

**2018 Iowa Balance of State Continuum of Care (CoC)
Final New Project Application: Deadline: Wednesday, August 15, 2018, 11:59 PM (LOI due August 1, 2018)**

Instructions: Answer the questions below. Include a "Self-Score" as indicated.

APPLICANT NAME AND LOCATION

Organization Name:	East Central Development Corporation		
Project Name:	ECDC PSH Program		
Type of Project (Permanent Supportive Housing, Rapid Rehousing, Joint Transitional Housing & Rapid Rehousing, DV Bonus Rapid Re-Housing, or DV Bonus Joint TH-RRH)	Permanent Support Housing		
Project Name:	ECDC PSH Program		
Anticipated Renewal Amount:	\$200,000		
Address:	Street: 7600 Commerce Park	City: Dubuque	Zip: 52002
Primary Contact (w/Email & Phone):	Nicole Turpin, 563-690-5771, nturpin@ecia.org		
Secondary Contact (w/Email & Phone):	Amanda Hohmann, 563-258-9187, ahohmann@ecia.org		
Is your agency currently registered in the Federal System for Award Management?:	Circle or Enter: Yes	DUNS #:	80098308

THRESHOLD ASSURANCES (required)

Projects **MUST** meet **ALL** of these requirements to be eligible for consideration.

Will the project be free of the following barriers to accessing housing and services? Verify that each barrier described will **NOT** exist:

		Self-Score: Assurances met?	Assurances met?	Threshold Notes
a. Client having too little or no income:	Not a barrier			
b. Client having a criminal record with exceptions for state-mandated restrictions:	Not a barrier			
c. Client fleeing domestic violence (e.g., lack of a protective order, period of separation from abuser, or law enforcement involvement):	Not a barrier			
d. Client having (or not having) a previous address within Iowa:	Not a barrier			
e. Project failing to comply with HUD's 2016 Gender Identity Rule: (https://www.hudexchange.info/resource/1991/equal-access-to-housing-final-rule/)	Not a barrier			
		Yes		

CONTINUUM OF CARE PARTICIPATION (9 points, questions 1-4)

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1 Local Participation: Since January 2017, have representatives of your agency attended meetings as part of organizing a Coordinated Services Region (CSR) that includes your local service area OR attended meetings of your organized local planning group? Posted meeting minutes must be able to verify attendance. List meetings below. (1 point for each meeting attended, up to 3 points)

Representative (Name of Individual)	Region or Planning Group	Date Attended	Self-Score (up to 3)	CoC Score (up to 3)	Scoring Notes
Amanda Hohmann & Ryan Feller	Region	7/19/2018	3		
Ryan Feller	Region	4/17/2018			
Ryan Feller	Region	3/15/2018			

2 ICH Participation: Since January 2017, have representatives of your agency attended at least three bimonthly meetings of the Iowa Council on Homelessness? Note that anyone can participate in Council meetings even if not a voting member. Posted meeting minutes must verify attendance. (1 point if at least three meetings attended)

Representative (Name of Individual)	Date Attended	Three meetings attended? Circle or enter:	Self-Score (up to 1)	CoC Score (up to 1)	Scoring Notes
Amanda Hohmann	1/19/2018	Yes	1		
Ryan Feller	5/18/2018				
Amanda Hohmann	7/20/2018				

3 ICH Committee Participation: Since January 2017, have representatives of your project attended at least three meetings of one or more Iowa Council on Homelessness committees, including work groups such as the Coordinated Entry Workgroup? Note that anyone can participate in committee meetings even if not a Council member. Posted meeting minutes must verify attendance. (1 point for each meeting attended, up to 3 points)

Representative (Name of Individual)	Committee	Date Attended	Self-Score (up to 3)	CoC Score (up to 3)	Scoring Notes
Ryan Feller	Coordinated Entry	4/17/2018	3		
Ryan Feller	Coordinated Entry	5/15/2018			
Ryan Feller	Coordinated Entry	6/19/2018			

4 Other CoC Participation: Have representatives of your project participated in any of the following activities? Participation records must verify attendance. (1 point for each activity, up to 2 points)

Activity	Representative (Name of Individual)	Self-Score (up to 2)	CoC Score (up to 2)	Scoring Notes
2017 or 2018 HUD Peer-to-Peer Symposium; Symposium planning meeting or 2017 HousingIowa Conference	Amanda Hohmann & Ryan Feller	2		
Local Unsheltered 2018 Point-in-Time Street Count	County/ies: Dubuque & Delaware Amanda Hohmann			

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AGENCY EXPERIENCE (49 points, questions 5-10)

5 Agency History: Describe the agency's experience in effectively addressing homelessness, including permanent supportive housing and/or supportive services or prevention services for those experiencing or at risk of homelessness. (10 points)

In July of 2016, a local nonprofit who was the hub for all homeless related activities for the Dubuque area, closed their doors leaving a huge gap in homeless services. East Central Development Corporation (ECDC), the nonprofit arm of East Central Intergovernmental Association (ECIA) was able to become the project sponsor for the City of Dubuque's Continuum of Care's permanent supportive housing program, the Special Needs Assistance Program (SNAP). Since the transition, staff have been able to increase program participants from 11 to 15 households.

As a result of SNAP management, staff began attending the local Homeless Advisory Coalition (HAC) meetings to get a better understanding of homelessness in the community and what gaps were left unfilled along with participating in the Iowa Council on Homelessness. Staff also became apart of the Coordinated Entry Committee for the State.

ECDC is one of the three main partners for the Eastern Iowa Region for Coordinated Entry and staff acts as one of two communications liaisons for the region. ECDC also manages the homeless hotline for Dubuque and Delaware Counties that serves a a gateway to available homeless services. As a result of this work, ECDC became aware of the lack of services available for the mainstream homeless population and lack of homeless prevention in the area. ECDC applied and received ESG Rapid Re-housing and Street Outreach funds along with applied for a local grant to start a small homeless prevention fund.

With the roll out of the regional coordinated entry, ECDC once again became aware of the need for additional permanent supportive housing for the chronically homeless.

Self-Score (up to 10)	CoC Score (up to 10)	Scoring Notes
8		

6 Grant and Fundraising History: Describe the agency's experience in utilizing funds to address homelessness from sources including federal, state, local governments and private funds such as United Way, community foundation and individual donors. (10 points; 2 for each type of source described here)

diverse portfolio of funding sources is necessary. Current funding partners are:

United Way of the Dubuque Area Tri-States New and Targeted Initiatives- Supports the regional Coordinated Entry and staff time to manage the homeless hotline.

United Way of the Dubuque Area Tri-States Currently Sponsored Projects- Supports staff time in providing case management, basic needs for clients who do not have income or clients who find themselves in emergency situations with SNAP.

HUD-Continuum of Care- Provides permanent supportive rental assistance for the 15 households who are SNAP clients.

Dubuque County- Provides support for staff time, rent, utilities

City of Dubuque- Supports staff time in providing case management, basic needs for clients who do not have income or clients who find themselves in emergency situations with SNAP.

American Trust and Savings Bank- Provides funding to help provide basic needs to program participants, such as transportation to get to and from appointments, etc.

Thiesen's More For Your Community Grant - Supports homeless prevention by providing diversion funding to assist those on the verge of becoming homeless with rental/utility assistance.

HUD Emergency Solutions Grant - Provides rapid re-housing and street outreach services in Dubuque and Delaware Counties.

Self-Score (up to 10)	CoC Score (up to 10)	Scoring Notes
10		

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7 Describe your agency's basic organization and management structure as it relates to this proposed project. Include relationship of any sub-contractors: (10 points)

	Self-Score (up to 10)	CoC Score (up to 10)	Scoring Notes
<p>The East Central Development Corporation (ECDC) is the non-profit arm of East Central Intergovernmental Association (ECIA), a council of governments, formed in 1974. ECIA is committed to working with member governments and other local groups to empower eastern Iowa communities and enhance the quality of life in Cedar, Clinton, Delaware, Dubuque and Jackson Counties. Through ECIA membership, local governments share resources they could not afford individually. The services and programs provided by ECIA cover six broad categories: Community Development, Economic Development, Housing Assistance, Employment and Training, Transit, and Transportation and Planning. Nearly 200,000 people are affected by our services. ECDC was developed to enhance the services ECIA provides and to pursue specific projects that ECIA could not pursue as a public entity. ECIA provides the oversight and staff for ECDC.</p> <p>ECDC is committed to revitalizing this five-county area while serving low to moderate income communities and households and working with underserved neighborhoods that have experienced significant disinvestment. Because of a recent identified need, the range of projects ECDC is involved in through ECIA includes affordable housing development and rehabilitation, economic and community development related projects, downtown revitalization, neighborhood planning projects and implementing, managing and developing homeless programs.</p> <p>Staff who will oversee and provide case management and outreach services for ECDC's homeless programs are a part of the Community Services Department within ECIA. Staff receive guidance and support from the Community Services Manager, who reports directly to ECIA's Executive Director, who meets with ECIA Board of Directors bi-monthly. This structure allows for ECDC's programs the strict oversight by both the ECDC board along with the ECIA board. It also ensures that programs will be managed and staff regardless of staff changes.</p>	<p>10</p>		

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Explain the current homelessness need that this project proposes to address and why and how this particular project is likely to reduce or eliminate this need. Cite available data relevant to the community/ies to be served and to the identified need. Describe any resources currently addressing this need. How would this project be truly “new” in terms of the services provided and the population to be served?

For example, if the need addresses a particular subset of those experiencing/at risk of homelessness, (i.e. chronically homeless individuals), include information about the number of such individuals in the proposed service area. Indicate the number of units currently available for the population, the existing programs managing any such units and cite waiting lists if they exist. Describe the additional units this project would make available and your agency’s ownership and/or relationship with ownership of the units. (10

8 points)

	Self-Score (up to 10)	CoC Score (up to 10)	Scoring Notes
<p>With the closure of the local nonprofit who provided homeless services in Dubuque and Delaware county, ECDC was asked to help close the gaps identified. ECDC began by taking over manadement of the City of Dubuque's Permanent Supportive Housing Program. As coordinated entry began in the region, ECDC was again asked to help, by taking a leadership role and manging the homeless hotline for Dubuque and Delaware Counties. Through these initiatives ECDC became aware of the lack of homeless services for the main stream homeless population and applied for an Emermergy Solutuons Grant for Rapid Re-housing and Street Outreach. ECDC has and continues to seek funding to provide homeless prevention funding to those in need.</p> <p>With the roll out of Coordinated Enrty and the piroity list, the need for additional permanent supportive housing serving the chronically homeless became apparent. The City of Dubuque's Permanent Supportive Housing Program currenly serves 15 housholds and rarely has had a vacancy in the last few years. Currenly 20 Of the 40 households on the coordinated entry priority list for Dubuque and Delaware Counties could qualify and benefit from permanent supportive housing. In 2017, approximately 416 people from Dubuque County and 30 from Delaware were reported as homeless.</p> <p>ECDC would like to operate the ECDC PSH program as a project based program. Which would allow for the program case manager(s) to have office space onsite and provide greater support to clients. As owner of the building, ECDC will remove hurtls experienced by this population when trying to find housing such as crime records, having little or no income, etc., that are conducted by area landlords prior to leasing units.</p>	10		

9 **Financial Capacity:** (2 points for yes; must attach letter)

Circle or enter:

Does your agency undergo annual audits by a CPA?	Yes
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Attach letter from your most recent audit.

Self-Score (0 or 2)	CoC Score (0 or 2)	Scoring Notes
2		

10 **Administration Costs:** (2 points if 7.0% or less)

a) What percentage of the budget requested will be used as administrative costs, i.e., costs other than direct program expenses and salary/benefits of staff working directly on the project?	7.00%
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Self-Score (up to 2)	CoC Score (up to 2)	Scoring Notes
2		

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b) Briefly describe your agency's financial staffing and capacity: (up to 5 points)

The East Central Development Corporation (ECDC) is a non-profit component unit of the East Central Intergovernmental Association (ECIA) developed with the focus of serving the region particularly in the areas of housing for low to moderate income families, including homeless households. ECIA has an annual budget of \$4.7 million and has a single audit conducted annually in accordance with OMB Uniform Guidance. Finances are overseen by Lisa Weinhold, Director of Finances and Human Resources, who is a certified public accountant.

Self Score (up to 5)	Self Score (up to 5)	
5		

PROJECT DESIGN (23 points, questions 11-14)

11 Project Type: (10 points)

Mark one:

- Permanent supportive housing project that meet requirements of DedicatedPLUS or 100% dedicated for chronically homeless individuals and families (10 points)
- Rapid Rehousing project that serve individuals and families, including unaccompanied youth who meet the criteria outlined in HUD's 2018 NOFA (10 points)
- Hybrid Joint TH and PH-RRH component project (10 points)
- DV Bonus Rapid Re-Housing (10 points)
- DV Bonus Joint TH-RRH Program (10 points)

Self-Score (0 or 10)	CoC Score (0 or 10)	Scoring Notes
10 (Permanent supportive housing project that meet requirements of Dedicated PLUS or 100% dedicated for chronically homeless individuals and families)		

PROJECT DESIGN (23 points, questions 11-14)

12 Housing First: Will the project ensure participants are NOT terminated for the following reasons, as evidenced by a written termination policy attached to the application? (select all that apply) (5 points; MUST attach written termination policy for points)

Failure to participate in supportive services and/or failure to make progress on a service plan: (1 point if yes AND matches attached termination policy)	Circle or enter: Yes
Loss of income or failure to improve income: (1 point if yes AND matches attached Termination Policy)	Circle or enter: Yes
Active substance abuse: (1 point if yes AND matches attached termination policy)	Circle or enter: Yes
Any other activity not covered in a lease agreement typically found in the project's geographic area: (1 point if yes AND matches attached termination policy)	Circle or enter: Yes

Self-Score (up to 5)	CoC Score (up to 5)	Scoring Notes

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and ensure that:

Every effort is made to help participants transition to other housing options when continuation in this project is jeopardized or about to expire? (1 point if yes)	Circle or enter: Yes
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5		
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13 Supportive Services: Indicate how clients will be served. (Up to 5 for a; 1 each for b-d)

<p>a. Briefly describe how clients will be assisted with obtaining and remaining in permanent housing: Once clients have been approved for ECDC's PSH program, staff will work with the client to obtain an available unit in the complex and begin assisting them in obtaining resources/services to meet their needs.</p> <p>Staff will then provide case management services through the duration of assistance. This will include goals for the household, budgeting, developing a crisis plan for emergency situations, making referrals to other service providers, etc.</p>
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Self-Score (Up to 5)	Self-Score (Up to 5)	Scoring Notes
5		

14 Check below for each statement that is true for this project. (1 point for each "yes")

b. At least semi-annual follow-ups will be conducted with participants after project exit to ensure and verify that mainstream benefits are received and renewed (and for RRH projects, to ensure and verify that housing stability is maintained).	Circle or enter: Yes
c. Project participants will have access to SSI/SSDI technical assistance provided by the applicant, a sub-recipient, or partner agency.	Circle or enter: Yes
d. Transportation assistance will be provided to clients to attend mainstream benefit appointments, employment training, or jobs.	Circle or enter: Yes

Self-Score (up to 3)	CoC Score (up to 3)	
3		

PROJECT EVALUATION PLAN (5 points, question 15)

15 Project Evaluation: (up to 5 points for a.; b-d for establishing baseline only)

a. Number of participants to be served in project year.	Number: 10-15 households
Justify estimated number, citing previous history and other relevant factors, including local homeless data. The number is based of the current Coordinated Entry Prioritization list that currently has approximately 40 households waiting for services 20 of which would benefit greatly from permanent supportive housing services.	
b. Estimate the percentage of all adult participants who increased <u>total income</u> (earned AND non-employment) from entry to exit:	20%
c. Estimate the <u>percentage</u> of successful exits:	10%
d. Percentage of all participant leavers who exit to shelter, streets or unknown:	0%

Self-Score (0 to 5)	CoC Score (0 to 5)	Scoring Notes
5		
3		
3		
5		

BUDGET (14 points, question 16)

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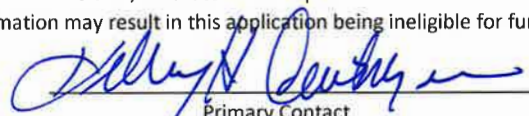
16 Budget request: Provide a summary budget for the proposed project. Include the amounts that will be requested in each relevant category, according to HUD's rules for the particular proposed project. Include the total budget request. Also include the amount that will be requested for administration, referencing #9 above. Use space below or attach separately. (14 points)

Administration	\$14,000	
Case Management	\$86,000	
Leasing and Operating Costs	100,000	
Total	\$200,000	

Self Score (Up to 14)	CoC Score (Up to 14)	Scoring Notes
14		

CERTIFICATION

I certify that to the best of my knowledge and belief, the responses provided above in this application are true, accurate and complete. I further understand that false or incomplete information may result in this application being ineligible for funding.


 Primary Contact

8/15/18
 Date

SUBMISSION CHECKLIST

Be sure you have:

- * completed a response and self-score for each item appropriate to your project
- * attached a copy of your termination policy
- * attach a copy of your most recent audit letter
- * attach an itemized budget (if not in text of application)
- * provided the appropriate signature on the CERTIFICATION box above (You may insert a signature electronically or print the page, sign and send as a scanned attachment.)
- * Indicate the agency/project name on each final page of the submitted application.
- * If applying for the DV Bonus, include the DV BONUS SUPPLEMENT application questions and responses in the application package.

*** submit as ONE PDF by 11:59 pm Wednesday August 15, 2018 to amber.lewis@iowa.gov.**

Termination Policy

Chapter VI Termination of Services

Appeals/Termination Policy

All applicants shall be informed of the Termination Policy at the time of program intake and will be asked to sign off stating that the termination policy has been explained and is understood. ECDC, follows the Housing First model, providing low barriers to applicants and participants to receiving program services. Therefore, applicants and/or clients **cannot be denied or terminated** for receiving program benefits based on the following:

1. Failure to participate in supportive services and/or failure to make progress on service plan goals.
2. Loss of income and/or failure to improve income.
3. Active or past substance abuse.
4. History of victimization (e.g. domestic violence, sexual assault, childhood abuse).
5. Criminal record – except restrictions imposed by federal, state or local law or ordinance.

Clients can be terminated for the following but not limited to lease violations, threatening or violence against program staff, failure to reside in unit. However, the goal of the program is to not create homelessness but to provide a vulnerable population with housing and support in an effort to maintain stability to provide clients the opportunity to address the things that were making them homeless. The Case Manager will determine the factors related to the denial/termination before doing so to ensure termination is proposed only in the most severe cases.

Below is the appeals process:

1. Written notice shall be provided to the ESG applicant or participant by the Case Manager containing a clear statement of the reasons for the denial of application or termination of the ECDC PSH program.
2. The denied party will be able to appeal the decision. The written notice provided to the participant or applicant will describe how the denied party can submit a written request for appeal to the Community Services Manager. The written request for appeal must be received from denied party within fifteen (15) calendar days from the date of the denial letter. The written notice will list the date by which an appeal must be filed, and the form of the written request that should be utilized.
3. A review of the decision will be conducted in which the ECDC PSH applicant/participant will be given the opportunity to present written or oral objections before the Community Services Manager.
4. Following the informal review, a written notice of the decision will be provided to the ECDC PHS applicant/participant within ten (10) business days of the conclusion of the hearing.
5. Following the decision made by the Community Services Manager, the ECDC PSH applicant/participant may make a final appeal to the ECDC board. The written request for appeal must be received from the denied party within fifteen (15) calendars from the data of the denial letter. The written denial letter from the Community Services Manager, will list

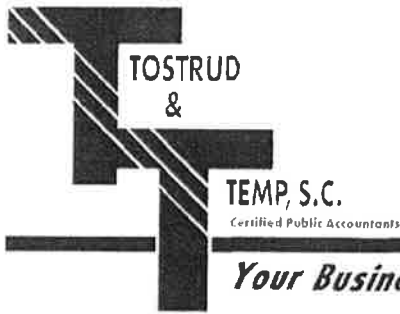
the date by which an appeal must be file, and the form of the written request should be utilized.

6. A review of the decision will be conducted in which the ECDC PSH applicant/participant will be give the opportunity to present written or oral objection before the ECDC board.
7. Following the informal review, a written notice of the decision will be provided to the ECDC PHS applicant/participant within fifteen (15) business days of the conclusion of the hearing.

The decision made by the ECDC Board shall be the final step in the ESG appeal process.

If, denial and/or termination results, the case manager will make every effort to help the denied applicant and/or terminated client transition to another housing option. In an effort to prevent the applicant from remaining homeless and/or preventing the client from becoming homeless.

Audit Letter



609 S. 4th Street, Suite B
La Crosse, WI 54601
Phone: 608-784-8060
Fax: 608-784-8167

INDEPENDENT AUDITOR'S REPORT

Council Members
East Central Intergovernmental
Association
Dubuque, Iowa 52002

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the East Central Intergovernmental Association (Association) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the

opinion on the effectiveness of the Association's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Association, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and other schedules identified in the Required Supplementary Information section be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Association's basic financial statements. The combining statements and fund financial statements by program are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and is also not a required part of the basic financial statements.

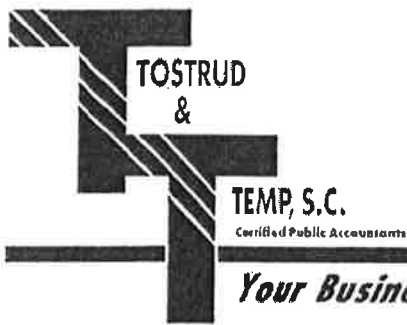
The combining statements and fund financial statements by program, the schedule of expenditures of federal awards, and other supporting schedules as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules and statements are fairly stated in all material respects in relation to the basic 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 October 25, 2017 on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the Association's internal control over financial reporting and compliance.

Tostaud & Tamps, S.C.

October 25, 2017



609 S. 4th Street, Suite B
La Crosse, WI 54601
Phone: 608-784-8060
Fax: 608-784-8167

Your Business Safety Net

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

October 25, 2017

Board of Directors
Eastern Central Intergovernmental Association
Dubuque, Iowa 52002

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the East Central Intergovernmental Association (Association) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated September 1, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the current year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The most sensitive estimates affecting the Association's financial statements were:

Management's estimate of the accumulated depreciation and depreciation expense is based on the Association's fixed asset policy and estimated useful lives of assets.

Management's estimates of the program allocations is based on the Association's allocation policy.

Management's estimate of its net pension liability from the Iowa Public Employee Retirement System, which is based on an actuarial study provided by the Iowa Public Employee Retirement System. We evaluated the key factors and assumptions used to determine the net pension liability, deferred outflows of resources, and deferred inflows of resources in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of its net liability for its Other Post Employment Benefits, which is based on the Alternate Measurement Method provided by an actuary contracted by the Association. We evaluated the key factors and assumptions used to determine the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 25, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and other schedules identified in the Required Supplementary Information section, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining statements and fund financial statements by program, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board and management of the Association and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Tostrud & Temp, S.C.

TOSTRUD & TEMP, S.C.