

WEST CENTRAL COMMUNITY ACTION
INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2021

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	Vacant
Crawford	Jeri Vogt	Donna Childress	Connie McGee
Fremont	Dustin Sheldon	Vacant	Cynthia Williams
Harrison	Walter Utman	Trista McLaughlin	Joan Martens
Mills	Carol Vinton	Coleen Driscoll	Donna Maddocks
Monona	Tom Brouillette	Vacant	Brent Walkins
Montgomery	Charla Schmid	Pat Berendes	Vacant
Page	Alan Armstrong	Vacant	Vacant
Pottawattamie	Lynn Grobe	Bob Burnett	Chris Ritter
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
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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MARK D. KYHNN
KENNETH P. TEGELS
CHRISTOPHER J. NELSON
DAVID A. GINTHER

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2021 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

To the Board of Directors
West Central Community Action

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Central Community Action as of September 30, 2021, 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.

Other Matter

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 third paragraph of this report, the financial statements for the years ended September 30, 2019 and September 30, 2020 (which are not presented herein) and expressed an unmodified opinion on each of those financial statements. The supplementary information on page 1 and on Schedules 1 through 18, including the Schedule of Expenditures of Federal Awards 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 4, 2022 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.

Stonewall, Bell, Hyatt & Co. P.C.

Atlantic, Iowa
March 4, 2022

WEST CENTRAL COMMUNITY ACTION
Statement of Financial Position
All Funds
September 30, 2021

ASSETS	Administrative Fund	Program Funds	Plant Fund	Total
Cash	\$ 1,622,937	\$ --	\$ --	\$ 1,622,937
Investments:				
Cash and cash equivalents	--	32,667	--	32,667
Certificates of deposit	326,180	--	--	326,180
Accrued interest receivable	313	--	--	313
Receivables:				
Grantor agencies	--	1,758,541	--	1,758,541
Other sources	17,481	--	--	17,481
Due from other funds	--	546,041	--	546,041
Prepaid expenses	20,705	--	--	20,705
Property and equipment at cost, less accumulated depreciation of \$2,231,574	--	--	2,075,830	2,075,830
Total Assets	<u>\$ 1,987,616</u>	<u>\$ 2,337,249</u>	<u>\$ 2,075,830</u>	<u>\$ 6,400,695</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Payables:				
Accounts	\$ 13,049	\$ 140,466	\$ --	\$ 153,515
Due to other funds	546,041	--	--	546,041
Accrued salaries and benefits	108,964	156,107	--	265,071
Compensated absences	322,844	--	--	322,844
Advances from grantors and others	--	1,211,658	--	1,211,658
Notes payable	525,685	--	--	525,685
Total Liabilities	1,516,583	1,508,231	--	3,024,814
Net Assets				
Without donor restrictions	471,033	408,983	1,091,730	1,971,746
With donor restrictions	--	420,035	984,100	1,404,135
Total Net Assets	<u>471,033</u>	<u>829,018</u>	<u>2,075,830</u>	<u>3,375,881</u>
Total Liabilities and Net Assets	<u>\$ 1,987,616</u>	<u>\$ 2,337,249</u>	<u>\$ 2,075,830</u>	<u>\$ 6,400,695</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Activities
All Funds
Year Ended September 30, 2021

	Without Donor Restrictions			Total
	Administrative Fund	Program Funds	Plant Fund	
Revenues:				
Governmental Funding Sources:				
Iowa Dept. of Human Rights	\$ --	\$ 6,372,876	\$ --	\$ 6,372,876
U.S. Dept. of Health & Human Services	--	4,407,298	--	4,407,298
Iowa Dept. of Public Health	--	376,783	--	376,783
Iowa Dept. of Education	--	904,660	--	904,660
Iowa Dept. of Human Services	--	974,301	--	974,301
Various	--	139,196	--	139,196
In-Kind Contributions	--	1,313,156	--	1,313,156
Public Support and Contributions	101,350	68,353	--	169,703
Co-funding	--	653,173	--	653,173
Investment in Plant	--	--	66,279	66,279
Investment Income	2,331	3	--	2,334
Gain (Loss) on Sale of Equipment	--	1,000	--	1,000
Miscellaneous	287,430	362,213	--	649,643
Net assets released from restrictions	--	85,199	110,675	195,874
Total Revenues	391,111	15,658,211	176,954	16,226,276
Expenses:				
Head Start	--	5,423,437	--	5,423,437
Community Services Block Grant (CSBG)	--	844,343	--	844,343
Child and Adult Care Food Program (CACFP)	--	906,659	--	906,659
Women, Infants and Children (WIC)	--	380,860	--	380,860
Low-Income Household Water Assistance Program (LIHWAP)	--	38	--	38
Low-Income Home Energy Assistance Program (LIHEAP)	--	3,905,331	--	3,905,331
Weatherization Assistance	--	785,226	--	785,226
Child Care Resource & Referral (CCR&R)	--	961,848	--	961,848
Family Development	--	422,901	--	422,901
Early Childhood Iowa	--	241,028	--	241,028
Outreach	--	996,602	--	996,602
Other Programs	--	563,676	--	563,676
Administration	411,451	--	--	411,451
Depreciation	--	--	182,205	182,205
Total Expenses	411,451	15,431,949	182,205	16,025,605
Change in Net Assets	(20,340)	226,262	(5,251)	200,671
Net Assets - Beginning of Year	491,373	182,721	1,096,981	1,771,075
Net Assets - End of Year	<u>\$ 471,033</u>	<u>\$ 408,983</u>	<u>\$ 1,091,730</u>	<u>\$ 1,971,746</u>

See notes to financial statements.

With Donor Restrictions				Grand Total
Program Funds	Plant Fund	Total		
\$ --	\$ --	\$ --	\$	6,372,876
--	--	--		4,407,298
--	--	--		376,783
--	--	--		904,660
--	--	--		974,301
--	--	--		139,196
--	--	--		1,313,156
25,800	--	25,800		195,503
--	--	--		653,173
--	100,207	100,207		166,486
--	--	--		2,334
--	--	--		1,000
132,129	--	132,129		781,772
(85,199)	(110,675)	(195,874)		--
<u>72,730</u>	<u>(10,468)</u>	<u>62,262</u>		<u>16,288,538</u>
--	--	--		5,423,437
--	--	--		844,343
--	--	--		906,659
--	--	--		380,860
--	--	--		38
--	--	--		3,905,331
--	--	--		785,226
--	--	--		961,848
--	--	--		422,901
--	--	--		241,028
--	--	--		996,602
--	--	--		563,676
--	--	--		411,451
<u>--</u>	<u>--</u>	<u>--</u>		<u>182,205</u>
--	--	--		16,025,605
72,730	(10,468)	62,262		262,933
<u>347,305</u>	<u>994,568</u>	<u>1,341,873</u>		<u>3,112,948</u>
<u>\$ 420,035</u>	<u>\$ 984,100</u>	<u>\$ 1,404,135</u>	<u>\$</u>	<u>3,375,881</u>

WEST CENTRAL COMMUNITY ACTION
Statement of Functional Expenses
Year Ended September 30, 2021

	<u>Management and General</u>	<u>Program Services</u>	<u>Total</u>
Salaries and wages	\$ 406,512	\$ 4,042,218	\$ 4,448,730
Fringe benefits	91,165	1,207,812	1,298,977
Assistance to individuals	5,643	5,607,414	5,613,057
Professional fees	47,569	489,926	537,495
Travel	4,301	53,522	57,823
Occupancy	70,589	569,539	640,128
Utilities and telephone	21,587	186,989	208,576
Supplies and materials	65,661	380,235	445,896
Buildings and equipment	129,258	109,124	238,382
Printing, publications, and postage	41,492	114,823	156,315
Insurance	20,852	61,254	82,106
Interest expense	5,784	17,392	23,176
Miscellaneous	2,695	63,951	66,646
Co-funding	60,114	652,823	712,937
In-Kind:			
Labor	--	139,915	139,915
Materials and other	--	1,173,241	1,173,241
Depreciation	<u>71,530</u>	<u>110,675</u>	<u>182,205</u>
Total Expenses before Allocation of Indirect Costs	1,044,752	14,980,853	16,025,605
Allocation of Indirect Costs	<u>(561,771)</u>	<u>561,771</u>	<u>--</u>
Total Expenses	<u>\$ 482,981</u>	<u>\$ 15,542,624</u>	<u>\$ 16,025,605</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Cash Flows
Year Ended September 30, 2021

Cash flows from operating activities:	
Cash received from State agencies	\$ 8,571,308
Cash received from Federal grantors	4,616,113
Contributions received	195,503
Investment income	2,531
Other receipts	877,852
Cash paid to employees and suppliers	(13,732,941)
Interest paid	(23,176)
Net cash provided by operating activities	<u>507,190</u>
Cash flows from investing activities:	
Change in investments	(2,062)
Payments to acquire property and equipment	(166,486)
Proceeds on sale of equipment	1,000
Net cash used in investing activities	<u>(167,548)</u>
Cash flows from financing activities:	
Payments on notes payable	<u>(36,116)</u>
Net increase in cash and cash equivalents	303,526
Cash and cash equivalents at beginning of year	<u>1,352,078</u>
Cash and cash equivalents at end of year	<u>\$ 1,655,604</u>
Reconciliation of cash and cash equivalents to the statement of financial position:	
Cash	\$ 1,622,937
Cash and cash equivalents in investments	<u>32,667</u>
	<u>\$ 1,655,604</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

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. As indicated on Exhibit B, the Agency received approximately 80% of its revenues from five governmental funding sources. The Agency has renewed substantially all of these governmental funding sources for fiscal year October 1, 2021 to 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. Fund Accounting

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

Administrative Fund - The Administrative Fund represents funds derived from local sources such as donations and miscellaneous activities. The Agency's overall management and administrative expenses are charged to the Indirect Fund, which is part of the Administrative Fund and then allowable indirect costs are allocated to the various programs which the Agency administers.

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

Plant Fund - The Plant Fund is used to accumulate the net investment in fixed assets and to account for the unexpended resources contributed specifically for the purpose of acquiring fixed assets for the Agency.

C. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles. Revenues are recognized when earned and expenses are recorded when the liability is incurred.

Purchases of property and equipment providing future benefits are recorded as expenses in the program at the time of purchase and capitalized in the plant fund.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. 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.

E. 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.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

F. 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.

Receivables/Payables from Other Funds - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. To the extent that certain transactions between funds had not been paid or received as of September 30, 2021, balances of interfund amounts receivable or payable have 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.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

Property and equipment purchased are recorded as expenses in the program purchasing the asset. The purchases are then capitalized in the Plant Fund accumulating the net investment in fixed assets. Depreciation has been provided in the Plant Fund 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 into the Plant Fund. The cost of assets disposed of is deleted. No interest costs were capitalized during the year ended September 30, 2021.

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 of the Administrative Fund. This liability has been computed based on rates of pay in effect at September 30, 2021.

Advertising and Promotion Costs - Advertising and promotion costs are expensed as they are incurred. Advertising and promotion costs totaled \$10,818 during the year ended September 30, 2021.

G. 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.

H. 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, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I. 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 September 30, 2022. The Indirect Cost allowed is calculated by multiplying the approved rate (10.7%) 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, 2021 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	\$ 32,667
Certificates of deposit	<u>326,180</u>
	<u>\$ 358,847</u>

Investment income is composed entirely of interest income for the year ended September 30, 2021.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions of \$1,404,135 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 \$195,874 during the year ended September 30, 2021 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, 2021, 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	\$ 1,655,604
Certificates of deposit	326,180
Accrued interest receivable	313
Receivables from grantor agencies and other sources	<u>1,776,022</u>
Total financial assets available within one year	<u>\$ 3,758,119</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, 2021

NOTE 6 - PROPERTY AND EQUIPMENT

A summary of property and equipment comprising the plant fund at September 30, 2021, 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	\$ 374,487	\$ --	\$ 1,850	\$ 376,337
Shelby County Early Childhood Center	1,224,249	--	29,121	1,253,370
Harlan Administrative Building	508,743	--	54,132	562,875
Head Start	--	140,020	358,677	498,697
Child Care Resource & Referral CSBG	--	--	8,124	8,124
Family Development	--	--	3,135	3,135
Women, Infants and Children	62,458	74,649	12,567	149,674
LIHEAP	--	--	2,640	2,640
Weatherization - HEAP	--	16,449	33,400	49,849
Early Head Start	996,389	139,945	233,733	1,370,067
Weatherization Pool	--	--	20,774	20,774
Indirect Cost Pool	--	--	8,512	8,512
Total Cost	<u>3,166,326</u>	<u>371,063</u>	<u>770,015</u>	<u>4,307,404</u>
Less Accumulated Depreciation	<u>(1,326,436)</u>	<u>(206,359)</u>	<u>(698,779)</u>	<u>(2,231,574)</u>
Net	<u>\$1,839,890</u>	<u>\$ 164,704</u>	<u>\$ 71,236</u>	<u>\$ 2,075,830</u>

The components of the Agency's accumulated depreciation at September 30, 2021 are as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Balance Beginning of Year	\$1,229,625	\$ 293,549	\$ 776,311	\$ 2,299,485
Current Year Depreciation	96,811	54,524	30,870	182,205
Less Disposals	<u>--</u>	<u>(141,714)</u>	<u>(108,402)</u>	<u>(250,116)</u>
Balance End of Year	<u>\$1,326,436</u>	<u>\$ 206,359</u>	<u>\$ 698,779</u>	<u>\$ 2,231,574</u>

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 7 - NOTES PAYABLE

Notes payable consist of the following at September 30, 2021:

Note payable to bank	\$ 124,420
Note payable to U.S. Department of Agriculture (USDA)	389,839
Note payable to U.S. Department of Agriculture (USDA)	<u>11,426</u>
	<u>\$ 525,685</u>

The bank note payable of \$124,420 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 \$389,839 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 \$11,426 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>
2022	\$ 37,683	\$ 21,609	\$ 59,292
2023	39,315	19,977	59,292
2024	39,650	18,331	57,981
2025	38,173	16,643	54,816
2026	39,827	14,989	54,816
2027-2043	<u>331,037</u>	<u>130,521</u>	<u>461,558</u>
	<u>\$ 525,685</u>	<u>\$ 222,070</u>	<u>\$ 747,755</u>

NOTE 8 - LEASE COMMITMENT

West Central Community Action leases office space under operating 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 non-cancelable operating leases expiring through April, 2022.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 8 - LEASE COMMITMENT - Continued

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of September 30, 2021 are as follows:

Year Ending September 30,		
2022	\$	7,600
2023		4,800
2024		4,800
2025		4,800
2026		800
Total minimum future rental payments	\$	22,800

Rental expense under all non-cancelable operating leases for the year ended September 30, 2021 totaled approximately \$14,500.

NOTE 9 - 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, 2021 was approximately \$364,700, equal to the required contribution for the year, while the employees contributed approximately \$246,300.

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, 2021, the Agency's contributions amounted to \$9,319.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 10 - COUNTY CONTRIBUTIONS

The Agency received county support totaling \$41,250 in fiscal year 2021 which is included in public support and contributions in the administrative fund. The following table shows the breakdown of the county contributions.

Cass County	\$	4,000
Crawford County		3,500
Fremont County		3,000
Harrison County		4,350
Monona County		2,000
Montgomery County		3,000
Page County		3,500
Pottawattamie County		15,000
Shelby County		2,900
	\$	41,250

NOTE 11 - 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 4, 2022, the date the financial statements were available to be issued.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2021

NOTE 12 - 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. As of March 16, 2020 certain of the Agency's operations were limited per recommendations of the Governor and Department of Public Health and have remained limited to varying degrees since. 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 2022 and beyond.

NOTE 13 - NEW ACCOUNTING GUIDANCE IMPELEMENTAITON

ASU No. 2014-09

The Financial Accounting Standards Board (FASB) issued new guidance that created Topic 606, *Revenue from Contracts with Customers*, in the Accounting Standards Codification (ASC). Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The new guidance also added Subtopic 340-40, *Other Assets and Deferred Costs - Contracts with Customers*, to the ASC to require the deferral of incremental costs of obtaining a contract with a customer. Collectively, the new Topic 606 and Subtopic 340-40 are referred to as the "new guidance."

The Agency adopted the requirements of the new guidance as of October 1, 2020, utilizing the modified retrospective method of transition. The difference to revenues and receivables as of and for the year ended September 30, 2020 under the new guidance as opposed to the prior revenue recognition guidance was determined to be immaterial. Accordingly, no adjustment to beginning net assets was necessary.

* * *

SUPPLEMENTARY INFORMATION

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Program Funds
Year Ended September 30, 2021

	Head Start - Early Head Start	CSBG
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ --	\$ 843,666
U.S. Department of Health and Human Services	4,407,298	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	--	--
Various	24,791	--
In-Kind Contributions	782,210	--
Public Support and Contributions	--	--
Co-funding	--	--
Investment income	--	--
Gain (loss) on sale of equipment	1,000	--
Miscellaneous	208,138	677
	5,423,437	844,343
Total Revenues		
Expenses:		
Salaries and wages	2,374,460	35,155
Fringe benefits	732,345	6,700
Assistance to individuals	--	142,553
Professional fees	412,473	--
Travel	24,763	--
Occupancy	231,641	1,168
Utilities and telephone	83,579	137
Supplies and materials	232,182	451
Buildings and equipment	100,762	--
Printing, publications and postage	59,528	857
Insurance	44,726	21
Interest expense	--	--
Miscellaneous	12,340	--
Co-Funding	--	652,823
In-Kind:		
Labor	127,881	--
Materials and other	654,329	--
	5,091,009	839,865
Total Expenses Before Allocation of Indirect Costs		
Allocation of Indirect Costs	332,428	4,478
Total Expenses		
	5,423,437	844,343
Change in Net Assets	--	--
Net Assets at Beginning of Year	--	--
Net Assets at End of Year	\$ --	\$ --

(continued next page)

<u>CACFP Homes</u>	<u>CACFP Centers</u>	<u>WIC</u>	<u>LIWHAP</u>
\$ --	\$ --	\$ --	\$ 38
--	--	--	--
--	--	376,783	--
802,389	102,271	--	--
--	--	--	--
--	--	559	--
--	--	--	--
1,883	--	--	--
--	--	--	--
--	--	--	--
116	--	3,518	--
<hr/>	<hr/>	<hr/>	<hr/>
804,388	102,271	380,860	38
64,077	--	198,503	--
20,139	--	58,604	--
684,405	102,271	--	--
3,819	--	2,431	--
434	--	6,543	--
9,224	--	31,090	--
1,462	--	15,351	7
2,760	--	32,376	--
--	--	622	--
1,799	--	6,422	31
123	--	1,366	--
--	--	--	--
7,135	--	42	--
--	--	--	--
<hr/>	<hr/>	<hr/>	<hr/>
795,377	102,271	353,350	38
9,011	--	27,510	--
<hr/>	<hr/>	<hr/>	<hr/>
804,388	102,271	380,860	38
<hr/>	<hr/>	<hr/>	<hr/>
--	--	--	--
<hr/>	<hr/>	<hr/>	<hr/>
\$ --	\$ --	\$ --	\$ --

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Program Funds - Continued
Year Ended September 30, 2021

	LIHEAP	HEAP
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 3,904,002	\$ 609,933
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	--	--
Gain (loss) on sale of equipment	--	--
Miscellaneous	1,329	--
	3,905,331	609,933
Total Revenues		
Expenses:		
Salaries and wages	205,526	--
Fringe benefits	62,495	--
Assistance to individuals	3,505,452	609,133
Professional fees	--	--
Travel	3,546	--
Occupancy	37,341	--
Utilities and telephone	3,915	--
Supplies and materials	35,162	--
Buildings and equipment	101	--
Printing, publications and postage	22,529	--
Insurance	364	--
Interest expense	--	--
Miscellaneous	222	800
Co-Funding	--	--
In-Kind:		
Labor	--	--
Materials and other	--	--
	3,876,653	609,933
Total Expenses Before Allocation of Indirect Costs		
Allocation of Indirect Costs	28,678	--
Total Expenses	3,905,331	609,933
Change in Net Assets	--	--
Net Assets at Beginning of Year	--	--
Net Assets at End of Year	\$ --	\$ --

(continued next page)

<u>Department of Energy</u>	<u>Child Care Utility Company</u>	<u>Family Development Resource and Referral</u>	<u>and Self- Sufficiency</u>
\$ 460,830	\$ 146,428	\$ --	\$ 407,979
--	--	--	--
--	--	--	--
--	--	721,221	--
--	--	--	--
--	--	234,953	13,298
--	--	--	--
--	--	--	352
--	--	--	--
--	--	--	--
--	--	5,674	1,272
<u>460,830</u>	<u>146,428</u>	<u>961,848</u>	<u>422,901</u>
--	--	393,368	243,039
--	--	121,083	60,474
460,437	146,428	--	--
--	--	39,629	--
--	--	8,426	2,036
--	--	37,839	18,101
--	--	7,332	3,967
--	--	39,927	9,809
--	--	1,006	164
--	--	15,949	1,772
--	--	1,575	810
--	--	--	--
393	--	5,715	36,955
--	--	--	--
--	--	1,592	1,018
<u>--</u>	<u>--</u>	<u>233,361</u>	<u>12,280</u>
460,830	146,428	906,802	390,425
<u>--</u>	<u>--</u>	<u>55,046</u>	<u>32,476</u>
<u>460,830</u>	<u>146,428</u>	<u>961,848</u>	<u>422,901</u>
--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Program Funds - Continued
Year Ended September 30, 2021

	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	240,830	--
Various	--	--
In-Kind Contributions	--	282,695
Public Support and Contributions	--	--
Co-funding	--	577,055
Investment income	--	--
Gain (loss) on sale of equipment	--	--
Miscellaneous	198	136,852
	241,028	996,602
Total Revenues		
Expenses:		
Salaries and wages	30,407	340,150
Fringe benefits	10,174	93,130
Assistance to individuals	145,569	80
Professional fees	30,774	--
Travel	561	714
Occupancy	14,997	155,283
Utilities and telephone	611	49,410
Supplies and materials	2,601	14,394
Buildings and equipment	156	6,227
Printing, publications and postage	704	3,561
Insurance	132	4,576
Interest expense	--	--
Miscellaneous	--	21
Co-Funding	--	--
In-Kind:		
Labor	--	9,424
Materials and other	--	273,271
	236,686	950,241
Total Expenses Before Allocation of Indirect Costs		
Allocation of Indirect Costs	4,342	46,361
	241,028	996,602
Total Expenses		
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</u>	<u>Total</u>
\$ --	\$ --	\$ 6,372,876
--	--	4,407,298
--	--	376,783
--	--	904,660
12,250	--	974,301
113,846	--	139,196
--	--	1,313,156
94,153	--	94,153
73,883	--	653,173
3	--	3
--	--	1,000
<u>568,533</u>	<u>(431,965)</u>	<u>494,342</u>
862,668	(431,965)	15,730,941
157,533	--	4,042,218
42,668	--	1,207,812
243,051	(431,965)	5,607,414
800	--	489,926
6,499	--	53,522
32,855	--	569,539
21,218	--	186,989
10,573	--	380,235
86	--	109,124
1,671	--	114,823
7,561	--	61,254
17,392	--	17,392
328	--	63,951
--	--	652,823
--	--	139,915
<u>--</u>	<u>--</u>	<u>1,173,241</u>
542,235	(431,965)	14,870,178
<u>21,441</u>	<u>--</u>	<u>561,771</u>
<u>563,676</u>	<u>(431,965)</u>	<u>15,431,949</u>
298,992	--	298,992
<u>530,026</u>	<u>--</u>	<u>530,026</u>
<u>\$ 829,018</u>	<u>\$ --</u>	<u>\$ 829,018</u>

WEST CENTRAL COMMUNITY ACTION
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number
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-21-17
Family Development and Self-Sufficiency Program	93.558	FaDSS-22-17
Family Development and Self-Sufficiency Program - Pandemic Emergency Assistance Funds	93.558	FaDSS-PEAF-22-17
Low Income Home Energy Assistance Program	93.568	LIHEAP-21-17
Low Income Home Energy Assistance Program CARES	93.568	LIHEAP-20CA-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-20-17
Weatherization Assistance Program	93.568	HEAP-21-17
Community Services Block Grant	93.569	CSBG-20-17
Community Services Block Grant	93.569	CSBG-21-17
Community Services Block Grant Disaster Supplemental	93.569	CSBG-20D-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		
Direct Programs		
Federal Emergency Management Agency		
Emergency Food and Shelter Program CARES	97.024	37/2894-00
Emergency Food and Shelter Program	97.024	37/2894-00
Emergency Food and Shelter Program	97.024	38/2894-00
Indirect Programs		
Passed through Iowa Community Action Association		
Disaster Assistance Projects	97.088	FOSU-20-002
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>
02/01/20 - 01/31/21	\$ 1,130,486
02/01/21 - 01/31/22	1,828,159
02/01/20 - 01/31/21	470,524
02/01/21 - 01/31/22	946,224
04/01/21 - 03/31/23	<u>31,905</u>
	4,407,298
07/01/20 - 09/30/21	172,824
07/01/21 - 06/30/22	54
07/01/21 - 07/31/22	<u>36,180</u>
	209,058
10/01/20 - 09/30/21	3,206,953
03/27/20 - 09/30/21	63,470
05/27/21 - 09/30/22	633,579
05/28/21 - 09/30/23	38
01/01/20 - 12/31/20	180,607
01/01/21 - 12/31/21	<u>429,326</u>
	4,513,973
10/01/19 - 06/30/21	291,614
10/01/20 - 03/31/22	253,701
10/01/19 - 09/30/21	7,946
01/20/20 - 09/30/22	<u>290,405</u>
	843,666
07/01/20 - 06/30/21	552,319
07/01/21 - 06/30/22	<u>168,902</u>
	721,221
	10,695,216
07/01/20 - 06/30/21	15,685
07/01/20 - 06/30/21	9,944
07/01/21 - 06/30/22	<u>47,905</u>
	73,534
07/01/20 - 06/30/21	305
07/01/21 - 06/30/22	<u>3,405</u>
	3,710
	77,244

WEST CENTRAL COMMUNITY ACTION
 Schedule of Expenditures of Federal Awards - Continued
 Year Ended September 30, 2021

<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	5881A048
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5881A048
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 the Treasury		
Indirect Programs		
Passed through Iowa Community Action Association		
IFA Eviction Prevention Program	21.019	ICAA COVID-19
IFA Rent and Utility Assistance Program	21.023	ICAA/IRUAP COVID-19
<i>Total U.S. Department of the Treasury</i>		
U.S. Department of Energy		
Indirect Programs		
Passed through Iowa Department of Human Rights		
Weatherization Assistance for Low-Income Persons	81.042	DOE-20-17
Weatherization Assistance for Low-Income Persons	81.042	DOE-21-17
<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>
10/01/20 - 09/30/21	\$ 369,366
10/01/20 - 09/30/21	<u>7,417</u>
	376,783
10/01/20 - 09/30/21	802,389
10/01/20 - 09/30/21	<u>102,271</u>
	904,660
05/01/18 - 12/31/21	<u>559</u>
	1,282,002
06/10/20 - 12/31/20	4,792
04/01/21 - 08/23/21	<u>26,797</u>
	31,589
04/01/20 - 03/31/21	200,701
04/01/21 - 03/31/22	<u>260,129</u>
	<u>460,830</u>
	<u>\$ 12,546,881</u>
	\$ 4,480,832
	\$ 8,066,049

WEST CENTRAL COMMUNITY ACTION
Schedule of Expenditures of Federal Awards - Continued
Year Ended September 30, 2021

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, 2021. 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, 2021.

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. 07CH011100-02
Schedule of Expenditure Comparison - Budget to Actual
For the Period from February 1, 2020 to January 31, 2021

	Budget	Actual
Expenditures:		
Personnel	\$ 2,634,528	\$ 2,318,610
Fringe benefits	1,169,540	994,408
Travel/mileage/vehicle expense	19,197	190
Equipment	80,000	76,407
Supplies	161,034	260,153
Contractual	433,352	409,274
Other	765,345	426,413
Indirect	407,046	354,493
Total Expenditures	5,670,042	4,839,948
In-Kind:		
Space	168,855	290,000
Professional volunteers	12,366	5,260
Non-professional volunteers	62,728	111,974
Mileage	345	1,353
Materials	7,619	19,404
Other	1,038	--
Pre K collaborations/Early Childhood Iowa	172,819	281,585
Total In-Kind	425,770	709,576
Total Expenditures and In-Kind	6,095,812	5,549,524
Less:		
In-Kind	425,770	709,576
Other revenue	--	64,826
Net Grant Expenditure	\$ 5,670,042	\$ 4,775,122

(continued next page)

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

Head Start/Early Head Start Grant No. 07CH011100-02
Schedule of Expenditure Comparison - Budget to Actual - Continued
For the Period from February 1, 2020 to January 31, 2021

Summary by Functional Category

	<u>Budget</u>	Percentage of Actual	<u>Actual</u>
Administration	\$ 340,798	8.51%	\$ 466,793
T/TA	55,745	0.63%	34,427
Program operations	5,273,499	77.92%	4,273,902
Other revenue	--	1.18%	64,826
In-Kind	<u>425,770</u>	<u>12.94%</u>	<u>709,576</u>
Total Expenditures	6,095,812	101.18%	5,549,524
Less:			
Other revenue	<u>--</u>	<u>1.18%</u>	<u>64,826</u>
Net before in-kind	<u>6,095,812</u>	<u>100.00%</u>	<u>5,484,698</u>
Less in-kind	<u>425,770</u>		<u>709,576</u>
Net Grant Expenditure	<u>\$ 5,670,042</u>		<u>\$ 4,775,122</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Community Service Block Grant CSBG 20-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2019 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Personnel	\$ 32,200	\$ 19,253
Travel	200	--
Space Costs	1,280	1,415
Equipment Costs	22	--
Co-Funded Programs:		
Child and Adult Care Food Program	12,000	1,335
Family Development and Self-Sufficiency	5,000	--
Emergency Food & Shelter	500	206
Outreach	468,474	523,011
Senior Aides	10,000	--
Women, Infants and Children	1,000	--
General Relief	150	357
Headstart/Early Headstart	5,972	--
Disaster Case Management	5,000	--
Other	4,550	2,085
Indirect	<u>3,446</u>	<u>2,132</u>
Total Grant Expenditures	<u>\$ 549,794</u>	<u>\$ 549,794</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, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel	\$ 94,232	\$ 84,216
Supplies	4,630	2,760
Transportation	3,390	434
Training	6,500	3,819
Rent/utilities	9,500	9,223
Communications	3,443	3,366
Admin services	9,425	7,031
Other	150	123
Indirect	<u>10,083</u>	<u>9,011</u>
	141,353	119,983
Food costs - home providers	691,200	663,367
Emergency Assistance Food costs	<u>--</u>	<u>21,038</u>
Total Expenditures	832,553	804,388
Less:		
Other revenue	--	116
Supported by CSBG funds	<u>6,463</u>	<u>1,883</u>
	6,463	1,999
Net Funded by Grant	<u>\$ 826,090</u>	<u>\$ 802,389</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, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Wages/fringe benefits	\$ --	\$ --
Indirect	--	--
Food costs	152,879	101,577
Kitchen supplies and other costs	<u>4,500</u>	<u>694</u>
	157,379	102,271
Less:		
Supported by Other Revenue	<u>--</u>	<u>--</u>
Net Funded by Grant	<u>\$ 157,379</u>	<u>\$ 102,271</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, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Salaries and fringe benefits	\$ 287,904	\$ 256,942
Contracted services	19,914	2,431
Other	73,640	86,395
Indirect	30,806	27,116
Total	<u>412,264</u>	<u>372,884</u>
Less:		
Other revenue	<u>--</u>	<u>3,518</u>
	<u>--</u>	<u>3,518</u>
Total Grant Expenditures	<u>\$ 412,264</u>	<u>\$ 369,366</u>

Breast Pump Expenses
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures	<u>\$ 7,500</u>	<u>\$ 7,417</u>

Iowa Department of Agriculture & Land Stewardship

Farmers Market
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures	<u>\$ 559</u>	<u>\$ 559</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Low Income Home Energy Assistance Program
Contract LIHEAP-21-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Regular assistance	\$ 2,119,663	\$ 2,043,145
Emergency crisis intervention program	552,182	552,182
Summer deliverable fuel	267,680	267,680
Program support	21,486	21,486
Assurance 16	23,372	23,372
Administration	<u>299,088</u>	<u>299,088</u>
Total Grant Expenditures	<u>\$ 3,283,471</u>	<u>\$ 3,206,953</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Weatherization Assistance Programs
Contract HEAP 20-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2020 to December 31, 2020

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 42,448	\$ 12,050
Health and safety	180,686	118,878
Support	195,568	191,597
Labor	189,051	28,316
Materials	189,051	23,671
Equipment/training	17,650	2,365
Pollution/mold insurance	4,722	4,722
Knob & Tube	--	--
Total Grant Expenditures	<u>\$ 819,176</u>	<u>\$ 381,599</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Weatherization Assistance Programs
Contract DOE 20-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from April 1, 2020 to March 31, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 33,492	\$ 25,006
Health and safety	59,427	44,675
Support	77,888	30,743
Labor	81,561	49,853
Materials	81,561	99,051
Other (T&TA)	<u>15,000</u>	<u>--</u>
Total Grant Expenditures	<u>\$ 348,929</u>	<u>\$ 249,328</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Utility Weatherization Assistance Programs
Contract IPL-20-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2020 to December 31, 2020

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 1,659	\$ 264
Support	3,318	961
Labor	16,593	4,355
Materials	<u>16,593</u>	<u>3,818</u>
Total Expenditures	<u>\$ 38,163</u>	<u>\$ 9,398</u>

Utility Weatherization Assistance Programs
Contract MEC-20-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2020 to December 31, 2020

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 2,856	\$ 1,959
Support	5,778	6,692
Labor	28,891	29,650
Materials	<u>28,891</u>	<u>28,115</u>
Total Expenditures	<u>\$ 66,416</u>	<u>\$ 66,416</u>

Utility Weatherization Assistance Programs
Contract BHE-20-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2020 to December 31, 2020

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 2,094	\$ 1,059
Support	4,188	4,199
Labor	20,940	20,201
Materials	<u>20,940</u>	<u>22,703</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, 2020 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Child Care Resource and Referral Expenditures:		
Wages	\$ 364,688	\$ 354,756
Fringe benefits	150,952	148,768
Supplies	24,112	21,216
Printing/photocopy/postage/telephone	13,300	14,988
Travel	8,000	7,489
Dues and fees	8,500	6,785
Insurance	2,000	1,481
Space/utilities/maintenance	36,000	38,463
Advertising/marketing	6,600	4,321
Other	11,890	9,626
Staff professional development	8,500	7,252
Provider training expense	65,793	49,779
Indirect	<u>56,351</u>	<u>53,877</u>
Subtotal	756,686	718,801
Less:		
Training/other revenue	<u>--</u>	<u>6,028</u>
Total Grant Expenditures	<u>\$ 756,686</u>	<u>\$ 712,773</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-21-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2020 to September 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Indirect costs - administrative	\$ 35,590	\$ 35,839
Personnel wages	241,684	246,342
Fringe benefits	90,174	88,606
Travel	3,900	2,129
Space costs/utilities	20,324	20,134
Telephone	5,250	4,711
Postage	980	965
Bonding	690	875
Supplies/printing	7,720	7,787
Third-party payments	1,600	1,600
Other costs	<u>4,258</u>	<u>6,450</u>
Total Expenditures	412,170	415,438
Less:		
Other revenue	--	3,266
Supported by CSBG funds	<u>--</u>	<u>2</u>
Total Federal and State Expenditures	<u>\$ 412,170</u>	<u>\$ 412,170</u>
Support by In-Kind Revenue	<u>\$ 18,525</u>	<u>\$ 13,487</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, 2020 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Quality Child Care Consultant Expenditures:		
Personnel wages	\$ 30,053	\$ 28,466
Fringe benefits	10,758	10,706
Supplies	3,550	3,522
Travel	900	647
Training/staff development	750	--
Purchased services	1,000	1,040
Other	15,695	15,729
Indirect	<u>5,383</u>	<u>4,191</u>
Total Expenditures	<u>\$ 68,089</u>	<u>\$ 64,301</u>
Provider Incentive Expenditures:		
Provider training	\$ 19,000	\$ 18,814
Provider incentive programs	<u>60,555</u>	<u>59,555</u>
Total Expenditures	<u>\$ 79,555</u>	<u>\$ 78,369</u>
Less:		
Training/other revenue	<u>\$ --</u>	<u>\$ 204</u>
Total Grant Expenditures	<u>\$ 147,644</u>	<u>\$ 142,466</u>

Boost 4 Families
Cass/Mills/Montgomery Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2020 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 4,200	\$ 4,200
Provider incentive programs	<u>36,300</u>	<u>36,300</u>
Total Expenditures	<u>\$ 40,500</u>	<u>\$ 40,500</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, 2020 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 4,200	\$ 4,200
Provider incentive programs	<u>26,800</u>	<u>26,800</u>
Total Expenditures	<u>\$ 31,000</u>	<u>\$ 31,000</u>

Harrison/Monona/Shelby Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2020 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 400	\$ 400
Provider incentive programs	<u>18,600</u>	<u>18,600</u>
Total Expenditures	<u>\$ 19,000</u>	<u>\$ 19,000</u>

Partnership 4 Families
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2020 to June 30, 2021

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider incentive programs	<u>\$ 10,000</u>	<u>\$ 10,000</u>
Total Expenditures	<u>\$ 10,000</u>	<u>\$ 10,000</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenses - Administrative Fund
 Year Ended September 30, 2021

	<u>Miscellaneous</u>	<u>Indirect Cost Pool</u>	<u>Total</u>
Revenues:			
Public support and contributions	\$ 101,350	\$ --	\$ 101,350
Investment income	2,331	--	2,331
Miscellaneous	<u>275,985</u>	<u>11,445</u>	<u>287,430</u>
 Total Revenues	 <u>\$ 379,666</u>	 <u>\$ 11,445</u>	 <u>\$ 391,111</u>
Expenses:			
Salaries and wages	\$ 39	\$ 406,473	\$ 406,512
Fringe benefits	(5)	91,170	91,165
Assistance to individuals	5,643	--	5,643
Professional fees	6,861	40,708	47,569
Travel	2,813	1,488	4,301
Occupancy	50,202	20,387	70,589
Utilities and telephone	15,146	6,441	21,587
Supplies and materials	31,462	34,199	65,661
Buildings and equipment	128,779	479	129,258
Printing, publications and postage	15,754	25,738	41,492
Insurance	7,315	13,537	20,852
Interest expense	5,784	--	5,784
Miscellaneous	71	2,624	2,695
Co-funding	<u>60,114</u>	<u>--</u>	<u>60,114</u>
 Total Expenses Before Allocation of Indirect Costs	 329,978	 643,244	 973,222
Allocation of Indirect Costs	<u>4</u>	<u>(561,775)</u>	<u>(561,771)</u>
 Total Expenses	 <u>\$ 329,982</u>	 <u>\$ 81,469</u>	 <u>\$ 411,451</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Administrative Fund - Miscellaneous Detail
Year Ended September 30, 2021

	Total	Corporate
Revenues:		
Public support and contributions	\$ 101,350	\$ 101,350
Investment income	2,331	2,331
Miscellaneous	275,985	24,379
Total Revenues	379,666	128,060
Expenses:		
Salaries and wages	39	39
Fringe benefits	(5)	(5)
Assistance to individuals	5,643	5,643
Professional fees	6,861	2,831
Travel	2,813	2,813
Occupancy	50,202	--
Utilities and telephone	15,146	--
Supplies and materials	31,462	1,446
Buildings and equipment	128,779	20,923
Printing, publications, and postage	15,754	1,781
Insurance	7,315	--
Interest expense	5,784	--
Miscellaneous	71	71
Co-funding	60,114	60,114
Total Expenses Before Allocation of Indirect Costs	329,978	95,656
Allocation of Indirect Costs	4	4
Total Expenses	329,982	95,660
Change in Net Assets	\$ 49,684	\$ 32,400

See accompanying independent auditor's report.

<u>Central Supply</u>	<u>Photocopy</u>	<u>Postage</u>	<u>Administrative Building</u>
\$ --	\$ --	\$ --	\$ --
--	--	--	--
<u>66,924</u>	<u>29,773</u>	<u>73,312</u>	<u>81,597</u>
66,924	29,773	73,312	81,597
--	--	--	--
--	--	--	--
--	--	4,030	--
--	--	--	--
42,353	--	7,849	--
15,146	--	--	--
2,041	5,850	22,125	--
--	23,923	25,404	58,529
69	--	13,904	--
7,315	--	--	--
--	--	--	5,784
--	--	--	--
<u>66,924</u>	<u>29,773</u>	<u>73,312</u>	<u>64,313</u>
--	--	--	--
<u>66,924</u>	<u>29,773</u>	<u>73,312</u>	<u>64,313</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 17,284</u>

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures
 Indirect Cost Allocations Pool
 For the Year Ended September 30, 2021

Revenues:			
Other Revenue:		\$	11,445
Indirect Cost Reimbursements from Administrative Fund			4
Indirect Cost Reimbursements from Programs:			
Low Income Home Energy Assistance Program	\$	24,205	
Low Income Home Energy Assistance Program CARES		662	
Low Income Home Energy Assistance Program			
American Rescue		3,811	
Head Start		210,588	
Early Head Start		121,840	
Community Service Block Grant		4,478	
Women, Infants and Children		27,510	
Child and Adult Care Food Program - Homes		9,011	
Child Care Resource and Referral		55,046	
Family Development and Self-Sufficiency		32,476	
Pottawattamie Early Childhood Iowa		4,342	
General Relief		453	
Outreach Cost Allocation Pool		46,361	
Disaster Case Management		349	
IFA Eviction Prevention Program		2,774	
Weatherization Cost Allocation Pool		<u>17,865</u>	
Total Indirect Cost Reimbursements from Programs			<u>561,771</u>
Total Support and Revenues			573,220

(continued next page)

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures - Continued
 Indirect Cost Allocations Pool
 For the Year Ended September 30, 2021

Expenditures:		
Salaries and wages	\$	406,473
Fringe benefits		91,170
Supplies		29,787
Rent		20,247
Travel		1,488
Telephone		6,441
Advertising		20
Photocopy		6,726
Postage		5,262
Subscriptions/publications		2,609
Computer expenses		4,412
Dues/fees/registration		11,141
Audit and professional fees		40,708
Insurance		13,537
Board expenses		205
Training		1,084
Building maintenance		140
Equipment maintenance		479
Direct deposit fees		1,315
Total Expenditures		<u>643,244</u>
Change in Net Assets	(70,024)
Net Assets - Beginning of Year		<u>296,037</u>
Net Assets - End of Year	\$	<u>226,013</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, 2021

<u>Program</u>	<u>Wages and Fringe Benefits</u>	<u>Indirect Cost</u>
Low Income Home Energy Assistance Program	\$ 226,212	\$ 24,205
Low Income Home Energy Assistance Program CARES	6,188	662
Low Income Home Energy Assistance Program American Rescue	35,621	3,811
Head Start	1,968,115	210,588
Early Head Start	1,138,690	121,840
Community Service Block Grant	41,855	4,478
Women, Infants and Children	257,107	27,510
Child and Adult Care Food Program - Homes	84,216	9,011
Child Care Resource and Referral	514,451	55,046
Family Development and Self-Sufficiency	303,513	32,476
Pottawattamie Early Childhood Iowa	40,581	4,342
General Relief	4,235	453
Outreach Cost Allocation Pool	433,280	46,361
Disaster Case Management	3,263	349
IFA Eviction Prevention Program	25,922	2,774
Weatherization Cost Allocation Pool	166,966	17,865
	<u>\$ 5,250,215</u>	<u>\$ 561,771</u>

See accompanying independent auditor's report.

COMMENTS AND RECOMMENDATIONS

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

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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 the 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, 2021, 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 4, 2022.

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 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 which 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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Central Community Action's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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.

Skeneval, Bill, High - W. P. C

Atlantic, Iowa
March 4, 2022

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

We have audited West Central Community Action's compliance with the types of compliance requirements described 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, 2021. The Agency's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Agency's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination on the Agency's compliance.

Opinion on the Major Federal Program

In our opinion, West Central Community Action 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 September 30, 2021.

To the Board of Directors of
West Central Community Action

Report on Internal Control Over Compliance

Management of West Central Community Action is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Seamond, Bell, Highm + W. P. C.

Atlantic, Iowa
March 4, 2022

WEST CENTRAL COMMUNITY ACTION

Schedule of Findings and Questioned Costs

Year ended September 30, 2021

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 programs:
- 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 93.568 - Low-Income Home Energy Assistance 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, 2021

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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