

**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, 2020**

BY

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

**300 WASHINGTON STREET, SUITE 104 • MONROE, LOUISIANA 71201
OFFICE (318) 387-8008 • FAX (318) 387-0806**

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

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**Financial Statements
and Independent Auditor's Report
with Supplemental Information
As of and for the Year Ended June 30, 2020**

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ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street, Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

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, 2020, 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, 2020, 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 April 13, 2021, 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
April 13, 2021

FINANCIAL STATEMENTS

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Statement of Financial Position
June 30, 2020

Assets

Cash and Cash Equivalents	\$ 98,476
Grant Receivable	123,525
Property, Plant & Equipment (Net, Note F)	<u>391,860</u>
Total Assets	<u><u>613,861</u></u>

Liabilities and Net Assets

Liabilities:

Accrued Liabilities	110,521
Deferred Revenue	<u>126,141</u>
Total Liabilities	<u><u>236,662</u></u>

Net Assets:

Without Donor Restrictions	
Investment in Fixed Assets	391,860
Operating	<u>(15,036)</u>
Total Without Donor Restrictions	376,824
With Donor Restrictions	375
Total Net Assets	<u><u>377,199</u></u>
Total Liabilities and Net Assets	<u><u>\$ 613,861</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, 2020

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**Revenues and Gains**

Donation (Police Jury)	\$ 2,000
Inkind Contributions	505,294
Interest Income	179
Other Revenues	155,936
Total Other Support	<u>663,409</u>
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	<u>663,409</u>

Net Assets Released from Restrictions

Restrictions Satisfied by Payments	<u>2,896,525</u>
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	<u>3,559,934</u>

Expenses

Program Expenses	3,070,668
General and Administrative Expenses	239,495
Total Expenses	<u>3,310,163</u>
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>249,771</u>

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS**Revenue and Gains**

Grants	
Federal	<u>2,895,369</u>
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	<u>2,895,369</u>
Net Assets Released from Restrictions	
Restrictions Satisfied by Payments	<u>(2,896,525)</u>
DECREASE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>(1,156)</u>
INCREASE IN NET ASSETS	248,615
Other Changes in Net Assets	
Prior Period Adjustment	<u>(12,519)</u>
Total Other Changes in Net Assets	<u>(12,519)</u>
Net Assets as of Beginning of Year	<u>141,103</u>
Net Assets as of End of Year	<u><u>\$ 377,199</u></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, 2020

Operating Activities	All Funds
Change in Net Assets	\$ 248,615
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Provision for Depreciation	71,233
Decrease in Grants Receivable	54,753
Decrease in Due to Grantor Agency	(38,704)
Decrease in Accounts Payable/Accrued Liabilities	(145,631)
Increase in Deferred Revenue	126,141
Prior Period Adjustment	(12,519)
Total Adjustments	<u>55,273</u>
Net Cash Provided by Operating Activities	<u>303,888</u>
 Investing Activities	
Cash Paid for Equipment	<u>(327,072)</u>
Net Cash Used by Investing Activities	<u>(327,072)</u>
Net Decrease in Cash and Cash Equivalents	<u>(23,184)</u>
Cash and Cash Equivalents as of Beginning of Year	<u>121,660</u>
Cash and Cash Equivalents as of The End of Year	<u><u>\$ 98,476</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, 2020

	Program Services	Support Services		Total Expenses
		General and Administrative	Total Support Services	
Personnel Costs				
Salaries and Wages	\$ 1,202,704	\$ 136,189	\$ 136,189	\$ 1,338,893
Payroll Taxes and Other Fringe Benefits	193,822	36,953	36,953	230,775
Total Personnel Costs	<u>1,396,526</u>	<u>173,142</u>	<u>173,142</u>	<u>1,569,668</u>
Other Expenses				
Client and Assistance Payments	94,046	-	-	94,046
Community Outreach	54,594	-	-	54,594
Depreciation	71,233	-	-	71,233
Food and Related Supplies	64,387	-	-	64,387
In-kind-Facilities/Volunteers	505,294	-	-	505,294
Insurance	410	4,422	4,422	4,832
Occupancy	43,160	13,528	13,528	56,688
Other Direct Activity Expense	16,054	-	-	16,054
Other General and Administrative Expenses	-	32,205	32,205	32,205
Other Program Expense	139,020	-	-	139,020
Professional Services	9,734	1,579	1,579	11,313
Repairs & Maintenance	332,100	1,297	1,297	333,397
Supplies and Postage	234,310	6,526	6,526	240,836
Telephone	21,514	5,817	5,817	27,331
Training & Development	9,331	-	-	9,331
Travel	1,296	430	430	1,726
Vehicle Operation	77,659	549	549	78,208
Total Other Expenses	<u>1,674,142</u>	<u>66,353</u>	<u>66,353</u>	<u>1,740,495</u>
Total Functional Expenses	<u>\$ 3,070,668</u>	<u>\$ 239,495</u>	<u>\$ 239,495</u>	<u>\$ 3,310,163</u>

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, 2020

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 (70.7%) - 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 (2.6%)-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 (14.2%) - 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 (0%) – 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 (3.2%)-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 (4.55%)-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 (4.75%) - 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 or restrictions designated by the governing board. 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, 2020, the Organization had cash totaling \$98,476 as follows:

Without Donor Restrictions	\$ 77,540
With Donor Restrictions	<u>20,936</u>
Total Cash	<u>\$ 98,476</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.

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, 2020, was \$16,260. Future minimum lease payments under leases that have remaining terms in excess of one year as of June 30, 2020, are:

<u>Fiscal Year</u>	<u>Buildings</u>
2021	\$ 16,260
2022	<u>6,521</u>
Total	<u>\$ 22,781</u>

NOTE C. GRANT RECEIVABLES

At June 30, 2020, the Organization had grant receivables as follows:

Louisiana Department of Labor (Community Service Block Grant)	\$ 2,531
Louisiana Department of Education (Summer Feeding Program)	<u>120,994</u>
Total	<u>\$ 123,525</u>

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

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.

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, 2020, the total amount for accumulated days for compensated absences was \$25,286.

NOTE F. PROPERTY, PLANT AND EQUIPMENT

Property and Equipment consists of the following at June 30, 2020:

	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		(1,560,359)	(151,859)	(1,712,218)
Net Investments in Property and Equipment		<u>\$ 371,860</u>	<u>\$ 20,000</u>	<u>\$ 391,860</u>

Depreciation for the year ended June 30, 2020 was \$71,233.

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.

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

NOTE G. LIABILITIES

At June 30, 2020, the Organization had liabilities totaling \$110,521 consisting of the following:

Accounts Payable	\$	2,531
Accrued Leave		25,286
Payroll Liabilities		82,704
Total	\$	<u>110,521</u>

NOTE I. 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 J. 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, 2019, 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, 2020, total cash balances held at the financial institutions was \$98,476 and were covered 100% by FDIC.

NOTE K. NET ASSETS WITHOUT DONOR RESTRICTIONS

As of June 30, 2020, net assets of the Organization without donor restrictions consisted of the following programs:

	Operating	Investment in Fixed Assets	Total
General Services	\$ (15,036)	\$ -	\$ (15,036)
Head Start	-	391,688	391,688
Child Nutrition Services	-		
Community Service	-	172	172
Total	<u>\$ (15,036)</u>	<u>\$ 391,860</u>	<u>\$ 376,824</u>

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

NOTE L. NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, 2020, net assets of the Organization with donor restrictions consisted of the following programs:

Headstart	\$	289
Child Nutrition Services		(2,146)
Emergency Food & Shelter		9
Housing Services		<u>2,223</u>
Total	\$	<u>375</u>

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

NOTE M. HEADSTART DOWNSIZE

The Pine Belt Multi-Purpose CAA, Inc. Head Start Program was required to re-compete for funding through the Designation Renewal System. Based upon the scoring of the open competition, the agency was downsized from seven (7) to two (2) center-based locations serving (125) children/families in two parishes, Jackson and Bienville. This re-award of funding became effective June 1, 2019 by Department of Health and Human Services/ Office of Head Start.

NOTE N. CONTRACTUAL REVENUE GRANTS

During the year ended June 30, 2020, Pine Belt received contractual revenue from federal grants in the amount of \$2,895,369. The continual existence of these funds is based on annual contract renewals with various funding sources.

NOTE O. LIQUIDITY MANAGEMENT

As of June 30, 2020, the following financial assets could be made readily available within one year of the statement of financial position date to meet general expenditures:

Cash	\$	98,476
Grants Receivable		<u>123,525</u>
Total	\$	<u><u>222,001</u></u>

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 P. 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, 2020 was \$20,480.

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

NOTE Q. 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 R. 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 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 Multi-Purpose Community Action Agency, Inc.
Notes to Financial Statements (Continued)

NOTE R. PARTNERSHIP INVESTMENT (continued)

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 \$6,330 for the period ending June 30, 2020.

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

NOTE S. NON-FEDERAL MATCH

Head Start programs must provide at least 20% of their operating costs through in-kind donations or cash. The Organization met its match requirement through in-kind contributions of services and donated facilities and cash. The in-kind contributions are recognized using an estimated value of what the Organization would be willing to pay for these same services or facility cost at market value. For the year ending June 30, 2020, the Organization match requirements were met as follows:

Cash	\$ 22,071
Volunteers and Facilities	505,294
Total	<u>\$ 527,365</u>

NOTE T. PRIOR PERIOD ADJUSTMENTS

For the year ending June 30, 2020, the Organization had prior period adjustments for understated expenses as follows:

General Fund	\$ 6,616
Headstart	5,903
Total	<u>\$ 12,519</u>

NOTE U. 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 April 13, 2021, 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, 2018, 2019, and 2020; however, there are currently no audits for any tax period in progress.

NOTE V. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 13, 2021, 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

Certified Public Accountant, LLP

300 Washington Street, Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

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, 2020, 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 April 13, 2021.

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
April 13, 2021



ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street, Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

**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, 2020. 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, 2020.

**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
April 13, 2021

SUPPLEMENTAL INFORMATION

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Assets, Liabilities, and Net Assets
 For the Year Ended
 June 30, 2020

Assets	Without Donor Restrictions		With Donor Restrictions					Total	
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service	Total	Funds
Cash and Cash Equivalents	\$ 77,540	\$ 6,513	\$ 7,044	\$ -	\$ 9	\$ 2,223	\$ 5,147	\$ 20,936	\$ 98,476
Grants Receivables	-	-	-	2,531	-	-	120,994	123,525	123,525
Due from Other Funds	-	9,190	-	-	-	-	-	9,190	9,190
Property, Plant & Equipment (Net)	-	391,688	-	172	-	-	-	391,860	391,860
Total Assets	77,540	407,391	7,044	2,703	9	2,223	126,141	545,511	623,051
Liabilities and Net Assets									
Liabilities:									
Accrued Liabilities	92,576	15,414	-	2,531	-	-	-	17,945	110,521
Deferred Revenue	-	-	-	-	-	-	126,141	126,141	126,141
Due to Other Funds	-	-	9,190	-	-	-	-	9,190	9,190
Total Liabilities	92,576	15,414	9,190	2,531	-	-	126,141	153,276	245,852
Net Assets:									
Without Donor Restrictions:									
Investment in Fixed Assets	-	391,688	-	172	-	-	-	391,860	391,860
Operating	(15,036)	-	-	-	-	-	-	-	(15,036)
Total Without Donor Restrictions	(15,036)	391,688	-	172	-	-	-	391,860	376,824
With Donor Restrictions	-	289	(2,146)	-	9	2,223	-	375	375
Total Net Assets	(15,036)	391,977	(2,146)	172	9	2,223	-	392,235	377,199
Total Liabilities and Net Assets	\$ 77,540	\$ 407,391	\$ 7,044	\$ 2,703	\$ 9	\$ 2,223	\$ 126,141	\$ 545,511	\$ 623,051

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, 2020

Schedule 2

	Without Donor Restrictions		With Donor Restrictions					Total	
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service	Total	Funds
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS									
Revenue and Gains									
Donation (Police Juries)	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Inkind Contributions	-	505,294	-	-	-	-	-	505,294	505,294
Interest	-	170	-	-	-	9	-	179	179
Other Revenues	133,865	22,071	-	-	-	-	-	22,071	155,936
Total Support	135,865	527,535	-	-	-	9	-	527,544	663,409
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	135,865	527,535	-	-	-	9	-	527,544	663,409
Net Assets Released from Restrictions									
Restrictions Satisfied by Payments	2,640,340	256,185	-	-	-	-	-	256,185	2,896,525
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	2,776,205	783,720	-	-	-	9	-	783,729	3,559,934
Expenses									
Program Expense	2,543,303	527,365	-	-	-	-	-	527,365	3,070,668
General and Administrative Expenses	239,495	-	-	-	-	-	-	-	239,495
Total Expenses	2,782,798	527,365	-	-	-	-	-	527,365	3,310,163
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(6,593)	256,355	-	-	-	9	-	256,364	249,771
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS									
Revenue and Gains									
Grants									
Federal	-	2,079,694	86,684	471,289	-	106,269	151,433	2,895,369	2,895,369
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	-	2,079,694	86,684	471,289	-	106,269	151,433	2,895,369	2,895,369
Net Assets Released from Restrictions									
Restrictions Satisfied by Payments	-	(2,078,518)	(89,369)	(471,636)	-	(105,569)	(151,433)	(2,896,525)	(2,896,525)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	-	1,176	(2,685)	(347)	-	700	-	(1,156)	(1,156)
INCREASE (DECREASE) IN NET ASSETS	(6,593)	257,531	(2,685)	(347)	-	709	-	255,208	248,615
NET ASSETS AT THE BEGINNING OF THE YEAR	(1,827)	140,349	539	519	9	1,514	-	142,930	141,103
Other Changes in Net Assets									
Prior Period Adjustment	(6,616)	(5,903)	-	-	-	-	-	(5,903)	(12,519)
Total Other Changes in Net Assets	(6,616)	(5,903)	-	-	-	-	-	(5,903)	(12,519)
NET ASSETS AT THE END OF THE YEAR	\$ (15,036)	\$ 391,977	\$ (2,146)	\$ 172	\$ 9	\$ 2,223	\$ -	\$ 392,235	\$ 377,199

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

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Schedule of Cash Flows
 For the Year Ended
 June 30, 2020

	Without Donor Restrictions	With Donor Restrictions						Total	
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service	Total	Funds
Operating Activities									
Change in Net Assets	\$ (6,593)	\$ 257,531	\$ (2,685)	\$ (347)	\$ -	\$ 709	\$ -	\$ 255,208	\$ 248,615
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:									
Provision for Depreciation	-	70,887	-	346	-	-	-	71,233	71,233
Decrease (Increase) in Grants Receivable/Other Receivables	-	66,968	-	19,990	-	-	(32,205)	54,753	54,753
Decrease (Increase) in Due from Other Funds	38,623	(9,190)	-	-	-	-	-	(9,190)	29,433
Increase (Decrease) in Accounts Payable/Accrued Liabilities	18,501	(58,375)	-	(19,989)	-	-	(85,768)	(164,132)	(145,631)
Increase (Decrease) in Due to Grantor Agency	-	-	-	-	(38,704)	-	-	(38,704)	(38,704)
Increase (Decrease) in Deferred Revenue	-	-	-	-	-	-	126,141	126,141	126,141
Increase (Decrease) in Due to Other Funds	-	-	9,190	(16,665)	-	-	(21,958)	(29,433)	(29,433)
Prior Period Adjustment	(6,616)	(5,903)	-	-	-	-	-	(5,903)	(12,519)
Total Adjustments	50,508	64,387	9,190	(16,318)	(38,704)	-	(13,790)	4,765	55,273
Net Cash Provided (Used) by Operating Activities	43,915	321,918	6,505	(16,665)	(38,704)	709	(13,790)	259,973	303,888
Investing Activities									
Cash Paid for Capital Assets	-	(327,072)	-	-	-	-	-	(327,072)	(327,072)
Net Cash Provided (Used) by Financing Activities	-	(327,072)	-	-	-	-	-	(327,072)	(327,072)
Net Increase (Decrease) in Cash and Cash Equivalents	43,915	(5,154)	6,505	(16,665)	(38,704)	709	(13,790)	(67,099)	(23,184)
Cash and Cash Equivalents as of Beginning of Year	33,625	11,667	539	16,665	38,713	1,514	18,937	88,035	121,660
Cash and Cash Equivalents as of the End of Year	\$ 77,540	\$ 6,513	\$ 7,044	\$ -	\$ 9	\$ 2,223	\$ 5,147	\$ 20,936	\$ 98,476

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, 2020

	Without Donor	With Donor Restrictions (Temporarily Restricted/Reclassified to Without Donor Restrictions)						Total		
	Restrictions	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food and Shelter	Housing Services	Summer Food Service	Total	Funds
General & Administrative										
Personnel Costs										
Salaries and Wages	\$	24,825	\$ -	\$ -	\$ 97,587	\$ -	\$ -	\$ 13,777	\$ 111,364	\$ 136,189
Payroll Taxes and Other Fringe Benefits		10,244	-	-	24,784	-	-	1,925	26,709	36,953
Total Personnel Costs		35,069	-	-	122,371	-	-	15,702	138,073	173,142
Other Expenses										
Insurance		4,128	-	-	-	-	-	294	294	4,422
Occupancy		13,528	-	-	-	-	-	-	-	13,528
Other General and Administrative Expenses		11,500	-	-	20,705	-	-	-	20,705	32,205
Professional Services		950	-	-	-	-	-	629	629	1,579
Repairs & Maintenance		1,297	-	-	-	-	-	-	-	1,297
Supplies and Postage		5,400	-	-	-	-	-	1,126	1,126	6,526
Telephone		5,817	-	-	-	-	-	-	-	5,817
Travel		384	-	-	-	-	-	46	46	430
Vehicle Operating Expense		549	-	-	-	-	-	-	-	549
Total Other Expenses		43,553	-	-	20,705	-	-	2,095	22,800	66,353
Total General & Administrative		78,622	-	-	143,076	-	-	17,797	160,873	239,495
Program Expenses										
Personnel Costs										
Salaries and Wages		-	881,627	44,279	216,967	-	-	59,831	1,202,704	1,202,704
Payroll Taxes and Other Fringe Benefits		-	136,384	3,342	49,519	-	-	4,577	193,822	193,822
Total Personnel Costs		-	1,018,011	47,621	266,486	-	-	64,408	1,396,526	1,396,526
Other Expenses										
Client and Assistance Payments		-	-	-	-	-	94,046	-	94,046	94,046
Community Outreach		54,594	-	-	-	-	-	-	-	54,594
Depreciation		-	70,887	-	346	-	-	-	71,233	71,233
Food and Related Supplies		2,676	-	41,748	-	-	-	19,963	61,711	64,387
In-kind-Facilities/Volunteers		-	505,294	-	-	-	-	-	505,294	505,294
Insurance		-	410	-	-	-	-	-	410	410
Occupancy		261	41,723	-	-	-	-	1,176	42,899	43,160
Other Direct Activity Expense		-	-	-	16,054	-	-	-	16,054	16,054
Other Program Expense		4,418	29,316	-	45,674	-	11,523	48,089	134,602	139,020
Professional Services		-	9,734	-	-	-	-	-	9,734	9,734
Repairs and Maintenance		-	332,100	-	-	-	-	-	332,100	332,100
Supplies and Postage		1,887	232,423	-	-	-	-	-	232,423	234,310
Telephone		-	21,514	-	-	-	-	-	21,514	21,514
Training & Development		-	9,331	-	-	-	-	-	9,331	9,331
Travel		-	1,296	-	-	-	-	-	1,296	1,296
Vehicle Operation		-	77,659	-	-	-	-	-	77,659	77,659
Total Other Expenses		63,836	1,331,687	41,748	62,074	-	105,569	69,228	1,610,306	1,674,142
Total Program Expenses		63,836	2,349,698	89,369	328,560	-	105,569	133,636	3,006,832	3,070,668
Total Functional Expenses	\$	142,458	\$ 2,349,698	\$ 89,369	\$ 471,636	\$ -	\$ 105,569	\$ 151,433	\$ 3,167,705	\$ 3,310,163

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, 2020

SOURCE OF FEDERAL ASSISTANCE AGENCY	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES
U.S. Department of Health and Human Services		
Direct Programs:		
Head Start	93.600	\$ 2,079,694
Passed Through Louisiana Workforce Commission Office of Workforce Development Community Services Block Grant	93.569	471,289
Total U.S. Department of Health and Human Services		2,550,983
U.S. Department of Housing and Urban Development		
Direct Programs:		
Section 8 Housing Assistance Payment Program-(Jackson Parish and Portability)	14.871	106,269
Total U.S. Department of Housing and Urban Development		106,269
U.S. Department of Agriculture		
Passed Through Louisiana Department of Education		
Child and Adult Care Food Program	10.558	86,684
Summer Food Services Program	10.559	151,433
Total U.S. Department of Agriculture		238,117
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 2,895,369

**PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2020**

- 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, 2020. 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, 2020

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, 2020

Revenue	
Police Jury Grants and Contributions	\$ 2,000
Miscellaneous Income	133,865
Total Revenue	<u>135,865</u>
Expenses	
Personnel Costs	
Salaries and Wages	24,825
Payroll Taxes and Other Fringe Benefits	10,244
Total Personnel Costs	<u>35,069</u>
Other Expenses	
Community Outreach	54,594
Food & Related Supplies	2,676
Insurance	4,128
Miscellaneous	15,918
Occupancy	13,789
Professional Services	950
Repairs & Maintenance	1,297
Supplies	7,287
Telephone	5,817
Travel	384
Vehicle Operation	549
Total Other Expenses	<u>107,389</u>
Total Expenses	<u>142,458</u>
Net Change in Net Assets	(6,593)
Net Assets, July 1, 2019	<u>(1,827)</u>
Other Changes in Net Assets	
Prior Period Adjustment	<u>(6,616)</u>
Total Other Changes in Net Assets	<u>(6,616)</u>
Net Assets, June 30, 2020	<u><u>\$ (15,036)</u></u>

See Accompanying 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, 2018 to November 30, 2019
 Budget to Actual

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenue			
Amount Awarded this Budget Period	\$ 3,065,422	\$ 3,065,422	\$ -
Total Head Start Grant Revenues	<u>3,065,422</u>	<u>3,065,422</u>	<u>-</u>
Interest Income	120	96	24
Grantee's Contribution	<u>754,041</u>	<u>768,856</u>	<u>(14,815)</u>
Total Revenues	<u>3,819,583</u>	<u>3,834,374</u>	<u>(14,791)</u>
Expenditures			
Personnel Costs			
Salaries and Wages	1,617,286	1,539,059	78,227
Payroll Taxes and Other Fringe Benefits	<u>279,435</u>	<u>265,300</u>	<u>14,135</u>
Total Personnel Costs	<u>1,896,721</u>	<u>1,804,359</u>	<u>92,362</u>
Other Expenses			
Non Federal Cost (Facilities and Volunteers)	754,041	768,856	(14,815)
Equipment	273,860	327,072	(53,212)
Travel/Transportation	14,690	3,084	11,606
Contractual	27,770	20,844	6,926
Supplies	268,894	218,734	50,160
Other	<u>583,607</u>	<u>691,425</u>	<u>(107,818)</u>
Total Other Expenses	<u>1,922,862</u>	<u>2,030,015</u>	<u>(107,153)</u>
Total Expenses	<u>3,819,583</u>	<u>3,834,374</u>	<u>(14,791)</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying 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, 2018 to September 30, 2019

Revenue	
Contract Revenue	\$ 265,822
Total Revenue	<u>265,822</u>
 Expenses	
Personnel Costs	
Salaries and Wages	129,411
Payroll Taxes and Other Fringe Benefits	8,329
Total Personnel Costs	<u>137,740</u>
 Other Expenses	
Food Service Costs	124,526
Total Other Expenses	<u>124,526</u>
Total Expenses	<u>262,266</u>
Change in Net Assets	3,556
Net Assets at October 1, 2018	22,376
Net Assets at September 30, 2019	<u>\$ 25,932</u>

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

Community Services Block Grant Department of Labor
 Contract No. 2019N0032

Schedule of Revenues, Expenses, and Changes in Net Assets
 Budget to Actual
 For the Contract Period: October 1, 2018 to September 30, 2020
 For the Reporting Period: February 1, 2019 to December 31, 2019

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Revenue			
Contract Revenue	\$ 439,331	\$ 439,331	\$ -
Total Revenue	<u>439,331</u>	<u>439,331</u>	<u>-</u>
Expenses			
Personnel Costs			
Salaries and Wages	299,242	299,242	-
Payroll Taxes and Other Fringe Benefits	69,029	69,029	-
Total Personnel Costs	<u>368,271</u>	<u>368,271</u>	<u>-</u>
Other Expenses			
Administration	19,473	19,473	-
Program Activities	51,587	51,587	-
Total Other Expenses	<u>71,060</u>	<u>71,060</u>	<u>-</u>
Total Expenses	<u>439,331</u>	<u>439,331</u>	<u>-</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Community Services Block Grant Department of Labor
 CSBG Subaward 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: December 30, 2019 to June 30, 2020

	Budgeted	Actual	Variance
Revenue			
Contract Revenue	\$ 437,648	\$ 272,500	\$ 165,148
Total Revenue	437,648	272,500	165,148
Expenses			
Personnel Costs			
Salaries and Wages	300,626	179,499	121,127
Payroll Taxes and Other Fringe Benefits	75,796	43,329	32,467
Total Personnel Costs	376,422	222,828	153,594
Other Expenses			
Administration	15,587	13,572	2,015
Program Activities	45,639	36,100	9,539
Total Other Expenses	61,226	49,672	11,554
Total Expenses	437,648	272,500	165,148
Change in Net Assets	\$ -	\$ -	\$ -

See Accompanying 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, 2018 to September 30, 2019

Revenue	
United States Department of HUD	\$ 31,373
United States Department of HUD-Admin	7,028
Utility Assistance	54
Housing Authorities	52,309
HA Port-in Admin	4,779
Interest Income	16
Total Revenue	<u>95,559</u>
Expenses	
Program Reimbursements	6,867
Utility Subsidy	243
Housing Assistance Payments	90,997
Total Expenses	<u>98,107</u>
Change in Net Assets	<u>(2,548)</u>
Net Assets at October 1, 2018	3,757
Net Assets at September 30, 2019	<u>\$ 1,209</u>

See Accompanying 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, 2019 to July 31, 2019

Revenue	
Grant Revenue	\$ 242,835
Total Revenue	<u>242,835</u>
Expenses	
Personnel Costs	
Salaries and Wages	76,474
Payroll Taxes and Other Fringe Benefits	6,952
Total Personnel Costs	<u>83,426</u>
Other Expenses	
Food Service Costs	85,657
Other Program Costs	39,194
Rent Expense	8,222
Supplies	13,147
Utilities	2,158
Total Other Expenses	<u>148,378</u>
Total Expenses	<u>231,804</u>
Change in Net Assets	<u><u>\$ 11,031</u></u>

See Accompanying 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, 2020		
	Bienville Center	Union Bee Center	Total
Beginning Cash:	\$ 15,509	\$ 603	\$ 16,112
Revenue:			
Contributions/Fundraisers	357	6,340	6,697
Disbursements:	3,733	3,882	7,615
Net Change in Cash:	(3,376)	2,458	(918)
Ending Cash:	12,133	3,061	15,194

See Accompanying 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, 2020

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 Auditor's Report and Notes to Financial Statements.

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

Schedule 16

For the Year Ended
 June 30, 2020

	Conchita Doyle	Shirley Henson	Zettie Moore	April Williams
Job Title	Executive Director	Past Director of Headstart	Current Director of Headstart	Fiscal Manager
Salary	\$ 93,811	\$ 69,238	\$ 60,274	\$ 77,683
401K	-	1,560	600	3,456
Benefits-Health Insurance	12,598	7,559	7,559	10,709
Per Diem	-	-	-	-
Registration Fees	-	-	-	-
Total Compensation	\$ 106,409	\$ 78,357	\$ 68,433	\$ 91,848

See Accompanying 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 Years Ended
September 30, 2020 and September 30, 2019**

BY

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

**300 WASHINGTON STREET, SUITE 104 • MONROE, LOUISIANA 71201
OFFICE (318) 387-8008 • FAX (318) 387-0806**

**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 Years Ended
September 30, 2020 and September 30, 2019**

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

**Financial Statements
and Independent Auditor's Report
with Supplemental Information
For the Years Ended
September 30, 2020 and September 30, 2019**

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ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street, Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

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, 2020 and September 30, 2019, and the related statements of activities, functional expenses, and cash flows for the years 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, 2020 and September 30, 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 April 13, 2021, 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
April 13, 2021

FINANCIAL STATEMENTS

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Section 8 Housing Program
Statement of Financial Position
September 30, 2020 and September 30, 2019

Assets	<u>09/30/2020</u>	<u>09/30/2019</u>
Cash and Cash Equivalents	<u>\$ 2,407</u>	<u>\$ 1,209</u>
Total Assets	<u><u>2,407</u></u>	<u><u>1,209</u></u>
 Liabilities and Net Assets		
Liabilities:		
Accrued Liabilities	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
 Net Assets:		
Without Donor Restrictions	-	-
With Donor Restrictions	2,407	1,209
Total Net Assets	<u>2,407</u>	<u>1,209</u>
Total Liabilities and Net Assets	<u><u>\$ 2,407</u></u>	<u><u>\$ 1,209</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 Activities

For the Years Ended

September 30, 2020 and September 30, 2019

	<u>09/30/2020</u>	<u>09/30/2019</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Net Assets Released from Restrictions		
Restrictions Satisfied by Payments	\$ 107,058	\$ 98,107
TOTAL REVENUES, GAINS AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	<u>107,058</u>	<u>98,107</u>
Expenses		
Program Expenses	95,589	91,240
General and Administrative Expenses	11,469	6,867
Total Expenses	<u>107,058</u>	<u>98,107</u>
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>-</u>	<u>-</u>
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Revenue and Gains		
Grants		
Federal Housing Grants	44,599	38,455
Housing Assistance Payments Interest	7	16
Portability in Payments	<u>63,650</u>	<u>57,088</u>
TOTAL REVENUES AND GAINS WITH DONOR RESTRICTIONS	<u>108,256</u>	<u>95,559</u>
Net Assets Released from Restrictions		
Restrictions Satisfied by Payments	<u>(107,058)</u>	<u>(98,107)</u>
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	<u>1,198</u>	<u>(2,548)</u>
INCREASE (DECREASE) IN NET ASSETS	1,198	(2,548)
Net Assets as of Beginning of Year	<u>1,209</u>	<u>3,757</u>
Net Assets as of End of Year	<u>\$ 2,407</u>	<u>\$ 1,209</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 Years Ended
September 30, 2020 and September 30, 2019

Operating Activities	09/30/2020	09/30/2019
Change in Net Assets	\$ 1,198	\$ (2,548)
Adjustments to Reconcile Change in Net Assets to Net		
Cash Provided (Used) by Operating Activities:		
Total Adjustments	-	-
Net Cash Provided (Used) by Operating Activities	1,198	(2,548)
Net Increase (Decrease) in Cash and Cash Equivalents	1,198	(2,548)
Cash and Cash Equivalents as of Beginning of Year	1,209	3,757
Cash and Cash Equivalents as of The End of Year	\$ 2,407	\$ 1,209

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 Years Ended
September 30, 2020 and September 30, 2019

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

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

Basis of Presentation (Continued)

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 or restrictions designated by the governing board. 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

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

Cash and Cash Equivalents (Continued)

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, 2020 and September 30, 2019, the Organization had cash totaling \$2,407 and \$1,209 as follows:

	<u>09/30/2020</u>	<u>09/30/2019</u>
Without Donor Restrictions	\$ -	\$ -
With Donor Restrictions	2,407	1,209
Total Cash	<u>\$ 2,407</u>	<u>\$ 1,209</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.

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, 2020 and September 30, 2019, Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program had no liabilities.

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, 2020 and September 30, 2019, 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, 2020 and September 30, 2019, total cash balances held at the financial institutions was \$2,407 and \$1,209 and were covered 100% by FDIC.

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

NOTE E. NET ASSETS WITH DONOR RESTRICTIONS

As of September 30, 2020 and September 30, 2019, net assets of Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program with donor restrictions were as follows:

	<u>09/30/2020</u>	<u>09/30/2019</u>
Section 8 Housing Program	\$ 2,407	\$ 1,209
Total Assets With Donor Restrictions	<u>\$ 2,407</u>	<u>\$ 1,209</u>

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

NOTE F. CONTRACTUAL REVENUE GRANTS

During the years ended September 30, 2020 and September 30, 2019, Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program received contractual revenue from federal grants in the amount of \$108,249 and \$95,543. The continual existence of these funds is based on annual contract renewals with various funding sources.

NOTE G. LIQUIDITY MANAGEMENT

As of September 30, 2020 and September 30, 2019, the following financial assets could be made readily available within one year of the statement of financial position date to meet general expenditures:

	<u>09/30/2020</u>	<u>09/30/2019</u>
Cash	\$ 2,407	\$ 1,209
Total	<u>\$ 2,407</u>	<u>\$ 1,209</u>

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 H. 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 April 13, 2021, 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

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

NOTE H. UNCERTAIN TAX POSITIONS (Continued)

for the years ended September 30, 2018, 2019, and 2020; however, there are currently no audits for any tax period in progress.

NOTE I. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 13, 2021, 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



ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street, Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

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, 2020 and September 30, 2019, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements, and have issued my report thereon dated April 13, 2021.

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
April 13, 2021



ROSIE D. HARPER

Certified Public Accountant, LLP

300 Washington Street, Suite 104 • Monroe, Louisiana 71201

Phone: (318) 387-8008 • Fax: (318) 387-0806

Independent Auditor's Report on Applying Agreed-Upon Procedures

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

I have performed the procedure described in the second paragraph of this report, which was agreed to by Pine Belt Multi-Purpose Community Action Agency, Inc. – Section 8 Housing Program and the U. S. Department of Housing and Urban Development, Public Indian Housing - Real Estate Assessment Center (PIH-REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents included within the reporting package. The Authority is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedure is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

I compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard copy Documents" column. The results of the performance of my agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the chart below.

I was engaged to perform an audit for the Authority as of and for the years ended September 30, 2020 and September 30, 2019 and have issued my reports thereon dated April 13, 2021. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of the audit. Further, my opinion on the fair presentation of the Authority's Financial Data Schedule (FDS) dated April 13, 2021, was expressed in relation to the basic financial statements of the Authority taken as a whole.

A copy of the reporting package, which includes the auditor's report, is available in its entirety from the Authority. I have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, I take no responsibility for the security of the information transmitted electronically to the U. S. Department of Housing and Urban Development, PIH-REAC.

This report was intended solely for the information and use of the Authority and the U. S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Rosie D. Harper
Certified Public Accountant

Monroe, Louisiana
April 13, 2021

Pine Belt Mutil-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Agreed Upon Procedures
For the Years Ended
September 30, 2020 and September 30, 2019

Procedure	UFRS Rule Information	Hard Copy Document(s)	Agrees
1	Balance Sheet and Revenue Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDAs, if applicable	✓
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	✓
3	Type of opinion on FDS (data element G3100-040)	Auditor's Supplemental report on FDS	✓
4	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	✓

Section 8 Housing Program
Schedule of Compensation - Key Management

For the Years Ended

September 30, 2020 and September 30, 2019

<u>September 30, 2019</u>	<u>Conchita Doyle</u>	<u>Shirley Henson</u>	<u>April</u>	
Job Title	Executive Director	Director of Headstart	Fiscal Manager	
Salary	\$ 91,184	\$ 69,756	\$ 65,669	
401K	-	1,560	3,456	
Benefits-Health Insurance	-	5,039	1,890	
Per Diem	-	-	-	
Registration Fees	-	-	-	
Total Compensation	\$ 91,184	\$ 76,355	\$ 71,015	

<u>September 30, 2020</u>	<u>Conchita Doyle</u>	<u>Shirley Henson</u>	<u>Zettie Moore</u>	<u>April</u>
Job Title	Executive Director	Current Director of Headstart	Past Director of Headstart	Fiscal Manager
Salary	\$ 94,783	\$ 72,069	\$ 62,915	\$ 83,243
401K	-	1,560	600	3,456
Benefits-Health Insurance	-	5,209	5,209	2,132
Per Diem	-	-	-	-
Registration Fees	-	-	-	-
Total Compensation	\$ 94,783	\$ 78,838	\$ 68,724	\$ 88,831

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

Schedule of Board Members
For the Years Ended
September 30, 2020 and September 30, 2019

Board Member	Title	Location
William Ruffin	Chairman	Many, Louisiana
Jessie Davis	Vice Chairman	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
Rose 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 Auditor's Report and Notes to Financial Statements.