

Heartland Community Action Agency, Inc.

Willmar, Minnesota

Financial Statements and Supplementary
Information

Nine Month Period Ended September 30, 2016



Heartland Community Action Agency, Inc.

Financial Statements and Supplementary Information
Nine Month Period Ended September 30, 2016

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Independent Auditor's Report

Board of Directors
Heartland Community Action Agency, Inc.
Willmar, Minnesota

Report on the Financial Statements

We have audited the accompanying statement of financial position of Heartland Community Action Agency, Inc. ("the Agency") which comprise the statement of financial position as of September 30, 2016, and the related statements of activities and cash flows for the nine month period 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 of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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 in the first paragraph present fairly, in all material respects, the financial position of Heartland Community Action Agency, Inc. as of September 30, 2016, and the changes in its net assets and its cash flows for the nine month period then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information listed in the table of contents, including the 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 is not a required part of the financial statements. The supplementary 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. Such 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 of America. In our opinion, the supplementary information is fairly stated, in a 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 16, 2017, on our consideration of Heartland Community Action Agency, 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

BerganKDV, Ltd.

St. Cloud, Minnesota
March 16, 2017

Financial Statements

Heartland Community Action Agency, Inc.

Statement of Financial Position

September 30, 2016

<i>Assets</i>	
Current assets:	
Cash and cash equivalents	\$ 581,493
Restricted cash	88,067
Short-term investments	11,524
Grants and contracts receivable	522,875
Accounts receivable	33,099
Current portion of land contracts receivable	21,925
Thrift store inventory	9,663
Donated vehicle inventory	16,904
Inventory of homes	58,100
Prepaid expenses	82,373
Total current assets	1,426,023
Land contracts receivable, net	62,681
Property and equipment, net	425,098
TOTAL ASSETS	\$ 1,913,802
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Current portion of note payable	\$ 22,287
Accounts payable and other liabilities	346,304
Funds held for other agencies - fiscal agent	30,640
Accrued payroll and related expenses	145,046
Accrued vacation	200,345
Grant funds received in advance	37,703
Total current liabilities	782,325
Long-term liabilities:	
Note payable, net	157,400
Total liabilities	939,725
Net assets:	
Unrestricted	480,029
Temporarily restricted	494,048
Total net assets	974,077
TOTAL LIABILITIES AND NET ASSETS	\$ 1,913,802

See notes to financial statements.

Heartland Community Action Agency, Inc.

Statement of Activities

Nine Month Period Ended September 30, 2016

	Unrestricted	Temporarily Restricted	Total
Revenue:			
Grant and contract revenue	\$ 4,104,970	\$ 301,416	\$ 4,406,386
Program contributions	63,330	0	63,330
Donations/other income	43,246	45,501	88,747
Interest income	66	0	66
In-kind contributions	250,327	0	250,327
Net assets released from restriction through satisfaction of program restrictions	295,192	(295,192)	0
Total revenue	4,757,131	51,725	4,808,856
Expenses:			
Salaries and wages	2,120,579	0	2,120,579
Fringe benefits	744,729	0	744,729
Consumable supplies	201,235	0	201,235
Communications	102,741	0	102,741
Travel/transportation	127,440	0	127,440
Space costs and utilities	135,435	0	135,435
Maintenance and depreciation	67,606	0	67,606
Other costs	125,402	0	125,402
Participant benefits	804,376	0	804,376
Contract labor/consultants	200,157	0	200,157
In-kind expenses	250,327	0	250,327
Total expenses	4,880,027	0	4,880,027
Change in net assets	(122,896)	51,725	(71,171)
Net assets - Beginning of the period	602,925	442,323	1,045,248
Net assets - End of the period	\$ 480,029	\$ 494,048	\$ 974,077

Heartland Community Action Agency, Inc.

Statement of Cash Flows

Nine Month Period Ended September 30, 2016

Increase (decrease) in cash:

Cash flows from operating activities:

Change in net assets (\$ 71,171)

Adjustments to reconcile change in net assets to net cash

used in operating activities:

Depreciation 37,539

Change in allowance for doubtful grants and contracts receivable (3,750)

Discount on land contract receivable (22,002)

Change in donation of inventory 26,691

Changes in operating assets and liabilities:

Grants and contracts receivable (18,246)

Accounts receivable (27,283)

Thrift store inventory 2,221

Inventory of homes 15,000

Prepaid expenses 11,287

Accounts payable and other liabilities 72,673

Funds held for other agencies - fiscal agent 10,607

Accrued payroll and related expenses (35,271)

Accrued vacation 24,442

Grant funds received in advance (112,857)

Net cash used in operating activities (90,120)

Cash flows from investing activities:

Purchases of property and equipment (67,411)

Purchases of short term investments (5,054)

Payments received on land contracts receivable 16,443

Net cash used in investing activities (56,022)

Cash flows from financing activities:

Payments on note payable (16,040)

Net cash used in financing activities (16,040)

Change in cash and cash equivalents (162,182)

Cash and cash equivalents at beginning of the period 743,675

Cash and cash equivalents at end of the period \$ 581,493

Supplemental schedule of cash flow information:

Interest paid \$ 5,728

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 1 Organization and Significant Accounting Policies

Nature of Operations

Heartland Community Action Agency, Inc. ("Agency") was established under the Federal Economic Opportunity Act of 1964 (the "Act") and became a 501(c)(3) nonprofit in 1966. The Act empowers community action agencies to address the causes and conditions of poverty at the local level. The Agency operates with a combination of federal, state, and local funding. Approximately 35% of the Agency's total revenue is received from the U.S. Department of Health and Human Services to fund its Head Start program.

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

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of the Agency and/or the passage of time. When a restriction expires, temporarily restricted net assets are transferred to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Agency. Generally, the donors of these assets permit the Agency to use all or part of the income earned on any related investments for general or specific purposes. Currently, the Agency does not have any permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity 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.

Presentation of Sales Tax

The Agency collects sales tax from customers and remits the entire amount to the appropriate state for thrift store sales. The Agency's accounting policy is to exclude the tax collected and remitted from revenues and cost of sales.

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 1 Organization and Significant Accounting Policies (Continued)

Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Agency that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions.

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

Grants are recorded as either contributions or exchange transactions based on criteria contained in the grant award. Grants that qualify as contributions follow contribution recognition policies. Grants that are exchange transactions are recognized as revenue in the accounting period when the related allowable expenses are incurred. Grant funds drawn in excess of the related grant expenses are treated as deferred revenue. Grant expenses in excess of the related grant funds drawn are treated as grants receivable.

In-Kind Contributions

The Agency has recorded in-kind contributions for space, donated materials, and professional services in the statement of activities in accordance with generally accepted accounting principles, which require that only contributions of services received which 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. Accounting principles generally accepted in the United States of America are different than the in-kind requirements of several of the Agency's grant awards. The Agency recognized \$23,208 of contributed services for the Head Start Program in 2016. The Agency has received contributions of nonprofessional volunteers during the period with an estimated value of \$99,085, primarily for its Head Start program, which are not recorded in the statement of activities.

Cash and Cash Equivalents

The Agency considers all financial instruments purchased with a maturity of three months or less to be cash equivalents.

Short-term Investments

The Agency considers all financial instruments purchased with a maturity of three months or more to be short-term investments.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements. Management determined no allowance was needed as of September 30, 2016.

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 1 Organization and Significant Accounting Policies (Continued)

Land Contracts Receivable

The Agency received funding from the Minnesota Housing Finance Agency (MHFA) for the Minnesota Urban and Rural Housing Program (MURL). The program provides funding for the acquisition and rehabilitation of single-family homes. The purchase and rehabilitation of homes are recorded as inventory. The homes are sold on the basis of no-interest installment loans, and revenue is recognized for the sale price of the home. The inventory of homes not sold, if any, is recorded at the lower of cost or market. Any loans repaid are a reduction in land contracts receivable. The land contracts receivable have been discounted at the prevailing market rate at the inception of the mortgage. There is no allowance provided on these loans, since any uncollectible loan would be secured by the property (see Note 5 for further details).

Thrift Store Inventory

The inventory of the Thrift Store consists of donated items that have been recorded at management's estimate of fair value.

Donated Vehicle Inventory

The donated vehicle inventory has been recorded at management's estimate of fair value based on blue book values.

Home Inventory

The inventory of homes consists of the cost of land and property and has been recorded at cost which approximates fair value.

Property and Equipment

Property and equipment are capitalized at cost. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets of 2 to 20 years. The Agency considers items with a cost greater than \$5,000 and a useful greater than one year to be property and equipment.

Property and equipment purchased with grant funds are owned by the Agency 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 property and equipment purchased with grant funds are normally restricted for use in specific programs operated by the Agency. The net book value of grant-funded property and equipment included on the statement of financial position is \$122,136 at September 30, 2016.

The Agency has adopted a policy of implying a time restriction on assets purchased with grant contributions. Grant-funded property and equipment are recorded as restricted support. As the property and equipment are depreciated, the temporarily restricted net assets are released from restriction and reported in the statement of activities as net assets released from restriction.

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 1 Organization and Significant Accounting Policies (Continued)

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets is based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell. Management has determined that no impairment existed at September 30, 2016.

Tax Status

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from Minnesota franchise and income taxes for related business activities.

The Agency is required to assess whether it is more likely than not that any tax positions 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 Agency has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

Cost Allocation

Joint costs are allocated to benefiting programs using various allocation methods depending on the type of joint cost being allocated. Joint costs are those costs incurred for the common benefit of all Agency programs that cannot be readily identified with a final cost objective. Joint costs are charged to Agency programs based on the amounts used by each program or other appropriate methodology.

Advertising Costs

The Agency's policy is to expense advertising costs as they are incurred. For 2016 the Agency incurred advertising costs totaling \$10,029.

Unemployment Insurance

The Agency reimburses the State of Minnesota for unemployment payments as allowed by the State of Minnesota statute. The Agency utilizes an outside vendor to manage claims and reimburse the State of Minnesota for actual unemployment claims paid. The Agency makes estimated quarterly payments from corporate funds to the outside vendor to cover estimated claims and to build a reserve for future unemployment claims. The amount of funds held by the outside vendor as of September 30, 2016 was \$88,067 and has been reported as restricted cash on the statement of financial position.

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 2 Concentrations

The Agency maintains cash balances at two banks. The Agency's bank accounts are sometimes in excess of Federal Deposit Insurance Corporation (FDIC) coverage. Bank account balances are insured by the FDIC up to \$250,000. To minimize the risk of cash balances, the Agency has elected to participate in a sweep account with one bank. The Agency sweeps cash daily into a repurchase agreement whereby the Agency owns a secured interest in securities sold by the bank. The securities, which consist of government bonds, had a fair value of \$403,625 at September 30, 2016. The balance at the other bank was not in excess of FDIC limits.

A majority of the Agency's employees are covered by collective bargaining agreements which expire July 31, 2017.

Note 3 Grants Receivable

The grants receivable balance represents amounts due from the various funding sources as follows:

Federal programs	\$ 324,521
State programs	176,085
Other programs	<u>22,269</u>
Total	<u>\$ 522,875</u>

Note 4 Fair Value Measurements

The Fair Value Measurements and Disclosures Topic of FASB ASC establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Agency has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 4 Fair Value Measurements (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2016.

Thrift Store Inventory – Valued using the market approach based on historical sale prices for similar items sold in the thrift store.

Donated Vehicle Inventory – Valued using the market approach based on the prices of similar vehicles sold in Central Minnesota.

Home Inventory – Valued using the market approach based on the prices of similar homes sold in Central Minnesota.

Fair values of assets measured on a non-recurring basis are as follows:

Description	Fair value Measurement at Reporting Date Using			
	12/31/2016	Level 1	Level 2	Level 3
Thrift Store Inventory	\$ 9,663	\$ 0	\$ 9,663	\$ 0
Donated Vehicle Inventory	16,904	0	16,904	0
Inventory of Homes	<u>58,100</u>	<u>0</u>	<u>58,100</u>	<u>0</u>
Total	<u>\$ 75,667</u>	<u>\$ 0</u>	<u>\$ 75,667</u>	<u>\$ 0</u>

Note 5 Land Contracts Receivable

The Agency received funding from the MHFA for the MURL program as disclosed in Note 1. The program provides funding for the acquisition and rehabilitation of single-family homes. The rehabilitated homes are sold by the Agency to eligible homebuyers under a no-interest, installment loan basis. The monthly loan payment is set at the greatest of 10% of homebuyer's gross monthly income or 25% of their adjusted gross monthly income. The loan payment covers real estate tax and insurance escrow and the repayment of the loan. The duration of loans vary according to the amount of the loan and the amount of the monthly payments.

The Agency records land contracts receivable and other income from the sale of inventory upon the sale of the homes. The land contracts receivable at September 30, 2016, are as follows:

Land contracts receivable	\$ 116,975
<u>Present value discounted at 4.5%</u>	<u>(32,369)</u>
Land contracts receivable, net	84,606
<u>Current portion</u>	<u>(21,925)</u>
<u>Long-term portion</u>	<u>\$ 62,681</u>

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 5 **Land Contracts Receivable (Continued)**

The unamortized discount is the difference between the face amount of the land contract and its present value discounted at a compound interest rate. The discount is amortized over the life of the land contract.

Note 6 **Property and Equipment**

A summary of property and equipment as of September 30, 2016, is as follows:

Land	\$ 78,250
Buildings and building improvements	1,110,195
Equipment	588,975
Total	1,777,419
Accumulated depreciation	(1,352,321)
<u>Property and equipment, net</u>	<u>\$ 425,098</u>

Note 7 **Note Payable**

The Agency has one note payable at September 30, 2016, as follows:

Note payable to Home State Bank at 4.0% annual interest, with monthly payments of \$2,422 (principal and interest). Interest rate is adjusted every five years starting December 2013. The loan matures in November 2023.

The note is collateralized by real estate.	\$ 179,687
<u>Current portion</u>	<u>(22,287)</u>
<u>Long-term note payable</u>	<u>\$ 157,400</u>

Future debt maturities are as follows:

2017	\$ 22,287
2018	23,195
2019	24,140
2020	25,124
2021	26,147
Thereafter	58,794
<u>Total</u>	<u>\$ 179,687</u>

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 8 Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

Grant-funded equipment	\$ 122,136
Housing	270,506
BEST Program/Reach Out for Warmth	4,783
Meeker Holiday Project	11,797
Emergency needs	2,284
Healthcare Outreach & Enrollment	25,020
Donated Vehicle Program	25,188
Poverty conference activities	8,955
Family based programs	23,379
<u>Total</u>	<u>\$ 494,048</u>

Note 9 Operating Lease Agreements

The Agency leases various facilities and equipment for operation of its programs. The operating lease payments for 2016 amounted to \$88,847.

Future binding commitments on non-cancelable operating leases are as follows:

2017	\$ 132,477
2018	41,134
2019	17,063
2020	1,852
<u>Total</u>	<u>\$ 192,526</u>

Note 10 401(k) Plan

The Agency has a savings plan for its employees under IRS Code Section 401(k). Eligible employees may contribute a portion of their wages to the plan up to the maximum allowed per IRS regulations. The Agency matches up to 5% of the employee's compensation. The employer's pension expense for 2016 was \$61,613.

Heartland Community Action Agency, Inc.

Notes to Financial Statements

Note 11 **Functional Expense Classification**

The following program and supporting services are reflected in the statement of activities for 2016:

Federal and state programs:

Child education	\$ 2,097,647
Weatherization/energy assistance	686,905
Community services	720,152
Homeless/housing programs	526,454
Food programs	75,007
Corporate	160,693
<hr/>	
Total program activities	4,266,858
Fund-raising	12,583
<u>Management and general expenses</u>	<u>600,586</u>
<u>Total expenses</u>	<u>\$ 4,880,027</u>

Note 12 **Program Operations**

The Agency has a grant with the State of Minnesota, Department of Commerce for outreach, intake, eligibility, and certification of Low-Income Home Energy Assistance Program (LIHEAP)-eligible participants. Client benefits for LIHEAP-eligible participants are subsequently paid directly by the State of Minnesota. Client benefits in the amount of \$536,785 paid by the State of Minnesota are not included in the statement of activities because they were not part of the grant award.

Note 13 **Fiscal Agent Agreement**

The Agency acts as the fiscal agent for the Cinco de Mayo Committee, Meeker Family & Friends Circles of Support, Community Action MIS, and Meeker County Domestic Violence. During 2016 the Agency collected \$22,889 and disbursed \$12,282 on behalf of these entities.

Note 14 **Subsequent Events**

Subsequent events have been evaluated through March 16, 2017, which is the date the financial statements were available to be issued.

Effective October 1, 2016, Heartland Community Action Agency, Inc. merged with Western Community Action, Inc. Effective that same date, the name of the agency changed to United Community Action Partnership, with the corporate office location of 1400 S Saratoga, Marshall, MN 56258.

Supplementary Information

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

	FEDERAL PROGRAMS											
	Department of Agriculture		Department of Housing and Urban Development									
	10.558	10.580	14.181				14.231				14.235	
	Child and Adult Food Program	Food Support Outreach 2015-2016 GRK%102147	Country View Willmar HRA Supportive Housing 15-16	Country View Willmar HRA Supportive Housing 16-17	HUD Supportive Housing Westwinds Townhomes MN0185B5K111403	HUD Supportive Housing Westwinds Renewal MN0185L5K111302	14.181 Subtotal	Emergency Solutions Grant Re-Housing GRK%94472	HUD McLeod Supportive Housing Program MN0262L5K111302	HUD Rapid Re-housing Program MN0143L5K111505	HUD Rapid Re-housing Program MN0143L5K111404	
Total	(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	(9)	(10)	
REVENUE												
Grants and Contracts												
Prior year's grant funds received in advance	\$ 2,441,052	\$ 0	\$ 61,336	\$ 0	\$ 0	\$ 75,074	\$ 0	\$ 75,074	\$ 34,699	\$ 0	\$ 0	\$ 56,619
Current-year awards	1,466,252	85,786	0	7,686	9,155	(12,304)	4,537	15,277	0	94,911	0	0
Funds deobligated/repaid/reprogrammed	536,785	0	0	0	0	0	0	0	0	0	0	0
Grant funds received in advance	(37,703)	0	0	0	0	0	0	0	0	0	0	0
Grant and contract revenue	4,406,386	85,786	61,336	7,686	9,155	62,770	0	79,611	49,976	0	94,911	56,619
Program contributions	63,330	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	88,747	0	0	0	0	0	0	0	0	0	0	0
Interest income	66	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	250,327	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	4,808,856	85,786	61,336	7,686	9,155	62,770	0	79,611	49,976	0	94,911	56,619
EXPENSES												
Salaries and wages	2,120,579	0	50,795	5,571	9,083	30,116	0	44,770	28,291	0	30,363	10,670
Fringe benefits	744,729	0	14,840	829	1,383	6,439	0	8,651	7,283	0	7,608	1,727
Consumable supplies	201,235	0	0	2,930	577	250	0	3,757	0	0	0	0
Communications	102,741	0	0	119	229	606	0	954	0	0	213	0
Travel/transportation	127,440	0	815	140	128	867	0	1,135	1,241	0	2,785	1,089
Space costs and utilities	135,435	0	0	0	0	0	0	0	0	0	0	0
Maintenance and depreciation	67,606	0	0	0	0	0	0	0	0	0	0	0
Other costs	125,402	0	0	0	0	0	0	0	0	0	0	0
Participant benefits	804,376	85,786	0	0	62	36,053	0	36,115	18,712	0	50,153	39,770
Interdepartment allocation	0	0	640	920	1,507	2,008	0	4,435	434	0	1,118	573
Contract labor/consultants	200,157	0	238	0	82	369	0	451	74	0	6,486	7,315
Program support	0	0	(5,992)	(2,823)	(3,896)	(13,938)	0	(20,657)	(6,059)	0	(3,815)	(4,525)
In-kind expenses	250,327	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	4,880,027	85,786	61,336	7,686	9,155	62,770	0	79,611	49,976	0	94,911	56,619
Change in Net Assets	(71,171)	0	0	0	0	0	0	0	0	0	0	0
Net assets at beginning of period	1,045,248	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS AT END OF PERIOD	\$ 974,077	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

	FEDERAL PROGRAMS										
	Dept of Housing and Urban Dev		Department of Energy			Department of Health & Human Services (DHHS)					93.568
	14.235		81.042			93.525					93.568
	HUD Transitional Housing Program MN0223L5K111302	14.235 Subtotal	WAP DOE A2500 95375	WAP DOE A2500 110981	81.042 Subtotal	2015-2016 MNSure Outreach Assistance	2016-2017 MNSure Outreach Assistance	2015-2017 MNSure Consumer Assistance	93.525 Subtotal	2016 Low-Income Home Energy Assistance Pro. 100520/7282-1563	Direct Participant Support
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	
REVENUE											
Grants and Contracts											
Prior year's grant funds received in advance	\$ 0	\$ 56,619	\$ 101,824	\$ 0	\$ 101,824	\$ 4,507	\$ 0	\$ 7,070	\$ 11,577	\$ 197,542	\$ 0
Current-year awards	0	94,911	0	49,657	49,657	6,503	74,033	7,900	88,436	65,984	0
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	0	536,785
Grant funds received in advance	0	0	0	0	0	0	0	0	0	0	0
Grant and contract revenue	0	151,530	101,824	49,657	151,481	11,010	74,033	14,970	100,013	263,526	536,785
Program contributions	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	0	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	0	151,530	101,824	49,657	151,481	11,010	74,033	14,970	100,013	263,526	536,785
EXPENSES											
Salaries and wages	0	41,033	28,050	27,540	55,590	15,284	16,780	4,252	36,316	117,786	0
Fringe benefits	0	9,335	8,629	8,012	16,641	4,493	4,820	1,165	10,478	37,437	0
Consumable supplies	0	0	117	89	206	0	0	0	0	12,886	0
Communications	0	213	475	184	659	0	35	42	77	17,010	0
Travel/transportation	0	3,874	3,030	3,176	6,206	0	1,212	153	1,365	2,966	0
Space costs and utilities	0	0	0	0	0	0	0	0	0	0	0
Maintenance and depreciation	0	0	1,126	0	1,126	0	0	0	0	1,540	0
Other costs	0	0	2,074	1,500	3,574	(1,072)	553	346	(173)	1,651	0
Participant benefits	0	89,923	55,058	10,685	65,743	0	0	0	0	54,636	536,785
Interdepartment allocation	0	1,691	2,495	1,872	4,367	23	397	418	838	19,321	0
Contract labor/consultants	0	13,801	3,878	3,000	6,878	0	52,443	119	52,562	4,858	0
Program support	0	(8,340)	(3,108)	(6,401)	(9,509)	(7,718)	(2,207)	756	(9,169)	(6,565)	0
In-kind expenses	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	0	151,530	101,824	49,657	151,481	11,010	74,033	7,251	92,294	263,526	536,785
Change in Net Assets	0	0	0	0	0	0	0	7,719	7,719	0	0
Net assets at beginning of period	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS AT END OF PERIOD	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,719	\$ 7,719	\$ 0	\$ 0

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

FEDERAL PROGRAMS																								
Department of Health & Human Services (DHHS)																								
93.568						93.569				93.575														
EAPWX A2107		EAPWX CO A2107		EAPWX CO2 A2106		EAPWX A2106		EAP-WX PY14		93.568		2016-2017	Discretionary	2014-2015	2016-2017		2015-2016							
95375		110961		110961		95375		EAPWX A2104		Subtotal		Community	Community	Community	Child Care		Child Care							
(19)		(20)		(21)		(22)		(23)		(24)		Block Grant	Block Grant	Block Grant	Aware Baseline		Aware Baseline							
REVENUE												GRK%94749	GRK%106341	GRK%564937	2016-2017		2015-2016							
												(24)	(25)	(26)	(27)		(28)							
Grants and Contracts																								
Prior year's grant funds received in advance	\$	0	\$	0	\$	0	\$	97,514	\$	0	\$	295,056	\$	42,243	\$	0	\$	16,129	\$	58,372	\$	0	\$	69,478
Current-year awards		7,791		26,572		6,672		0		0		107,019		82,981		653		0		83,634		28,128		0
Funds deobligated/repaid/reprogrammed		0		0		0		0		0		536,785		0		0		0		0		0		0
Grant funds received in advance		0		0		0		0		0		0		0		0		0		0		0		0
Grant and contract revenue		7,791		26,572		6,672		97,514		0		938,860		125,224		653		16,129		142,006		28,128		69,478
Program contributions		0		0		0		0		0		0		0		0		0		0		0		0
Donations/other income		0		0		0		0		0		0		0		0		0		0		0		0
Interest income		0		0		0		0		0		0		0		0		0		0		0		0
Transfers		0		0		0		0		0		0		0		0		0		0		0		0
In-kind contributions		0		0		0		0		0		0		0		0		0		0		0		0
Total Revenue		7,791		26,572		6,672		97,514		0		938,860		125,224		653		16,129		142,006		28,128		69,478
EXPENSES																								
Salaries and wages		5,222		7,718		754		35,617		0		167,097		2,067		0		712		2,779		19,299		29,626
Fringe benefits		2,504		1,621		69		10,990		0		52,621		0		0		0		0		5,688		8,882
Consumable supplies		0		0		0		72		0		12,958		0		0		0		0		0		23,359
Communications		0		0		0		0		0		17,010		141		248		0		389		474		3,006
Travel/transportation		7		4		0		1,009		0		3,986		4,207		0		1,480		5,687		2,410		3,237
Space costs and utilities		0		0		0		0		0		0		0		0		0		0		0		0
Maintenance and depreciation		0		0		0		0		0		1,540		0		0		0		0		0		0
Other costs		0		0		0		0		1,602		3,253		74		139		213		213		91		50
Participant benefits		0		16,496		6,242		56,751		0		670,910		0		0		0		0		0		0
Interdepartment allocation		59		2,025		0		5,313		0		26,718		1,961		67		2,028		2,028		1,643		3,269
Contract labor/consultants		0		0		0		649		0		5,507		12,915		405		0		13,320		0		465
Program support	(	1)	(	1,292)	(	393)	(	12,887)	(	1,602)	(	22,740)		103,859		0		13,731		117,590	(	1,477)	(	2,416)
In-kind expenses		0		0		0		0		0		0		0		0		0		0		0		0
Total Expenses		7,791		26,572		6,672		97,514		0		938,860		125,224		653		16,129		142,006		28,128		69,478
Change in Net Assets		0		0		0		0		0		0		0		0		0		0		0		0
Net assets at beginning of period		0		0		0		0		0		0		0		0		0		0		0		0
NET ASSETS AT END OF PERIOD	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

FEDERAL PROGRAMS														
Department of Health & Human Services (DHHS)														
93.575														
93.600														
	Head Start Full-Year, Part-Day	Head Start Training & Tech. Assist.	Early Head Start	Early Head Start Tech. Assist	Early Head Start	Early Head Start Tech. Assist	Head Start Full-Year, Part-Day	Head Start Training & Tech. Assist.	Early Head Start	Early Head Start Tech. Assist	Head Start Full-Year, Part-Day	Head Start Training & Tech. Assist.	Early HS & Head Start	Early HS & Head Start
93.575	05CH8402/01	05CH8402/01	05CH8402/01	05CH8402/01	05CH8402/02	05CH8402/02	05CH8402/02	05CH8402/02	05CH10360/01	05CH10360/01	05CH10360/01	05CH10360/01	05CH10360/01	05CH10360/01
Subtotal	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(41)
REVENUE														
Grants and Contracts														
Prior year's grant funds received in advance	\$ 69,478	\$ 683,730	\$ 14,793	\$ 87,293	\$ 2,721	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Current-year awards	28,128	0	0	0	0	82,887	1,458	525,105	8,726	28,271	2,228	166,122	1,953	55,549
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and contract revenue	97,606	683,730	14,793	87,293	2,721	82,887	1,458	525,105	8,726	28,271	2,228	166,122	1,953	55,549
Program contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	0	500	0	0	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	181,920	0	15,223	0	7,935	0	114,388	0	4,343	0	25,603	0	0
Total Revenue	97,606	866,150	14,793	102,516	2,721	90,822	1,458	639,493	8,726	32,614	2,228	191,725	1,953	55,549
EXPENSES														
Salaries and wages	48,925	431,948	2,699	33,174	0	59,067	42	364,551	365	18,732	7	115,580	45	345
Fringe benefits	14,570	145,898	1,188	14,220	0	18,338	11	88,405	82	4,879	2	27,602	13	0
Consumable supplies	23,359	7,584	0	14,423	0	648	0	8,165	0	2,338	0	8,768	0	47,144
Communications	3,480	10,398	0	877	0	1,516	0	9,795	0	646	0	4,210	0	1,300
Travel/transportation	5,647	12,487	0	2,781	0	3,358	0	12,449	0	1,246	0	3,317	0	0
Space costs and utilities	0	34,415	0	2,620	0	240	0	36,802	0	95	0	1,476	0	0
Maintenance and depreciation	0	1,395	0	0	0	26	0	1,407	0	4	0	29	0	0
Other costs	141	2,136	10,906	771	2,721	699	1,405	1,004	8,279	275	2,219	4,340	1,895	7,074
Participant benefits	0	12,199	0	1,450	0	187	0	4,469	0	247	0	5,789	0	0
Interdepartment allocation	4,912	24,403	0	1,633	0	3,935	0	34,135	0	711	0	5,368	0	0
Contract labor/consultants	465	11,476	0	1,218	0	105	0	696	0	56	0	372	0	31
Program support	(3,893)	(10,109)	0	14,126	0	(5,232)	0	(36,773)	0	(958)	0	(10,729)	0	(345)
In-kind expenses	0	181,920	0	15,223	0	7,935	0	114,388	0	4,343	0	25,603	0	0
Total Expenses	97,606	866,150	14,793	102,516	2,721	90,822	1,458	639,493	8,726	32,614	2,228	191,725	1,953	55,549
Change in Net Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net assets at beginning of period	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS AT END OF PERIOD	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

	FEDERAL PROGRAMS						STATE PROGRAMS						
	Department of Health & Human Services (DHHS)					DHS							
	93.600	93.667		93.67	93.778	97.024							
	McLeod County	Kandiyohi Cnty		2015-2016	Emer. Food		2015-2016	Renewable		2015-2016	2016-2017	2015-2016	2016-2017
	Parent	Parent		MNSure	& Shelt. Prog.	Total	MN Community	Energy		Propane A2501	Propane A2501	MN Head Start/	MN Head Start/
	Support	Support	93.67	Consumer	Kandiyohi Cty.	Federal	Action	Equipment		95375	110961	Early Head Start	Early Head Start
	Outreach	Outreach	Subtotal	Assistance	30-4974-00-31	Programs	Grant	95375		95375	110961	2015-00282	3599
	(42)	(43)		(44)	(45)		(46)	(47)		(48)	(49)	(50)	(51)
	GRK%94749												
	Subtotal												
REVENUE													
Grants and Contracts													
Prior year's grant funds received in advance	\$ 788,537	\$ 0	\$ 0	\$ 14,115	\$ 0	\$ 1,566,687	\$ 61,670	\$ 0	\$ 9,181	\$ 0	\$ 217,534	\$ 0	\$ 0
Current-year awards	872,299	5,603	6,952	12,553	13,445	1,455,682	54,084	400	0	1,792	117,711	115,284	0
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	536,785	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant and contract revenue	1,660,836	5,603	6,952	12,555	27,560	3,559,154	115,754	400	9,181	1,792	335,245	115,284	0
Program contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	500	0	0	0	0	500	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	349,412	0	0	0	0	349,412	0	0	0	0	0	0	0
Total Revenue	2,010,748	5,603	6,952	12,555	27,560	3,909,066	115,754	400	9,181	1,792	335,245	115,284	0
EXPENSES													
Salaries and wages	1,026,555	2,743	5,308	8,051	6,077	1,516,279	1,292	335	1,164	473	164,874	82,333	0
Fringe benefits	300,638	321	1,091	1,412	1,610	438,079	0	79	327	105	57,573	22,668	0
Consumable supplies	89,070	0	0	0	0	129,350	0	0	0	0	28,325	2,237	0
Communications	28,742	0	88	88	58	51,670	0	0	0	0	6,359	1,967	0
Travel/transportation	35,638	164	14	178	212	65,984	291	3	47	0	6,481	4,495	0
Space costs and utilities	75,648	0	0	0	0	75,648	0	0	0	0	4,131	1,640	0
Maintenance and depreciation	2,861	0	0	0	0	5,527	0	0	0	0	53,512	11	0
Other costs	43,724	0	0	0	483	52,703	2,409	0	0	0	5,303	3,457	0
Participant benefits	24,341	3,482	9	3,491	0	995,021	0	0	7,651	1,124	3,551	828	0
Interdepartment allocation	70,185	5	583	588	599	117,435	859	0	0	2	9,257	5,344	0
Contract labor/consultants	13,954	21	57	78	166	107,494	11,433	0	31	0	3,098	133	0
Program support	(50,020)	(1,133)	0	(1,133)	1,054	(1,488)	(20,356)	99,470	(17)	(39)	88	(7,219)	(9,829)
In-kind expenses	349,412	0	0	0	0	349,412	0	0	0	0	0	0	0
Total Expenses	2,010,748	5,603	7,150	12,753	10,259	3,884,246	115,754	400	9,181	1,792	335,245	115,284	0
Change in Net Assets	0	0	(198)	(198)	17,301	0	24,820	0	0	0	0	0	0
Net assets at beginning of period	0	0	5,257	5,257	0	5,256	0	0	0	0	0	0	0
NET ASSETS AT END OF PERIOD	\$ 0	\$ 0	\$ 5,059	\$ 5,059	\$ 17,301	\$ 0	\$ 30,076	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

STATE PROGRAMS													
	2016-2017 MN Early Head Start 3683 (52)	Emergency Services Program '16-'17 GRK%94511 (53)	2016-2017 Transitional Housing Prog GRK%94580 (54)	Long-Term Homeless Support Outreach (55)	2016-2017 Long-Term Homeless Support Outreach (56)	McLeod County Parent Support Outreach (57)	Kandiyohi Cnty Parent Support Outreach (58)	Supplemental Security Income Advocacy GRK%43555 (59)	2015-2016 Child Care Aware Baseline GRK=%95642 2015-00318 (60)	2016-2017 Child Care Aware Baseline GRK=%65095 201-3277 (61)	2016 State Scholarship Program (62)	2017 State Pre-School Scholarship Program (63)	Family Homeless Prevent 16-17 (64)
REVENUE													
Grants and Contracts													
Prior year's grant funds received in advance	\$ 0	\$ 19,667	\$ 20,756	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,429	\$ 0	\$ 0	\$ 0	\$ 415,319
Current-year awards	36,897	11,826	19,587	0	7,485	10,406	12,911	0	0	6,247	136,546	11,372	(210,223)
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	(18)	0	0	0	0	0	0	0	(1,181)
Grant and contract revenue	36,897	31,493	40,343	0	7,467	10,406	12,911	0	15,429	6,247	136,546	11,372	203,915
Program contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	(3,930)	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	36,897	31,493	40,343	0	7,467	10,406	12,911	0	15,429	6,247	132,616	11,372	203,915
EXPENSES													
Salaries and wages	23,285	10,454	20,533	0	5,741	5,093	9,857	3,804	6,579	4,286	77,865	7,176	61,927
Fringe benefits	5,627	1,721	4,201	0	1,353	596	2,027	574	1,973	1,263	13,566	1,453	14,611
Consumable supplies	2,883	0	0	0	0	0	0	0	5,187	0	12,856	2,847	392
Communications	515	0	250	0	250	0	163	0	668	106	1,503	0	612
Travel/transportation	1,192	0	2,125	0	0	306	26	519	719	535	11,101	584	3,794
Space costs and utilities	150	442	0	0	0	0	0	0	0	0	5,024	0	0
Maintenance and depreciation	7	0	0	0	0	0	0	0	0	0	1,268	0	0
Other costs	1,812	0	799	0	0	0	0	0	11	20	4,887	0	2,943
Participant benefits	239	19,800	16,834	0	0	6,467	17	0	0	0	2,509	897	103,955
Interdepartment allocation	1,108	5	1,936	0	0	9	1,083	1,274	726	365	4,398	609	3,817
Contract labor/consultants	88	206	187	0	123	40	106	128	103	0	15,121	0	18,109
Program support	(9)	(1,135)	(6,522)	0	0	(2,105)	0	(6,299)	(537)	(328)	0	(2,194)	(6,245)
In-kind expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	36,897	31,493	40,343	0	7,467	10,406	13,279	0	15,429	6,247	150,098	11,372	203,915
Change in Net Assets	0	0	0	0	0	0	(368)	0	0	0	(17,482)	0	0
Net assets at beginning of period	0	0	0	0	0	0	9,769	0	0	0	17,482	0	0
NET ASSETS AT END OF PERIOD	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,401	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

	STATE		LOCAL PROGRAMS										
	State	Donated Vehicle & Transportation Fund (65)	Big Stone Family Based Program (66)	Meeker Family Based Program (67)	Otter Tail Family Based Program (68)	Kandiyohi Family Based Program (69)	Kandiyohi Cnty Parent Support Outreach (70)	Willmar HRA Data Entry (71)	Emergency Needs (72)	Conservation Improvement (73)	SWIF Child Care Recruitment (74)	Collaborative Activities (75)	Meeker County Holiday Project (76)
REVENUE													
Grants and Contracts													
Prior year's grant funds received in advance	\$ 759,556	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,300	\$ 0	\$ 0	\$ 0	\$ 41,075	\$ 0	\$ 0	\$ 0
Current-year awards	332,325	0	2,080	1,226	9,720	51,586	0	1,188	0	78,470	3,250	0	0
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant funds received in advance	(1,199)	0	0	0	0	0	0	0	0	(14,611)	(2,745)	0	0
Grant and contract revenue	1,090,682	0	2,080	1,226	9,720	60,886	0	1,188	0	104,934	505	0	0
Program contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	0	10,877	0	0	0	0	0	0	4,440	0	0	0	81
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	(3,930)	0	(2,020)	(1,213)	(9,591)	0	0	0	0	0	0	0	14,618
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	1,086,752	10,877	60	13	129	60,886	0	1,188	4,440	104,934	505	0	14,699
EXPENSES													
Salaries and wages	487,071	0	60	13	100	37,140	0	1,575	1,160	12,626	76	3,894	902
Fringe benefits	129,717	0	0	0	0	12,584	0	225	0	1,934	0	1,114	89
Consumable supplies	54,727	0	0	0	0	457	0	0	0	0	0	0	0
Communications	12,393	0	0	0	0	249	0	0	0	0	0	239	0
Travel/transportation	32,218	0	0	0	29	2,184	0	0	0	2,342	0	234	0
Space costs and utilities	11,387	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance and depreciation	54,798	0	0	0	0	0	0	0	0	0	0	0	0
Other costs	21,641	0	0	0	0	79	0	0	(4,094)	505	0	0	0
Participant benefits	163,872	37,568	0	0	0	0	0	0	6,272	94,045	0	0	1,706
Interdepartment allocation	30,792	0	0	0	0	2,663	0	0	0	114	0	0	205
Contract labor/consultants	48,906	0	0	0	0	331	0	11	55	638	0	46	0
Program support	57,080	0	0	0	0	0	(623)	(1,215)	(2,671)	(76)	(5,527)	0	0
In-kind expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	1,104,602	37,568	60	13	129	55,687	0	1,188	6,272	104,934	505	0	2,902
Change in Net Assets	(17,850)	(26,691)	0	0	0	5,199	0	0	(1,832)	0	0	0	11,797
Net assets at beginning of period	27,251	51,879	0	0	0	0	3,720	0	4,116	0	0	0	0
NET ASSETS AT END OF PERIOD	\$ 9,401	\$ 25,188	\$ 0	\$ 0	\$ 0	\$ 5,199	\$ 3,720	\$ 0	\$ 2,284	\$ 0	\$ 0	\$ 0	\$ 11,797

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

LOCAL PROGRAMS												
	15-'16 Soar Pact For Families Collaborative 5C015-01 (77)	2016-2017 Blue Cross Blue Shield Healthcare Enrollment (78)	2015-2016 Blue Cross Blue Shield Healthcare Enrollment (79)	Blue Cross Blue Shield Key Population (80)	Healthy Foundations (81)	2015-2016 Transportation Willmar Area Community Foundation (82)	2015-2016 Transportation WCA Foundation (83)	West Central MN United Way Vol. Income Tax 2016 (84)	West Central MN United Way Transportation 2016-2017 (85)	West Central MN United Way Transportation 2015-2016 (86)	West Central MN United Way Cardinal Room 2016-2017 (87)	West Central MN United Way Cardinal Room 2015-2016 (88)
REVENUE												
Grants and Contracts												
Prior year's grant funds received in advance	\$ 6,888	\$ 0	\$ 18,463	\$ 738	\$ 10,519	\$ 5,000	\$ 3,750	\$ 2,452	\$ 0	\$ 9,672	\$ 0	\$ 4,200
Current-year awards	0	17,500	0	0	0	0	0	0	2,750	0	2,725	0
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	0	0	0
Grant funds received in advance	0	(17,500)	0	0	(10,206)	0	0	0	0	0	(625)	0
Grant and contract revenue	6,888	0	18,463	738	313	5,000	3,750	2,452	2,750	9,672	2,100	4,200
Program contributions	0	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	0	0	0	0	0	0	0	1,503	200	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	6,888	0	18,463	738	313	5,000	3,750	2,452	4,253	9,872	2,100	4,200
EXPENSES												
Salaries and wages	6,762	0	10,637	1,860	217	2,295	1,721	19,570	1,952	4,532	182	326
Fringe benefits	2,047	0	3,084	596	0	339	254	1,256	289	669	0	0
Consumable supplies	0	0	0	0	0	0	0	646	0	0	0	0
Communications	0	0	110	0	0	30	23	0	26	59	0	0
Travel/transportation	181	0	398	0	0	1,888	1,416	0	1,606	3,727	0	0
Space costs and utilities	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance and depreciation	0	0	0	0	0	0	0	0	0	0	0	0
Other costs	0	0	905	0	0	282	212	133	240	558	0	0
Participant benefits	0	0	0	0	0	0	0	530	0	0	2,100	4,200
Interdepartment allocation	0	0	1,044	0	77	641	481	2,364	545	1,265	0	0
Contract labor/consultants	0	0	310	0	19	62	46	0	52	122	0	34
Program support	(2,102)	0	1,975	(1,718)	0	(537)	(403)	(22,047)	(457)	(1,060)	(182)	(360)
In-kind expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	6,888	0	18,463	738	313	5,000	3,750	2,452	4,253	9,872	2,100	4,200
Change in Net Assets	0	0	0	0	0	0	0	0	0	0	0	0
Net assets at beginning of period	0	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS AT END OF PERIOD	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

LOCAL PROGRAMS														
	Safe Harbor Donations (89)	St Mary's Tithing Donations (90)	HOME Revolving MN Rural and Urban Homesteading Program (MURL) (91)	STATE Revolving MN Rural and Urban Homesteading Program (MURL) (92)	Emer Housing McLeod United Way 2015-2016 (93)	Emer Housing McLeod United Way 2016-2017 (94)	Meeker Domestic Violence Fiscal Agent (95)	Reach Out For Warmth & BEST Donations (96)	County Support Outreach Activities (97)	CAMIS Fiscal Agent (98)	Cinco de Mayo Fiscal Agent (99)	Family & Friends First Fiscal Agent (100)	Poverty Conference (101)	Kitchen Kamp 2014-2015 (102)
REVENUE														
Grants and Contracts														
Prior year's grant funds received in advance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,275	\$ 0	\$ 0	\$ 0	\$ 247	\$ 0	\$ 0	\$ 0	\$ 0	\$ 730
Current-year awards	0	0	0	0	0	6,000	0	0	68,100	0	0	0	0	0
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant funds received in advance	0	0	0	0	0	(15)	0	0	(19,377)	0	0	0	0	(538)
Grant and contract revenue	0	0	0	0	1,275	5,985	0	0	48,970	0	0	0	0	192
Program contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations/other income	12,550	13,195	0	0	0	0	944	4,358	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	(715)	0	0	0	0	0	0	0
In-kind contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	12,550	13,195	0	0	1,275	5,985	229	4,358	48,970	0	0	0	0	192
EXPENSES														
Salaries and wages	548	1,627	5,134	2,030	192	220	227	443	44,522	594	332	0	0	350
Fringe benefits	0	0	823	78	0	0	0	0	8,245	0	0	0	0	0
Consumable supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	94
Communications	0	0	77	0	0	0	0	0	0	0	0	0	0	0
Travel/transportation	0	0	185	0	0	0	0	0	557	0	0	0	0	0
Space costs and utilities	0	0	466	3,574	0	0	0	0	0	0	0	0	0	0
Maintenance and depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other costs	0	0	(19,840)	(524)	0	0	0	0	0	0	0	0	0	0
Participant benefits	8,850	12,565	0	0	1,275	5,985	0	2,527	0	0	0	0	0	107
Interdepartment allocation	0	0	68	4	0	0	0	0	632	0	0	0	0	0
Contract labor/consultants	73	59	3,202	61	0	70	2	37	0	0	0	0	2	3
Program support	(621)	(1,686)	0	0	(192)	(290)	0	(480)	(4,986)	(594)	(332)	0	0	(362)
In-kind expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	8,850	12,565	(9,885)	5,223	1,275	5,985	229	2,527	48,970	0	0	0	2	192
Change in Net Assets	3,700	630	9,885	(5,223)	0	0	0	1,831	0	0	0	0	(2)	0
Net assets at beginning of period	14,234	514	123,627	123,139	0	0	0	2,952	0	0	0	0	8,957	0
NET ASSETS AT END OF PERIOD	\$ 17,934	\$ 1,144	\$ 133,512	\$ 117,916	\$ 0	\$ 0	\$ 0	\$ 4,783	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,955	\$ 0

Heartland Community Action Agency, Inc.

Schedule A

Schedule of Program Activity

Nine Month Period Ended September 30, 2016

	LOCAL PROGRAMS				GAAP ADJUSTMENTS						
	Kitchen Kamp 2015-2016 (103)	Self-Insurance Pool for Unemployment Compensation (104)	Local and Other Subtotal	Interfund Cost Pool Reclassification (105)	Grant- Funded Fixed Assets (106)	Direct Participant Support for LIHEAP (107)	In-kind (108)	Other (109)	TOTAL GAAP ADJUSTMENTS	TOTAL PROGRAM ACTIVITY	Corporate Activity (110)
REVENUE											
Grants and Contracts											
Prior year's grant funds received in advance	\$ 500	\$ 0	\$ 114,809	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,441,052	\$ 0
Current-year awards	0	0	244,595	0	0	(536,785)	0	(29,567)	(566,352)	1,466,252	0
Funds deobligated/repaid/reprogrammed	0	0	0	0	0	0	0	0	0	536,785	0
Grant funds received in advance	(457)	0	(66,074)	0	0	0	0	29,567	29,567	(37,703)	0
Grant and contract revenue	43	0	293,330	0	0	(536,785)	0	0	(536,785)	4,406,386	0
Program contributions	0	0	0	0	0	0	0	0	0	0	63,330
Donations/other income	0	0	48,148	0	0	0	0	0	0	48,645	40,102
Interest income	0	0	0	0	0	0	0	0	0	0	66
Transfers	0	0	1,079	2,153	0	0	0	0	2,153	(698)	698
In-kind contributions	0	0	0	0	0	0	(99,085)	0	(99,085)	250,327	0
Total Revenue	43	0	342,557	2,153	0	(536,785)	(99,085)	0	(633,717)	4,704,660	104,196
EXPENSES											
Salaries and wages	71	0	163,890	(196,443)	0	0	0	0	(196,443)	1,970,797	149,782
Fringe benefits	0	0	33,626	126,394	0	0	0	0	126,394	727,816	16,913
Consumable supplies	43	0	1,240	19,848	(8,748)	0	0	0	11,100	196,417	4,818
Communications	0	0	813	37,032	0	0	0	0	37,032	101,908	833
Travel/transportation	0	0	14,747	14,217	0	0	0	0	14,217	127,166	274
Space costs and utilities	0	0	4,040	40,493	0	0	0	0	40,493	131,568	3,867
Maintenance and depreciation	0	0	0	39,047	(36,715)	0	0	0	2,332	62,657	4,949
Other costs	0	0	(21,544)	58,235	0	0	0	0	58,235	111,035	14,367
Participant benefits	0	0	177,730	0	0	(536,785)	0	0	(536,785)	799,838	4,538
Interdepartment allocation	0	0	10,103	(167,041)	0	0	0	0	(167,041)	(8,711)	8,711
Contract labor/consultants	0	0	5,235	32,474	0	0	0	0	32,474	194,109	6,048
Program support	(71)	0	(46,617)	(2,099)	0	0	0	0	(2,099)	(11,992)	11,992
In-kind expenses	0	0	0	0	0	0	(99,085)	0	(99,085)	250,327	0
Total Expenses	43	0	343,263	2,157	(45,463)	(536,785)	(99,085)	0	(679,176)	4,652,935	227,092
Change in Net Assets	0	0	(706)	(4)	45,463	0	0	0	45,459	51,725	(122,896)
Net assets at beginning of period	0	0	333,138	0	76,673	0	0	0	76,673	442,323	602,925
NET ASSETS AT END OF PERIOD	\$ 0	\$ 0	\$ 332,432	(\$ 4)	\$ 122,136	\$ 0	\$ 0	\$ 0	\$ 122,132	\$ 494,048	\$ 480,029

See independent auditor's report.

Heartland Community Action Agency, Inc.

Schedule B

Schedule of Expenditures of Federal Awards and List of Programs

Nine Month Period Ended September 30, 2016

Grantor/Program Title	CFDA Number	Funding Source	Program Period	Federal Expenditures	Awards to Subrecipients
DEPARTMENT OF AGRICULTURE					
(1) Child and Adult Food Program	10.558	State of Minnesota, Dept. of Education	01/01/1-12/31/16	85,786	
(2) Supplemental Nutrition Assistance Program Outreach 2015-2016 GRK% 102147	10.580	State of Minnesota, Dept. of Human Services	10/01/15-09/30/16	61,336	
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
(3) Country View Willmar HRA Supportive Housing 15-16	14.181	Willmar, MN HRA	04/01/15-03/31/16	7,686	
(4) Country View Willmar HRA Supportive Housing 16-17		Willmar, MN HRA	04/01/16-03/31/17	9,155	
(5) HUD Supportive Housing - Westwinds Townhomes - MN0185B5K111403		US Department of Housing and Urban Development	11/01/15-10/31/16	62,770	
(6) HUD Supportive Housing - Westwinds Expansion - MN0185L5K111302		US Department of Housing and Urban Development	11/01/14-10/31/15	0	
Total Federal Expenditures CFDA 14.181				79,611	
(7) Emergency Solutions Grant Re-housing GRK% 94472	14.231	State of Minnesota, Dept. of Human Services	07/01/15-06/30/17	49,976	
(8) McLeod HUD Supportive Housing Program MN0262L5K111302	14.235	US Department of Housing and Urban Development	11/01/14-10/31/15	0	
(9) HUD Supportive Housing Program MN0143L5K111505		US Department of Housing and Urban Development	04/01/16-03/31/17	94,911	8,783
(10) HUD Supportive Housing Program MN0143L5K111404		US Department of Housing and Urban Development	04/01/15-03/31/16	56,619	21,608
(11) HUD Supportive Housing Program MN0223L5K111302		US Department of Housing and Urban Development	12/01/14-11/30/15	0	
Total Federal Expenditures CFDA 14.235				151,530	30,391
DEPARTMENT OF ENERGY					
(12) WAP DOE A2500 - 95375	81.042	State of Minnesota, Dept. of Commerce	07/01/15-06/30/16	101,824	
(13) WAP DOE A2500 - 110961		State of Minnesota, Dept. of Commerce	07/01/16-09/30/16	49,657	
Total Federal Expenditures CFDA 81.042				151,481	
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
(14) MNSure Outreach Assistance	93.525	Western Community Action	07/01/15-06/30/16	11,010	
(15) MNSure Outreach Assistance		Minnesota Insurance Marketplace, MNSure	09/01/16-06/30/17	74,033	52,443
(16) MNSure Consumer Assistance Partner #72044		State of Minnesota, Dept. Human Services	01/01/16-06/30/17	14,970	
Total Federal Expenditures CFDA 93.525				100,013	52,443
(17) 2016 Low-Income Home Energy Assistance Program 100520/7282-1563	93.568	State of Minnesota, Dept. of Commerce	10/01/15-09/30/16	263,526	
(18) Direct Participant Support		State of Minnesota, Dept. of Commerce	01/01/16-09/30/16	536,785	
(19) EAPWX A2107 - 95375		State of Minnesota, Dept.	06/15/19-06/30/16	7,791	

Heartland Community Action Agency, Inc.

Schedule B

Schedule of Expenditures of Federal Awards and List of Programs

Nine Month Period Ended September 30, 2016

Grantor/Program Title	CFDA Number	Funding Source	Program Period	Federal Expenditures	Awards to Subrecipients
		of Commerce			
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)					
(20) EAPWX CO A2107-110961		State of Minnesota, Dept. of Commerce	07/01/16-09/30/16	26,572	
(21) EAPWX CO2 A2106-110961		State of Minnesota, Dept. of Commerce	07/01/16-09/30/16	6,672	
(22) EAPWX A2106-95375		State of Minnesota, Dept. of Commerce	07/01/15-06/30/16	97,514	
(23) EAP-WX Carry-Over PY 14 EAPWX A2104		State of Minnesota, Dept. of Commerce	07/01/14-01/15/15	0	
		Total Federal Expenditures CFDA 93.568		938,860	
(24) 2016-2017 Community Service Block Grant GRK%94749	93.569	State of Minnesota, Dept. of Human Services	10/01/15-12/31/17	125,224	
(25) Discretionary Community Services Block Grant GRK%106341		State of Minnesota, Dept. of Human Services	03/01/16-12/31/17	653	
(26) 2014-2015 Community Service Block Grant GRK%564937		State of Minnesota, Dept. of Human Services	10/01/13-06/30/16	16,129	
		Total Federal Expenditures CFDA 93.569		142,006	
(27) 2016-2017 Child Care Aware Baseline 2016-3277	93.575	State of Minnesota, Dept. of Human Services	07/01/16-06/30/17	28,128	
(28) 2015-2016 Child Care Aware Baseline Grant GRK=%95642 - 2015-00318		State of Minnesota, Dept. of Human Services	07/01/15-06/30/16	69,478	
		Total Federal Expenditures CFDA 93.575		97,606	
(29) Head Start - Full-Year, Part-Day 05CH8402/01	93.600	U.S. Dept. of Health and Human Services	05/01/15-04/30/16	683,730	
(30) Head Start - Training & Technical Assistance 05CH8402/01		U.S. Dept. of Health and Human Services	05/01/15-04/30/16	14,793	
(31) Early Head Start 05CH8402/01		U.S. Dept. of Health and Human Services	05/01/15-04/30/16	87,293	
(32) Early Head Start - Training & Technical Assistance 05CH8402/01		U.S. Dept. of Health and Human Services	05/01/15-04/30/16	2,721	
(33) Early Head Start 05CH8402/02		U.S. Dept. of Health and Human Services	05/01/16-04/30/17	82,887	
(34) Early Head Start - Training & Technical Assistance 05CH8402/02		U.S. Dept. of Health and Human Services	05/01/16-04/30/17	1,458	
(35) Head Start - Full-Year, Part-Day 05CH8402/02		U.S. Dept. of Health and Human Services	05/01/16-04/30/17	525,105	
(36) Head Start - Training & Technical Assistance 05CH8402/02		U.S. Dept. of Health and Human Services	05/01/16-04/30/17	8,726	
(37) Early Head Start 05CH10360/01		U.S. Dept. of Health and Human Services	07/01/16-4/30/17	28,271	
(38) Early Head Start - Training & Technical Assistance 05CH10360/01		U.S. Dept. of Health and Human Services	07/01/16-4/30/17	2,228	
(39) Head Start - Full-Year, Part-Day 05CH10360/01		U.S. Dept. of Health and Human Services	07/01/16-4/30/17	166,122	

Heartland Community Action Agency, Inc.

Schedule B

Schedule of Expenditures of Federal Awards and List of Programs

Nine Month Period Ended September 30, 2016

Grantor/Program Title	CFDA Number	Funding Source	Program Period	Federal Expenditures	Awards to Subrecipients
(40) Head Start - Training & Technical Assistance 05CH10360/01		U.S. Dept. of Health and Human Services	07/01/16-4/30/17	1,953	
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)					
(41) Head Start & Early Head Start Startup 05CH10360/01		U.S. Dept. of Health and Human Services	07/01/16-4/30/17	55,549	
				1,660,836	
(42) McLeod County Parent Support Outreach	93.667	McLeod County Social Services	01/01/12-12/31/16	5,603	
(43) Kandiyohi County Parent Support Outreach Program		Kandiyohi County Family Services	01/01/12-12/31/16	6,952	
				12,555	
(44) MNSure Consumer Assistance Partner #72044	93.778	State of Minnesota, Dept. Human Services	01/01/15-09/30/16	27,560	
DEPARTMENT OF HOMELAND SECURITY					
(45) EmererGENCY Food & Shelter Program Kandiyohi County 30-4974-00-31	97.024	United Way of West Central MN	11/23/13-06/30/14	0	
				\$ 3,559,156	\$ 82,834
STATE PROGRAMS					
(46) MN Community Action Grant GRK%94749		State of Minnesota, Dept. of Human Services	07/01/15-06/30/17		
(47) Renewable Energy Equipment 98375		State of Minnesota, Dept. of Commerce	01/01/16-06/30/16		
(48) 2015-2016 Propane Program Propane A2501 - 95375		State of Minnesota, Dept. of Commerce	07/01/15-06/30/16		
(49) 2016-2017 Propane Program Propane A2501 - 110961		State of Minnesota, Dept. of Commerce	07/01/16-09/30/16		
(50) MN Head Start/Early Head Start 2015-2016 2015-00282		State of Minnesota, Dept. of Education	07/01/15-06/30/16		
(51) MN Head Start/Early Head Start 2016-2017 2016-3599		State of Minnesota, Dept. of Education	07/01/16-06/30/17		
(52) MN Early Head Start 2016-2017 2016-3683		State of Minnesota, Dept. of Education	07/01/16-06/30/17		
(53) Emergency Services Program 2016-2017 GRK%94511		State of Minnesota, Dept. of Human Services	07/01/15-06/30/17		
(54) 2016-2017 Transitional Housing Program GRK%94580		State of Minnesota, Dept. of Human Services	07/01/15-06/30/17		
(55) Long-Term Homeless Support Outreach		Southwestern Mental Health Center, Inc.	01/01/14-06/30/15		
(56) Long-Term Homeless Support Outreach		Southwestern Mental Health Center, Inc.	01/01/16-12/31/17		
(57) McLeod County Parent Support Outreach		McLeod County Social Services	01/01/12-12/31/16		
(58) Kandiyohi County Parent Support Outreach		Kandiyohi County Family Services	01/01/12-12/31/16		
(59) Supplemental Security Income Advocacy GRK%43555		State of Minnesota, Dept. of Human Services	01/01/12-12/31/16		
(60) 2015-2016 Minnesota Child Care Aware Baseline GRK=%95642 2015-00318		State of Minnesota, Dept. of Human Services	07/01/15-06/30/16		
(61) 2016-2017 Minnesota Child Care Aware Baseline 2016-3277		State of Minnesota, Dept. of Human Services	07/01/16-06/30/17		

Heartland Community Action Agency, Inc.

Schedule B

Schedule of Expenditures of Federal Awards and List of Programs

Nine Month Period Ended September 30, 2016

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Funding Source</u>	<u>Program Period</u>	<u>Federal Expenditures</u>	<u>Awards to Subrecipients</u>
(62) 2016 State Pre-School Scholarship Program		Prairie Five Community Action (Mn Dept Ed)	10/01/15-06/30/16		
(63) 2017 State Pre-School Scholarship Program		Prairie Five Community Action (Mn Dept Ed)	10/01/14-06/30/15		
(64) Family Homeless Prevention 16-17		MN Housing Finance Agency	07/01/15-06/30/17		
LOCAL PROGRAMS					
(65) Donated Vehicle Inventory		Donations	Ongoing		
(66) Family Based Program		Big Stone County Family Services	Ongoing		
(67) Family Based Program		Meeker County Social Services	Ongoing		
(68) Family Based Program		Ottertail County Human Services	Ongoing		
(69) Family Based Program		Kandiyohi County Family Services	01/01/16-12/31/16		
(70) Kandiyohi County Parent Support Outreach		Kandiyohi County Family Services	01/01/12-12/31/16		
(71) Willmar HRA Data Entry		Willmar HRA	01/01/16-12/31/16		
(72) Emergency Needs		Donations	Ongoing		
(73) Conservation Improvement		CenterPoint Energy; Xcel, Hutchinson Utilities, Litchfield Public Utilities City of Litchfield, Kandiyohi Co-op McLeod Co-op, Willmar MUC, Renville-Sibley, Minneapolis CA	01/01/16-12/31/16		
(74) Southwest Initiative Foundation Collaboration Grant		Southwest Initiative Foundation	08/01/14-07/31/17		
(75) Collaborative Activities		Western Community Action/Prairie Five	01/01/16-09/30/16		
(76) Meeker County Holiday Project		Donations	01/01/16-09/30/16		
(77) SOAR - Pact for Families Collaborative '15-'16 5C015-01		PACT for Families Collaborative	09/01/15-08/31/16		
(78) Blue Cross Blue Shield Healthcare Enrollment		Western Communit Action-BCBS Foundation	07/01/16-03/31/17		
(79) Blue Cross Blue Shield Healthcare Enrollment		Western Communit Action-BCBS Foundation	07/01/15-06/30/16		
(80) Blue Cross Blue Shield Key Population		Western Communit Action-BCBS Foundation	07/01/14-06/30/16		
(81) Healthy Foundations		Donations/Reserves	12/01/11-12/31/16		
(82) Transportation Grant 2015-2016		Willmar Area Community Foundation	08/01/15-07/31/16		
(83) Transportation Grant 2015-2016		WCA Foundation	04/16/15-04/15/16		
(84) Volunteer Income Tax Site		United Way of West Central MN	12/01/15-06/30/16		
(85) Transportation Grant 2016-2017		United Way of West Central MN	07/01/16-06/30/17		
(86) Transportation Grant 2015-2016		United Way of West Central MN	07/01/15-06/30/16		
(87) Cardinal Room 2016-2017		United Way of West Central MN	07/01/16-06/30/17		
(88) Cardinal Room 2015-2016		United Way of West Central MN	07/01/15-06/30/16		
(89) Safe Harbor Donations		Community Donations	01/01/16-12/31/16		
(90) Church of St. Mary's Tithing Donations		Church of St. Mary, Willmar	01/01/16-12/31/16		
(91) HOME Revolving MN Rural and Urban Homesteading Program (MURL)		Contract for Deed Repayments	Ongoing		
(92) STATE Revolving MN Rural and Urban Homesteading Program (MURL)		Contract for Deed Repayments	Ongoing		
(93) Emergency Housing McLeod United Way 2015-2016		United Way of McLeod County	04/01/15-03/31/16		
(94) Emergency Housing McLeod United Way 2016-2017		United Way of McLeod County	04/01/16-03/31/17		
(95) Meeker Domestic Violence Fiscal Agent		Participant Fees	01/01/16-09/30/16		
(96) Reach Out For Warmth & Best Activities Donations		Willmar Municipal Utilities, Meeker Co-op	01/01/16-12/31/16		
(97) Outreach Activities		Kandiyohi, McLeod, Meeker, Renville Counties	Ongoing		
(98) CAMIS Fiscal Agent		Community Action Agencies Fees/Dues	Ongoing		
(99) Cinco de Mayo Fiscal Agent		Community Sponsorships/Activity Fees	Ongoing		
(100) Meeker Families & Friends Circles of Support Fiscal Agt		Meeker Families and Friends	Ongoing		

Heartland Community Action Agency, Inc.

Schedule B

Schedule of Expenditures of Federal Awards and List of Programs

Nine Month Period Ended September 30, 2016

<u>Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Funding Source</u>	<u>Program Period</u>	<u>Federal Expenditures</u>	<u>Awards to Subrecipients</u>
(101) Poverty Conference		Participant Fees	Ongoing		
(102) Kitchen Kamp 2014-2015		Pact for Families Collaborative	07/01/13-09/30/16		
(103) Kitchen Kamp 2015-2016		Moving Forward Advisory Council	11/01/15-10/31/16		
(104) Self-Insurance Pool for Unemployment Compensation		N/A	Ongoing		

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) ADJUSTMENTS

(105) Interfund Cost Pool Reclassification	N/A		Ongoing		
(106) Grant-Funded Fixed Assets	N/A		Ongoing		
(107) Direct Participant Support for LIHEAP	N/A		Ongoing		
(108) In-kind	N/A		Ongoing		
(109) Other	N/A		Ongoing		

UNRESTRICTED

(110) Corporate Activity		Various	01/01/16-09/30/16		
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Notes to Schedule of Expenditures of Federal Awards and List of Programs

NOTE 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "schedule") includes the federal award activity of the Agency under programs of the federal government for the nine month period ended September 30, 2016. 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 the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

NOTE 2 – Summary of Significant Accounting Policies

Expenditures reported on the shedule are reported on the basis of accounting principles generally accepted in the United States of America. 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. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – Indirect Cost Rate

The Agency has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.



**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***

Independent Auditor's Report

Board of Directors
Heartland Community Action Agency, Inc.
Willmar, Minnesota

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 Heartland Community Action Agency, Inc. as of and for the nine months ended September 30, 2016, and have issued our report thereon dated March 16, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency'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 over financial reporting 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 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 the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

BerganKDV, Ltd.

March 16, 2017
St. Cloud, Minnesota



**Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the
Uniform Guidance**

Independent Auditor's Report

Board of Directors
Heartland Community Action Agency, Inc.
Willmar, Minnesota

Report on Compliance for Each Major Federal Program

We have audited Heartland Community Action Agency, Inc.'s compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the nine month period ended September 30, 2016. The Agency's major federal programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to in the first paragraph. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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



Opinion on Each Major Federal Program

In our opinion, Heartland Community Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of its major federal programs for the nine month period ended September 30, 2016.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to in the first paragraph. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, 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 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.

Purpose of this Report

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.

BerganKDV, Ltd.

St. Cloud, Minnesota
March 16, 2017

Heartland Community Action Agency, Inc.

Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of Major Federal Programs

CFDA No.:	93.600
Name of Federal Program	Head Start
Dollar threshold used to distinguish between type A and type B programs?	\$750,000
Auditee qualified as low-risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial statement findings.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings and no questioned costs.