

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

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

YEAR ENDED SEPTEMBER 30, 2022

NEW OPPORTUNITIES, INC.

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NEW OPPORTUNITIES, INC.

BOARD OF DIRECTORS

Executive Board of Directors

Eugene Meiners	President
Carl Legore	Vice President
Terry Striegel	Secretary
Carolyn Masters	Treasurer

Board Members

<u>County</u>	<u>Representing</u>		
	<u>Government</u>	<u>Low-Income</u>	<u>Private</u>
Audubon	Gary VanAernam	Jon Hays	Kathy Kluis
Calhoun	Carl Legore	Peggy Galletley	Deb Lightner
Carroll	Eugene Meiners	Jeff Cayler	Peg Hamilton
Dallas	Mark Hanson	Kim Denman	Tim Farmer
Greene	Tom Contner	Lori Campbell	Erica Burris
Guthrie	Jerome Kuster	Denis James	Carolyn Masters
Sac	Brent Wilhelm	Cindy Wallace	Terry Striegel

Agency Officials

Chad Jensen	Chief Executive Officer
Sheri Mertz	Chief Financial Officer

Gronewold, Bell, Kyhnn & Co. P.C.

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of New Opportunities, Inc. (an Iowa Non-Profit Corporation) which comprise the statement of financial position as of September 30, 2022 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

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, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management 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. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about New Opportunities, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

To the Board of Directors
New Opportunities, Inc.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

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

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

To the Board of Directors
New Opportunities, Inc.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise New Opportunities, Inc.'s basic financial statements. We previously audited, in accordance with the standards referred to in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report, the financial statements for the two years ended September 30, 2021 (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 12, including the Schedule of Expenditures of Federal Awards as 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 basic 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 basic financial statements or to the basic 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 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 February 17, 2023 on our consideration of New Opportunities, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of New Opportunities, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering New Opportunities, Inc.'s internal control over financial reporting and compliance.

Daniel Bell, CPA - co. P.C.

Atlantic, Iowa
February 17, 2023

NEW OPPORTUNITIES, INC.
Statement of Financial Position
September 30, 2022

ASSETS

Cash	\$ 874,895
Investments	29,726
Receivables:	
Grantor agencies	1,003,492
Other sources	209,970
Prepaid expenses	123,532
Inventory	10,831
Deferred financing costs	19,847
Property and equipment at cost, less accumulated depreciation of \$1,720,822	<u>5,268,138</u>
Total Assets	<u>\$ 7,540,431</u>

LIABILITIES AND NET ASSETS

Liabilities	
Payables:	
Accounts	\$ 475,074
Salaries and benefits	356,133
Advances from grantors	848,346
Long-term debt	<u>640,095</u>
Total Liabilities	2,319,648
Net Assets	
Without donor restrictions	1,654,070
With donor restrictions	<u>3,566,713</u>
Total Net Assets	<u>5,220,783</u>
Total Liabilities and Net Assets	<u>\$ 7,540,431</u>

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Statement of Activities
Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Revenues:			
Grant Revenues	\$ 12,918,296	\$ 99,911	\$ 13,018,207
Local Funding and Donations	211,161	346,359	557,520
Program and Other Income	551,841	--	551,841
Co-Funding	146,591	--	146,591
In-Kind Contributions	702,809	--	702,809
Investment Income	6,492	--	6,492
Rental Income	128,241	--	128,241
Gain on Casualty Conversion (See Note 11)	312,337	--	312,337
Total Public Support and Revenues	<u>14,977,768</u>	<u>446,270</u>	<u>15,424,038</u>
Net Assets Released from Restrictions	<u>490,052</u>	<u>(490,052)</u>	<u>--</u>
Total Public Support, Revenues, and Net Assets Released from Program Restrictions	15,467,820	(43,782)	15,424,038
Expenses:			
Head Start	5,205,877	--	5,205,877
Child and Adult Care Food Program (CACFP)	810,790	--	810,790
Community Services Block Grant (CSBG)	337,108	--	337,108
Family Development Centers (FDC)/Outreach	536,004	--	536,004
Women, Infants and Children (WIC)	375,560	--	375,560
Maternal and Child Health	272,111	--	272,111
1 st Five	85,810	--	85,810
Low-Income Household Water Assistance Program (LIHWAP)	108,965	--	108,965
Low-Income Home Energy Assistance Program (LIHEAP)	4,558,255	--	4,558,255
Weatherization Assistance	884,185	--	884,185
Substance Abuse Programs	1,224,001	--	1,224,001
Other Programs	214,566	--	214,566
Administration	183,078	--	183,078
Depreciation	319,502	--	319,502
Total Expenses	<u>15,115,812</u>	<u>--</u>	<u>15,115,812</u>
Excess of Revenues Over Expenses (Expenses Over Revenues)	352,008	(43,782)	308,226
Change in Unrealized Gains and Losses on Investments, Other Than Trading Securities	<u>3,193</u>	<u>--</u>	<u>3,193</u>
Change in Net Assets	355,201	(43,782)	311,419
Net Assets - Beginning of Year	<u>1,298,869</u>	<u>3,610,495</u>	<u>4,909,364</u>
Net Assets - End of Year	<u>\$ 1,654,070</u>	<u>\$ 3,566,713</u>	<u>\$ 5,220,783</u>

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Statement of Functional Expenses
Year Ended September 30, 2022

	<u>Management and General</u>	<u>Program Services</u>	<u>Total</u>
Salaries and wages	\$ 476,685	\$ 3,788,090	\$ 4,264,775
Fringe benefits	154,255	1,306,194	1,460,449
Assistance to individuals	2,138	5,847,010	5,849,148
Professional fees and contracted services	63,208	342,330	405,538
Travel	10,153	112,023	122,176
Occupancy	54,784	220,752	275,536
Communication costs	8,787	99,478	108,265
Program and office supplies	83,299	458,973	542,272
Equipment, property and maintenance	57,824	580,740	638,564
Insurance	7,393	52,392	59,785
Interest expense	44,466	--	44,466
Amortization	2,494	--	2,494
Miscellaneous	17,395	156,047	173,442
Co-funding	--	146,591	146,591
In-kind expenses	--	702,809	702,809
Depreciation	<u>108,207</u>	<u>211,295</u>	<u>319,502</u>
Total Expenses Before Allocation of Indirect Costs	1,091,088	14,024,724	15,115,812
Allocation of indirect costs	<u>(799,803)</u>	<u>799,803</u>	<u>--</u>
Total Expenses	<u>\$ 291,285</u>	<u>\$ 14,824,527</u>	<u>\$ 15,115,812</u>

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Statement of Cash Flows
Year Ended September 30, 2022

Cash flows from operating activities:	
Cash received from granting agencies	\$ 13,195,931
Local funding and donations received	557,520
Investment income	6,492
Program and other income received	330,814
Cash paid to employees and suppliers	(13,669,095)
Interest paid	(44,466)
Net cash provided by operating activities	<u>377,196</u>
Cash flows from investing activities:	
Payments to acquire property and equipment	(639,105)
Proceeds from casualty conversion	625,718
Net cash used in investing activities	<u>(13,387)</u>
Cash flows from financing activities:	
Principal paid on revenue bond	<u>(80,431)</u>
Net increase in cash	283,378
Cash and cash equivalents at beginning of year	<u>591,517</u>
Cash and cash equivalents at end of year	<u>\$ 874,895</u>

See notes to financial statements.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

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, while also providing select services in Adair, Boone, Buena Vista, Crawford, Ida, Madison, Monona, Pocahontas, Shelby and Warren counties. The Agency 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 annually to maintain its exempt status.

The Agency administers various programs funded by Federal, State and local governmental bodies. Each program is accounted for as a separate fund. For the year ended September 30, 2022, the Agency received approximately 81% of its revenues from five governmental funding sources. The Agency has renewed substantially all of these governmental funding sources for fiscal year October 1, 2022 to September 30, 2023 except for the LIHEAP ARPA Supplemental program which ended September 30, 2022.

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. Basis of Accounting

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.

C. Revenue Recognition

Grant revenue is either considered revenue from contributions or from exchange transactions based on criteria contained in the grant award, and is considered to be earned over time. Grant revenue considered to be revenue from contributions is recognized in the period in which the related allowable expenses are incurred or when the capital asset is placed in service. Grant revenue considered to be revenue from exchange transactions is recognized when the performance obligations in the contract with the grantor agency are met. Grant revenues that are received in advance of when expenses are incurred, or performance obligations are met, are reflected as a liability titled advances from grantors.

Local funding and donations are generally recognized as revenue at the point in time that the unconditional pledge or contribution is received.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Agency recognizes program revenue in the period in which it satisfies the performance obligations under contracts by providing services to its clients. These revenues are considered to be earned over time and are reported at the amounts the Agency expects to receive in exchange for providing client services. This includes the gross amount charged for services rendered, less any third-party contractual adjustments, less any sliding fee scale adjustments, less any approved financial hardship discounts. Any adjustments and/or discounts applied are based on actual third-party contractual agreements or claim remittance advices, Federal or State Grant guidance, Federal Income Poverty guidelines, financial hardship policies, and historical experience.

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:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions - Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor's instructions.

Unconditional promises to give cash and other assets to the Agency are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Agency, unless the donor provides more specific directions about the period of its use.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenues and expenses are reported as increases or decreases in net assets without donor restrictions 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 net assets without donor restrictions 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 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 and Other Sources - 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 and other sources 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.

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.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

Depreciation has been provided 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. The cost of assets disposed of is deleted. No interest costs were capitalized during the year ended September 30, 2022.

Advances From Grantors - Advances from grantors represents an excess of cash advances by the funding source over expenses incurred by 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 on the statement of financial position. This liability has been computed based on rates of pay in effect at September 30, 2022.

Rent Expense - The Agency leases office and classroom space under leases which may be canceled by either party by giving written notice ranging from thirty to ninety days of their intention to vacate the lease. The Agency also leases copy machines and a mailing system under leases having immaterial non-cancelable obligations remaining at September 30, 2022. Rent expense under these leases totaled \$104,919 during the year ended September 30, 2022.

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.

G. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. These statements report certain categories of expenses that are attributable to both program or supporting functions of the Agency. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage for space and utility costs and time and effort for personnel expenses and other costs.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 provisional Indirect Cost Rate of up to 17.0% for fiscal years October 1, 2021 to September 30, 2024. The Agency used a 15.7% Indirect Cost Rate for the fiscal year ending September 30, 2022. The Indirect Cost allowed is calculated by multiplying the lower of the approved provisional rate or the rate used by the Agency (15.7%) 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, 2022 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	\$ <u>29,726</u>
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All equity securities are classified as available for sale. None of the \$29,726 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, 2022:

Investment Income:	
Interest and dividend income	\$ <u>6,492</u>

Other Changes in Investments:	
Change in unrealized gains and (losses) on available for sale securities	\$ <u>3,193</u>

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions of \$3,566,713 consist of undepreciated capital items and unspent donations restricted for use within a specific program.

Net assets released from restrictions of \$490,052 during the year ended September 30, 2022 represent amounts that satisfied program restrictions or were utilized during the time period for which it was restricted.

NOTE 5 - 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, 2022.

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.

The following table sets forth, by level within the fair value hierarchy, the Agency's investments at fair value as of September 30, 2022:

<u>September 30, 2022</u>	<u>Fair Value</u>	<u>Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)</u>
Equity securities	\$ <u>29,726</u>	\$ <u>29,726</u>

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 6 - FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of September 30, 2022, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital costs not financed with debt, were as follows:

Financial assets:

Cash and cash equivalents	\$ 874,895
Investments	29,726
Receivables from grantor agencies and other sources	<u>1,213,462</u>

Total financial assets available within one year \$ 2,118,083

The Agency does not have a formal liquidity policy but generally maintains financial assets in liquid form such as cash and cash equivalents. Most of the Agency's grant awards reimburse expenditures as they are incurred to meet liquidity needs. The Agency also has a line of credit that could be available for additional cash as described in Note 10.

NOTE 7 - PROPERTY AND EQUIPMENT

A summary of property and equipment comprising the plant fund at September 30, 2022, categorized by acquiring program/source, is as follows:

<u>Acquiring Program/Source</u>	<u>Land and Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Head Start	\$3,486,683	\$ 260,974	\$ 278,443	\$ 4,026,100
Weatherization Assistance	--	75,412	6,405	81,817
Women, Infants and Children	--	21,847	--	21,847
Community Service Block Grant	--	21,851	--	21,851
General Agency	<u>2,534,431</u>	<u>61,098</u>	<u>241,816</u>	<u>2,837,345</u>
Total Cost	6,021,114	441,182	526,664	6,988,960
Less Accumulated Depreciation	<u>(1,184,172)</u>	<u>(284,079)</u>	<u>(252,571)</u>	<u>(1,720,822)</u>
Net	<u>\$4,836,942</u>	<u>\$ 157,103</u>	<u>\$ 274,093</u>	<u>\$ 5,268,138</u>

The components of the Agency's accumulated depreciation at September 30, 2022 are as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Balance Beginning of Year	\$1,184,509	\$ 293,480	\$ 242,863	\$ 1,720,852
Current Year Depreciation	229,058	41,897	48,547	319,502
Less Disposals	<u>(229,395)</u>	<u>(51,298)</u>	<u>(38,839)</u>	<u>(319,532)</u>
Balance End of Year	<u>\$1,184,172</u>	<u>\$ 284,079</u>	<u>\$ 252,571</u>	<u>\$ 1,720,822</u>

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 8 - LONG-TERM DEBT

The following is a summary of long-term debt and related information at September 30, 2022:

Revenue bond payable \$ 640,095

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.

The principal and interest payments required on long-term debt for the next five and subsequent years are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 85,817	\$ 39,079	\$ 124,896
2024	91,564	33,332	124,896
2025	97,696	27,200	124,896
2026	104,239	20,657	124,896
2027	111,221	13,675	124,896
2028-2029	<u>149,558</u>	<u>6,562</u>	<u>156,120</u>
	<u>\$ 640,095</u>	<u>\$ 140,505</u>	<u>\$ 780,600</u>

NOTE 9 - 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 or at www.ipers.org.

Plan members are required to contribute 6.29% of their annual salary and the Agency is required to contribute 9.44% of annual covered payroll. Contribution requirements are established by State statute. The Agency's contribution to IPERS for the year ended September 30, 2022 was approximately \$369,000, equal to the required contribution for the year, while the employees contributed approximately \$251,000.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

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 \$300,000. The line of credit carries a variable interest rate (6.75% at September 30, 2022) and there was no amount borrowed on the line at September 30, 2022. The agreement expires in April, 2023.

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 two years.

Subsequent Event

The Agency has evaluated all subsequent events through February 17, 2023, the date the financial statements were available to be issued.

NOTE 11 - GAIN ON CASUALTY CONVERSION

In October, 2021, a building used for Head Start classrooms and the Carroll County Family Development Center was extensively damaged in fire. Insurance proceeds received on the building totaled \$625,718, \$79,120 of which was still receivable as of September 30, 2022. The book value of the portion of the building damaged was \$313,381, resulting in a gain of \$312,337. Construction to repair the damaged building was essentially completed by September 30, 2022, but the building was not occupied until January, 2023 pending completion of a few final touches and approval for occupancy. The cost to repair the damaged building was \$626,718, and was paid for with the insurance proceeds, except for the \$1,000 deductible which was paid for with funds generated internally.

NEW OPPORTUNITIES, INC.
Notes to Financial Statements
September 30, 2022

NOTE 12 - MATTERS AFFECTING CURRENT AND SUBSEQUENT YEARS
OPERATIONS

On March 11, 2020 the World Health Organization declared the Novel Coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The Agency cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption may materially impact the Agency's financial position, results of operations or cash flows in 2023 and beyond.

* * *

SUPPLEMENTARY INFORMATION

NEW OPPORTUNITIES, INC.
Schedule of Activities - Programs
Year Ended September 30, 2022

	<u>Head Start & Early Head Start</u>	<u>CACFP - Head Start</u>
Revenues:		
Grant Revenue	\$ 4,557,634	\$ 177,919
Local Funding and Donations	--	--
Program and Other Income	--	--
Co-Funding	--	--
In-Kind Contributions	<u>702,809</u>	<u>--</u>
Total Revenues	5,260,443	177,919
Expenses:		
Salaries and wages	2,186,604	19,609
Fringe benefits	761,273	8,588
Assistance to individuals	32,628	145,295
Professional fees and contracted services	162,142	--
Travel	31,051	--
Occupancy	84,697	--
Communication costs	46,526	--
Program and office supplies	166,410	--
Equipment, property and maintenance	526,773	--
Insurance	30,700	--
Miscellaneous	66,013	--
Co-Funding	--	--
In-Kind expenses	<u>702,809</u>	<u>--</u>
Total Expenses Before Allocation of Indirect Costs	4,797,626	173,492
Allocation of Indirect Costs	<u>462,817</u>	<u>4,427</u>
Total Expenses	<u>5,260,443</u>	<u>177,919</u>
Change in Net Assets	--	--
Net Assets (Deficit) at Beginning of Year	<u>--</u>	<u>--</u>
Net Assets (Deficit) at End of Year	<u>\$ --</u>	<u>\$ --</u>

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<u>CACFP - Homes</u>	<u>CSBG</u>	<u>FDC Outreach</u>	<u>WIC</u>
\$ 632,871	\$ 337,108	\$ 144,536	\$ 375,163
--	--	317,053	--
--	--	29,661	--
--	--	122,012	397
--	--	--	--
632,871	337,108	613,262	375,560
53,366	103,833	142,117	186,007
15,074	26,571	64,560	52,721
528,703	10,964	118,784	8,569
6,911	7,722	6,644	22,872
5,716	683	10,440	2,858
1,361	2,801	29,275	19,551
2,589	1,276	11,689	5,372
4,530	9,507	49,181	14,129
426	1,432	43,431	10,080
201	955	4,011	2,493
3,249	4,299	23,424	13,428
--	146,591	--	--
--	--	--	--
622,126	316,634	503,556	338,080
10,745	20,474	32,448	37,480
632,871	337,108	536,004	375,560
--	--	77,258	--
--	--	3,834	--
\$ --	\$ --	\$ 81,092	\$ --

NEW OPPORTUNITIES, INC.
Schedule of Activities - Programs - Continued
Year Ended September 30, 2022

	Maternal & Child Health	1 st Five
Revenues:		
Grant Revenue	\$ 113,281	\$ 85,642
Local Funding and Donations	7,000	--
Program and Other Income	151,327	--
Co-Funding	503	168
In-Kind Contributions	--	--
	<hr/>	<hr/>
Total Revenues	272,111	85,810
Expenses:		
Salaries and wages	133,893	46,383
Fringe benefits	44,906	13,627
Assistance to individuals	--	--
Professional fees and contracted services	11,322	167
Travel	1,747	610
Occupancy	8,261	2,607
Communication costs	3,900	854
Program and office supplies	35,581	5,684
Equipment, property and maintenance	2,762	1,173
Insurance	1,095	339
Miscellaneous	573	4,944
Co-Funding	--	--
In-Kind expenses	--	--
	<hr/>	<hr/>
Total Expenses Before Allocation of Indirect Costs	244,040	76,388
Allocation of Indirect Costs	<hr/> 28,071	<hr/> 9,422
Total Expenses	<hr/> 272,111	<hr/> 85,810
Change in Net Assets	--	--
Net Assets (Deficit) at Beginning of Year	<hr/> --	<hr/> --
Net Assets (Deficit) at End of Year	<hr/> \$ --	<hr/> \$ --

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LIHWAP	LIHEAP	Weatherization Assistance Programs		
		HEAP	Department of Energy	Utility Company
\$ 108,965	\$ 4,558,255	\$ 549,808	\$ 221,112	\$ 158,610
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
108,965	4,558,255	549,808	221,112	158,610
7,347	163,176	14,495	11,710	--
2,476	51,382	4,334	3,340	--
96,522	4,214,902	307,811	123,771	137,887
--	8,902	--	--	--
--	13,912	3,614	3,273	--
--	12,237	--	--	--
1,000	6,365	--	--	--
78	40,448	--	--	--
--	6,613	51,378	--	--
--	861	2,576	--	--
--	5,771	165,600	79,018	20,723
--	--	--	--	--
--	--	--	--	--
107,423	4,524,569	549,808	221,112	158,610
1,542	33,686	--	--	--
108,965	4,558,255	549,808	221,112	158,610
--	--	--	--	--
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --

NEW OPPORTUNITIES, INC.
Schedule of Activities - Programs - Continued
Year Ended September 30, 2022

	<u>Substance Abuse Prevention</u>	<u>Substance Abuse Treatment</u>
Revenues:		
Grant Revenue	\$ 409,477	\$ 429,448
Local Funding and Donations	42,297	32,018
Program and Other Income	37,314	283,008
Co-Funding	--	22,076
In-Kind Contributions	<u>--</u>	<u>--</u>
Total Revenues	489,088	766,550
Expenses:		
Salaries and wages	229,862	319,798
Fringe benefits	86,769	112,707
Assistance to individuals	--	30,157
Professional fees and contracted services	19,558	53,324
Travel	14,770	12,346
Occupancy	13,329	24,970
Communication costs	4,751	10,276
Program and office supplies	51,403	43,007
Equipment, property and maintenance	8,221	12,254
Insurance	1,667	2,531
Miscellaneous	9,047	45,640
Co-Funding	--	--
In-Kind expenses	<u>--</u>	<u>--</u>
Total Expenses Before Allocation of Indirect Costs	439,377	667,010
Allocation of Indirect Costs	<u>49,711</u>	<u>67,903</u>
Total Expenses	<u>489,088</u>	<u>734,913</u>
Change in Net Assets	--	31,637
Net Assets (Deficit) at Beginning of Year	<u>85,151</u>	<u>745,421</u>
Net Assets (Deficit) at End of Year	<u>\$ 85,151</u>	<u>\$ 777,058</u>

See accompanying independent auditor's report.

<u>Other</u>	<u>Eliminations</u>	<u>Total</u>
\$ 158,378	\$ (99,911)	\$ 12,918,296
126,988	--	525,356
229,637	(301,872)	429,075
1,435	--	146,591
<u>--</u>	<u>--</u>	<u>702,809</u>
516,438	(401,783)	14,722,127
169,890	--	3,788,090
57,866	--	1,306,194
91,017	--	5,847,010
42,766	--	342,330
11,003	--	112,023
21,663	--	220,752
4,880	--	99,478
39,015	--	458,973
16,108	(99,911)	580,740
4,963	--	52,392
16,190	(301,872)	156,047
--	--	146,591
<u>--</u>	<u>--</u>	<u>702,809</u>
475,361	(401,783)	13,813,429
<u>41,077</u>	<u>--</u>	<u>799,803</u>
<u>516,438</u>	<u>(401,783)</u>	<u>14,613,232</u>
--	--	108,895
<u>(252,578)</u>	<u>--</u>	<u>581,828</u>
<u>\$(252,578)</u>	<u>\$ --</u>	<u>\$ 690,723</u>

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number
U.S. Department of Health and Human Services		
Direct Programs		
Head Start Program	93.600	07CH 010517-04
Head Start Program	93.600	07CH 010517-05
Early Head Start	93.600	07CH 010517-04
Early Head Start	93.600	07CH 010517-05
Early Head Start Expansion	93.600	07HP 000122-03
Head Start American Rescue Plan	93.600	07HE 001008-01
Indirect Programs		
Passed through Iowa Department of Human Rights		
Low-Income Home Energy Assistance Program	93.568	LIHEAP 22-01
Low-Income Home Energy Assistance Program ARPA		
Supplemental	93.568	LIHEAP 21ARPA-01
Low-Income Household Water Assistance Program	93.568	LIHWAP 21CAA-01
Weatherization Assistance Program	93.568	HEAP 21-01
Weatherization Assistance Program	93.568	HEAP 22-01
Community Services Block Grant	93.569	CSBG 21-01
Community Services Block Grant	93.569	CSBG 22-01
Community Services Block Grant Supplemental	93.569	CSBG 20S-01
Family Development and Self-Sufficiency Program	93.558	FaDSS-22-01
Family Development and Self-Sufficiency Program	93.558	FaDSS-23-01
Passed through Iowa Department of Public Health		
Family Planning	93.217	5881 FP04E
State Sexual Risk Avoidance Education Program	93.235	5881 CH01A-E
State Sexual Risk Avoidance Education Program	93.235	5883 CH01A
IPN Zero Suicide Iowa	93.243	5882 SM16
Expansion of School Based Dental Sealant Program	93.366	5881 MH04
Healthy Child Care Iowa - MCAH CCNC	93.575	5881 MH04E
Iowa's Emergency COVID-19 Project	93.665	5882 SA175
Hawk-I	93.767	5881 MH04
I-Smile	93.778	5881 MH04
1 st Five HMDI - Implementation Phase	93.778	5881 MH103E
Maternal Health FFS	93.778	5881 MH04
Child Health FFS	93.778	5881 MH04
State Opioid Response in Iowa	93.788	5882 SA94

(continued next page)

<u>Period of Grant</u>	<u>Federal Expenditures</u>
12/01/20 - 11/30/21	\$ 483,730
12/01/21 - 11/30/22	2,077,648
12/01/20 - 11/30/21	65,411
12/01/21 - 11/30/22	1,145,866
03/01/21 - 12/31/22	603,717
04/01/21 - 03/31/23	<u>181,262</u>
	4,557,634
10/01/21 - 09/30/22	1,804,973
05/27/21 - 09/30/22	2,753,282
05/28/21 - 09/30/23	108,965
01/01/21 - 12/31/21	140,778
01/01/22 - 12/31/22	<u>409,030</u>
	5,217,028
10/01/20 - 09/30/22	237,162
10/01/21 - 12/31/22	57,096
01/20/20 - 09/30/22	<u>42,850</u>
	337,108
04/01/22 - 07/31/22	15,728
07/01/22 - 06/30/23	<u>19,455</u>
	35,183
04/01/21 - 06/30/22	39,497
08/01/21 - 07/31/22	47,187
08/01/22 - 07/31/23	<u>9,069</u>
	56,256
09/30/21 - 09/29/22	12,000
10/01/21 - 09/30/22	4,521
10/01/21 - 09/30/22	5,438
05/31/21 - 05/31/23	38,989
10/01/21 - 09/30/22	1,786
10/01/21 - 09/30/22	27,435
07/01/21 - 12/31/22	31,687
10/01/21 - 09/30/22	2,692
10/01/21 - 09/30/22	<u>6,794</u>
	68,608
09/30/21 - 09/29/22	141,357

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards - continued
Year Ended September 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number
U.S. Department of Health and Human Services		
Indirect Programs - Continued		
Passed through Iowa Department of Public Health		
IPN Network Support	93.959	5881 PN05E
IPN Network Support	93.959	5883 PN05
IPN Prevention - Substance Abuse	93.959	5881 PN05E
IPN Prevention - Substance Abuse	93.959	5883 PN05
IPN Prevention Problem Gambling	93.959	5881 PN05E
IPN Prevention Problem Gambling	93.959	5883 PN05
IPN Outpatient Treatment - Substance Use Disorder	93.959	5881 PN05E
IPN Outpatient Treatment - Substance Use Disorder	93.959	5883 PN05
IPN Outpatient Treatment - Problem Gambling	93.959	5881 PN05E
IPN Outpatient Treatment - Problem Gambling	93.959	5883 PN05
IPN - COVID-19 Supplemental Prevention	93.959	5882 PN105
IPN - COVID-19 Supplemental Prevention	93.959	5882 PN105
 Hawk-I	93.994	5881 MH04E
Expansion of School Based Dental Sealant Program	93.994	5881 MH04E
Healthy Child Care Iowa - MCAH CCNC	93.994	5881 MH04E
Maternal Health	93.994	5881 MH04E
Child Health	93.994	5881 MH04E
Child Dental Health	93.994	5881 MH04E
 Passed through Iowa Department of Human Services		
Community for Adolescent Pregnancy Prevention	93.558	ACFS-20-045
Community for Adolescent Pregnancy Prevention	93.558	ACFS-23-008
 <i>Total U.S. Department of Health and Human Services</i>		
U.S. Department of Energy		
Indirect Programs		
Passed through Iowa Department of Human Rights		
Weatherization Assistance Program	81.042	DOE 21-01
Weatherization Assistance Program	81.042	DOE 22-01
 <i>Total U.S. Department of Energy</i>		
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	5881 A033E
Breastfeeding Peer Counseling through WIC	10.557	5881 A033E
 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 (Centers)	10.558	09998616
 Passed through Iowa Department of Agriculture & Land Stewardship		
Farmers Market	10.572	3IA810850
 <i>Total U.S. Department of Agriculture</i>		

(continued next page)

<u>Period of Grant</u>	<u>Federal Expenditures</u>
07/01/21 - 06/30/22	\$ 17,718
07/01/22 - 06/30/23	3,694
07/01/21 - 06/30/22	33,305
07/01/22 - 06/30/23	8,108
07/01/21 - 06/30/22	5,404
07/01/22 - 06/30/23	1,266
07/01/21 - 06/30/22	42,910
07/01/22 - 06/30/23	8,471
07/01/21 - 06/30/22	30,964
07/01/22 - 06/30/23	4,625
10/01/21 - 03/14/23	7,706
10/01-21 - 03/14/23	<u>72,983</u>
	237,154
10/01/21 - 09/30/22	383
10/01/21 - 09/30/22	4,520
10/01/21 - 09/30/22	1,176
10/01/21 - 09/30/22	8,932
10/01/21 - 09/30/22	4,922
10/01/21 - 09/30/22	<u>1,539</u>
	21,472
07/01/19 - 06/30/22	47,007
07/01/22 - 06/30/23	<u>9,518</u>
	<u>56,525</u>
	10,830,556
04/01/21 - 03/31/22	19,865
04/01/22 - 03/31/23	<u>201,247</u>
	<u>221,112</u>
	221,112
10/01/21 - 09/30/22	348,486
10/01/21 - 09/30/22	<u>25,931</u>
	374,417
10/01/21 - 09/30/22	632,871
10/01/21 - 09/30/22	<u>177,919</u>
	810,790
05/01/18 - 12/31/21	<u>746</u>
	1,185,953

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards - continued
Year Ended September 30, 2022

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>
U.S. Department of Justice:		
Indirect Program		
Passed through Iowa Commission on Volunteer Service		
Juvenile Mentoring Program	16.726	190JJDP-03
<i>Total U.S. Department of Justice</i>		
Total Expenditures of Federal Awards		
<i>Total Direct Programs</i>		
<i>Total Indirect Programs</i>		

(continued next page)

<u>Period of Grant</u>	<u>Federal Expenditures</u>
03/01/19 - 09/30/22	\$ <u>45,024</u>
	<u>45,024</u>
	\$ <u>12,282,645</u>
	\$ 4,557,634
	\$ 7,725,011

NEW OPPORTUNITIES, INC.
Schedule of Expenditures of Federal Awards - continued
Year Ended September 30, 2022

NOTE A - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of New Opportunities, Inc. under programs of the federal government for the year ended September 30, 2022. 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 on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C - SUBRECIPIENTS

No federal grant awards were passed through to subrecipients during the year ended September 30, 2022.

NOTE D - INDIRECT COST RATE

New Opportunities, Inc. has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance. It has a federal approved rate from the Department of Health and Human Services.

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

Community Services Block Grant (CSBG)
Contract Number CSBG 21-01
Contract Period 10/01/20 - 09/30/22

	Approved Budget	Total	Actual 10/01/20 - 09/30/21	10/01/21 - 09/30/22
Program Revenues:				
Iowa Department of Human Rights	\$ 253,425	\$ 253,425	\$ 16,263	\$ 237,162
Program Expenditures:				
Personnel	\$ 95,215	\$ 88,665	\$ --	\$ 88,665
Travel	1,350	683	--	683
Space Costs	4,900	4,018	--	4,018
Equipment	2,500	1,043	--	1,043
Co-Funded Programs	117,224	126,816	16,263	110,553
Other	17,504	18,280	--	18,280
Indirect Costs	14,732	13,920	--	13,920
Total Expenditures	\$ 253,425	\$ 253,425	\$ 16,263	\$ 237,162

Community Service Block Grant (CSBG)
Contract Number CSBG 22-01
Contract Period 10/01/21 - 12/31/22

	Approved Budget	Actual 10/01/21 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 256,779	\$ 57,096
Program Expenditures:		
Personnel	\$ 92,690	\$ 14,196
Travel	5,000	--
Space Costs	4,900	527
Equipment	2,000	89
Co-Funded Programs	122,889	36,038
Other	13,821	4,017
Indirect Costs	15,479	2,229
Total Expenditures	\$ 256,779	\$ 57,096

(continued next page)

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

Community Services Block Grant (CSBG)
Contract Number CSBG 20S-01
Contract Period 01/20/20 - 09/30/22

	Approved Budget	Total	Actual		
			01/20/20 - 09/30/20	10/01/20 - 09/30/21	10/01/21 - 09/30/22
Program Revenues:					
Iowa Department of Human Rights	\$ 346,800	\$ 346,800	\$ 93,137	\$ 210,813	\$ 42,850
Program Expenditures:					
Personnel	\$ 125,412	\$ 121,842	\$ 58,166	\$ 36,133	\$ 27,543
Travel	1,000	814	687	127	--
Equipment	48,000	48,114	--	48,114	--
Co-Funded Programs	10,200	10,186	7,006	3,180	--
Supplemental Programs	114,422	115,974	3,889	101,121	10,964
Other	28,209	29,798	13,675	16,104	19
Indirect Costs	19,557	20,072	9,714	6,034	4,324
Total Expenditures	\$ 346,800	\$ 346,800	\$ 93,137	\$ 210,813	\$ 42,850

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget
Low-Income Household Water Assistance Program (LIHWAP)
Contract Number LIHWAP 21CAA-01
Contract Period 05/28/21 - 09/30/23

	Approved Budget	Total	Actual 05/28/21 - 09/30/21	10/01/21 - 09/30/22
Program Revenues:				
Iowa Department of Human Rights	\$ 228,176	\$ 109,660	\$ 695	\$ 108,965
Program Expenditures:				
Energy Crisis Intervention Payments	\$ 193,251	\$ 96,522	\$ --	\$ 96,522
Program Support	27,593	10,360	537	9,823
Administration Costs	7,332	2,778	158	2,620
Total Expenditures	\$ 228,176	\$ 109,660	\$ 695	\$ 108,965

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

Low-Income Energy Assistance Program (LIHEAP)
Contract Number LIHEAP 22-01
Contract Period 10/01/21 - 09/30/22

	Approved Budget	Actual 10/01/21 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 1,822,820	\$ 1,804,973
Program Expenditures:		
Regular Assistance	\$ 1,234,295	\$ 1,225,521
Energy Crisis Intervention Payments	219,469	219,469
Client Services	5,710	3,182
Program Support	11,000	5,048
Summer Pre-Buy	292,000	292,000
Administration Costs	60,346	59,753
Total Expenditures	\$ 1,822,820	\$ 1,804,973

Low-Income Energy Assistance Program (LIHEAP)
Contract Number LIHEAP 20CA-01
Contract Period 03/27/20 - 09/30/21

	Approved Budget	Total	Actual 03/27/20 - 09/30/20	10/01/21 - 09/30/21
Program Revenues:				
Iowa Department of Human Rights	\$ 173,333	\$ 173,333	\$ 87,748	\$ 85,585
Program Expenditures:				
Energy Crisis Intervention Payments	\$ 139,576	\$ 139,576	\$ 76,788	\$ 62,788
Program Support	12,318	12,318	7,110	5,208
Assurance 16	4,106	4,106	3,850	256
Administration Costs	17,333	17,333	--	17,333
Total Expenditures	\$ 173,333	\$ 173,333	\$ 87,748	\$ 85,585

(continued next page)

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

Low-Income Energy Assistance Program (LIHEAP)
Contract Number LIHEAP 21ARPA-01
Contract Period 05/27/21 - 09/30/22

	Approved Budget	Total	Actual 05/27/21 - 09/30/21	10/01/21 - 09/30/22
Program Revenues:				
Iowa Department of Human Rights	\$ 2,856,230	\$ 2,854,252	\$ 100,970	\$ 2,753,282
Program Expenditures:				
Regular Assistance	\$ 1,686,617	\$ 1,684,639	\$ --	\$ 1,684,639
Energy Crisis Intervention Payments	816,809	816,809	96,536	720,273
Program Support	30,753	30,753	354	30,399
Assurance 16	28,906	28,906	256	28,650
Summer Pre-Buy	73,000	73,000	--	73,000
Administration Costs	220,145	220,145	3,824	216,321
Total Expenditures	\$ 2,856,230	\$ 2,854,252	\$ 100,970	\$ 2,753,282

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

HEAP Weatherization Assistance Program
Contract Number HEAP 21-01
Contract Period 01/01/21 - 12/31/21

	Approved Budget	Total	Actual 01/01/21 - 09/30/21	10/01/21 - 12/31/21
Program Revenues:				
Iowa Department of Human Rights	\$ 587,922	\$ 295,710	\$ 154,932	\$ 140,778
Program Expenditures:				
Administration Costs	\$ 28,792	\$ 9,651	\$ 3,783	\$ 5,868
Health and Safety	123,044	122,127	69,759	52,368
Support	137,201	92,558	51,469	41,089
Labor	134,489	38,675	13,514	25,161
Materials	134,489	24,322	8,510	15,812
POI Insurance	2,374	2,374	2,374	--
Training/Equip	27,533	6,003	5,523	480
Total Expenditures	\$ 587,922	\$ 295,710	\$ 154,932	\$ 140,778

HEAP Weatherization Assistance Program
Contract Number HEAP 22-01
Contract Period 01/01/22 - 12/31/22

	Approved Budget	Actual 01/01/22 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 670,699	\$ 409,030
Program Expenditures:		
Administration Costs	\$ 33,663	\$ 17,858
Health and Safety	140,537	123,584
Support	156,707	100,168
Labor	125,358	57,363
Materials	125,358	33,523
POI Insurance	2,576	2,576
Training/Equip	86,500	73,958
Total Expenditures	\$ 670,699	\$ 409,030

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

DOE Weatherization Assistance Program
Contract Number DOE 21-01
Contract Period 04/01/21 - 03/31/22

	Approved Budget	Total	Actual 01/01/21 - 09/30/21	10/01/21 - 03/31/22
Program Revenues:				
Iowa Department of Human Rights	\$ 240,792	\$ 240,792	\$ 220,927	\$ 19,865
Program Expenditures:				
Administration Costs	\$ 39,419	\$ 39,419	\$ 39,419	\$ --
Health and Safety	36,936	37,525	37,275	250
Support	47,021	53,567	51,216	2,351
Labor	48,708	68,819	60,573	8,246
Materials	48,708	37,264	32,309	4,955
Training/Equip	20,000	4,198	135	4,063
Total Expenditures	\$ 240,792	\$ 240,792	\$ 220,927	\$ 19,865

DOE Weatherization Assistance Program
Contract Number DOE 22-01
Contract Period 04/01/22 - 03/31/23

	Approved Budget	Actual 04/01/22 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 219,609	\$ 201,247
Program Expenditures:		
Administration Costs	\$ 38,073	\$ 34,592
Health and Safety	32,032	27,750
Support	37,842	37,565
Labor	46,446	48,995
Materials	46,446	33,575
Training/Equip	18,770	18,770
Total Expenditures	\$ 219,609	\$ 201,247

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

BHE Weatherization Assistance Program - Utilities
Contract Number BHE 21-01
Contract Period 01/01/21 - 12/31/21

	Approved Budget	Total	Actual 01/01/21 - 09/30/21	10/01/21 - 12/31/21
Program Revenues:				
Iowa Department of Human Rights	\$ 8,857	\$ 8,857	\$ 8,857	\$ --
Program Expenditures:				
Administration Costs	\$ 385	\$ 385	\$ 385	\$ --
Support	770	770	770	--
Labor	3,851	3,578	3,578	--
Materials	3,851	4,124	4,124	--
Total Expenditures	\$ 8,857	\$ 8,857	\$ 8,857	\$ --

BHE Weatherization Assistance Program - Utilities
Contract Number BHE 22-01
Contract Period 01/01/22 - 12/31/22

	Approved Budget	Actual 01/01/22 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 8,857	\$ 8,857
Program Expenditures:		
Administration Costs	\$ 385	\$ 385
Support	770	770
Labor	3,851	4,823
Materials	3,851	2,879
Total Expenditures	\$ 8,857	\$ 8,857

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

IPL Weatherization Assistance Program - Utilities
Contract Number IPL 21-01
Contract Period 01/01/21 - 12/31/21

	Approved Budget	Total	Actual 01/01/21 - 09/30/21	10/01/21 - 12/31/21
Program Revenues:				
Iowa Department of Human Rights	\$ 74,051	\$ 74,051	\$ 50,529	\$ 23,522
Program Expenditures:				
Administration Costs	\$ 3,193	\$ 3,193	\$ 2,159	\$ 1,034
Support	6,466	6,466	4,397	2,069
Labor	32,196	38,043	26,734	11,309
Materials	32,196	26,349	17,239	9,110
Total Expenditures	\$ 74,051	\$ 74,051	\$ 50,529	\$ 23,522

IPL Weatherization Assistance Program - Utilities
Contract Number IPL 22-01
Contract Period 01/01/22 - 12/31/22

	Approved Budget	Actual 01/01/22 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 62,605	\$ 29,763
Program Expenditures:		
Administration Costs	\$ 2,721	\$ 1,294
Support	5,442	2,588
Labor	27,221	13,963
Materials	27,221	11,918
Total Expenditures	\$ 62,605	\$ 29,763

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

MEC Weatherization Assistance Program - Utilities
Contract Number MEC 21-01
Contract Period 01/01/21 - 12/31/21

	Approved Budget	Total	Actual 01/01/21 - 09/30/21	10/01/21 - 12/31/21
Program Revenues:				
Iowa Department of Human Rights	\$ 100,880	\$ 100,880	\$ 57,364	\$ 43,516
Program Expenditures:				
Administration Costs	\$ 4,386	\$ 4,386	\$ 2,494	\$ 1,892
Support	8,772	8,772	4,988	3,784
Labor	43,861	48,480	28,896	19,584
Materials	43,861	39,242	20,986	18,256
Total Expenditures	\$ 100,880	\$ 100,880	\$ 57,364	\$ 43,516

MEC Weatherization Assistance Program - Utilities
Contract Number MEC 22-01
Contract Period 01/01/22 - 12/31/22

	Approved Budget	Actual 01/01/22 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 82,056	\$ 52,951
Program Expenditures:		
Administration Costs	\$ 3,567	\$ 2,302
Support	7,135	4,604
Labor	35,677	24,273
Materials	35,677	21,772
Total Expenditures	\$ 82,056	\$ 52,951

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures Compared with Budget

Family Development and Self-Sufficiency Program (FaDSS)
Contract Number FaDSS-22-01
Contract Period 04/01/22 - 07/31/22

	Approved Budget	Actual 04/01/22 - 07/31/22
Program Revenues:		
Iowa Department of Human Rights	\$ 39,320	\$ 39,320
Program Expenditures:		
Administration Costs	\$ 1,744	\$ 1,512
Personnel - Salaries	7,789	7,201
Personnel - Benefits	3,317	2,432
Travel	1,522	955
Space/Utilities	435	431
Materials	24,513	26,789
Total Expenditures	\$ 39,320	\$ 39,320

Family Development and Self-Sufficiency Program (FaDSS)
Contract Number FaDSS-23-01
Contract Period 07/01/22 - 06/30/23

	Approved Budget	Actual 07/01/22 - 09/30/22
Program Revenues:		
Iowa Department of Human Rights	\$ 230,000	\$ 48,638
Program Expenditures:		
Administration Costs	\$ 27,228	\$ 5,139
Personnel - Salaries	123,366	23,764
Personnel - Benefits	50,060	8,966
Travel	5,987	2,610
Space/Utilities	6,480	1,295
Materials	16,879	6,864
Total Expenditures	\$ 230,000	\$ 48,638

See accompanying independent auditor's report.

NEW OPPORTUNITIES, INC.
Schedule of Revenues and Expenditures
Administration
Year Ended September 30, 2022

	<u>Miscellaneous</u>	<u>Indirect Cost Pool</u>	<u>Total</u>
Revenues:			
Local Funding and Donations	\$ 32,164	\$ --	\$ 32,164
Program and Other Income	122,766	--	122,766
Investment Income	6,492	--	6,492
Rental Income	128,241	--	128,241
Gain on Casualty Conversion (Note 11)	<u>312,337</u>	<u>--</u>	<u>312,337</u>
Total Revenues	<u>\$ 602,000</u>	<u>\$ --</u>	<u>\$ 602,000</u>
Expenditures:			
Salaries and Wages	\$ --	\$ 476,685	\$ 476,685
Fringe Benefits	--	154,255	154,255
Assistance to Individuals	2,138	--	2,138
Professional Fees and Contracted Services	1,074	62,134	63,208
Travel	--	10,153	10,153
Occupancy	37,745	17,039	54,784
Communication Costs	1,613	7,174	8,787
Program and Office Supplies	51,233	32,066	83,299
Equipment, Property and Maintenance	28,758	29,066	57,824
Insurance	2,150	5,243	7,393
Interest Expense	44,466	--	44,466
Amortization	2,494	--	2,494
Miscellaneous	<u>10,516</u>	<u>6,879</u>	<u>17,395</u>
Total Expenditures Before Allocation of Indirect Costs	182,187	800,694	982,881
Allocation of Indirect Costs	<u>--</u>	<u>(799,803)</u>	<u>(799,803)</u>
Total Expenditures, Net	<u>\$ 182,187</u>	<u>\$ 891</u>	<u>\$ 183,078</u>

See accompanying independent auditor's report.

COMMENTS AND RECOMMENDATIONS

Gronewold, Bell, Kyhnn & Co. P.C.

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CHRISTOPHER J. NELSON
DAVID A. GINTHER
DUSTIN T. VEENSTRA

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 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. (an Iowa Non-Profit Corporation), which comprise the statement of financial position as of September 30, 2022 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated February 17, 2023.

Report on 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) as a basis for designing 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 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 a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of 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.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Demerut, Bell, Hyman & Co. P.C.

Atlantic, Iowa
February 17, 2023

Gronewold, Bell, Kyhnn & Co. P.C.

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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

Opinion on Each Major Federal Program

We have audited New Opportunities, Inc.'s compliance with the types of compliance requirements identified as subject to audit 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 programs for the year ended September 30, 2022. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, New Opportunities, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards), and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

To the Board of Directors of
New Opportunities, Inc.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

To the Board of Directors of
New Opportunities, Inc.

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

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

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

Amend, Bell, Thyer & Co. P.C.

Atlantic, Iowa
February 17, 2023

NEW OPPORTUNITIES, INC.

Schedule of Findings and Questioned Costs

Year ended September 30, 2022

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 ☒ no
 - Significant deficiency(ies) identified? ☐ yes ☒ none reported
- (c) Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

- (d) Internal control over major programs:
- Material weakness(es) identified? ☐ yes ☒ no
 - Significant deficiency(ies) identified? ☐ yes ☒ none reported
- (e) Type of auditor's report issued on compliance for major programs:
- Unmodified.
- (f) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, [2CFR 200.516(a)]? ☐ yes ☒ no
- (g) Identification of major programs:
- Assistance Listing Number 93.600 - Head Start/Early Head Start Program
 - Assistance Listing Number 10.558 - Child and Adult Care Food Program
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
- (i) Auditee qualified as low-risk auditee? ☒ yes ☐ no

NEW OPPORTUNITIES, INC.
Schedule of Findings and Questioned Costs
Year ended September 30, 2022

Part II: Findings Related to the Financial Statements

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

INSTANCES OF NON- COMPLIANCE:

No matters were reported.

Part IV: Summary Schedule of Prior Audit Findings:

None

* * *