

Upper Des Moines Opportunity, Inc.

Graettinger, Iowa

Financial Statements and Supplementary Information
Year Ended September 30, 2019

Upper Des Moines Opportunity, Inc.

Financial Statements and Supplementary Information
Year Ended September 30, 2019

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Independent Auditor's Report

Board of Directors
Upper Des Moines Opportunity, Inc.
Graettinger, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of Upper Des Moines Opportunity, Inc., which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Upper Des Moines Opportunity, Inc. as of September 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of program activity, Schedules A-1 to A-13, schedule of expenditures of federal awards, Schedules B-1 to B-2, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Schedules C through E, and Schedules F-1 through F-17 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the statement of financial position of Upper Des Moines Opportunity, Inc. as of September 30, 2018, and the related statements of activities and cash flows for the year then ended (not presented herein), and we expressed an unmodified opinion on those financial statements. That audit was conducted for purposes of forming an opinion on the financial statements as a whole. The supplementary schedules E, F-1, F-3, F-6, F-8, F-12, and F-15 are presented for purposes of additional analysis. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the September 30, 2018, financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the prior year expenses included on the supplementary schedules E, F-1, F-3, F-6, F-8, F-12, and F-15 are fairly presented, in all material respects, in relation to the financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2020, on our consideration of Upper Des Moines Opportunity, Inc.'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 Upper Des Moines Opportunity, Inc.'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 Upper Des Moines Opportunity, Inc.'s internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP

March 24, 2020
Madison, Wisconsin

Upper Des Moines Opportunity, Inc.

Statement of Financial Position

September 30, 2019

<i>Assets</i>	
Current assets:	
Cash	\$ 834,272
Certificates of deposit	172,064
Grants receivable	1,490,923
Accounts receivable	40,561
Inventory	14,268
Prepaid expenses	102,343
Total current assets	2,654,431
Restricted cash	8,195
Property and equipment, net	1,986,467
TOTAL ASSETS	\$ 4,649,093
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Accounts payable	\$ 114,566
Accrued payroll and related expenses	514,481
Accrued other liabilities	34,569
Grant funds received in advance	109,581
Total current liabilities	773,197
Long-term liabilities:	
Security deposits	8,195
Total liabilities	781,392
Net assets:	
Without donor restrictions	3,412,596
With donor restrictions	455,105
Total net assets	3,867,701
TOTAL LIABILITIES AND NET ASSETS	\$ 4,649,093

See accompanying notes to financial statements.

Upper Des Moines Opportunity, Inc.

Statement of Activities Year Ended September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 13,274,868	\$ 0	\$ 13,274,868
Program income	361,241	0	361,241
Rental income	120,015	0	120,015
Interest income	15,887	0	15,887
Donations	685,308	63,405	748,713
Other income	93,754	0	93,754
In-kind contributions	569,964	0	569,964
Net assets released from restrictions	78,724	(78,724)	0
Total revenue	15,199,761	(15,319)	15,184,442
Expenses:			
Program activities:			
Child education	6,165,747	0	6,165,747
Weatherization/energy assistance	4,157,248	0	4,157,248
Community services	1,575,978	0	1,575,978
Outreach and other	628,827	0	628,827
Food programs	580,339	0	580,339
Health services	412,360	0	412,360
Housing	239,428	0	239,428
UDMO rental	83,279	0	83,279
Total program expenses	13,843,206	0	13,843,206
Supportive services:			
Management and general	929,102	0	929,102
Total expenses	14,772,308	0	14,772,308
Change in net assets	427,453	(15,319)	412,134
Net assets - Beginning of year	2,985,143	470,424	3,455,567
Net assets - End of year	\$ 3,412,596	\$ 455,105	\$ 3,867,701

See accompanying notes to financial statements.

Upper Des Moines Opportunity, Inc.

Statement of Functional Expenses Year Ended September 30, 2019

	Program Activities	Management & General	Total
Expenses:			
Salaries	\$ 5,030,097	\$ 522,885	\$ 5,552,982
Fringe	1,729,666	148,149	1,877,815
Contract services	39,099	85,356	124,455
Travel	165,230	20,006	185,236
Space	544,630	18,884	563,514
Consumable supplies	410,610	39,873	450,483
Direct client assistance	4,455,053	0	4,455,053
Other operational	898,857	93,949	992,806
In-kind expense	569,964	0	569,964
Total expenses	\$ 13,843,206	\$ 929,102	\$ 14,772,308

Upper Des Moines Opportunity, Inc.

Statement of Cash Flows

Year Ended September 30, 2019

Increase (decrease) in cash:

Cash flows from operating activities:

Change in net assets \$ 412,134

Adjustments to reconcile change in net assets to
net cash used in operating activities:

Depreciation 238,738

Contribution of property and equipment (425,000)

Changes in operating assets and liabilities:

Grants receivable (811,643)

Accounts receivable 20,825

Inventory 19,113

Prepaid expenses 5,555

Accounts payable 39,688

Accrued payroll and related expenses 23,854

Accrued other liabilities 21,816

Grant funds received in advance (20,299)

Security deposits (1,270)

Net cash used in operating activities (476,489)

Cash flows from investing activities:

Purchase of property and equipment (160,353)

Decrease in restricted cash 1,270

Net purchases of certificates of deposit (3,153)

Net cash used in investing activities (162,236)

Net change in cash (638,725)

Cash - Beginning of year 1,472,997

Cash - End of year \$ 834,272

Supplemental schedule of noncash investing activity:

Contribution of property & equipment \$ 425,000

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Upper Des Moines Opportunity, Inc. (UDMO) was organized as a nonprofit organization in 1966. UDMO's mission is to build a partnership within communities to alleviate the conditions and causes of poverty. These activities are performed through a variety of programs in the Iowa counties of Buena Vista, Clay, Dickinson, Emmet, O'Brien, Hamilton, Humboldt, Webster, Wright, Osceola, Palo Alto, and Pocahontas. UDMO is primarily supported through federal, state, and local grants. The Head Start and Low-Income Home Energy Assistance grants account for approximately 32% and 22% of its total revenue.

Basis of Presentation

The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Classification of Net Assets

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

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of UDMO and/or the passage of time. Generally, the donors of these assets permit UDMO to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Use of Estimates

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

Revenue Recognition/Grant Funds Received in Advance

Contributions are recognized when the donor makes a promise to give to UDMO that is, in substance, unconditional. Contributions received are recorded as with or without donor restricted support, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of activities as released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition/Grant Funds Received in Advance (Continued)

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

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

A.: Grant Awards That Are Contributions

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

B.: Grant Awards That Are Exchange Transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed.

Accounts Receivable and Allowance for Doubtful Accounts

UDMO analyzes the receivables and records an allowance that management believes will reserve for possible losses on existing receivables that may become uncollectible. The evaluations take into consideration such factors as evaluations of the collectability, prior loss experience, current economic conditions, and the age of the receivable balance. An account is considered uncollectible when all collection efforts prove worthless. Currently, management believes all to be collectible; therefore, there is no allowance.

Inventory

UDMO maintains an inventory of weatherization materials. Inventories as of September 30, 2019 are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Weatherization materials are expensed in the accounting period when the unit weatherized is claimed as a completed unit. A completed unit represents a dwelling unit, which has received weatherization services within the limits established in the weatherization contract, the final inspection has been performed, and the owner sign-off has been obtained.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. UDMO capitalizes equipment purchased with a cost greater than \$5,000 and a useful life of more than one year. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. If there are no donor restrictions regarding how long a donated asset must be maintained, UDMO reports expirations of donor restrictions when the donated assets are placed in service.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property and Equipment (Continued)

Property and equipment purchased with grant funds are owned by UDMO while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of grant-funded equipment was \$955,061 at September 30, 2019.

Income Taxes

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

UDMO is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. UDMO has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

In-Kind Contributions

UDMO has recorded in-kind contributions for space and professional services in the statement of activities in accordance with a financial accounting standard that requires that only contributions of service received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of this standard are different than the in-kind requirements of several of UDMO's grant awards. UDMO received contributions during the year with a value of \$1,495,462, primarily for its Head Start program, which are not recorded in the statement of activities.

Indirect Cost Rate

Joint costs are allocated to benefiting programs using an indirect cost rate. Joint costs are those costs incurred for the common benefit of all of UDMO's programs that cannot be readily identified with a final cost objective. A provisional indirect cost rate has been approved by the U.S. Department of Health and Human Services (DHHS). The rate is based upon a percentage of total direct salaries and wages. A provisional rate of 19.1% was approved for the period of October 1, 2018 through September 30, 2019, and UDMO used a rate of 18.5% during year ended September 30, 2019 based on actual costs.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Functional Allocation

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and related benefits have been allocated based on estimated time spent in program and supporting services. Other operating costs are directly charged when possible or allocated between functional categories based on utilization.

Change in Accounting Policy

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities* (Topic 958). This ASU provides certain improvements in financial reporting for not-for-profit organizations and requires changes to net asset classification, enhancements to liquidity presentation and disclosures, presentation of an analysis of expenses by function and by nature, netting of investment expenses with return, among other changes. The guidance was adopted as of and for the year ended September 30, 2019.

Accounting Pronouncements

In 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard replaces the current revenue recognition requirements and most industry-specific guidance. When adopted, the amendments in this ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2019. UDMO is currently evaluating the impact of the provisions of ASU Topic 606.

On June 21, 2019, the FASB issued ASU 2019-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determining whether a transaction is conditional. The amendments in this update are effective for annual financial statements issued for fiscal years beginning after December 15, 2019, for transactions in which the entity serves as the resource recipient, and for fiscal years beginning after December 15, 2019, for transactions in which the entity services as the resource provider. Early application of the amendments in this update is permitted. UDMO is currently evaluating the impact of the provisions of ASU Topic 958.

In 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842), which is intended to improve financial reporting on leasing transactions. ASU No. 2016-02 will require lessees to recognize right of use assets and lease obligations for operating and finance leases under terms greater than 12 months. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. ASU No. 2016-02 must be applied modified retrospectively. UDMO is currently evaluating the impact of the provisions of ASU Topic 842.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

Subsequent events have been evaluated through March 24, 2020, which is the date the financial statements were available to be issued.

Note 2: Fiscal Agent Activities

UDMO acts as a fiscal agent for four unrelated organizations. The revenue and expenses related to these activities are not included in these financial statements. At September 30, 2019, there was a \$42,837 due to these organizations and there are no amounts due from these organizations.

Note 3: Concentration of Credit Risk

UDMO maintains cash balances and certificates of deposit at a bank. Balances up to \$250,000 are insured by the Federal Deposit Insurance Corporation (FDIC). At times during the year, the bank balance may have been in excess of the FDIC coverage. Bank balances in excess of FDIC coverage are insured by Iowa Code as Public Funds.

Note 4: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the statement of financial position date, comprise the following as of September 30, 2019:

Cash	\$	834,272
Certificates of deposit		172,064
<u>Grants and accounts receivable</u>		<u>1,531,484</u>
Subtotal financial assets	\$	2,537,820
Less: Accounts payable and accrued liabilities designated for grant expenditures	(663,616)
Less: Grant funds received in advance	(109,581)
<u>Less: Net assets with donor restrictions</u>	<u>(</u>	<u>455,105)</u>
Total	\$	<u>1,309,518</u>

UDMO does not have a formal liquidity policy but generally maintains financial assets in liquid form such as cash and certificates of deposit. UDMO is primarily funded with cost reimbursement grants and once grant expenses are incurred, UDMO can request reimbursement from the funding source. UDMO has grant commitments for future expenses of approximately \$6,000,000 as further described in Note 12.

Note 5: Restricted Cash

Restricted cash consists of funds set aside for security deposits for housing projects. These funds are restricted and disbursements must be for the repayment of security deposits. As of September 30, 2019, the restricted cash balance was \$8,195.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 6: Grants Receivable

This balance consists of amounts due from various agencies at September 30, 2019, as follows:

Federal programs	\$ 1,212,956
State and local programs	277,967
<u>Total</u>	<u>\$ 1,490,923</u>

Note 7: Property and Equipment

The balance at September 30, 2019, consists of the following:

Land	\$ 241,050
Buildings and improvements	3,086,313
<u>Equipment</u>	<u>1,248,518</u>
Subtotal	4,575,881
<u>Accumulated depreciation</u>	<u>(2,589,414)</u>
<u>Property and equipment, net</u>	<u>\$ 1,986,467</u>

Note 8: Lessor Activity

UDMO owns a facility that is a mix of low- to moderate-income housing facilities. Leases are all for one year or less.

A summary of the acquisition costs and accumulated depreciation on the above properties at September 30, 2019, is as follows:

Land	\$ 80,635
<u>Buildings</u>	<u>1,660,607</u>
Subtotal	1,741,242
<u>Accumulated depreciation</u>	<u>(1,012,522)</u>
<u>Land and building, net</u>	<u>\$ 728,720</u>

Total rental income from this project for the year ended September 30, 2019, was \$105,043.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 9: Operating Leases

UDMO leases buildings and equipment for offices and operations. Building and equipment rental expense for the year ended September 30, 2019, was \$172,168. Future minimum lease payments under all operating leases are as follows:

<u>Year Ending September 30</u>	<u>Amount</u>
2020	\$ 130,201
2021	69,943
2022	72,227
2023	74,367
2024	21,415
Total	\$ 368,153

Note 10: Pension and Retirement Benefits

UDMO participates in the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits, which are established by state statute to plan members and beneficiaries.

Plan's legal name: Iowa Public Employees' Retirement System
Employer identification number: 42-0923424

UDMO is one of over 1,900 public employers participating in the plan, which has a plan net position exceeding \$34.0 billion as of June 30, 2019. As with any multi-employer plan, the plan's financial results may be affected by other employers entering or withdrawing from the plan, actions by the plan's board of trustees, and other events beyond UDMO's control. IPERS's funded status was 83.73%, leaving an unfunded actuarial liability of approximately \$5.8 billion as of June 30, 2019, as reported in IPERS' comprehensive annual financial report. For additional IPERS plan information, see www.ipers.org.

Participating employees were required to contribute 6.29% of their annual covered salary and UDMO was required to contribute 9.44% of annual covered payroll from October 1, 2018 through September 30, 2019. Contribution requirements to IPERS are established by state statute. UDMO's contribution to IPERS for the year ended September 30, 2019, was \$508,685.

Note 11: Net Assets with Donor Restrictions

Net assets with donor restrictions of \$455,105 consists of restricted funds unspent in state and local programs and restricted donations as of September 30, 2019.

Net assets released from restrictions of \$78,724 during 2019 represent amounts that satisfied specific program restrictions or were appropriated and utilized during the time period for which it was restricted.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 12: Grant Awards

At September 30, 2019, UDMO had received future funding commitments under various grants of approximately \$6,000,000. These commitments are not recognized in the accompanying financial statements as revenue and receivables as they are conditional awards.

Note 13: Commitments and Contingencies

UDMO participates in a number of federally assisted and state grant programs. These programs are subject to program compliance audits by the grantors and their representatives. Any disallowed costs may constitute a liability of UDMO. UDMO is also required to match 25% of the grant funds received from the Head Start program with local resources. UDMO believes that it is in substantial compliance with all grant requirements, including those related to matching and disallowed costs, and any noncompliance, if any, would not be significant.

Note 14: Related Party Transactions

UDMO is related to Community Housing Initiatives, Inc. (CHI) by the ability to approve the board members of CHI. UDMO recognized grant revenue from CHI of \$6,028 and management services expenses to CHI of \$10,487 during the year ended September 30, 2019. At September 30, 2019, there was an amount due to CHI related to property management services and reimbursement of other property expenses related to the housing facilities owned by UDMO totaling \$6,943.

Supplementary Information

Upper Des Moines Opportunity, Inc.

Schedule A-1
 Schedule of Program Activity
 Year Ended September 30, 2019

	FEDERAL PROGRAMS						
	Department of Agriculture				Department of HUD		
	10.557	10.558			14.231		
	Women, Infants, and Children	DPI Food Reimbursement	Child & Adult Care Food	10.558 Subtotal	Emergency Solutions Grant	Emergency Solutions Grant	
	5887A047	74-8011	74-8017		74003-18	74003-19	
Total	(1)	(2)	(3)		(4)	(5)	
REVENUE							
Grant revenue	\$ 13,274,868	\$ 419,966	\$ 310,347	\$ 306,196	\$ 616,543	\$ 65,409	\$ 114,049
Program income	361,241	44	2,746	0	2,746	0	0
Rental income	120,015	0	0	0	0	0	0
Interest income	15,887	0	0	0	0	0	0
Donations	748,713	0	0	0	0	0	0
Other income	93,754	0	0	0	0	0	0
In-kind contributions	569,964	0	0	0	0	0	0
Total Revenue	15,184,442	420,010	313,093	306,196	619,289	65,409	114,049
EXPENSES							
Salaries	5,552,982	216,071	54,187	28,376	82,563	5,804	22,121
Fringe	1,877,815	67,438	19,269	12,460	31,729	2,535	9,896
Contract services	124,455	1,083	0	0	0	0	0
Travel	185,236	7,024	0	3,267	3,267	1,111	3,874
Space	563,514	15,701	0	1,346	1,346	933	1,866
Consumable supplies	450,483	24,510	15,003	2,935	17,938	169	649
Direct client assistance	4,455,053	0	0	0	0	53,573	71,386
Other operational	992,806	48,210	214,572	252,562	467,134	210	165
Indirect	0	39,973	10,062	5,250	15,312	1,074	4,092
In-kind expense	569,964	0	0	0	0	0	0
Total Expenses	14,772,308	420,010	313,093	306,196	619,289	65,409	114,049
Change in Net Assets	412,134	0	0	0	0	0	0
Net assets - Beginning of year	3,455,567	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 3,867,701	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-2

Schedule of Program Activity

Year Ended September 30, 2019

	FEDERAL PROGRAMS						
	Department of HUD					Department of Energy	
	14.231		14.239			81.042	
	Continuum of Care Grant CoC 2019-003 (6)	14.231 Subtotal	TBRA #4 17-HM-554 (7)	TBRA #5 17-HM-554 (8)	14.239 Subtotal	Weatherization DOE-18-16 (9)	Weatherization DOE-19-16 (10)
REVENUE							
Grant revenue	\$ 1,541	\$ 180,999	\$ 56,153	\$ 9,845	\$ 65,998	\$ 146,769	\$ 476,263
Program income	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	1,541	180,999	56,153	9,845	65,998	146,769	476,263
EXPENSES							
Salaries	712	28,637	513	1,013	1,526	33,757	129,232
Fringe	260	12,691	140	375	515	12,027	44,015
Contract services	0	0	0	0	0	0	0
Travel	401	5,386	2	409	411	2,415	5,284
Space	0	2,799	0	0	0	971	2,458
Consumable supplies	36	854	98	38	136	817	3,857
Direct client assistance	0	124,959	55,024	7,779	62,803	88,522	259,755
Other operational	0	375	281	44	325	2,015	7,754
Indirect	132	5,298	95	187	282	6,245	23,908
In-kind expense	0	0	0	0	0	0	0
Total Expenses	1,541	180,999	56,153	9,845	65,998	146,769	476,263
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-3
 Schedule of Program Activity
 Year Ended September 30, 2019

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	81.042	93.243	93.556			93.558	
		Safe Town Alliance	Prevent Child Abuse	Prevent Child Abuse		Prevent Child Abuse	Prevent Child Abuse
	81.042	5H79SP022051-04	ACFS 19-076	ACFS 20-076	93.556	ACFS 19-076	ACFS 20-076
	Subtotal	(11)	(12)	(13)	Subtotal	(14)	(15)
REVENUE							
Grant revenue	\$ 623,032	\$ 39,872	\$ 27,113	\$ 7,623	\$ 34,736	\$ 4,635	\$ 1,304
Program income	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	623,032	39,872	27,113	7,623	34,736	4,635	1,304
EXPENSES							
Salaries	162,989	15,778	12,316	3,918	16,234	2,105	670
Fringe	56,042	3,937	4,496	1,513	6,009	769	259
Contract services	0	16,012	0	0	0	0	0
Travel	7,699	294	3,258	489	3,747	557	84
Space	3,429	0	0	0	0	0	0
Consumable supplies	4,674	241	1,887	616	2,503	323	105
Direct client assistance	348,277	0	0	0	0	0	0
Other operational	9,769	691	2,877	362	3,239	491	62
Indirect	30,153	2,919	2,279	725	3,004	390	124
In-kind expense	0	0	0	0	0	0	0
Total Expenses	623,032	39,872	27,113	7,623	34,736	4,635	1,304
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-4

Schedule of Program Activity

Year Ended September 30, 2019

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	93.558			93.568			
	FaDSS	FaDSS	93.558	LIHEAP	Weatherization	Weatherization	93.568
	19-16	20-16	Subtotal	19-16	HEAP	HEAP	Subtotal
	(16)	(17)		(18)	18-16	19-16	
					(19)	(20)	
REVENUE							
Grant revenue	\$ 124,339	\$ 20,884	\$ 151,162	\$ 2,999,432	\$ 210,113	\$ 133,704	\$ 3,343,249
Program income	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	124,339	20,884	151,162	2,999,432	210,113	133,704	3,343,249
EXPENSES							
Salaries	63,988	6,892	73,655	141,685	44,320	(3,890)	182,115
Fringe	20,567	2,042	23,637	56,850	12,883	(1,092)	68,641
Contract services	299	0	299	0	0	0	0
Travel	12,753	3,170	16,564	4,270	2,247	33	6,550
Space	3,714	171	3,885	3,243	1,076	71	4,390
Consumable supplies	4,998	5,336	10,762	35,247	4,081	(200)	39,128
Direct client assistance	3,411	322	3,733	2,724,736	134,645	139,476	2,998,857
Other operational	2,771	1,676	5,000	7,189	2,662	26	9,877
Indirect	11,838	1,275	13,627	26,212	8,199	(720)	33,691
In-kind expense	0	0	0	0	0	0	0
Total Expenses	124,339	20,884	151,162	2,999,432	210,113	133,704	3,343,249
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-5
 Schedule of Program Activity
 Year Ended September 30, 2019

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	93.569			93.575			93.600
	CSBG 18-16 (21)	CSBG 19-16 (22)	93.569 Subtotal	Wrap ACFS-15-116 (23)	Wrap ACFS-15-116 (24)	93.575 Subtotal	Early Head Start 07CH7066-05 (25)
REVENUE							
Grant revenue	\$ 55,256	\$ 433,766	\$ 489,022	\$ 390,986	\$ 42,660	\$ 433,646	\$ 862,403
Program income	0	0	0	0	0	0	5
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	257
Other income	0	0	0	427	0	427	0
In-kind contributions	0	0	0	0	0	0	380,301
Total Revenue	55,256	433,766	489,022	391,413	42,660	434,073	1,242,966
EXPENSES							
Salaries	0	0	0	240,491	26,281	266,772	469,735
Fringe	0	0	0	82,728	9,365	92,093	146,167
Contract services	0	0	0	0	0	0	2,395
Travel	0	0	0	699	168	867	11,176
Space	0	0	0	8,866	907	9,773	23,335
Consumable supplies	0	0	0	417	7	424	77,027
Direct client assistance	0	0	0	0	0	0	0
Other operational	55,256	438,813	494,069	13,757	1,037	14,794	45,496
Indirect	0	0	0	44,455	4,895	49,350	87,334
In-kind expense	0	0	0	0	0	0	380,301
Total Expenses	55,256	438,813	494,069	391,413	42,660	434,073	1,242,966
Change in Net Assets	0	(5,047)	(5,047)	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	5,047	5,047	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-6
 Schedule of Program Activity
 Year Ended September 30, 2019

FEDERAL PROGRAMS					
Department of Health and Human Services					
93.600					
	Early Head Start 07CH010845-01 (26)	Head Start 07CH7066-05 (27)	Head Start 07CH010845-01 (28)	93.600 Subtotal	Total Federal Programs
REVENUE					
Grant revenue	\$ 1,194,861	\$ 1,284,439	\$ 1,516,201	\$ 4,857,904	\$ 11,256,129
Program income	13,500	52,743	5,000	71,248	74,038
Rental income	0	0	0	0	0
Interest income	0	0	0	0	0
Donations	0	8,531	1,540	10,328	10,328
Other income	0	0	0	0	427
In-kind contributions	542,058	605,830	482,338	2,010,527	2,010,527
Total Revenue	1,750,419	1,951,543	2,005,079	6,950,007	13,351,449
EXPENSES					
Salaries	712,565	732,485	857,015	2,771,800	3,818,140
Fringe	232,733	244,236	307,370	930,506	1,293,238
Contract services	3,520	5,133	6,088	17,136	34,530
Travel	7,868	19,734	22,117	60,895	112,704
Space	17,802	47,359	45,714	134,210	175,533
Consumable supplies	22,310	85,101	42,724	227,162	328,332
Direct client assistance	0	0	0	0	3,538,629
Other operational	79,740	76,010	83,212	284,458	1,337,941
Indirect	131,823	135,655	158,501	513,313	706,922
In-kind expense	542,058	605,830	482,338	2,010,527	2,010,527
Total Expenses	1,750,419	1,951,543	2,005,079	6,950,007	13,356,496
Change in Net Assets	0	0	0	0	(5,047)
Net assets - Beginning of year	0	0	0	0	0
Transfers	0	0	0	0	5,047
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-7

Schedule of Program Activity

Year Ended September 30, 2019

	STATE AND LOCAL PROGRAMS						
	Community School 4 year old Programs (29)	Community School 4 year old Programs (30)	Lakes Empowerment Hand in Hand (31)	Lakes Empowerment Hand in Hand (32)	Hometown Care Alliant (33)	Embrace Iowa (34)	CHORE (35)
REVENUE							
Grant revenue	\$ 479,675	\$ 103,588	\$ 43,405	\$ 15,709	\$ 0	\$ 15,495	\$ 0
Program income	0	0	0	0	38,385	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	31,800
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	479,675	103,588	43,405	15,709	38,385	15,495	31,800
EXPENSES							
Salaries	299,370	67,059	24,236	8,254	0	0	0
Fringe	103,992	23,784	6,135	2,145	0	0	0
Contract services	0	0	0	0	0	0	0
Travel	7,539	290	3,151	703	0	0	0
Space	0	0	1,080	360	0	0	0
Consumable supplies	3,610	0	1,789	257	0	0	0
Direct client assistance	0	0	0	0	52,369	15,495	31,800
Other operational	9,738	49	2,530	2,463	0	0	0
Indirect	55,426	12,406	4,484	1,527	0	0	0
In-kind expense	0	0	0	0	0	0	0
Total Expenses	479,675	103,588	43,405	15,709	52,369	15,495	31,800
Change in Net Assets	0	0	0	0	(13,984)	0	0
Net assets - Beginning of year	0	0	0	0	98,531	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 84,547	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-8

Schedule of Program Activity

Year Ended September 30, 2019

	STATE AND LOCAL PROGRAMS						
	Fort Dodge Community Foundation United Way (36)	Fort Dodge Community Foundation United Way (37)	Lakes Area KIDS (38)	Lakes Area KIDS (39)	Child Dev. Spencer UD-18-3490-114 (40)	Child Dev. Spencer UD-17-3490-114 (41)	Child Dev. Storm Lake UD-18-0495-116 (42)
REVENUE							
Grant revenue	\$ 12,996	\$ 15,000	\$ 136,307	\$ 41,554	\$ 63,027	\$ 10,945	\$ 52,514
Program income	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	25,730	4,968	23,361
Total Revenue	12,996	15,000	136,307	41,554	88,757	15,913	75,875
EXPENSES							
Salaries	0	0	74,547	24,997	37,723	7,210	31,305
Fringe	0	0	25,208	8,063	10,623	1,865	8,823
Contract services	0	0	0	0	75	0	0
Travel	0	38	8,099	2,367	0	137	0
Space	12,350	13,469	1,173	728	750	188	0
Consumable supplies	0	0	6,896	294	6,386	39	6,197
Direct client assistance	0	0	0	0	0	0	0
Other operational	646	1,493	6,593	481	491	172	398
Indirect	0	0	13,791	4,624	6,979	1,334	5,791
In-kind expense	0	0	0	0	25,730	4,968	23,361
Total Expenses	12,996	15,000	136,307	41,554	88,757	15,913	75,875
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-9

Schedule of Program Activity

Year Ended September 30, 2019

	STATE AND LOCAL PROGRAMS						
	Child Dev. Storm Lake UD-17-0495-116 (43)	Project Helper BHE Cares (44)	I CARE IPS (45)	I CARE IPS (46)	Project Share Utilities (47)	Project Share Utilities (48)	FaDSS 19-16 (49)
REVENUE							
Grant revenue	\$ 8,024	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 145,963
Program income	0	13,503	1,044	3,247	1,233	3,012	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	4,233
In-kind contributions	840	0	0	0	0	0	0
Total Revenue	8,864	13,503	1,044	3,247	1,233	3,012	150,196
EXPENSES							
Salaries	5,298	0	0	0	0	0	75,116
Fringe	1,344	0	0	0	0	0	24,144
Contract services	0	0	0	0	0	0	351
Travel	200	0	0	0	0	0	18,520
Space	0	0	0	0	0	0	4,360
Consumable supplies	4	0	0	0	0	0	5,867
Direct client assistance	0	9,585	341	3,045	350	8,524	4,004
Other operational	198	0	0	0	0	0	3,937
Indirect	980	0	0	0	0	0	13,897
In-kind expense	840	0	0	0	0	0	0
Total Expenses	8,864	9,585	341	3,045	350	8,524	150,196
Change in Net Assets	0	3,918	703	202	883	(5,512)	0
Net assets - Beginning of year	0	13,945	6,222	661	20,680	1,236	0
Transfers	0	0	0	0	0	4,276	0
NET ASSETS - End of year	\$ 0	\$ 17,863	\$ 6,925	\$ 863	\$ 21,563	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-10

Schedule of Program Activity

Year Ended September 30, 2019

	STATE AND LOCAL PROGRAMS						
	FaDSS 20-16 (50)	Weatherization BHE CO-160 (51)	Weatherization BHE 19-160 (52)	Weatherization IPL 18-160 (53)	Weatherization IPL CO-160 (53)	Weatherization IPL 19-160 (54)	Weatherization MEC 18-160 (55)
REVENUE							
Grant revenue	\$ 24,517	\$ 6,052	\$ 33,258	\$ 22,927	\$ 11,923	\$ 200,495	\$ 18,407
Program income	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	24,517	6,052	33,258	22,927	11,923	200,495	18,407
EXPENSES							
Salaries	8,090	526	2,589	1,560	811	15,610	1,367
Fringe	2,397	187	882	498	259	5,316	451
Contract services	0	0	0	0	0	0	0
Travel	3,721	38	106	93	49	638	87
Space	201	15	49	41	21	297	37
Consumable supplies	6,264	13	77	97	51	466	70
Direct client assistance	378	5,144	28,920	20,256	10,533	174,343	16,061
Other operational	1,969	32	156	93	49	937	81
Indirect	1,497	97	479	289	150	2,888	253
In-kind expense	0	0	0	0	0	0	0
Total Expenses	24,517	6,052	33,258	22,927	11,923	200,495	18,407
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-11

Schedule of Program Activity

Year Ended September 30, 2019

	STATE AND LOCAL PROGRAMS						
	Weatherization MEC CO-160 (1)	Weatherization MEC 19-160 (56)	Palo Alto General Relief (57)	Iowa Individual Assistance FOSU-14-001-401 (58)	Iowa Individual Assistance FOSU-14-001-401 (59)	Palo Alto Gaming (60)	NWECI Personnel (61)
REVENUE							
Grant revenue	\$ 19,475	\$ 62,550	\$ 1,759	\$ 168,164	\$ 92,886	\$ 3,365	\$ 107,230
Program income	0	0	0	0	0	0	0
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	19,475	62,550	1,759	168,164	92,886	3,365	107,230
EXPENSES							
Salaries	1,447	4,854	1,095	37	3,706	0	72,610
Fringe	478	1,653	461	17	1,471	0	21,183
Contract services	0	0	0	0	0	0	0
Travel	91	198	0	0	0	0	0
Space	39	92	0	0	0	0	0
Consumable supplies	74	145	0	4,548	72	3,365	0
Direct client assistance	16,991	54,418	0	163,555	86,141	0	0
Other operational	87	292	0	0	810	0	0
Indirect	268	898	203	7	686	0	13,437
In-kind expense	0	0	0	0	0	0	0
Total Expenses	19,475	62,550	1,759	168,164	92,886	3,365	107,230
Change in Net Assets	0	0	0	0	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule A-12

Schedule of Program Activity

Year Ended September 30, 2019

	STATE AND LOCAL PROGRAMS						
	NWECI Personnel (62)	North Central KIDS (63)	North Central KIDS (64)	Resident Services Riverwest (65)	Prevent Child Abuse ACFS 19-076 (64)	Prevent Child Abuse ACFS 20-076 (65)	Total State and Local Programs
REVENUE							
Grant revenue	\$ 34,917	\$ 43,116	\$ 15,148	\$ 6,028	\$ 1,053	\$ 1,267	\$ 2,018,739
Program income	0	0	0	0	0	0	60,424
Rental income	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	0	0	0	0	0
Other income	0	0	0	0	0	0	36,033
In-kind contributions	0	0	0	0	0	0	54,899
Total Revenue	34,917	43,116	15,148	6,028	1,053	1,267	2,170,095
EXPENSES							
Salaries	23,946	23,089	8,459	4,392	478	651	830,432
Fringe	6,545	9,701	3,650	681	175	252	272,383
Contract services	0	0	0	0	0	0	426
Travel	0	3,596	1,316	0	127	81	51,185
Space	0	1,062	(88)	0	0	0	36,224
Consumable supplies	0	660	73	0	73	102	47,489
Direct client assistance	0	0	0	0	0	0	702,253
Other operational	0	737	173	142	112	61	34,920
Indirect	4,426	4,271	1,565	813	88	120	153,674
In-kind expense	0	0	0	0	0	0	54,899
Total Expenses	34,917	43,116	15,148	6,028	1,053	1,267	2,183,885
Change in Net Assets	0	0	0	0	0	0	(13,790)
Net assets - Beginning of year	0	0	0	0	0	0	141,275
Transfers	0	0	0	0	0	0	4,276
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 131,761

Upper Des Moines Opportunity, Inc.

Schedule A-13

Schedule of Program Activity

Year Ended September 30, 2019

	TOTAL PROGRAM ACTIVITY	DISCRETIONARY				TOTAL DISCRETIONARY
		Outreach UDMO (66)	Rental UDMO (67)	Corporate UDMO (68)	GAAP Adjustments (69)	
REVENUE						
Grant revenue	\$ 13,274,868	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Program income	134,462	226,779	0	0	0	226,779
Rental income	0	8,750	105,043	6,222	0	120,015
Interest income	0	0	0	15,887	0	15,887
Donations	10,328	311,265	0	427,120	0	738,385
Other income	36,460	479,156	0	67,160	(489,022)	57,294
In-kind contributions	2,065,426	0	0	0	(1,495,462)	(1,495,462)
Total Revenue	15,521,544	1,025,950	105,043	516,389	(1,984,484)	(337,102)
EXPENSES						
Salaries	4,648,572	373,158	0	531,252	0	904,410
Fringe	1,565,621	141,655	0	170,539	0	312,194
Contract services	34,956	651	10,487	78,361	0	89,499
Travel	163,889	29,888	0	(8,541)	0	21,347
Space	211,757	114,733	72,690	164,334	0	351,757
Consumable supplies	375,821	19,537	0	55,125	0	74,662
Direct client assistance	4,240,882	214,171	0	0	0	214,171
Other operational	1,372,861	54,136	5,691	14,609	(454,491)	(380,055)
Indirect	860,596	69,017	0	(929,613)	0	(860,596)
In-kind expense	2,065,426	0	0	0	(1,495,462)	(1,495,462)
Total Expenses	15,540,381	1,016,946	88,868	76,066	(1,949,953)	(768,073)
Change in Net Assets	(18,837)	9,004	16,175	440,323	(34,531)	430,971
Net assets - Beginning of year	141,275	901,780	310,118	1,112,802	989,592	3,314,292
Transfers	9,323	0	0	(9,323)	0	(9,323)
NET ASSETS - End of year	\$ 131,761	\$ 910,784	\$ 326,293	\$ 1,543,802	\$ 955,061	\$ 3,735,940

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule B-1
 Schedule of Expenditures of Federal Awards
 Year Ended September 30, 2019

<u>Federal Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Funding Source/ Pass-Through Entity</u>	<u>Pass-through Entity Identifying Number</u>	<u>Program Period</u>	<u>Federal Expenditures</u>
DEPARTMENT OF AGRICULTURE					
(1) Women, Infants, and Children	10.557	Iowa Department of Public Health	5887A047	10/01/18-09/30/19	<u>\$ 419,966</u>
(2) DPI Food Reimbursement	10.558	Iowa Department of Education	74-8011	10/01/18-09/30/19	310,347
(3) Child and Adult Care Food Program		Iowa Department of Education	74-8017	10/01/18-09/30/19	<u>306,196</u>
Total Federal Expenditures CFDA 10.558					<u>616,543</u>
TOTAL DEPARTMENT OF AGRICULTURE PROGRAMS					<u>1,036,509</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
(4) Emergency Solutions Grant	14.231	Iowa Finance Authority	74003-18	01/01/18-12/31/18	65,409
(5) Emergency Solutions Grant		Iowa Finance Authority	74003-19	01/01/19-12/31/19	114,049
(6) Continuum of Care		Iowa Finance Authority	2019-003	01/01/19-12/31/19	<u>1,541</u>
Total Federal Expenditures CFDA 14.231					<u>180,999</u>
(7) Tenant Based Rental Asst. #4	14.239	Iowa Finance Authority/ Iowa Comm. Action Assoc.	17-HM-554	07/01/17-09/30/18	56,153
(8) Tenant Based Rental Asst. #5		Iowa Finance Authority/ Iowa Comm. Action Assoc.	17-HM-554	07/01/18-09/30/19	<u>9,845</u>
Total Federal Expenditures CFDA 14.239					<u>65,998</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS					<u>246,997</u>
DEPARTMENT OF ENERGY					
(9) Weatherization	81.042	Iowa Department of Human Rights	DOE-18-16	04/01/18-03/31/19	146,769
(10) Weatherization		Iowa Department of Human Rights	DOE-19-16	04/01/19-03/31/20	<u>476,263</u>
Total Federal Expenditures CFDA 81.042					<u>623,032</u>
TOTAL DEPARTMENT OF ENERGY PROGRAMS					<u>623,032</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
(11) Safe Town Alliance	93.243	Department of Health and Human Services	5H79SP022051-04	09/30/18-09/29/19	<u>39,872</u>
(12) Prevent Child Abuse	93.556	Iowa Department of Human Services	ACFS 19-076	07/01/18-06/30/19	27,113
(13) Prevent Child Abuse		Iowa Department of Human Services	ACFS 20-076	07/01/19-06/30/20	<u>7,623</u>
Total Federal Expenditures CFDA 93.556					<u>34,736</u>
TANF Cluster					
(14) Prevent Child Abuse	93.558	Iowa Department of Human Services	ACFS 19-076	07/01/18-06/30/19	4,635
(15) Prevent Child Abuse		Iowa Department of Human Services	ACFS 20-076	07/01/19-06/30/20	1,304
(16) Families Developing Self Sufficiency		Iowa Department of Human Rights	19-16	07/01/18-09/30/19	124,339
(17) Families Developing Self Sufficiency		Iowa Department of Human Rights	20-16	07/01/19-09/30/20	<u>20,884</u>
Total Federal Expenditures CFDA 93.558 Cluster					<u>151,162</u>

Upper Des Moines Opportunity, Inc.

Schedule B-2

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2019

Federal Grantor/Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Pass-through Entity Identifying Number	Program Period	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)					
(18) Low Income Home Energy Assistance Program	93.568	Iowa Department of Human Rights	19-16	10/01/18-09/30/19	2,999,432
(19) Weatherization Home Energy Assistance Program		Iowa Department of Human Rights	18-16	01/01/18-12/31/18	210,113
(20) Weatherization Home Energy Assistance Program		Iowa Department of Human Rights	19-16	01/01/19-12/31/19	133,704
Total Federal Expenditures CFDA 93.568					3,343,249
(21) Community Service Block Grant	93.569	Iowa Department of Human Rights	18-16	10/01/17-12/31/18	55,256
(22) Community Service Block Grant		Iowa Department of Human Rights	19-16	10/01/18-09/30/19	433,766
Total Federal Expenditures CFDA 93.569					489,022
CCDF Cluster					
(23) Wrap	93.575	Iowa Department of Human Services	ACFS-15-116	09/01/18-08/31/19	390,986
(24) Wrap		Iowa Department of Human Services	ACFS-15-116	09/01/19-08/31/20	42,660
Total Federal Expenditures CFDA 93.575 Cluster					433,646
(25) Early Head Start	93.600	Human Services Department of Health and Human Services	07CH7066-05	03/01/18-02/28/19	862,403
(26) Early Head Start		Department of Health and Human Services	07CH010845-01	03/01/19-02/28/20	1,194,861
(27) Head Start		Department of Health and Human Services	07CH7066-05	03/01/18-02/28/19	1,284,439
(28) Head Start		Department of Health and Human Services	07CH010845-01	03/01/19-02/28/20	1,516,201
Total Federal Expenditures CFDA 93.600					4,857,904
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS					9,349,591
TOTAL FEDERAL EXPENDITURES					\$ 11,256,129

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of Upper Des Moines Opportunity, Inc. under programs of the federal government for the year ended September 30, 2019. 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 Upper Des Moines Opportunity, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Upper Des Moines Opportunity, Inc.

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Subrecipients

No federal grant awards were passed through to subrecipients during the year ended September 30, 2019.

Note 4 - Indirect Cost Rate

Upper Des Moines Opportunity, Inc. has an approved indirect cost rate, and therefore, did not use the 10% de minimis cost rate.

Upper Des Moines Opportunity, Inc.

Schedule C

Schedule of Indirect Cost Account

Year Ended September 30, 2019

Expenditures:

Salaries	\$ 522,885
Fringe	148,149
Contracted services	38,738
Auditing	39,263
Travel	20,006
Occupancy	18,884
Stationary	1,440
Reproduction	4,743
Computer supplies	26,448
Office supplies	7,243
Insurance	51,040
Telephone	6,509
Internet	4,180
Postage	3,458
Miscellaneous	21,096
Service contracts	7,355
Registrations	7,665
<hr/>	
Total indirect cost expenses	929,102
<hr/>	
Reimbursement	930,568
<hr/>	
Current year excess	1,466
Net assets - Beginning of year	172,750
<hr/>	
Net assets - End of year	\$ 174,216

Upper Des Moines Opportunity, Inc.

Schedule D
Schedule of Computation of Indirect Costs
Year Ended September 30, 2019

Total salaries - regular	\$ 5,552,982
Indirect cost salaries	(522,885)
Total direct salaries	5,030,097
Indirect cost rate	18.5%
Allocable indirect costs	930,568
Amount reimbursed	930,568
Variance	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule E

Schedule of Iowa Department of Human Rights Grant Expenses of Completed

Contracts Overlapping Fiscal Years

Year Ended September 30, 2019

Program	Grant Number	Grant Period	Expenses		Total	Program Budget
			Prior Years	Current Year		
DOE Weatherization	DOE 18-16	04/01/18-03/31/19	\$ 284,129	\$ 146,769	\$ 430,898	\$ 456,123
Family Development and Self-Sufficiency	FaDSS 19-16	07/01/18-09/30/19	19,145	270,302	289,447	299,426
HEAP Weatherization	HEAP 18-16	01/01/18-12/31/18	235,282	210,113	445,395	647,062
Community Service Block Grant	CSBG-18-16	10/01/17-12/31/18	376,879	55,256	432,135	432,135
BHE Weatherization	BHE CO-16	01/01/19-03/31/19	0	6,052	6,052	22,946
IPL Weatherization	IPL 18-16	01/01/18-12/31/18	87,338	22,927	110,265	111,390
IPL Weatherization	IPL CO-16	01/01/19-03/31/19	0	11,923	11,923	172,743
MEC Weatherization	MEC 18-16	01/01/18-12/31/18	121,903	18,407	140,310	140,310
MEC Weatherization	MEC CO-16	01/01/19-03/31/19	0	19,475	19,475	19,475

Upper Des Moines Opportunity, Inc.

Schedule F-1

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed DOE Weatherization (Contract No. DOE 18-16)

Year Ended March 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 456,123	\$ 430,898	\$ 25,225
Program expenses:			
Administration	38,318	36,199	2,119
Support	108,317	151,186	(42,869)
Health and safety	83,140	69,985	13,155
Labor	113,174	99,932	13,242
Material	113,174	73,596	39,578
Totals	\$ 456,123	\$ 430,898	\$ 25,225

Upper Des Moines Opportunity, Inc.

Schedule F-2

Schedule of Revenue and Expenses Compared to Budget

Expenses of DOE Weatherization (Contract No. DOE 19-16)

Six Months Ended September, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 483,763	\$ 476,263	\$ 7,500
Program expenses:			
Administration	32,468	32,468	0
T&TA	7,500	0	7,500
Support	115,054	184,040	(68,986)
Health and safety	88,595	91,092	(2,497)
Labor	120,073	97,991	22,082
Material	120,073	70,672	49,401
Totals	\$ 483,763	\$ 476,263	\$ 7,500

Upper Des Moines Opportunity, Inc.

Schedule F-3

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Family Development and Self-Sufficiency

(Contract No. FaDSS 19-16)

Fifteen Months Ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 299,426	\$ 289,447	\$ 9,979
Program expenses:			
Administration	29,490	27,548	1,942
Personnel:			
Salaries	154,398	148,602	5,796
Benefits	44,312	47,295	(2,983)
Travel	20,207	21,380	(1,173)
Space/utilities	7,360	8,093	(733)
Other	26,179	24,648	1,531
3rd Party Payments	7,500	7,730	(230)
Mathematica	9,980	4,151	5,829
Totals	\$ 299,426	\$ 289,447	\$ 9,979

Upper Des Moines Opportunity, Inc.

Schedule F-4

Schedule of Revenue and Expenses Compared to Budget

Expenses of Family Development and Self-Sufficiency

(Contract No. FaDSS 20-16)

Three Months Ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 289,446	\$ 45,401	\$ 244,045
Program expenses:			
Administration	29,884	2,772	27,112
Personnel:			
Salaries	156,461	14,982	141,479
Benefits	51,092	4,440	46,652
Travel	21,386	2,755	18,631
Space/utilities	6,180	374	5,806
Other	19,443	19,378	65
3rd Party Payments	5,000	700	4,300
Totals	\$ 289,446	\$ 45,401	\$ 244,045

Upper Des Moines Opportunity, Inc.

Schedule F-5

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Low-Income Home Emergency Assistance Program

(Contract No. LIHEAP 19-16)

Year Ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 3,215,488	\$ 2,999,432	\$ 216,056
Program expenses:			
Administration	289,420	238,468	50,952
Regular assistance	2,408,067	2,242,963	165,104
E.C.I.P.	240,854	240,854	0
Client services	36,228	36,228	0
Summer deliverable fuel payments	240,919	240,919	0
Totals	\$ 3,215,488	\$ 2,999,432	\$ 216,056

Upper Des Moines Opportunity, Inc.

Schedule F-6

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed HEAP Weatherization (Contract No. HEAP 18-16)

Year Ended December 31, 2018

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 647,062	\$ 445,395	\$ 201,667
Program expenses:			
Administration	30,817	15,625	15,192
Health and Safety	149,734	139,455	10,279
Support	193,262	149,778	43,484
Labor	127,973	73,806	54,167
Material	127,973	63,067	64,906
Equipment/Training	14,778	1,139	13,639
Pollution Occurrence Insurance	2,525	2,525	0
Totals	\$ 647,062	\$ 445,395	\$ 201,667

Upper Des Moines Opportunity, Inc.

Schedule F-7

Schedule of Revenue and Expenses Compared to Budget

Expenses of HEAP Weatherization (Contract No. HEAP 19-16)

Nine Months Ended September, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 1,153,076	\$ 133,704	\$ 1,019,372
Program expenses:			
Administration	58,227	6,700	51,527
Health and safety	266,924	92,182	174,742
Support	279,340	25,605	253,735
Labor	260,715	1,954	258,761
Material	260,715	3,108	257,607
Equipment/Training	24,630	1,630	23,000
Pollution occurrence insurance	2,525	2,525	0
Totals	\$ 1,153,076	\$ 133,704	\$ 1,019,372

Upper Des Moines Opportunity, Inc.

Schedule F-8

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Community Service Block Grant

(Contract No. CSBG 18-16)

Fifteen Months Ended December 31, 2018

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 432,135	\$ 432,135	\$ 0
Program expenses:			
Co-funded programs	432,135	432,135	0
Totals	\$ 432,135	\$ 432,135	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-9

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Community Service Block Grant

(Contract No. CSBG 19-16)

Year Ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 433,766	\$ 433,766	\$ 0
Program expenses:			
Co-funded programs	433,766	433,766	0
Totals	\$ 433,766	\$ 433,766	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-10

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Black Hills Weatherization (Contract No. BHE CO-16)

Three months ended March 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 22,946	\$ 6,052	\$ 16,894
Program expenses:			
Administration	1,147	342	805
Support	2,295	566	1,729
Labor	9,752	3,121	6,631
Material	9,752	2,023	7,729
Totals	\$ 22,946	\$ 6,052	\$ 16,894

Upper Des Moines Opportunity, Inc.

Schedule F-11

Schedule of Revenue and Expenses Compared to Budget

Expenses of Black Hills Weatherization (Contract No. BHE 19-16)

Six months ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 33,258	\$ 33,258	\$ 0
Program expenses:			
Administration	1,446	1,626	(180)
Support	2,892	2,712	180
Labor	14,460	15,440	(980)
Material	14,460	13,480	980
Totals	\$ 33,258	\$ 33,258	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-12

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed IPL Weatherization (Contract No. IPL 18-16)

Year Ended December 31, 2018

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 111,390	\$ 110,265	\$ 1,125
Program expenses:			
Administration	5,569	5,167	402
Support	11,139	10,415	724
Labor	47,341	38,671	8,670
Material	47,341	56,012	(8,671)
Totals	\$ 111,390	\$ 110,265	\$ 1,125

Upper Des Moines Opportunity, Inc.

Schedule F-13

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed IPL Weatherization (Contract No. IPL CO-16)

Three months ended March 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 172,743	\$ 11,923	\$ 160,820
Program expenses:			
Administration	8,637	674	7,963
Support	17,274	1,115	16,159
Labor	73,416	4,047	69,369
Material	73,416	6,087	67,329
Totals	\$ 172,743	\$ 11,923	\$ 160,820

Upper Des Moines Opportunity, Inc.

Schedule F-14

Schedule of Revenue and Expenses Compared to Budget

Expenses of IPL Weatherization (Contract No. IPL 19-16)

Six months ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 224,372	\$ 200,495	\$ 23,877
Program expenses:			
Administration	9,755	10,558	(803)
Support	19,511	15,594	3,917
Labor	97,553	83,132	14,421
Material	97,553	91,211	6,342
Totals	\$ 224,372	\$ 200,495	\$ 23,877

Upper Des Moines Opportunity, Inc.

Schedule F-15

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed MEC Weatherization (Contract No. MEC 18-16)

Year Ended December 31, 2018

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 140,310	\$ 140,310	\$ 0
Program expenses:			
Administration	7,015	6,836	179
Support	14,031	13,090	941
Labor	59,632	51,566	8,066
Material	59,632	68,818	(9,186)
Totals	\$ 140,310	\$ 140,310	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-16

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed MEC Weatherization (Contract No. MEC CO-16)

Three months ended March 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 19,475	\$ 19,475	\$ 0
Program expenses:			
Administration	974	1,108	(134)
Support	1,947	1,813	134
Labor	8,277	5,531	2,746
Material	8,277	11,023	(2,746)
Totals	\$ 19,475	\$ 19,475	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-17

Schedule of Revenue and Expenses Compared to Budget

Expenses of MEC Weatherization (Contract No. MEC 19-16)

Six months ended September 30, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 81,235	\$ 62,550	\$ 18,685
Program expenses:			
Administration	3,522	3,199	323
Support	7,039	4,933	2,106
Labor	35,337	21,805	13,532
Material	35,337	32,613	2,724
Totals	\$ 81,235	\$ 62,550	\$ 18,685



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

Board of Directors
Upper Des Moines Opportunity, Inc.
Graettinger, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Upper Des Moines Opportunity, Inc., which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year ended September 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated March 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Upper Des Moines Opportunity, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Upper Des Moines Opportunity, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Upper Des Moines Opportunity, Inc.'s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Upper Des Moines Opportunity, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Wipfli LLP

Wipfli LLP

March 24, 2020
Madison, Wisconsin



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

Board of Directors
Upper Des Moines Opportunity, Inc.
Graettinger, Iowa

Report on Compliance for the Major Federal Program

We have audited Upper Des Moines Opportunity, Inc.'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 its major federal program for the year ended September 30, 2019. Upper Des Moines Opportunity, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility for Compliance

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 Upper Des Moines Opportunity, Inc.'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; 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 Upper Des Moines Opportunity, Inc.'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 legal determination on Upper Des Moines Opportunity, Inc.'s compliance.

Opinion

In our opinion, Upper Des Moines Opportunity, Inc. 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, 2019.

Report on Internal Control Over Compliance

Management of Upper Des Moines Opportunity, Inc. 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 Upper Des Moines Opportunity, Inc.'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 that are 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 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 Upper Des Moines Opportunity, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

March 24, 2020
Madison, Wisconsin

Upper Des Moines Opportunity, Inc.

Schedule of Findings and Questioned Costs Year Ended September 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued?	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	No

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

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

Identification of major federal program:

<u>Name of Federal Major Program or Cluster</u>	<u>CFDA No.</u>
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Head Start	93.600
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Dollar threshold used to distinguish between federal Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Year Findings

None