

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Pocatello, Idaho

Consolidated Financial Statements and
Supplementary Information

Year ended December 31, 2024



**SouthEastern Idaho
Community Action Agency**
Helping People. Changing Lives.

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SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Year Ended December 31, 2024

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Independent Auditor's Report

Board of Directors
SouthEastern Idaho Community Action Agency, Inc. and Affiliates
Pocatello, Idaho

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of SouthEastern Idaho Community Action Agency, Inc. and Affiliates (nonprofit organizations), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of SouthEastern Idaho Community Action Agency, Inc. and Affiliates as of December 31, 2024, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States (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 Consolidated Financial Statements section of our report. We are required to be independent of SouthEastern Idaho Community Action Agency, Inc. and Affiliates 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. The financial statements of SEICAA Housing 1, Inc., a subsidiary of SouthEastern Idaho Community Action Agency, Inc., was not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 judgment made by a reasonable user based on the consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 SouthEastern Idaho Community Action Agency, Inc. and Affiliates' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SouthEastern Idaho Community Action Agency, Inc. and Affiliates' ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying 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*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2025, on our consideration of SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC'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 SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC'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 SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC's internal control over financial reporting and compliance.

Handwritten signature of Wipfli LLP in black ink.

Wipfli LLP
Madison, Wisconsin

September 18, 2025

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Consolidated Statement of Financial Position

December 31, 2024

<i>Assets</i>	
Current assets:	
Cash and cash equivalents	\$ 491,326
Grants receivable	689,108
Other accounts receivable	1,110
Property held for sale	1,661,708
Total current assets	2,843,252
Other assets:	
Restricted deposits:	
Tenant security deposits	45,418
Escrows	151,328
Replacement reserves	442,804
Residual receipt reserves	94,649
Total restricted deposits	734,199
Right of use asset - operating	96,202
Self-help notes receivable	712,473
Total other assets	1,542,874
Property and equipment, net	2,149,275
TOTAL ASSETS	\$ 6,535,401
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Current portion of notes payable	\$ 100,613
Current portion of lease liabilities - operating	52,057
Accounts payable	377,933
Accrued payroll and related expenses	107,105
Accrued interest	17,134
Refundable advances	67,065
Line of credit	486,335
Total current liabilities	1,208,242
Long-term liabilities:	
Security deposits	48,799
Lease liabilities - operating	44,888
Notes payable, net	3,927,282
Total long-term liabilities	4,020,969
Total liabilities	5,229,211
Net assets:	
Without donor restrictions, undesignated	1,231,846
Without donor restrictions, board designated	56,868
Total net assets without donor restrictions	1,288,714
With donor restrictions	17,476
Total net assets	1,306,190
TOTAL LIABILITIES AND NET ASSETS	\$ 6,535,401

See accompanying notes to consolidated financial statements.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Consolidated Statement of Activities

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 3,219,523	\$ 0	\$ 3,219,523
Housing assistance	631,557	0	631,557
Tenant rent	715,427	0	715,427
Program income	255,534	23,004	278,538
Donations	199,353	0	199,353
Interest income	12,639	0	12,639
Gain on sale of property	151,686	0	151,686
Gain on sale of property held for sale	18,663	0	18,663
Other income	45,171	0	45,171
Net assets released from restrictions	20,856	(20,856)	0
Total revenue	5,270,409	2,148	5,272,557
Expenses:			
Community services	669,224	0	669,224
Weatherization	1,069,363	0	1,069,363
Senior services	249,597	0	249,597
Housing programs	1,270,750	0	1,270,750
Self Help Housing	1,215,540	0	1,215,540
Total program activities	4,474,474	0	4,474,474
Management and general	520,616	0	520,616
Total expenses	4,995,090	0	4,995,090
Change in net assets	275,319	2,148	277,467
Net assets - Beginning of year	1,013,395	15,328	1,028,723
Net assets - End of year	\$ 1,288,714	\$ 17,476	\$ 1,306,190

See accompanying notes to consolidated financial statements.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

	Community Services	Weatherization	Senior Services	Housing Programs	Self Help Housing	Total Program	Management and General	Total
Expense:								
Salaries and fringe benefits	\$ 459,664	\$ 494,446	\$ 76,634	\$ 378,113	\$ 100,836	\$ 1,509,693	\$ 362,931	\$ 1,872,624
Professional fees	8,892	3,422	2,738	14,709	2,989	32,750	4,494	37,244
Client assistance	80,433	0	131,948	3,314	417	216,112	0	216,112
Contracted services	1,425	169,654	0	79,917	1,014,052	1,265,048	0	1,265,048
Travel and training	15,069	28,887	300	749	0	45,005	8,691	53,696
Insurance	898	163	130	64,700	1,546	67,437	11,650	79,087
Office expense	4,370	1,025	1,139	5,606	11	12,151	3,383	15,534
Dues and subscriptions	1,685	2,193	3,000	436	13,987	21,301	7,691	28,992
Space and storage	55,034	53,978	7,024	22,828	1,897	140,761	11,948	152,709
Small equipment	0	0	0	0	1,113	1,113	1,287	2,400
Supplies	11,435	270,052	2,389	37,137	1,491	322,504	2,533	325,037
Utilities	16,556	30,567	14,304	210,277	9,908	281,612	25,718	307,330
Operating and maintenance	85	14,058	9,340	73,922	31,953	129,358	1,761	131,119
Depreciation	0	0	0	164,275	0	164,275	21,034	185,309
Interest	0	0	0	204,965	0	204,965	34,600	239,565
Other	13,678	918	651	9,802	35,340	60,389	22,895	83,284
Total expense	\$ 669,224	\$ 1,069,363	\$ 249,597	\$ 1,270,750	\$ 1,215,540	\$ 4,474,474	\$ 520,616	\$ 4,995,090

See accompanying notes to consolidated financial statements.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Consolidated Statement of Cash Flows

Year Ended December 31, 2024

Increase (decrease) in cash and cash equivalents, and restricted deposits:	
Cash flows from operating activities:	
Change in net assets	\$ 277,467
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	185,309
Amortization of debt finance costs	5,194
Non cash lease expense - Operating	49,301
Gain on sale of property	(151,686)
Self-help housing opportunity program loan forgiveness	(27,000)
Changes in operating assets and liabilities:	
Grants receivable	100,214
Other accounts receivable	(301)
Property held for sale	(210,509)
Prepaid expenses	46
Accounts payable	5,828
Accrued payroll and related expenses	16,437
Accrued interest	(3)
Security deposits	1,603
Refundable advances	67,065
Operating lease liabilities	(48,558)
Net cash from operating activities	270,407
Cash flows from investing activities:	
Loans receivable issued	(200,000)
Collections of loans receivables	25,396
Proceeds from sale of property and equipment	259,390
Purchase of property and equipment	(108,580)
Net cash from investing activities	(23,794)
Cash flows from financing activities:	
Principal payments on notes payable	(95,379)
Proceeds from line of credit	838,875
Principal payments on line of credit	(562,982)
Net cash from financing activities	180,514
Change in cash and cash equivalents, and restricted deposits	427,127
Cash and cash equivalents, and restricted deposits - Beginning of year	798,398
Cash and cash equivalents, and restricted deposits - End of year	\$ 1,225,525

See accompanying notes to consolidated financial statements

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Consolidated Statement of Cash Flows (Continued)

Year Ended December 31, 2024

Supplemental schedule of other cash activity:

Interest paid	\$	234,374
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Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flow from operating leases	\$	46,620
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Supplemental disclosure of noncash operating activities:

Right of use assets obtained in exchange for new operating lease liabilities	\$	139,510
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Reconciliation of cash and cash equivalents, and restricted deposits reported in the consolidated statement of financial position that sum to the total of the same such amounts shown in the consolidated statement of cash flows:

Cash and cash equivalents	\$	491,326
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Restricted deposits		734,199
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Total cash and cash equivalents, and restricted deposits	\$	1,225,525
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See accompanying notes to consolidated financial statements

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

SouthEastern Idaho Community Action Agency, Inc. (SEICAA) is incorporated as an Idaho nonprofit corporation. It is recognized as a charitable organization under the Internal Revenue Code Section 501(c)(3) and files the annual information return Form 990.

SEICAA provides services to needy community members and the elderly through various advocacy and participant programs. The primary focus of the programs are advocacy, energy assistance to low-income families, weatherization programs, health and welfare services to the elderly, and affordable housing.

SEICAA's program services can be broadly defined into four functional areas:

- Community Services – Programs providing benefits to the less fortunate members to the community. Approximately 15% of total grant funding is received under the Community Services Block Grant and 12% of total grant funding is received under the Federal Low Income Home Energy Assistance Program.
- Weatherization – Programs providing weatherization assistance for qualifying persons. Approximately 28% of total grant funding is received under the Weatherization Assistance for Low-Income Persons Program.
- Housing – Programs providing affordable housing in accordance with the U.S. Department of Housing and Urban Development (HUD), and Idaho Housing Authority (IHA) project guidelines.
- Self Help Housing - Program enables eligible, first time homebuyers to build their own homes under the supervision of an experienced construction supervisor.
- Senior Services – Programs providing volunteer, meals on wheels, and other aging services to the elderly.

St. Anthony Place, LLC, HUD Project 124-EH019 (St. Anthony) is a wholly owned LLC of SEICAA. St. Anthony operates an 88-unit apartment complex in Pocatello, Idaho. St. Anthony is operated under Section 202 of the National Housing Act and regulated by the U.S. Department of Housing and Urban Development (HUD) with respect to rental charges and operating methods.

SEICAA Housing 1, Inc. (HUD Project 124-444010) operates a 24-unit apartment complex in Blackfoot, Idaho. SEICAA Housing 1, Inc. is a separate 501(c)(3) organization that is managed by SEICAA and has common board members with SEICAA.

Principles of Consolidation

The consolidated financial statements include the accounts of SEICAA, St. Anthony Place, LLC, and SEICAA Housing 1, Inc. (collectively referred to as the "Organization"). All intercompany transactions and balances have been eliminated for consolidated financial statement purposes.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The consolidated financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of consolidated financial statement presentation, the Organization includes checking, savings, and certain money accounts with an original maturity of 90 days or less as cash equivalents.

Restricted Deposits - Escrows and Reserves

The Organization is required to make periodic deposits to various reserve funds established to meet future commitments. Some of the funds are restricted, and disbursements must be approved by the funding source. In addition, the escrows and reserves are available for certain property repairs and replacements.

Self Help Notes Receivable

The Organization has issued notes receivable to homeowners in the self-help program. The loans are collateralized by the respective properties of the homeowners. These loans are for 30 years and are forgiven if certain criteria are met. The balance of the notes receivable at December 31, 2024 was \$712,473. Management has the intent and ability to hold all notes receivable for the foreseeable future or until forgiveness or pay-off. The allowance for loan losses is a valuation allowance for probable incurred credit losses based on an evaluation of the outstanding loans. Loan losses are charged against the allowance when management believes the collectability is unlikely. Subsequent recoveries, if any, are credited to the allowance. Management regularly evaluates the allowance for loan losses taking into consideration such factors as historical loss experience, changes in the nature and volume of the loan portfolio, overall portfolio quality, review of specific problem loans, and current economic conditions that may affect the borrower's ability to pay. There is no allowance for loan losses as of December 31, 2024.

Property Held for Sale

The Organization owns land in conjunction with the self-help housing program that is held for sale. The Organization assists families building homes by purchasing parcels of land to resell to program participants. Proceeds from the sale of land are used to offset program costs. The balance consists of land held for sale and construction costs for homes on the land.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Lease Accounting

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

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

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

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

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

The Organization separates lease and non-lease components to determine the lease payment.

Property and Equipment

Property and equipment are capitalized at cost and depreciated over their estimated useful lives of 5 to 40 years using the straight-line method. The Organization considers property and equipment to be items with a cost of \$5,000 or more and a useful life of over one year.

Property and equipment acquired are owned by the Organization while used in the programs for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in property and equipment purchased with grant funds; therefore, the disposition of buildings or equipment, as well as the ownership of any proceeds therefrom, are subject to funding source regulations. The net book value of grant-funded property and equipment is \$40,818 at December 31, 2024.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Debt Issuance Costs

Debt issuance costs represent costs associated with obtaining debt to finance the purchase and renovation of a building. Unamortized financing fees have been recorded as a reduction to the related debt obligation. The costs are being amortized to interest expense over the maximum term provided in the debt agreement using the straight-line method which approximates the effective interest method.

Classification of Net Assets

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

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions or where donor-imposed restrictions are met in the year of contribution.

Net Assets Without Donor Restrictions, board designated – Board designated net assets can be used in operations as needed through Board resolution.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources may be maintained in perpetuity. Donor imposed restrictions are released when the restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

Contributions

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

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

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received. Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized.

Grants

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards That Are Contributions

Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reflected as refundable advances.

B. Grant Awards That Are Exchange Transactions

Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Program Income

The Organization recognized revenue from exchange transactions from contracts with customers for the Weatherization Fees from Idaho Power.

Contract assets arise when the Organization provides goods or services to a customer in advance of receiving consideration and the right to consideration is conditioned on something other than the passage of time, such as work in process or unbilled receivables. Contract assets are transferred to receivables when the right to receive consideration becomes unconditional and the Organization is able to invoice the customer. Contract liabilities represent the Organization's obligation to provide goods or services to a customer when consideration has already been received from the customer, such as deferred revenue. When goods or services are provided, contract liabilities are reclassified, and revenue is recognized. There are no contract assets or contract liabilities at December 31, 2024 or January 1, 2024.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Weatherization Fees from Idaho Power

The program provides energy-efficiency weatherization services at no cost to income-eligible power customers living in single family homes, manufactured homes, or multi-unit residential housing in Idaho. Services also include installing energy efficient refrigerators as well as building shell, health and safety, HVAC, lighting and water heating measures. The Organization determines the transaction price based on standard price of a job determined by the state of Idaho. The Organization earns revenue over time as services are provided and billed. The total amount recorded for as revenue was \$118,094 during the year ended December 31, 2024. The Organization does not have contract assets or contract liabilities as of December 31, 2024 or January 1, 2024.

The remainder of program income includes unconditional contributions used by the Organization to defray costs within community services, senior services, and housing programs. This revenue is recorded in accordance with the Organization's contributions policy.

Housing Assistance and Tenant Rent

The Organization leases consist of tenant leases related to the rental property reported in the consolidated statements of financial position. Tenant leases are typically for 12 months or less, do not include extension options and are classified as operating leases. Operating lease revenue is recognized as rental revenue over the term of the lease. Advance receipts, if any, are deferred and classified as liabilities until earned.

Cost Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs are allocated based on time and effort reporting. Space, storage and related costs are allocated based on square footage.

Income Taxes

SEICAA and SEICAA Housing 1, Inc. are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. They are also exempt from Idaho franchise or income tax. St. Anthony Place, LLC is a disregarded entity for tax purposes and the activity and account balances are included on SEICAA's tax filings.

The Organization is required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the consolidated financial statements. The Organization has determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

Subsequent events have been evaluated through September 18, 2025, which is the date the consolidated financial statements were available to be issued. See Note 8 for subsequent agreements.

Note 2: Concentration of Credit Risk

The Organization maintains cash balances at several banks. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Bank balances at the financial institutions may exceed the FDIC limit on occasion. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Note 3: Liquidity and Availability

The Organization does not have a formal liquidity policy but maintain financial assets in liquid form to meet ongoing operating expenses. The Organization can rely on a lower cash balance as they are primarily funded with cost reimbursement grants. Under cost reimbursement grants, once expenses are incurred an organization can request reimbursement from the funding source. The Organization has grant commitments available for future expenses in the amount of \$2,068,000 as further described in Note 10. In addition SEICAA has available funds to borrow on a line of credit as described in Note 8.

Financial assets available for general expenditures, that is, without donor or other restrictions, within twelve months of the consolidated statement of financial position date, are comprised of the following as of December 31, 2024:

Cash and cash equivalents	\$	491,326
Grants receivable		689,108
Other accounts receivable		1,110
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Subtotal financial assets		1,181,544
Less: Accounts payable		(377,933)
Less: Accrued payroll and related expenses		(107,105)
Less: Board designated net assets		(56,868)
Less: Net assets with donor restrictions		(17,476)
<hr/>		
Total financial assets available for general expenditure	\$	622,162

Note 4: Grants Receivable

The grants receivable balance at December 31, 2024, of \$689,108 consists primarily of amounts due under grants with state agencies.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 5: Leases

The Organization leases office space. The Organization's leases do not include options to renew. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Payments due under the lease contracts include fixed payments.

The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

Components of lease expense were as follows for the year ended December 31, 2024:

Lease cost:	
Operating lease cost	\$ 46,968
Short-term lease cost	8,100
<hr/>	
Total lease cost	\$ 55,068

The weighted average of the remaining lease terms and weighted average discount rate are as follows for the year ended December 31, 2024:

Weighted-average remaining lease term - Operating leases	1.85 years
Weighted-average discount rate - Operating leases	4.31 %

Maturities of lease liabilities are as follows as of December 31, 2024:

2025	\$ 55,200
2026	45,816
<hr/>	
Total lease payments	101,016
Less imputed interest	(4,071)
<hr/>	
Subtotal	96,945
Less current portion	52,057
<hr/>	
Long term portion	\$ 44,888

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 6: Property and Equipment

Property and equipment consisted of the following at December 31, 2024:

Land	\$	298,433
Buildings and improvements		7,407,906
Equipment and furniture		234,960
Vehicles		431,456
<hr/>		
Subtotal		8,372,755
Accumulated depreciation		(6,223,480)
<hr/>		
Property and equipment, net	\$	2,149,275

Note 7: Notes Payable

The notes payable balance consisted of the following at December 31, 2024:

	Current	Long-Term	Total
<hr/>			
Mortgage payable to Department of Housing and Urban Development in the original amount of \$3,643,800. Payable in monthly installments of \$22,643 including interest at 6.75%. The mortgage matures December 2043. Collateralized by St. Anthony Place housing complex.	\$ 78,015	\$ 2,827,019	\$ 2,905,034
Mortgage payable to Department of Housing and Urban Development in the original amount of \$585,321. Payments are deferred and interest is 0% until December 2043 when the first mortgage is paid. The contract does not specify what the interest rate will be nor over what maturity the payments will be made. Collateralized by St. Anthony Place housing complex.	0	514,638	514,638
Note payable to Idaho Housing and Finance Association. The original note was \$506,400. Payable in monthly installments of \$1,252 including interest of 1%. The mortgage matures January 2031. Collateralized by Fountain Court housing complex.	14,198	76,416	90,614
Note payable to Idaho Housing and Finance Association. The original note was \$325,499. Payments deferred until July 2020 with monthly payments of \$700 and interest is 0%. Monthly payments are re-evaluated annually and therefore the maturity date is variable. Collateralized by Station 1938 housing complex.	8,400	277,899	286,299

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 7: Notes Payable (Continued)

	Current	Long-term	Total
SEICAA has entered into several contracts with Community Frameworks Self-Help Housing Opportunity Program for special purpose grants in the total amount of \$492,000. The funds may be used by SEICAA for a 10-year period provided certain requirements are met. At the end of 10 years, SEICAA may retain the funds without obligation to repay. No interest is required to be paid.	\$ 0	\$ 330,000	\$ 330,000
Totals	\$ 100,613	\$ 4,025,972	\$ 4,126,585

Total notes payable net of debt issuance costs are as follows:

Total notes payable	\$ 4,126,585
Unamortized debt issuance costs	(98,690)
Current portion	(100,613)
Total long term note payable, net	\$ 3,927,282

The original cost of financing fees was \$181,798 and accumulated amortization at December 31, 2024 was \$83,108. Amortization of financing fees for the year ended December 31, 2024 were \$5,194. Interest expense, including amortization of financing fees, was \$239,565 for the year ended December 31, 2024.

Future principal payments on notes payable at December 31, are as follows:

2025	\$ 100,613
2026	106,187
2027	112,141
2028	118,500
2029	125,296
Thereafter	3,563,848
Total	\$ 4,126,585

Note 8: Line of Credit

As of December 31, 2024, the Organization had a line of credit with Citizens Community Bank in the amount of \$250,000 maturing on January 15, 2025. The line of credit has an interest rate equal to an independent index which is the Wall Street Journal prime rate (8.5% at December 31, 2024). The line of credit is not collateralized. There was an outstanding balance of \$85,097 at December 31, 2024. Subsequent to year end, on January 15, 2025, the Organization renewed its line of credit through March 15, 2026.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 8: Line of Credit (Continued)

As of December 31, 2024, the Organization had another line of credit with Citizens Community Bank in the amount of \$500,000 maturing on May 10, 2025. The line of credit has an interest rate equal to an independent index which is the Wall Street Journal prime rate (8.5% at December 31, 2024). The line of credit is collateralized by real property. There was an outstanding balance of \$401,239 at December 31, 2024. Subsequent to year end, on May 9, 2025, the Organization renewed its line of credit through August 10, 2025. On August 10, 2025, Citizens Community Bank merged this line of credit with another existing line of credit held by the Organization. The terms and conditions of the merged agreement, including the maturity date, and interest rate, are governed by the new agreement executed on that date.

Note 9: Net Assets

The Organization has net assets with donor restrictions of \$17,476 for its meals on wheels program as of December 31, 2024. Net assets with restrictions of \$20,856 related to meals on wheels program was released by the funding source as of December 31, 2024.

Board of directors designated net assets without donor restrictions consisted of the following as of December 31, 2024:

Community services	\$	53,996
Weatherization and energy assistance		2,872
<hr/>		
Total	\$	56,868

Note 10: Retirement Plan

The Organization has established a SIMPLE IRA Plan for all qualified employees. Qualified employees include all employees over 21 who have completed one full year of service with the Organization and who have had earnings exceeding the minimum for SIMPLE plans as determined by IRS regulations. The Organization will match up to 3% of the employee's voluntary payroll retirement contribution. Participants are fully vested when they qualify to participate in the plan. All contributions become the property of the employee or the designated beneficiary when the contributions are made. Employer contributions during the year totaled \$25,663.

Note 11: Grant Award Commitments

At December 31, 2024, the Organization had received future funding commitments under various grants of approximately \$2,068,000. These commitments are not recognized in the accompanying consolidated financial statements as receivables and revenue as they are conditional awards.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 12: Lessor Activity

Organization-owned projects are a mix of Transitional Housing projects and low-to-moderate income projects. Leases are all for one year or less. Rent is received from either the tenant or as housing assistance. Housing assistance revenue was \$631,557 and tenant rent was \$715,427 for the year ended December 31, 2024.

A summary of the acquisition costs and accumulated depreciation on the above properties at December 31, 2024, is as follows:

Land	\$	298,433
Buildings and improvements		7,353,044
Furniture		17,932
Equipment		65,993
Subtotal		7,735,402
Accumulated depreciation		(6,223,480)
Net	\$	1,511,922

Supplementary Information

SouthEastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2024

Federal Grantor/Pass-through Grantor Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct			
Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Housing Projects	14.155	N/A	\$ 2,977,975
Operating Assistance for Troubled Multifamily Housing	14.164	N/A	514,638
Self-Help Homeownership Opportunity Program	14.247	N/A	357,000
Passed through the Idaho Housing and Finance Association			
Emergency Solutions Grant Program	14.231	ESG 22-16 / 23-16	18,857
Emergency Solutions Grant Program	14.231	ESG 23-16 / 24-16	10,853
Total AL # 14.231			29,710
Home Investment Partnership Program	14.239	N/A	1,308,469
Continuum of Care Program	14.267	COC 21-37 / 22-37	39,306
Continuum of Care Program	14.267	COC 22-37 / 23-37	24,896
Total AL # 14.267			64,202
Lower Income Housing Assistance Program - Section 8 (Section 8 Project Based Cluster)	14.856	N/A	630,877
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			5,882,871
DEPARTMENT OF ENERGY			
Passed through the Idaho Department of Health and Welfare			
Weatherization Assistance for Low-Income Persons	81.042	WC112800 / WC3163 / WC5186	889,510
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the Southeast Idaho Council of Governments			
Nutrition Services (Aging Cluster)	93.045	N/A	16,953
Passed through Southeast Idaho Council of Governments			
Nutritional Program for the Elderly (Aging Cluster)	93.053	N/A	4,684
Total Aging Cluster			21,637
Passed through the Idaho Department of Health and Welfare			
Low-Income Home Energy Assistance	93.568	WC110900 / WC3467 / WC6579 / WC3571	377,231
Passed through the Idaho Department of Health and Welfare			
Community Services Block Grant	93.569	WC111900 / WC3631	484,365
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			883,233
TOTAL FEDERAL EXPENDITURES			\$ 7,655,614

See Independent Auditor's Report.

See Notes to Schedule of Expenditure of Federal Awards.

SouthEastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC

Schedule of Expenditures of Federal Awards Year Ended December 31, 2024

Notes to Schedule of Expenditures of Federal Awards

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Southeastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC under programs of the federal government for the year ended December 31, 2024. 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 Southeastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC, it is not intended to and does not present the financial position, changes in net assets or cash flows of Southeastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC.

Note 2: Summary of Significant Accounting Policies

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

Note 3: Indirect Cost Allocation

Southeastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: Subrecipient Expenditures

Southeastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC do not have subrecipients or subrecipient expenditures.

Note 5: Balance of Outstanding Loans

The loan programs listed subsequently are administered directly by Southeastern Idaho Community Action Agency, Inc., and balances and transactions relating to the programs are included in Southeastern Idaho Community Action Agency, Inc.'s basic consolidated financial statements. Loans outstanding at the beginning of the year, and loans made during the year, are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at December 31, 2024, consist of:

Program Name	AL Number	Outstanding Balance at December 31, 2024
Mortgage Insurance for the Purchase or Refinancing	14.155	2,905,034
Operating Assistance for Troubled Multifamily Housing	14.164	514,638
Self-Help Homeownership Opportunity Program	14.247	330,000

See Independent Auditor's Report.

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

Board of Directors

SouthEastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC
Pocatello, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of SouthEastern Idaho Community Action Agency, Inc. and Affiliates (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 18, 2025.

The financial statements of SEICAA Housing 1, Inc., a subsidiary of SouthEastern Idaho Community Action Agency, Inc., was not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with this entity.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC'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 opinions on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC'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 SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC'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 consolidated 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*.

SouthEastern Idaho Community Action Agency, Inc. and Affiliates' Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SouthEastern Idaho Community Action Agency, Inc.'s and St. Anthony Place, LLC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

Madison, Wisconsin
September 18, 2025

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

Board of Directors

SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC's
Pocatello, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC's Compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC's major federal programs for the year ended December 31, 2024. SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC'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, SouthEastern Idaho Community Action Agency, Inc. and St. Anthony Place, LLC complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

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

We are required to be independent of SouthEastern Idaho Community Action Agency, Inc and St. Anthony Place, LLC 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 SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC'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 SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC'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 SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC'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 SouthEastern Idaho Community Action Agency, Inc's and St. Anthony Place, LLC's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Wipfli LLP

Wipfli LLP

Madison, Wisconsin
September 18, 2025

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Schedule of Findings and Questioned Costs

Year Ended December 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiency(ies) identified? None reported

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

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

Identification of major federal programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
14.155	HUD Mortgage
14.239	HOME Investment Partnership Program
81.042	Weatherization Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

SouthEastern Idaho Community Action Agency, Inc. and Affiliates

Schedule of Findings and Questioned Costs (Continued)

Year Ended December 31, 2024

Section II - Financial Statement Findings

Finding 2024-001: Account Reconciliations

Condition

As a result of audit procedures, adjustments were identified related to the recognition of ROU assets, operating lease liabilities and management fees during the year ended December 31, 2024.

Audit adjustments were proposed and recorded by management to correct related to related party receivable balances, SHOP loan balances, management fees, insurance expense, and grant revenue. In addition, a lease agreement was not provided to Wipfli for the proper calculation of lease assets and liabilities until audit procedures identified missing lease agreement.

Criteria

Internal controls are effective if they are properly designed and implemented to prevent and detect account misstatements prior to the audit.

Cause

SouthEastern Idaho Community Action Agency, Inc and St. Anthony Place, LLC did not perform appropriate year end processes and procedures to ensure all accounts were accurately reconciled in a timely manner.

Effect

A significant deficiency in internal control over financial reporting exists due to failure to completely reconcile accounts in a timely manner after year end.

Recommendation

We recommend SouthEastern Idaho Community Action Agency, Inc and St. Anthony Place, LLC implement systems and procedures to ensure accounts are reconciled timely and accurately.

View of Responsible Officials

We agree with the recommendation and have begun implementing additional procedures.

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Status of Prior Year Findings

None