \$378,597 is payable in monthly installments of \$2,300, which consists of principal and interest computed at 4.25% per annum through May, 2043. The note is secured by a mortgage agreement on a commercial building owned and occupied by the Agency.

The note payable to the USDA of \$7,348 is payable in monthly installments of \$373, which consists of principal and interest computed at 4.25% per annum through June, 2024. The note is secured by a mortgage agreement on a commercial building owned and occupied by the Agency.

The principal and interest payments required on the notes payable for the next five and subsequent years are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 39,315	\$ 19,977	\$ 59,292
2024	39,641	18,350	57,991
2025	38,173	16,643	54,816
2026	39,827	14,989	54,816
2027	16,354	13,514	29,868
2028-2043	<u>314,693</u>	<u>116,997</u>	<u>431,690</u>
	<u>\$ 488,003</u>	<u>\$ 200,470</u>	<u>\$ 688,473</u>

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 8 - PENSION AND RETIREMENT BENEFITS

Iowa Public Employees Retirement System

The Agency contributes to the Iowa Public Employees Retirement System (IPERS) which is identified as 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 or at www.ipers.org.

Plan members are required to contribute 6.29% of their annual salary and the Agency is required to contribute 9.44% of annual covered payroll. Contribution requirements are established by State statute. The Agency's contribution to IPERS for the year ended September 30, 2022 was approximately \$354,200, equal to the required contribution for the year, while the employees contributed approximately \$238,900.

Tax-Sheltered Annuity

The Agency has established a tax-sheltered annuity arrangement. The plan is available to all employees who normally work more than 20 hours per week.

Under the terms of the plan, the Agency makes a matching contribution up to the current IPERS rate (see above for rates) of the annual salary for each employee participating in the plan who elects not to participate in IPERS. Amounts credited to individual participants are 100 percent vested immediately. The accumulated monies are paid upon a participant's retirement or termination.

For the year ended September 30, 2022, the Agency's contributions amounted to \$10,400.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 9 - COUNTY CONTRIBUTIONS

The Agency received county support totaling \$40,000 in fiscal year 2022 which is included in public support and contributions on the Statement of Activities. The following table shows the breakdown of the county contributions.

Cass County	\$	4,000
Crawford County		3,500
Fremont County		3,000
Mills County		6,000
Monona County		2,000
Page County		3,500
Pottawattamie County		15,000
Shelby County		3,000
	\$	40,000

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Federal Assistance Grants

West Central Community Action receives a significant portion of its revenues from government grants and contracts, all of which are subject to audit by the federal government. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits, therefore no liability is accrued on these financial statements.

Agency Risk Management

West Central Community Action 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. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

Subsequent Event

The Agency has evaluated all subsequent events through March 20, 2023, the date the financial statements were available to be issued.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2022

NOTE 11 - MATTERS AFFECTING CURRENT AND SUBSEQUENT YEARS
OPERATIONS

On March 11, 2020 the World Health Organization declared the Novel Coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The Agency cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption may materially impact the Agency's financial position, results of operations or cash flows in 2023 and beyond.

* * *

SUPPLEMENTARY INFORMATION

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Programs
Year Ended September 30, 2022

	<u>Head Start - Early Head Start</u>	<u>CSBG</u>
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ --	\$ 579,400
U.S. Department of Health and Human Services	4,544,903	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	--	--
Various	6,883	--
In-Kind Contributions	811,396	--
Public Support and Contributions	--	--
Co-funding	--	--
Investment income	--	--
Miscellaneous	625	--
	<hr/>	<hr/>
Total Revenues	5,363,807	579,400
Expenses:		
Salaries and wages	2,260,377	45,182
Fringe benefits	675,210	8,841
Assistance to individuals	--	--
Professional fees	436,593	--
Travel	29,266	--
Occupancy	249,514	653
Utilities and telephone	89,589	176
Supplies and materials	228,091	4,561
Buildings and equipment	99,838	--
Printing, publications and postage	68,343	942
Insurance	53,683	105
Interest expense	--	--
Miscellaneous	17,762	--
Co-Funding	--	512,493
In-Kind:		
Labor	172,918	--
Materials and other	638,478	--
	<hr/>	<hr/>
Total Expenses Before Allocation of Indirect Costs	5,019,662	572,953
Allocation of Indirect Costs	<hr/>	<hr/>
	344,145	6,447
	<hr/>	<hr/>
Total Expenses	5,363,807	579,400
Change in Net Assets	--	--
Net Assets at Beginning of Year	<hr/>	<hr/>
Net Assets at End of Year	<hr/>	<hr/>

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<u>CACFP Homes</u>	<u>CACFP Centers</u>	<u>WIC</u>	<u>LIHWAP</u>
\$ --	\$ --	\$ --	\$ 347,647
--	--	--	--
--	--	261,337	--
779,029	130,210	--	--
--	--	--	--
--	--	43	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	3,450	99
779,029	130,210	264,830	347,746
65,123	--	135,961	30,316
16,741	--	31,130	9,398
663,013	130,210	--	302,273
375	--	3,022	--
1,839	--	8,168	--
7,394	--	27,126	--
2,116	--	8,971	161
2,759	--	24,295	--
--	--	533	--
2,856	--	3,723	826
135	--	1,725	--
--	--	--	--
7,003	--	507	50
--	--	--	--
--	--	--	--
769,354	130,210	245,161	343,024
9,675	--	19,669	4,722
779,029	130,210	264,830	347,746
--	--	--	--
--	--	--	--
\$ --	\$ --	\$ --	\$ --

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Programs - Continued
Year Ended September 30, 2022

	<u>LIHEAP</u>	<u>Weatherization Assistance Programs</u>
	<u>HEAP</u>	
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 7,543,682	\$ 821,238
U.S. Department of Health and Human Services	--	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	--	--
Various	--	--
In-Kind Contributions	--	--
Public Support and Contributions	--	--
Co-funding	--	--
Investment income	--	--
Miscellaneous	<u>1</u>	<u>--</u>
Total Revenues	7,543,683	821,238
Expenses:		
Salaries and wages	208,319	--
Fringe benefits	62,026	--
Assistance to individuals	7,096,710	765,466
Professional fees	--	--
Travel	4,534	--
Occupancy	43,966	--
Utilities and telephone	3,970	--
Supplies and materials	55,502	--
Buildings and equipment	109	37,868
Printing, publications and postage	35,331	--
Insurance	1,291	3,030
Interest expense	--	--
Miscellaneous	410	14,874
Co-Funding	--	--
In-Kind:		
Labor	--	--
Materials and other	<u>--</u>	<u>--</u>
Total Expenses Before Allocation of Indirect Costs	7,512,168	821,238
Allocation of Indirect Costs	<u>31,515</u>	<u>--</u>
Total Expenses	<u>7,543,683</u>	<u>821,238</u>
Change in Net Assets	--	--
Net Assets at Beginning of Year	<u>--</u>	<u>--</u>
Net Assets at End of Year	<u>\$ --</u>	<u>\$ --</u>

(continued next page)

Weatherization Assistance Programs		Child Care Resource and Referral	Family Development and Self-Sufficiency
Department of Energy	Utility Company		
\$ 382,372	\$ 193,317	\$ --	\$ 541,761
--	--	--	--
--	--	--	--
--	--	--	--
--	--	712,975	--
--	--	--	--
--	--	184,655	9,972
--	--	--	--
--	--	--	8
--	--	--	--
<u>382,372</u>	<u>193,317</u>	<u>897,630</u>	<u>551,741</u>
--	--	384,192	271,595
--	--	112,645	68,105
380,749	193,317	--	94,161
--	--	45,851	--
--	--	11,149	6,416
--	--	32,348	19,597
--	--	6,487	4,424
--	--	34,586	25,679
--	--	1,114	226
--	--	11,132	1,583
--	--	1,995	1,124
--	--	--	--
1,623	--	12,565	8,592
--	--	--	--
--	--	1,187	1,088
<u>--</u>	<u>--</u>	<u>183,468</u>	<u>8,884</u>
382,372	193,317	838,719	511,474
<u>--</u>	<u>--</u>	<u>58,911</u>	<u>40,267</u>
<u>382,372</u>	<u>193,317</u>	<u>897,630</u>	<u>551,741</u>
--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Programs - Continued
Year Ended September 30, 2022

	Early Childhood Iowa	Outreach
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ --	\$ --
U.S. Department of Health and Human Services	--	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	204,925	--
Various	--	--
In-Kind Contributions	--	327,455
Public Support and Contributions	--	--
Co-funding	--	511,641
Investment income	--	--
Miscellaneous	--	131,360
	204,925	970,456
Total Revenues	204,925	970,456
Expenses:		
Salaries and wages	31,558	290,311
Fringe benefits	12,367	82,992
Assistance to individuals	111,180	--
Professional fees	26,239	--
Travel	831	2,569
Occupancy	13,439	143,910
Utilities and telephone	508	52,619
Supplies and materials	2,784	10,783
Buildings and equipment	164	5,625
Printing, publications and postage	526	3,744
Insurance	149	4,784
Interest expense	--	--
Miscellaneous	--	1,059
Co-Funding	--	--
In-Kind:		
Labor	--	19,514
Materials and other	--	307,941
	199,745	925,851
Total Expenses Before Allocation of Indirect Costs	199,745	925,851
Allocation of Indirect Costs	5,180	44,605
Total Expenses	204,925	970,456
Change in Net Assets	--	--
Net Assets at Beginning of Year	--	--
Net Assets at End of Year	\$ --	\$ --

See accompanying independent auditor's report.

<u>Other</u>	<u>Elimination of Internal Agency Amounts and Capital Purchases</u>	<u>Total</u>
\$ --	\$(37,868)	\$ 10,371,549
--	(85,075)	4,459,828
--	--	261,337
--	--	909,239
9,000	--	926,900
39,706	--	46,632
--	--	1,333,478
121,822	--	121,822
844	--	512,493
39	--	39
<u>574,595</u>	<u>(471,058)</u>	<u>239,072</u>
746,006	(594,001)	19,182,389
181,391	--	3,904,325
48,214	--	1,127,669
220,592	(416,200)	9,541,471
--	--	512,080
6,793	--	71,565
33,200	--	571,147
21,020	--	190,041
24,992	--	414,032
54,952	(177,801)	22,628
2,283	--	131,289
8,399	--	76,420
16,756	--	16,756
683	--	65,128
--	--	512,493
--	--	194,707
<u>--</u>	<u>--</u>	<u>1,138,771</u>
619,275	(594,001)	18,490,522
<u>27,340</u>	<u>--</u>	<u>592,476</u>
<u>646,615</u>	<u>(594,001)</u>	<u>19,082,998</u>
99,391	--	99,391
<u>829,018</u>	<u>--</u>	<u>829,018</u>
<u>\$ 928,409</u>	<u>\$ --</u>	<u>\$ 928,409</u>

WEST CENTRAL COMMUNITY ACTION
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2022

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>
U.S. Department of Health and Human Services		
Direct Programs		
Head Start Program	93.600	07CH011100
Head Start Program	93.600	07CH011100
Early Head Start Program	93.600	07CH011100
Early Head Start Program	93.600	07CH011100
Head Start American Rescue Plan	93.600	07HE000168
Indirect Programs		
Passed through Iowa Department of Human Rights		
Family Development and Self-Sufficiency Program	93.558	FaDSS-22-17
Family Development and Self-Sufficiency Program	93.558	FaDSS-23-17
Family Development and Self-Sufficiency Program - Pandemic Emergency Assistance Funds	93.558	FaDSS-PEAF-22-17
Low Income Home Energy Assistance Program		
Low Income Home Energy Assistance Program	93.568	LIHEAP-22-17
Low Income Home Energy Assistance Program ARPA	93.568	LIHEAP-21ARPA-17
Low Income Household Water Assistance Program	93.568	LIHWAP-21CAA-17
Weatherization Assistance Program	93.568	HEAP-21-17
Weatherization Assistance Program	93.568	HEAP-22-17
Community Services Block Grant		
Community Services Block Grant	93.569	CSBG-21-17
Community Services Block Grant	93.569	CSBG-22-17
Community Services Block Grant Supplemental	93.569	CSBG-20S-17
Passed through Iowa Department of Human Services		
Child Care Resource & Referral Grant	93.575	ACFS 19-048
Child Care Resource & Referral Grant	93.575	ACFS 19-048
<i>Total U.S. Department of Health and Human Services</i>		
U.S. Department of Homeland Security		
Indirect Programs		
Passed through Iowa Community Action Association		
Disaster Assistance Projects	97.088	FOSU-20-002
<i>Total U.S. Department of Homeland Security</i>		

(continued next page)

<u>Period of Grant</u>	<u>Federal Expenditures</u>
02/01/21 - 01/31/22	\$ 1,117,526
02/01/22 - 01/31/23	1,874,555
02/01/21 - 01/31/22	423,323
02/01/22 - 01/31/23	973,407
04/01/21 - 03/31/23	<u>156,092</u>
	4,544,903
07/01/21 - 09/30/22	186,419
07/01/22 - 06/30/23	14,011
07/01/21 - 07/31/22	<u>40,686</u>
	241,116
10/01/21 - 09/30/22	3,046,645
05/27/21 - 09/30/22	4,497,037
05/28/21 - 09/30/23	347,647
01/01/21 - 12/31/21	159,590
01/01/22 - 12/31/22	<u>661,648</u>
	8,712,567
10/01/20 - 06/30/22	299,821
10/01/21 - 03/31/23	217,672
01/20/20 - 09/30/22	<u>61,907</u>
	579,400
07/01/21 - 06/30/22	571,497
07/01/22 - 06/30/23	<u>141,478</u>
	<u>712,975</u>
	14,790,961
07/01/21 - 06/30/22	<u>15,686</u>
	15,686

WEST CENTRAL COMMUNITY ACTION
 Schedule of Expenditures of Federal Awards - Continued
 Year Ended September 30, 2022

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>
U.S. Department of Agriculture		
Indirect Programs		
Passed through Iowa Department of Public Health		
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5881A048E
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5881A048E
Passed through Iowa Department of Education		
Child and Adult Care Food Program (Homes)	10.558	83-8011
Child and Adult Care Food Program (Centers)	10.558	83-8010
Passed through Iowa Department of Agriculture & Land Stewardship		
Farmers Market	10.572	WCCA 48
<i>Total U.S. Department of Agriculture</i>		
U.S. Department of Energy		
Indirect Programs		
Passed through Iowa Department of Human Rights		
Weatherization Assistance for Low-Income Persons	81.042	DOE-21-17
Weatherization Assistance for Low-Income Persons	81.042	DOE-22-17
<i>Total U.S. Department of Energy</i>		
Total Expenditures of Federal Awards		
<i>Total Direct Programs</i>		
<i>Total Indirect Programs</i>		

(continued next page)

<u>Period of Grant</u>	<u>Federal Expenditures</u>
10/01/21 - 09/30/22	\$ 256,939
10/01/21 - 09/30/22	4,398
	<u>261,337</u>
10/01/21 - 09/30/22	779,029
10/01/21 - 09/30/22	130,210
	<u>909,239</u>
05/01/18 - 12/31/21	<u>43</u>
	1,170,619
04/01/21 - 03/31/22	111,626
04/01/22 - 03/31/23	<u>270,746</u>
	<u>382,372</u>
	<u>\$ 16,359,638</u>
	\$ 4,544,903
	\$ 11,814,735

WEST CENTRAL COMMUNITY ACTION
Schedule of Expenditures of Federal Awards - Continued
Year Ended September 30, 2022

NOTE A - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of West Central Community Action under programs of the federal government for the year ended September 30, 2022. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of West Central Community Action, it is not intended to and does not present the financial position, changes in net assets, or cash flows of West Central Community Action.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C - SUBRECIPIENTS

No federal grant awards were passed through to subrecipients during the year ended September 30, 2022.

NOTE D - INDIRECT COST RATE

West Central Community Action has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance. It has a federal approved rate from the Department of Health and Human Services.

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
U.S. Department of Health and Human Services

Head Start/Early Head Start Grant No. 07CH011100-03
Schedule of Expenditure Comparison - Budget to Actual
For the Period from February 1, 2021 to January 31, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel	\$ 2,546,945	\$ 2,155,125
Fringe benefits	1,110,669	873,573
Travel/mileage/vehicle expense	19,681	--
Equipment	80,000	100,207
Supplies	84,750	68,057
Contractual	519,100	415,513
Other	464,951	487,914
Indirect	<u>391,373</u>	<u>326,177</u>
Total Expenditures	5,217,469	4,426,566
In-Kind:		
Space	59,800	326,652
Professional volunteers	22,895	7,824
Non-professional volunteers	255,424	134,825
Mileage	7,350	1,360
Materials	8,544	26,424
Other	1,038	30,000
Pre K collaborations/Early Childhood Iowa	<u>333,835</u>	<u>299,318</u>
Total In-Kind	<u>688,886</u>	<u>826,403</u>
Total Expenditures and In-Kind	5,906,355	5,252,969
Less:		
In-Kind	688,886	826,403
Other revenue	<u>--</u>	<u>208,305</u>
Net Grant Expenditure	<u>\$ 5,217,469</u>	<u>\$ 4,218,261</u>

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WEST CENTRAL COMMUNITY ACTION
U.S. Department of Health and Human Services

Head Start/Early Head Start Grant No. 07CH011100-03
Schedule of Expenditure Comparison - Budget to Actual - Continued
For the Period from February 1, 2021 to January 31, 2022

Summary by Functional Category

	<u>Budget</u>	<u>Percentage of Actual</u>	<u>Actual</u>
Administration	\$ 548,528	\$ 9.25%	\$ 466,793
T/TA	79,916	0.68%	34,427
Program operations	4,589,025	73.68%	3,717,041
Other revenue	--	4.13%	208,305
In-Kind	<u>688,886</u>	<u>16.38%</u>	<u>826,403</u>
Total Expenditures	5,906,355	104.12%	5,252,969
Less:			
Other revenue	--	4.12%	208,305
Net before in-kind	<u>5,906,355</u>	<u>100.00%</u>	<u>5,044,664</u>
Less in-kind	<u>688,886</u>		<u>826,403</u>
Net Grant Expenditure	<u>\$ 5,217,469</u>		<u>\$ 4,218,261</u>

Head Start/Early Head Start Grant No. 07CH011100-03C3
Schedule of Expenditure Comparison - Budget to Actual
For the Period from February 1, 2021 to January 31, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel	\$ --	\$ --
Fringe benefits	--	--
Travel/mileage/vehicle expense	--	--
Equipment	114,340	40,131
Supplies	68,440	44,586
Contractual	--	--
Other	27,757	12,254
Indirect	<u>--</u>	<u>--</u>
Total Expenditures	210,537	96,971
In-Kind	<u>--</u>	<u>--</u>
Total Expenditures and In-Kind	210,537	96,971
Less:		
In-Kind	--	--
Other revenue	<u>--</u>	<u>--</u>
Net Grant Expenditure	<u>\$ 210,537</u>	<u>\$ 96,971</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Community Service Block Grant CSBG 21-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2020 to June 30, 2022

	<u>Budget</u>	<u>Actual</u>
Personnel	\$ 22,824	\$ 22,867
Travel	--	--
Space Costs	805	764
Equipment Costs	--	--
Co-Funded Programs:		
Child and Adult Care Food Program	8,500	1,883
Family Development and Self-Sufficiency	275	2
Emergency Food & Shelter	350	42
Outreach	502,225	522,748
Embrace Iowa	--	710
Women, Infants and Children	150	--
General Relief	50	302
Headstart/Early Headstart	14,250	--
Amerigroup	--	132
Other	1,365	1,384
Indirect	<u>2,728</u>	<u>2,688</u>
 Total Grant Expenditures	 <u>\$ 553,522</u>	 <u>\$ 553,522</u>

Community Service Block Grant CSBG 20S-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 20, 2020 to September 30, 2022

	<u>Budget</u>	<u>Actual</u>
Personnel	\$ 69,546	\$ 69,733
Travel	--	--
Space Costs	--	--
Equipment Costs	--	--
Co-Funded Programs:		
Child and Adult Care Food Program	5,000	4,844
Food Pantry	75,000	74,997
Outreach	79,843	82,551
Supplemental Programs and Services:		
Assistance to Individuals	470,000	470,000
Utility Assistance	25,000	25,000
Other	25,639	22,456
Indirect	<u>7,442</u>	<u>7,889</u>
 Total Grant Expenditures	 <u>\$ 757,470</u>	 <u>\$ 757,470</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Education

Child and Adult Care Food Programs
Schedule of Expenditure Comparison - Budget to Actual
Day Care Homes - Contract 83-8011
For the Period from October 1, 2021 to September 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel	\$ 94,257	\$ 81,864
Supplies	3,370	2,299
Transportation	3,486	1,839
Training	--	--
Rent/utilities	9,600	7,394
Communications	4,304	3,913
Admin services	11,034	8,898
Other	145	135
Indirect	<u>11,758</u>	<u>9,675</u>
	137,954	116,017
Food costs - home providers	<u>691,200</u>	<u>663,012</u>
Total Expenditures	829,154	779,029
Less:		
Other revenue	--	--
Supported by CSBG funds	<u>9,362</u>	<u>--</u>
	<u>9,362</u>	<u>--</u>
Net Funded by Grant	<u>\$ 819,792</u>	<u>\$ 779,029</u>

Child and Adult Care Food Programs
Schedule of Expenditure Comparison - Budget to Actual
Child Care Centers - Contract 83-8010
For the Period from October 1, 2021 to September 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Wages/fringe benefits	\$ --	\$ --
Indirect	--	--
Food costs	189,835	130,210
Kitchen supplies and other costs	<u>--</u>	<u>--</u>
	189,835	130,210
Less:		
Supported by Other Revenue	<u>--</u>	<u>--</u>
Net Funded by Grant	<u>\$ 189,835</u>	<u>\$ 130,210</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Public Health

Special Supplemental Food Program for Women, Infants and Children
Contract 5881 A048

Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2021 to September 30, 2022

	Budget	Actual
Expenditures:		
Salaries and fringe benefits	\$ 207,273	\$ 167,052
Contracted services	3,070	3,022
Other	60,814	70,651
Indirect	24,741	19,664
Total	295,898	260,389
Less:		
Other revenue	--	3,450
	--	3,450
Total Grant Expenditures	\$ 295,898	\$ 256,939

Breast Pump Expenses
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2021 to September 30, 2022

	Budget	Actual
Expenditures	\$ 5,000	\$ 4,398

Iowa Department of Agriculture & Land Stewardship

Farmers Market
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2021 to September 30, 2022

	Budget	Actual
Expenditures	\$ 43	\$ 43

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Low Income Home Energy Assistance Program
Contract LIHEAP-22-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2021 to September 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Regular assistance	\$ 1,455,733	\$ 1,454,006
Emergency crisis intervention program	994,313	994,313
Summer deliverable fuel	456,000	456,000
Program support	18,806	18,806
Assurance 16	11,965	11,965
Administration	<u>128,751</u>	<u>111,555</u>
Total Grant Expenditures	<u>\$ 3,065,568</u>	<u>\$ 3,046,645</u>

Low Income Home Energy Assistance Program
Contract LIHEAP-21ARPA-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from May 27, 2021 to September 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Regular assistance	\$ 3,096,636	\$ 3,088,534
Emergency crisis intervention program	1,575,685	1,575,685
Summer deliverable fuel	114,000	114,000
Program support	31,370	31,370
Assurance 16	21,431	21,430
Administration	<u>299,597</u>	<u>299,597</u>
Total Grant Expenditures	<u>\$ 5,138,719</u>	<u>\$ 5,130,616</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Weatherization Assistance Programs
Contract HEAP 21-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2021 to December 31, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 45,698	\$ 30,345
Health and safety	195,291	191,212
Support	217,759	254,299
Labor	213,455	104,418
Materials	213,455	7,842
Equipment/training	25,285	800
Pollution/mold insurance	--	--
Knob & Tube	--	--
	<u> </u>	<u> </u>
Total Grant Expenditures	<u>\$ 910,943</u>	<u>\$ 588,916</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Weatherization Assistance Programs
Contract DOE 21-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from April 1, 2021 to March 31, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 62,264	\$ 60,333
Health and safety	58,320	59,750
Support	75,051	24,564
Labor	78,060	78,818
Materials	78,060	146,274
Other (T&TA)	<u>20,000</u>	<u>2,016</u>
Total Grant Expenditures	<u>\$ 371,755</u>	<u>\$ 371,755</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Utility Weatherization Assistance Programs
Contract IPL-21-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2021 to December 31, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 1,732	\$ 1,530
Support	3,516	3,401
Labor	17,494	19,374
Materials	<u>17,494</u>	<u>15,931</u>
Total Expenditures	<u>\$ 40,236</u>	<u>\$ 40,236</u>

Utility Weatherization Assistance Programs
Contract MEC-21-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2021 to December 31, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 2,890	\$ 1,874
Support	5,780	6,792
Labor	28,902	29,487
Materials	<u>28,902</u>	<u>28,321</u>
Total Expenditures	<u>\$ 66,474</u>	<u>\$ 66,474</u>

Utility Weatherization Assistance Programs
Contract BHE-21-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2021 to December 31, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 2,094	\$ 1,414
Support	4,188	4,299
Labor	20,940	20,560
Materials	<u>20,940</u>	<u>21,889</u>
Total Expenditures	<u>\$ 48,162</u>	<u>\$ 48,162</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Child Care Resource and Referral Program
Grant ACFS 19-048
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2021 to June 30, 2022

	<u>Budget</u>	<u>Actual</u>
Child Care Resource and Referral Expenditures:		
Wages	\$ 397,990	\$ 370,424
Fringe benefits	178,055	152,727
Supplies	26,500	24,657
Printing/photocopy/postage/telephone	12,400	9,493
Travel	15,000	10,470
Dues and fees	9,500	6,461
Insurance	1,900	1,886
Space/utilities/maintenance	35,000	32,722
Advertising/marketing	9,200	10,752
Other	14,020	11,874
Staff professional development	18,000	391
Provider training expense	54,130	48,367
Indirect	<u>67,843</u>	<u>60,175</u>
Subtotal	839,538	740,399
Less:		
Training/other revenue	<u>--</u>	<u>--</u>
Total Grant Expenditures	<u>\$ 839,538</u>	<u>\$ 740,399</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights
Division of Community Action Agencies

Family Development and Self-Sufficiency Grant
Contract FaDSS-22-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2021 to September 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Indirect costs - administrative	\$ 36,538	\$ 37,053
Personnel wages	235,159	230,160
Fringe benefits	83,851	83,033
Travel	5,400	5,155
Space costs/utilities	17,500	17,730
Telephone	4,080	4,004
Postage	900	341
Publications/dues	700	395
Bonding	870	1,124
Supplies/printing	15,600	14,905
Third-party payments	53,475	57,739
Other costs	<u>12,110</u>	<u>14,552</u>
Total Expenditures	466,183	466,191
Less:		
Other revenue	--	--
Supported by CSBG funds	<u>--</u>	<u>8</u>
Total Federal and State Expenditures	<u>\$ 466,183</u>	<u>\$ 466,183</u>
Support by In-Kind Revenue	<u>\$ 13,500</u>	<u>\$ 8,892</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Early Childhood Iowa Programs
Pottawattamie Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2021 to June 30, 2022

	<u>Budget</u>	<u>Actual</u>
Quality Child Care Consultant Expenditures:		
Personnel wages	\$ 34,777	\$ 35,430
Fringe benefits	16,000	16,447
Supplies	5,541	3,726
Travel	1,000	877
Training/staff development	--	--
Purchased services	1,000	660
Other	15,000	13,802
Indirect	<u>6,200</u>	<u>5,956</u>
Total Expenditures	<u>\$ 79,518</u>	<u>\$ 76,898</u>
Provider Incentive Expenditures:		
Provider training	\$ 10,332	\$ 7,200
Provider incentive programs	<u>46,000</u>	<u>50,836</u>
Total Expenditures	<u>\$ 56,332</u>	<u>\$ 58,036</u>
Less:		
Training/other revenue	<u>\$ --</u>	<u>\$ --</u>
Total Grant Expenditures	<u>\$ 135,850</u>	<u>\$ 134,934</u>

Boost 4 Families
Cass/Mills/Montgomery Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2021 to June 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 6,000	\$ 6,000
Provider incentive programs	<u>34,500</u>	<u>31,685</u>
Total Expenditures	<u>\$ 40,500</u>	<u>\$ 37,685</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Early Childhood Iowa Programs
Corner Counties Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2021 to June 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 9,950	\$ 12,249
Provider incentive programs	<u>18,550</u>	<u>16,251</u>
Total Expenditures	<u>\$ 28,500</u>	<u>\$ 28,500</u>

Harrison/Monona/Shelby Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2021 to June 30, 2022

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ --	\$ --
Provider incentive programs	<u>19,000</u>	<u>19,000</u>
Total Expenditures	<u>\$ 19,000</u>	<u>\$ 19,000</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenses - Administration
 Year Ended September 30, 2022

	<u>Miscellaneous</u>	<u>Indirect Cost Pool</u>	<u>Total</u>
Revenues:			
Public support and contributions	\$ 97,826	\$ --	\$ 97,826
Investment income	2,288	--	2,288
Miscellaneous	<u>214,848</u>	<u>--</u>	<u>214,848</u>
Total Revenues	<u>\$ 314,962</u>	<u>\$ --</u>	<u>\$ 314,962</u>
Expenses:			
Salaries and wages	\$ 246	\$ 408,189	\$ 408,435
Fringe benefits	40	83,218	83,258
Professional fees	5,648	36,627	42,275
Travel	6,863	1,459	8,322
Occupancy	48,452	20,245	68,697
Utilities and telephone	14,266	6,634	20,900
Supplies and materials	28,681	21,210	49,891
Buildings and equipment	58,076	--	58,076
Printing, publications and postage	35,171	23,585	58,756
Insurance	7,578	22,034	29,612
Interest expense	4,854	--	4,854
Miscellaneous	317	2,187	2,504
Co-funding	<u>173</u>	<u>--</u>	<u>173</u>
Total Expenses Before Allocation of Indirect Costs	210,365	625,388	835,753
Allocation of Indirect Costs	<u>34</u>	<u>(592,510)</u>	<u>(592,476)</u>
Total Expenses	<u>\$ 210,399</u>	<u>\$ 32,878</u>	<u>\$ 243,277</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Administration - Miscellaneous Detail
Year Ended September 30, 2022

	Total	Corporate
Revenues:		
Public support and contributions	\$ 97,826	\$ 97,826
Investment income	2,288	2,288
Miscellaneous	214,848	15,996
Total Revenues	314,962	116,110
Expenses:		
Salaries and wages	246	246
Fringe benefits	40	40
Professional fees	5,648	5,648
Travel	6,863	6,863
Occupancy	48,452	--
Utilities and telephone	14,266	--
Supplies and materials	28,681	500
Buildings and equipment	58,076	--
Printing, publications, and postage	35,171	20,818
Insurance	7,578	--
Interest expense	4,854	--
Miscellaneous	317	317
Co-funding	173	173
Total Expenses Before Allocation of Indirect Costs	210,365	34,605
Allocation of Indirect Costs	34	34
Total Expenses	210,399	34,639
Change in Net Assets	\$ 104,563	\$ 81,471

See accompanying independent auditor's report.

<u>Central Supply</u>	<u>Photocopy</u>	<u>Postage</u>	<u>Administrative Building</u>
\$ --	\$ --	\$ --	\$ --
--	--	--	--
<u>65,293</u>	<u>28,802</u>	<u>76,811</u>	<u>27,946</u>
65,293	28,802	76,811	27,946
--	--	--	--
--	--	--	--
--	--	--	--
43,229	--	5,223	--
14,266	--	--	--
146	4,486	23,549	--
--	24,316	33,760	--
74	--	14,279	--
7,578	--	--	--
--	--	--	4,854
--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
65,293	28,802	76,811	4,854
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>65,293</u>	<u>28,802</u>	<u>76,811</u>	<u>4,854</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 23,092</u>

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures
 Indirect Cost Allocations Pool
 For the Year Ended September 30, 2022

Revenues:

Other Revenue:	\$	--
Indirect Cost Reimbursements from Administration		34
Indirect Cost Reimbursements from Programs:		
Low Income Home Energy Assistance Program	\$ 8,710	
Low Income Home Energy Assistance Program American Rescue	22,805	
Low Income Household Water Assistance Program	4,722	
Head Start	218,951	
Early Head Start	125,194	
Community Service Block Grant	6,447	
Women, Infants and Children	19,669	
Child and Adult Care Food Program - Homes	9,675	
Embrace Iowa	214	
Amerigroup	40	
Child Care Resource and Referral	58,911	
Family Development and Self-Sufficiency	40,267	
Pottawattamie Early Childhood Iowa	5,180	
General Relief	428	
Outreach Cost Allocation Pool	44,605	
Disaster Case Management	1,326	
Weatherization Cost Allocation Pool	<u>25,332</u>	
Total Indirect Cost Reimbursements from Programs		<u>592,476</u>
Total Support and Revenues		592,510

(continued next page)

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures - Continued
 Indirect Cost Allocations Pool
 For the Year Ended September 30, 2022

Expenditures:		
Salaries and wages	\$	408,189
Fringe benefits		83,218
Supplies		11,146
Rent		20,241
Travel		1,459
Telephone		6,634
Photocopy		6,291
Postage/server		4,147
Subscriptions/publications		3,362
Computer expenses		10,064
Dues/fees/registration		9,785
Audit and professional fees		36,627
Insurance		22,034
Board expenses		403
Training		500
Building maintenance		4
Direct deposit fees		1,284
Total Expenditures		<u>625,388</u>
Change in Net Assets	(32,878)
Net Assets - Beginning of Year		<u>226,013</u>
Net Assets - End of Year	\$	<u>193,135</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures
 Indirect Reimbursement from Programs
 For the Year Ended September 30, 2022

<u>Program</u>	<u>Wages and Fringe Benefits</u>	<u>Indirect Cost</u>
Low Income Home Energy Assistance Program	\$ 71,393	\$ 8,710
Low Income Home Energy Assistance Program American Rescue	198,952	22,805
Los Income Household Water Assistance Program	39,714	4,722
Head Start	1,871,077	218,951
Early Head Start	1,064,510	125,194
Community Service Block Grant	54,023	6,447
Women, Infants and Children	167,091	19,669
Child and Adult Care Food Program - Homes	81,864	9,675
Embrace Iowa	1,790	214
Amerigroup	328	40
Child Care Resource and Referral	496,837	58,911
Family Development and Self-Sufficiency	339,700	40,267
Pottawattamie Early Childhood Iowa	43,925	5,180
General Relief	3,628	428
Outreach Cost Allocation Pool	373,303	44,605
Disaster Case Management	10,963	1,326
Weatherization Cost Allocation Pool	212,896	25,332
	<u>\$ 5,031,994</u>	<u>\$ 592,476</u>

See accompanying independent auditor's report.

COMMENTS AND RECOMMENDATIONS

Gronewold, Bell, Kyhnn & Co. P.C.

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KENNETH P. TEGELS
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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

To the Board of Directors of
West Central Community Action
Harlan, Iowa

We have audited, 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, the financial statements of West Central Community Action (an Iowa Non-Profit Corporation), which comprise the statement of financial position as of September 30, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated March 20, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Central Community Action'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 West Central Community Action's internal control. Accordingly, we do not express an opinion on the effectiveness of West Central Community Action's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit 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 may exist that have not been identified.

To the Board of Directors of
West Central Community Action

Report on Compliance and Other Matters

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

Acmeard, Bill, High - co. P.C.

Atlantic, Iowa
March 20, 2023

Gronewold, Bell, Kyhnn & Co. P.C.

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

To the Board of Directors of
West Central Community Action
Harlan, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited West Central Community Action's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the Agency's major federal program for the year ended September 30, 2022. The Agency'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, West Central Community Action complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2022.

Basis for Opinion on Each 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 West Central Community Action 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 each major federal program. Our audit does not provide a legal determination of West Central Community Action'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 West Central Community Action's federal programs.

To the Board of Directors of
West Central Community Action

Auditor's Responsibilities 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 West Central Community Action'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 judgement made by a reasonable user of the report on compliance about West Central Community Action's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement 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 West Central Community Action's compliance with the compliance requirements referred to above and performing other such procedures as we considered necessary in the circumstances.
- Obtain an understanding of West Central Community Action'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 West Central Community Action'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 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 non-compliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material non-compliance 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.

To the Board of Directors of
West Central Community Action

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.

Arnewald, Bell, Hyman & Co. P.C.

Atlantic, Iowa
March 20, 2023

WEST CENTRAL COMMUNITY ACTION

Schedule of Findings and Questioned Costs

Year ended September 30, 2022

PART I: Summary of the Independent Auditor's Results

Financial Statements

- (a) Type of auditor's report issued:
- Unmodified
- (b) Internal control over financial reporting:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
- (c) Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

- (d) Internal control over major program:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
- (e) Type of auditor's report issued on compliance for major program:
- Unmodified
- (f) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2CFR 200.516(a)]? _____ yes X no
- (g) Identification of major program:
- Assistance Listing Number 93.600 - Head Start/Early Head Start Program
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
- (i) Auditee qualified as low-risk auditee? X yes _____ no

WEST CENTRAL COMMUNITY ACTION
Schedule of Findings and Questioned Costs
Year ended September 30, 2022

Part II: Findings Related to the Financial Statements

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

INSTANCES OF NON- COMPLIANCE:

No matters were reported.

Part IV: Summary Schedule of Prior Audit Findings

None

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