

**PINE BELT MULTI-PURPOSE COMMUNITY ACTION
AGENCY, INC.
Jonesboro, Louisiana**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
As of And for The Year Ended June 30, 2021**

BY

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**PINE BELT MULTI-PURPOSE COMMUNITY ACTION
AGENCY, INC.
JONESBORO, LOUISIANA**

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Jonesboro, Louisiana

**Financial Statements
and Independent Auditor's Report
with Supplemental Information
As of and for the Year Ended June 30, 2021**

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Independent Auditor's Report

To the Board of Directors of
Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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 purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Pine Belt Multi-Purpose Community Action Agency, Inc.
Independent Auditor's Report (Continued)**

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pine Belt Multi-Purpose Community Action Agency, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

My 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 Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The information in Schedules 1 through 4 and 6 through 16 is also presented for purposes of additional analysis and is not a part of the required 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 my opinion, the information 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*, I have also issued my report dated March 27, 2022, on my consideration of Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over financial reporting and on my 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 my 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 Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over financial reporting and compliance.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 27, 2022

FINANCIAL STATEMENTS

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Statement of Financial Position
June 30, 2021

Assets

Cash and Cash Equivalents	\$ 197,180
Grant Receivable	21,769
Property, Plant & Equipment (Net, Note F)	<u>321,336</u>
Total Assets	<u><u>540,285</u></u>

Liabilities and Net Assets

Liabilities:

Accrued Liabilities	126,669
Deferred Revenue	<u>77,773</u>
Total Liabilities	<u>204,442</u>

Net Assets:

Without Donor Restrictions	
Investment in Fixed Assets	321,336
Operating	<u>(12,119)</u>
Total Without Donor Restrictions	309,217
With Donor Restrictions	26,626
Total Net Assets	<u>335,843</u>
Total Liabilities and Net Assets	<u><u>\$ 540,285</u></u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Statement of Activities

For the Year Ended

June 30, 2021

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues and Gains	
Donation (Police Jury)	\$ 5,000
Inkind Contributions	99,258
Interest Income	17
Other Revenues	129,070
Total Other Support	<u>233,345</u>
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	<u>233,345</u>
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	<u>2,747,405</u>
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	<u>2,980,750</u>
Expenses	
Program Expenses	2,097,740
General and Administrative Expenses	947,809
Total Expenses	<u>3,045,549</u>
DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>(64,799)</u>

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Revenue and Gains	
Grants	
Federal	<u>2,773,481</u>
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	<u>2,773,481</u>
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	<u>(2,747,405)</u>
INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>26,076</u>
DECREASE IN NET ASSETS	(38,723)
Other Changes in Net Assets	
Prior Period Adjustment	<u>(2,633)</u>
Total Other Changes in Net Assets	(2,633)
Net Assets as of Beginning of Year	<u>377,199</u>
Net Assets as of End of Year	<u>\$ 335,843</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Statement of Cash Flows
For the Year Ended
June 30, 2021

Operating Activities	<u>All Funds</u>
Change in Net Assets	\$ (38,723)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Provision for Depreciation	70,524
Decrease in Grants Receivable	64,140
Increase in Accounts Payable/Accrued Liabilities	16,149
Decrease in Deferred Revenue	(10,753)
Prior Period Adjustment	<u>(2,633)</u>
Total Adjustments	<u>137,427</u>
Net Cash Provided by Operating Activities	<u>98,704</u>
Net Increase in Cash and Cash Equivalents	<u>98,704</u>
Cash and Cash Equivalents as of Beginning of Year	<u>98,476</u>
Cash and Cash Equivalents as of The End of Year	<u><u>\$ 197,180</u></u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Statement of Functional Expenses
For the Year Ended
June 30, 2021

	Program Services	Support Services		Total Expenses
		General and Administrative	Total Support Services	
Personnel Costs				
Salaries and Wages	\$ 1,202,797	\$ 225,160	\$ 225,160	\$ 1,427,957
Payroll Taxes and Other Fringe Benefits	198,749	51,161	51,161	249,910
Total Personnel Costs	1,401,546	276,321	276,321	1,677,867
Other Expenses				
Client and Assistance Payments	99,417	-	-	99,417
Community Outreach	7,165	-	-	7,165
Depreciation	70,524	-	-	70,524
Food and Related Supplies	203,087	-	-	203,087
In-kind-Facilities/Volunteers	99,258	-	-	99,258
Insurance	-	6,372	6,372	6,372
Occupancy	26,916	55,479	55,479	82,395
Other General and Administrative Expenses	-	467,199	467,199	467,199
Other Program Expense	133,501	-	-	133,501
Professional Services	-	17,917	17,917	17,917
Repairs & Maintenance	-	25,024	25,024	25,024
Supplies and Postage	5,388	57,584	57,584	62,972
Telephone	-	31,435	31,435	31,435
Training & Development	-	1,038	1,038	1,038
Travel	-	9,214	9,214	9,214
Vehicle Operation	50,938	226	226	51,164
Total Other Expenses	696,194	671,488	671,488	1,367,682
Total Functional Expenses	\$ 2,097,740	\$ 947,809	\$ 947,809	\$ 3,045,549

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements
As of and For the Year Ended June 30, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Pine Belt Multi-Purpose Community Action Agency, Inc. (Pine Belt) is a private nonprofit corporation incorporated under the law of the State of Louisiana. Pine Belt is governed by a board of Directors composed of members from Jackson, Bienville, Morehouse, Red River, Sabine and Winn Parishes which are parishes that Pine Belt serves. Pine Belt operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in these parishes in Louisiana. The following programs, with their approximate percentage of total revenues indicated, are administered by Pine Belt:

Head Start Program (46.77%) - Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided by the federal funds from U.S.D.A. Department of Health and Human Services.

Child and Adult Care Food Program (3.14%)-Provides a food service program in coordination with the Head Start and Summer Child Care Assistance Programs. Funding is provided by the federal funds from U.S.D.A. passed through the Louisiana Department of Education.

Community Service Block Grant (29.10%) - Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Workforce Commission, Office of Workforce Development.

Emergency Food and Shelter Program (4.61%) – Provides emergency food and shelter in areas of high need through-out the community to persons based upon their unemployment or poverty status. The program is a federally funded program administrated by the Federal Emergency Management Agency (FEMA) with funds passing through a local governing board.

Section 8 Housing Assistance Programs (0.87%)-Provides a housing subsidy program funded by the United States Department and Urban Development. Pine Belt has entered into a contract to administer the program for Jackson Parish in Louisiana. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for low-income families at rent they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant's family at required contribution toward the rent.

Summer Food Service Programs (3.91%)-Provides a food service program for needy children during summer months when area schools are closed for the summer. Funding is provided by the federal funds passed through the Louisiana Department of Education.

General Assistance (11.60%) - Accounts for other incidental programs and miscellaneous administrative activities and other general operations of the agency that are not charged to a specific fund. Revenue consists of miscellaneous receipts collected during the year.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

Method of Accounting

The financial statements have been prepared on the accrual method of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its *Audit and Accounting Guide for Not-for-Profit Organizations*.

Basis of Presentation

The financial statements have been prepared in accordance with U.S generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization and the board of directors.

Net Assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Income Tax Status

Pine Belt is a non-profit corporation and is exempt from state and federal income taxes under Section 501 (c) (3) of Internal Revenue Code. However, income from certain activities not directly related to Pine Belt's tax-exempt purpose would be subject to taxation as unrelated business income. Pine Belt had no such income for this audit period.

Public Support and Revenue

In order to comply with restrictions that donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consist mainly of governmental grants and contributions. Contributions of cash and other assets are reported as net assets with donor restrictions if they are received with donor restrictions. Contributions are considered to be without restrictions unless restricted by the donor and are reported as net assets without donor restrictions. All assets over which the Board of Directors has discretionary control have been included in the General Fund.

Depreciation

The Organization follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$5,000. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Building and improvements	30 years
Furniture and equipment	7 years

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Organization had no cash equivalents during the audit period. On June 30, 2021, the Organization had cash totaling \$197,180 as follows:

Without Donor Restrictions	\$	23,134
With Donor Restrictions		174,046
Total Cash	\$	<u>197,180</u>

Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position results of operations and changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Recent Accounting Pronouncements -Not Yet Adopted

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. The FASB requires the new standard to be applied retrospectively, with amendments taking effect for the Organization's year ended June 30, 2022. Management is currently assessing the impact of this pronouncement on its financial statements.

In January 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 is effective for the Organization's year ended June 30, 2023. Management is currently assessing the impact this pronouncement on its financial statements.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

Revenues, Grants, and Other Support

Federal and Other State Grants

Federal and other state grants are generally on a cost reimbursement basis. An accrual is made when eligible expenses are incurred. Revenues from federal and other state grants are recorded when the Organization has a right to reimbursement under the related grant, generally corresponding to the incurring of grant-related expenses by the Organization, or when earned under the terms of the grant.

Contributions

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met. Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

NOTE B. OPERATING LEASE

Pine Belt leases certain buildings under operating leases. Some leases contain renewal options for periods ranging from one to five years. The rental costs on the buildings for the year ended June 30, 2021, was \$16,260. Future minimum lease payments under leases that have remaining terms in excess of one year as of June 30, 2021, are as follows:

<u>Fiscal Year</u>	<u>Buildings</u>
2022	\$ 12,360
2023	7,560
2024	261
Total	<u>\$ 20,181</u>

NOTE C. GRANT RECEIVABLES

At June 30, 2021, the Organization had grant receivables as follows:

Louisiana Department of Labor (Community Service Block Grant)	\$ 96
Louisiana Department of Education (Summer Feeding Program)	2,547
U. S. Department of Health and Human Services (Head Start)	4,651
Emergency Food and Shelter Program (United Way)	14,475
Total	<u>\$ 21,769</u>

NOTE D. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE E. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, and/or sick leave. The Organization has a formal policy for accumulation and vesting of vacation, annual leave, and sick leave which is based on the length of service. The days that are granted are included in annual salaries. Employees may accrue vacation leave up to 144 hours. Upon an employee’s separation of employment, earned and/or accrued leave will be paid up to maximum of 80 hours. Employees can also accrue sick leave, but accumulated sick leave is forfeited upon separation of employment. For the year ended June 30, 2021, the total amount for accumulated days for compensated absences was \$19,570.

NOTE F. PROPERTY, PLANT AND EQUIPMENT

Property and Equipment consists of the following at June 30, 2021:

	Estimated Depreciable Life	Purchased with Federal Funds	Purchased with Non- Federal Funds	Total
Buildings	20-30 Years	\$ 208,789	\$ -	\$ 208,789
Furniture and Equipment	5-7 Years	547,952	48,851	596,803
Vehicles	5 Years	1,091,263	103,008	1,194,271
Land and Site Improvements		84,215	20,000	104,215
Accumulated Depreciation		(1,712,218)	(70,524)	(1,782,742)
Net Investments in Property and Equipment		<u>\$ 220,001</u>	<u>\$ 101,335</u>	<u>\$ 321,336</u>

Depreciation for the year ended June 30, 2021, was \$70,524.

Land and site improvements include a lot valued at \$20,000 donated to Pine Belt by the Town of Jonesboro in December of 2001 to provide Head Start or other educational services. The donation deed stipulates that if Pine Belt ceases to use the property as a Head Start or other educational facility for a period of six months, the property is to immediately revert to the donor. The Department of Health and Human Services provided funding for the site improvement and construction of the building located on the property.

NOTE G. BUDGET PRACTICES

The Organization prepares an annual budget that is approved by the Board of Directors. As a result, “budget to actual” comparative statements are presented as supplemental information.

NOTE H. LIABILITIES

At June 30, 2021, the Organization had liabilities totaling \$126,669 consisting of the following:

Accounts Payable	\$ 2,531
Accrued Leave	19,570
Payroll Liabilities	<u>104,568</u>
Total	<u>\$ 126,669</u>

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE I. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject Pine Belt to concentrations of credit risk consist principally of cash and grants receivables. Concentrations of credit risk with respect to grant receivables are limited because the amounts which are due from governmental agencies are under contractual terms. As of June 30, 2021, Pine Belt had no significant concentration of credit risk in relation to grant receivables.

Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2021, total cash balances held at the financial institutions was \$197,180 and were covered 100% by FDIC.

NOTE J. NET ASSETS WITHOUT DONOR RESTRICTIONS

As of June 30, 2021, net assets of the Organization without donor restrictions consisted of the following programs:

	Operating	Investment in Fixed Assets	Total
General Services	\$ (12,119)	\$ -	\$ (12,119)
Head Start	-	321,336	321,336
Total	<u>\$ (12,119)</u>	<u>\$ 321,336</u>	<u>\$ 309,217</u>

NOTE K. NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, 2021, net assets of the Organization with donor restrictions consisted of the following programs:

Headstart	\$ 288
Child Nutrition Services	23,046
Emergency Food & Shelter	9
Housing Services	3,283
Total	<u>\$ 26,626</u>

These funds are restricted to be used for the operations of these programs. All restrictions were temporary.

NOTE L. CONTRACTUAL REVENUE GRANTS

During the year ended June 30, 2021, Pine Belt received contractual revenue from federal grants in the amount of \$2,773,481. The continual existence of these funds is based on annual contract renewals with various funding sources.

NOTE M. LIQUIDITY MANAGEMENT

As of June 30, 2021, the following financial assets could be made readily available within one year of the statement of financial position date to meet program operational expenditures:

Cash	\$ 197,180
Grants Receivable	21,769
Total	<u>\$ 218,949</u>

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE M. LIQUIDITY MANAGEMENT (Continued)

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due.

NOTE N. RETIREMENT OBLIGATIONS

In December 2017, Pine Belt began participating in a 403 (b) deferred compensation program whereby an amount up to 6% of the salary of eligible employees is contributed to the program. The amount contributed for the year ended June 30, 2021 was \$17,661.

NOTE O. PARENT FUNDRAISING ACCOUNTS

The Organization operates two head start centers. Each of the centers maintains a bank account for its parent fundraising activities. The funds deposited to these accounts are independent of the federal Head Start grant. A summary schedule of the financial activity for the parent fundraising bank accounts is presented as Schedule 14 in the Supplemental Information section of this report.

NOTE P. PARTNERSHIP INVESTMENT

Pine Belt is a member in the following limited partnership:

Pine Belt serves as the Managing General Partner for Sabine Housing 1994 Partners, a Louisiana Partnership in Commendam, organized and operated for the construction, ownership and management of a forty-unit apartment complex in Many, Louisiana known as William E. Ruffin Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Northwood Apartments Partnership, a Louisiana Partnership in Commendam, organized and operated for the construction, ownership and management of a forty-unit apartment complex in Bastrop, Louisiana, known as Northwood Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Maplewood Apartments Partnership, a Louisiana Partnership in Commendam, organized and operated for the construction, ownership and management of a forty-unit apartment complex in Winnfield, Louisiana, known as Maplewood Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Bienville Partnership, a Louisiana Partnership organized and operated for the purchase, remodeling and ownership and management of a thirty-two-unit apartment complex in Ringgold, Louisiana, known as Bienville Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Many Partnership organized and operated for the purchase, remodeling and ownership and management of a thirty-two-unit apartment complex in Many, Louisiana, known as Many Apartments, permanent financing provided with funds provided by the Home

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE P. PARTNERSHIP INVESTMENT (Continued)

Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Timbers Apartments II Partnership organized and operated for the purchase, remodeling and ownership and management of a forty-eight-unit apartment complex in Many, Louisiana, known as Timbers Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Jackson Square Apartments, II Partnership organized and operated for the purchase, remodeling and ownership management of a thirty-two-unit apartment complex in Jonesboro, Louisiana, known as Jackson Square Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Riverwood Apartments Partnership organized and operated for the purchase, remodeling and ownership management of a forty-eight-unit apartment complex in Coushatta, Louisiana, known as Riverwood Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Rockwood Apartments II Partnership organized and operated for the purchase, remodeling and ownership management of a thirty-two-unit apartment complex in Winnfield, Louisiana, known as Rockwood Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Many Senior Apartments, ALPIC organized and operated for the purchase, remodeling and ownership management of a thirty-two-unit apartment complex in Many, Louisiana, known as Many Senior Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Coushatta Senior Apartments, ALPIC organized and operated for the purchase, remodeling and ownership management of a thirty-two-unit apartment complex in Coushatta, Louisiana, known as Coushatta Senior Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Shady Lane Senior Apartments, ALPIC organized and operated for the purchase, remodeling and ownership management of a thirty-two-unit apartment complex in Winnfield, Louisiana, known as Shady Lane Senior Apartments, permanent financing provided with funds provided by the Home Affordable Rental Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt received a management fee from these partnerships for being the Managing General Partner in the amount of \$6,600 for the period ending June 30, 2021.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE Q. NON-FEDERAL MATCH

Per 45 CFR 1306.22, “Head Start programs must use volunteers to the fullest extent possible. Head Start grantees must develop and implement a system to actively recruit, train, and utilize volunteers in the program. (b) Special efforts must be made to have volunteer participation, especially parents, in the classroom and during group socialization activities.”

Pine Belt received donated parent volunteer services, professional services and facility rental of \$206,002 for the year ended June 30, 2021. Donated professional services and facility rental are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and supporting services on the accompanying statements of activities and statements of functional expenses. Parent volunteers have made significant contributions of their time in furtherance of Pine Belt's Head Start program. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP. However, they are allowable in-kind services to meet the required 20% match requirements of the Head Start grant agreement.

A break-down of the in-kind donated services are as follows:

	<u>Total In- Kind/Match</u>	<u>Recorded on Statement of Activities</u>
Parent Volunteers	\$ 106,744	\$ -
Professional Services	43,470	43,470
Facility Rental	55,788	55,788
Total In-Kind/Match	<u>\$ 206,002</u>	<u>\$ 99,258</u>

NOTE R. PRIOR PERIOD ADJUSTMENTS

For the year ending June 30, 2021, the Organization had prior period adjustments for understated expenses as follows:

General Fund	<u>\$ (2,633)</u>
Total	<u>\$ (2,633)</u>

NOTE S. UNCERTAIN TAX POSITIONS

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of March 27, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by Internal Revenue Service for the years ended June 30, 2019, 2020, and 2021; however, there are currently no audits for any tax period in progress.

NOTE T. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 27, 2022, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.



ROSIE D. HARPER

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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 Directors of
Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 27, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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* (Continued)

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 27, 2022



ROSIE D. HARPER

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**Independent Auditor's Report on Compliance for Each Major Program
And on Internal Control Over Compliance Required By The Uniform Guidance**

To the Board of Directors
Pine Belt Multi-Purpose Community Action Agency, Inc

Report on Compliance for Each Major Federal Program

I have audited Pine Belt Multi-Purpose Community Action Agency, Inc's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Pine Belt Multi-Purpose Community Action Agency, Inc's major federal programs for the year ended June 30, 2021. Pine Belt Multi-Purpose Community Action Agency, Inc's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Pine Belt Multi-Purpose Community Action Agency, Inc's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 Pine Belt Multi-Purpose Community Action Agency, Inc's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Pine Belt Multi-Purpose Community Action Agency, Inc's compliance.

Opinion on Each Major Federal Program

In my opinion, Pine Belt Multi-Purpose Community Action Agency, Inc 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 programs for the year ended June 30, 2021.

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

Other Matters

The results of my auditing procedures did not disclose any instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control Over Compliance

Management of Pine Belt Multi-Purpose Community Action Agency, Inc is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Pine Belt Multi-Purpose Community Action Agency, Inc's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Pine Belt Multi-Purpose Community Action Agency, Inc's 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My 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 material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 27, 2022

SUPPLEMENTAL INFORMATION

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Assets, Liabilities, and Net Assets
 For the Year Ended
 June 30, 2021

Assets	Without Donor Restrictions		With Donor Restrictions					Total	Total Funds
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service		
Cash and Cash Equivalents	\$ 23,134	\$ 39,183	\$ 35,623	\$ 12,477	\$ 31,057	\$ 35,533	\$ 20,173	\$ 174,046	\$ 197,180
Grants Receivables	-	4,651	-	96	14,475	-	2,547	21,769	21,769
Due from Other Funds	46,874	9,430	-	-	-	-	-	9,430	56,304
Property, Plant & Equipment (Net)	-	321,336	-	-	-	-	-	321,336	321,336
Total Assets	70,008	374,600	35,623	12,573	45,532	35,533	22,720	526,581	596,589
Liabilities and Net Assets									
Liabilities:									
Accrued Liabilities	81,887	37,056	495	6,859	-	-	372	44,782	126,669
Deferred Revenue	-	-	-	-	45,523	32,250	-	77,773	77,773
Due to Other Funds	240	15,920	12,082	5,714	-	-	22,348	56,064	56,304
Total Liabilities	82,127	52,976	12,577	12,573	45,523	32,250	22,720	178,619	260,746
Net Assets:									
Without Donor Restrictions:									
Investment in Fixed Assets	-	321,336	-	-	-	-	-	321,336	321,336
Operating	(12,119)	-	-	-	-	-	-	-	(12,119)
Total Without Donor Restrictions	(12,119)	321,336	-	-	-	-	-	321,336	309,217
With Donor Restrictions	-	288	23,046	-	9	3,283	-	26,626	26,626
Total Net Assets	(12,119)	321,624	23,046	-	9	3,283	-	347,962	335,843
Total Liabilities and Net Assets	\$ 70,008	\$ 374,600	\$ 35,623	\$ 12,573	\$ 45,532	\$ 35,533	\$ 22,720	\$ 526,581	\$ 596,589

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Support, Revenue, Expenses, and Changes in Net Assets
 For the Year Ended
 June 30, 2021

Schedule 2

	Without Donor Restrictions		With Donor Restrictions					Total	Total Funds
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service		
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS									
Revenue and Gains									
Donation (Police Juries)	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Inkind Contributions	-	99,258	-	-	-	-	-	99,258	99,258
Interest	-	13	-	-	-	4	-	17	17
Other Revenues	129,070	-	-	-	-	-	-	-	129,070
Total Support	134,070	99,271	-	-	-	4	-	99,275	233,345
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	134,070	99,271	-	-	-	4	-	99,275	233,345
Net Assets Released from Restrictions									
Restrictions Satisfied by Payments	2,747,405	-	-	-	-	-	-	-	2,747,405
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	2,881,475	99,271	-	-	-	4	-	99,275	2,980,750
Expenses									
Program Expense	1,928,116	169,624	-	-	-	-	-	169,624	2,097,740
General and Administrative Expenses	947,809	-	-	-	-	-	-	-	947,809
Total Expenses	2,875,925	169,624	-	-	-	-	-	169,624	3,045,549
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	5,550	(70,353)	-	-	-	4	-	(70,349)	(64,799)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS									
Revenue and Gains									
Grants									
Federal	-	1,359,963	91,412	846,099	25,244	113,787	336,976	2,773,481	2,773,481
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	-	1,359,963	91,412	846,099	25,244	113,787	336,976	2,773,481	2,773,481
Net Assets Released from Restrictions									
Restrictions Satisfied by Payments	-	(1,359,963)	(66,220)	(846,271)	(25,244)	(112,731)	(336,976)	(2,747,405)	(2,747,405)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	-	-	25,192	(172)	-	1,056	-	26,076	26,076
INCREASE (DECREASE) IN NET ASSETS	5,550	(70,353)	25,192	(172)	-	1,060	-	(44,273)	(38,723)
NET ASSETS AT THE BEGINNING OF THE YEAR	(15,036)	391,977	(2,146)	172	9	2,223	-	392,235	377,199
Other Changes in Net Assets									
Prior Period Adjustment	(2,633)	-	-	-	-	-	-	-	(2,633)
Total Other Changes in Net Assets	(2,633)	-	-	-	-	-	-	-	(2,633)
NET ASSETS AT THE END OF THE YEAR	\$ (12,119)	\$ 321,624	\$ 23,046	\$ -	\$ 9	\$ 3,283	\$ -	\$ 347,962	\$ 335,843

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Schedule of Cash Flows
For the Year Ended
June 30, 2021

	Without Donor Restrictions		With Donor Restrictions						Total	Total Funds
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service			
Operating Activities										
Change in Net Assets	\$ 5,550	\$ (70,353)	\$ 25,192	\$ (172)	\$ -	\$ 1,060	\$ -	\$ (44,273)	\$ (38,723)	
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:										
Provision for Depreciation	-	70,351	-	173	-	-	-	70,524	70,524	
Decrease (Increase) in Grants Receivable/Other Receivables	-	(42,266)	-	2,434	(14,475)	-	118,447	64,140	64,140	
Decrease (Increase) in Due from Other Funds	(46,873)	(240)	-	-	-	-	-	(240)	(47,113)	
Increase (Decrease) in Accounts Payable/Accrued Liabilities	(10,690)	21,643	495	4,328	-	-	373	26,839	16,149	
Increase (Decrease) in Deferred Revenue	-	37,615	-	-	45,523	32,250	(126,141)	(10,753)	(10,753)	
Increase (Decrease) in Due to Other Funds	240	15,920	2,892	5,714	-	-	22,347	46,873	47,113	
Prior Period Adjustment	(2,633)	-	-	-	-	-	-	-	(2,633)	
Total Adjustments	(59,956)	103,023	3,387	12,649	31,048	32,250	15,026	197,383	137,427	
Net Cash Provided (Used) by Operating Activities	(54,406)	32,670	28,579	12,477	31,048	33,310	15,026	153,110	98,704	
Net Increase (Decrease) in Cash and Cash Equivalents	(54,406)	32,670	28,579	12,477	31,048	33,310	15,026	153,110	98,704	
Cash and Cash Equivalents as of Beginning of Year	77,540	6,513	7,044	-	9	2,223	5,147	20,936	98,476	
Cash and Cash Equivalents as of the End of Year	<u>\$ 23,134</u>	<u>\$ 39,183</u>	<u>\$ 35,623</u>	<u>\$ 12,477</u>	<u>\$ 31,057</u>	<u>\$ 35,533</u>	<u>\$ 20,173</u>	<u>\$ 174,046</u>	<u>\$ 197,180</u>	

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Functional Expenses
 For the Year Ended
 June 30, 2021

	Without Donor Restrictions		With Donor Restrictions (Temporarily Restricted/Reclassified to Without Donor Restrictions)					Total	Total Funds
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service		
General & Administrative									
Personnel Costs									
Salaries and Wages	\$ -	\$ -	\$ -	\$ 211,393	\$ -	\$ -	\$ 13,767	\$ 225,160	\$ 225,160
Payroll Taxes and Other Fringe Benefits	-	-	-	50,108	-	-	1,053	51,161	51,161
Total Personnel Costs	-	-	-	261,501	-	-	14,820	276,321	276,321
Other Expenses									
Insurance	1,672	4,410	-	-	-	-	290	4,700	6,372
Occupancy	8,733	46,746	-	-	-	-	-	46,746	55,479
Other General and Administrative Expenses	22,656	13	-	444,530	-	-	-	444,543	467,199
Professional Services	1,149	16,385	-	-	-	-	383	16,768	17,917
Repairs & Maintenance	1,735	23,289	-	-	-	-	-	23,289	25,024
Supplies and Postage	11,591	45,514	-	-	-	-	479	45,993	57,584
Telephone	5,299	26,136	-	-	-	-	-	26,136	31,435
Training	-	1,038	-	-	-	-	-	1,038	1,038
Travel	670	8,544	-	-	-	-	-	8,544	9,214
Vehicle Operating Expense	226	-	-	-	-	-	-	-	226
Total Other Expenses	53,731	172,075	-	444,530	-	-	1,152	617,757	671,488
Total General & Administrative	53,731	172,075	-	706,031	-	-	15,972	894,078	947,809
Program Expenses									
Personnel Costs									
Salaries and Wages	53,231	967,437	\$ 36,437	91,618	-	-	54,074	1,149,566	1,202,797
Payroll Taxes and Other Fringe Benefits	4,701	159,089	3,594	24,778	-	-	6,587	194,048	198,749
Total Personnel Costs	57,932	1,126,526	40,031	116,396	-	-	60,661	1,343,614	1,401,546
Other Expenses									
Client and Assistance Payments	-	-	-	-	-	99,417	-	99,417	99,417
Community Outreach	7,165	-	-	-	-	-	-	-	7,165
Depreciation	-	70,351	-	173	-	-	-	70,524	70,524
Food and Related Supplies	2,556	-	26,189	-	-	-	174,342	200,531	203,087
In-kind-Facilities/Volunteers	-	99,258	-	-	-	-	-	99,258	99,258
Occupancy	926	-	-	-	25,244	-	746	25,990	26,916
Other Program Expense	822	10,439	-	23,671	-	13,314	85,255	132,679	133,501
Supplies and Postage	5,388	-	-	-	-	-	-	-	5,388
Vehicle Operation	-	50,938	-	-	-	-	-	50,938	50,938
Total Other Expenses	16,857	230,986	26,189	23,844	25,244	112,731	260,343	679,337	696,194
Total Program Expenses	74,789	1,357,512	66,220	140,240	25,244	112,731	321,004	2,022,951	2,097,740
Total Functional Expenses	\$ 128,520	\$ 1,529,587	\$ 66,220	\$ 846,271	\$ 25,244	\$ 112,731	\$ 336,976	\$ 2,917,029	\$ 3,045,549

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Expenditures of Federal Awards
 For the Year Ended
 June 30, 2021

SOURCE OF FEDERAL ASSISTANCE AGENCY	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES
U.S. Department of Health and Human Services		
Direct Programs:		
Head Start Cluster		
Head Start	93.600	\$ 1,249,811
Head Start Cares Act	93.600	110,152
Total Head Start Cluster		1,359,963
Passed Through Louisiana Workforce Commission		
Office of Workforce Development		
Community Services Block Grant	93.569	435,379
Community Services Block Grant (CARES ACT)	93.569	410,720
Total U.S. Department of Health and Human Services		\$ 2,206,062
U.S. Department of Housing and Urban Development		
Direct Programs:		
Section 8 Housing Assistance Payment		
Program-(Jackson Parish and Portability)	14.871	112,357
Section 8 Housing Assistance Payment		
Program Cares Act	14.871	1,430
Total U.S. Department of Housing and Urban Development		\$ 113,787
U.S. Department of Agriculture		
Passed Through Louisiana Department of Education		
Child and Adult Care Food Program	10.558	91,412
Child Nutrition Cluster		
Summer Food Services Program	10.559	336,976
Total Child Nutrition Cluster		336,976
Total U.S. Department of Agriculture		\$ 428,388
Department of Homeland Security		
Passed Through a Local Governing Board		
Emergency Food and Shelter (FEMA) (CARES ACT)	97.024	23,882
Emergency Food and Shelter (FEMA)	97.024	1,362
Total Department of Homeland Security		\$ 25,244
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 2,773,481

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

- The accompanying schedule of expenditures of federal awards includes the federal award activity of Pine Belt Multi-Purpose Community Action Agency, Inc. under programs of the federal government for the year ended June 30, 2021. 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 Pine Belt Multi-Purpose Community Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of Pine Belt Multi-Purpose Community Action Agency, Inc.
- Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- The Organization has elected to use the 10% de minimus indirect cost rate as allowed under Uniform Guidance.

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Schedule of Findings and Questioned Costs
June 30, 2021

NOTE A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. were prepared in accordance with GAAP.
2. There were no significant deficiencies disclosed during the audit of the financial statements. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. were disclosed during the audit.
4. There was no significant deficiency in internal control over major federal award programs disclosed during the audit. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs for Pine Belt Multi-Purpose Community Action Agency, Inc. expresses an unmodified opinion on all major federal programs.
6. There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) reported in this Schedule.
7. The programs tested as major programs were:

CFDA Number	Name of Federal Program
93.600	Head Start
93.569	Community Services Block Grant

8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Pine Belt Multi-Purpose Community Action Agency, Inc. was determined to be a low-risk auditee.

NOTE B. FINANCIAL STATEMENTS FINDINGS

NONE

NOTE C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

General Unrestricted Fund
 Schedule of Revenues, Expenses, and Changes in Net Assets
 For the Year Ended
 June 30, 2021

Revenue	
Police Jury Grants and Contributions	\$ 5,000
Miscellaneous Income	129,070
Total Revenue	134,070
 Expenses	
Personnel Costs	
Salaries and Wages	53,231
Payroll Taxes and Other Fringe Benefits	4,701
Total Personnel Costs	57,932
Other Expenses	
Community Outreach	7,165
Food & Related Supplies	2,556
Insurance	1,672
Miscellaneous	23,478
Occupancy	9,659
Professional Services	1,149
Repairs & Maintenance	1,735
Supplies	16,979
Telephone	5,299
Travel	670
Vehicle Operation	226
Total Other Expenses	70,588
Total Expenses	128,520
Net Change in Net Assets	5,550
Net Assets, July 1, 2019	(15,036)
Other Changes in Net Assets	
Prior Period Adjustment	(2,633)
Total Other Changes in Net Assets	(2,633)
Net Assets, June 30, 2020	\$ (12,119)

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Head Start Awards 06CH7145-06-03 and 06CH011048-01-01
 Schedule of Revenues, Expenses, and Changes in Net Assets

For the Contract Period: December 1, 2019 to November 30, 2020
 Budget to Actual

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenue			
COVID 19	\$ 109,851	\$ 72,531	\$ 37,320
Amount Awarded this Budget Period	1,253,846	1,253,846	-
Total Head Start Grant Revenues	<u>1,363,697</u>	<u>1,326,377</u>	<u>37,320</u>
Interest Income	100	141	(41)
Grantee's Contribution	235,131	270,602	(35,471)
Total Revenues	<u>1,598,928</u>	<u>1,597,120</u>	<u>1,808</u>
Expenditures			
Personnel Costs			
Salaries and Wages	870,302	955,471	(85,169)
Payroll Taxes and Other Fringe Benefits	124,455	143,347	(18,892)
Total Personnel Costs	<u>994,757</u>	<u>1,098,818</u>	<u>(104,061)</u>
Other Expenses			
Non Federal Cost	235,131	270,743	(35,612)
Travel/Transportation	5,000	-	5,000
Contractual	17,648	9,366	8,282
Depreciation	-	70,888	(70,888)
Supplies	45,400	51,478	(6,078)
TTA	16,120	7,072	9,048
Other	284,872	159,643	125,229
Total Other Expenses	<u>604,171</u>	<u>569,190</u>	<u>34,981</u>
Total Expenses	<u>1,598,928</u>	<u>1,668,008</u>	<u>(69,080)</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ (70,888)</u>	<u>\$ 70,888</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Child and Adult Care Food Program
 Louisiana Department of Education
 Schedule of Revenues, Expenses, and Changes in Net Assets
 For the Period: October 1, 2019 to September 30, 2020

Revenue	
Contract Revenue	\$ 76,084
Total Revenue	76,084
 Expenses	
Personnel Costs	
Salaries and Wages	36,943
Payroll Taxes and Other Fringe Benefits	2,789
Total Personnel Costs	39,732
 Other Expenses	
Food Service Costs	36,757
Total Other Expenses	36,757
Total Expenses	76,489
Change in Net Assets	(405)
Net Assets at October 1, 2019	25,932
Net Assets at September 30, 2020	\$ 25,527

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Community Services Block Grant Department of Labor
 Contract No. 2000541782
 Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget to Actual
 For the Contract Period: May 15, 2020 to September 30, 2022
 For the Reporting Period: May 15, 2020 to June 30, 2021

	Budgeted	Actual	Variance
Revenue			
Contract Revenue	\$ 437,648	\$ 279,667	\$ 157,981
Total Revenue	437,648	279,667	157,981
Expenses			
Personnel Costs			
Salaries and Wages	300,626	206,632	93,994
Payroll Taxes and Other Fringe Benefits	75,796	44,377	31,419
Total Personnel Costs	376,422	251,009	125,413
Other Expenses			
Administration	15,587	6,362	9,225
Program Activities	45,639	22,296	23,343
Total Other Expenses	61,226	28,658	32,568
Total Expenses	437,648	279,667	157,981
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Community Services Block Grant Department of Labor
 CSBG Subaward No. 2000507573
 Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget to Actual
 For the Contract Period: May 15, 2020 to September 30, 2022
 For the Reporting Period: May 15, 2020 to June 30, 2021

	Budgeted	Actual	Variance
Revenue			
Contract Revenue	\$ 580,246	\$ 410,720	\$ 169,526
Total Revenue	580,246	410,720	169,526
 Expenses			
Personnel Costs			
Salaries and Wages	-	-	-
Payroll Taxes and Other Fringe Benefits	36,000	-	36,000
Total Personnel Costs	36,000	-	36,000
 Other Expenses			
Administration	140,000	12,122	127,878
Program Activities	404,246	398,598	5,648
Total Other Expenses	544,246	410,720	133,526
Total Expenses	580,246	410,720	169,526
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Community Services Block Grant Department of Labor
 Contract No. 2000460978

Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget to Actual
 For the Contract Period: October 1, 2019 to September 30, 2021
 For the Reporting Period: February 1, 2020 to December 31, 2020

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenue			
Contract Revenue	\$ 428,115	\$ 428,115	\$ -
Total Revenue	<u>428,115</u>	<u>428,115</u>	<u>-</u>
Expenses			
Personnel Costs			
Salaries and Wages	275,010	275,010	-
Payroll Taxes and Other Fringe Benefits	<u>75,796</u>	<u>72,958</u>	<u>2,838</u>
Total Personnel Costs	<u>350,806</u>	<u>347,968</u>	<u>2,838</u>
Other Expenses			
Administration	18,373	18,759	(386)
Program Activities	<u>58,936</u>	<u>61,388</u>	<u>(2,452)</u>
Total Other Expenses	<u>77,309</u>	<u>80,147</u>	<u>(2,838)</u>
Total Expenses	<u>428,115</u>	<u>428,115</u>	<u>-</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Section 8 Housing Assistance Program
Schedule of Revenues, Expenses, and Changes in Net Assets

For the Contract Period: October 1, 2019 to September 30, 2020

Revenue

United States Department of HUD	\$ 39,279
United States Department of HUD-Admin	7,133
Housing Authorities	55,793
HA Port-in Admin	4,842
Interest Income	7
Total Revenue	<u>107,054</u>

Expenses

Program Reimbursements	11,469
Housing Assistance Payments	96,069
Total Expenses	<u>107,538</u>

Change in Net Assets

	<u>(484)</u>
Net Assets at October 1, 2019	1,209
Net Assets at September 30, 2020	<u>\$ 725</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Summer Feeding Program
 Schedule of Revenues, Expenses, and Changes in Net Assets
 For the Contract Period: June 1, 2020 to July 31, 2020

Revenue	
Grant Revenue	\$ 329,143
Total Revenue	<u>329,143</u>
Expenses	
Personnel Costs	
Salaries and Wages	66,067
Payroll Taxes and Other Fringe Benefits	5,149
Total Personnel Costs	<u>71,216</u>
Other Expenses	
Food Service Costs	155,230
Other Program Costs	87,078
Rent Expense	2,629
Supplies	18,322
Utilities	746
Total Other Expenses	<u>264,005</u>
Total Expenses	<u>335,221</u>
Change in Net Assets	<u>(6,078)</u>
Beginning Net Assets	<u>14,102</u>
Ending Net Assets	<u><u>\$ 8,024</u></u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Parent Fundraising Accounts
 Schedule of Changes in Cash Balances
 June 30, 2021

	<u>Bienville Center</u>	<u>Union Bee Center</u>	<u>Total</u>
Beginning Cash:	\$ 12,133	\$ 3,061	\$ 15,194
Revenue:			
Contributions/Fundraisers	2,897	16,221	19,118
Disbursements:	<u>2,595</u>	<u>4,166</u>	<u>6,761</u>
Net Change in Cash:	302	12,055	12,357
Ending Cash:	<u>\$ 12,435</u>	<u>\$ 15,116</u>	<u>\$ 27,551</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Schedule of Board Members

For the Year Ended
June 30, 2021

Board Member	Title	Location
William Ruffin	Chairman	Many, Louisiana
Jessie Davis	Vice Chairman	Coushatta, Louisiana
Cora Stringer	Secretary	Jonesboro, Louisiana
Freddie Blow	Board Member	Gibbsland, Louisiana
Michelle Carpenter	Board Member	Winnfield, Louisiana
Donald Russell	Board Member	Bienville, Louisiana
Stephen Katz	Board Member	Bastrop, Louisiana
Charolette Taylor	Board Member	Coushatta, Louisiana
Shirley Radford	Board Member	Winnfield, Louisiana
Richard Woods	Board Member	Many, Louisiana
Lettie Rochell	Board Member	Arcadia, Louisiana
Lora Fielder	Board Member	Bastrop, Louisiana
Yumeaka Washington	Board Member	Jonesboro, Louisiana
Rosa Williams	Board Member	Winnfield, Louisiana
Dorothy Thomas	Board Member	Bastrop, Louisiana
Ben Taylor	Board Member	Coushatta, Louisiana
Donnie Edmonson	Board Member	Florien, Louisiana
John McCarty	Board Member	Quitman, Louisiana

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Compensation - Key Management

Schedule 17

For the Year Ended
 June 30, 2021

Job Title	<u>Conchita Doyle</u> Executive Director	<u>Shirley Henson</u> Past Director of Headstart	<u>Zettie Moore</u> Current Director of Headstart	<u>April Williams</u> Fiscal Manager
Salary	\$ 99,997	\$ 36,438	\$ 68,022	\$ 91,952
401K	-	650	600	3,456
Benefits-Health Insurance	14,350	2,144	8,610	11,471
Per Diem	-	-	-	-
Registration Fees	-	-	-	-
Total Compensation	<u>\$ 114,347</u>	<u>\$ 39,232</u>	<u>\$ 77,232</u>	<u>\$ 106,879</u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

**PINE BELT MULTI-PURPOSE COMMUNITY ACTION
AGENCY, INC.
Section 8 Housing Program
Jonesboro, Louisiana**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
As of And for The Year Ended
September 30, 2021**

BY

**ROSIE D. HARPER
CERTIFIED PUBLIC ACCOUNTANT, LLP**

**300 WASHINGTON STREET, SUITE 104 • MONROE, LOUISIANA 71201
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**PINE BELT MULTI-PURPOSE COMMUNITY ACTION
AGENCY, INC.**

**Section 8 Housing Program
JONESBORO, LOUISIANA**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION**

**As of And for The Year Ended
September 30, 2021**

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Section 8 Housing Program

**Financial Statements
and Independent Auditor's Report
with Supplemental Information
For the Year Ended
September 30, 2021**

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Independent Auditor's Report

To the Board of Directors of
Pine Belt Multi-Purpose Community Action Agency, Inc.
Section 8 Housing Program
Jonesboro, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program, (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I 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 purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program
Independent Auditor's Report (Continued)**

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pine Belt Multi-Purpose Community Action Agency, Inc.'s Section 8 Housing Program as of September 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information in Schedules 1 through 2 are presented for purposes of additional analysis and are not a part of the required 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 my opinion, the information 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*, I have also issued my report dated March 27, 2022, on my consideration of Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program's internal control over financial reporting and on my 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 my 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 Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program'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 Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program's internal control over financial reporting and compliance.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 27, 2022

FINANCIAL STATEMENTS

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Section 8 Housing Program
 Statement of Financial Position
 September 30, 2021

Assets

Cash and Cash Equivalents	\$ 58,736
	58,736
Total Assets	58,736

Liabilities and Net Assets

Liabilities:

Accrued Liabilities	-
	-
Total Liabilities	-

Net Assets:

Without Donor Restrictions	-
With Donor Restrictions	58,736
	58,736
Total Net Assets	58,736
Total Liabilities and Net Assets	\$ 58,736

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Section 8 Housing Program
Statement of Activities
For the Year Ended
September 30, 2021

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	\$ 118,776
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	<u>118,776</u>
Expenses	
Program Expenses	101,493
General and Administrative Expenses	<u>17,283</u>
Total Expenses	<u>118,776</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>-</u>

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Revenues and Gains	
Grants	
Federal Housing Grants	114,785
Housing Assistance Payments Interest	8
Portability in Payments	<u>59,339</u>
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	<u>174,132</u>
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	<u>(118,776)</u>
INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>55,356</u>
INCREASE IN NET ASSETS	55,356
Other Changes in Net Assets	
Prior Period Adjustment	<u>973</u>
Total Other Changes in Net Assets	973
Net Assets as of Beginning of Year	<u>2,407</u>
Net Assets as of End of Year	<u><u>\$ 58,736</u></u>

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Section 8 Housing Program
 Statement of Cash Flows
 For the Year Ended
 September 30, 2021

Operating Activities	
Change in Net Assets	\$ 55,356
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Prior Period Adjustment	973
Total Adjustments	973
Net Cash Provided by Operating Activities	56,329
Net Increase in Cash and Cash Equivalents	56,329
Cash and Cash Equivalents as of Beginning of Year	2,407
Cash and Cash Equivalents as of The End of Year	\$ 58,736

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements
As of and For the Year Ended
September 30, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Pine Belt Multi-Purpose Community Action Agency, Inc. (Pine Belt) is a private nonprofit corporation incorporated under the law of the State of Louisiana. Pine Belt is governed by a board of Directors composed of members from Jackson, Bienville, Morehouse, Red River, Sabine and Winn Parishes which are parishes that Pine Belt serves. Pine Belt operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in these parishes in Louisiana. The following program, with its approximate percentage of total revenues indicated, is administered by Pine Belt:

Section 8 Housing Assistance Programs - Provides a housing subsidy program funded by the United States Department and Urban Development. Pine Belt has entered into a contract to administer the program for Jackson Parish in Louisiana. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for low-income families at rent they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant's family at required contribution toward the rent.

Method of Accounting

The financial statements have been prepared on the accrual method of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its *Audit and Accounting Guide for Not-for-Profit Organizations*.

Basis of Presentation

The financial statements have been prepared in accordance with U.S generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization and the board of directors.

Net Assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

Basis of Presentation (Continued)

restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Income Tax Status

Pine Belt is a non-profit corporation and is exempt from state and federal income taxes under Section 501 (c) (3) of Internal Revenue Code. However, income from certain activities not directly related to Pine Belt's tax-exempt purpose would be subject to taxation as unrelated business income. Pine Belt had no such income for this audit period.

Public Support and Revenue

In order to comply with restrictions that donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consist mainly of governmental grants and contributions. Contributions of cash and other assets are reported as net assets with donor restrictions if they are received with donor restrictions. Contributions are considered to be without restrictions unless restricted by the donor and are reported as net assets without donor restrictions. All assets over which the Board of Directors has discretionary control have been included in the General Fund.

Depreciation

The Organization follows the practice of capitalizing, at cost, all expenditures for fixed assets in excess of \$5,000. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Building and improvements	30 years
Furniture and equipment	7 years

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Organization had no cash equivalents during the audit period. On September 30, 2021, the Organization had cash totaling \$58,736 as follows:

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

Cash and Cash Equivalents (Continued)

Without Donor Restrictions	\$	-
With Donor Restrictions		<u>58,736</u>
Total Cash	\$	<u><u>58,736</u></u>

Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position results of operations and changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Recent Accounting Pronouncements - Not Yet Adopted

The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. The FASB requires the new standard to be applied retrospectively, with amendments taking effect for the Organization's year ended September 30, 2021. Management is currently assessing the impact of this pronouncement on its financial statements.

In January 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 is effective for the Organization's year ended September 30, 2023. Management is currently assessing the impact this pronouncement on its financial statements.

NOTE B. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE C. LIABILITIES

At September 30, 2021, Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program had no liabilities.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE D. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program to concentrations of credit risk consist principally of cash and grants receivables. Concentrations of credit risk with respect to grant receivables are limited because the amounts which are due from governmental agencies are under contractual terms. As of September 30, 2021, Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program had no significant concentration of credit risk in relation to grant receivables.

Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30, 2021, total cash balances held at the financial institutions was \$58,736 and were covered 100% by FDIC.

NOTE E. NET ASSETS WITH DONOR RESTRICTIONS

As of September 30, 2021, net assets of Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program with donor restrictions were as follows:

Section 8 Housing Program	<u>\$ 55,356</u>
Total Assets With Donor Restrictions	<u><u>\$ 55,356</u></u>

This fund is restricted to be used for the operations of this program. All restrictions were temporary.

NOTE F. CONTRACTUAL REVENUE GRANTS

During the year ended September 30, 2021, Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program received contractual revenue from federal grants in the amount of \$174,132. The continual existence of these funds is based on annual contract renewals with various funding sources.

NOTE G. LIQUIDITY MANAGEMENT

As of September 30, 2021, the following financial assets could be made readily available within one year of the statement of financial position date to meet program operational expenditures:

Cash	<u>\$ 58,736</u>
Total	<u><u>\$ 58,736</u></u>

As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as program operational expenditures, liabilities, and other obligations become due.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE H. EMERGENCY HOUSING VOUCHERS

For the fiscal year ended September 30, 2021, the Organization was awarded additional funding for public housing agency (PHA) Emergency Housing Vouchers (EHV) which was authorized by the American Rescue Plan (ARP) Act of 2021 (Public Law No: 117-2). The ARP authorized the Department of Housing and Urban Development (HUD) to allocate additional vouchers to PHAs through an allocation formula designed to direct emergency housing vouchers to the PHAs operating in areas where the EHV's eligible populations have the greatest need while also considering PHA capacity and the requirement to ensure geographic diversity, including rural areas. The EHV's are provided to help assist individuals and families who are (1) homeless, (2) at risk of homelessness, (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or (4) recently homeless. The total EHV award was \$72,048. For the fiscal year ended September 30, 2021, Pine Belt received \$57,285 of the EHV award funds.

NOTE I. PRIOR PERIOD ADJUSTMENT

For the year ending September 30, 2021, the Organization had prior period adjustments for over statement of income as follows:

Over Statement of Income	\$	973
Total	\$	<u>973</u>

NOTE J. UNCERTAIN TAX POSITIONS

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of March 27, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by Internal Revenue Service for the years ended September 30, 2019, 2020, and 2021; however, there are currently no audits for any tax period in progress.

NOTE K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 27, 2022, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTAL INFORMATION



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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 Directors of
Pine Belt Multi-Purpose Community Action Agency, Inc.
Section 8 Housing Program
Jonesboro, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated March 27, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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* (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pine Belt Multi-Purpose Community Action Agency, Inc. - Section 8 Housing Program's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
March 27, 2022

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Section 8 Housing Program
Schedule of Compensation, Benefits and Other Payments - Key Management

Schedule 1

For the Year Ended
September 30, 2021

	<u>Conchita Doyle</u>	<u>Shirley Henson</u>	<u>Zettie Moore</u>	<u>April Williams</u>
Job Title	Executive Director	Current Director of Headstart	Past Director of Headstart	Fiscal Manager
Salary	\$ 99,094	\$ 16,527	\$ 67,067	\$ 90,717
401K	-	260	600	3,456
Benefits-Health Insurance	-	-	5,805	2,938
Per Diem	-	-	-	-
Registration Fees	-	-	-	-
* Total Compensation	<u>\$ 99,094</u>	<u>\$ 16,787</u>	<u>\$ 73,472</u>	<u>\$ 97,111</u>

*No compensation is paid from Section 8 Housing Program to key management. All compensation paid from other grants.

See Accompanying Independent Auditor's Report and Notes to Financial Statements.

Schedule of Board of Directors
For the Year Ended
September 30, 2021

Board Member	Title	Location
William Ruffin	President	Many, Louisiana
Jessie Davis	Vice President	Coushatta, Louisiana
Cora Stringer	Secretary	Jonesboro, Louisiana
Freddie Blow	Board Member	Gibsland, Louisiana
Michelle Carpenter	Board Member	Winnfield, Louisiana
Donald Russell	Board Member	Bienville, Louisiana
Stephen Katz	Board Member	Bastrop, Louisiana
Charolette Taylor	Board Member	Coushatta, Louisiana
Shirley Radford	Board Member	Winnfield, Louisiana
Richard Woods	Board Member	Many, Louisiana
Lettie Rochell	Board Member	Arcadia, Louisiana
Lora Fielder	Board Member	Bastrop, Louisiana
Yumeaka Washington	Board Member	Jonesboro, Louisiana
Rosa Williams	Board Member	Winnfield, Louisiana
Dorothy Thomas	Board Member	Bastrop, Louisiana
Ben Taylor	Board Member	Coushatta, Louisiana
Donnie Edmonson	Board Member	Florien, Louisiana
John McCarty	Board Member	Quitman, Louisiana

See Accompanying Independent Auditor's Report and Notes to Financial Statements.