

South Central Iowa Community Action Program, Inc.

Financial Statements
and Supplementary Information

Years Ended October 31, 2025 and 2024



South Central Iowa
Community Action Program

Independent Auditor's Report

Board of Directors
South Central Iowa Community Action Program, Inc.
Chariton, Iowa

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Community Action Organization (a nonprofit organization), which comprise the statement of financial position as of October 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of South Central Iowa Community Action Program, Inc. as of October 31, 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of South Central Iowa Community Action Program, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of South Central Iowa Community Action Program, Inc. for the year ended October 31, 2024, were audited by another auditor, whose report dated February 27, 2025 expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of South Central Iowa Community Action Program, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about South Central Iowa Community Action Program, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2026, on our consideration of the South Central Iowa Community Action Program, 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 South Central Iowa Community Action Program, 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 South Central Iowa Community Action Program, Inc.'s internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP

Madison, Wisconsin

March 12, 2026

South Central Iowa Community Action Program, Inc.

Statements of Financial Position

October 31, 2025 and 2024

<i>Assets</i>	2025	2024
Current assets:		
Cash	\$ 663,281	\$ 581,848
Certificates of deposit	215,143	208,979
Investments	72,611	71,194
Grants receivable	445,328	425,276
Weatherization inventory	20,647	18,169
Prepaid expenses	30,089	28,155
Total current assets	1,447,099	1,333,621
ROU Asset - operating type	187,927	213,289
Property and equipment, net	592,038	570,263
TOTAL ASSETS	\$ 2,227,064	\$ 2,117,173
<i>Liabilities and Net Assets</i>		
Current liabilities:		
Accounts payable	\$ 228,086	\$ 125,029
Accrued expenses	175,849	144,754
Refundable advance liabilities	148,170	183,418
Due to grantor agencies	1,874	940
ROU obligation - operating type - current	47,489	36,996
Total current liabilities	601,468	491,137
Long-term liabilities:		
ROU obligation - operating type - long-term	140,438	176,293
Total long-term liabilities	140,438	176,293
Total liabilities	741,906	667,430
Net assets:		
Without donor restrictions	1,042,029	983,112
With donor restrictions	443,129	466,631
Total net assets	1,485,158	1,449,743
TOTAL LIABILITIES AND NET ASSETS	\$ 2,227,064	\$ 2,117,173

South Central Iowa Community Action Program, Inc.

Statements of Activities

Year Ended October 31, 2025

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 5,232,328	\$ 0	\$ 5,232,328
Program income and public support	92,204	5,720	97,924
Investment income	9,513	213	9,726
Unrealized gain on investments	1,417	0	1,417
Other income	29,363	0	29,363
In-Kind contributions	170,594	0	170,594
Net assets released from restrictions	29,435	(29,435)	0
Total revenue	5,564,854	(23,502)	5,541,352
Expenses:			
Program services:			
Early childhood education services	3,193,948	0	3,193,948
Energy and weatherization services	1,224,064	0	1,224,064
Community and outreach services	654,063	0	654,063
Total program services	5,072,075	0	5,072,075
Supporting services:			
Management and general expenses	433,862	0	433,862
Total supporting services	433,862	0	433,862
Total expenses	5,505,937	0	5,505,937
Changes in net assets	58,917	(23,502)	35,415
Net assets - Beginning of year	983,112	466,631	1,449,743
Net assets - End of year	\$ 1,042,029	\$ 443,129	\$ 1,485,158

South Central Iowa Community Action Program, Inc.

Statements of Activities

Year Ended October 31, 2024

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 4,558,884	\$ 0	\$ 4,558,884
Program income and public support	27,613	129,446	157,059
Investment income	9,522	131	9,653
Unrealized gain on investments	12,719	0	12,719
Other income	4,240	41,440	45,680
In-Kind contributions	166,160	0	166,160
Net assets released from restrictions	187,169	(187,169)	0
Total revenue	4,966,307	(16,152)	4,950,155
Expenses:			
Program services:			
Early childhood education services	2,443,413	0	2,443,413
Energy and weatherization services	1,003,230	0	1,003,230
Community and outreach services	921,723	0	921,723
Total program services	4,368,366	0	4,368,366
Supporting services:			
Management and general expenses	554,113	0	554,113
Total supporting services	554,113	0	554,113
Total expenses	4,922,479	0	4,922,479
Changes in net assets	43,828	(16,152)	27,676
Net assets - Beginning of year	939,284	482,783	1,422,067
Net assets - End of year	\$ 983,112	\$ 466,631	\$ 1,449,743

South Central Iowa Community Action Program, Inc.

Statements of Functional Expenses

Year Ended October 31, 2025

	Program Services	General and Administrative	Total
Salaries and fringe benefits	\$ 2,609,818	\$ 255,546	\$ 2,865,364
Direct client services	1,052,788	75,563	1,128,351
Program expenses	235,902	165	236,067
Supplies and materials	287,948	6,722	294,670
Publication/advertising	969	285	1,254
Postage and shipping	4,806	628	5,434
Contractual	131,159	51,838	182,997
Insurance	36,281	18,521	54,802
Telephone and communications	48,596	1,671	50,267
Space	149,868	4,980	154,848
Legal & professional	0	3,931	3,931
Building and equip maintenance and rental	116,375	3,884	120,259
Registration, dues, and subscriptions	28,456	5,072	33,528
Training and staff development	49,930	3,879	53,809
Travel	56,228	1,177	57,405
Other expenses	700	0	700
Depreciation	91,657	0	91,657
In-Kind	170,594	0	170,594
Total expenses	\$ 5,072,075	\$ 433,862	\$ 5,505,937

South Central Iowa Community Action Program, Inc.

Statements of Functional Expenses

Year Ended October 31, 2024

	Program Services	General and Administrative	Total
Salaries and fringe benefits	\$ 2,419,065	\$ 250,591	\$ 2,669,656
Direct client services	920,350	94,298	1,014,648
Program expenses	128,532	20,098	148,630
Supplies and materials	155,900	6,345	162,245
Publication/advertising	8,172	(2,597)	5,575
Postage and shipping	2,955	(444)	2,511
Contractual	128,904	52,096	181,000
Insurance	30,312	19,305	49,617
Telephone and communications	41,803	2,309	44,112
Space	148,025	5,207	153,232
Bldg & equip maintenance and rental	66,020	2,522	68,542
Registration, dues, and subscriptions	35,022	1,735	36,757
Equipment	23,630	0	23,630
Training and staff development	35,603	5,667	41,270
Travel	52,983	1,795	54,778
Other expenses	4,930	0	4,930
Depreciation	0	95,186	95,186
In-Kind	166,160	0	166,160
Total expenses	\$ 4,368,366	\$ 554,113	\$ 4,922,479

South Central Iowa Community Action Program, Inc.

Statements of Cash Flows

Years Ended October 31, 2025 and 2024

	2025	2024
Increase (decrease) in cash:		
Cash flows from operating activities:		
Changes in net assets	\$ 35,415	\$ 27,676
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation expense	91,657	95,186
Unrealized gains on investments	(1,417)	(12,719)
Non-cash lease expense	55,538	50,085
Changes in operating assets and liabilities:		
Grants receivable	(20,052)	(141,494)
Due to grantor agencies	934	(2,006)
Prepaid expenses	(1,934)	6,123
Inventory	(2,478)	(16,632)
Accounts payable	103,057	48,107
Accrued expenses	31,095	17,449
Refundable advance liabilities	(35,248)	15,325
Operating lease obligations	(55,538)	(50,085)
Net cash from operating activities	201,029	37,015
Cash flows from investing activities:		
Purchase of property and equipment	(113,432)	(78,576)
Reinvestment in certificates of deposit	(6,164)	(5,924)
Net cash from investing activities	(119,596)	(84,500)
Changes in cash	81,433	(47,485)
Cash - Beginning of year	581,848	629,333
Cash - End of year	\$ 663,281	\$ 581,848

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

South Central Iowa Community Action Program, Inc. ("Organization"), administers programs funded by federal, state, and local agencies. These programs are operated for the benefit of eligible participants using the guidelines of the funding agencies.

South Central Iowa Community Action Program, Inc.'s mission is to empower individuals and families with services to become self-sufficient and contribute positively to their communities.

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 the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or may not be met either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the statements 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.

Certificates of Deposit

Certificates of deposit are carried at cost. Certificates of deposit are either explicitly or implicitly guaranteed by the U.S. Government, highly rated by major rating agencies, and/or have a long history of no credit losses. Based on this analysis, the Organization believe it will collect all amounts owed on this certificate of deposit and has not recognized an allowance for credit losses on it.

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statement of financial position. The change in fair value during the fiscal period is included in revenue as unrealized gain (loss) on investments. The cost of securities is determined using the specific identification method.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Revenue Recognition

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

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

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. If a restriction is satisfied in the year of contribution, the contribution is recorded as revenue without restrictions.

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Conditional contributions are recognized when the barriers to entitlement are overcome and the promises become unconditional. Unconditional contributions are recognized as revenue when received.

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 in accordance with the terms of the award. Revenue is recognized in the accounting period when the conditions in the award are satisfied. Amounts received or receivable in excess of expenses are reflected as a refundable advance liability.

B. Grant Awards That Are Exchange Transactions

Exchange transactions are reimbursed based on a predetermined rate for services performed in accordance with the terms of the award. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability.

In-Kind Contributions

The Organization has recorded in-kind contributions for donated space and materials/supplies/food used in programs in the statement of activities in accordance with a financial accounting standard, which requires only contributions of services received that create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The Organization received significant amounts of contributions of nonprofessional volunteers that are not recorded in the statement of activities as they do not meet the criteria for recognition.

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Grants Receivable

The Organization analyze grants receivables and record an allowance that management believes will reserve for possible credit losses on existing receivables that may become uncollectible. The evaluations take into consideration such factors as changes in the customer's creditworthiness, prior loss experience, current economic conditions, and expected changes during a reasonable and supportable forecast period. Management assesses collectability by pooling receivables with similar risk characteristics and evaluates individually when specific customer balances no longer share those risk characteristics. The Organization consider grants receivable to be fully collectible. Accordingly, management has determined that no allowance is necessary at October 31, 2025 or 2024.

Weatherization Inventory

Weatherization materials 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 is a dwelling unit that has received weatherization services within the limits established in the weatherization contract, the final inspection has been performed and the owner sign-off obtained.

Property and Equipment

Property and equipment purchased are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. Property and equipment are items with a cost of \$5,000 or more and have a useful life of more than one year.

The Organization report gifts of property and equipment at their estimated fair value as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization report expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Organization review property and equipment periodically to determine potential impairment by comparing the carrying value of the property and equipment with the estimated future undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected cash flows be less than the carrying value, the Organization would recognize an impairment loss at that time. No impairment loss was recognized in 2025 or 2024.

South Central Iowa Community Action Program, 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 the Organization while used in the program for which they were purchased or in other future authorized programs. However, some funding sources have a reversionary interest in the property and equipment purchased with grant funds. Their disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The property and equipment purchased with grant funds are normally restricted for use in specific programs operated by the Organization. The net book value of grant-funded property and equipment included on the consolidated statements of financial position is \$573,156 and \$549,867 at October 31, 2025 and 2024, respectively.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from Iowa income taxes.

The Organization 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. The Organization have determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

Functional Allocation

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Directly identifiable expenses are charged to programs and supporting services when incurred. Where not specifically identifiable, costs are allocated based on estimates and effort expended. Technology and facilities costs are accumulated in a shared cost pool, then allocated among the various program and supporting services based on specific identification of costs.

Leases

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

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

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Leases (Continued)

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

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

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

Reclassification

Certain amounts as previously reported in the 2024 financial statements have been reclassified to conform to the 2025 presentation. Such reclassifications have no effect on reported amounts of net assets or change in net assets.

Subsequent Events

Subsequent events have been evaluated through March 12, 2026, which is the date the financial statements were available to be issued.

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 2: Liquidity and Availability

The following reflects Organization's financial assets of October 31, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. The calculation of available financial assets at October 31, 2025 and 2024 is as follows:

	2025	2024
Cash	\$ 663,281	\$ 581,848
Certificate of deposit	215,143	208,979
Investments	72,611	71,194
Grants receivable	445,328	425,276
Subtotal financial assets	1,396,363	1,287,297
Less: Accounts payable	(228,086)	(125,029)
Less: Accrued expenses	(175,849)	(144,754)
Less: Refundable advance liabilities	(148,170)	(183,418)
Less: Due to grantor agencies	(1,874)	(940)
Less: Net assets with donor restrictions included in financial assets	(443,129)	(466,631)
Total available financial assets	\$ 399,255	\$ 366,525

The Organization have no formal liquidity policy and the Organization relies on available grant funding that is requested and received shortly thereafter to ensure it has cash available to meet its current obligations.

Note 3: Concentration of Risk

The Organization maintain their cash balances at several financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organization's cash balances at times exceed insured limits as designated by FDIC. The Organization have not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Financial awards from federal, state and local governmental entities make up 94% and 93% of total revenue for the years ended October 31, 2025 and 2024, respectively. A substantial reduction in the level of this support may have an adverse effect on the Organization's programs and activities.

Note 4: Grants Receivable

Grants receivable at October 31, 2025 and 2024, consisted of the following:

	2025	2024
Federal Programs	\$ 345,504	\$ 311,293
State and Local programs	99,824	113,983
Totals	\$ 445,328	\$ 425,276

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 5: Weatherization Inventory

The Organization has entered a contract which provides funding for weatherization materials inventory. This funding in the amount of \$15,280 is treated as a net asset with donor restrictions and is used to provide materials for the various ongoing weatherization programs.

As of October 31, 2025 and 2024, the inventory on hand totaled \$1,675 and \$1,157 with an additional \$18,972 and \$17,012 of work in process costs on uncompleted homes.

Note 6: Property and Equipment

A summary of property and equipment at October 31, 2025 and 2024, is as follows:

	2025	2024
Land	\$ 55,224	\$ 55,224
Headstart Program	1,454,475	1,341,041
Weatherization Programs	8,388	8,388
Local Programs	84,527	84,527
Subtotal	1,602,614	1,489,180
Accumulated depreciation	(1,010,576)	(918,917)
Property and equipment, net	\$ 592,038	\$ 570,263

Note 7: Certificates of Deposit

Certificates of deposit totaling \$215,143 and \$208,979 at are included in cash in the accompanying financial statements at October 31, 2025 and 2024, respectively. The certificates bear interest at 2.967% and have maturities of 12 months, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

Note 8: Investments

Investments at October 31, 2025 and 2024, and related returns for the years then ended consisted of the following:

<i>Years Ended October 31, 2025 and 2024</i>	2025	2024
Principal stock	\$ 72,611	\$ 71,194
Total	\$ 72,611	\$ 71,194

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 8: Investments (Continued)

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

Note 9: Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value.

Quoted market prices are used to determine the fair value of investments in publicly traded equity securities (common and preferred stock). Equity mutual funds and blend mutual funds are valued using quotes from pricing vendors based on recent trading activity and other observable market data. The fair value of the annuity fund is based on pricing models, yield curves, and other relevant economic measures and is, therefore, classified as Level 2.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy at October 31, 2025 and 2024:

	2025	2024
Principal stock - level 1	\$ 72,611	\$ 71,194
Total	\$ 72,611	\$ 71,194

There were no assets or liabilities measured at fair value on a nonrecurring basis as of October 31, 2025 and 2024.

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 10: Leases

The Organization's lease space for operation of its programs. The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The Organization's lease agreements do not contain any material residual guarantees or material restrictive covenants. Payments due under the lease contracts include fixed payments.

The Organization's components of lease expense and operating cash flows from operating leases were as follows for the year ended October 31:

<i>Lease Costs</i>	2025	2024
Operating lease cost	\$ 55,538	\$ 50,085
Short-term lease cost	67,325	64,548
Total lease costs	\$ 122,863	\$ 114,633

	2025	2024
Weighted average remaining lease term - Operating leases	3.67 years	4.67 years
Weighted average discount rate - Operating leases	4.44 %	8.50 %

Maturities of operating lease liabilities are as follows as of October 31, 2025:

2026	\$ 54,790
2027	55,886
2028	57,004
2029	38,506
Total lease payments	206,186
Less imputed interest	18,259
Subtotal	187,927
Less current portion	47,489
Total long-term portion	\$ 140,438

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 11: Net Assets with Donor Restrictions

At October 31, 2025 and 2024, South Central Iowa Community Action Program, Inc. had net assets with donor restrictions of \$443,129 and \$466,631, respectively. These net assets consist of contributions and grants that have been restricted by donors or grantors for the following specific program uses:

<i>Years Ended October 31,</i>	2025	2024
Weatherization Inventory	\$ 15,280	\$ 15,280
Weatherization cost pools	65,819	91,062
Parents as teachers plus music	9,515	9,623
Head start OFS funds	28,436	22,503
FaDSS miscellaneous	483	565
County funds	93,642	93,856
Utility funds	229,954	233,742
Total net assets with donor restrictions	\$ 443,129	\$ 466,631

Net assets released from restrictions of \$29,435 and \$187,169 during the years ended October 31, 2025 and 2024, represent amounts that satisfied specific program restrictions or were appropriated and utilized during the time period for which it was restricted.

Note 12: Pension and Retirement Benefits

South Central Iowa Community Action Program, Inc. 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: 42-6150870

South Central Iowa Community Action Program, Inc. is one of over 1,949 public employers participating in the plan, which has a plan net position exceeding \$46.7 billion as of June 30, 2025. 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 Organization's control. IPERS's funded status was 90.75%, leaving an unfunded actuarial liability of approximately \$3.8 billion as of June 30, 2025, 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 Organization was required to contribute 9.44% of annual covered payroll from November 1, 2024 through October 31, 2025. Contribution requirements to IPERS are established by state statute. The Organization's contribution to IPERS for the years ended October 31, 2025 and 2024, was \$196,596 and \$195,465.

South Central Iowa Community Action Program, Inc.

Notes to Financial Statements

Note 13: Commitments and Uncertainties

Amounts received or receivable from various contracting agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of the Organization if so determined in the future. It is management's belief that no significant amounts received or receivable will be required to be returned in the future.

The Organization is subject to legal matters that arise from time to time in the ordinary course of business. Management currently believes that resolving such matters, individually or in the aggregate, will not have a material adverse effect on the Organization's financial position, results of operations, or cash flows. However, these matters are subject to inherent uncertainties and management's view may change in the future.

Note 14: Contributed Nonfinancial Assets

For the years ending October 31, 2025 and 2024, contributed nonfinancial assets included in in-kind contributions on the statements of activities are as follows:

<i>Years Ended October 31,</i>	2025	2024
Space	\$ 117,551	\$ 72,402
Materials and Supplies	17,015	53,160
Food	36,028	40,598
Totals	\$ 170,594	\$ 166,160

The Organization recognizes contributed nonfinancial assets within revenue, including items such as food, space and donated materials and supplies. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed nonfinancial assets are valued at fair market value at the date of donation. For most items, fair value is determined using either donor-provided values or current retail prices for similar goods or services, as supported by market research and documentation. For donated space, fair value is based on the market rates for similar properties in the local market.

Most contributed nonfinancial assets are utilized directly in the Organization's programs to benefit clients. The Organization does not record or recognize in-kind items that would not otherwise be purchased or used in operations.

Supplementary Information

South Central Iowa Community Action Program, Inc.

Schedule of Expenditures of Federal Awards

For the Year Ended October 31, 2025

FEDERAL AWARDS Grantor/Pass Through Grantor/Program Title	Federal AL Number	Pass-Through Grantor's Number	Grant Period		Program or Award Amount	Federal Expenditures
			From	To		
US Dept of Agriculture						
<u>Passed through Iowa Dept of Education</u>						
Child and Adult Care Food Program - Centers	10.558	27-8010	10/1/2024	9/30/2025		\$ 161,102
Child and Adult Care Food Program - Centers	10.558	27-8010	10/1/2025	9/30/2026		41,998
TOTAL AL # 10.558						203,100
Total for U.S. Department of Agriculture						203,100
US Dept of Energy						
<u>Passed through Iowa Dept of Health & Human Services</u>						
DOE Weatherization Assistance Program	81.042	DOE-BIL22-13	7/1/2022	6/30/2026	\$ 996,514	127,111
DOE Weatherization Assistance Program	81.042	DOE-24-13	4/1/2024	3/31/2025	128,478	42,777
DOE Weatherization Assistance Program	81.042	DOE-25-13	4/1/2025	6/30/2026	115,690	12,072
TOTAL AL # 81.042						181,960
Total for U.S. Department of Energy						181,960
US Dept of Health and Human Services						
<u>Passed through Iowa Dept of Health & Human Services</u>						
<u>CCDF Cluster</u>						
Wrap Around Child Care	93.575	ACFS-21-015	7/1/2024	6/30/2025	64,200	11,813
<u>Passed through Iowa Dept of Health & Human Services</u>						
Family Development and Self-Sufficiency	93.558	FWBP-EIS-25-2069	7/1/2024	7/31/2025	230,000	80,070
Family Development and Self-Sufficiency	93.558	FWBP-EIS-25-2069	7/1/2025	6/30/2026	230,000	23,608
TOTAL AL # 93.558						103,678
<u>Passed through Iowa Dept of Health & Human Services</u>						
Low Income Home Energy Assistance Program	93.568	LIHEAP-24-13	10/1/2023	12/31/2024	913,800	36,357
Low Income Home Energy Assistance Program(LHCIV)	93.568	LIHEAP-24-13	11/1/2024	12/31/2024	18,900	18,900
Low Income Home Energy Assistance Program	93.568	LIHEAP-25-13	10/1/2024	12/31/2025	1,002,696	953,960
HEAP Weatherization Assistance Program-3E	93.568	HEAP-3E-13	6/1/2023	9/30/2025	30,069	30,069
HEAP Weatherization Assistance Program	93.568	HEAP-24-13	10/31/2024	12/31/2025	351,401	36,750
TOTAL AL # 93.568						1,076,036
<u>Passed through Iowa Dept of Health & Human Services</u>						
Community Services Block Grant	93.569	CSBG-24-13	10/1/2023	3/31/2025	176,668	54,612
Community Services Block Grant	93.569	CSBG-25-13	10/1/2024	3/31/2026	185,000	84,158
TOTAL AL # 93.569						138,770
<u>Paid Directly to Grantee</u>						
<u>Head Start Cluster</u>						
Head Start and Early Head Start Program	93.600	07CH012193-03	11/1/2024	10/31/2025	\$ 2,768,814	\$ 2,660,742
Total for U.S. Department of Health and Human Services						3,991,039
TOTAL FEDERAL EXPENDITURES						\$ 4,376,099

South Central Iowa Community Action Program, Inc.

Notes to Schedule of Expenditures of Federal Awards

Year Ended October 31, 2025

Note 1: General

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

Note 2: Basis of Accounting

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

Note 3: Indirect Cost Rate

South Central Iowa Community Action Program, Inc. has elected not to use the up to 15-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Sub-Recipients

South Central Iowa Community Action Program, Inc. does not have any sub-recipients of federal awards.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	TOTAL	Eliminations	Administrative and Indirect	Property and Equipment	Local Programs
Revenue:					
Grant revenue	\$ 5,232,328	\$ 0	\$ 0	\$ 0	\$ 26,426
Program income and public support	97,924	0	0	0	75,788
Investment income	9,726	0	0	0	9,726
Unrealized gain on investments	1,417	0	0	0	1,417
Other income	29,363	(356,061)	356,061	0	29,363
In-kind contributions	170,594	(485,615)	0	0	38,146
Total revenue	5,541,352	(841,676)	356,061	0	180,866
Expenses:					
Salaries and Fringe Benefits	2,865,364	0	236,342	0	24,217
Direct Client Services	1,128,351	0	288	0	125,255
Program Expenses	236,067	0	0	0	5,206
Supplies and Materials	294,670	0	4,598	0	911
Publications/Advertising	1,254	0	285	0	0
Postage and Shipping	5,434	0	583	0	45
Contractual	182,997	0	51,838	0	0
Indirect and Administrative Costs	0	(356,061)	0	0	8,098
Insurance	54,802	0	18,473	0	4,111
Telephone and Communications	50,267	0	1,671	0	0
Space	154,848	0	4,980	0	0
Legal and Professional	3,931	0	1,250	0	2,681
Building and Equipment Maintenance and Rental	120,259	0	2,744	(113,432)	2,049
Registration, Dues, and Subscriptions	33,528	0	3,495	0	1,578
Training and Staff Development	53,809	0	3,982	0	469
Travel	57,405	0	610	0	567
Other Expenses	700	0	0	0	0
Depreciation	91,657	0	0	91,657	0
In-Kind	170,594	(485,615)	0	0	0
Total expenses	5,505,937	(841,676)	331,139	(21,775)	175,187
Excess of revenue over expenses	\$ 35,415	\$ 0	\$ 24,922	\$ 21,775	\$ 5,679
Net Assets at Beginning of the Year	1,449,743	0	(18,053)	570,263	943,188
Net Assets at End of the Year	1,485,158	0	6,869	592,038	948,867

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	Total Program Activity	LIHEAP- LHCIV Special	2024 CSBG	2024 WSV	2024 MSV	2024 Clarke SV
Revenue:						
Grant revenue	\$ 5,205,902	\$ 18,900	\$ 54,612	\$ 419	\$ 94	\$ 377
Program income and public support	22,136	0	0	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	618,063	0	0	0	0	0
Total revenue	5,846,101	18,900	54,612	419	94	377
Expenses:						
Salaries and Fringe Benefits	2,604,805	14,758	35,272	0	57	185
Direct Client Services	1,002,808	0	0	0	0	0
Program Expenses	230,861	0	0	419	0	0
Supplies and Materials	289,161	887	1,329	0	37	192
Publications/Advertising	969	0	91	0	0	0
Postage and Shipping	4,806	438	129	0	0	0
Contractual	131,159	0	459	0	0	0
Indirect and Administrative Costs	347,963	2,106	5,045	0	0	0
Insurance	32,218	0	246	0	0	0
Telephone and Communications	48,596	0	990	0	0	0
Space	149,868	0	6,655	0	0	0
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	228,898	444	1,087	0	0	0
Registration, Dues, and Subscriptions	28,455	0	2,008	0	0	0
Training and Staff Development	49,358	0	350	0	0	0
Travel	56,228	267	951	0	0	0
Other Expenses	700	0	0	0	0	0
Depreciation	0	0	0	0	0	0
In-Kind	656,209	0	0	0	0	0
Total expenses	5,863,062	18,900	54,612	419	94	377
Excess of revenue over expenses	\$ (16,961)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	(45,655)	0	0	0	0	0
Net Assets at End of the Year	(62,616)	0	0	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	2024 Lucas SV	3DRP Diaper Program	2024 LIHEAP	2025 CSBG	2025 DOE	2025 HEAP-24-13
Revenue:						
Grant revenue	\$ 88	\$ 61,079	\$ 36,357	\$ 84,158	\$ 42,777	\$ 36,750
Program income and public support	0	0	0	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0
Total revenue	88	61,079	36,357	84,158	42,777	36,750
Expenses:						
Salaries and Fringe Benefits	0	11,273	13,324	31,082	0	0
Direct Client Services	0	46,316	17,697	17,359	0	0
Program Expenses	0	0	0	2,052	42,719	34,403
Supplies and Materials	88	640	1,147	1,890	0	0
Publications/Advertising	0	0	0	0	0	0
Postage and Shipping	0	0	23	403	0	0
Contractual	0	0	0	0	0	0
Indirect and Administrative Costs	0	1,459	2,183	4,571	58	0
Insurance	0	0	53	739	0	0
Telephone and Communications	0	0	461	3,162	0	0
Space	0	0	1,019	13,481	0	0
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	0	0	450	6,310	0	0
Registration, Dues, and Subscriptions	0	0	0	0	0	0
Training and Staff Development	0	0	0	549	0	2,347
Travel	0	1,391	0	2,428	0	0
Other Expenses	0	0	0	132	0	0
Depreciation	0	0	0	0	0	0
In-Kind	0	0	0	0	0	0
Total expenses	88	61,079	36,357	84,158	42,777	36,750
Excess of revenue over expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	0	0	0	0	0
Net Assets at End of the Year	0	0	0	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	2025 ECI Admin	2025 WSV	2025 MSV	2024 FaDSS	2025 CSV	2025 LSV
Revenue:						
Grant revenue	\$ 33,845	\$ 55,888	\$ 70,844	\$ 200,175	\$ 79,660	\$ 76,103
Program income and public support	0	0	0	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0
Total revenue	33,845	55,888	70,844	200,175	79,660	76,103
Expenses:						
Salaries and Fringe Benefits	25,366	40,523	54,740	127,061	60,706	59,224
Direct Client Services	0	0	0	0	0	0
Program Expenses	0	4,800	0	268	0	0
Supplies and Materials	143	2,000	3,395	20,224	3,365	3,000
Publications/Advertising	0	0	0	0	0	0
Postage and Shipping	0	0	0	1,025	0	0
Contractual	0	0	0	0	0	0
Indirect and Administrative Costs	3,654	5,621	7,349	16,835	8,085	7,877
Insurance	2,163	0	0	465	0	0
Telephone and Communications	501	402	1,090	6,629	2,540	863
Space	1,316	1,028	2,917	6,374	3,605	3,634
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	337	764	698	2,044	674	455
Registration, Dues, and Subscriptions	0	0	0	150	0	0
Training and Staff Development	171	750	655	4,757	685	1,050
Travel	194	0	0	14,343	0	0
Other Expenses	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
In-Kind	0	0	0	0	0	0
Total expenses	33,845	55,888	70,844	200,175	79,660	76,103
Excess of revenue over expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	0	0	0	0	0
Net Assets at End of the Year	0	0	0	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	Parents as Teachers	2025 Wayne PAT	4 Co Kids HS Transp	Embrace IA	2025 LIHEAP	2025 Wrap Decatur
Revenue:						
Grant revenue	\$ 157,694	\$ 44,282	\$ 329	\$ 27,474	\$ 953,960	\$ 8,518
Program income and public support	0	0	22,136	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0
Total revenue	157,694	44,282	22,465	27,474	953,960	8,518
Expenses:						
Salaries and Fringe Benefits	116,894	33,185	9,285	877	135,870	7,425
Direct Client Services	1,818	0	0	26,474	784,466	0
Program Expenses	0	2,171	11,930	0	0	0
Supplies and Materials	2,765	899	0	0	8,184	0
Publications/Advertising	0	0	0	0	0	0
Postage and Shipping	56	73	0	0	1,404	0
Contractual	0	0	0	0	0	0
Indirect and Administrative Costs	14,905	3,883	1,250	123	16,038	1,093
Insurance	655	75	0	0	265	0
Telephone and Communications	3,592	225	0	0	2,775	0
Space	5,711	2,665	0	0	2,983	0
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	1,105	100	0	0	736	0
Registration, Dues, and Subscriptions	0	0	0	0	0	0
Training and Staff Development	3,470	0	0	0	0	0
Travel	6,723	1,006	0	0	1,239	0
Other Expenses	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
In-Kind	0	0	0	0	0	0
Total expenses	157,694	44,282	22,465	27,474	953,960	8,518
Excess of revenue over expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	0	0	0	0	0
Net Assets at End of the Year	0	0	0	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	2025 Wrap Lucas	2026 DOE	2026 ECI Admin	2026 MVS	2026 FaDSS	2026 LSV
Revenue:						
Grant revenue	\$ 3,295	\$ 12,072	\$ 17,266	\$ 99	\$ 59,019	\$ 461
Program income and public support	0	0	0	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0
Total revenue	3,295	12,072	17,266	99	59,019	461
Expenses:						
Salaries and Fringe Benefits	2,894	0	13,432	0	45,456	0
Direct Client Services	0	0	0	0	0	0
Program Expenses	0	11,403	0	0	0	0
Supplies and Materials	0	0	93	0	441	0
Publications/Advertising	0	0	0	0	0	0
Postage and Shipping	0	0	14	0	3	0
Contractual	0	0	0	0	0	0
Indirect and Administrative Costs	401	0	1,901	0	5,952	0
Insurance	0	0	0	0	155	0
Telephone and Communications	0	0	401	0	650	276
Space	0	0	716	99	1,061	185
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	0	0	196	0	132	0
Registration, Dues, and Subscriptions	0	0	0	0	0	0
Training and Staff Development	0	669	0	0	0	0
Travel	0	0	463	0	5,169	0
Other Expenses	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
In-Kind	0	0	0	0	0	0
Total expenses	3,295	12,072	17,216	99	59,019	461
Excess of revenue over expenses	\$ 0	\$ 0	\$ 50	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	0	0	0	0	0
Net Assets at End of the Year	0	0	50	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	2026 PAT	2026 Decat PAT	2026 Wayne PAT	2026 ICCAP PAT	2026 ADLM-Trans	2025 EHS
Revenue:						
Grant revenue	\$ 80,356	\$ 3,239	\$ 17,989	\$ 9,615	\$ 5,971	\$ 396,924
Program income and public support	0	0	0	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	33,797
Total revenue	80,356	3,239	17,989	9,615	5,971	430,721
Expenses:						
Salaries and Fringe Benefits	57,365	1,517	14,558	6,268	1,648	308,820
Direct Client Services	3,522	1,151	0	0	0	17
Program Expenses	370	0	0	0	4,110	220
Supplies and Materials	820	0	14	771	0	7,602
Publications/Advertising	0	0	0	0	0	0
Postage and Shipping	22	0	0	0	0	72
Contractual	0	0	0	0	0	525
Indirect and Administrative Costs	7,387	213	1,761	0	213	43,083
Insurance	365	0	0	0	0	5,128
Telephone and Communications	1,875	0	113	0	0	6,369
Space	2,374	0	885	0	0	15,935
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	884	0	0	0	0	5,972
Registration, Dues, and Subscriptions	0	0	0	0	0	1,207
Training and Staff Development	2,486	345	100	2,545	0	0
Travel	2,886	13	558	31	0	1,974
Other Expenses	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
In-Kind	0	0	0	0	0	33,797
Total expenses	80,356	3,239	17,989	9,615	5,971	430,721
Excess of revenue over expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	0	0	0	0	0
Net Assets at End of the Year	0	0	0	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	2025 EHS CACFP	2025 EHS T&TA	2025 HS T&TA	2025 HS	2025 HS CACFP	2026 EHS CACFP
Revenue:						
Grant revenue	\$ 49,191	\$ 3,728	\$ 13,357	\$ 2,177,848	\$ 111,911	\$ 9,465
Program income and public support	0	0	0	0	0	0
Investment income	0	0	0	0	0	0
Unrealized gain on investments	0	0	0	0	0	0
Other income	0	0	0	0	0	0
In-kind contributions	0	0	0	584,266	0	0
Total revenue	49,191	3,728	13,357	2,762,114	111,911	9,465
Expenses:						
Salaries and Fringe Benefits	31,235	0	0	1,230,940	44,271	5,084
Direct Client Services	13,800	189	1,176	0	61,347	3,773
Program Expenses	0	0	0	17,229	0	0
Supplies and Materials	0	0	485	228,750	0	0
Publications/Advertising	0	0	0	878	0	0
Postage and Shipping	0	0	0	1,144	0	0
Contractual	0	0	0	130,175	0	0
Indirect and Administrative Costs	4,156	0	0	164,749	6,293	608
Insurance	0	0	0	21,909	0	0
Telephone and Communications	0	0	0	15,682	0	0
Space	0	0	0	77,225	0	0
Legal and Professional	0	0	0	0	0	0
Building and Equipment Maintenance and Rental	0	0	0	206,510	0	0
Registration, Dues, and Subscriptions	0	0	0	25,090	0	0
Training and Staff Development	0	3,539	11,649	2,308	0	0
Travel	0	0	47	16,545	0	0
Other Expenses	0	0	0	568	0	0
Depreciation	0	0	0	0	0	0
In-Kind	0	0	0	622,412	0	0
Total expenses	49,191	3,728	13,357	2,762,114	111,911	9,465
Excess of revenue over expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	0	0	0	0	0
Net Assets at End of the Year	0	0	0	0	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Combining Statement of Activities and Changes in Net Assets

November 1, 2024 through October 31, 2025

	2026 HS CACFP	WX DOE Pool	DOE BIL 22-13	2024 HEAP 3E-13
Revenue:				
Grant revenue	\$ 32,533	\$ 0	\$ 127,111	\$ 30,069
Program income and public support	0	0	0	0
Investment income	0	0	0	0
Unrealized gain on investments	0	0	0	0
Other income	0	0	0	0
In-kind contributions	0	0	0	0
Total revenue	32,533	0	127,111	30,069
Expenses:				
Salaries and Fringe Benefits	7,741	0	56,469	0
Direct Client Services	23,703	0	0	0
Program Expenses	0	17,011	51,687	30,069
Supplies and Materials	0	0	0	0
Publications/Advertising	0	0	0	0
Postage and Shipping	0	0	0	0
Contractual	0	0	0	0
Indirect and Administrative Costs	1,089	0	8,022	0
Insurance	0	0	0	0
Telephone and Communications	0	0	0	0
Space	0	0	0	0
Legal and Professional	0	0	0	0
Building and Equipment Maintenance and Rental	0	0	0	0
Registration, Dues, and Subscriptions	0	0	0	0
Training and Staff Development	0	0	10,933	0
Travel	0	0	0	0
Other Expenses	0	0	0	0
Depreciation	0	0	0	0
In-Kind	0	0	0	0
Total expenses	32,533	17,011	127,111	30,069
Excess of revenue over expenses	\$ 0	\$ (17,011)	\$ 0	\$ 0
Net Assets at Beginning of the Year	0	(45,655)	0	0
Net Assets at End of the Year	0	(62,666)	0	0

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Revenue and Expenses of Local Programs

November 1, 2024 through October 31, 2025

	Total Local Programs	HS OFS	Weatherization	Utility Funds
Revenue:				
Grant revenue	\$ 26,426	\$ 9,870	\$ 0	\$ 0
Program income and public support	75,788	0	0	75,437
Investment income	9,726	0	0	0
Unrealized gain on investments	1,417	0	0	0
Other income	29,363	0	28,576	0
In-kind contributions	38,146	0	0	0
Total revenue	180,866	9,870	28,576	75,437
Expenses:				
Salaries and Fringe Benefits	24,217	0	24,217	0
Direct Client Services	125,255	0	0	79,225
Program Expenses	5,206	165	3,879	0
Supplies and Materials	911	0	0	0
Publications/Advertising	0	0	0	0
Postage and Shipping	45	0	0	0
Contractual	0	0	0	0
Indirect and Administrative Costs	8,098	2,167	3,740	0
Insurance	4,111	0	4,063	0
Telephone and Communications	0	0	0	0
Space	0	0	0	0
Audit	0	0	0	0
Legal and Professional	2,681	1,306	0	0
Building and Equipment Maintenance and Rental	2,049	0	909	0
Registration, Dues, and Subscriptions	1,578	0	0	0
Training and Staff Development	469	299	0	0
Travel	567	0	0	0
Board Expenses	0	0	0	0
Staff Physicals	0	0	0	0
Other Expenses	0	0	0	0
Depreciation	0	0	0	0
In-Kind	0	0	0	0
Total expenses	175,187	3,937	36,808	79,225
Excess of revenue over expenses	\$ 5,679	\$ 5,933	\$ (8,232)	\$ (3,788)
Net Assets at Beginning of the Year	943,188	22,503	151,997	233,742
Net Assets at End of the Year	948,867	28,436	143,765	229,954

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Revenue and Expenses of Local Programs

November 1, 2024 through October 31, 2025

	FaDSS Misc Funds	Lucas County Fund	Decatur County Fund	Unrestricted General Fund
Revenue:				
Grant revenue	\$ 0	\$ 0	\$ 0	\$ 5,165
Program income and public support	0	0	0	351
Investment income	0	0	0	9,513
Unrealized gain on investments	0	0	0	1,417
Other income	0	0	0	787
In-kind contributions	0	0	17,752	0
Total revenue	0	0	17,752	17,233
Expenses:				
Salaries and Fringe Benefits	0	0	0	0
Direct Client Services	0	0	33,310	0
Program Expenses	82	0	0	0
Supplies and Materials	0	0	0	112
Publications/Advertising	0	0	0	0
Postage and Shipping	0	0	0	0
Contractual	0	0	0	0
Indirect and Administrative Costs	0	0	0	1,425
Insurance	0	0	0	0
Telephone and Communications	0	0	0	0
Space	0	0	0	0
Audit	0	0	0	0
Legal and Professional	0	0	0	1,375
Building and Equipment Maintenance and Rental	0	0	440	0
Registration, Dues, and Subscriptions	0	0	0	1,578
Training and Staff Development	0	0	0	572
Travel	0	0	0	0
Board Expenses	0	0	0	0
Staff Physicals	0	0	0	0
Other Expenses	0	0	0	0
Depreciation	0	0	0	0
In-Kind	0	0	0	0
Total expenses	82	0	33,750	5,062
Excess of revenue over expenses	\$ (82)	\$ 0	\$ (15,998)	\$ 12,171
Net Assets at Beginning of the Year	565	2,611	53,698	430,901
Net Assets at End of the Year	483	2,611	37,700	443,072

See Independent Auditor's Report.

South Central Iowa Community Action Program, Inc.

Revenue and Expenses of Local Programs

November 1, 2024 through October 31, 2025

	PAT Plus Misc	Wayne County Fund	Clarke County Fund	Monroe County Fund	Wayne County Food Fund
Revenue:					
Grant revenue	\$ 9,653	\$ 0	\$ 643	\$ 0	\$ 1,095
Program income and public support	0	0	0	0	0
Investment income	0	0	213	0	0
Unrealized gain on investments	0	0	0	0	0
Other income	0	0	0	0	0
In-kind contributions	0	0	17,534	0	2,860
Total revenue	9,653	0	18,390	0	3,955
Expenses:					
Salaries and Fringe Benefits	0	0	0	0	0
Direct Client Services	6,844	0	1,143	983	3,750
Program Expenses	1,080	0	0	0	0
Supplies and Materials	799	0	0	0	0
Publications/Advertising	0	0	0	0	0
Postage and Shipping	45	0	0	0	0
Contractual	0	0	0	0	0
Indirect and Administrative Costs	766	0	0	0	0
Insurance	48	0	0	0	0
Telephone and Communications	0	0	0	0	0
Space	0	0	0	0	0
Audit	0	0	0	0	0
Legal and Professional	0	0	0	0	0
Building and Equipment Maintenance and Rental	15	0	330	260	95
Registration, Dues, and Subscriptions	0	0	0	0	0
Training and Staff Development	(402)	0	0	0	0
Travel	567	0	0	0	0
Board Expenses	0	0	0	0	0
Staff Physicals	0	0	0	0	0
Other Expenses	0	0	0	0	0
Depreciation	0	0	0	0	0
In-Kind	0	0	0	0	0
Total expenses	9,762	0	1,473	1,243	3,845
Excess of revenue over expenses	\$ (109)	\$ 0	\$ 16,917	\$ (1,243)	\$ 110
Net Assets at Beginning of the Year	9,624	914	34,920	1,713	0
Net Assets at End of the Year	9,515	914	51,837	470	110

See Independent Auditor's Report.

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

Board of Directors
South Central Iowa Community Action Program, Inc.
Chariton, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of South Central Iowa Community Action Program, Inc., which comprise the statement of financial position as of October 31, 2025 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated March 12, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered South Central Iowa Community Action Program, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our unmodified opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of South Central Iowa Community Action Program, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of South Central Iowa Community Action Program, 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 reasonable possibility that a material misstatement of South Central Iowa Community Action Program, Inc.'s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether South Central Iowa Community Action Program, 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of South Central Iowa Community Action Program, 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 South Central Iowa Community Action Program, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP
Madison, Wisconsin

March 12, 2026

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

Board of Directors
South Central Iowa Community Action Program, Inc.
Chariton, Iowa

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

In our opinion, South Central Iowa Community Action Program, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended October 31, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP
Madison, Wisconsin

March 12, 2026

South Central Iowa Community Action Program, Inc.

Schedule of Findings and Questioned Costs

Year Ended October 31, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

 Material weakness(es) identified? yes no

 Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

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

Internal control over the major federal program:

 Material weakness(es) identified? yes no

 Significant deficiency(ies) identified? yes none reported

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

Identification of major federal programs:

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

Dollar threshold used to distinguish between Type A and Type B programs:

Federal	\$1,000,000
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Auditee qualified as low-risk auditee? Yes

South Central Iowa Community Action Program, Inc.

Schedule of Findings and Questioned Costs (Continued)

Year Ended October 31, 2025

Section II - Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Year Findings

None