

**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, 2013**

**BY**

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

**FINANCIAL STATEMENTS  
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WITH SUPPLEMENTAL INFORMATION  
As of And for The Year Ended June 30, 2013**

**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, 2013**

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### **Independent Auditor's Report**

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

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, 2013, 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, 2013, 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.

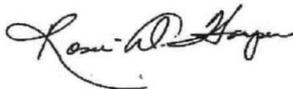
**Other Matters**

*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 Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. The information in Schedules 1 through 4 and 6 through 14 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 December 12, 2013 on my consideration of Pine Belt Multi-Purpose Community Action Agency, Inc.' 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 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 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  
December 12, 2013

# **FINANCIAL STATEMENTS**

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.  
Statement of Financial Position  
For the Year Ended  
June 30, 2013

**Assets**

Cash and Cash Equivalents	\$ 125,007
Grant Receivable	136,390
Other Receivable	-
Property, Plant & Equipment (Net, Note F)	<u>194,053</u>
Total Assets	<u><u>455,450</u></u>

**Liabilities and Net Assets**

## Liabilities:

Accrued Liabilities	88,532
Deferred Revenue	105,106
Line of Credit	<u>33,534</u>
Total Liabilities	<u>227,172</u>

## Net Assets:

## Unrestricted:

Investment in Fixed Assets	194,053
Operating	<u>(28,446)</u>
Total Unrestricted	165,607

Temporarily Restricted:	62,671
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Total Net Assets	<u>228,278</u>
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Total Liabilities and Net Assets	<u><u>\$ 455,450</u></u>
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See Accompanying Independent Auditor's Report and Notes to Financial

## PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

## Statement of Activities

For the Year Ended

June 30, 2013

**UNRESTRICTED NET ASSETS****Support**

Donation (Police Juries)	\$	21,595
Inkind Contributions		554,363
Interest		55
Other Revenues		63,072
Total Other Support		<u>639,085</u>

TOTAL UNRESTRICTED SUPPORT		<u>639,085</u>
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**Net Assets Released from Restrictions**

Restrictions Satisfied by Payments		<u>4,098,474</u>
------------------------------------	--	------------------

TOTAL UNRESTRICTED SUPPORT AND RECLASSIFICATION		<u>4,737,559</u>
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**Expenses**

Program Expenses		4,019,043
General and Administrative Expenses		158,730
Total Expenses		<u>4,177,773</u>

Change in Unrestricted Net Assets		<u>559,786</u>
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**TEMPORARILY RESTRICTED NET ASSETS**

## Grants

Federal		3,389,887
Other Grants		<u>70,827</u>

## Net Assets Released from Restrictions

Restrictions Satisfied by Payments		<u>(4,098,474)</u>
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Change in Temporarily Restricted Net Assets		<u>(637,760)</u>
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Change in Net Assets		(77,974)
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## Other Changes in Net Assets

Prior Period Adjustment		<u>6,416</u>
Total Other Changes in Net Assets		6,416

Net Assets as of Beginning of Year		<u>299,836</u>
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Net Assets as of End of Year	\$	<u><u>228,278</u></u>
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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, 2013

<b>Operating Activities</b>	<u>All Funds</u>
Change in Net Assets	\$ (77,974)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Provision for Depreciation	32,464
Decrease in Grants Receivable	(54,677)
Increase in Deferred Revenue	105,106
Decrease in Accounts Payable/Accrued Liabilities	(25,710)
Prior Period Adjustment	<u>6,416</u>
Total Adjustments	<u>63,599</u>
Net Cash Provided by Operating Activities	<u>(14,375)</u>
Net Increase in Cash and Cash Equivalents	<u>(14,375)</u>
Cash and Cash Equivalents as of Beginning of Year	<u>139,382</u>
Cash and Cash Equivalents as of The End of Year	<u><u>\$ 125,007</u></u>
<b>Supplemental Information:</b>	
Interest Paid	<u><u>\$ 3,211</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, 2013

	Program Services	Support Services		Total Expenses
		General and Administrative	Total Support Services	
<b>Personnel Costs</b>				
Salaries and Wages	\$ 2,246,412	\$ 54,607	\$ 54,607	\$ 2,301,019
Payroll Taxes and Other Fringe Benefits	365,739	9,830	9,830	375,569
<b>Total Personnel Costs</b>	<u>2,612,151</u>	<u>64,437</u>	<u>64,437</u>	<u>2,676,588</u>
<b>Other Expenses</b>				
Client and Assistance Payments	97,541	-	-	97,541
Depreciation	31,926	538	538	32,464
Direct Activity Expense	12,126	-	-	12,126
Food and Related Supplies	206,883	-	-	206,883
In-kind-Facilities/Volunteers	554,363	-	-	554,363
Insurance	12,006	4,951	4,951	16,957
Interest	-	3,211	3,211	3,211
Occupancy	73,985	12,717	12,717	86,702
Other General and Administrative Expenses	-	57,006	57,006	57,006
Other Program Expense	162,598	-	-	162,598
Professional Services	28,485	1,493	1,493	29,978
Program Administrative Expense Reimbursement	13,082	-	-	13,082
Repairs & Maintenance	11,431	2,784	2,784	14,215
Supplies and Postage	44,689	6,645	6,645	51,334
Telephone	35,430	2,075	2,075	37,505
Training & Development	19,319	-	-	19,319
Travel	2,601	2,873	2,873	5,474
Vehicle Operation	100,427	-	-	100,427
<b>Total Other Expenses</b>	<u>1,406,892</u>	<u>94,293</u>	<u>94,293</u>	<u>1,501,185</u>
<b>Total Functional Expenses</b>	<u>\$ 4,019,043</u>	<u>\$ 158,730</u>	<u>\$ 158,730</u>	<u>\$ 4,177,773</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, 2013**

**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 (75%)** - 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 (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 (10%)** - Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor.

**Emergency Food and Shelter (1%)** - Provides emergency food and shelter in areas of high need through-out the community to persons based upon their unemployment or poverty status. Funding is provided by the federal FEMA funds passed through a local governing board.

**Section 8 Housing Assistance Programs (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%)**-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 (2%)** - 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)**

**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, which 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 consists mainly of state and private grants, fundraising, and contributions. Grants and other contributions of cash and other assets are reported as permanently restricted or temporarily restricted if they are received with donor restrictions or restrictions designated by the governing board. Contributions are considered to be unrestricted unless restricted by the donor. 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**

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, 2013, the Organization had cash totaling \$125,007 as follows:

Unrestricted	\$	25,072
Temporarily Restricted		99,935
Total Cash	\$	<u>125,007</u>

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

**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 building and equipment under operating leases. Some leases contain renewal options for periods ranging from one to five years. The rental costs on the buildings and equipment for the year ended June 30, 2013, was \$ 27,404 and \$9,627, respectively. Future minimum lease payments under leases that have remaining terms in excess of one year as of June 30, 2013, are:

<u>Fiscal Year</u>	<u>Buildings</u>
2013	\$ 22,600
2014	12,500
2015	5,400
Total	<u>\$ 40,500</u>

**NOTE C. GRANT RECEIVABLES**

At June 30, 2013, the Organization had grant receivables as follows:

U. S. Department of Health and Human Services (Head Start)	\$ 53,971
U. S. Department of Agriculture Summer Food Service Program	82,419
Total	<u>\$ 136,390</u>

**NOTE D. FUNCTIONAL ALLOCATION OF EXPENSES**

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

**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, 2013, the total amount for accumulated days for compensated absences was \$22,521.

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

**NOTE F. PROPERTY, PLANT AND EQUIPMENT**

Property and Equipment consists of the following at June 30, 2013:

	<b>Estimated Depreciable Life</b>	<b>Purchased with Federal Funds</b>	<b>Purchased with Non- Federal Funds</b>	<b>Total</b>
Buildings	20-30 Years	\$ 208,789	\$ -	\$ 208,789
Furniture and Equipment	5-7 Years	524,295	48,851	573,146
Vehicles	5 Years	787,848	103,008	890,856
Land and Site Improvements		84,215	20,000	104,215
Accumulated Depreciation		(1,431,164)	(151,789)	(1,582,953)
Net Investments in Property and Equipment		<u>\$ 173,983</u>	<u>\$ 20,070</u>	<u>\$ 194,053</u>

Depreciation for the year ended June 30, 2013 is \$32,464.

Land and site improvements include a lot valued at \$20,000 donated to Pine Belt by the Town of Jonesboro in December, 2001 for the providing of 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 back to the donor. The Department of Health and Human Services provided funding for the site improvement and construction of the building located on the property.

**NOTE G. ACCRUED LIABILITIES**

At June 30, 2013, the Organization had accrued liabilities totaling \$88,532 consisting of the following:

Accounts Payable	\$ 21,052
Payroll Liabilities	67,480
	<u>\$ 88,532</u>

The Organization maintains a line of credit with Hodge Bank and Trust Company for the purpose of meeting short-term cash flow needs. The loans are short-term with an average interest rate of 8.5%. As of June 30, 2013, the line of credit had an available balance of \$31,466, with an outstanding balance of \$33,534.

Interest expense paid on debt for the year ended June 30, 2013 was \$3,211.

**NOTE H. 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.

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

**NOTE I. INTERFUND RECEIVABLES AND PAYABLES**

The Organization had the following balances in its interfund accounts for the period ended June 30, 2013:

Funds	Due from Other Funds	Due to Other Funds
Unrestricted	34,212	
Restricted Funds:		
Summer Food Service		26,712
Housing Service		7,500
<b>Total Interfund</b>	<b>34,212</b>	<b>34,212</b>

**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 as a result of these amounts being due from governmental agencies under contractual terms. As of June 30, 2013, 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, 2013, total cash balances held at the financial institutions was \$125,007.

**NOTE K. UNRESTRICTED NET ASSETS**

As of June 30, 2013, the unrestricted net assets consisted of the following programs:

	Operating	Investment in Fixed Assets	Total
General Services	\$ (28,446)	\$ 70	\$ (28,376)
Head Start	-	189,703	189,703
Community Service	-	4,280	4,280
Total	\$ (28,446)	\$ 194,053	\$ 165,607

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

**NOTE L. TEMPORARILY RESTRICTED NET ASSETS**

As of June 30, 2013, the temporarily restricted net consisted of the following programs:

Headstart	\$	31,582
Child Nutrition Services		29,890
Housing Services		1,199
Total	\$	<u>62,671</u>

These funds are restricted to be used for the operations of these programs.

**NOTE M. CONTRACTUAL REVENUE – GRANTS**

During the year ended June 30, 2013, Pine Belt received contractual revenue from federal and state grants in the amount of \$3,460,716. The continual existence of these funds is based on annual contract renewals with various funding sources.

**NOTE N. DEFERRED REVENUE**

Restricted revenue under the deferral method are recognized as revenue in the period in which the related expense is incurred. Revenue for which expenses are not yet incurred is deferred to a later date. At June 30, 2013, the Organization had deferred revenue totaling \$105,104 of the following:

Community Services Program	\$	7,795
Emergency Food & Shelter		38,297
Summer Food Service Program		59,014
Total		<u>\$105,106</u>

**NOTE O. RETIREMENT OBLIGATIONS**

In December 2001, 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, 2013 was \$30,714.

**NOTE P. PRIOR PERIOD ADJUSTMENT**

For the year ended June 30, 2013, the Organization had a prior period adjustment \$6,416 resulting from an overstatement of expenses.

**NOTE Q. PARENT FUNDRAISING ACCOUNTS**

The Organization operates seven head start centers. Each of the centers maintains bank accounts 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 15 in the Supplemental Information section of this report.

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

**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 Williams 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 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 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 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 \$11,775 for the period ending June 30, 2013.

**NOTE S. PAYROLL TAXES**

During the fiscal year ended June 30, 2012, the Organization paid in full an offer in compromise settlement with Internal Revenue Service for payroll taxes, penalties and interest incurred in prior fiscal years. To remain compliant with the settlement agreement, the Organization must remain current with all tax filings and payments for a five year period from the date of the offer acceptance in August of 2010. The five year period will end in August of 2015.

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

**NOTE T. CONTINGENCIES**

The Organization is one of four defendants named in a lawsuit which arose from an incident at the State Fair of Louisiana in Shreveport on or about November 2, 2011. According to the petition, a minor child was injured during the incident. The attorney for the Organization states that the matter is in the initial process of discovery and the plaintiff's case against Pine Belt is defensible. The attorney further states that an amount for damages has not been presented by the plaintiff's counsel.

**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 December 12, 2013 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, 2011, 2012, and 2013; 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, December 12, 2013, and determined that the following event requires disclosure:

Delinquent Reporting Penalty: The Organization was assessed a failure to file timely penalty for Form 5500 (Annual Return/Report of Employee Benefit Plan) for the tax year ended December 31, 2004. The penalty is \$18,578. Management has requested an abatement of the penalty for reasonable cause.



**ROSIE D. HARPER**

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

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, 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 December 12, 2013

**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) to determine 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.

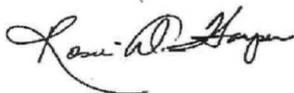
**Independent Auditor's Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards* (Continued)**

**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 determination of financial statement amounts. 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  
December 12, 2013



**ROSIE D. HARPER**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

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

**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 Circular A-133 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, 2013. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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.

**Independent Auditor's Report On Compliance For Each Major Program And On Internal Control Over Compliance  
Required By Omb Circular A-133 (Continued)**

***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, 2013.

**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 OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Rosie D. Harper  
Certified Public Accountant

Monroe, Louisiana  
December 12, 2013

**SUPPLEMENTAL INFORMATION**

**PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.**  
 Schedule of Assets, Liabilities, and Net Assets  
 For the Year Ended  
 June 30, 2013

Assets	Unrestricted	Temporarily Restricted					Total	
		Head Start Program	Child Nutrition Services	Community Services	Emergency Food & Shelter Services	Housing Services		Summer Food Service
Cash and Cash Equivalents	\$ 25,072	\$ 7,023	\$ 29,890	\$ 12,719	\$ 38,297	\$ 8,699	\$ 99,935	\$ 125,007
Grants Receivables	-	53,971	-	-	-	-	82,419	136,390
Other Receivables	-	-	-	-	-	-	-	-
Due from Other Funds	34,212	-	-	-	-	-	-	34,212
Property, Plant & Equipment (Net)	70	189,703	-	4,280	-	-	193,983	194,053
<b>Total Assets</b>	<b>59,354</b>	<b>250,697</b>	<b>29,890</b>	<b>16,999</b>	<b>38,297</b>	<b>8,699</b>	<b>430,308</b>	<b>489,662</b>
<b>Liabilities and Net Assets</b>								
Liabilities:								
Accrued Liabilities	54,196	29,412	-	4,924	-	-	34,336	88,532
Deferred Revenue	-	-	-	7,795	38,297	-	59,014	105,106
Due to Other Funds	-	-	-	-	-	7,500	26,712	34,212
Line of Credit	33,534	-	-	-	-	-	-	33,534
<b>Total Liabilities</b>	<b>87,730</b>	<b>29,412</b>	<b>-</b>	<b>12,719</b>	<b>38,297</b>	<b>7,500</b>	<b>173,654</b>	<b>261,384</b>
Net Assets:								
Unrestricted:								
Investment in Fixed Assets	70	189,703	-	4,280	-	-	193,983	194,053
Operating	(28,446)	-	-	-	-	-	-	(28,446)
Total Unrestricted	(28,376)	189,703	-	4,280	-	-	193,983	165,607
Temporarily Restricted	-	31,582	29,890	-	-	1,199	62,671	62,671
<b>Total Net Assets</b>	<b>(28,376)</b>	<b>221,285</b>	<b>29,890</b>	<b>4,280</b>	<b>-</b>	<b>1,199</b>	<b>256,654</b>	<b>228,278</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 59,354</b>	<b>\$ 250,697</b>	<b>\$ 29,890</b>	<b>\$ 16,999</b>	<b>\$ 38,297</b>	<b>\$ 8,699</b>	<b>\$ 430,308</b>	<b>\$ 489,662</b>

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, 2013

	UNRESTRICTED						Temporarily Restricted						Total
	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food & Shelter	Housing Services	Summer Food Service	Total	Funds				
<b>UNRESTRICTED NET ASSETS</b>													
<b>Support</b>													
Donation (Police Juries)	\$ 21,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,595
Inkind Contributions	-	554,363	-	-	-	-	-	-	-	-	-	-	554,363
Interest	-	38	-	-	-	17	-	-	-	-	-	-	55
Other Revenues	63,072	-	-	-	-	-	-	-	-	-	-	-	63,072
Total Support	84,667	554,401	-	-	-	17	-	-	-	-	-	-	639,085
<b>TOTAL UNRESTRICTED SUPPORT</b>	84,667	554,401	-	-	-	17	-	-	-	-	-	-	639,085
<b>Net Assets Released from Restrictions</b>													
Restrictions Satisfied by Payments	4,098,474	-	-	-	-	-	-	-	-	-	-	-	4,098,474
<b>TOTAL UNRESTRICTED SUPPORT AND RECLASSIFICATION</b>	4,183,141	554,401	-	-	-	17	-	-	-	-	-	-	4,737,559
<b>Expenses</b>													
Program Expense	4,019,043	-	-	-	-	-	-	-	-	-	-	-	4,019,043
General and Administrative Expenses	158,730	-	-	-	-	-	-	-	-	-	-	-	158,730
Total Expenses	4,177,773	-	-	-	-	-	-	-	-	-	-	-	4,177,773
Change in Unrestricted Net Assets	5,368	554,401	-	-	-	17	-	-	-	-	-	-	559,786
<b>TEMPORARILY RESTRICTED NET ASSETS</b>													
Grants													
Federal	-	2,463,314	260,047	407,855	43,331	36,669	178,671	3,389,887	3,389,887	70,827	70,827	3,389,887	3,389,887
Other Grants	-	-	-	-	-	70,827	-	-	-	-	-	-	70,827
Net Assets Released from Restrictions	-	(3,047,434)	(259,555)	(417,022)	(40,721)	(110,623)	(223,119)	(4,098,474)	(4,098,474)	(637,760)	(637,760)	(4,098,474)	(4,098,474)
Restrictions Satisfied by Payments	-	(584,120)	492	(9,167)	2,610	(3,127)	(44,448)	(637,760)	(637,760)	(83,342)	(83,342)	(77,974)	(77,974)
Change in Temporarily Restricted Net Assets	5,368	(29,719)	492	(9,167)	2,610	(3,110)	(44,448)	(83,342)	(83,342)	(83,342)	(83,342)	(77,974)	(77,974)
Change in Net Assets	(47,741)	254,709	29,398	13,447	-	4,309	45,714	347,577	347,577	299,836	299,836	299,836	299,836
Net Assets as of Beginning of Year													
Other Changes in Net Assets													
Prior Period Adjustment	13,997	(3,705)	-	-	(2,610)	-	(1,266)	(7,581)	(7,581)	6,416	6,416	6,416	6,416
Total Other Changes in Net Assets	13,997	(3,705)	-	-	(2,610)	-	(1,266)	(7,581)	(7,581)	6,416	6,416	6,416	6,416
Net Assets as of End of Year	\$ (28,376)	\$ 221,285	\$ 29,890	\$ 4,280	\$ -	\$ 1,199	\$ -	\$ 256,654	\$ 256,654	\$ 228,278	\$ 228,278	\$ 228,278	\$ 228,278

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, 2013

	Temporarily Restricted							Total
	UNRESTRICTED	Head Start Program	Child Nutrition Services	Community Services	Emergency Food & Shelter	Housing Services	Summer Food Service	
<b>Operating Activities</b>								
Change in Net Assets	\$ 5,368	\$ (29,719)	\$ 492	\$ (9,167)	\$ 2,610	\$ (3,110)	\$ (44,448)	\$ (77,974)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:								
Provision for Depreciation	538	29,719	-	2,207	-	-	-	31,926
Decrease (Increase) in Grants Receivable/Other Receivables	3,659	(9,573)	-	-	-	-	(48,763)	(54,677)
Decrease (Increase) in Due from Other Funds	(26,712)	-	-	-	-	-	1,266	(25,446)
Increase (Decrease) in Accounts Payable/Accrued Liabilities	(37,349)	9,542	-	2,097	-	-	-	(25,710)
Increase (Decrease) in Deferred Revenue	-	-	-	7,795	38,297	-	59,014	105,106
Increase (Decrease) in Due to Other Funds	(1,266)	-	-	-	-	-	26,712	25,446
Prior Period Adjustment	13,997	(3,705)	-	-	(2,610)	-	(1,266)	(7,581)
<b>Total Adjustments</b>	(47,133)	25,983	-	12,099	35,687	-	36,963	63,599
<b>Net Cash Provided (Used) by Operating Activities</b>	(41,765)	(3,736)	492	2,932	38,297	(3,110)	(7,485)	(14,375)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(41,765)	(3,736)	492	2,932	38,297	(3,110)	(7,485)	(14,375)
Cash and Cash Equivalents as of Beginning of Year	66,837	10,759	29,398	9,787	-	11,809	10,792	139,382
Cash and Cash Equivalents as of the End of Year	\$ 25,072	\$ 7,023	\$ 29,890	\$ 12,719	\$ 38,297	\$ 8,699	\$ 3,307	\$ 125,007
<b>Supplemental Information:</b>								
Interest Paid	\$ 3,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,211

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, 2013

	Temporarily Restricted (Reclassified to Unrestricted)						Total									
	UNRESTRICTED	General	Head Start Program	Child Nutrition Services	Community Services	Emergency Food & Shelter		Housing Services	Summer Food Service	Total	Funds					
<b>General &amp; Administrative</b>																
Personnel Costs																
Salaries and Wages	\$	19,765	\$	-	\$	34,620	\$	222	\$	-	\$	34,842	\$	54,607		
Payroll Taxes and Other Fringe Benefits		1,989	-	-	6,991	850	-	-	-	-	-	7,841	-	9,830		
Total Personnel Costs		21,754	-	-	41,611	1,072	-	-	-	-	-	42,683	-	64,437		
Other Expenses																
Depreciation		538	-	-	-	-	-	-	-	-	-	-	-	538		
Insurance		4,951	-	-	-	-	-	-	-	-	-	-	-	4,951		
Interest		3,211	-	-	-	-	-	-	-	-	-	-	-	3,211		
Occupancy		12,717	-	-	-	-	-	-	-	-	-	-	-	12,717		
Other General and Administrative Expenses		23,209	-	-	33,797	-	-	-	-	-	-	33,797	-	57,006		
Professional Services		274	-	-	-	-	-	-	-	1,219	-	1,219	-	1,493		
Repairs & Maintenance		2,784	-	-	-	-	-	-	-	-	-	-	-	2,784		
Supplies and Postage		6,645	-	-	-	-	-	-	-	-	-	-	-	6,645		
Telephone		2,075	-	-	-	-	-	-	-	-	-	-	-	2,075		
Travel		909	-	-	208	-	-	-	-	-	-	1,964	-	2,873		
Total Other Expenses		57,313	-	-	34,005	1,072	-	-	-	-	-	36,980	-	94,293		
<b>Total General &amp; Administrative</b>		79,067	-	-	75,616	1,072	-	-	-	-	-	79,663	-	158,730		
<b>Program Expenses</b>																
Personnel Costs																
Salaries and Wages		-	1,803,118	133,012	215,555	-	-	-	\$	94,727	-	2,246,412	-	2,246,412		
Payroll Taxes and Other Fringe Benefits		-	316,839	40,668	-	-	-	-	8,232	-	-	365,739	-	365,739		
Total Personnel Costs		-	2,119,957	133,012	256,223	-	-	-	102,959	-	-	2,612,151	-	2,612,151		
Other Expenses																
Client and Assistance Payments		-	-	-	-	-	-	-	97,541	-	-	97,541	-	97,541		
Depreciation		-	29,719	-	2,207	-	-	-	-	-	-	31,926	-	31,926		
Direct Activity Expense		-	-	-	12,126	-	-	-	-	-	-	12,126	-	12,126		
Food and Related Supplies		-	-	125,729	-	-	-	-	81,154	-	-	206,883	-	206,883		
In-kind-Facilities/Volunteers		-	554,363	-	-	-	-	-	-	-	-	554,363	-	554,363		
Insurance		-	12,006	-	-	-	-	-	-	-	-	12,006	-	12,006		
Occupancy		-	73,985	-	-	-	-	-	73,985	-	-	73,985	-	73,985		
Other Program Expense		232	15,022	814	70,850	39,649	-	36,031	-	-	-	162,366	-	162,598		
Professional Services		-	28,485	-	-	-	-	-	28,485	-	-	28,485	-	28,485		
Program Administrative Expense Reimbursement		-	-	-	-	-	-	-	13,082	-	-	13,082	-	13,082		
Repairs and Maintenance		-	11,431	-	-	-	-	-	-	-	-	11,431	-	11,431		
Supplies and Postage		-	44,689	-	-	-	-	-	-	-	-	44,689	-	44,689		
Telephone		-	35,430	-	-	-	-	-	-	-	-	35,430	-	35,430		
Training & Development		-	19,319	-	-	-	-	-	-	-	-	19,319	-	19,319		
Travel		-	2,601	-	-	-	-	-	-	-	-	2,601	-	2,601		
Vehicle Operation		-	100,427	-	-	-	-	-	-	-	-	100,427	-	100,427		
Total Other Expenses		232	927,477	126,543	85,183	39,649	110,623	117,185	-	-	-	1,406,660	-	1,406,660		
<b>Total Program Expenses</b>		232	3,047,434	259,555	341,406	39,649	110,623	220,144	-	-	-	4,018,811	-	4,018,811		
<b>Total Functional Expenses</b>		\$	79,299	\$	3,047,434	\$	259,555	\$	417,022	\$	40,721	\$	1,106,223	\$	4,098,474	
															\$	4,177,773

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, 2013

SOURCE OF FEDERAL ASSISTANCE AGENCY	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Health and Human Services</b>		
Direct Programs:		
Head Start	93.600	\$ 2,463,314
Passed Through Louisiana Department of Labor Community Services Block Grant	93.569	407,855
<b>Total U.S. Department of Health and Human Services</b>		<b>2,871,169</b>
<b>U.S. Department of Housing and Urban Development</b>		
Direct Programs:		
Section 8 Housing Assistance Payment Program-Jackson	14.871	36,669
<b>Total U.S. Department of Housing and Urban Development</b>		<b>36,669</b>
<b>U.S. Department of Agriculture</b>		
Passed Through Louisiana Department of Education		
Child and Adult Care Food Program	10.558	260,047
Summer Food Services Program	10.559	178,671
<b>Total U.S. Department of Agriculture</b>		<b>438,718</b>
<b>Department of Homeland Security</b>		
Passed Through a Local Governing Board		
Emergency Food and Shelter (FEMA)	97.024	43,331
<b>Total Department of Homeland Security</b>		<b>43,331</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<b>\$ 3,389,887</b>

**PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pine Belt Multi-Purpose Community Action Agency, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the basic financial statements.

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, 2013**

**NOTE A. SUMMARY OF AUDIT RESULTS**

**1. Financial Statements:**

Type of auditor's report issued: Unqualified

**2. Internal Control Over Financial Reporting**

- a. Material weakness identified? No  
 b. Significant deficiencies identified that are not considered to be material weakness?  
None  
 c. Non compliance material to financial statements noted? No

**3. Federal Awards:**

- a. Material weakness identified? No  
 b. Significant deficiencies identified that are considered to be material weakness? None  
 c. Type of auditor's report issued on compliance for major programs: Unqualified  
 d. Any audit finding disclosed that are required to be reported in accordance with  
 Section 510(a) of Circular A-133? None  
 e. Identification of major programs:

<u>CDFFA Number</u>	<u>Name of Federal Program</u>
93.600	Head Start
93.569	Community Services Block Grant

- Dollar threshold used to distinguish between type A and Type B Programs: \$300,000  
 f. Auditee qualified as low-risk auditee? No

**NOTE B. FINANCIAL STATEMENTS AUDIT**

NONE

**QUESTIONED COSTS**

**NOTE C. FINDING AND QUESTIONED COSTS- MAJOR FEDERAL AWARD  
 PROGRAM AUDIT**

NONE

General Unrestricted Fund  
 Schedule of Revenues, Expenses, and Changes in Net Assets  
 For the Year Ended  
 June 30, 2013

**Revenue**

Police Jury Grants and Contributions	\$ 21,595
HUD Section 8	16,185
Miscellaneous Income	64,288
<b>Total Revenue</b>	<u>102,068</u>

**Expenses**

## Personnel Costs

Salaries and Wages	19,765
Payroll Taxes and Other Fringe Benefits	1,989
<b>Total Personnel Costs</b>	<u>21,754</u>

## Other Expenses

Conferences	622
Depreciation	538
Insurance	2,645
Interest	3,211
Miscellaneous	10,422
Rent	11,450
Supplies	6,645
Telephone	2,075
Travel	909
Utilities	1,677
Vehicle Expense	3,960
<b>Total Other Expenses</b>	<u>44,154</u>

**Total Expenses**

	<u>65,908</u>
--	---------------

Net Change in Net Assets	36,160
Net Assets, July 1, 2012	(47,741)
Net Assets, June 30, 2013	<u>\$ (11,581)</u>

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

## PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Head Start Grant No. 06CH0220/29  
 Schedule of Revenues, Expenses, and Changes in Net Assets  
 For the Contract Period: December 1, 2011 to November 30, 2012

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenue</b>			
Amount Awarded this Budget Period	\$ 2,441,607	\$ 2,441,550	\$ 57
<b>Total Head Start Grant Revenues</b>	<u>2,441,607</u>	<u>2,441,550</u>	<u>57</u>
Interest Income	-	57	(57)
Grantee's Contribution	<u>610,402</u>	<u>610,402</u>	<u>-</u>
<b>Total Revenues</b>	<u>3,052,009</u>	<u>3,052,009</u>	<u>-</u>
<b>Expenses</b>			
Personnel Costs			
Salaries and Wages	1,795,819	1,792,067	3,752
Payroll Taxes and Other Fringe Benefits	<u>303,509</u>	<u>305,728</u>	<u>(2,219)</u>
<b>Total Personnel Costs</b>	<u>2,099,328</u>	<u>2,097,795</u>	<u>1,533</u>
Other Expenses			
Non Federal Cost (Facilities and Volunteers)	610,402	610,402	-
Travel/Transportation	3,718	3,518	200
TTA/CDA	31,485	30,139	1,346
Supplies	39,006	34,994	4,012
Other	<u>268,070</u>	<u>275,161</u>	<u>(7,091)</u>
<b>Total Other Expenses</b>	<u>952,681</u>	<u>954,214</u>	<u>(1,533)</u>
<b>Total Expenses</b>	<u>3,052,009</u>	<u>3,052,009</u>	<u>-</u>
<b>Change in Net Assets</b>	<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, 2011 to September 30, 2012

<b>Revenue</b>		
Contract Revenue		\$ 260,430
<b>Total Revenue</b>		<u>260,430</u>
<b>Expenses</b>		
Personnel Costs		
Salaries and Wages		<u>124,362</u>
<b>Total Personnel Costs</b>		124,362
Other Expenses		
Supplies		2,305
Food Service Costs		131,664
Other Costs		<u>2,068</u>
<b>Total Other Expenses</b>		<u>136,037</u>
<b>Total Expenses</b>		<u>260,399</u>
<b>Change in Net Assets</b>		<u><u>\$ 31</u></u>

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

Community Services Block Grant Department of Labor  
 Contract No. 2013N0032  
 Schedule of Revenues, Expenses, and Changes in Net Assets  
 Budget to Actual  
 For the Contract Period: October 1, 2012 to September 30, 2014  
 For the Reporting Period: May 1, 2013 to June 30, 2013

	<b>Budgeted</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>			
Contract Revenue	\$ 386,241	\$ 84,000	\$ 302,241
<b>Total Revenue</b>	386,241	84,000	302,241
<b>Expenses</b>			
Personnel Costs			
Salaries and Wages	204,686	44,373	160,313
Payroll Taxes and Other Fringe Benefits	48,164	9,056	39,108
<b>Total Personnel Costs</b>	252,850	53,429	199,421
Other Expenses			
Administration	31,272	8,530	22,742
Program Activities	50,619	13,995	36,624
Direct CSBG Activities	51,500	253	51,247
<b>Total Other Expenses</b>	133,391	22,778	110,613
<b>Total Expenses</b>	386,241	76,207	310,034
<b>Change in Net Assets</b>	\$ -	\$ 7,793	\$ (7,793)

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

Community Services Block Grant Department of Labor  
 Contract No. 2012N0032  
 Schedule of Revenues, Expenses, and Changes in Net Assets  
 Budget to Actual  
 For the Contract Period: October 1, 2011 to September 30, 2013  
 For the Reporting Period: April 1, 2012 to April 30, 2013

	<b>Budgeted</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>			
Contract Revenue	\$ 412,232	\$ 412,232	\$ -
<b>Total Revenue</b>	412,232	412,232	-
<b>Expenses</b>			
Personnel Costs			
Salaries and Wages	245,258	246,485	(1,227)
Payroll Taxes and Other Fringe Benefits	53,416	46,464	6,952
<b>Total Personnel Costs</b>	298,674	292,949	5,725
Other Expenses			
Administration	34,000	33,641	359
Program Activities	67,558	73,642	(6,084)
Direct CSBG Activities	12,000	12,000	-
<b>Total Other Expenses</b>	113,558	119,283	(5,725)
<b>Total Expenses</b>	412,232	412,232	-
<b>Change in Net Assets</b>	\$ -	\$ -	\$ -

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

Emergency Food and Shelter Program  
FEMA

Schedule of Revenues, Expenses, and Changes in Net Assets  
For the Contract Period: January 1, 2012 to December 31, 2012

<b>Revenue</b>	
Contract Revenue	\$ 18,053
<b>Total Revenue</b>	<u>18,053</u>
<b>Expenses</b>	
Administrative Expenses	736
Bienville Client Assistance	2,574
Morehouse Client Assistance	7,707
Jackson Client Assistance	4,515
Winn Client Assistance	2,920
<b>Total Other Expenses</b>	<u>18,452</u>
<b>Total Expenses</b>	<u>18,452</u>
<b>Change in Net Assets</b>	<u><u>\$ (399)</u></u>

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, 2011 to September 30, 2012

<b>Revenue</b>	
United States Department of HUD	\$ 40,573
United States Department of HUD-Admin	6,755
Housing Authorities	59,787
HA Port-in Admin	7,300
Interest Income	24
<b>Total Revenue</b>	<u>114,439</u>
<b>Expenses</b>	
Program Reimbursements	13,526
Housing Assistance Payments	95,790
<b>Total Expenses</b>	<u>109,316</u>
 <b>Change in Net Assets</b>	 <u><u>\$ 5,123</u></u>

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

Parent Fundraising Accounts  
 Schedule of Changes in Cash Balances  
 June 30, 2013

	Bienville Center	CC Lewis Center	Jasper Henderson Center	Ringold Center	Red River Center	Union Bee Center	Winn Center	Total
Beginning Cash:	15,054	1,728	4,707	2,046	6,393	2,801	1,831	34,560
Revenue:								
Contributions/Fundraisers	3,623	3,034	1,180	770	4,854	8,299	2,701	24,461
Disbursements:								
	6,845	2,460	1,834	735	7,361	9,049	2,802	31,086
Net Change in Cash:	(3,222)	574	(654)	35	(2,507)	(750)	(101)	(6,625)
Ending Cash:	11,832	2,302	4,053	2,081	3,886	2,051	1,730	27,935

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

**LOUISIANA COMPLIANCE QUESTIONNAIRE  
(For Audit Engagements of Quasi-Public Agencies)**

December 12, 2013

Rosie D. Harper, CPA, LLP  
604 North Third Street  
Monroe, Louisiana 71201

In connection with your audit of our financial statements as of June 30, 2013 and for the year then ended for the purpose of expressing an opinion as to the fair presentation of our financial statements in accordance with accounting principles generally accepted in the United States of America, to assess our system of internal control as a part of your audit, and to review our compliance with applicable laws and regulations, we confirm, to the best of our knowledge and belief, the following representations. These representations are based on the information available to us as of December 12, 2013.

**PART I. AGENCY PROFILE**

1. Name and address of the organization.

*Pine Belt Multi-Purpose Community Action Agency, Inc.  
708 South Cooper Avenue  
Jonesboro, Louisiana 71251*

2. List names, addresses, and telephone numbers of entity officials. [Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel].

*See Attachment*

3. Period of time covered by this questionnaire:

*FY June 30, 2013*

4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.

*LA Revised Statue Title 12*

5. Briefly describe the public services provided:

*The center provides the following services:*

- *Comprehensive child development services to low income children and families with a special focus on helping preschoolers develop reading and math skills;*

**Louisiana Compliance Questionnaire (Continued)**

- *Assist low-income people in becoming self-sufficient by initiating and sponsoring projects responsive to their needs in which the poor have a direct influence and input;*
- *To make the entire community more responsive to the needs and interest of the poor by mobilizing available resources and bringing about a greater institutional sensitivity;*
- *Programs to low and moderate-income come persons such as decent affordable housing, commodities, transportation, Medicaid, etc.*

6. Expiration date of current elected/appointed officials' terms.

*Three to Five Years*

**Part II. Federal, State, and Local Awards**

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes  No

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes  No

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes  No

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes  No

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes  No

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes  No

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

**Louisiana Compliance Questionnaire (Continued)**

Yes  No

14. We have complied with all applicable compliance requirements of all federal programs we administer, to include matters contained in the Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and matters contained in the grant awards.

Yes  No

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes  No

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes  No

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes  No

**Part III. Public Records**

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes  No

**Part IV. Open Meetings**

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:4.1 through 42:13 (the open meetings law). **N/A**

Yes  No

**Part V. Budget**

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

**Louisiana Compliance Questionnaire (Continued)**

Yes  No

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes  No

The previous responses have been made to the best of our belief and knowledge.

<u>Rosa Williams</u>	Secretary	<u>12/12/13</u>	Date
	Treasurer		Date
<u>William Ryan</u>	President	<u>12/12/13</u>	Date