

---

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024

---



IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Table of Contents

	Page
Independent Auditors' Report	1 - 3
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
Notes to Financial Statements	9 - 18
Required Supplementary Information:	
Schedule of Expenditures of Federal Awards	19 - 20
Internal Controls and Compliance:	
Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	21 - 23
Schedule of Findings and Questioned Costs	24 - 25
Audit Staff	26



## Independent Auditors' Report

To the Board of Directors  
Iowa Heartland Habitat for Humanity  
Waterloo, Iowa

### **Opinion**

We have audited the accompanying financial statements of Iowa Heartland Habitat for Humanity (a nonprofit organization) which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Iowa Heartland Habitat for Humanity as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits 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. 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 Iowa Heartland Habitat for Humanity 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Iowa Heartland Habitat for Humanity's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **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 generally accepted auditing standards 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, including omissions, 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 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 Iowa Heartland Habitat for Humanity'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Iowa Heartland Habitat for Humanity'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

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 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 Principle*, and *Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2026, on our consideration of Iowa Heartland Habitat for Humanity'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 Iowa Heartland Habitat for Humanity'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 Iowa Heartland Habitat for Humanity's internal control over financial reporting and compliance.

*Ruzicka & Associates PLLC*

Waterloo, Iowa  
January 28, 2026

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Statements of Financial Position  
As of June 30, 2025 and 2024

	- ASSETS -			- LIABILITIES AND NET ASSETS -	
	2025	2024		2025	2024
<b>Current Assets:</b>			<b>Current Liabilities:</b>		
Cash and cash equivalents - unrestricted	\$ 2,885,679	\$ 1,003,592	Accounts payable	\$ 211,176	\$ 427,104
Grants and accounts receivable	551,836	1,353,483	Accrued expenses	72,409	15,730
Pledges receivable	192,484	92,528	Escrow and HOA deposit liability	(3,248)	(1,711)
Work in process	2,261,981	1,662,702	Current portion of long-term notes and mortgages	131,879	82,884
Inventory	135,127	110,459			
Current portion of real estate contracts receivable	124,907	181,209	<b>Total Current Liabilities</b>	<b>412,216</b>	<b>524,007</b>
Prepaid expenses	46,273	39,880			
	<b>6,198,287</b>	<b>4,443,853</b>			
<b>Total Current Assets</b>			<b>Long-term Liabilities:</b>		
<b>Non-Current Assets:</b>			Notes and mortgages payable less current portion	743,523	1,006,333
Non-interest bearing real estate contracts receivable	2,356,436	4,737,284			
Less discount on non-interest bearing contracts	(902,148)	(1,924,683)	<b>Total Long-term Liabilities</b>	<b>743,523</b>	<b>1,006,333</b>
	1,454,288	2,812,601			
Less current portion above	(124,907)	(181,209)			
	1,329,381	2,631,392	<b>Net Assets:</b>		
Reserve deposits on IFA loans	1,743	1,743	Without donor restrictions	11,817,356	9,109,571
Beneficial interest in assets held by Community Foundations	827,428	773,420	With donor restrictions	195,599	692,818
Pledges receivable, over one year	419,890	205,552			
	2,578,442	3,612,107	<b>Total Net Assets</b>	<b>12,012,955</b>	<b>9,802,389</b>
<b>Total Non-Current Assets</b>					
<b>Fixed Assets:</b>					
Furnishings and equipment	535,385	441,104			
Construction equipment	184,138	227,304			
Vehicles	143,996	149,418			
Buildings	4,511,527	3,266,969			
Website	31,000	31,000			
Less accumulated depreciation	(1,014,081)	(839,026)			
	4,391,965	3,276,769			
<b>Net Fixed Assets</b>					
			<b>Total Liabilities and Net Assets</b>	<b>\$13,168,694</b>	<b>\$11,332,729</b>
<b>Total Assets</b>	<b>\$13,168,694</b>	<b>\$11,332,729</b>			

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Statements of Activities  
For the Years Ended June 30, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support:						
Grants and gifts:						
Churches	\$ 22,654	\$ -	\$ 22,654	\$ 18,846	\$ -	\$ 18,846
Individuals	260,838	-	260,838	310,158	13,605	323,763
Corporations	59,006	-	59,006	58,842	-	58,842
Bequests	25,000	-	25,000			
Grants	2,762,401	768,033	3,530,434	2,611,422	742,795	3,354,217
In kind contributions	1,215,977	-	1,215,977	1,175,450	-	1,175,450
Total Grants and Gifts	4,345,876	768,033	5,113,909	4,174,718	756,400	4,931,118
ReStore sales	1,173,449	-	1,173,449	1,170,193	-	1,170,193
Fundraising	341,464	-	341,464	211,098	-	211,098
Rent Income	86,327	-	86,327	-	-	-
Sales of homes	1,530,771	-	1,530,771	1,960,545	-	1,960,545
Critical Repairs	157,480	-	157,480	166,632	-	166,632
Real estate contract discount amortization	1,328,287	-	1,328,287	631,644	-	631,644
Investment income	90,927	-	90,927	79,828	-	79,828
Realized/unrealized gain(loss) on investments	59,063	-	59,063	48,799	-	48,799
Gain/(Loss) on asset disposal	(12,005)	-	(12,005)	(19,119)	-	(19,119)
Other income	43,203	-	43,203	104,612	-	104,612
	9,144,842	768,033	9,912,875	8,528,950	756,400	9,285,350
Net assets released from restrictions	1,265,252	(1,265,252)	-	743,637	(743,637)	-
	10,410,094	(497,219)	9,912,875	9,272,587	12,763	9,285,350
Expenses:						
Program services:						
Construction costs and family selection and nurture	4,991,194	-	4,991,194	5,389,810	-	5,389,810
ReStore	1,775,094	-	1,775,094	1,661,492	-	1,661,492
Neighborhood Services	106,950	-	106,950	115,259	-	115,259
Supporting services:						
Management and general	506,944	-	506,944	582,520	-	582,520
Fundraising and public relations	322,127	-	322,127	270,738	-	270,738
	7,702,309	-	7,702,309	8,019,819	-	8,019,819
Change in Net Assets	2,707,785	(497,219)	2,210,566	1,252,768	12,763	1,265,531
Net Assets at Beginning of Year	9,109,571	692,818	9,802,389	7,856,803	680,055	8,536,858
Net Assets at End of Year	\$11,817,356	\$ 195,599	\$12,012,955	\$ 9,109,571	\$ 692,818	\$ 9,802,389

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Statements of Functional Expenses  
For the Year Ended June 30, 2025

	Program Services			Total Program Services	Supporting Services		Total Supporting Services	Total
	Construction & Family Selection	ReStore	Neighborhood Services		Management and General	Fundraising		
Building materials and supplies	\$ 2,665,064	\$ -	\$ -	\$ 2,665,064	\$ -	\$ -	\$ -	\$ 2,665,064
Real estate contract discount	305,752	-	-	305,752	-	-	-	305,752
Cost of goods sold - ReStore	-	1,064,200	-	1,064,200	-	-	-	1,064,200
Salary	1,402,358	390,392	53,444	1,846,194	61,186	35,742	96,928	1,943,122
Payroll taxes	87,775	33,268	4,250	125,293	17,906	11,035	28,941	154,234
Retirement	43,483	4,065	2,324	49,872	3,322	1,886	5,208	55,080
Benefits	134,942	50,503	6,763	192,208	6,600	3,960	10,560	202,768
Insurance	61,774	22,677	-	84,451	21,113	-	21,113	105,564
Depreciation	182,126	47,845	-	229,971	22,887	-	22,887	252,858
Utilities	-	9,411	263	9,674	13,785	-	13,785	23,459
Printing	-	1,414	2,114	3,528	25,360	-	25,360	28,888
Postage	3,154	710	973	4,837	4,837	-	4,837	9,674
Office supplies	8,801	10,153	6	18,960	8,126	-	8,126	27,086
Staff expense	-	3,232	939	4,171	49,339	-	49,339	53,510
Volunteer expense	22,486	2,723	-	25,209	-	-	-	25,209
Family selection expense	4,184	-	10,377	14,561	-	-	-	14,561
Computer and software	-	4,853	-	4,853	114,771	-	114,771	119,624
Small equipment	21,027	5,346	100	26,473	-	-	-	26,473
Vehicle costs	38,827	14,628	-	53,455	-	-	-	53,455
Tithe	81,523	-	-	81,523	-	-	-	81,523
Construction expense	33,504	-	-	33,504	-	-	-	33,504
Legal and accounting	44,749	-	-	44,749	11,187	-	11,187	55,936
Bank charges	-	29,814	8	29,822	13,098	-	13,098	42,920
Event expense	-	8,843	25,315	34,158	-	253,756	253,756	287,914
Grant expense	109,993	-	-	109,993	-	-	-	109,993
Advertising	-	7,918	74	7,992	-	15,748	15,748	23,740
Rent expense	-	-	-	-	15,013	-	15,013	15,013
Interest expense	(10,001)	41,946	-	31,945	13,691	-	13,691	45,636
Repairs & maintenance	-	21,123	-	21,123	36,847	-	36,847	57,970
Real estate holding expense	49,207	-	-	49,207	-	-	-	49,207
Miscellaneous expense	-	30	-	30	67,876	-	67,876	67,906
Less overhead charged to construction	(299,534)	-	-	(299,534)	-	-	-	(299,534)
	<u>\$ 4,991,194</u>	<u>\$ 1,775,094</u>	<u>\$ 106,950</u>	<u>\$ 6,873,238</u>	<u>\$ 506,944</u>	<u>\$ 322,127</u>	<u>\$ 829,071</u>	<u>\$ 7,702,309</u>

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Statements of Functional Expenses  
For the Year Ended June 30, 2024

	Program Services			Total Program Services	Supporting Services		Total Supporting Services	Total
	Construction & Family Selection	ReStore	Neighborhood Services		Management and General	Fundraising		
Building materials and supplies	\$ 3,112,552	\$ -	\$ -	\$ 3,112,552	\$ -	\$ -	\$ -	\$ 3,112,552
Real estate contract discount	680,749	-	-	680,749	-	-	-	680,749
Cost of goods sold - ReStore	-	1,047,278	-	1,047,278	-	-	-	1,047,278
Salary	1,284,484	328,583	54,010	1,667,077	61,186	35,742	96,928	1,764,005
Payroll taxes	78,864	27,909	4,290	111,063	17,906	11,035	28,941	140,004
Retirement	44,858	5,823	2,427	53,108	3,322	1,886	5,208	58,316
Benefits	130,969	42,644	6,900	180,513	6,600	3,960	10,560	191,073
Insurance	61,837	28,895	-	90,732	22,683	-	22,683	113,415
Depreciation	124,642	40,421	-	165,063	22,887	-	22,887	187,950
Utilities	-	10,386	-	10,386	12,506	-	12,506	22,892
Printing	-	2,283	207	2,490	17,534	-	17,534	20,024
Postage	1,882	-	-	1,882	1,882	-	1,882	3,764
Office supplies	8,941	6,543	387	15,871	6,802	-	6,802	22,673
Staff expense	-	1,656	5,539	7,195	82,427	-	82,427	89,622
Volunteer expense	21,440	3,127	52	24,619	-	-	-	24,619
Family selection expense	1,246	-	5,918	7,164	-	-	-	7,164
Computer and software	-	996	-	996	87,060	-	87,060	88,056
Small equipment	34,357	1,484	-	35,841	-	-	-	35,841
Vehicle costs	44,997	16,449	-	61,446	-	-	-	61,446
Tithe	78,868	-	-	78,868	-	-	-	78,868
Construction expense	21,637	-	-	21,637	-	-	-	21,637
Legal and accounting	30,234	-	-	30,234	7,558	-	7,558	37,792
Bank charges	-	34,154	-	34,154	12,077	-	12,077	46,231
Event expense	-	8,430	23,945	32,375	-	181,356	181,356	213,731
Grant expense	11,900	-	-	11,900	-	-	-	11,900
Advertising	-	12,748	100	12,848	-	36,759	36,759	49,607
Rent expense	-	602	-	602	5,193	-	5,193	5,795
Interest expense	1,906	22,803	-	24,709	10,589	-	10,589	35,298
Repairs & maintenance	-	18,278	-	18,278	20,157	-	20,157	38,435
Real estate holding expense	25,584	-	11,484	37,068	-	-	-	37,068
Miscellaneous expense	-	-	-	-	184,151	-	184,151	184,151
Less overhead charged to construction	(412,137)	-	-	(412,137)	-	-	-	(412,137)
	<u>\$ 5,389,810</u>	<u>\$ 1,661,492</u>	<u>\$ 115,259</u>	<u>\$ 7,166,561</u>	<u>\$ 582,520</u>	<u>\$ 270,738</u>	<u>\$ 853,258</u>	<u>\$ 8,019,819</u>

The accompanying notes are an integral part of this statement.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Statements of Cash Flows  
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities:		
Change in net assets	\$ 2,210,566	\$ 1,265,531
Adjustments to reconcile change in net assets to net cash (used)/provided by operations:		
Origination of non-interest bearing mortgages	(696,440)	(1,098,189)
Real estate contract discount	305,752	680,749
Current year amortization of discount on contracts	(1,328,287)	(631,644)
Depreciation of buildings and equipment	252,858	187,950
(Gain)/Loss on asset disposal	12,005	19,119
Realized/unrealized (gain)/loss on investments	(59,063)	(48,799)
Change in grants and accounts receivable	801,647	(1,119,743)
Change in pledges receivable	(314,294)	(49,198)
Change in work in process	(599,279)	197,582
Change in inventory	(24,668)	(32,190)
Change in prepaid expenses	(6,393)	(7,433)
Change in accounts payable	(215,928)	193,865
Change in accrued expenses	56,679	(481)
Change in escrow deposit liability	(1,537)	16,032
Net Cash (Used)/Provided by Operating Activities	393,618	(426,849)
Cash Flows From Investing Activities:		
Payments received on real estate contracts	2,953,146	1,556,258
Purchases of land, buildings, and equipment	(1,338,839)	(1,715,514)
Sale of equipment	(48,588)	(1,500)
Increase in assets held at Community Foundations	(54,008)	(160,722)
Net Cash (Used)/Provided by Investing Activities	1,511,711	(321,478)
Cash Flows From Financing Activities:		
New borrowings	-	191,832
Payments reducing long-term notes	(23,242)	(74,723)
Net Cash (Used)/Provided by Financing Activities	(23,242)	117,109
Change in Cash and Cash Equivalents	1,882,087	(631,218)
Beginning Cash and Cash Equivalents	1,003,592	1,634,810
Ending Cash and Cash Equivalents	\$ 2,885,679	\$ 1,003,592
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period for:		
Interest	\$ 45,211	\$ 34,873

The accompanying notes are an integral part of this statement.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies:

Nature of Activities

Iowa Heartland Habitat for Humanity (Habitat) is a charitable organization incorporated in the State of Iowa, and is an affiliate of Habitat for Humanity International (Habitat International) located in Americus, Georgia. Habitat's purpose is to provide to low income individuals an opportunity for ownership of simple, decent housing in a safe neighborhood in Black Hawk, Bremer, Buchanan, and Butler Counties. Although Habitat International assists with information resources, training, publications, prayer support and in other ways, Habitat is primarily and directly responsible for its own operations.

Basis of Presentation

The financial statements, which include the assets, liabilities, net assets and financial activities of Habitat, have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America for not for profit organizations. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

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

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor or grantor restrictions.

*Net Assets With Donor Restrictions* - Net assets subject to donor or grantor-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 donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Home Construction

Habitat builds homes and performs critical repairs and modifications for low to moderate income homeowners. Habitat carries the cost of purchased materials as work in process inventory until completion of the home project. The estimated fair market value of contributed land and material is also carried as work in process and recognized as contributed support and revenue when received. Upon completion of the home project, work in process is then charged to program expense. Construction labor is provided by Habitat volunteers, by future home buyers and by paid construction staff. No value is recognized in the accounts for labor contributed by Habitat volunteers.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies: (continued)

ReStore Operations

Habitat operates ReStore, a retail business that accepts donations of new and used building materials, furniture, appliances and housewares and resells them to the general public through a retail store front warehouse. The ReStore provides the community with a low-cost outlet for home improvement materials making home renovations and improvements more affordable.

Neighborhood Services

Holistic neighborhood revitalization focuses on asset-based community development in order to create the ultimate outcome of an improved quality of life for residents and the community as a whole. Asset-based community development considers local strengths as the primary building blocks of sustainable, long-term community development. It's an innovative solution that reverses neighborhood, economic, and housing disparities that have followed decades of disinvestment and adversely impacted quality of life. Yet, neighborhoods can become stronger and more resilient through a neighborhood-driven plan when all pertinent parties are vested in and accountable to its success.

Real Estate Contracts Receivable

Upon completion of homes, Habitat enters into contracts of sale with home buyers. Contracts provide for the payment of costs of construction (including contributed land and materials, if any) over periods of 15 to 30 years. These contracts bear no interest, and contain clauses restricting speculation and the earning of windfall profits by home buyers.

Sales of homes are recorded at the gross amount of payments to be received over the lives of the contracts. Non-interest bearing contracts are discounted at 3.60 - 7.5%. Discounts are amortized using the effective interest method over the lives of the contracts. Monthly payments are remitted to Farmers State Bank, who then makes deposits twice monthly to Habitat for collections on accounts. These contracts receivable are recorded on the statement of financial position as non-current assets except for the principal portion due within one year. In addition, home buyers make escrow payments to Farmers State Bank for insurance and property taxes. Homeowners in the Heartland Hills area are also required to pay Habitat homeowners association dues. Amounts are classified as HOA deposits. During the year ending June 30, 2024 was transferred to the homeowners and is no longer maintained by Habitat.

Cash and Cash Equivalents

For purposes of the statement of cash flows, Habitat considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Fair Value of Financial Instruments

The FASB standard for Fair Value Measurements establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The 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 are inputs (other than quoted prices included within Level 1) that are observable for assets, either directly or indirectly. Level 3 uses significant unobservable inputs. Level 3 has the lowest priority. Habitat uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When applicable, Habitat measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 and Level 3 inputs would only be used when Level 1 inputs are not available.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies: (continued)

Buildings, Equipment, and Depreciation

Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis, as follows:

Buildings	10 - 39 years
Furnishings and equipment	5 - 7 years
Vehicles	5 years
Construction equipment	5 years

Depreciation expense for the years ended June 30, 2025 and 2024 was \$252,858 and \$187,950, respectively.

Contributed Goods and Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, and would otherwise be purchased by the organization. However, a substantial number of volunteers have donated significant amounts of their time to the organization's program and other services.

Contributed goods are valued at fair market value at the date of the contribution. These goods are then included in the value of the respective homes when sold. Donated services of \$2,000 and \$0 for year ended June 30, 2025 and 2024, respectively, are recorded as contributions at their fair values at the date of donation.

Restricted and Unrestricted Revenue

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Advertising

Advertising costs for promotion purposes are expensed when incurred. Advertising costs charged against operations was \$23,740 and \$49,607 for June 30, 2025 and 2024, respectively.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies: (continued)

Income Taxes

Habitat is a nonprofit organization exempt from paying income taxes under Internal Revenue Code Section 501(c)(3), and is not classified as a private foundation.

Habitat has adopted the accounting standards regarding uncertain tax positions which requires evaluation of the impact of uncertain tax positions taken or expected to be taken on a tax return. In some instances, the organization may be required to recognize a liability related to those tax positions. In evaluating Habitat's tax provisions and accruals, interpretations and tax planning strategies are considered. At June 30, 2025 and 2024, Habitat had no uncertain tax positions requiring recognition in the financial statements. Habitat's income tax filings prior to 2022 are no longer subject to audit by the federal and state taxing authorities. Interest and penalties incurred, if any, when filing income tax returns are recognized in the Statements of Functional Expenses.

Related Entities

Habitat contributed \$41,446 and \$39,400 to Habitat International for the years ended June 30, 2025 and 2024, respectively. Such amounts are classified as program services expense because such funds are expended by Habitat International for low-income housing under terms of the contribution.

Inventory

Inventory consists of building materials used in the construction of homes and purchased and donated items to be sold in the ReStore. Purchased inventory is valued at cost. Donated inventory is valued at its estimated fair value based on its expected selling price.

Allowance for Doubtful Accounts

Real estate contracts receivable consists of amounts due from homeowners for home purchases. No allowance for doubtful accounts has been established because management feels the receivables are fully secured by a mortgage on the property.

Functional Allocation of Expenses

The costs of providing program services, supporting management and general expenses, and fundraising have been summarized in the statement of functional expenses. Certain costs have been allocated among program and supporting services in relation to the manner and purpose for which they were incurred. Joint costs for fundraising expenses have been allocated for cost of goods sold, salary, payroll taxes, employee benefits, and advertising.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 2: Real Estate Contracts Receivable

Real estate contracts arising from sales of homes to low-income families provide for monthly payments of principal (aggregate \$124,907 expected to be received during the year ended June 30, 2026) plus amounts for discounted interest and homeowners association dues (if applicable). At June 30, 2025, there were fourteen homeowners that were behind on their payments with a total principal balance of \$837,983. At June 30, 2024, there were eleven homeowners that were behind on their payments with a total principal balance of \$617,746.

Real estate contracts receivable are non-interest bearing and for financial statement purposes, they are discounted at a 3.60 - 7.5% rate of interest. The discount is then realized over the respective lives of the loans. The fair value of the asset is measured on a recurring basis using significant unobservable inputs (Level 3 inputs).

Real estate contracts arising since 1999 have included a second promissory note that recaptures the difference between the amount of the total price of the house expected to be repaid by the homebuyer through the first/primary mortgage and the house's value based on the market appraisal. The term of the second promissory note is determined on a case by case basis based on the unique factors of each home purchase. The rationale of the second mortgage is to protect donors' and volunteers' charitable gift of funds and labor, protect the homeowner from predatory or sub-prime lenders, to help preserve the availability of affordable housing in the community, allow Habitat to recapture the full value of the home, and to allow Habitat to share in the equity of the home. Since the probability of the home buyer selling the home in the future cannot be determined, no accrual of the notes has been reflected in the financial statements.

In the current year, additional funding was received on some home sales. Down payment assistance and additional subsidy programs were used to reduce the amount of the primary mortgage to the new homeowner. These programs required additional deed restrictions or mortgages to be placed on the home and these take priority over the second mortgage issued by Habitat.

Habitat retains the first right of refusal to repurchase the Habitat home if a home buyer wishes to sell their home during the term of the second promissory note.

	2025		2024	
	Cost	Fair Value (level 3 inputs)	Cost	Fair Value (level 3 inputs)
Balance at beginning of year	\$ 2,812,601	\$ 2,812,601	\$ 3,220,973	\$ 3,220,973
New contracts receivable	572,298	572,298	1,179,629	1,179,629
Discount on new contracts	(305,752)	(305,752)	(680,749)	(680,749)
Collections	612,012	612,012	(523,278)	(523,278)
Contracts receivable sold	(3,565,158)	(3,565,158)	(1,015,618)	(1,015,618)
Imputed interest	1,328,287	1,328,287	631,644	631,644
Balance at end of year	\$ 1,454,288	\$ 1,454,288	\$ 2,812,601	\$ 2,812,601

Habitat was party to an arrangement with Community Bank & Trust, Veridian Credit Union and Midwest One in which it sold, with recourse, thirty-two non-interest bearing mortgage notes receivable for \$3,565,158 as of June 30, 2025 and nine non-interest bearing mortgage notes receivable for \$1,015,618 as of June 30, 2024. Habitat services these mortgages by collecting the monthly payments through Farmers State Bank, and remitting the principal portion of these payments to MidWestOne Bank, Community Bank & Trust, or Veridian. If a mortgage were to be delinquent by more than ninety days, Habitat shall use its best efforts to replace the nonperforming loan with a substitute loan. As of June 30, 2025 and 2024, the balance of the unrecorded recourse obligation is \$5,439,022 and \$3,495,088, respectively.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 3: Pledges Receivable

The Builders Circle is a multi-year leadership giving society for individuals who invest a minimum of \$1,000 or more for a minimum of 5 years. The Nonbuilders Circle was created for individuals who invest less than \$1,000 a year or less than 5 years. The Builders Circle and Nonbuilders Circle were created to recognize the important role donors play in continuing the mission of providing homes, communities and hope for families into the future. The promises to give as of June 30, 2025 are unrestricted, unconditional and due over the next five years. Promises to give to be received after June 30, 2025 are discounted at 4.16%. The unamortized discount on promises to give is \$25,126 and \$13,437 as of June 30, 2025 and 2024, respectively.

Unconditional promises to give are expected to be realized in the following periods:

	2025	2024
In one year or less	\$ 192,484	\$ 92,528
Between one year and five years	445,016	218,989
	<u>637,500</u>	<u>311,517</u>
Less: discounts to present value	(25,126)	(13,437)
	<u>\$ 612,374</u>	<u>\$ 298,080</u>
Reported under current assets	\$ 192,484	\$ 92,528
Reported under other assets	419,890	205,552
Total assets	<u>\$ 612,374</u>	<u>\$ 298,080</u>

Note 4: Work In Process

Following is a summary of home building activity for the years ended June 30:

	2025		2024	
	Homes	Costs	Homes	Costs
Homes under construction, beginning of year	37	\$ 1,662,702	45	\$ 1,860,284
Additional costs incurred on beginning inventory	(1)	2,402,579		3,238,065
New homes started during year	23	428,358	8	300,426
New critical repairs started during year	68	410,329	65	301,623
Critical repairs completed	(71)	(404,260)	(60)	(274,257)
Transfer to fixed assets	0	-	(5)	(967,498)
Homes transferred to homeowners	(9)	(2,237,727)	(16)	(2,795,941)
Total work in process	47	<u>\$ 2,261,981</u>	37	<u>\$ 1,662,702</u>

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 4: Work In Process: (continued)

The balance of homes under construction consists of ending construction inventory - homes and ending work in process at June 30 as follows:

	2025		2024	
	Homes	Costs	Homes	Costs
Homes and critical repair under construction, end of year	12	\$ 1,658,566	16	\$ 1,140,970
Home sites, no construction by year end	35	603,415	21	521,732
		\$ 2,261,981		\$ 1,662,702

Note 5: Beneficial Interest Held by Community Foundation

As of June 30, 2025, Habitat has a beneficial interest in assets held by the Community Foundation of Northeast Iowa (the Foundation). The money was transferred by Habitat to the Foundation to establish an endowment fund. Variance power was granted to the Foundation allowing its Board of Directors to redirect the fund to the support of another charitable agency, in the event Habitat terminates or ceases to exist as a legal entity. Habitat is entitled to receive the earnings on its beneficial interest.

During the year ending June 30, 2024, Habitat started a beneficial interest in assets held by the Waterloo Community Foundation. The money was transferred by Habitat to the Waterloo Community Foundation to establish an endowment fund. Variance power was granted to the Waterloo Community Foundation allowing its Board of Directors to redirect the fund to the support of another charitable agency, in the event Habitat terminates or ceases to exist as a legal entity. Habitat is entitled to receive the earnings on its beneficial interest.

Fair value of asset measured on a recurring basis using significant unobservable inputs (Level 3 inputs):

	2025	2024
Balance at beginning of year	\$ 773,420	\$ 718,087
Contributions	14,079	11,480
Interest income	12,679	11,799
Investment fees	(10,066)	(10,654)
Realized/Unrealized gain/(loss)	59,065	56,313
Distribution received	(21,749)	(13,605)
Balance at end of year	\$ 827,428	\$ 773,420

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 6: Long-Term Debt:

Following is a summary of long-term debt at June 30:

Notes payable:	2025	2024
Notes payable to Habitat for Humanity Iowa, repayable in monthly installments of \$250, 4% interest, secured by promissory notes for 1213 Lantz Ave, Cedar Falls with balances of \$10,347 due June 1, 2026	\$ 2,936	\$ 5,757
Notes payable to Habitat for Humanity Iowa, repayable in monthly installments of \$331, 2% interest, secured by promissory notes for 5419 Norse Dr, Cedar Falls with balances of \$18,484, due December 1, 2033	31,035	34,351
Note payable to Habitat for Humanity International, repayable in monthly payments of \$4,522.20, 5% interest, secured by promissory notes on 10 properties, due June 25, 2028	-	195,634
Note payable to Farmers State Bank, repayable in monthly payments of \$4,275.44, 4.29% interest, secured by promissory notes on the ReStore building, due July 10, 2044	646,200	663,304
Notes payable to U.S. Cellular Financing, repayable in monthly payments of \$22.22, \$33.30, \$26.36, \$420.25, and \$23.02, secured by promissory notes on eight phones and one iPad, due April 25, 2024	6,467	1,832
Notes payable for Housing Renewel, no interest, secured by promissory notes on the mortgage, due October 16, 2025 and May 24, 2026	190,000	190,000
	876,638	1,090,878
Less unamortized debt issuance cost	(1,236)	(1,661)
Less current maturities	(131,879)	(82,884)
Long-term notes and mortgages payable	\$ 743,523	\$ 869,847

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 6: Long-Term Debt: (continued)

Estimated maturities of long-term notes payable for the next five years are as follows:

<u>Year Ended June 30,</u>		
2026	\$	131,879
2027		130,087
2028		36,232
2029		37,416
2030		38,639

Habitat obtained a \$500,000 line of credit at Farmers State Bank dated October 14, 2022 secured by a general business security agreement. At June 30, 2025 no amounts were borrowed against the line of credit. The line of credit was renewed on September 22, 2025 and matures on October 16, 2026.

Note 7: Restricted Net Assets

Net assets were released from restrictions by incurring expenses satisfying the purpose or time restrictions specified by third parties as follows:

	2025	2024
Purpose Restriction Accomplished:		
Home construction costs	\$ 1,265,252	\$ 743,637
	<u>\$ 1,265,252</u>	<u>\$ 743,637</u>

Net assets with donor restrictions consist of the following as of June 30, 2025 and 2024:

Beneficial interest in assets held at Community Foundation	\$ 132,560	\$ 131,915
Home construction costs	63,039	560,903
	<u>\$ 195,599</u>	<u>\$ 692,818</u>

Note 8: Pension Plan

Habitat contributes 4% during the year ending June 30, 2025 and 2024, respectively, toward a 401k plan for all eligible employees. Total pension expense for the period ended June 30, 2025 and 2024 was \$55,080 and \$58,316, respectively.

Note 9: ReStore Program

Habitat established its ReStore in fall of 2015. The ReStore is a retail store set up to receive donated goods and sell to the general public at discounted prices. Donated goods include such items as building materials and household items that would not generally be sold at other retail outlets. The sales from the store are used to help support Habitat's programs. Retail store revenues are recognized when the related goods are sold. The donated materials and goods are valued at the time the goods are sold at the sale value. The costs of sales are recorded at sale value.

IOWA HEARTLAND HABITAT FOR HUMANITY  
WATERLOO, IOWA

Notes to Financial Statements

Note 10: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2025	2024
Total financial assets		
Cash and cash equivalents	\$ 2,885,679	\$ 1,003,592
Accounts and pledges receivable	744,320	1,446,011
	<u>3,629,999</u>	<u>2,449,603</u>
 Less donor restrictions	 <u>195,599</u>	 <u>692,818</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 3,434,400</u>	 <u>\$ 1,756,785</u>

Note 11: Subsequent Events

Management has evaluated subsequent events through January 28, 2026, the date on which the financial statements were available to be issued.

## Required Supplementary Information

IOWA HEARTLAND HABITAT FOR HUMANITY

Schedule of Expenditures of Federal Awards

Year ended June 30, 2025

Grantor/Program	Assistance Listing Number	Grant Number	Program Expenditures
Indirect:			
U.S. Department of Housing and Urban Development:			
HOME Program:			
Waterloo HOME Funds	14.239	FY 25	\$ 84,780
State HOME Funds	14.239	FY 25	11,000
Waterloo Housing Trust	14.239	FY 25	69,112
 Total HOME Program			<u>164,892</u>
 CDBG	 14.228	 FY 25	 <u>50,053</u>
 Economic Development Initiative, Community Project Funding, and Miscellaneous Grants	 14.251	 FY25	 <u>512,503</u>
U.S. Department of Health & Human Services:			
Iowa Department of Health & Human Services:			
ARPA	21.027	FY 25	<u>353,186</u>
 Total Expenditures of Federal Awards			 <u><u>\$ 1,080,634</u></u>

### Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Iowa Heartland Habitat for Humanity under programs of the federal government for the year ended June 30, 2025. 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 Iowa Heartland Habitat for Humanity, it is not intended to and does not present the financial position, changes in financial position or cash flows of Iowa Heartland Habitat for Humanity.

### Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual or modified 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.

### Indirect Cost Rate

Iowa Heartland Habitat for Humanity has elected to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

See accompanying independent auditors' report.

## Internal Controls and Compliance



Independent Auditors' 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  
Iowa Heartland Habitat for Humanity

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited Iowa Heartland Habitat for Humanity'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 Iowa Heartland Habitat for Humanity's major federal program for the year ended June 30, 2025. Iowa Heartland Habitat for Humanity's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Iowa Heartland Habitat for Humanity complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2025.

**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; 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 for our report.

We are required to be independent of Iowa Heartland Habitat for Humanity 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 Iowa Heartland Habitat for Humanity'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 Iowa Heartland Habitat for Humanity's federal programs.

## **Auditors' Responsibilities for the Audit of Compliance**

Our objective is 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 Iowa Heartland Habitat for Humanity'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 judgement made by a reasonable user of the report on compliance about Iowa Heartland Habitat for Humanity's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 Iowa Heartland Habitat for Humanity'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 Iowa Heartland Habitat for Humanity'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 Iowa Heartland Habitat for Humanity'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 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 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.

*Ruzicka & Associates PLLC*

Waterloo, Iowa  
January 28, 2026

# IOWA HEARTLAND HABITAT FOR HUMANITY

## Schedule of Findings and Questioned Costs

Year ended June 30, 2025

### **Part I: Summary of the Independent Auditors' Results**

- (a) Unmodified opinion was issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) The audit did not disclose any significant deficiencies in internal control over financial reporting.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) The audit did not disclose any significant deficiencies in internal control over major programs.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit did not disclose any findings which were required to be reported in accordance with the Uniform Guidance, Section 200.515.
- (g) There are no major program to note.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Iowa Heartland for Humanity did qualify as a low-risk auditee.

### **Part II: Findings Related to the Financial Statements:**

#### INSTANCES OF NON-COMPLIANCE:

No matters were noted.

#### INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

**Part III: Findings and Questioned Costs for Federal Awards:**

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

**Part IV: Other Findings Related to Required Statutory Reporting:**

No matters were noted.

IOWA HEARTLAND HABITAT FOR HUMANITY

Audit Staff

This audit was performed by:

Janel Ruzicka, CPA, Partner

Lauren Crawford

Alexis Lyons