NEW OPPORTUNITIES
HELPING PEOPLE. CHANGING LIVES.

WWW.NEWOPP.ORG
23751 HWY 30, E. PO BOX 427, CARROLL, IA 51401

December 4, 2017

Mayor and City Council Members
City of Carroll
112 E. 5th Street
Carroll, IA 51401

Dear Mayor and City Council Members:

New Opportunities, Inc., continues to provide a wide array of human services to the low-income and elderly in the city of Carroll. We thank you for your continued support of the Carroll County Family Development Center and the Substance Abuse Treatment and Prevention Programs and ask that you include New Opportunities, Inc., in your new year's budget in the amount of $10,920, **which reflects the same amount of support you provided this past year.**

The Carroll County Family Development Center is located at 23751 HWY 30, E., in Carroll. This is the point of contact for low-income residents that need our services, or the assistance of other organizations, but are unsure of how to access those services. During Fiscal Year 2017, the Carroll County Family Development Center provided services to 1,125 city of Carroll residents, comprising 506 households.

The Substance Abuse Treatment and Prevention Center is located at 23751 HWY 30, E., in Carroll. This past fiscal year, the Treatment department provided Intensive Outpatient Programs, Extended Outpatient Programs, and Continuing Care Programs to 324 individuals from Carroll County (data not available for city). The Prevention Department had a reach touching more than 2,500 individuals from the city of Carroll.

To support our request, the following information is attached:

- Attachment 1 – Statement of Purpose and Description of Services
- Attachment 2 – Proof of not-for-profit status
- Attachment 3 – List of Board of Directors; no Board Members are employees of this organization.
- Attachment 4 – Fiscal Year Annual Audit. The Fiscal Year 2017 audit is in process. A copy will be provided to the city of Carroll upon completion.

PHONE: 712-792-9266 FAX 712-792-5723

AUDUBON CALHOUN CARROLL DALLAS GREENE GUTHRIE SAC

United Way PARTNERSHIP

- Attachment 5 – A budget is attached that shows the sources and amounts of funds that support the services to the people of Carroll. Income and expenses are detailed in this budget. The Prevention and Treatment budgets are the full five-county budgets for these programs. The Prevention Budget Includes the Comprehensive Prevention and Tobacco program budgets.
- Attachment 6 – While New Opportunities, Inc., provides services to residents of Audubon, Calhoun, Carroll, Dallas, Greene, Guthrie, and Sac counties, this is a chart of the demographics of the people served from the city of Carroll. The budget sheet, Attachment 5, shows the sources of contribution we receive to support the Carroll County Family Development Center. Most funds allow us to support anyone who comes into the center, but if funds are given and to be used for a specific population, like the residents of the city of Carroll, we will assure that the funds are used to the donor's specifications. Various programs require us to document or verify household income. We adhere to all funder's policies regarding proof of income. There are also some funding sources that ask us to take a declaration of income. Again, we follow the policies of our funders.

  The Carroll County Family Development Center is open from 8:30AM to 4:30PM Monday through Friday. Access to information about the services of the organization goes through New Opportunities, Inc.'s reception desk, which is staffed from 8:00AM to 8:00PM Monday through Thursday, and 8:00AM to 4:30PM on Friday.

Again, we thank you for your continued support of the New Opportunities, Inc.'s services offered to the residents of the city of Carroll.

Sincerely,

Chad Jensen, MA, LMSW
CEO

Statement of Purpose:

The Board of Directors and staff of New Opportunities, Inc., are guided by our Agency Mission, which states:

New Opportunities, Inc., in an effort to eliminate poverty, provides direct support and services to children, adolescents, adults, aging adults, and families to help them reach their highest potential in regard to their personal and economic self-sufficiency.

Description of Services:

Section 1 – Services of the Carroll County Family Development Center

The Carroll County Family Development Center is located at 23751 Highway 30, E., in Carroll. This is the point of contact for the Carroll residents that need our services, or the services of another organization, but are not sure how to access those services. During Fiscal Year 2017, we provided services and gave information or referrals to 1,125 city of Carroll residents from 506 households. Our center staff assisted all of these people with applications for Agency services, and also with assistance through referrals to other sources of assistance within the City, County, Region or State.

If you refer to Attachment 6, the Characteristics of Clients Served, this shows the client characteristics, or demographics, of the people from the city of Carroll that received some type of service through the Carroll County Family Development Center during Fiscal Year 2016. Of the 506 households represented in that document, thirty-seven percent were reliant on Social Security for their income. Almost half of the households served had some type of employment income but had not been able to secure an income adequate to meet all of the families' needs. Over seventy percent of the households served lived on an income of 100% of poverty or less. In Fiscal Year 2017, that represents, for a family of two, $16,020.00 per year. That would be equal to one person working full-time at a wage of $7.70 per hour. Gross weekly pay at this rate for full time work is $308.00. For a family of four, that represents $24,300.00 per year. That is the equivalent to one person working full time at a wage of $11.68 per hour. Gross weekly pay at this rate for full-time work is $467.20.

Our Financial Literacy Counselor states that at least 75% of the families we serve live on less than $1,200 a month. Here is the breakdown of their expenses:

- Rent – between $500 and $550 per month.
- Utilities – approximately $180 per month.
- Car payment – many use less than reputable loan sources costing them an average of $300 per month. These loan sources require a payment every time they get a paycheck, so average is $150 per paycheck. Unfortunately most families do not have access to affordable, reliable transportation.
- Paper products and other personal items they cannot buy with Food Stamps - $60 per month.

- Gas - $120 per month. Most families will put $30 a week into their car and make it last.
- Most have no car insurance.
- Most families have health insurance through the Affordable Care Act.
- Most receive food stamps.

Considering the above listed expenses, the monthly total is approximately $1,210. This leaves no money for clothing, for extra school expenses/projects, and no money for the family to do anything as a family, such as going to a movie.

New Opportunities, Inc., provides the following programs and services through the Carroll County Family Development Center:

- **Carroll County Family Development Center** – this is the "outreach" office that serves Carroll County. Through this office, applications are taken, or referrals are made, for all of the programs offered by New Opportunities, Inc. The Family Development Center also offers referrals to other area resources. At the FDC, there are opportunities for families to get day-old bread from HyVee, used clothing, and furniture. This is also the main office for the Toys for Tots and Back-to-School supplies distribution for the Carroll area. Holiday food packages are also provided to low-income families.
- **LIHEAP** – the Low Income Home Energy Assistance Program – this program provides families with incomes at or below 175% of the Federal Poverty Level with help for their heating bills. LIHEAP serves around 600 families a year in Carroll County, of which approximately half are from the city of Carroll.
- **Head Start** – the Head Start program provides early childhood education, health, mental health, dental screenings and family support services to families at or below 100% of the Federal Poverty Level. Head Start serves approximately 50 families a year in Carroll County. The program recognizes the importance of healthy nutrition in the life of a child and provides healthy meals and snacks as part of the school day. The program also partners with the local school districts to provide eligible four year olds with full day preschool.
- **WIC** – the Women, Infants and Children's Special Supplemental Food Program provided health screening, nutrition assessment and education and food vouchers for specific high nutrition foods, including infant formula, to 477 Carroll County families in Fiscal Year 2017.
- **The Women's Health Program** – provides case management for pregnant women and cancer screening, contraceptives and sexually transmitted disease testing and treatment for women and men of childbearing age. Education programs are offered to all area schools working together with the Community Adolescent Pregnancy Prevention Program.
- **Weatherization** – anyone applying for the LIHEAP Program has automatically applied for Weatherization. The goal of this program is to make homes more energy efficient. Services vary year to year according to the state contract.
- **Elderly Waivers Chore** – we provide Chore Services to the elderly who have been qualified for Title XIX and are case-managed by the county coordinating committee.

- **Community Adolescent Pregnancy Prevention Program** – aims to reduce teen pregnancies through education. The CAPP program also assists schools in meeting the requirement of House File 611 which was passed in 2007. This bill requires that schools include age-appropriate and research-based information regarding sexually transmitted diseases including the human papilloma virus and the availability of a vaccine to prevent the virus. Curriculum available to help schools meet this requirement include: Draw the Line/Respect the Line and Strong Voices/Healthy Choices. 1,823 students in Carroll County received this education during Fiscal Year 2017.
- **Financial Literacy** – this program provides one-on-one and group classes on financial management for individuals and families. New Opportunities refers households who seek crisis assistance to meet with the Financial Educator to set goals and work towards stability. In 2017, New Opportunities was awarded a grant from the Northwest Area Foundation. This grant allowed us to hire an additional staff member as the Financial Literacy Coordinator and to expand our Financial Literacy program. In June of 2017, 21 New Opportunities staff members from the Development, Prevention, and Head Start departments received the Four Cornerstones of Financial Literacy training to help staff incorporate Financial Literacy education into our already existing programs. Additionally, our Financial Literacy Coordinator works with schools in our seven-county service area to identify financial literacy needs for students and to educate the public on barriers low-income residents are facing.
- **Maternal Health** - provides Enhanced Services to pregnant and post-partum women in our service area, which include Audubon, Carroll, and Guthrie counties. Provides informational services to newly-eligible Medicaid clients in Carroll County, care coordination, dental services, lead screenings, development screenings, health education, and social assessments. Services were provided to Carroll County pregnant/postpartum children and women ages 0-21.
- **CACFP** - Child Development Homes are reimbursed for planning and serving meals that follow CACFP requirements for children 1-12 years and infants. Homes may request approval to claim breakfast, lunch, supper and snacks (morning and afternoon). Reimbursement is paid for not more than two meals and one snack, two snacks and one meal <u>or</u> three snacks per child per day.

Section 2 – Services of the Substance Abuse Treatment and Prevention Programs

New Opportunities, Inc., provides the following programs and services through the Substance Abuse Treatment and Prevention Programs:

- **Substance Abuse Treatment Department** - this department offers individual, group and family services through three levels of care utilizing criteria developed by the American Society of Addiction Medicine. Substance Abuse Treatment serves more than 324 Carroll County residents each year.

- **Intensive Outpatient Programs** – this is a structured, non-residential outpatient treatment services with scheduled group sessions that provide nine hours of treatment per week.
- **Extended Outpatient Program** – this level of care offers a less intense, non-residential outpatient treatment service. Services are provided in regularly scheduled sessions, which consist of group or individual setting up to eight hours per week.
- **Continuing Care Program** – provides a specific period of structured therapeutic involvement designed to enhance, facilitate, and promote transition from primary care to ongoing recovery.
- **Access to Recovery (ATR)** – provides services, such as gas cards, to assure that people have the means to participate in sober living activities such as keeping their substance abuse treatment appointments.

➢ **Substance Abuse Prevention Department**

- **Prime for Life for OWI offenders** –a class mandated by the State of Iowa for anyone who is convicted of OWI.
- **JADE** (Juvenile Alcohol and Drug Education) – offered education classes once a month.
- **LifeSkills Training** – seeks to influence major social and psychological factors that promote the initiation and early use of substances. Classes are provided through schools with specific sessions for 4th and 5th grades and for 7th and 8th grades.
- **Love and Logic Parenting** sessions are offered to the community with a special invitation sent to the parents and mentors of our mentoring program. By finding ways to include our matches and their families in larger events and educational opportunities we are supporting increased community connection for all involved which is another important protective factor for the youth we serve.
- **KINS (Kids Into Not Smoking)** – is a mentoring program that allows older students, under supervision, to teach 5th grade students about the harmful effects of tobacco use.
- **Carroll Mentoring** – we coordinate, support, and provide group activities for community adult mentors and their youth mentees. We also have a school based peer-to-peer mentor program in which high school juniors and seniors are matched with elementary-aged children.
- **Workplace Training and Drug Testing** – We provide pre-employment, random, and reasonable suspicion drug testing as arranged with community employers. Staff can provide on-site training for both managers and staff regarding the identification of troubled employees, addressing and documenting concerns and referring employees for help and/or treatment.

In order to assure that there is little or no duplication of services, we collaborate and partner with many of the area resources. Some of these partnerships are formal through subcontracts, and some are informal through the sharing of information and referrals.

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: FEB 27 2007

Person to Contact:
Sharon LeNard
ID # 31-07756
Toll Free Telephone Number:
877-829-5500
Employer Identification Number:
42-0923412

COMMUNITY OPPORTUNITIES INC
NEW OPPORTUNITIES INC
603 W 8TH ST
CARROLL IA 51401-2209

Dear Sir or Madam:

This is in response to the Resolution to Adopt a Fictitious Name filed with the state on November 30, 2006. We have updated our records to add the name New Opportunities Inc.

Our records indicate that a determination letter was issued in August 1967 that recognized you as exempt from Federal income tax, and reflect that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Cindy Westcott

Cindy Westcott
Manager, Exempt Organizations
Determinations

RECEIVED
MAR 7 2007

NEW OPPORTUNITIES, INC.

Attachment 3

Board of Directors

AUDUBON COUNTY

Public Official
Gary VanAernam 712-268-2642 (h)
2810 280th St.
Exira, IA 50076
VanFarms@iowatelecom.net

Private Organization
Jon Hays - Treasurer **(FC/EC)** 712-304-1215 (c)
2728 240th Street
Hamlin, IA 50117
havsie@yahoo.com

Low-Income Representative

DALLAS COUNTY

Public Official
Mark Hanson 515-993-6851(w)
121 N. 9th St. 515-210-7008 (c)
Adel, IA 50003
Mark.hanson@dallascountyiowa.gov

Private Organization
Tim Farmer 515-726-1889
1113 2nd St
Perry, IA
tim@treysucherlaw.com

Low-Income Representative
Chuck Yanders **(FC)** 515-676-2430 (h)
P.O. Box 165 515-975-3150 (c)
200 Martin, Bouton, IA
chuckyanders@gmail.com

CARROLL COUNTY

Public Official
Eugene Meiners – **President (EC)** 712-669-3472 (h)
219 South Main Street 712-792-4923 (w)
P.O. Box 5 712-830-5856 (c)
Templeton, IA 51463
gmeiners@netins.net

Private Organization
Peg Hamilton
226 West Fourth
Glidden, IA 51443 712-659-2304 (H)
ricknpeg@iowatelecom.net 712-210-3906 ©

Low-Income Repre.
Jeff Cayler 712-830-3794 ©
1326 Any Avenue
Carroll, IA 51401
jeff.cayler@gmail.com

CALHOUN COUNTY

Public Official
Carl Legore
226 Grant Street 712-297-7741 (w)
Rockwell City, IA 50579 712-887-1824 (c)
clegore@calhouncountyiowa.com
clegore@hotmail.com

Private Organization

Low-Income Representative

GREENE COUNTY

Public Official
Tom Contner 515-386-2577 (h)
2018 J. Ave. 515-738-2571 (w)
Scranton, IA 51462 515-370-0083 (c)
*Doesn't have email

Private Organization
Teresa Mobley **(FC)** 515-652-3311 (w)
1021 Main St. 515-370-0368 (c)
Scranton, IA 51462 515-386-8941 (h)
tmobley@ptsbank.com

Low-Income Representative
Joyce Morris - Secretary
1001 East Russell St. 515-386-4307 (h)
Jefferson, IA 50129
*Doesn't have email

GUTHRIE COUNTY

Public Official
Tom Rutledge 641-747-3512 (w)
200 N. 5th Street
Guthrie Center, IA 50115
tomrutledge@hotmail.com

Private Organization

Low-Income Representative
Carolyn Masters 641-747-3121 (h)
904 Bluff 515-250-9315 ©
Guthrie Center, IA 50115
rebeccabonker@yahoo.com

SAC COUNTY

Public Official
Rick Hecht – Vice President **(EC)** 712-662-7351 (h)
3369 255th Street 712-662-7401 (w)
Sac City, IA 50583 712-660-9911 (c)
hecht@prairieinet.net

Private Organization- Private Resource
Terry Striegel 712-660-0894 (c)
P.O. Box 156, Sac City, IA 50583 712-662-4055 (w)
516 South 3rd St 800-763-0158 (w)
pcpig@frontiernet.net

Low-Income Representative
Cindy Wallace 712-662-4806 (H)
P.O. Box 91
Sac City, IA 50583
cindy.rice.wallace@gmail.com

Attorney Consultant

Stu Cochrane
515-573-2181

Staff

Chad A. Jensen – CEO 712-790-2728 (c)
cjensen@newopp.org 712-792-9266 x 801 (w)

Sheri Mertz – CFO 712-830-1338 (c)
smertz@newopp.org 712-792-9266 x 701 (w)

Jul-17

No Board Member is an employee of New Opportunities Inc.

COMMUNITY OPPORTUNITIES, INC.
D/B/A NEW OPPORTUNITIES, INC.

INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2016

NEW OPPORTUNITIES, INC.

Table of Contents

		Page
Board of Directors		1
Independent Auditor's Report		2
	Exhibit	
Financial Statements:		
Statement of Financial Position - All Funds	A	4
Statement of Activities - All Funds	B	5
Statement of Changes in Net Assets - All Funds	C	6
Statement of Functional Expenses - Administrative Fund and Program Funds	D	7
Statement of Cash Flows	E	8
Notes to Financial Statements		10
	Schedule	
Supplemental Information:		
Schedule of Activities - Program Funds	1	22
Schedule of Expenditures of Federal Awards	2	25
Schedule of Revenues and Expenditures Compared to Budget:		
Community Services Block Grants	3	29
Low-Income Home Energy Assistance Program	4	30
Weatherization Assistance Programs	5- 8	31
Schedule of Revenues and Expenditures:		
Administrative Fund	9	35
Comments and Recommendations:		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		36
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance		38
Schedule of Findings and Questioned Costs		40

NEW OPPORTUNITIES, INC.

BOARD OF DIRECTORS

Executive Board of Directors

Eugene Meiners	President
Rick Hecht	Vice President
Joyce Morris	Secretary
Jon Hays	Treasurer

Board Members

	Representing		
County	Government	Low-Income	Private
Audubon	Gary VanAernam	Vacancy	Jon Hays
Calhoun	Gary Nicholson	Owen Englin	Vacancy
Carroll	Eugene Meiners	Vacancy	Vacancy
Dallas	Mark Hanson	Vacancy	Chuck Yanders
Greene	Tom Contner	Joyce Morris	Teresa Mobley
Guthrie	Tom Rutledge	Lois Eivins	Vacancy
Sac	Rick Hecht	Kathy Brenny	Lynn King

Agency Officials

Chad Jensen	Chief Executive Officer
Sheri Mertz	Chief Financial Officer

Gronewold, Bell, Kyhnn & Co. P.C.
CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS AND FINANCIAL CONSULTANTS

1910 EAST 7th STREET BOX 369
ATLANTIC, IOWA 50022-0369
(712) 243-1800
FAX (712) 243-1265
CPA@GBKCO.COM

MARK D. KYHNN
DAVID L. HANNASCH
KENNETH P. TEGELS
CHRISTOPHER J. NELSON
DAVID A. GINTHER

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
New Opportunities, Inc.
Carroll, Iowa

Report on the Financial Statements

We have audited the accompanying Statement of Financial Position of New Opportunities, Inc. as of September 30, 2016 and the related Statements of Activities, Changes in Net Assets, 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 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 above present fairly, in all material respects, the financial position of New Opportunities, Inc. as of September 30, 2016, and the changes in its net assets and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the year ended September 30, 2015 (which are not presented herein) and expressed an unmodified opinion on those financial statements. The supplementary information included on page 1 and on Schedules 1 through 9, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. *Code of Federal Regulations*, Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 31, 2017 on our consideration of New Opportunities, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 in considering New Opportunities, Inc.'s internal control over financial reporting and compliance.

Denwood, Bell, Hyde & Co. P.C.

Atlantic, Iowa
January 31, 2017

Exhibit A

NEW OPPORTUNITIES, INC.
Statement of Financial Position
All Funds
September 30, 2016

ASSETS	Administrative Fund	Program Funds	Plant Fund	Total
Cash	$ 92,233	$ 702,798	$ --	$ 795,031
Investments	21,222	--	--	21,222
Receivables:				
Grantor agencies	--	597,291	--	597,291
Other sources	2,047	155,278	--	157,325
Prepaid expenses	88,117	--	--	88,117
Inventory	14,290	--	--	14,290
Deferred financing costs	32,650	--	--	32,650
Property and equipment at cost, less accumulated depreciation of $903,627	--	--	1,946,126	1,946,126
Total Assets	$ 250,559	$ 1,455,367	$ 1,946,126	$ 3,652,052
LIABILITIES AND NET ASSETS				
Liabilities				
Payables:				
Accounts	$ 6,262	$ 149,008	$ --	$ 155,270
Salaries and benefits	40,154	295,311	--	335,465
State advance	--	32,087	--	32,087
Advances from grantors	8,132	469,381	--	477,513
Revenue bond	1,052,997	--	--	1,052,997
Total Liabilities	1,107,545	945,787	--	2,053,332
Net Assets				
Unrestricted	(856,986)	--	1,803,613	946,627
Temporarily restricted by grantor agencies	--	509,580	142,513	652,093
Total Net Assets	(856,986)	509,580	1,946,126	1,598,720
Total Liabilities and Net Assets	$ 250,559	$ 1,455,367	$ 1,946,126	$ 3,652,052

See notes to financial statements.

Exhibit B

NEW OPPORTUNITIES, INC.
Statement of Activities
All Funds
Year Ended September 30, 2016

	Administrative Fund	Program Funds	Plant Fund	Total
Revenues:				
Governmental Funding Sources:				
Iowa Department of Human Rights	$ --	$ 2,984,973	$ --	$ 2,984,973
U.S. Department of Health and Human Services	--	2,194,429	--	2,194,429
Iowa Department of Public Health	--	1,687,774	--	1,687,774
Iowa Department of Education	--	911,590	--	911,590
Iowa Department of Human Services	--	269,783	--	269,783
Various	--	43,668	--	43,668
In-Kind Contributions	--	621,647	--	621,647
Public Support and Contributions	300	435,577	--	435,877
Co-Funding	--	159,238	--	159,238
Investment Income	747	1	--	748
Rental Income	121,533	--	--	121,533
Investment in Plant	--	--	145,319	145,319
Miscellaneous	8,040	572,087	--	580,127
Total Revenues	130,620	9,880,767	145,319	10,156,706
Expenses:				
Head Start	--	2,892,829	--	2,892,829
Community Services Block Grant (CSBG)	--	245,870	--	245,870
Low-Income Home Energy Assistance Program (LIHEAP)	--	1,884,082	--	1,884,082
Weatherization Assistance	--	595,846	--	595,846
Maternal and Child Health	--	229,056	--	229,056
Family Planning	--	190,296	--	190,296
Women, Infants and Children (WIC)	--	411,029	--	411,029
Child and Adult Care Food Program (CACFP) - Homes	--	384,940	--	384,940
Substance Abuse Programs	--	1,194,287	--	1,194,287
Early Childhood Iowa	--	515,266	--	515,266
Other Programs	--	1,277,705	--	1,277,705
Administration	84,131	--	--	84,131
Depreciation	--	--	153,264	153,264
Total Expenses	84,131	9,821,206	153,264	10,058,601
Excess of Revenues Over Expenses (Expenses Over Revenues)	46,489	59,561	(7,945)	98,105
Change in Unrealized Gains and Losses on Investments, Other Than Trading Securities	1,718	--	--	1,718
Change in Net Assets	$ 48,207	$ 59,561	$(7,945)	$ 99,823

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Statement of Changes in Net Assets
All Funds
Year Ended September 30, 2016

	Administrative Fund	Program Funds	Plant Fund	Total
Net Assets at Beginning of Year	$(905,193)	$ 450,019	$ 1,954,071	$ 1,498,897
Change in Net Assets	48,207	59,561	(7,945)	99,823
Net Assets at End of Year	$(856,986)	$ 509,580	$ 1,946,126	$ 1,598,720

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Statement of Functional Expenses
Administrative Fund and Program Funds
Year Ended September 30, 2016

	Administrative Fund	Program Funds	Total
Salaries and wages	$ 371,209	$ 2,635,079	$ 3,006,288
Fringe benefits	127,960	927,324	1,055,284
Assistance to individuals	--	3,251,425	3,251,425
Professional fees and contracted services	22,384	275,521	297,905
Travel	5,647	179,391	185,038
Occupancy	21,901	367,933	389,834
Utilities and telephone	6,312	86,285	92,597
Supplies and materials	22,838	351,919	374,757
Equipment	19	150,574	150,593
Printing, publications and postage	2,687	43,388	46,075
Insurance	4,581	33,296	37,877
Interest expense	70,383	--	70,383
Amortization	1,690	--	1,690
Miscellaneous	11,948	152,758	164,706
Co-funding	--	159,238	159,238
In-kind expenses	--	621,647	621,647
Total Expenses Before Allocation of Indirect Costs	669,559	9,235,778	9,905,337
Allocation of indirect costs	(585,428)	585,428	--
Total Expenses	$ 84,131	$ 9,821,206	$ 9,905,337

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Statement of Cash Flows
Year Ended September 30, 2016

Cash flows from operating activities:	
Cash received from State Agencies	$ 6,097,784
Cash received from Federal Grantors	2,215,566
Contributions received	435,877
Investment income	748
Other receipts	513,517
Cash paid to employees and suppliers	(9,027,586)
Interest paid	(70,383)
Net cash provided by operating activities	165,523
Cash flows from investing activities:	
Payments to acquire property and equipment	(145,319)
Cash flows from financing activities:	
Principal paid on revenue bond	(54,513)
Net decrease in cash	(34,309)
Cash and cash equivalents at beginning of year	829,340
Cash and cash equivalents at end of year	$ 795,031

(continued next page)

NEW OPPORTUNITIES, INC.
Statement of Cash Flows - Continued
Year Ended September 30, 2016

Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	$	99,823
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation		153,264
Amortization		1,690
Change in unrealized gains and losses on investments	(	1,718)
Changes in assets and liabilities		
Receivables		235,155
Prepaid expenses	(	20,710)
Inventory		757
Payables	(	222,106)
Advances from grantors	(	80,632)
Total adjustments		65,700
Net cash provided by operating activities	$	165,523

See notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Community Opportunities, Inc. d/b/a New Opportunities, Inc. (the Agency), a not-for-profit corporation, is a community action agency that serves the Iowa counties of Audubon, Calhoun, Carroll, Dallas, Greene, Guthrie, and Sac. New Opportunities, Inc. 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. The Agency is required to file a Form 990 (which is subject to audit by the Internal Revenue Service) annually, to maintain its exempt status. The Agency's open audit periods are for years ended September 30, 2013 through 2016.

New Opportunities, Inc. administers various programs funded by Federal, State and local governmental bodies. Each program is accounted for as a separate fund. As indicated on Exhibit B, the Agency received approximately 77% of its revenues from four governmental funding sources. The Agency has renewed substantially all of these governmental funding sources for fiscal year October 1, 2016 to September 30, 2017.

The Agency's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board for non-profit corporations.

B. Fund Accounting

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

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

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

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

C. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

D. Basis of Presentation

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

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Temporarily restricted net assets are those whose use by the Agency has been limited by grantor agencies to a specific time period or purpose.

Revenues and expenses are reported as increases or decreases in unrestricted net assets unless use of the related assets is limited by donor- or grantor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

E. Assets, Liabilities and Net Assets

The following accounting policies are followed in preparing the combined statement of financial position:

Cash and Cash Equivalents - The Agency considers demand deposits and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments - Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses (expenses over revenues) unless the income or loss is restricted by donor or law. Unrealized gains or losses are recorded in investment income (loss) on trading securities and as a change in net assets on available for sale and held to maturity securities.

Receivables from Grantor Agencies - Reimbursement procedures used for grants and contracts may result in timing differences between program reimbursements and expenditures as of the beginning and end of the year. Receivables from Grantor Agencies represent an excess of expenditures over cash basis reimbursements at year end.

All receivables are considered fully collectible. Accordingly, no provision for uncollectible amounts has been recorded.

Receivables/Payables from Other Funds - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. To the extent that certain transactions between funds had not been paid or received as of September 30, 2016, balances of interfund amounts receivable or payable have been recorded.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Prepaid Expenses - Prepaid expenses consist of the unexpired portion of insurance premiums for Agency auto, liability, property damage, and worker's compensation coverage.

Inventory - Inventory is valued at the lower of cost or market. Cost is determined on the first-in, first-out basis. The costs of inventories are recorded as expenses when consumed rather than when purchased.

Property and Equipment - Property and equipment are valued at historical cost or estimated cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation.

Property and equipment purchased are recorded as expenses in the fund purchasing the asset. The purchases are then capitalized in the plant fund accumulating the net investment in fixed assets. Depreciation has been provided in the plant fund using the straight-line method over the estimated useful lives of the respective assets, generally 5 to 25 years. The depreciated cost of the property and equipment does not purport to be either a realizable value or a replacement value.

Expenses for maintenance, repairs and minor replacements are charged to the current year, while the cost for major replacements and betterments are capitalized into the Plant Fund. The cost of assets disposed of is deleted. No interest costs were capitalized during the year ended September 30, 2016.

Advances From Grantors - Advances from grantors represents an excess of cash advances by the funding source over accrued expenses at year end.

Compensated Absences - Employees of the Agency accumulate a limited amount of earned but unused vacation payable to employees. Amounts representing the cost of compensated absences are recorded as liabilities of the Administrative Fund. This liability has been computed based on rates of pay in effect at September 30, 2016.

Advertising and Promotion Costs - Advertising and promotion costs are expensed as they are incurred. Advertising and promotion costs totaled $68,394 during the year ended September 30, 2016.

F. In-Kind Contributions

The Agency recognizes donated labor, services, materials and rent-free or rent-reduced usage of facilities and equipment as in-kind revenues at the time the services and materials are received. These in-kind contributions and the corresponding expense are valued at their estimated fair market value and recognized in the financial statements in accordance with grant requirements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G. Total Column

The total column on the combined statements of financial position, activities, and functional expenses is presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation.

H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - INDIRECT COST RATE AGREEMENT

New Opportunities, Inc. entered into an Indirect Cost Rate Agreement with their cognizant agency, Department of Health and Human Services, setting a predetermined Indirect Cost Rate of up to 16.7% for fiscal years October 1, 2014 to September 30, 2017. The Agency used a 16.7% Indirect Cost Rate for the fiscal year ending September 30, 2016. The Indirect Cost allowed is calculated by multiplying the lower of the approved predetermined rate or the rate used by the Agency (16.7%) times the allocation base. The allocation base is the Agency's direct salaries and wages, including fringe benefits and is applicable to all programs. The use of the Indirect Cost Rate allows for an allocation process of the Agency's costs that are incurred for common or joint objectives and, therefore, cannot be readily and specifically identified with a particular project or activity.

NOTE 3 - DEPOSITS AND INVESTMENTS

The Agency's deposits at September 30, 2016 were entirely covered by Federal depository insurance, collateralized with securities or letters of credit held by the Agency or the Agency's agent in the Agency's name, or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

Investments are stated as indicated in Note 1. The composition of investments is as set forth below:

Equity securities	$ 21,222

All equity securities are classified as available for sale. None of the $21,222 of equity securities is covered by any form of insurance against loss.

Investment income and other changes in investments are comprised of the following for the year ended September 30, 2016:

Investment Income:	
Interest income	$ 298
Dividend income	450
	$ 748
Other Changes in Investments:	
Change in unrealized gains and (losses) on available for sale securities	$(1,718)

NOTE 4 - FAIR VALUE MEASUREMENTS

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Agency uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Agency measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 1 inputs were available for all investments at September 30, 2016.

Level 1 Fair Value Measurements

The fair value of publicly traded equity securities is based on quoted net asset values of the shares held by the Agency at year-end. Level 1 fair values for publicly traded equity securities using quoted prices on active markets for identical assets were $21,222 at September 30, 2016.

NOTE 5 - PROPERTY AND EQUIPMENT

A summary of property and equipment comprising the plant fund at September 30, 2016, categorized by acquiring program/source, is as follows:

Acquiring Program/Source	Land and Buildings	Vehicles	Equipment	Total
Head Start	$ 66,453	$ 112,903	$ 136,655	$ 316,011
Maternal Health/Child Health	--	--	5,643	5,643
Weatherization Assistance	--	45,392	6,405	51,797
Women, Infants and Children	--	21,847	--	21,847
Community Service Block Grant	--	21,851	--	21,851
General Agency	2,289,040	54,872	88,692	2,432,604
Total Cost	2,355,493	256,865	237,395	2,849,753
Less Accumulated Depreciation	(621,461)	(151,271)	(130,895)	(903,627)
Net	$1,734,032	$ 105,594	$ 106,500	$1,946,126

The components of the Agency's accumulated depreciation at September 30, 2016 are as follows:

	Buildings	Vehicles	Equipment	Total
Balance Beginning of Year	$ 531,294	$ 122,296	$ 96,773	$ 750,363
Current Year Depreciation	90,167	28,975	34,122	153,264
Less Disposals	--	--	--	--
Balance End of Year	$ 621,461	$ 151,271	$ 130,895	$ 903,627

NOTE 6 - REVENUE BOND

The following is a summary of the revenue bond payable and related information at September 30, 2016:

Revenue bond payable	$ 1,052,997

The revenue bond was issued in December, 2008 in the amount of $1,400,000. The bond was issued to finance the acquisition of land and a building to house the Agency's operations and is collateralized by a mortgage agreement on the Agency's real estate. The bond matures in 240 equal monthly installments of $10,408, including interest at 6.5% per annum, through December, 2028.

NOTE 6 - REVENUE BOND - Continued

The principal and interest payments required on the bond for the next five and subsequent years are as follows:

Year ending September 30,	Principal	Interest	Total
2017	$ 58,164	$ 66,732	$ 124,896
2018	62,059	62,837	124,896
2019	66,216	58,680	124,896
2020	70,650	54,246	124,896
2021	75,382	49,514	124,896
2022-2026	459,747	164,735	624,482
2027-2029	260,779	20,239	281,018
	$ 1,052,997	$ 476,983	$ 1,529,980

NOTE 7 - LEASE COMMITMENT

New Opportunities, Inc. leases office space under operating leases which may be canceled by either party by giving written notice ranging from sixty to ninety days of their intention to vacate the lease. The Agency also leases copy machines and a mailing system under non-cancelable operating leases expiring through December, 2018.

Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of September 30, 2016 are as follows:

Year Ending September 30,	
2017	$ 26,934
2018	23,429
2019	7,420
Total minimum future rental payments	$ 57,783

Rental expense under all non-cancelable operating leases for the year ended September 30, 2016 totaled approximately $27,760.

NOTE 8 - PENSION AND RETIREMENT BENEFITS

Iowa Public Employees Retirement System

The Agency contributes to the Iowa Public Employees Retirement System (IPERS) which is identified as a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 5.95% of their annual salary and the Agency is required to contribute 8.93% of annual covered payroll. Contribution requirements are established by State statute. The Agency's contribution to IPERS for the year ended September 30, 2016 was approximately $251,200, equal to the required contribution for the year, while the employees contributed approximately $169,500.

NOTE 9 - EARLY CHILDHOOD IOWA LOCAL AREA

The Agency acts as fiscal agent for Partnership 4 Families (the Organization), an Early Childhood Iowa area created by Audubon, Carroll, Greene, and Guthrie counties pursuant to the provisions of Chapter 256I of the Code of Iowa. The Organization receives state grants to administer early childhood and school ready programs. Financial transactions of the Organization are included in the Agency's financial statements as a Program Fund because of the Agency's fiduciary relationship with the Organization. The Organization's financial data for the year ended June 30, 2016 is as follows:

	Early Childhood Funds	School Ready Funds	Total
State of Iowa Grants:			
Early childhood	$ 63,709	$ --	$ 63,709
Family support & parent education	--	235,663	235,663
Preschool support for low-income families	--	103,473	103,473
Quality improvement	--	58,796	58,796
Allocation for administration	3,353	13,068	16,421
Other grant programs	--	24,783	24,783
Total State of Iowa Grants	67,062	435,783	502,845
Additional funding from State of Iowa	240	2,085	2,325
Interest	--	35	35
Total Revenues	67,302	437,903	505,205
Program Services:			
Early childhood	66,938	--	66,938
Family support & parent education	--	235,947	235,947
Preschool support for low-income families	--	107,407	107,407
Quality improvement	--	57,185	57,185
Other program services	--	23,058	23,058
Total Program Services	66,938	423,597	490,535
Administration	3,578	15,493	19,071
Total Expenses	70,516	439,090	509,606
Net Change	(3,214)	(1,187)	(4,401)
Balances - beginning of year	3,454	55,804	59,258
Balances - end of year	$ 240	$ 54,617	$ 54,857

NOTE 9 - EARLY CHILDHOOD LOCAL AREA - Continued

Condensed Balance Sheet - Partnership 4 Families

Cash	$ 102,454
Payable to Fiscal Agent	(47,597)
Net Assets	$ 54,857

Reconciliation from Partnership 4 Families June 30, 2016 Financial Data to New Opportunities, Inc. September 30, 2016 Financial Data

Total revenues from July 1, 2015 to June 30, 2016	$ 505,205
Less revenues from July 1, 2015 to September 30, 2015	(125,715)
Plus revenues from July 1, 2016 to September 30, 2016	121,562
Change in deferred revenue from September 30, 2015 to September 30, 2016	14,214
Total Revenue Earned by New Opportunities, Inc. for Early Childhood Iowa for year ended September 30, 2016	$ 515,266
Total expenses from July 1, 2015 to June 30, 2016	$ 509,606
Less expenses from July 1, 2015 to September 30, 2015	(101,394)
Plus expenses from July 1, 2016 to September 30, 2016	107,054
Total expenses by New Opportunities, Inc. for Early Childhood Iowa for year ended September 30, 2016	$ 515,266
June 30, 2016 Net Assets	$ 54,857
Plus revenues from July 1, 2016 to September 30, 2016	121,562
Less expenses from July 1, 2016 to September 30, 2016	(107,054)
September 30, 2016 Net Assets - Deferred Revenue for New Opportunities, Inc.	$ 69,365

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Line of Credit

The Agency has established an open-end line of credit with a local bank with a face amount of $200,000. The line of credit carries a variable interest rate (4.75% at September 30, 2016) and there was no amount borrowed on the line at September 30, 2016. The agreement expires in April, 2017.

Federal Assistance Grants

New Opportunities, Inc. receives a significant portion of its revenues from government grants and contracts, all of which are subject to audit by the federal government. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits, therefore no liability is accrued on these financial statements.

Agency Risk Management

New Opportunities, Inc. is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Subsequent Event

The Agency has evaluated all subsequent events through January 31, 2017, the date the financial statements were available to be issued.

* * *

SUPPLEMENTAL INFORMATION

NEW OPPORTUNITIES, INC.
Schedule of Activities - Program Funds
Year Ended September 30, 2016

	Head Start - Early Head Start	CSBG	County Outreach
Revenues:			
Governmental Funding Sources:			
Iowa Department of Human Rights	$ --	$ 245,870	$ 17,971
U.S. Department of Health and Human Services	2,194,429	--	--
Iowa Department of Public Health	--	--	--
Iowa Department of Education	76,753	--	4,966
Iowa Department of Human Services	--	--	1,613
Various	--	--	--
In-Kind Contributions	621,647	--	--
Public Support and Contributions	--	--	220,581
Co-funding	--	--	127,768
Investment Income	--	--	--
Miscellaneous	--	--	5,843
Total Revenues	2,892,829	245,870	378,742
Expenses:			
Salaries and wages	1,062,111	42,617	96,349
Fringe benefits	361,262	10,605	42,455
Assistance to individuals	124,814	--	59,187
Professional fees and contracted services	57,567	755	4,114
Travel	35,783	4,749	18,837
Occupancy	139,847	3,238	23,130
Utilities and telephone	30,329	1,752	7,177
Supplies and materials	106,080	4,667	33,210
Equipment	58,962	2,718	45,135
Printing, publications and postage	10,871	3,722	3,507
Insurance	13,035	967	1,652
Miscellaneous	32,818	1,954	20,809
Co-Funding	--	159,238	--
In-Kind expenses	621,647	--	--
Total Expenses Before Allocation of Indirect Costs	2,655,126	236,982	355,562
Allocation of Indirect Costs	237,703	8,888	23,180
Total Expenses	2,892,829	245,870	378,742
Change in Net Assets	--	--	--
Net Assets (Deficit) at Beginning of Year	--	--	(39,164)
Net Assets (Deficit) at End of Year	$ --	$ --	$(39,164)

(continued next page)

CACFP	WIC	Child Health	Dental Health	Maternal Health
$ --	$ --	$ --	$ --	$ --
--	--	--	--	--
--	410,417	126,942	14,901	38,516
384,940	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	612	--	686	--
--	--	--	--	--
--	--	14,765	--	48,833
384,940	411,029	141,707	15,587	87,349
34,502	185,957	75,920	7,014	44,890
13,328	65,701	27,273	1,988	15,432
305,149	19,987	--	259	--
3,177	30,882	1,819	--	3,738
9,711	3,761	2,355	2,034	3,668
3,326	29,252	5,948	--	5,070
1,511	5,510	2,459	568	1,056
3,191	16,532	2,098	47	2,201
1	814	73	--	62
1,896	2,148	2,118	--	466
268	2,095	550	--	381
892	6,363	3,524	2,174	311
--	--	--	--	--
--	--	--	--	--
376,952	369,002	124,137	14,084	77,275
7,988	42,027	17,570	1,503	10,074
384,940	411,029	141,707	15,587	87,349
--	--	--	--	--
(9,786)	2,414	(25,805)	(13)	(17,491)
$(9,786)	$ 2,414	$(25,805)	$(13)	$(17,491)

NEW OPPORTUNITIES, INC.
Schedule of Activities - Program Funds - Continued
Year Ended September 30, 2016

	Family Planning	Hawk-I	1st Five
Revenues:			
Governmental Funding Sources:			
Iowa Department of Human Rights	$ --	$ --	$ --
U.S. Department of Health and Human Services	--	--	--
Iowa Department of Public Health	156,317	--	190,213
Iowa Department of Education	--	--	--
Iowa Department of Human Services	--	8,956	--
Various	--	--	--
In-Kind Contributions	--	--	--
Public Support and Contributions	1,290	--	--
Co-funding	--	1,467	1,333
Investment Income	--	--	--
Miscellaneous	32,689	--	--
Total Revenues	190,296	10,423	191,546
Expenses:			
Salaries and wages	58,660	4,546	81,870
Fringe benefits	20,696	1,409	28,043
Assistance to individuals	--	--	--
Professional fees and contracted services	53,285	2,308	--
Travel	4,031	80	7,948
Occupancy	12,134	--	468
Utilities and telephone	2,160	2	1,769
Supplies and materials	18,858	60	14,136
Equipment	288	--	2,024
Printing, publications and postage	846	78	324
Insurance	2,082	--	57
Miscellaneous	4,003	946	36,552
Co-Funding	--	--	--
In-Kind expenses	--	--	--
Total Expenses Before Allocation of Indirect Costs	177,043	9,429	173,191
Allocation of Indirect Costs	13,253	994	18,355
Total Expenses	190,296	10,423	191,546
Change in Net Assets	--	--	--
Net Assets (Deficit) at Beginning of Year	(14,239)	(168)	--
Net Assets (Deficit) at End of Year	$(14,239)	$(168)	$ --

(continued next page)

I-Smile	Child Lead	LIHEAP	HEAP
$ --	$ --	$ 1,884,082	$ 481,652
--	--	--	--
--	8,541	--	--
--	--	--	--
60,412	--	--	--
--	--	--	--
--	--	--	--
23,264	--	--	--
614	429	--	--
--	--	--	--
46,674	28,266	--	--
130,964	37,236	1,884,082	481,652
75,991	13,091	84,346	5,310
25,320	5,669	33,573	1,881
290	--	1,702,428	329,137
1,501	600	2,978	--
1,589	37	3,633	3,611
4,257	1,502	11,414	--
1,351	181	5,154	--
1,995	12,519	14,112	--
52	19	370	1,519
282	292	4,861	--
328	153	669	2,371
1,089	40	851	137,823
--	--	--	--
--	--	--	--
114,045	34,103	1,864,389	481,652
16,919	3,133	19,693	--
130,964	37,236	1,884,082	481,652
--	--	--	--
(916)	7,574	--	--
$(916)	$ 7,574	$ --	$ --

NEW OPPORTUNITIES, INC.
Schedule of Activities - Program Funds - Continued
Year Ended September 30, 2016

	Weatherization Assistance Programs		
	Department of Energy	Utility Company	Substance Abuse Prevention
Revenues:			
Governmental Funding Sources:			
Iowa Department of Human Rights	$ 157,915	$ 197,483	$ --
U.S. Department of Health and Human Services	--	--	--
Iowa Department of Public Health	--	--	301,028
Iowa Department of Education	--	--	--
Iowa Department of Human Services	--	--	62,102
Various	--	--	--
In-Kind Contributions	--	--	--
Public Support and Contributions	--	--	88,099
Co-funding	--	--	8,318
Investment Income	--	--	1
Miscellaneous	--	--	44,328
Total Revenues	157,915	197,483	503,876
Expenses:			
Salaries and wages	--	--	212,127
Fringe benefits	--	--	82,775
Assistance to individuals	81,366	170,215	--
Professional fees and contracted services	--	--	8,881
Travel	--	--	34,105
Occupancy	--	--	14,915
Utilities and telephone	--	--	6,312
Supplies and materials	--	--	72,474
Equipment	--	--	5,839
Printing, publications and postage	--	--	2,901
Insurance	--	--	1,398
Miscellaneous	76,549	27,268	12,297
Co-Funding	--	--	--
In-Kind expenses	--	--	--
Total Expenses Before Allocation of Indirect Costs	157,915	197,483	454,024
Allocation of Indirect Costs	--	--	49,249
Total Expenses	157,915	197,483	503,273
Change in Net Assets	--	--	603
Net Assets (Deficit) at Beginning of Year	--	--	87,478
Net Assets (Deficit) at End of Year	$ --	$ --	$ 88,081

See accompanying independent auditor's report.

Substance Abuse Treatment	Early Childhood Iowa	Other	Eliminations	Total
$ --	$ --	$ --	$ --	$ 2,984,973
--	--	--	--	2,194,429
404,439	--	36,460	--	1,687,774
--	444,931	--	--	911,590
--	70,335	66,365	--	269,783
8,414	--	35,254	--	43,668
--	--	--	--	621,647
32,018	--	70,325	--	435,577
--	--	18,011	--	159,238
--	--	--	--	1
303,139	--	292,991	(245,441)	572,087
748,010	515,266	519,406	(245,441)	9,880,767
292,810	43,862	213,106	--	2,635,079
100,427	12,985	76,502	--	927,324
22,502	351,981	84,110	--	3,251,425
8,747	80,633	14,536	--	275,521
21,902	4,544	17,013	--	179,391
94,511	3,030	15,891	--	367,933
11,505	574	6,915	--	86,285
22,941	2,677	24,121	--	351,919
27,508	--	5,190	--	150,574
6,293	224	2,559	--	43,388
2,392	1,798	3,100	--	33,296
13,805	12,958	5,173	(245,441)	152,758
--	--	--	--	159,238
--	--	--	--	621,647
625,343	515,266	468,216	(245,441)	9,235,778
65,671	--	49,228	--	585,428
691,014	515,266	517,444	(245,441)	9,821,206
56,996	--	1,962	--	59,561
619,077	--	(158,942)	--	450,019
$ 676,073	$ --	$(156,980)	$ --	$ 509,580

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2016

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Grant or Program Number
U.S. Department of Health and Human Services		
Direct Programs		
Head Start Program	93.600	07CH 7055/03
Head Start Program	93.600	07CH 7055/04
Early Head Start	93.600	07CH 7055/03
Early Head Start	93.600	07CH 7055/04
Indirect Programs		
Passed through Iowa Department of Human Rights		
Low-Income Home Energy Assistance Program	93.568	LIHEAP-16-01
Weatherization Assistance	93.568	HEAP 15-01
Weatherization Assistance	93.568	HEAP 16-01
Community Services Block Grant	93.569	CSBG 15-01
Community Services Block Grant	93.569	CSBG 16-01
Passed through Iowa Department of Public Health		
Family Planning	93.217	5886 MH07
Family Planning	93.217	5887 FP04
Abstinence Education Grant Program	93.235	5886 CH04A
Abstinence Education Grant Program	93.235	5887 CH04A
Suicide Screening in Substance Abuse Treatment Centers	93.243	5886 SM42
Iowa Recovery Health Information Technology	93.243	5885 SA35
Access to Recovery	93.243	5885 AC07
Iowa Partnerships for Success	93.243	5886 IP33
Iowa Partnerships for Success	93.243	5886 IP34
Expansion of School Based Dental Sealant Program	93.283	5886DH13
Comprehensive Substance Abuse Prevention	93.959	5885 CP04
Comprehensive Substance Abuse Prevention	93.959	5887 CP04
Substance Abuse Prevention and Treatment Block Grant	93.959	MIS-209851-000
Substance Abuse Prevention and Treatment Block Grant	93.959	588 5 CP04
Substance Abuse Prevention and Treatment Block Grant	93.959	Amerigroup
Expansion of School Based Dental Sealant Program	93.994	5886DH13
Maternal Health	93.994	5886 MH07
Child Health	93.994	5886 MH07
Dental Health	93.994	5886 MH07

(continued next page)

Period of Grant	Federal Expenditures
12/01/14 - 11/30/15	$ 383,717
12/01/15 - 11/30/16	1,317,188
12/01/14 - 11/30/15	113,676
12/01/15 - 11/30/16	379,848
	2,194,429
10/01/15 - 09/30/16	1,884,082
01/01/15 - 12/31/15	192,090
01/01/16 - 12/31/16	289,562
	2,365,734
10/01/14 - 09/30/16	213,367
10/01/15 - 03/31/17	32,503
	245,870
10/01/15 - 06/30/16	143,993
07/01/16 - 06/30/17	11,158
	155,151
08/01/15 - 07/31/16	11,426
08/01/16 - 07/31/17	2,041
	13,467
09/30/15 - 09/29/16	12,000
07/01/14 - 12/31/15	1,000
10/01/14 - 09/29/17	59,096
09/30/15 - 09/26/16	79,149
09/30/15 - 09/26/16	83,005
	234,250
10/01/15 - 09/30/16	2,000
07/01/15 - 06/30/16	47,063
07/01/16 - 06/30/17	12,619
07/01/15 - 12/31/15	27,274
01/01/16 - 03/31/16	28,779
04/01/16 - 06/30/17	55,275
	171,010
10/01/15 - 09/30/16	4,666
10/01/15 - 09/30/16	31,577
10/01/15 - 09/30/16	37,205
10/01/15 - 09/30/16	8,452
	81,900

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards - continued
Year Ended September 30, 2016

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Grant or Program Number
U.S. Department of Health and Human Services		
Indirect Programs - Continued		
Passed through Iowa Department of Human Services		
Iowa Child Abuse Prevention Program	93.556	ACFS-16-105
Iowa Child Abuse Prevention Program	93.556	ACFS-16-105
Community for Adolescent Pregnancy Prevention	93.558	ACFS-14-187
Community for Adolescent Pregnancy Prevention	93.558	ACFS-14-187
Iowa Child Abuse Prevention Program	93.558	ACFS-16-105
Iowa Child Abuse Prevention Program	93.558	ACFS-16-105
Social Services Block Grant	93.667	V2010-05-05
Iowa Child Abuse Prevention Program	93.669	ACFS-16-105
Iowa Child Abuse Prevention Program	93.669	ACFS-16-105
I-Smile	93.778	5886-MH07
Hawk-i	93.778	5886-MH07
Total U.S. Department of Health and Human Services		
U.S. Department of Energy		
Indirect Programs		
Passed through Iowa Department of Human Rights		
Weatherization Assistance	81.042	DOE-16-01
Total U.S. Department of Energy		
U.S. Department of Agriculture		
Indirect Programs		
Passed through Iowa Department of Public Health		
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5886 A033
Passed through Iowa Department of Education		
Child and Adult Care Food Program (Day Care Homes)	10.558	14-8015
Child and Adult Care Food Program (Head Start)	10.558	14-8010
Summer Food Service Program	10.559	14-8010

(continued next page)

Period of Grant	Federal Expenditures
07/01/15 - 06/30/16	$ 3,517
07/01/16 - 06/30/17	488
	4,005
07/01/15 - 06/30/16	53,978
07/01/16 - 06/30/17	12,387
07/01/15 - 06/30/16	601
07/01/16 - 06/30/17	83
	67,049
07/01/15 - 06/30/16	694
07/01/15 - 06/30/16	24
07/01/16 - 06/30/17	3
	27
10/01/15 - 09/30/16	30,206
10/01/15 - 09/30/16	8,956
	39,162
	5,574,748
04/01/16 - 03/31/17	157,915
	157,915
10/01/15 - 09/30/16	410,417
10/01/15 - 09/30/16	384,940
10/01/15 - 09/30/16	76,753
	461,693
10/01/15 - 09/30/16	4,966

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards - continued
Year Ended September 30, 2016

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Grant or Program Number
U.S. Department of Agriculture		
Indirect Programs		
Passed through Iowa Department of Agriculture & Land Stewardship		
Farmers Market	10.572	3IA810850
Total U.S. Department of Agriculture		
U.S. Department of Housing & Urban Development		
Indirect Program		
Passed through Iowa Community Action Association		
Tennant Based Rental Assistance	14.239	13P-763/14-HM-593
Tennant Based Rental Assistance	14.239	13P-763/15-HM-591
Total U.S. Department of Housing & Urban Development		
U.S. Department of Justice:		
Indirect Program		
Passed through Iowa Coalition Against Domestic Violence		
Rural Domestic Violence and Child Victimization Enforcement Grant		
Iowa Coalition Against Domestic Violence	16.589	ISP
Total U.S. Department of Justice:		
Total Expenditures of Federal Awards		
Total Direct Programs		
Total Indirect Programs		

See accompanying independent auditor's report.

Period of Grant	Federal Expenditures
05/01/15 - 12/31/18	$ 655
	877,731
07/03/14 - 05/01/16	8,875
07/20/15 - 07/31/17	6,428
	15,303
04/01/15 - 09/30/17	8,414
	8,414
	$ 6,634,111
	$ 2,194,429
	$ 4,439,682

NEW OPPORTUNITIES, INC.
Notes to the Schedule of Expenditures of Federal Awards
Year Ended September 30, 2016

NOTE A - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of New Opportunities, Inc., under programs of the federal government for the year 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 New Opportunities, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of New Opportunities, Inc.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized, as applicable, either by following the cost principles in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, or following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C - SUBRECIPIENTS

No federal grant awards were passed through to subrecipients during the year ended September 30, 2016.

NOTE D - INDIRECT COST RATE

New Opportunities, Inc. has an approved indirect cost rate, and therefore, did not use the 10% de minimis cost rate.

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared to Budget
Community Services Block Grants
Year Ended September 30, 2016

	Budget	Actual	(Over) Under Budget
Contract Number CSBG 15-01			
Program Revenues:			
Iowa Department of Human Rights	$ 213,367	$ 213,367	$ --
Program Expenditures:			
Personnel	$ 53,900	$ 53,221	$ 679
Travel	5,500	4,749	751
Space Costs	4,700	4,561	139
Equipment	1,500	1,420	80
Co-Funded Programs	124,404	126,735	(2,331)
Other Costs	13,963	13,793	170
Indirect Costs	9,400	8,888	512
Total Expenditures	$ 213,367	$ 213,367	$ --
Contract Number CSBG 16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 242,999	$ 32,503	$ 210,496
Program Expenditures:			
Personnel	$ 86,800	$ --	$ 86,800
Travel	5,500	--	5,500
Space Costs	4,500	--	4,500
Equipment	2,500	--	2,500
Co-Funded Programs	118,000	32,503	85,497
Other Costs	11,199	--	11,199
Indirect Costs	14,500	--	14,500
Total Expenditures	$ 242,999	$ 32,503	$ 210,496

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared to Budget
Low-Income Home Energy Assistance Program
Year Ended September 30, 2016

	Budget	Actual	(Over) Under Budget
Contract Number LIHEAP-16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 1,900,288	$ 1,884,082	$ 16,206
Program Expenditures:			
Regular Assistance	$ 1,431,701	$ 1,420,631	$ 11,070
Energy Crisis Intervention Payments	88,376	83,240	5,136
Client Services	21,360	21,360	--
Summer Deliverable Fuel Program	198,557	198,557	--
Administration Costs	160,294	160,294	--
Total Expenditures	$ 1,900,288	$ 1,884,082	$ 16,206

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared to Budget
Weatherization Assistance Programs
Year Ended September 30, 2016

	Budget	Actual	(Over) Under Budget
Contract Number HEAP 15-01			
Program Revenues:			
Iowa Department of Human Rights	$ 642,022	$ 192,090	$ 449,932
Program Expenditures:			
Administration Costs	$ 37,449	$ --	$ 37,449
Weatherization Materials	156,003	22,042	133,961
Support Costs	163,642	55,891	107,751
Labor	154,913	28,785	126,128
Health and Safety	90,874	76,088	14,786
Equipment and Training	22,471	384	22,087
Special Project - Knob & Tube	16,670	8,900	7,770
Total Expenditures	$ 642,022	$ 192,090	$ 449,932
Contract Number HEAP 16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 622,020	$ 289,562	$ 332,458
Program Expenditures:			
Administration Costs	$ 29,774	$ 11,500	$ 18,274
Weatherization Materials	107,151	15,895	91,256
Support Costs	187,514	69,196	118,318
Labor	107,151	24,053	83,098
Health and Safety	133,939	142,603	(8,664)
Equipment and Training	30,000	13,174	16,826
Pollution Occurrence Insurance	2,371	2,371	--
Special Project - Knob & Tube	24,120	10,770	13,350
Total Expenditures	$ 622,020	$ 289,562	$ 332,458

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared to Budget
Weatherization Assistance Programs
Year Ended September 30, 2016

	Budget	Actual	(Over) Under Budget
Contract Number DOE-15-01			
Program Revenues:			
Iowa Department of Human Rights	$ --	$ --	$ --
Program Expenditures:			
Administration Costs	$ --	$ --	$ --
Weatherization Materials	11,915	--	11,915
Support Costs	(20,404)	--	(20,404)
Labor	8,649	--	8,649
Health and Safety	(160)	--	(160)
Total Expenditures	$ --	$ --	$ --
Contract Number DOE-16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 157,915	$ 157,915	$ --
Program Expenditures:			
Administration Costs	$ 17,906	$ 17,906	$ --
Weatherization Materials	37,648	25,835	11,813
Support Costs	36,297	58,643	(22,346)
Labor	37,648	35,887	1,761
Health and Safety	28,416	19,644	8,772
Total Expenditures	$ 157,915	$ 157,915	$ --

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared to Budget
Weatherization Assistance Programs
Year Ended September 30, 2016

	Budget	Actual	(Over) Under Budget
Contract Number BHE 15-01			
Program Revenues:			
Iowa Department of Human Rights	$ 2,747	$(189)	$ 2,936
Program Expenditures:			
Administration Costs	$ --	$(189)	$ 189
Support Costs	253	--	253
Labor	741	--	741
Weatherization Materials	1,753	--	1,753
Total Expenditures	$ 2,747	$(189)	$ 2,936
Contract Number IPL 15-01			
Program Revenues:			
Iowa Department of Human Rights	$ 58,284	$ 40,485	$ 17,799
Program Expenditures:			
Administration Costs	$ --	$ --	$ --
Support Costs	6,053	3,383	2,670
Labor	24,393	17,265	7,128
Weatherization Materials	27,838	19,837	8,001
Total Expenditures	$ 58,284	$ 40,485	$ 17,799
Contract Number MEC 15-01			
Program Revenues:			
Iowa Department of Human Rights	$ 23,649	$ 23,649	$ --
Program Expenditures:			
Administration Costs	$ --	$ --	$ --
Support Costs	2,214	2,214	--
Labor	7,619	10,786	(3,167)
Weatherization Materials	13,816	10,649	3,167
Total Expenditures	$ 23,649	$ 23,649	$ --

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared to Budget
Weatherization Assistance Programs
Year Ended September 30, 2016

	Budget	Actual	(Over) Under Budget
Contract Number BHE 16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 25,101	$ 25,101	$ --
Program Expenditures:			
Administrative Costs	$ 1,255	$ 1,255	$ --
Support Costs	2,510	2,510	--
Labor	10,668	12,322	(1,654)
Weatherization Materials	10,668	9,014	1,654
Total Expenditures	$ 25,101	$ 25,101	$ --
Contract Number IPL 16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 104,057	$ 33,262	$ 70,795
Program Expenditures:			
Administrative Costs	$ 5,203	$ 3,253	$ 1,950
Support Costs	10,406	3,215	7,191
Labor	44,224	12,717	31,507
Weatherization Materials	44,224	14,077	30,147
Total Expenditures	$ 104,057	$ 33,262	$ 70,795
Contract Number MEC 16-01			
Program Revenues:			
Iowa Department of Human Rights	$ 125,057	$ 75,175	$ 49,882
Program Expenditures:			
Administrative Costs	$ 6,253	$ 4,000	$ 2,253
Support Costs	12,506	7,626	4,880
Labor	53,149	35,689	17,460
Weatherization Materials	53,149	27,860	25,289
Total Expenditures	$ 125,057	$ 75,175	$ 49,882

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures
Administrative Fund
Year Ended September 30, 2016

	Miscellaneous	Indirect Cost Pool	Total
Revenues:			
Public Support and Contributions	$ 300	$ --	$ 300
Investment Income	747	--	747
Rental Income	121,533	--	121,533
Miscellaneous	8,040	--	8,040
Total Revenues	$ 130,620	$ --	$ 130,620
Expenditures:			
Salaries and Wages	$ --	$ 371,209	$ 371,209
Fringe Benefits	--	127,960	127,960
Professional Fees and Contracted Services	450	21,934	22,384
Travel	138	5,509	5,647
Occupancy	1,539	20,362	21,901
Utilities and Telephone	172	6,140	6,312
Supplies and Materials	1,098	21,740	22,838
Equipment	19	--	19
Printing, Publications and Postage	245	2,442	2,687
Insurance	98	4,483	4,581
Interest Expense	70,383	--	70,383
Amortization	1,690	--	1,690
Miscellaneous	7,780	4,168	11,948
Total Expenditures Before Allocation of Indirect Costs	83,612	585,947	669,559
Allocation of Indirect Costs	--	(585,428)	(585,428)
Total Expenditures	$ 83,612	$ 519	$ 84,131

See accompanying independent auditor's report.

COMMENTS AND RECOMMENDATIONS

Gronewold, Bell, Kyhnn & Co. P.C.
CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS AND FINANCIAL CONSULTANTS

1910 EAST 7th STREET BOX 369
ATLANTIC, IOWA 50022-0369
(712) 243-1800
FAX (712) 243-1265
CPA@GBKCO.COM

MARK D. KYHNN
DAVID L. HANNASCH
KENNETH P. TEGELS
CHRISTOPHER J. NELSON
DAVID A. GINTHER

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

To the Board of Directors of
New Opportunities, Inc.
Carroll, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New Opportunities, Inc., as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise New Opportunities, Inc.'s basic financial statements and have issued our report thereon dated January 31, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Opportunities, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Opportunities, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of New Opportunities, 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 which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Board of Directors of
New Opportunities, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether New Opportunities, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Grimmond, Bell, Stephen & Co. P.C.

Atlantic, Iowa
January 31, 2017

Gronewold, Bell, Kyhnn & Co. P.C.
CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS AND FINANCIAL CONSULTANTS

1910 EAST 7th STREET BOX 369
ATLANTIC, IOWA 50022-0369
(712) 243-1800
FAX (712) 243-1265
CPA@GBKCO.COM

MARK D. KYHNN
DAVID L. HANNASCH
KENNETH P. TEGELS
CHRISTOPHER J. NELSON
DAVID A. GINTHER

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

To the Board of Directors of
New Opportunities, Inc.
Carroll, Iowa

Report on Compliance for Each Major Federal Program

We have audited New Opportunities, 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 the Agency's major federal program for the year ended September 30, 2016. The Agency's major federal program is identified in the summary of the independent 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 the Agency's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2, U.S. *Code of Federal Regulations*, Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, New Opportunities, 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, 2016.

To the Board of Directors of
New Opportunities, Inc.

Report on Internal Control Over Compliance

Management of New Opportunities, 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 the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's 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.

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.

Dorwart, Bell, Thyfson & Co. P.C.

Atlantic, Iowa
January 31, 2017

NEW OPPORTUNITIES, INC.

Schedule of Findings and Questioned Costs

Year ended September 30, 2016

PART I: Summary of the Independent Auditor's Results

Financial Statements

(a) Type of auditor's report issued:
- Unmodified.

(b) Internal control over financial reporting:
- Material weakness(es) identified? ____ yes __X__ no
- Significant deficiency(ies) identified? ____ yes __X__ none reported

(c) Noncompliance material to financial statements noted? ____ yes __X__ no

Federal Awards

(d) Internal control over major programs:
- Material weakness(es) identified? ____ yes __X__ no
- Significant deficiency(ies) identified? ____ yes __X__ none reported

(e) Type of auditor's report issued on compliance for major program:
- Unmodified.

(f) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, Section 200.515? ____ yes __X__ no

(g) Identification of major program:

- CFDA Number 93.600 - Head Start/Early Head Start Program

(h) Dollar threshold used to distinguish between Type A and Type B programs: $750,000.

(i) Auditee qualified as low-risk auditee? __X__ yes ____ no

NEW OPPORTUNITIES, INC.

Schedule of Findings and Questioned Costs

Year ended September 30, 2016

Part II: Findings Related to the Financial Statements

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

INSTANCES OF NON- COMPLIANCE:

No matters were reported.

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS:

None

Part IV: Other Findings Related to Required Statutory Reporting:

Early Childhood Iowa Area Board: New Opportunities, Inc. (the Agency) is the fiscal agent for Partnership 4 Families (the Organization), an Early Childhood Iowa organization formed pursuant to the provisions of Chapter 256I of the Code of Iowa. Financial transactions of the Organization are included in the Agency's financial statements because of the Agency's fiduciary relationship with the Organization. A reconciliation of the Organization's June 30, 2016 financial data to the Agency's September 30, 2016 financial data is included as part of Note 10 to the financial statements.

No instances of non-compliance were noted as a result of the audit procedures performed.

* * *

New Opportunities Inc
Profit & Loss Budget Overview
October 2017 through September 2018

	CARROLL FDC	PREVENTION *	TREATMENT *
Income			
40100 · Client Fees			55,000.00
40101 · Share Food	2,000.00		
40102 · FDC Sales	5,000.00		
40200 · CSBG Co-Funding	17,379.00	622.00	
40400 · Grant Revenue		154,456.00	267,876.00
40500 · Local Funding	29,442.00	35,328.00	31,950.00
40600 · Insurance Pmts			299,289.00
Total Income	53,821.00	190,406.00	654,115.00
	53,821.00	190,406.00	654,115.00
Expense			
60000 · Advertising	3,200.00	500.00	2,400.00
62000 · Client Services	6,800.00		
62500 · Communication Costs	750.00	3,175.00	10,920.00
63000 · Contracted Services			13,404.00
64900 · Dues & Publications	500.00	50.00	4,500.00
66200 · Education	350.00		2,400.00
70000 · Facility Costs	5,009.00	9,325.00	25,680.00
71000 · Fees/Licenses/Permits	100.00	500.00	2,400.00
74300 · Insurance	550.00	473.00	2,640.00
76000 · Maintenance	3,200.00	2,600.00	17,450.00
80000 · Payroll	24,303.00	129,351.00	458,044.00
86500 · Supplies	3,500.00	9,390.00	17,983.00
87000 · Travel	1,500.00	13,439.00	19,800.00
90000 · Indirect Expense	4,059.00	21,603.00	76,494.00
Total Expense	53,821.00	190,406.00	654,115.00
	0.00	**0.00**	**0.00**

* Reflects a multi county service area budget

INDIVIDUALS INFORMATION	CARROLL	HOUSEHOLDS INFORMATION	CARROLL
INDIVIDUALS SERVED	**1125**	**HOUSEHOLDS SERVED**	**506**
AGES		**FAMILY TYPES**	
0 - 3	98	SINGLE	246
4 - 5	60	FEMALE W/CHILDREN	105
6 - 11	174	MALE W/CHILDREN	6
12 - 17	115	2 ADULTS W/ CHILDREN	73
18 - 23	68	2 ADULTS NO CHILDREN	59
24 - 34	161	OTHER FAMILY TYPE	17
35 - 44	138	**HOUSING**	
45 - 54	104	OWN/BUYING	107
55 - 69	120	RENTING	382
OVER 69	87	HOMELESS	9
		OTHER	8
OTHER		**FAMILY SIZE**	
NO HEALTH INSURANCE	105	1 PERSON	246
DISABLED	236	2 PEOPLE	97
VETERAN	36	3 PEOPLE	63
GENDER		4 PEOPLE	48
FEMALE	631	5 PEOPLE	26
MALE	494	6 PEOPLE	14
		7 PEOPLE	8
EDUCATION (ADULTS ONLY Age 24+)		8 OR MORE	4
HIGH SCHOOL GRAD/GED	346	**POVERTY LEVEL**	
SOME POST SECONDARY	114	0- 50%	145
2 OR 4 YEAR DEGREE	67	51% - 75%	63
NON-HIGH SCHOOL GRADUATE	79	76 - 100%	107
RACE		101 - 125%	86
WHITE	862	126 - 150%	57
AFRICAN AMERICAN	142	151% & OVER	49
NATIVE AMERICAN	4	**INCOME STATISTICS**	
ASIAN	2	UNRELIABLE OR NONE	65
NATIVE HAWAIIAN/ PACIFIC ISLANDER	3	FIP/TANF	26
MULTI-RACE	65	SSI	137
OTHER	47	SOCIAL SECURITY	161
ETHNICITY		PENSION	22
HISPANIC OR LATINO	98	UNEMPLOYMENT	3
NOT HISPANIC OR LATINO	1027	EMPLOYMENT ONLY	111
		EMPLOYMENT + OTHER	85
OTHER STATISTICS - HOUSEHOLDS		OTHER	69
RECEIVING FOOD STAMPS	323	FAMILIES REPORTING INCOME	**439**