



**OFFICE OF AUDITOR OF STATE**  
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE

July 19, 2012

Contact: Andy Nielsen  
515/281-5834

Auditor of State David A. Vaudt today released an audit report on America's Agricultural Industrial Heritage Landscape, Inc., d/b/a Silos and Smokestacks National Heritage Area (Silos and Smokestacks) and Silos and Smokestacks Natural Heritage Area Foundation (Foundation), in Waterloo, Iowa for the years ended December 31, 2011 and 2010.

Silos and Smokestacks was organized in 1991 as a non-profit corporation for charitable and educational purposes. The mission of Silos and Smokestacks is to preserve and tell the story of American agriculture and its global significance through partnerships and activities which celebrate the land, people and communities of the area. The Foundation was organized in January 2011 to raise money to support the programs of Silos and Smokestacks.

Vaudt reported Silos and Smokestacks' public support and revenues totaled \$788,450 for the year ended December 31, 2011, a 4% increase over 2010. Public support and revenue consisted primarily of a \$737,462 federal grant, provided through the National Park Service, for conserving, interpreting and developing the historical, cultural, natural and recreational resources related to the industrial and cultural heritage of Northeast Iowa. Expenses totaled \$773,490 for the year ended December 31, 2011, a 2% increase over 2010, and included \$263,737 in project expenses and \$422,523 in personnel expenses.

A copy of the audit report is available for review in the office of the President of Silos and Smokestacks, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/1133-0011-B000.pdf>.

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**AMERICA'S AGRICULTURAL  
INDUSTRIAL HERITAGE LANDSCAPE, INC.  
D/B/A SILOS AND SMOKESTACKS NATIONAL HERITAGE AREA**

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

**DECEMBER 31, 2011 AND 2010**

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**Silos and Smokestacks National Heritage Area**

**Board of Trustees**

<u>Name</u>	<u>Title</u>
Troy Louwagie	Chair
Ron Birkenholz	Vice Chair
Jerry Bolton	Secretary
Geoffrey Grimes	Treasurer
Bruce Gaarder	Member
Maureen Hanson	Member
Matt Heitz	Member
Barbara Lykins	Member
Marilyn Monson	Member
Bill Northey	Member
Audrey Savage	Member
Tom Witt	Member
Gail Carter	Audit Committee Chair
Randy Heitz	Partnership Panel Chair
Donald Short	President

**Silos and Smokestacks National Heritage Area**



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Telephone (515) 281-5834 Facsimile (515) 242-6134

## Independent Auditor's Report

To the Board of Trustees of Silos and Smokestacks National Heritage Area:

We have audited the accompanying consolidated financial statements, listed as exhibits in the table of contents of this report, of America's Agricultural Industrial Heritage Landscape, Inc., d/b/a Silos and Smokestacks National Heritage Area (Silos and Smokestacks), as of and for the years ended December 31, 2011 and 2010. These consolidated financial statements are the responsibility of Silos and Smokestacks' management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Silos and Smokestacks as of December 31, 2011 and 2010, and the changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated June 22, 2012 on our consideration of Silos and Smokestacks' internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in Schedules 1 and 2, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the aforementioned consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

DAVID A. VAUDT, CPA  
Auditor of State

WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

June 22, 2012

**Silos and Smokestacks National Heritage Area**

**Consolidated Financial Statements**

**Exhibit A**

## Silos and Smokestacks National Heritage Area

## Consolidated Statements of Net Assets

December 31, 2011 and 2010

	2011	2010
<b>Assets</b>		
Cash and cash equivalents	\$ 200,153	218,116
Grants receivable	185,438	166,647
Prepaid expenses	2,171	2,063
Equipment, less accumulated depreciation of \$53,401 and \$47,271	10,576	14,836
<b>Total assets</b>	<b>\$ 398,338</b>	<b>401,662</b>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable	\$ 9,399	5,940
Payroll tax payable	5,118	5,440
Compensated absences	11,004	15,931
Unearned revenue	38,139	54,850
Total liabilities	63,660	82,161
Net assets - unrestricted	334,678	319,501
<b>Total liabilities and net assets</b>	<b>\$ 398,338</b>	<b>401,662</b>

See notes to consolidated financial statements.

Silos and Smokestacks National Heritage Area

Consolidated Statements of Activities

Years ended December 31, 2011 and 2010

	2011	2010
Public support and revenues:		
Public support:		
Contributions	\$ 42,083	10,301
Federal support	737,462	742,829
	<u>779,545</u>	<u>753,130</u>
Revenues:		
Conference and workshop income	8,785	6,305
Miscellaneous	120	104
	<u>8,905</u>	<u>6,409</u>
Total public support and revenues	<u>788,450</u>	<u>759,539</u>
Expenses:		
Project	263,737	241,163
Personnel	422,523	431,191
Occupancy	36,348	39,351
Administration	50,882	47,336
Total expenses	<u>773,490</u>	<u>759,041</u>
Operating gain	14,960	498
Non-operating revenue:		
Interest income	217	302
Change in net assets	15,177	800
Net assets beginning of year	319,501	318,701
Net assets end of year	<u>\$ 334,678</u>	<u>319,501</u>

See notes to consolidated financial statements.

**Exhibit C**

## Silos and Smokestacks National Heritage Area

## Consolidated Statements of Cash Flows

Years ended December 31, 2011 and 2010

	2011	2010
Cash flows from operating activities:		
Cash received from federal sources	\$ 718,671	743,664
Contributions received	25,372	16,658
Cash received from miscellaneous sources	8,905	6,409
Cash paid for goods and services	(340,973)	(314,691)
Cash paid to employees for services	(427,769)	(428,296)
Net cash provided (used) by operating activities	(15,794)	23,744
Cash flows from capital activities:		
Acquisition of equipment	(2,386)	(3,458)
Cash flows from investing activities:		
Interest received	217	302
Net increase (decrease) in cash and cash equivalents	(18,180)	20,286
Cash and cash equivalents beginning of year	218,116	197,528
Cash and cash equivalents end of the year	\$ 200,153	218,116
<b>Reconciliation of operating gain to net cash provided (used) by operating activities:</b>		
Operating gain	\$ 14,960	498
Adjustments to reconcile operating gain to net cash provided (used) by operating activities:		
Depreciation	6,646	8,456
(Increase) decrease in grants receivable	(18,791)	835
Increase in prepaid expenses	(108)	(306)
Increase in accounts payable	3,459	5,010
Decrease in payroll tax payable	(322)	(378)
Increase (decrease) in compensated absences	(4,927)	3,272
Increase (decrease) in deferred revenue	(16,711)	6,357
Net cash provided (used) by operating activities	\$ (15,794)	23,744

See notes to consolidated financial statements.

Silos and Smokestacks National Heritage Area

Notes to Consolidated Financial Statements

December 31, 2011 and 2010

**(1) Summary of Significant Accounting Policies**

A. Reporting Entity

America's Agricultural Industrial Heritage Landscape, Inc., d/b/a Silos and Smokestacks National Heritage Area (Silos and Smokestacks), was organized in 1991 as a non-profit corporation for charitable and educational purposes. Silos and Smokestacks provides technical assistance, youth education opportunities and grant funding to communities and partner sites in the heritage area. Silos and Smokestacks encompasses a 37 county region in northeast Iowa and is federally designated as a National Heritage Area and operates as an affiliate of the National Park Service. The primary source of public support is a grant from the National Park Service.

On January 27, 2011, Silos and Smokestacks organized the Silos and Smokestacks National Heritage Area Foundation (Foundation), a not-for-profit corporation. The Foundation is governed by a separate Board of Directors which includes members of Silos and Smokestacks Trustees. The purpose of the Foundation is to obtain resources from gifts, grants and bequests to support programs of Silos and Smokestacks.

Silos and Smokestacks and the Foundation are exempt from tax under Section 501(c)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law, which provides tax exemption for corporations organized and operated exclusively for charitable, religious or educational purposes.

B. Principles of Consolidation

The consolidated financial statements include the accounts of Silos and Smokestacks and the Foundation. Silos and Smokestacks is the sole beneficiary of the resources of the Foundation and is presumed to control the activities of the Foundation in accordance with applicable accounting guidance, thereby requiring consolidation.

Silos and Smokestacks accounts for all resources over which it has discretionary control to use in carrying out the operations of the organization in accordance with the limitations of its charter and bylaws.

C. Basis of Accounting

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

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

Purchases of equipment providing future benefits are capitalized and depreciated.

D. Basis of Presentation

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

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

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

E. Assets, Liabilities and Net Assets

Cash and Cash Equivalents – Silos and Smokestacks considers savings accounts and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Equipment – Purchased equipment is stated at cost. Donated fixed assets are valued at the estimated fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful lives of 3 to 7 years. No interest costs were capitalized since there were no qualifying assets.

Compensated Absences – Employees accumulate a limited amount of earned but unused vacation benefits payable. Amounts representing the cost of compensated absences are recorded as liabilities and have been computed based on rates of pay in effect at December 31, 2011 and 2010.

**(2) Equipment**

A summary of equipment is as follows:

	December 31,	
	2011	2010
Equipment	\$ 63,977	\$ 62,107
Less: accumulated depreciation	53,401	47,271
Equipment, net	\$ 10,576	14,836

**(3) Employee Benefit Plan**

Silos and Smokestacks offers a SIMPLE IRA plan. Under the plan, an employee can defer up to \$11,500 for the year ended December 31, 2011 and \$11,500 for the year ended December 31, 2010 to their SIMPLE IRA. In addition, employees over 50 years of age can defer an additional \$2,500 per year for the years ended December 31, 2011 and 2010, respectively, to their SIMPLE IRA. Investments grow tax-deferred, along with employer contributions. Silos and Smokestacks provides a dollar for dollar match for each participating employee's deferral, up to 3% of the employee's compensation. Plan expenses incurred by Silos and Smokestacks during the years ended December 31, 2011 and 2010 were \$9,331 and \$9,245, respectively.

**(4) Risk Management**

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

**(5) Matching Grant Activity**

Silos and Smokestacks entered into an agreement with the U.S. Department of the Interior, National Park Service (NPS) to receive up to a total of \$15 million in grant funds during the period June 2000 through September 2012, as amended. The agreement requires a dollar for dollar match of Federal funds with non-Federal funds.

**(6) Foundation**

In January 2011, the Silos and Smokestacks National Heritage Area Foundation was formed. During the year ended December 31, 2011, the Foundation received \$13,300 of contributions. Silos and Smokestacks incurred \$10,737 in administrative expenses to aid in the establishment of the Foundation. These transactions are included in the consolidated financial statements.

**Silos and Smokestacks National Heritage Area**

**Supplementary Information**

**Schedule 1**

## Silos and Smokestacks National Heritage Area

## Consolidated Schedules of Public Support and Revenues, Expenses and Changes in Net Assets

Years ended December 31, 2011 and 2010

	2011	2010
Public support and revenues:		
Public support:		
Contributions	\$ 42,083	10,301
Federal support:		
National Park Service grant	737,462	742,829
	<u>779,545</u>	<u>753,130</u>
Revenues:		
Conference and workshop income	8,785	6,305
Interest income	217	302
Miscellaneous	120	104
	<u>9,122</u>	<u>6,711</u>
Total public support and revenues	<u>788,667</u>	<u>759,841</u>
Expenses:		
Project:		
Consultants	74,349	23,220
Grant and loan projects	60,800	69,278
Dues, memberships and subscriptions	4,682	4,998
Insurance	-	50
Public awareness and promotion	9,757	38,739
Printing and postage	56,650	52,602
Website maintenance	376	235
Education and promotion projects	16,112	7,508
Meeting and registration expense	8,560	12,518
Travel, mileage and lodging	27,925	30,921
Other	4,526	1,094
	<u>263,737</u>	<u>241,163</u>
Personnel:		
Salaries	319,178	326,841
Payroll tax	27,533	31,987
Insurance	63,661	60,354
Employee benefits	9,331	9,245
Other	2,820	2,764
	<u>422,523</u>	<u>431,191</u>

Silos and Smokestacks National Heritage Area

Consolidated Schedules of Public Support and Revenues, Expenses and Changes in Net Assets

Years ended December 31, 2011 and 2010

	2011	2010
Expenses (continued):		
Occupancy:		
Rent	30,685	31,228
Telephone	5,663	5,931
Other	-	2,192
	36,348	39,351
Administration:		
Accounting	7,217	6,756
Legal services	128	-
Depreciation	6,646	8,456
Insurance	6,667	6,495
Dues, memberships and subscriptions	5,744	6,754
Materials and supplies	3,087	2,600
Information technology	11,436	8,067
Printing and copies	198	768
Postage and shipping	493	1,108
Advertising and promotion	-	25
Training and education	119	-
Repair and maintenance	2,816	3,893
Meetings and registrations	460	467
Travel, mileage and lodging	5,568	1,618
Other	303	329
	50,882	47,336
Total expenses	773,490	759,041
Change in net assets	15,177	800
Net assets beginning of year	319,501	318,701
Net assets end of year	\$ 334,678	319,501

See accompanying independent auditor's report.

**Schedule 2**

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Silos and Smokestacks National Heritage Area

Schedule of Expenditures of Federal Awards

Year ended December 31, 2011

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Grantor/Program	CFDA Number	Agency or Pass-through Number	Program Expenditures
Direct:			
U.S. Department of the Interior:			
National Park Service:			
National Heritage Area Preservation and Conservation Assistance	15.939	CA6069A0031	\$ <u>737,462</u>

**Basis of Presentation** – The Schedule of Expenditures of Federal Awards includes the federal grant activity of Silos and Smokestacks National Heritage Area and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

See accompanying independent auditor's report.



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

To the Board of Trustees of Silos and Smokestacks National Heritage Area:

We have audited the consolidated financial statements of America's Agricultural Industrial Heritage Landscape, Inc., d/b/a Silos and Smokestacks National Heritage Area (Silos and Smokestacks), as of and for the year ended December 31, 2011, and have issued our report thereon dated June 22, 2012. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Silos and Smokestacks is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Silos and Smokestacks' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing our opinion on the effectiveness of Silos and Smokestacks' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Silos and Smokestacks' internal control over financial reporting.

A deficiency in internal control exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of Silos and Smokestacks' consolidated financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report, a public record by law, is intended solely for the information and use of the officials and employees of Silos and Smokestacks and other parties to whom Silos and Smokestacks may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Silos and Smokestacks during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

June 22, 2012



# OFFICE OF AUDITOR OF STATE

STATE OF IOWA

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Auditor of State

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Independent Auditor's Report on Compliance  
with Requirements That Could Have a Direct and Material Effect  
on Each Major Program and on Internal Control over Compliance in Accordance  
with OMB Circular A-133

To the Board of Trustees of Silos and Smokestacks National Heritage Area:

## Compliance

We have audited America's Agricultural Industrial Heritage Landscape, Inc., d/b/a, Silos and Smokestacks National Heritage Area's (Silos and Smokestacks) compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on Silos and Smokestacks' major federal program for the year ended December 31, 2011. Silos and Smokestacks' major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to its major federal program is the responsibility of Silos and Smokestacks' management. Our responsibility is to express an opinion on Silos and Smokestacks' compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Silos and Smokestacks' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Silos and Smokestacks' compliance with those requirements.

In our opinion, Silos and Smokestacks complied, in all material respects, with the requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011.

## Internal Control Over Compliance

The management of Silos and Smokestacks is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing our audit, we considered Silos and Smokestacks' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Silos and Smokestacks' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance we consider to be material weaknesses, as defined above.

This report, a public record by law, is intended solely for the information and use of the officials and employees of Silos and Smokestacks and other parties to whom Silos and Smokestacks may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.



DAVID A. VAUDT, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

June 22, 2012

Silos and Smokestacks National Heritage Area

Schedule of Findings and Questioned Costs

December 31, 2011

**Part I: Summary of the Independent Auditor's Results:**

- (a) An unqualified opinion was issued on the consolidated financial statements.
- (b) No material weaknesses in internal control over financial reporting were disclosed by the audit of the consolidated financial statements.
- (c) The audit did not disclose any non-compliance which is material to the consolidated financial statements.
- (d) No material weaknesses in internal control over the major program were noted.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the major program.
- (f) The audit disclosed no instances of non-compliance which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Silos and Smokestacks' major program is CFDA #15.939 – National Heritage Area Preservation and Conservation Assistance.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) Silos and Smokestacks qualified as a low-risk auditee.

Silos and Smokestacks National Heritage Area

Schedule of Findings and Questioned Costs

December 31, 2011

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

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

Silos and Smokestacks National Heritage Area

Schedule of Findings and Questioned Costs

December 31, 2011

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

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

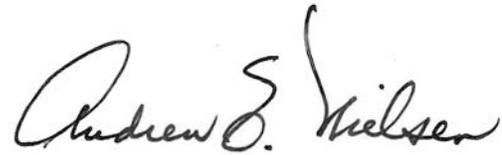
No material weaknesses in internal control over the major program were noted.

Silos and Smokestacks National Heritage Area

Staff

This audit was performed by:

Ernest H. Ruben, Jr., CPA, Manager  
Leanna J. Showman, Staff Auditor  
Cory A. Lee, Assistant Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large, prominent initial "A".

Andrew E. Nielsen, CPA  
Deputy Auditor of State