

Upper Des Moines Opportunity, Inc.

Financial Statements and
Supplementary Information

Year Ended September 20, 2020



Upper Des Moines Opportunity, Inc.

WIPFLI

Upper Des Moines Opportunity, Inc.

Financial Statements and Supplementary Information
Year Ended September 30, 2020

Table of Contents

Independent Auditor’s Report..... 1

Financial Statements

 Statement of Financial Position 3

 Statement of Activities..... 4

 Statement of Functional Expenses 5

 Statement of Cash Flows 6

 Notes to Financial Statements..... 7

Supplementary Information

 Schedule of Program Activity..... 16

 Schedule of Expenditures of Federal Awards..... 31

 Schedule of Indirect Cost Account 34

 Schedule of Computation of Indirect Costs 35

 Schedule of Iowa Department of Human Rights Grant Expenses of Completed
 Contracts Overlapping Fiscal Years 36

 Schedule of Revenue and Expenses Compared to Budget..... 37

Independent Auditor’s Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters 53

Independent Auditor’s Report on Compliance for the Major Federal Program and on
Internal Control Over Compliance..... 55

Schedule of Findings and Questioned Costs..... 57

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, 2020, 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, 2020, 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-15, schedule of expenditures of federal awards, Schedules B-1 to B-3, 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-16 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, 2019, 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-2, F-3, F-6, F-11, F-13, 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, 2019, 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-2, F-3, F-6, F-11, F-13, 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 January 27, 2021, 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

January 27, 2021
Madison, Wisconsin

Upper Des Moines Opportunity, Inc.

Statement of Financial Position

September 30, 2020

<i>Assets</i>	
Current assets:	
Cash	\$ 2,744,717
Certificates of deposit	175,741
Grants receivable	705,016
Accounts receivable	30,880
Inventory	122,287
Prepaid expenses	183,993
Total current assets	3,962,634
Restricted cash	8,265
Property and equipment, net	1,878,330
TOTAL ASSETS	\$ 5,849,229
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Accounts payable	\$ 112,498
Accrued payroll and related expenses	557,421
Accrued other liabilities	13,144
Refundable advance liability	1,292,033
Total current liabilities	1,975,096
Long-term liabilities:	
Security deposits	8,265
Total liabilities	1,983,361
Net assets:	
Without donor restrictions	3,167,842
With donor restrictions	698,026
Total net assets	3,865,868
TOTAL LIABILITIES AND NET ASSETS	\$ 5,849,229

Upper Des Moines Opportunity, Inc.

Statement of Activities

Year Ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 13,553,076	\$ 0	\$ 13,553,076
Program income	266,065	0	266,065
Rental income	153,607	0	153,607
Interest income	10,317	0	10,317
Donations	420,425	247,101	667,526
Other income	115,144	0	115,144
In-kind contributions	499,865	0	499,865
Net assets released from restrictions	4,180	(4,180)	0
Total revenue	15,022,679	242,921	15,265,600
Expenses:			
Program activities:			
Child education	6,945,485	0	6,945,485
Weatherization/energy assistance	4,010,418	0	4,010,418
Community services	1,162,038	0	1,162,038
Outreach and other	913,014	0	913,014
Food programs	486,705	0	486,705
Health services	451,492	0	451,492
Housing	280,229	0	280,229
UDMO rental	68,293	0	68,293
Total program activity expenses	14,317,674	0	14,317,674
Supportive services:			
Management and general	949,759	0	949,759
Total expenses	15,267,433	0	15,267,433
Change in net assets	(244,754)	242,921	(1,833)
Net assets - Beginning of year	3,412,596	455,105	3,867,701
Net assets - End of year	\$ 3,167,842	\$ 698,026	\$ 3,865,868

See accompanying notes to financial statements.

Upper Des Moines Opportunity, Inc.

Statement of Functional Expenses Year Ended September 30, 2020

	Program Activities	Management & General	Total
Expenses:			
Salaries	\$ 5,447,800	\$ 574,048	\$ 6,021,848
Fringe	1,933,653	160,265	2,093,918
Contract services	52,666	58,842	111,508
Travel	112,881	426	113,307
Space	455,238	18,849	474,087
Consumable supplies	672,035	35,023	707,058
Direct client assistance	4,185,421	0	4,185,421
Other operational	958,115	102,306	1,060,421
In-kind expense	499,865	0	499,865
Total expenses	\$ 14,317,674	\$ 949,759	\$ 15,267,433

Upper Des Moines Opportunity, Inc.

Statement of Cash Flows

Year Ended September 30, 2020

Increase (decrease) in cash:

Cash flows from operating activities:

Change in net assets (\$ 1,833)

Adjustments to reconcile change in net assets to
net cash provided by operating activities:

Depreciation 234,627

Loss on disposal of property and equipment (3,122)

Changes in operating assets and liabilities:

Grants receivable 785,907

Accounts receivable 9,681

Inventory (108,019)

Prepaid expenses (81,650)

Accounts payable (2,068)

Accrued payroll and related expenses 42,940

Accrued other liabilities (21,425)

Refundable advance liability 1,182,452

Security deposits 70

Net cash provided by operating activities 2,037,560

Cash flows from investing activities:

Purchase of property and equipment (139,080)

Proceeds received on disposal of property and equipment 15,712

Net purchases of certificates of deposit (3,677)

Net cash used in investing activities (127,045)

Net change in cash 1,910,515

Cash and restricted cash - Beginning of year 842,467

Cash and restricted cash - End of year \$ 2,752,982

Reconciliation of cash and restricted cash at September 30, 2020:

Cash \$ 2,744,717

Restricted cash 8,265

Total cash and restricted cash \$ 2,752,982

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 38% and 26% 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.

Recently Adopted Accounting Pronouncements

On June 21, 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU assist in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to Accounting Standards Codification 606 and (2) determining whether a contribution is conditional. The contribution guidance in Subtopic 958-605 requires an entity to determine whether a transaction is conditional, which affects the timing of the revenue recognized. UDMO has applied the amendments in this ASU on a modified prospective basis. There was no change on opening balances of net assets and no prior period results were restated as a result of adopting this standard.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Recently Adopted Accounting Pronouncements (Continued)

During 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows*, to provide guidance on the presentation of restricted cash in the statement of cash flows. The accounting guidance is effective for fiscal years beginning after December 15, 2018. The guidance is to be applied using a retrospective transition method to each period presented. UDMO believes the new accounting guidance improves the information provided in the consolidated financial statements and related disclosures for the primary users of the consolidated financial statements. The beginning balances of cash and restricted cash on the statement of cash flows have been restated to include restricted cash of \$8,195 as of October 1, 2019.

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

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 identifying 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.

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 conditional contributions are recorded as invoiced to the funding sources in accordance with the terms of the award and ASC Subtopic 958-605. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received or receivable in excess of expenses are reflected as a refundable advance liability.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

B. Grant Awards That Are Exchange Transactions

Exchange transactions are reimbursed 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, 2020 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.

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 \$878,606 at September 30, 2020.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

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 \$1,640,543, primarily for its Head Start and Early 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, 2019 through September 30, 2020, and UDMO used a rate of 18.5% during year ended September 30, 2020 based on actual costs.

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.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New 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 was effective for nonpublic entities for annual periods beginning after December 15, 2018. On June 3, 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* that extended the effective date for certain entities, including UDMO, to annual periods beginning after December 15, 2019.

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. On June 3, 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* that extended the effective date for certain entities, including UDMO, to annual periods beginning after December 15, 2021.

Subsequent Events

Subsequent events have been evaluated through January 27, 2021, which is the date the financial statements were available to be issued.

Note 2: Fiscal Agent Activities

UDMO acts as a fiscal agent for two unrelated organizations. The revenue and expenses related to these activities are not included in these financial statements. At September 30, 2020, there was a \$29,556 due from these organizations that is included in accounts receivable on the statement of financial position.

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.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

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, 2020:

Cash	\$ 2,744,717
Certificates of deposit	175,741
<u>Grants and accounts receivable</u>	<u>735,896</u>
Subtotal financial assets	3,656,354
Less: Accounts payable and accrued liabilities designated for grant expenditures	(683,063)
Less: Refundable advance liability	(1,292,033)
<u>Less: Net assets with donor restrictions</u>	<u>(698,026)</u>
 Total	 \$ 983,232

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 \$5,600,000 as further described in Note 13.

Note 5: Restricted Cash

Restricted cash consists of funds set aside for security deposits for housing projects. These funds are restricted for the repayment of security deposits. As of September 30, 2020, the restricted cash balance was \$8,265.

Note 6: Grants Receivable

This balance consists of amounts due from various agencies at September 30, 2020, as follows:

Federal programs	\$ 577,448
<u>State and local programs</u>	<u>127,568</u>
 Total	 \$ 705,016

Note 7: Property and Equipment

The balance of property and equipment at September 30, 2020 consists of the following:

Land	\$ 241,050
Buildings and improvements	3,137,653
<u>Equipment</u>	<u>1,319,090</u>
Subtotal	4,697,793
<u>Accumulated depreciation</u>	<u>(2,819,463)</u>
 Property and equipment, net	 \$ 1,878,330

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 8: Refundable Advance Liability

The balance of refundable advance liability at September 30, 2020 consists of the following:

Paycheck Protection Program (PPP)	\$ 1,192,700
Other grant advances	99,333
<u>Total</u>	<u>\$ 1,292,033</u>

The PPP amount represents the receipt of an award from the Small Business Administration's (SBA) PPP program as a result of legislation passed to assist businesses in navigating the Coronavirus pandemic. UDMO has determined the award is a conditional contribution and has applied the policy as described in Note 1. Accordingly, the award is reported as a refundable advance liability until the conditions are substantially met or explicitly waived.

UDMO has interpreted the condition of the award to be the approval of the forgiveness application by the lender and SBA. Should the conditions of the award not be substantially met or explicitly waived, all or a portion of the award will bear-interest at 1% and be repayable in 17 monthly payments of \$14,000, commencing upon receipt of notification of the unforgiven amount by the SBA. Any principal amount outstanding upon maturity of the note will be due and payable on the maturity date of two years from the date of the note.

Note 9: Net Assets with Donor Restrictions

Net assets with donor restrictions of \$698,026 consists of unspent donations that are restricted for expenditure for specific purposes, including holiday programs, back to school programs, emergency food pantries, and other programs as of September 30, 2020.

Net assets released from restrictions of \$4,180 during 2020 represent amounts that satisfied specific program restrictions or were appropriated and utilized during the time period for which it was restricted.

Note 10: 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, 2020, is as follows:

Land	\$ 80,635
Buildings	1,660,607
Subtotal	1,741,242
Accumulated depreciation	(1,027,474)
<u>Land and building, net</u>	<u>\$ 713,768</u>

Total rental income for the year ended September 30, 2020, was \$153,607.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 11: Operating Leases

UDMO leases buildings and equipment for offices and operations. Building and equipment rental expense for the year ended September 30, 2020, was \$164,255. Future minimum lease payments under all operating leases are as follows:

Year Ending September 30	Amount
2021	\$ 139,153
2022	75,200
2023	75,671
2024	18,784
Total	\$ 308,808

Note 12: 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, 2020. 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 83.96%, leaving an unfunded actuarial liability of approximately \$7.0 billion as of June 30, 2020, 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, 2019 through September 30, 2020. Contribution requirements to IPERS are established by state statute. UDMO's contribution to IPERS for the year ended September 30, 2020, was \$542,700.

Note 13: Grant Awards

At September 30, 2020, UDMO had received future funding commitments under various grants of approximately \$5,600,000. These commitments are not recognized in the accompanying financial statements as revenue and receivables as they are conditional awards.

Upper Des Moines Opportunity, Inc.

Notes to Financial Statements

Note 14: 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 15: Related Party Transactions

UDMO is related to Community Housing Initiatives, Inc. (CHI) by the ability to approve the board members of CHI. UDMO recognized management services expenses to CHI of \$10,661 during the year ended September 30, 2020. At September 30, 2020, 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 \$2,154.

Note 16: Risks and Uncertainties

In March 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. Future potential impacts to UDMO may include disruptions to its operations. While business disruptions are expected to be temporary, management cannot reasonably estimate the length or severity of this pandemic, including any direct or indirect negative impact on the UDMO's financial position, results of operations and cash flows.

Supplementary Information

Upper Des Moines Opportunity, Inc.

Schedule A-1

Schedule of Program Activity

Year Ended September 30, 2020

FEDERAL PROGRAMS							
Department of Agriculture							
	Total	10.557		10.557 Subtotal	10.558		10.558 Subtotal
		Women, Infants, and Children 5887A047	WIC Farmers Market 1191-05-47		DPI Food Reimbursement 74-8011	Child & Adult Care Food 74-8017	
		(1)	(2)		(3)	(4)	
REVENUE							
Grant revenue	\$ 13,553,076	\$ 467,227	\$ 1,064	\$ 468,291	\$ 224,763	\$ 284,318	\$ 509,081
Program income	266,065	0	0	0	9,109	0	9,109
Rental income	153,607	0	0	0	0	0	0
Interest income	10,317	0	0	0	0	0	0
Donations	667,526	0	0	0	0	0	0
Other income	115,144	0	0	0	0	800	800
In-kind contributions	499,865	0	0	0	0	0	0
Total Revenue	15,265,600	467,227	1,064	468,291	233,872	285,118	518,990
EXPENSES							
Salaries	6,021,848	266,578	517	\$ 267,095	40,653	31,477	72,130
Fringe	2,093,918	84,162	160	84,322	15,405	14,242	29,647
Contract services	111,508	0	0	0	0	0	0
Travel	113,307	3,610	0	3,610	0	1,538	1,538
Space	474,087	11,120	0	11,120	0	1,327	1,327
Consumable supplies	707,058	25,883	0	25,883	11,197	3,030	14,227
Direct client assistance	4,185,421	0	0	0	0	0	0
Other operational	1,060,421	26,557	291	26,848	158,915	227,681	386,596
Indirect	0	49,317	96	49,413	7,702	5,823	13,525
In-kind expense	499,865	0	0	0	0	0	0
Total Expenses	15,267,433	467,227	1,064	468,291	233,872	285,118	518,990
Change in Net Assets	(1,833)	0	0	0	0	0	0
Net assets - Beginning of year	3,867,701	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 3,865,868	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-2

Schedule of Program Activity

Year Ended September 30, 2020

	FEDERAL PROGRAMS						
	Department of HUD					DOE	
	14.231					14.239	81.042
	Emergency Solutions Grant 74003-19	Emergency Solutions Grant 74003-20	COVID-19 ESG 74003-20	Continuum of Care CoC 2019-003	14.231 Subtotal	TBRA #5 19-1-HM-565	Weatherization DOE-19-16
	(5)	(6)	(7)	(8)		(9)	(10)
REVENUE							
Grant revenue	\$ 44,352	\$ 98,784	\$ 22,022	\$ 1,693	\$ 166,851	\$ 84,083	\$ 7,500
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	1,270	0	0	1,270	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	44,352	100,054	22,022	1,693	168,121	84,083	7,500
EXPENSES							
Salaries	7,673	19,396	1,284	626	28,979	1,880	2,153
Fringe	3,316	8,732	536	282	12,866	809	845
Contract services	0	0	0	0	0	0	0
Travel	1,404	893	0	349	2,646	459	100
Space	757	1,795	0	0	2,552	0	90
Consumable supplies	1,606	380	0	307	2,293	76	63
Direct client assistance	28,030	66,443	19,964	0	114,437	80,193	3,143
Other operational	146	441	0	13	600	318	708
Indirect	1,420	3,588	238	116	5,362	348	398
In-kind expense	0	0	0	0	0	0	0
Total Expenses	44,352	101,668	22,022	1,693	169,735	84,083	7,500
Change in Net Assets	0	(1,614)	0	0	(1,614)	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	1,614	0	0	1,614	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, 2020

	FEDERAL PROGRAMS						
	Department of Energy		Department of Health and Human Services				
	81.042		93.243	93.556			
	Weatherization	81.042	Safe Town	Prevent Child	Prevent Child	Prevent Child	Prevent Child
	DOE-20-16	Subtotal	Alliance	Abuse	Abuse	Abuse	Abuse
	(11)		5H79SP022051-04	ACFS 20-076	ACFS 21-061	ACFS 21-066	ACFS 21-064
			(12)	(13)	(14)	(15)	(16)
REVENUE							
Grant revenue	\$ 81,403	\$ 88,903	\$ 44,372	\$ 23,628	\$ 2,971	\$ 3,816	\$ 1,158
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	131	0	212	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	81,403	88,903	44,503	23,628	3,183	3,816	1,158
EXPENSES							
Salaries	13,035	15,188	15,255	13,565	1,582	2,414	606
Fringe	5,114	5,959	3,800	4,837	1,317	795	260
Contract services	0	0	18,056	0	0	0	0
Travel	603	703	250	1,592	0	28	7
Space	543	633	600	0	0	0	0
Consumable supplies	384	447	1,249	557	80	0	80
Direct client assistance	55,025	58,168	0	567	0	0	0
Other operational	4,288	4,996	2,471	0	123	132	93
Indirect	2,411	2,809	2,822	2,510	293	447	112
In-kind expense	0	0	0	0	0	0	0
Total Expenses	81,403	88,903	44,503	23,628	3,395	3,816	1,158
Change in Net Assets	0	0	0	0	(212)	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	212	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-4

Schedule of Program Activity

Year Ended September 30, 2020

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	93.556				93.558		
	Prevent Child Abuse ACFS 21-065	Prevent Child Abuse ACFS 21-068	Prevent Child Abuse ACFS 21-052	93.556 Subtotal	Prevent Child Abuse ACFS 20-076	Prevent Child Abuse ACFS 21-061	Prevent Child Abuse ACFS 21-066
	(17)	(18)	(19)		(20)	(21)	(22)
REVENUE							
Grant revenue	\$ 4,316	\$ 2,698	\$ 1,267	\$ 39,854	\$ 4,042	\$ 508	\$ 653
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	212	0	36	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	4,316	2,698	1,267	40,066	4,042	544	653
EXPENSES							
Salaries	2,559	1,710	652	23,088	2,321	271	413
Fringe	995	555	312	9,071	827	225	136
Contract services	0	0	0	0	0	0	0
Travel	11	59	6	1,703	272	0	5
Space	0	0	0	0	0	0	0
Consumable supplies	139	0	56	912	95	14	0
Direct client assistance	0	0	0	567	0	0	0
Other operational	139	58	120	665	98	21	23
Indirect	473	316	121	4,272	429	50	76
In-kind expense	0	0	0	0	0	0	0
Total Expenses	4,316	2,698	1,267	40,278	4,042	581	653
Change in Net Assets	0	0	0	(212)	0	(37)	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	212	0	37	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, 2020

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	93.558						
	Prevent Child Abuse ACFS 21-064 (23)	Prevent Child Abuse ACFS 21-065 (24)	Prevent Child Abuse ACFS 21-068 (25)	Prevent Child Abuse ACFS 21-052 (26)	FaDSS 20-16 (27)	FaDSS 21-16 (28)	93.558 Subtotal
REVENUE							
Grant revenue	\$ 198	\$ 738	\$ 462	\$ 217	\$ 112,261	\$ 14,150	\$ 133,229
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	54	0	54
Other income	0	0	0	0	0	0	36
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	198	738	462	217	112,315	14,150	133,319
EXPENSES							
Salaries	104	438	293	111	63,678	9,264	76,893
Fringe	45	170	95	53	19,410	2,626	23,587
Contract services	0	0	0	0	0	0	0
Travel	0	2	10	1	6,929	75	7,294
Space	1	0	0	0	3,408	292	3,701
Consumable supplies	14	24	0	10	1,445	64	1,666
Direct client assistance	0	0	0	0	2,332	11	2,343
Other operational	15	23	10	21	3,365	104	3,680
Indirect	19	81	54	21	11,780	1,714	14,224
In-kind expense	0	0	0	0	0	0	0
Total Expenses	198	738	462	217	112,347	14,150	133,388
Change in Net Assets	0	0	0	0	(32)	0	(69)
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	0	32	0	69
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, 2020

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	93.568					93.569	
	LIHEAP	COVID-19	Weatherization	Weatherization	93.568	CSBG	COVID-19
	20-16	LIHEAP	HEAP	HEAP	Subtotal	20-16	CSBG
	(29)	20CA-16	19-16	20-16		(33)	20S-16
		(30)	(31)	(32)		(34)	(34)
REVENUE							
Grant revenue	\$ 3,178,284	\$ 80,516	\$ 371,327	\$ 362,790	\$ 3,992,917	\$ 447,165	\$ 78,276
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	3,178,284	80,516	371,327	362,790	3,992,917	447,165	78,276
EXPENSES							
Salaries	181,678	5,736	60,628	73,780	321,822	0	0
Fringe	72,164	2,147	17,058	35,660	127,029	0	0
Contract services	0	0	0	0	0	0	0
Travel	1,019	0	2,535	3,685	7,239	0	0
Space	3,260	0	2,173	3,428	8,861	0	0
Consumable supplies	28,491	0	1,395	2,566	32,452	0	1,014
Direct client assistance	2,851,151	71,572	234,917	227,210	3,384,850	0	0
Other operational	6,910	0	41,404	2,811	51,125	447,165	77,262
Indirect	33,611	1,061	11,217	13,650	59,539	0	0
In-kind expense	0	0	0	0	0	0	0
Total Expenses	3,178,284	80,516	371,327	362,790	3,992,917	447,165	78,276
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-7

Schedule of Program Activity

Year Ended September 30, 2020

	FEDERAL PROGRAMS						
	Department of Health and Human Services						
	93.569	93.575			93.600		
	93.569	Wrap	Wrap	93.575	Early Head Start	Early Head Start	COVID-19
	Subtotal	ACFS-15-116	ACFS 21-017	Subtotal	07CH010845-02	07CH010845-01	Early Head Start
		(35)	(36)		(37)	(38)	07CH010845-02
							(39)
REVENUE							
Grant revenue	\$ 525,441	\$ 374,475	\$ 32,494	\$ 406,969	\$ 1,831,977	\$ 562,592	\$ 57,945
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	239	0
Other income	0	2,433	0	2,433	0	0	0
In-kind contributions	0	0	5,621	5,621	557,556	440,421	0
Total Revenue	525,441	376,908	38,115	415,023	2,389,533	1,003,252	57,945
EXPENSES							
Salaries	0	229,341	20,251	249,592	1,120,050	254,138	0
Fringe	0	79,963	7,145	87,108	382,392	92,272	0
Contract services	0	0	0	0	2,379	1,485	0
Travel	0	213	0	213	(1,005)	10,288	0
Space	0	9,902	907	10,809	35,613	14,558	0
Consumable supplies	1,014	(38)	(7)	(45)	43,638	99,055	57,545
Direct client assistance	0	0	0	0	0	0	0
Other operational	524,427	14,899	452	15,351	39,879	45,850	400
Indirect	0	42,494	3,746	46,240	209,031	45,185	0
In-kind expense	0	0	5,621	5,621	557,556	440,421	0
Total Expenses	525,441	376,774	38,115	414,889	2,389,533	1,003,252	57,945
Change in Net Assets	0	134	0	134	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	(134)	0	(134)	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-8

Schedule of Program Activity

Year Ended September 30, 2020

	FEDERAL PROGRAMS				
	Department of Health and Human Services				
	93.600				
	Head Start 07CH010845-02 (40)	Head Start 07CH010845-01 (41)	COVID-19 Head Start 07CH010845-02 (42)	93.600 Subtotal	Total Federal Programs
REVENUE					
Grant revenue	\$ 2,015,524	\$ 1,241,734	\$ 116,795	\$ 5,826,567	12,286,558
Program income	0	0	0	0	9,109
Rental income	0	0	0	0	0
Interest income	0	0	0	0	0
Donations	0	0	0	239	293
Other income	500	124	0	624	5,506
In-kind contributions	544,189	545,374	0	2,087,540	2,093,161
Total Revenue	2,560,213	1,787,232	116,795	7,914,970	14,394,627
EXPENSES					
Salaries	1,114,763	611,149	27,604	3,127,704	4,199,626
Fringe	400,374	220,091	13,140	1,108,269	1,492,467
Contract services	6,445	1,357	0	11,666	29,722
Travel	14,355	25,788	0	49,426	75,081
Space	72,387	40,428	0	162,986	202,589
Consumable supplies	96,160	180,366	67,454	544,218	624,392
Direct client assistance	0	0	0	0	3,640,558
Other operational	104,305	50,897	3,490	244,821	1,261,898
Indirect	207,235	111,782	5,107	578,340	776,894
In-kind expense	544,189	545,374	0	2,087,540	2,093,161
Total Expenses	2,560,213	1,787,232	116,795	7,914,970	14,396,388
Change in Net Assets	0	0	0	0	(1,761)
Net assets - Beginning of year	0	0	0	0	0
Transfers	0	0	0	0	1,761
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-9

Schedule of Program Activity

Year Ended September 30, 2020

	STATE AND LOCAL PROGRAMS						
	Community School 4 year old Programs (43)	Community School 4 year old Programs (44)	Lakes Empowerment Hand in Hand (45)	Hometown Care Alliant (46)	Embrace Iowa (47)	CHORE (48)	Fort Dodge Community Foundation United Way (49)
REVENUE							
Grant revenue	\$ 421,747	\$ 122,815	\$ 10,029	\$ 0	\$ 0	\$ 11,050	\$ 0
Program income	0	0	0	38,914	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	20,450	0
Other income	9,228	0	26,053	0	15,400	0	1,667
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	430,975	122,815	36,082	38,914	15,400	31,500	1,667
EXPENSES							
Salaries	273,690	69,751	20,634	0	0	0	564
Fringe	100,749	26,063	5,967	0	0	0	165
Contract services	0	0	0	0	0	0	0
Travel	5,346	244	2,397	0	0	0	0
Space	0	0	1,080	0	0	0	0
Consumable supplies	10,649	964	621	0	0	0	0
Direct client assistance	0	0	0	41,688	15,000	31,500	0
Other operational	2,688	109	1,566	500	400	0	834
Indirect	50,633	12,904	3,817	0	0	0	104
In-kind expense	0	0	0	0	0	0	0
Total Expenses	443,755	110,035	36,082	42,188	15,400	31,500	1,667
Change in Net Assets	(12,780)	12,780	0	(3,274)	0	0	0
Net assets - Beginning of year	0	0	0	84,547	0	0	0
Transfers	12,780	(12,780)	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 81,273	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-10

Schedule of Program Activity

Year Ended September 30, 2020

	STATE AND LOCAL PROGRAMS						
	Fort Dodge Community Foundation United Way	Lakes Area KIDS	Child Dev. Spencer UD-18-3490-114	Child Dev. Spencer 335617	Child Dev. Storm Lake UD-18-0495-116	Child Dev. Storm Lake 335620	Project Helper BHE Cares
	(50)	(51)	(52)	(53)	(54)	(55)	(56)
REVENUE							
Grant revenue	\$ 0	\$ 23,881	\$ 56,576	\$ 13,547	\$ 59,386	\$ 9,940	\$ 0
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	18,333	44,876	1,219	0	644	0	10,393
In-kind contributions	0	0	24,937	5,849	15,774	687	0
Total Revenue	18,333	68,757	82,732	19,396	75,804	10,627	10,393
EXPENSES							
Salaries	0	40,559	34,142	8,585	33,044	5,947	0
Fringe	0	14,090	11,470	2,878	14,909	2,173	0
Contract services	0	0	0	0	0	0	0
Travel	0	1,795	306	0	143	0	0
Space	18,333	2,310	750	215	0	0	0
Consumable supplies	0	673	4,588	79	5,292	520	0
Direct client assistance	0	0	0	0	0	0	5,294
Other operational	0	1,827	223	202	529	200	0
Indirect	0	7,503	6,316	1,588	6,113	1,100	0
In-kind expense	0	0	24,937	5,849	15,774	687	0
Total Expenses	18,333	68,757	82,732	19,396	75,804	10,627	5,294
Change in Net Assets	0	0	0	0	0	0	5,099
Net assets - Beginning of year	0	0	0	0	0	0	17,863
Transfers	0	0	0	0	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,962

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-11

Schedule of Program Activity

Year Ended September 30, 2020

	STATE AND LOCAL PROGRAMS						
	I CARE IPS (57)	I CARE IPS (58)	Project Share Utilities (59)	Project Share Utilities (60)	FaDSS 20-16 (61)	FaDSS 21-16 (62)	BHE Weatherization BHE 20-160 (63)
REVENUE							
Grant revenue	\$ 819	\$ 3,508	\$ 0	\$ 0	\$ 131,784	\$ 16,280	\$ 8,899
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	64	0	0
Other income	14	71	4,256	6,160	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	833	3,579	4,256	6,160	131,848	16,280	8,899
EXPENSES							
Salaries	0	0	0	0	74,752	10,658	574
Fringe	0	0	0	0	22,786	3,021	224
Contract services	0	0	0	0	0	0	0
Travel	0	0	0	0	8,134	86	27
Space	0	0	0	0	4,001	336	24
Consumable supplies	0	0	0	0	1,697	73	17
Direct client assistance	566	1,176	459	1,779	2,738	13	7,738
Other operational	0	0	0	0	3,950	121	189
Indirect	0	0	0	0	13,829	1,972	106
In-kind expense	0	0	0	0	0	0	0
Total Expenses	566	1,176	459	1,779	131,887	16,280	8,899
Change in Net Assets	267	2,403	3,797	4,381	(39)	0	0
Net assets - Beginning of year	6,925	863	21,563	0	0	0	0
Transfers	0	0	0	0	39	0	0
NET ASSETS - End of year	\$ 7,192	\$ 3,266	\$ 25,360	\$ 4,381	\$ 0	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-12

Schedule of Program Activity

Year Ended September 30, 2020

	STATE AND LOCAL PROGRAMS						
	IPL Weatherization IPL 19-160 (64)	IPL Weatherization IPL 20-160 (65)	MEC Weatherization MEC 19-160 (66)	MEC Weatherization MEC 20-160 (67)	Palo Alto General Relief (68)	Iowa Individual Assistance FOSU-20-002 (69)	NWECI Personnel (70)
REVENUE							
Grant revenue	\$ 23,877	\$ 74,978	\$ 18,066	\$ 34,243	\$ 12,000	\$ 4,548	\$ 109,468
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	23,877	74,978	18,066	34,243	12,000	4,548	109,468
EXPENSES							
Salaries	1,539	4,825	1,148	2,207	409	350	72,176
Fringe	604	1,893	450	866	103	133	23,940
Contract services	0	0	0	0	0	0	0
Travel	71	223	53	102	0	0	0
Space	64	201	48	92	0	0	0
Consumable supplies	45	142	34	65	0	0	0
Direct client assistance	20,763	65,214	15,743	29,777	0	4,000	0
Other operational	506	1,587	378	726	0	0	0
Indirect	285	893	212	408	76	65	13,352
In-kind expense	0	0	0	0	0	0	0
Total Expenses	23,877	74,978	18,066	34,243	588	4,548	109,468
Change in Net Assets	0	0	0	0	11,412	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	\$ 11,412	\$ 0	\$ 0

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-13

Schedule of Program Activity

Year Ended September 30, 2020

	STATE AND LOCAL PROGRAMS						
	NWECI Personnel (71)	North Central KIDS (72)	Prevent Child Abuse ACFS 20-076 (73)	Prevent Child Abuse ACFS 21-061 (74)	Prevent Child Abuse ACFS 21-066 (75)	Prevent Child Abuse ACFS 21-064 (76)	Prevent Child Abuse ACFS 21-065 (77)
REVENUE							
Grant revenue	\$ 35,040	\$ 56,640	\$ 4,385	\$ 552	\$ 708	\$ 215	\$ 801
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	39	0	0	0
In-kind contributions	0	0	0	0	0	0	0
Total Revenue	35,040	56,640	4,385	591	708	215	801
EXPENSES							
Salaries	23,353	31,509	2,518	293	448	112	475
Fringe	7,367	13,083	898	245	148	48	185
Contract services	0	0	0	0	0	0	0
Travel	0	2,869	295	0	5	1	2
Space	0	1,032	0	0	0	0	0
Consumable supplies	0	946	103	15	0	15	26
Direct client assistance	0	0	0	0	0	0	0
Other operational	0	1,372	105	23	24	18	25
Indirect	4,320	5,829	466	54	83	21	88
In-kind expense	0	0	0	0	0	0	0
Total Expenses	35,040	56,640	4,385	630	708	215	801
Change in Net Assets	0	0	0	(39)	0	0	0
Net assets - Beginning of year	0	0	0	0	0	0	0
Transfers	0	0	0	39	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-14

Schedule of Program Activity

Year Ended September 30, 2020

	STATE AND LOCAL PROGRAMS				DISCRETIONARY		
	Prevent Child Abuse ACFS 21-068 (78)	Prevent Child Abuse ACFS 21-052 (79)	Total State and Local Programs	TOTAL PROGRAM ACTIVITY	Outreach UDMO (80)	Rental UDMO (81)	Paycheck Protection Program (PPP) (82)
REVENUE							
Grant revenue	\$ 501	\$ 235	\$ 1,266,518	\$ 13,553,076	\$ 0	\$ 0	\$ 0
Program income	0	0	38,914	48,023	218,042	0	0
Rental income	0	0	0	0	8,925	97,795	0
Interest income	0	0	0	0	0	0	0
Donations	0	0	20,514	20,807	638,953	0	0
Other income	0	0	138,353	143,859	523,205	70	0
In-kind contributions	0	0	47,247	2,140,408	0	0	0
Total Revenue	501	235	1,511,546	15,906,173	1,389,125	97,865	0
EXPENSES							
Salaries	317	121	714,700	4,914,326	219,876	0	304,838
Fringe	103	58	254,619	1,747,086	154,921	0	30,789
Contract services	0	0	0	29,722	269	10,661	0
Travel	11	1	22,111	97,192	29,796	0	0
Space	0	0	28,486	231,075	102,964	45,235	21,145
Consumable supplies	0	10	26,574	650,966	20,093	0	0
Direct client assistance	0	0	243,448	3,884,006	301,415	0	0
Other operational	11	23	18,136	1,280,034	61,069	16,927	0
Indirect	59	22	132,218	909,112	40,677	0	0
In-kind expense	0	0	47,247	2,140,408	0	0	0
Total Expenses	501	235	1,487,539	15,883,927	931,080	72,823	356,772
Change in Net Assets	0	0	24,007	22,246	458,045	25,042	(356,772)
Net assets - Beginning of year	0	0	131,761	131,761	910,784	326,293	0
Transfers	0	0	78	1,839	0	0	0
NET ASSETS - End of year	\$ 0	\$ 0	\$ 155,846	\$ 155,846	\$ 1,368,829	\$ 351,335	(\$ 356,772)

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule A-15

Schedule of Program Activity

Year Ended September 30, 2020

	DISCRETIONARY		
	Corporate UDMO (83)	GAAP Adjustments (84)	TOTAL DISCRETIONARY
REVENUE			
Grant revenue	\$ 0	\$ 0	\$ 0
Program income	0	0	218,042
Rental income	46,887	0	153,607
Interest income	10,317	0	10,317
Donations	7,766	0	646,719
Other income	35,830	(587,820)	(28,715)
In-kind contributions	0	(1,640,543)	(1,640,543)
Total Revenue	100,800	(2,228,363)	(640,573)
EXPENSES			
Salaries	582,808	0	1,107,522
Fringe	161,122	0	346,832
Contract services	70,856	0	81,786
Travel	(13,681)	0	16,115
Space	73,668	0	243,012
Consumable supplies	35,999	0	56,092
Direct client assistance	0	0	301,415
Other operational	213,756	(511,365)	(219,613)
Indirect	(949,789)	0	(909,112)
In-kind expense	0	(1,640,543)	(1,640,543)
Total Expenses	174,739	(2,151,908)	(616,494)
Change in Net Assets	(73,939)	(76,455)	(24,079)
Net assets - Beginning of year	1,543,802	955,061	3,735,940
Transfers	(1,839)	0	(1,839)
NET ASSETS - End of year	\$ 1,468,024	\$ 878,606	\$ 3,710,022

See Independent Auditor's Report.

Upper Des Moines Opportunity, Inc.

Schedule B-1

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2020

Federal Grantor/Program Title	CFDA Number	Funding Source/ Pass-Through Entity	Pass-through Entity Identifying Number	Program Period	Federal Expenditures
DEPARTMENT OF AGRICULTURE					
(1) Women, Infants, and Children	10.557	Iowa Department of Public Health	5887A047	10/01/19-09/30/20	\$ 467,227
(2) Farmers Market		Iowa Department of Public Health	1191-05-47	10/01/19-09/30/20	1,064
Total Federal Expenditures CFDA 10.557					468,291
(3) DPI Food Reimbursement	10.558	Iowa Department of Education	74-8011	10/01/19-09/30/20	224,763
(4) Child and Adult Care Food Program		Iowa Department of Education	74-8017	10/01/19-09/30/20	284,318
Total Federal Expenditures CFDA 10.558					509,081
TOTAL DEPARTMENT OF AGRICULTURE PROGRAMS					977,372
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
(5) Emergency Solutions Grant	14.231	Iowa Finance Authority	74003-19	01/01/19-12/31/19	44,352
(6) Emergency Solutions Grant		Iowa Finance Authority	74003-20	01/01/20-12/31/20	98,784
(7) COVID-19 Emergency Solutions Grant		Iowa Finance Authority	74003-20	01/01/20-12/31/21	22,022
(8) Continuum of Care		Iowa Finance Authority	CoC 2019-003	01/01/19-12/31/19	1,693
Total Federal Expenditures CFDA 14.231					166,851
(9) Tenant Based Rental Asst. #5	14.239	Iowa Finance Authority/ Iowa Comm. Action Assoc.	19-1-HM-565	06/01/19-6/30/21	84,083
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS					250,934
DEPARTMENT OF ENERGY					
(10) Weatherization	81.042	Iowa Department of Human Rights	DOE-19-16	04/01/19-03/31/20	7,500
(11) Weatherization		Iowa Department of Human Rights	DOE-20-16	04/01/20-03/31/21	81,403
Total Federal Expenditures CFDA 81.042					88,903
TOTAL DEPARTMENT OF ENERGY PROGRAMS					88,903
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
(12) Safe Town Alliance	93.243	Department of Health and Human Services	5H79SP022051-04	09/30/19-09/29/20	44,372
(13) Prevent Child Abuse	93.556	Iowa Department of Human Services	ACFS 20-076	07/01/19-06/30/20	23,628
(14) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-061	07/01/20-06/30/21	2,971
(15) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-066	07/01/20-06/30/21	3,816
(16) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-064	07/01/20-06/30/21	1,158
(17) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-065	07/01/20-06/30/21	4,316
(18) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-068	07/01/20-06/30/21	2,698
(19) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-052	07/01/20-06/30/21	1,267
Total Federal Expenditures CFDA 93.556					39,854

Upper Des Moines Opportunity, Inc.

Schedule B-2

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2020

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)					
(20) Prevent Child Abuse	93.558	Iowa Department of Human Services	ACFS 20-076	07/01/19-06/30/20	4,042
(21) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-061	07/01/20-06/30/21	508
(22) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-066	07/01/20-06/30/21	653
(23) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-064	07/01/20-06/30/21	198
(24) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-065	07/01/20-06/30/21	738
(25) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-068	07/01/20-06/30/21	462
(26) Prevent Child Abuse		Iowa Department of Human Services	ACFS 21-052	07/01/20-06/30/21	217
(27) Families Developing Self Sufficiency		Iowa Department of Human Rights	20-16	07/01/19-09/30/20	112,261
(28) Families Developing Self Sufficiency		Iowa Department of Human Rights	21-16	07/01/20-09/30/21	14,150
Total Federal Expenditures CFDA 93.558					133,229
(29) Low Income Home Energy Assistance Program	93.568	Iowa Department of Human Rights	20-16	10/01/19-09/30/20	3,178,284
(30) COVID-19 Low Income Home Energy Assistance Program		Iowa Department of Human Rights	20CA-16	03/27/20-09/30/21	80,516
(31) Weatherization Home Energy Assistance Program		Iowa Department of Human Rights	19-16	01/01/19-12/31/19	371,327
(32) Weatherization Home Energy Assistance Program		Iowa Department of Human Rights	20-16	01/01/20-12/31/20	362,790
Total Federal Expenditures CFDA 93.568					3,992,917
(33) Community Service Block Grant	93.569	Iowa Department of Human Rights	20-16	10/01/19-09/30/20	447,165
(34) COVID-19 Community Service Block Grant		Iowa Department of Human Rights	20S-16	01/01/20-09/30/22	78,276
Total Federal Expenditures CFDA 93.569					525,441
CCDF Cluster					
(35) Wrap	93.575	Iowa Department of Human Services	ACFS-15-116	09/01/19-08/31/20	374,475
(36) Wrap		Iowa Department of Human Services	ACFS-21-017	09/01/20-06/30/21	32,494
Total Federal Expenditures CFDA 93.575 Cluster					406,969
Head Start Cluster					
(37) Early Head Start	93.600	Department of Health and Human Services	07CH010845-02	03/01/20-02/28/21	1,831,977
(38) Early Head Start		Department of Health and Human Services	07CH010845-01	03/01/19-02/28/20	562,592
(39) COVID-19 Early Head Start		Department of Health and Human Services	07CH010845-02	03/01/20-02/28/21	57,945
(40) Head Start		Department of Health and Human Services	07CH010845-02	03/01/20-02/28/21	2,015,524
(41) Head Start		Department of Health and Human Services	07CH010845-01	03/01/19-02/28/20	1,241,734
(42) COVID-19 Head Start		Department of Health and Human Services	07CH010845-02	03/01/20-02/28/21	116,795
Total Federal Expenditures CFDA 93.600 Cluster					5,826,567
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES PROGRAMS					10,969,349
TOTAL FEDERAL EXPENDITURES					\$ 12,286,558

Upper Des Moines Opportunity, Inc.

Schedule B-3

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2020

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, 2020. 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, 2020.

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, 2020

Expenditures:

Salaries	\$ 574,048
Fringe	160,265
Contracted services	7,343
Auditing	42,463
Travel	426
Occupancy	18,849
Stationary	1,514
Reproduction	3,311
Computer supplies	24,208
Office supplies	5,990
Insurance	70,530
Telephone	9,370
Internet	2,880
Postage	2,966
Miscellaneous	13,404
Service contracts	9,036
Registrations	3,156
<hr/>	
Total indirect cost expenses	949,759
<hr/>	
Reimbursement	951,448
<hr/>	
Current year excess	1,689
Net assets - Beginning of year	174,216
<hr/>	
Net assets - End of year	\$ 175,905
<hr/>	

Upper Des Moines Opportunity, Inc.

Schedule D

Schedule of Computation of Indirect Costs

Year Ended September 30, 2020

Total salaries - regular	\$ 6,021,848
PPP loan cost salaries	(304,838)
Indirect cost salaries	(574,048)
<hr/>	
Total direct salaries	5,142,962
<hr/>	
Indirect cost rate	18.5%
<hr/>	
Allocable indirect costs	951,448
<hr/>	
Amount reimbursed	951,448
<hr/>	
Variance	\$ 0
<hr/>	

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, 2020

Program	Grant Number	Grant Period	Expenses		Total	Program Budget
			Prior Years	Current Year		
DOE Weatherization	DOE 19-16	04/01/19-03/31/20	476,263	7,500	483,763	483,763
Family Development and Self-Sufficiency	FaDSS 20-16	07/01/19-09/30/20	45,401	244,045	289,446	289,446
HEAP Weatherization	HEAP 19-16	01/01/19-12/31/19	133,704	371,327	505,031	1,153,076
IPL Weatherization	IPL 19-16	01/01/19-12/31/19	200,495	23,877	224,372	224,372
MEC Weatherization	MEC 19-16	01/01/19-12/31/19	62,550	18,066	80,616	81,235

Upper Des Moines Opportunity, Inc.

Schedule F-1

Schedule of Revenue and Expenses Compared to Budget

Expenses of DOE Weatherization (Contract No. DOE 20-16)

Six Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 487,905	\$ 81,403	\$ 406,502
Program expenses:			
Administration	35,522	2,299	33,223
Support	113,391	24,079	89,312
Health and safety	88,182	15,004	73,178
Labor	117,905	23,419	94,486
Material	117,905	16,602	101,303
Training	15,000	0	15,000
Totals	\$ 487,905	\$ 81,403	\$ 406,502

Upper Des Moines Opportunity, Inc.

Schedule F-2

Schedule of Revenue and Expenses Compared to Budget

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

Year ended March 31, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 483,763	\$ 483,763	\$ 0
Program expenses:			
Administration	32,468	32,468	0
T&TA	7,500	0	7,500
Support	115,054	188,396	(73,342)
Health and safety	88,595	92,515	(3,920)
Labor	120,073	98,813	21,260
Material	120,073	71,571	48,502
Totals	\$ 483,763	\$ 483,763	\$ 0

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 20-16)

Fifteen Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 289,446	\$ 289,446	\$ 0
Program expenses:			
Administration	28,379	28,381	(2)
Personnel:			
Salaries	152,000	153,412	(1,412)
Benefits	48,522	46,635	1,887
Travel	17,386	17,368	18
Space/utilities	7,750	7,781	(31)
Other	28,909	30,099	(1,190)
3rd Party Payments	6,500	5,770	730
Mathematica	0	0	0
Totals	\$ 289,446	\$ 289,446	\$ 0

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 21-16)

Three Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 287,484	\$ 30,430	\$ 257,054
Program expenses:			
Administration	33,375	3,686	29,689
Personnel:			
Salaries	174,738	19,922	154,816
Benefits	48,559	5,647	42,912
Travel	8,281	160	8,121
Space/utilities	3,240	628	2,612
Other	16,340	363	15,977
3rd Party Payments	2,951	24	2,927
Totals	\$ 287,484	\$ 30,430	\$ 257,054

Upper Des Moines Opportunity, Inc.

Schedule F-5

Schedule of Revenue and Expenses Compared to Budget

Expenses of COVID-19 Low-Income Home Emergency Assistance Program

(Contract No. LIHEAP 20CA-16)

Six Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 284,211	\$ 80,516	\$ 203,695
Program expenses:			
Administration	28,421	0	28,421
Regular assistance	0	0	0
E.C.I.P.	228,859	71,572	157,287
Client services	26,931	8,944	17,987
Summer deliverable fuel payments	0	0	0
Totals	\$ 284,211	\$ 80,516	\$ 203,695

Upper Des Moines Opportunity, Inc.

Schedule F-6

Schedule of Revenue and Expenses Compared to Budget

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

Year Ended December 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 1,153,076	\$ 505,031	\$ 648,045
Program expenses:			
Administration	58,227	9,557	48,670
Health and Safety	266,924	212,412	54,512
Support	279,340	108,282	171,058
Labor	260,715	89,133	171,582
Material	260,715	68,492	192,223
Equipment/Training	24,630	14,630	10,000
Pollution Occurrence Insurance	2,525	2,525	0
Totals	\$ 1,153,076	\$ 505,031	\$ 648,045

Upper Des Moines Opportunity, Inc.

Schedule F-7

Schedule of Revenue and Expenses Compared to Budget

Expenses of HEAP Weatherization (Contract No. HEAP 20-16)

Nine Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 1,150,945	\$ 362,790	\$ 788,155
Program expenses:			
Administration	60,115	18,803	41,312
Health and safety	255,886	124,293	131,593
Support	276,958	108,161	168,797
Labor	267,731	61,244	206,487
Material	267,731	40,449	227,282
Equipment/Training	19,999	7,315	12,684
Pollution occurrence insurance	2,525	2,525	0
Totals	\$ 1,150,945	\$ 362,790	\$ 788,155

Upper Des Moines Opportunity, Inc.

Schedule F-8

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Low-Income Home Energy Assistance Program

(Contract No. LIHEAP 20-16)

Year Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 3,251,654	\$ 3,178,284	\$ 73,370
Program expenses:			
Administration	296,831	296,612	219
Regular assistance	2,255,047	2,252,526	2,521
E.C.I.P.	422,888	352,675	70,213
Program support	31,266	30,849	417
Summer deliverable fuel payments	245,622	245,622	0
Totals	\$ 3,251,654	\$ 3,178,284	\$ 73,370

Upper Des Moines Opportunity, Inc.

Schedule F-9

Schedule of Revenue and Expenses Compared to Budget

Expenses of COVID-19 Community Service Block Grant

(Contract No. CSBG 20S-16)

Nine Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 606,442	\$ 78,276	\$ 528,166
Program expenses:			
Co-funded programs	572,042	72,334	499,708
Misc. Supplies/Purchases	32,400	5,942	26,458
Totals	\$ 604,442	\$ 78,276	\$ 526,166

Upper Des Moines Opportunity, Inc.

Schedule F-10

Schedule of Revenue and Expenses Compared to Budget

Expenses of Completed Community Service Block Grant

(Contract No. CSBG 19-16)

Year Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 447,165	\$ 447,165	\$ 0
Program expenses:			
Co-funded programs	444,165	444,165	0
Misc. Supplies/Purchases	3,000	3,000	0
Totals	\$ 447,165	\$ 447,165	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-11

Schedule of Revenue and Expenses Compared to Budget

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

Year Ended December 31, 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-11

Schedule of Revenue and Expenses Compared to Budget

Expenses of Black Hills Weatherization (Contract No. BHE 20-16)

Nine months ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 33,258	\$ 8,899	\$ 24,359
Program expenses:			
Administration	1,446	387	1,059
Support	2,892	774	2,118
Labor	14,460	2,582	11,878
Material	14,460	5,156	9,304
Totals	\$ 33,258	\$ 8,899	\$ 24,359

Upper Des Moines Opportunity, Inc.

Schedule F-13

Schedule of Revenue and Expenses Compared to Budget

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

Year ended December 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 224,372	\$ 224,372	\$ 0
Program expenses:			
Administration	9,755	11,288	(1,533)
Support	19,511	17,978	1,533
Labor	97,553	93,513	4,040
Material	97,553	101,593	(4,040)
Totals	\$ 224,372	\$ 224,372	\$ 0

Upper Des Moines Opportunity, Inc.

Schedule F-14

Schedule of Revenue and Expenses Compared to Budget

Expenses of IPL Weatherization (Contract No. IPL 20-16)

Nine Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 223,194	\$ 74,978	\$ 148,216
Program expenses:			
Administration	9,704	3,178	6,526
Support	19,408	6,586	12,822
Labor	97,041	33,778	63,263
Material	97,041	31,436	65,605
Totals	\$ 223,194	\$ 74,978	\$ 148,216

Upper Des Moines Opportunity, Inc.

Schedule F-15

Schedule of Revenue and Expenses Compared to Budget

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

Year ended December 31, 2019

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 81,235	\$ 80,616	\$ 619
Program expenses:			
Administration	3,522	3,672	(150)
Support	7,039	6,783	256
Labor	35,337	29,632	5,705
Material	35,337	40,529	(5,192)
Totals	\$ 81,235	\$ 80,616	\$ 619

Upper Des Moines Opportunity, Inc.

Schedule F-16

Schedule of Revenue and Expenses Compared to Budget

Expenses of MEC Weatherization (Contract No. MEC 20-16)

Nine Months Ended September 30, 2020

	Budget	Actual	(Over) Under Budget
Program revenue:			
Iowa Department of Human Rights	\$ 66,271	\$ 34,243	\$ 32,028
Program expenses:			
Administration	2,849	1,515	1,334
Support	5,766	2,951	2,815
Labor	28,828	16,102	12,726
Material	28,828	13,675	15,153
Totals	\$ 66,271	\$ 34,243	\$ 32,028

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, 2020, 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 January 27, 2021.

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) as a basis for designing 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 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 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.

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

Wipfli LLP

January 27, 2021
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, 2020. 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, 2020.

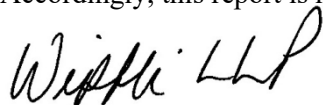
Report on Internal Control Over Compliance

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

January 27, 2021
Madison, Wisconsin

Upper Des Moines Opportunity, Inc.

Schedule of Findings and Questioned Costs

Year Ended September 30, 2020

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>
---	-----------------

Low Income Home Energy Assistance Program	93.568
---	--------

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