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LINCOLN TOTAL COMMUNITY ACTION, INC.

RUSTON, LOUISIANA

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
FOR THE YEAR ENDED
NOVEMBER 30, 2001

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/10/02

LINCOLN TOTAL COMMUNITY ACTION, INC.
NOVEMBER 30, 2001

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May 23, 2002

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Lincoln Total Community Action, Inc.
Ruston, Louisiana

We have audited the financial statements of Lincoln Total Community Action, Inc. as of and for the year ended November 30, 2001, and have issued our report thereon dated May 23, 2002. We conducted our audit in accordance with accounting standards generally accepted in the United States of America applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Lincoln Total Community Action, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lincoln Total Community Action, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in design or operation of the internal control

over financial reporting that, in our judgment, could adversely affect Lincoln Total Community Action, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2001-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

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May 23, 2002

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Lincoln Total Community Action, Inc.
Ruston, Louisiana

Compliance

We have audited the compliance of Lincoln Total Community Action, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended November 30, 2001. Lincoln Total Community Action, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Lincoln Total Community Action, Inc.'s management. Our responsibility is to express an opinion on Lincoln Total Community Action, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with accounting 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 we 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 Lincoln Total Community Action, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Lincoln Total Community Action, Inc.'s compliance with those requirements.

In our opinion, Lincoln Total Community Action, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended November 30, 2001.

Internal Control Over Compliance

The management of Lincoln Total Community Action, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Lincoln Total Community Action, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect Lincoln Total Community Action, Inc.'s ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2001-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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May 23, 2002

INDEPENDENT AUDITORS' REPORT

Board of Directors
Lincoln Total Community Action, Inc.
Ruston, Louisiana

We have audited the accompanying statement of financial position of the Lincoln Total Community Action, Inc. as of and for the year ended November 30, 2001, and the related statement of activities and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Nonprofit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lincoln Total Community Action, Inc., as of November 30, 2001, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated May 23, 2002 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That

report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the result of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Lincoln Total Community Action, Inc. taken as a whole. The accompanying financial information listed as supplementary financial information on pages 29 to 36, including the accompanying Schedule of Federal Awards for the year ended November 30, 2001, are presented for purposes of additional analysis as required by the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Nonprofit Organizations and are not a required part of the financial statements. The accompanying financial information listed as supplementary financial information on pages 17 to 28 has been prepared in accordance with grantors' requirements and is not intended to be a complete presentation in accordance with accounting principles generally accepted in the United States of America. Such information on pages 17 to 36 has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

LINCOLN TOTAL COMMUNITY ACTION, INC.
 RUSTON, LOUISIANA
 STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED NOVEMBER 30, 2001

ASSETS

CURRENT ASSETS

Cash	35,213	
Accounts Receivable - Grants	176,877	
Accounts Receivable - Other	39,430	
Due from Other Funds	<u>1,500</u>	

TOTAL CURRENT ASSETS 253,020

FIXED ASSETS AND PROPERTY

Furniture, Buildings, and Equipment at Cost, Net	270,215	
Land	<u>5,000</u>	

TOTAL FIXED ASSETS AND PROPERTY 275,215

TOTAL ASSETS 528,235

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	88,543	
Unearned Interest	129	
Due to Other Funds	1,500	
Advanced Fundings	<u>56,368</u>	

TOTAL CURRENT LIABILITIES 146,540

NET ASSETS

Unrestricted Net Assets:		
Operations	106,480	
Fixed Assets and Property	<u>275,215</u>	

TOTAL NET ASSETS 381,695

TOTAL LIABILITIES AND NET ASSETS 528,235

The accompanying notes are an integral part of these financial statements.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED NOVEMBER 30, 2001

	<u>OPERATIONS</u>	<u>FIXED ASSETS</u>	<u>TOTAL</u>
<u>SUPPORT AND REVENUE</u>			
Grants - GOEA	9,238	-	9,238
Grants - Corporation for National Services	50,768	-	50,768
Grants - HHS	1,755,999	-	1,755,999
Grants - USDA Food Program	178,152	-	178,152
Grants - Social Services	10,000	-	10,000
In-Kind Contributions	410,300	-	410,300
Donations & Interest	<u>19,148</u>	<u>-</u>	<u>19,148</u>
 <u>TOTAL SUPPORT AND REVENUE</u>	 <u>2,433,605</u>	 <u>-0-</u>	 <u>2,433,605</u>
<u>EXPENSES</u>			
Federal Services:			
RSVP	71,932	2,676	74,608
Headstart (HHS)	1,826,913	71,370	1,898,283
USDA - Food Services	158,663	6,245	164,908
State Collaboration	<u>10,000</u>	<u>392</u>	<u>10,392</u>
 <u>TOTAL PROGRAM SERVICES</u>	 <u>2,067,508</u>	 <u>80,683</u>	 <u>2,148,191</u>
<u>SUPPORT SERVICES</u>			
General and Administrative	<u>208,521</u>	<u>8,530</u>	<u>217,051</u>
 <u>TOTAL SUPPORT SERVICES</u>	 <u>208,521</u>	 <u>8,530</u>	 <u>217,051</u>
 <u>TOTAL EXPENSES</u>	 <u>2,276,029</u>	 <u>89,213</u>	 <u>2,365,242</u>
 <u>EXCESS (DEFICIT) OF SUPPORT OVER EXPENSES</u>	 157,576	 (89,213)	 68,363
<u>CHANGES IN NET ASSETS</u>			
Acquisition of Property	(136,190)	136,190	-
Prior Year Funds Reprogrammed	(63,296)	-	(63,296)
Retirement of Property	-	(3,627)	(3,627)
 <u>NET ASSETS - BEGINNING OF YEAR</u>	 <u>148,390</u>	 <u>231,865</u>	 <u>380,255</u>
 <u>NET ASSETS - END OF YEAR</u>	 <u>106,480</u>	 <u>275,215</u>	 <u>381,695</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED NOVEMBER 30, 2001

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in Net Assets	68,363
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	89,213
(Increase) Decrease in:	
Accounts Receivable - Grants	(140,268)
Accounts Receivable - Other	2,235
Due from Other Funds	(1,500)
Prior Year Funds Engagement	(63,296)
Increase (Decrease) in:	
Accounts Payable	73,195
Unearned Interest	(469)
Due to Other Funds	1,500
Advance Funding	<u>56,368</u>
 Net Cash Provided (Used) by Operating Activities	 <u>85,341</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Equipment	(136,190)
 Net Cash Provided (Used) by Investing Activities	 (136,190)

NET INCREASE IN CASH AND CASH EQUIVALENTS (50,849)

CASH AND CASH EQUIPMENT - BEGINNING OF YEAR 86,062

CASH AND CASH EQUIPMENT - END OF YEAR 35,213

SUPPLEMENTAL DATA

Interest Paid	-0-
Income Taxes	-0-

The accompanying notes are an integral part of these financial statements.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED NOVEMBER 30, 2001

	RSVP	HEADSTART HHS	USDA FOOD SERVICES	STATE COLLAB- ORATION	TOTAL PROGRAM SERVICES	GENERAL AND ADMINISTRATIVE	TOTAL EXPENSES
Personnel	35,808	924,841	37,573	-	998,222	134,033	1,132,255
Fringe Benefits	5,728	254,715	11,343	-	271,786	21,803	293,589
Travel	12,663	3,793	-	-	16,456	780	17,236
Contractual	1,503	-	-	-	1,503	8,400	9,903
Operating Supplies	976	84,864	4,577	-	90,417	11,806	102,223
Other Costs	14,554	154,920	-	10,000	179,474	25,879	205,353
Program Services	-	-	99,588	-	99,588	-	99,588
Program Administration	-	-	5,582	-	5,582	-	5,582
In-Kind Expenditures	700	403,780	-	-	404,480	5,820	410,300
<u>TOTAL EXPENSES BEFORE DEPRECIATION</u>	71,932	1,826,913	158,663	10,000	2,067,508	208,521	2,276,029
<u>DEPRECIATION</u>	2,676	71,370	6,245	392	80,683	8,530	89,213
<u>TOTAL EXPENSES</u>	74,608	1,898,283	164,908	10,392	2,148,191	217,051	2,365,242

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Presentation:

The accompanying financial statements conform to generally accepted accounting principles for non-profit organizations.

B. Organization:

Lincoln Total Community Action, Inc., is a non-profit organization organized to promote and develop economic opportunities for the people of Lincoln Parish. The Agency is operated exclusively for charitable, educational, and scientific purposes. The Agency is not a component of any governmental organization.

C. Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

D. Basis of Accounting:

The accompanying financial statements have been prepared on the account basis of accounting in accordance with generally accepted accounting principles.

E. Budget Policy:

Budgets for the various programs are prepared by the Agency's Executive Director and approved by grantor of the funds for each respective program. Budgets versus actual expenditures are presented in the supplementary data for each grant period ending during the year ended November 30, 2001.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
NOVEMBER 30, 2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Total Columns of Combined Statements - Overview:

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

G. Property and Equipment Accounting

Property and equipment acquired with the Agency funds are considered to be owned by the Agency while used in the program or in future authorized programs. However, funding sources have a reversionary interest in these assets as well as the determination of use of any proceeds from the sale of these assets.

The Agency follows the practice of capitalizing all expenditures for property and equipment in excess of \$500. Depreciation is computed on a straight-line basis over the estimated service lives of the assets. The following lives have been assigned to the fixed assets:

Computer Equipment and Vehicles	5 Years
Furniture, Fixtures and Equipment	7 Years
Buildings (Portable)	10 Years

Net Values are Computed as Follows:

	<u>2,001</u>
Computer Equipment and Vehicles	596,199
Furniture, Fixtures and Equipment	466,840
Buildings	102,988
Land	5,000
Less: Accumulated Depreciation	(895,812)
Net Value	<u>275,215</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
NOVEMBER 30, 2001

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Cash and Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

I. Functional Allocation of Expenses

The costs of providing the various programs and other 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 benefitted.

J. Estimates

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

K. Advertising Costs

Advertising costs are expensed as they are incurred. No advertising costs were incurred for the year ended November 30, 2001.

NOTE 2 FUNDING POLICIES AND SOURCES OF FUNDS

The Agency receives its monies through various methods of funding. Most of the funds are received on a grant basis. Under this method funds are received as needed or on a monthly or quarterly allocation of the total budget (grant) in advance of the actual expenditure. The Agency also receives funds as a reimbursement of actual expenditures, and upon a per unit of service provided method. The Agency also receives funds by contributions from both public and private sources.

The Agency receives a majority of its monies from federal agencies. If significant budget cuts are made at the federal level, it could have an adverse effect on the operations of the Agency.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
NOVEMBER 30, 2001

NOTE 3 ACCOUNTS RECEIVABLE

Accounts Receivable - Grants at November 30, 2001, consists of reimbursements for expenses incurred under the various grant programs. The following list presents accounts receivable-grants by fund at November 30, 2001.

Head Start	133,587
USDA	<u>43,290</u>
<u>TOTAL</u>	<u>176,877</u>

Accounts Receivable - Other at November 30, 2001 consists mostly of reimbursements that were due to the general fund.

NOTE 4 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE 5 IN-KIND CONTRIBUTIONS

The Agency received various in-kind contributions during the year from private and public sources. These contributions have been reported as revenues, and the offsetting expenses have been reported in the financial statements.

NOTE 6 INCOME TAX STATUS

The Agency, a non-profit corporation, is exempt from federal income taxes under Section 501 (C) (3) of the Internal Revenue Code.

NOTE 7 CASH IN BANK

All funds are in institutions insured by an agency of the Federal Government.

NOTE 8 UNEARNED INTEREST

The following grants require cash to be placed in interest bearing accounts. The interest earned in these accounts must be returned to the funding agency or applied towards the grant award; however, Lincoln Total Community Action, Inc. is allowed to keep \$250 each grant year for administrative costs.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
NOVEMBER 30, 2001

NOTE 8 UNEARNED INTEREST (Continued)

<u>PROGRAM</u>	<u>BEGINNING INTEREST BALANCE</u>	<u>INTEREST EARNED</u>	<u>APPLIED TO GRANT</u>	<u>RETURNED TO AGENCY</u>	<u>KEPT FOR ADM. COSTS</u>	<u>BALANCE OF UNEARNED INTEREST</u>
Head Start	597	366	834	-	-	129

NOTE 9 PRIOR YEAR FUNDS REPROGRAMMED

The prior year fund balance included funds reprogrammed into the current year revenue.

Head Start	63,296
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These amounts were reprogrammed per the applicable guidelines and were used to purchase a bus in 2001.

NOTE 10 RELATED PARTY

There were no related party transactions during the period ending November 30, 2001.

NOTE 11 STATE COLLABORATION

The Agency received monies through the state collaboration program. The grant allows the Agency to offer programs to parents of children to promote family enrichment.

NOTE 12 NET ASSETS

Under SFAS 117, the Agency is required to report information regarding its financial position and activities according to these classes of net assets:

Unrestricted Net Assets - consists of assets, public support and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the organization. Resources of this nature originate from gifts, grants, bequests, contracts and investment income earned on restricted funds.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
NOVEMBER 30, 2001

NOTE 13 Net Assets (Continued)

Permanently Restricted Net Assets - includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the organization to expend part or all of the income derived from the donated assets.

As of November 30, 2001, all of the Agency's net assets are considered unrestricted.

NOTE 14 Advanced Funding - Head Start (HHS)

The Agency has \$51,750 in its Head Start advanced funding account as of the end of this fiscal year. The Agency is requesting that \$51,750 of the funds be applied to the grant year 2001-2002.

SUPPLEMENTARY FINANCIAL INFORMATION

SCHEDULE I

LINCOLN TOTAL COMMUNITY ACTION, INC.
 RUSTON, LOUISIANA
 COMBINING BALANCE SHEET - ALL PROGRAMS
 FOR THE YEAR ENDED NOVEMBER 30, 2001

	<u>GENERAL</u>	<u>RSVP</u>	<u>HEADSTART (HHS)</u>	<u>USDA FOOD SERVICES</u>	<u>STATE COLLABORATION</u>	<u>FIXED ASSETS AND PROPERTY</u>	<u>TOTAL MEMORANDUM ONLY</u>
<u>CURRENT ASSETS</u>							
Cash	(33,621)	10,839	6,604	50,146	1,245	-	35,213
Accounts Receivable - Grants	-	-	133,587	43,290	-	-	176,877
Accounts Receivable - Other	39,430	-	-	-	-	-	39,430
Due from Other Funds	<u>1,500</u>	-	-	-	-	-	<u>1,500</u>
<u>TOTAL CURRENT ASSETS</u>	<u>7,309</u>	<u>10,839</u>	<u>140,191</u>	<u>93,436</u>	<u>1,245</u>	<u>-0-</u>	<u>253,020</u>
<u>FIXED ASSETS AND PROPERTY</u>							
Furniture and Equipment at Cost, Net	-	-	-	-	-	270,215	270,215
Land	-	-	-	-	-	<u>5,000</u>	<u>5,000</u>
<u>TOTAL FIXED ASSETS AND PROPERTY</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>275,215</u>	<u>275,215</u>
<u>TOTAL ASSETS</u>	<u>7,309</u>	<u>10,839</u>	<u>140,191</u>	<u>93,436</u>	<u>1,245</u>	<u>275,215</u>	<u>528,235</u>
<u>CURRENT LIABILITIES</u>							
Accounts Payable	-	300	88,243	-	-	-	88,543
Due to Other Funds	-	1,500	-	-	-	-	1,500
Unearned Interest	-	-	129	-	-	-	129
Advanced Funding	-	<u>4,618</u>	<u>51,750</u>	-	-	-	<u>56,368</u>
<u>TOTAL CURRENT LIABILITIES</u>	<u>-0-</u>	<u>6,418</u>	<u>140,122</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>146,540</u>
<u>NET ASSETS</u>							
Unrestricted Net Assets	7,309	4,421	69	93,436	1,245	-	106,480
Operations	-	-	-	-	-	275,215	275,215
Fixed Assets and Property	-	-	-	-	-	-	-
<u>TOTAL NET ASSETS</u>	<u>7,309</u>	<u>4,421</u>	<u>69</u>	<u>93,436</u>	<u>1,245</u>	<u>275,215</u>	<u>381,695</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>7,309</u>	<u>10,839</u>	<u>140,191</u>	<u>93,436</u>	<u>1,245</u>	<u>275,215</u>	<u>528,235</u>

SCHEDULE II

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - UNRESTRICTED OPERATIONS
(OTHER THAN FIXED ASSETS) - GRANTOR BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2001

	<u>GENERAL</u>	<u>RSVP</u>	<u>HEADSTART (HHS)</u>	<u>USDA FOOD SERVICES</u>	<u>STATE COLLAB- ORATION</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<u>SUPPORT AND REVENUE</u>						
Grants - GOEA	-	9,238	-	-	-	9,238
Grants - Corporation for National Services	-	50,768	-	-	-	50,768
Grants - HHS	-	-	1,755,999	-	-	1,755,999
Grants - USDA Food Services	-	-	-	178,152	-	178,152
Grants - Social Services	-	-	-	-	10,000	10,000
In-Kind Contributions	-	700	409,600	-	-	410,300
Donations & Interest	<u>4,413</u>	<u>14,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,148</u>
<u>TOTAL SUPPORT AND REVENUE</u>	<u>4,413</u>	<u>75,441</u>	<u>2,165,599</u>	<u>178,152</u>	<u>10,000</u>	<u>2,433,605</u>
<u>EXPENSES</u>						
Personnel	-	35,808	1,058,874	37,573	-	1,132,255
Fringe Benefits	-	5,728	276,518	11,343	-	293,589
Travel	-	12,663	4,573	-	-	17,236
Contractual	-	1,503	8,400	-	-	9,903
Operating Supplies	161	976	96,509	4,577	-	102,223
Other Costs	5,864	14,554	174,935	-	10,000	205,353
Program Services	-	-	-	99,588	-	99,588
Program Administration	-	-	-	5,582	-	5,582
In-Kind Expenditures	-	<u>700</u>	<u>409,600</u>	<u>-</u>	<u>-</u>	<u>410,300</u>
<u>TOTAL EXPENSES</u>	<u>6,025</u>	<u>71,932</u>	<u>2,029,409</u>	<u>158,663</u>	<u>10,000</u>	<u>2,276,029</u>
<u>SUPPORT OVER EXPENDITURES</u>	(1,612)	3,509	136,190	19,489	-	157,576
<u>PRIOR YEAR FUNDS REPROGRAMMED</u>	-	-	(63,296)	-	-	(63,296)
<u>NET ASSETS - BEGINNING OF YEAR</u>	8,921	912	63,365	73,947	1,245	148,390
<u>ACQUISITION OF PROPERTY</u>	-	-	(136,190)	-	-	(136,190)
<u>NET ASSETS - END OF YEAR</u>	<u>7,309</u>	<u>4,421</u>	<u>69</u>	<u>93,436</u>	<u>1,245</u>	<u>106,480</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
 RUSTON, LOUISIANA
 STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
 RSVP - FEDERAL FUNDS - GRANTOR BASIS
 FOR THE PERIOD

	(MEMO ONLY) 04/01/00 through <u>11/30/00</u>	12/01/00 through <u>03/31/01</u>	(MEMO ONLY) TOTAL <u>FYE 03/31/01</u>
<u>REVENUES</u>			
Grant Receipts - Corporation for National Services	38,242	12,023	50,265
Donations & Interest	<u> -</u>	<u> -</u>	<u> -</u>
<u>TOTAL REVENUES</u>	<u>38,242</u>	<u>12,023</u>	<u>50,265</u>
<u>VOLUNTEER SUPPORT EXPENDITURES</u>			
Personnel	21,068	10,495	31,563
Fringe Benefits	2,366	1,320	3,686
Travel	5,935	1,936	7,871
Contractual	-	931	931
Operating Supplies	26	380	406
Other Costs	923	564	1,487
Capital Outlay	<u> -</u>	<u> -</u>	<u> -</u>
<u>TOTAL VOLUNTEER SUPPORT EXPENDITURES</u>	<u>30,318</u>	<u>15,626</u>	<u>45,944</u>
<u>VOLUNTEER EXPENDITURES</u>			
Travel	240	215	455
Other	<u> -</u>	<u>3,821</u>	<u>3,821</u>
<u>TOTAL VOLUNTEER EXPENDITURES</u>	<u>240</u>	<u>4,036</u>	<u>4,276</u>
<u>TOTAL EXPENDITURES</u>	<u>30,558</u>	<u>19,662</u>	<u>50,220</u>
<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	7,684	(7,639)	45
<u>NET ASSETS - BEGINNING OF PERIOD</u>	32	7,716	32
<u>PRIOR YEAR FUNDS REPROGRAMMED</u>	<u> -</u>	<u> -</u>	<u> -</u>
<u>NET ASSETS - END OF PERIOD</u>	<u>7,716</u>	<u>77</u>	<u>77</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
RSVP - FEDERAL FUNDS - GRANTOR BASIS
FOR THE PERIOD

04/01/01
through
11/30/01

REVENUES

Grant Receipts - Corporation for National Services	<u>38,745</u>
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<u>TOTAL REVENUES</u>	<u>38,745</u>
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VOLUNTEER SUPPORT EXPENDITURES

Personnel	22,116
Fringe Benefits	2,417
Travel	4,850
Contractual	-
Operating Supplies	159
Other Costs	915
Capital Outlay	<u>-</u>

<u>TOTAL VOLUNTEER SUPPORT EXPENDITURES</u>	<u>30,457</u>
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VOLUNTEER EXPENDITURES

Fringe Benefits	-
Travel	660
Other Costs	<u>-</u>

<u>TOTAL VOLUNTEER EXPENDITURES</u>	<u>660</u>
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<u>TOTAL EXPENDITURES</u>	<u>31,117</u>
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<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	7,628
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<u>NET ASSETS - BEGINNING OF PERIOD</u>	<u>77</u>
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<u>NET ASSETS - END OF PERIOD</u>	<u><u>7,705</u></u>
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LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND FUND BALANCES
RSVP - STATE FUNDS - GRANTOR BASIS
FOR THE PERIOD

	(MEMO ONLY) 04/01/00 through <u>11/30/00</u>	12/01/00 through <u>03/31/01</u>	(MEMO ONLY) TOTAL FYE <u>03/31/01</u>
<u>REVENUES</u>			
Grant Receipts - Office of Elderly Affairs	-	13,497	13,497
Donations & Interest	<u>-</u>	<u>7,551</u>	<u>7,551</u>
<u>TOTAL REVENUES</u>	<u>-0-</u>	<u>21,048</u>	<u>21,048</u>
<u>VOLUNTEER SUPPORT EXPENDITURES</u>			
Personnel	2,076	1,038	3,114
Fringe Benefits	386	213	599
Travel	1,714	865	2,579
Operating Supplies	102	339	441
Other Costs	1,021	912	1,933
Contractual	<u>448</u>	<u>124</u>	<u>572</u>
<u>TOTAL VOLUNTEER SUPPORT EXPENDITURES</u>	<u>5,747</u>	<u>3,491</u>	<u>9,238</u>
<u>VOLUNTEER EXPENDITURES</u>			
Fringe Benefits	1,373	-	1,373
Travel	1,759	698	2,457
Other Costs	345	6,935	7,280
In-Kind Expenditures	<u>-</u>	<u>700</u>	<u>700</u>
<u>TOTAL VOLUNTEER EXPENDITURES</u>	<u>3,477</u>	<u>8,333</u>	<u>11,810</u>
<u>TOTAL EXPENDITURES</u>	<u>9,224</u>	<u>11,824</u>	<u>21,048</u>
<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	(9,224)	9,224	-0-
<u>NET ASSETS - BEGINNING OF PERIOD</u>	2,420	(6,804)	2,420
<u>RETURN OF ADVANCED FUNDING</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET ASSETS - END OF PERIOD</u>	<u>(6,804)</u>	<u>2,420</u>	<u>2,420</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
RSVP - STATE FUNDS - GRANTOR BASIS
FOR THE PERIOD

04/01/01
through
11/30/01

REVENUES

Grant Receipts - Office of Elderly Affairs	-
Donations & Interest	<u>3,625</u>

<u>TOTAL REVENUES</u>	<u>3,625</u>
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VOLUNTEER SUPPORT EXPENDITURES

Personnel	2,159
Fringe Benefits	405
Travel	2,410
Operating Supplies	98
Other Costs	1,407
Contractual	<u>448</u>

<u>TOTAL VOLUNTEER SUPPORT EXPENDITURES</u>	<u>6,927</u>
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VOLUNTEER EXPENDITURES

Fringe Benefits	1,373
Travel	1,029
Other Costs	<u>-</u>

<u>TOTAL VOLUNTEER EXPENDITURES</u>	<u>2,402</u>
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<u>TOTAL EXPENDITURES</u>	<u>9,329</u>
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<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	(5,704)
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<u>NET ASSETS - BEGINNING OF PERIOD</u>	<u>2,420</u>
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<u>NET ASSETS - END OF PERIOD</u>	<u>(3,284)</u>
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LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
HEAD START - GRANTOR BASIS
FOR THE PERIOD

	12/01/00 through <u>11/30/01</u>
<u>REVENUES</u>	
Grant Receipts - HHS	1,755,999
In-Kind Receipts	<u>409,600</u>
<u>TOTAL REVENUES</u>	<u>2,165,599</u>
<u>EXPENDITURES</u>	
Personnel	1,058,874
Fringe Benefits	276,518
Travel	4,573
Contractual	8,400
Operating Supplies	96,509
Other Costs	174,935
Capital Outlay	136,190
In-Kind Expenses	<u>409,600</u>
<u>TOTAL EXPENDITURES</u>	<u>2,165,599</u>
<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	-0-
<u>NET ASSETS - BEGINNING OF PERIOD</u>	63,365
<u>PRIOR YEAR FUNDS REPROGRAMMED</u>	(<u>63,296</u>)
<u>NET ASSETS - END OF PERIOD</u>	<u>69</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
USDA FOOD SERVICES - GRANTOR BASIS
FOR THE PERIOD

	(MEMO ONLY) 10/01/00 through <u>11/30/00</u>	12/01/00 through <u>09/30/01</u>	(MEMO ONLY) TOTAL FYE <u>09/30/01</u>
<u>REVENUES</u>			
Grant Receipts - USDA	2,299	7,901	10,200
Reimbursements	<u>16,571</u>	<u>137,317</u>	<u>153,888</u>
<u>TOTAL REVENUES</u>	<u>18,870</u>	<u>145,218</u>	<u>164,088</u>
<u>EXPENDITURES</u>			
Personnel	7,238	31,253	38,491
Fringe Benefits	1,939	9,632	11,571
Food Costs	21,288	74,207	95,495
Operating Supplies	709	3,713	4,422
Administrative	<u>-</u>	<u>5,583</u>	<u>5,583</u>
<u>TOTAL EXPENDITURES</u>	<u>31,174</u>	<u>124,388</u>	<u>155,562</u>
<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	(12,304)	20,830	8,526
<u>NET ASSETS - BEGINNING OF PERIOD</u>	<u>86,251</u>	<u>73,947</u>	<u>86,251</u>
<u>NET ASSETS - END OF PERIOD</u>	<u>73,947</u>	<u>94,777</u>	<u>94,777</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
USDA FOOD SERVICES - GRANTOR BASIS
FOR THE PERIOD

	10/01/01 through 11/30/01
<u>REVENUES</u>	
Grant Receipts - USDA	30,677
Reimbursements	<u>2,257</u>
<u>TOTAL REVENUES</u>	<u>32,934</u>
<u>EXPENDITURES</u>	
Personnel	6,320
Fringe Benefits	1,712
Food Costs	25,380
Operating Supplies	863
Administrative	<u>—</u>
<u>TOTAL EXPENDITURES</u>	<u>34,275</u>
<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	(1,341)
<u>NET ASSETS - BEGINNING OF PERIOD</u>	<u>94,777</u>
<u>NET ASSETS - END OF PERIOD</u>	<u>93,436</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
STATE COLLABORATION - GRANTOR BASIS
FOR THE PERIOD

	1/03/01 through 11/30/01
<u>REVENUES</u>	
Grant Receipts - Social Services	10,000
<u>TOTAL REVENUES</u>	10,000
<u>EXPENDITURES</u>	
Personnel	-
Fringe Benefits	-
Operating Supplies	-
Other Costs	10,000
Program Services	-
<u>TOTAL EXPENDITURES</u>	10,000
<u>EXCESS (DEFICIT) REVENUES OVER EXPENDITURES</u>	-0-
<u>NET ASSETS - BEGINNING OF PERIOD</u>	1,245
<u>NET ASSETS - END OF PERIOD</u>	1,245

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED NOVEMBER 30, 2001

	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	BUDGETED OVER (UNDER) ACTUAL EXPENDITURES
<u>RSVP - FEDERAL FUNDS</u>			
FYE March 31, 2001			
<u>VOLUNTEER SUPPORT EXPENDITURES</u>			
Personnel	31,602	31,563	39
Fringe Benefits	4,974	3,686	1,288
Travel	7,851	7,871	(20)
Contractual	375	931	(556)
Supplies	554	406	148
Other Costs	<u>632</u>	<u>1,487</u>	<u>(855)</u>
<u>TOTAL VOLUNTEER SUPPORT EXPENDITURES</u>	<u>45,988</u>	<u>45,944</u>	<u>44</u>
<u>VOLUNTEER EXPENDITURES</u>			
Fringe Benefits	511	-	511
Travel	500	455	45
Other Costs	<u>3,266</u>	<u>3,821</u>	<u>(555)</u>
<u>TOTAL VOLUNTEER EXPENDITURES</u>	<u>4,277</u>	<u>4,276</u>	<u>1</u>
<u>TOTAL FEDERAL EXPENDITURES</u>	<u>50,265</u>	<u>50,220</u>	<u>45</u>
<u>RSVP - NON-FEDERAL FUNDS</u>			
FYE March 31, 2001			
<u>VOLUNTEER SUPPORT EXPENDITURES</u>			
Personnel	3,114	3,114	-
Fringe Benefits	700	599	101
Travel	2,346	2,579	(233)
Supplies	46	441	(395)
Other Costs	1,935	1,933	2
Contractual	<u>1,097</u>	<u>572</u>	<u>525</u>
<u>TOTAL VOLUNTEER SUPPORT EXPENDITURES</u>	<u>9,238</u>	<u>9,238</u>	<u>-0-</u>
<u>VOLUNTEER EXPENDITURES</u>			
Fringe Benefits	763	1,373	(610)
Travel	7,789	2,457	5,332
Other Costs	3,281	7,280	(3,999)
In-Kind Expenditures	<u>-</u>	<u>700</u>	<u>(700)</u>
<u>TOTAL VOLUNTEER EXPENDITURES</u>	<u>11,833</u>	<u>11,810</u>	<u>23</u>
<u>TOTAL NON-FEDERAL EXPENDITURES</u>	<u>21,071</u>	<u>21,048</u>	<u>23</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED NOVEMBER 30, 2001

	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	BUDGETED OVER (UNDER) ACTUAL EXPENDITURES
<u>HEAD START</u>			
FYE November 30, 2001			
Personnel	1,106,684	1,058,874	47,810
Fringe Benefits	307,870	276,518	31,352
Travel	10,500	4,573	5,927
Contractual	10,500	8,400	2,100
Operating Supplies	52,250	96,509	(44,259)
Other Costs	191,649	174,935	16,714
Capital Outlay	128,296	136,190	(7,894)
In-Kind Contributions	<u>409,600</u>	<u>409,600</u>	<u>-</u>
<u>TOTALS</u>	<u>2,217,349</u>	<u>2,165,599</u>	<u>51,750</u>
<u>USDA FOOD SERVICES</u>			
FYE September 30, 2001			
Administrative	800	5,582	(4,782)
Personnel	41,479	37,573	3,906
Fringe Benefits	11,949	11,343	606
Food Costs	131,220	99,588	31,632
Operating Supplies	5,900	4,577	1,323
Other	600	-	600
Travel	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTALS</u>	<u>191,948</u>	<u>158,663</u>	<u>33,285</u>
<u>STATE COLLABORATION</u>			
FYE November 30, 2001			
Personnel	-	-	-
Fringe Benefits	-	-	-
Operating Supplies	-	-	-
Other Costs	9,500	10,000	(500)
Program Services	-	-	-
Travel	<u>500</u>	<u>-</u>	<u>500</u>
<u>TOTALS</u>	<u>10,500</u>	<u>10,000</u>	<u>-0-</u>

LINCOLN TOTAL COMMUNITY ACTION, INC.
 RUSTON, LOUISIANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED NOVEMBER 30, 2001

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH OR AWARD NUMBER	FEDERAL DISBURSEMENTS/ EXPENDITURES
<u>U.S. Department of Agriculture</u> Passed through Louisiana Department of Education: Child and Adult Care Food Program	10.558	N/A	158,663
<u>U.S. Department of Health and Human Services</u> * Head Start	93.600	OLCH5091/35	1,755,999
<u>The Corporation for National Service</u> Retired Senior Volunteer Program	72.002	340W060-18	50,220
<u>Louisiana Department of Social Services</u> State Collaboration	93.596	565830	10,000
* Major Program			

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED NOVEMBER 30, 2001

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Lincoln Total Community Action, 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.

NOTE 2 SUBRECIPIENTS

Lincoln Total Community Action, Inc. did not provide federal awards to subrecipients.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
SCHEDULE OF BOARD MEMBERS COMPENSATION
FOR THE YEAR ENDED NOVEMBER 30, 2001

No compensation was paid any board member during the period under audit.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED NOVEMBER 30, 2001

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- * Material weakness(es) identified? ___ yes X no
- * Reportable condition(s) identified that
are not considered to be material
weaknesses? X yes ___ none reported

Noncompliance material to financial
statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

- * Material weakness(es) identified? ___ yes X no
- * Reportable condition(s) identified that
are not considered to be material
weaknesses? X yes ___ none reported

Type of auditors' report issued on compliance for major programs:
Unqualified

Any audit findings disclosed that are
required to be reported in accordance
with section 510(a) of Circular A-133? X yes ___ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
93.600	Department of Health and Human Services - Headstart

Dollar threshold used to distinguish
between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? ___ yes X no

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED NOVEMBER 30, 2001

SECTION II - FINANCIAL STATEMENT FINDINGS

2001-1

Criteria: Computers and computer programs should be secure and password protected.

Conditions: We noted that access to computer programs is not adequately password protected.

Questioned Cost: None

Context: The Agency should have all computer programs password protected and passwords given to only those with logical need for access.

Effect: No effect on the financial statements.

Cause: Management was unaware of the need to password protect software programs.

Recommendation: We recommend that all computer programs be password protected and passwords given to only those with logical need for access.

Response: Management agrees with this finding.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
HEADSTART, ONLY MAJOR PROGRAM

2001-1

Criteria: Computers and computer programs should be secure and password protected.

Conditions: We noted that access to computer programs is not adequately password protected.

Questioned Cost: None

Context: The Agency should have all computer programs password protected and passwords given to only those with logical need for access.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED NOVEMBER 30, 2001

2001-1 (Continued)

Effect: No effect on the financial statements.

Cause: Management was unaware of the need to password protect software programs.

Recommendation: We recommend that all computer programs be password protected and passwords given to only those with logical need for access.

Response: Management agrees with this finding.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS
NOVEMBER 30, 2001

SECTION I - Internal Control

There were no findings nor questioned costs for internal controls for the year ended November 30, 2000.

SECTION II - Compliance

There were no findings nor questioned costs for compliance for the year ended November 30, 2000.

LINCOLN TOTAL COMMUNITY ACTION, INC.
RUSTON, LOUISIANA
EXIT CONFERENCE
FOR THE YEAR ENDED NOVEMBER 30, 2001

An exit conference was held on May 23, 2002 at the Lincoln Total Community Action, Inc.'s administrative office in Ruston, Louisiana. Mr. Rowland Perry, CPA, represented the auditors. The Executive Director of the Agency was present.

We reported that we discovered a reportable condition described in the findings and questioned costs, but there were no material weaknesses in internal or administrative controls.