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HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
COMPONENT UNIT FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2002  
WITH SUPPLEMENTAL INFORMATION SCHEDULES

Provisions of state law, this report is a public document. A copy of the report has been submitted to the parish council 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 8/20/03

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
 RUSTON, LOUISIANA  
 COMPONENT UNIT FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 WITH SUPPLEMENTAL INFORMATION SCHEDULES

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**INDEPENDENT AUDITOR'S REPORT**

To the Health and Welfare Committee Members  
of the Lincoln Parish Police Jury  
Humanitarian Enterprises Of Lincoln Parish  
Ruston, Louisiana

I have audited the accompanying component unit financial statements of Humanitarian Enterprises of Lincoln Parish, a component unit of the Lincoln Parish Police Jury, as of and for the year ended December 31, 2002, as listed in the table of contents. These component unit financial statements are the responsibility of the Humanitarian Enterprises of Lincoln Parish's management. My responsibility is to express an opinion on these component unit financial statements based on my audit.

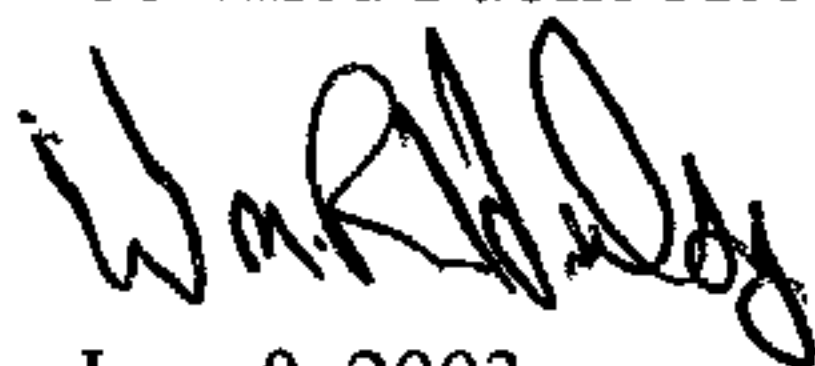
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Humanitarian Enterprises of Lincoln Parish, as of December 31, 2002, and the changes in its net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated June 9, 2003 on my consideration of the Humanitarian Enterprises of Lincoln Parish's internal control over financial reporting and my 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 Governmental Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

My audit was performed for the purpose of forming an opinion on the component unit financial statements of the Humanitarian Enterprises of Lincoln Parish taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the component unit financial statements. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the component unit financial statements taken as a whole.

WILLIAM R. HULSEY  
Certified Public Accountant

A handwritten signature in black ink, appearing to read "W. R. Hulsey", written in a cursive style.

June 9, 2003

**COMPONENT UNIT FINANCIAL STATEMENTS**

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
COMBINED BALANCE SHEET - ALL GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2002

	<u>Governmental Fund Types</u>		<u>Account Group</u>	<u>Totals (Memorandum Only)</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>General Fixed Asset Account Group</u>	
<b>Assets:</b>				
Cash	\$ 52,926	\$ 165,859	\$ -	\$ 218,785
Investments	-	-	-	-
Accounts receivable	-	89,681	-	89,681
Intergovernmental receivable	-	-	-	-
Due from other funds	365	1,685	-	2,050
General fixed assets(Note 4)	-	-	214,238	214,238
<b>TOTAL ASSETS</b>	<b>\$ 53,291</b>	<b>\$ 257,225</b>	<b>\$ 214,238</b>	<b>\$ 524,754</b>
<b>Liabilities and Fund Equity:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 45,290	\$ -	\$ 45,290
Sales tax refunds payable	-	-	-	-
Due to other funds	1,685	365	-	2,050
Due to other government units	711	-	-	711
Deferred revenue	-	8,046	-	8,046
<b>Total liabilities</b>	<b>2,396</b>	<b>53,701</b>	<b>-</b>	<b>56,097</b>
<b>Fund Equity:</b>				
<b>Fund Balance:</b>				
Investment in general fixed assets	-	-	214,238	214,238
<b>Unreserved:</b>				
Designated	-	203,524	-	203,524
Undesignated	50,895	-	-	50,895
<b>Total fund equity</b>	<b>50,895</b>	<b>203,524</b>	<b>214,238</b>	<b>468,657</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 53,291</b>	<b>\$ 257,225</b>	<b>\$ 214,238</b>	<b>\$ 524,754</b>

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

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002

	General Fund	Special Revenue Funds	Totals (Memorandum Only)
<b>Revenues:</b>			
Intergovernmental:			
Grant receipts	\$ -	\$ 561,745	\$ 561,745
Transportation fees	-	12,093	12,093
Commodities	-	-	-
Other revenues	834	1,245	2,079
Total revenues	<u>834</u>	<u>575,083</u>	<u>575,917</u>
<b>Expenditures:</b>			
Bad debts	-	-	-
Personnel and fringe benefits	-	276,072	276,072
Vehicle maintenance and insurance	-	42,801	42,801
Operating services and supplies	98	14,557	14,655
Meal costs	-	-	-
Travel	-	4,416	4,416
Emergency crisis and rent assistance	-	193,509	193,509
Energy and emergency assistance	-	4,845	4,845
Other support costs	2,475	24,112	26,587
Purchase of fixed assets	-	-	-
Total expenditures	<u>2,573</u>	<u>560,312</u>	<u>562,885</u>
Excess (deficiency) of revenues over expenditures	<u>(1,739)</u>	<u>14,771</u>	<u>13,032</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	-	-	-
Operating transfers out	-	(4)	(4)
Total other financing sources (uses)	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,739)	14,767	13,028
Fund balance, beginning	52,634	186,721	239,355
Prior period adjustment	-	2,036	2,036
Fund balance, ending	<u>\$ 50,895</u>	<u>\$ 203,524</u>	<u>\$ 254,419</u>

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



HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL - GOVERNMENTAL FUND TYPES GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Grants	\$ -	\$ -	\$ -
Other	350	834	484
	<u>350</u>	<u>834</u>	<u>484</u>
Total revenues	<u>350</u>	<u>834</u>	<u>484</u>
Expenditures:			
Bad debts	-	-	-
Personnel and fringe benefits	-	-	-
Vehicle maintenance and insurance	-	-	-
Operating services and supplies	2,575	2,573	2
Meal costs	-	-	-
Travel	-	-	-
Emergency crisis and rent assistance	-	-	-
Energy and emergency assistance	-	-	-
Teen pregnancy expense	-	-	-
Purchase of fixed assets	-	-	-
Total expenditures	<u>2,575</u>	<u>2,573</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	<u>(2,225)</u>	<u>(1,739)</u>	<u>486</u>
Other financing sources (uses):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ (2,225)</u>	<u>(1,739)</u>	<u>\$ 486</u>
Fund balance, beginning		<u>52,634</u>	
Fund balance, ending		<u>\$ 50,895</u>	

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

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
 RUSTON, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 BUDGET (GAAP BASIS) AND ACTUAL - GOVERNMENTAL FUND TYPES SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Grants	\$ 556,937	\$ 561,745	\$ 4,808
Other	14,850	13,338	(1,512)
Total revenues	<u>571,787</u>	<u>575,083</u>	<u>3,296</u>
Expenditures:			
Bad debts	-	-	-
Personnel and fringe benefits	279,791	276,072	(3,719)
Vehicle maintenance and insurance	39,725	42,801	3,076
Operating services and supplies	14,500	14,557	57
Meal costs	-	-	-
Travel	9,701	4,416	(5,285)
Emergency crisis and rent assistance	9,133	4,845	(4,288)
Energy and emergency assistance	192,200	193,509	1,309
Other support costs	19,094	24,112	5,018
Purchase of fixed assets	-	-	-
Total expenditures	<u>564,144</u>	<u>560,312</u>	<u>(3,832)</u>
Excess (deficiency) of revenues over expenditures	<u>7,643</u>	<u>14,771</u>	<u>7,128</u>
Other financing sources (uses):			
Operating transfers in	-	(4)	(4)
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ 7,643</u>	14,767	<u>\$ 7,124</u>
Fund balance, beginning		186,721	
Prior period adjustment		<u>2,036</u>	
Fund balance, ending		<u>\$ 203,524</u>	

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

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Humanitarian Enterprises of Lincoln Parish (the H.E.L.P. Center), a component unit and integral part of the Lincoln Parish Police Jury, was organized to promote and develop economic opportunities for the people of Lincoln Parish. The Center is operated exclusively for charitable and educational purposes. The accompanying financial statements are intended to present the financial position and results of operations of only the transactions of the Humanitarian Enterprises of Lincoln Parish.

Fund Accounting

The Humanitarian Enterprises of Lincoln Parish uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all of the Center's activities, including the collection and disbursement of earmarked monies (special revenue funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Basis of Accounting

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and Center funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

Budgeting Procedures

The Humanitarian Enterprises of Lincoln Parish prepares annual budgets for the general and special revenue funds. The budgets are prepared on a modified accrual basis of accounting. Budgeted amounts in the accompanying financial statements include original adopted budget amounts and all subsequent amendments. Appropriations which are not expended lapse at year end.

The executive director of the H.E.L.P Center and the secretary-treasurer of the Police Jury are authorized to transfer budget amounts within a function by object classification; however, any revisions that alter the total expenditures of any function must be approved by the executive director of the H.E.L.P Center or the Lincoln Parish Police Jury. The level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis.

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

*Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.*

Assets in the general fixed assets account group are not depreciated.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Employees accrue from 5 to 15 days of annual and sick leave each year depending on years of service with the H.E.L.P. Center. Annual leave must be used in the year it is earned. Sick leave up to a maximum of 15 days may be carried forward to the next year for major illnesses only. Upon separation, all unused sick leave lapses.

Due to the restrictions on use of accrued sick leave, no provision has been made for the compensated absences or vacation in these financial statements.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Funding Policies

The Center receives their monies through various methods of funding. Most of the funds are obtained on a grant basis. Under this method, funds are received on an allocation basis in advance of the actual expenditure. The Center also receives funds as a reimbursement of actual expenditures.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash

Cash includes demand deposits and money market accounts. Under state law, the Humanitarian Enterprises of Lincoln Parish may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. Further, the Humanitarian Enterprises of Lincoln Parish may invest in the time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

NOTE 2 - CASH

At year end, the carrying amount (book amount) of the Center's deposits was \$218,735, the bank balance was \$197,692. All deposits were fully insured with federal deposit insurance at December 31, 2002.

NOTE 3 - DUE FROM OTHER GOVERNMENTAL UNITS

The uncollected balance of grants due to the individual agencies are shown as due from other governmental units.

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

Equipment:	
Balance - January 1, 2002	\$ 204,638
Adjustments	-
Additions	9,600
Deletions	<u>-</u>
 Balance - December 31, 2002	 <u>\$ 214,238</u>



HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 5 - DUE FROM/TO OTHER FUNDS

The due from/to other funds at December 31, 2002, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 365	\$ 1,685
Special Revenue Funds:		
Medicare Application Assistance	-	365
Community Service Block Grant	1,685	-
LIHEAP Energy		
Transportation	-	
Medicare	-	
	<hr/>	<hr/>
Totals	<u>\$ 2,050</u>	<u>\$ 2,050</u>

NOTE 6 - RESERVED AND DESIGNATED FUND BALANCES

Designated fund balances are funds which have been designated and labeled by the various programs as to their use in a future period. At December 31, 2002, the designated fund balances consisted of the following:

<u>Fund</u>	<u>Designated Use</u>	<u>Fund Balance at December 31, 2002</u>
Commodities	Commodities	\$ 187
Transportation	Transportation	196,288
Emergency Food and Shelter	Emergency food and shelter	764
Summer Feeding	Meals for eligible children	0
LIHEAP Home energy assistance		5,151
Community Service		
Block Grant	Administrative costs	(247)
Medicare	Medicare application assistance	<u>1,381</u>
		<u>\$ 203,524</u>

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 7 - PENSION PLAN

Plan Description

The Parochial Employees' Retirement System, a Public Employee Retirement System, is a cost sharing multiple-employer plan that is governed by the Louisiana Revised Statutes, Title II, Sections 1901 through 2015, specifically, and other general laws of the State of Louisiana.

Under the Parochial Retirement System, a member is eligible for normal retirement if he has at least 30 years of creditable service regardless of age, or 25 years of creditable service and is at least 55 years old, or 10 years of creditable service and is at least 60 years old. The monthly retirement benefit is equal to three percent of the member's coverage monthly compensation for any 36 months of consecutive service in which compensation was highest, multiplied by years of creditable service, not to exceed 100% of member's final compensation. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death under certain conditions are payable to the retiree's surviving spouse and minor children.

The Center's total payroll for the year ended December 31, 2002, was \$207,279 of which \$201,061 as the covered payroll for employees in the Parochial Retirement System. The Center has twelve employees covered under this retirement system.

NOTE 8 - OPERATING TRANSFERS

Operating transfers in/out at December 31, 2002, are as follows:

	Operating Transfer <u>In</u>	Operating Transfer <u>Out</u>
General Fund	\$ 4	\$ -
Special Revenue Fund	-	4



HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 9 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Variances

When comparing budget to actual amounts for the year ended December 31, 2002, there were no governmental fund types which had unfavorable variances greater than 5%.

NOTE 10 - LITIGATION AND CLAIMS

According to the Parish District Attorney, the Humanitarian Enterprises of Lincoln Parish had no pending or threatened litigation as of December 31, 2002.

NOTE 11 - FEDERALLY ASSISTED PROGRAMS

The Center receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The programs are audited in accordance with the Single Audit Act of 1984 and are subject to further examination by the grantor agency.

NOTE 12 - DEFERRED COMPENSATION PLAN

Employees of the Humanitarian Enterprises of Lincoln Parish (Center) may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Center. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 12 - DEFERRED COMPENSATION PLAN (Continued)

The deferred compensation plan is administered by PEBSCO (Public Employees Benefit Service Corporation) and Hartford, Inc. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the Benefit Service Corporation, until paid or made available to the employees or beneficiaries, are the property of the Center subject only to the claims of the Center's general creditors. In addition, the participants in the plan have rights equal to those of the general creditors of the Center, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The Center believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise.

*As part of its fiduciary role, the Center has an obligation of due care in selecting the third-party administrator. In the opinion of the Center's legal counsel, the Center has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.*

NOTE 13 - DUE FROM OTHER GOVERNMENTS

There were no amounts due from other governments at December 31, 2002.

**SUPPLEMENTAL INFORMATION SCHEDULES**

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2002

GENERAL FUND

This fund is not dedicated and may be used for expenditures authorized by the governing body. Examples of expenditures are: emergency crisis assistance, purchase of vehicles and equipment, seed money for new programs that are available on a reimbursement basis, salaries, fringe benefits, supplemental funds for other authorized programs, etc. Funding sources include the Lincoln Parish Police Jury and other miscellaneous income.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2002

SPECIAL REVENUE FUNDS

Medicaid Application Program

The state pays Lincoln Parish Police Jury an administrative fee to take care of medicaid applications.

Community Service Block Grant Fund

This fund is provided through the Louisiana Department of Labor for the administrative cost of the Center. Levels of funding fluctuate from year to year depending upon CSBG appropriations by the United States Congress. This fund will provide for administrative cost such as salaries, fringe benefits, audit cost, travel, etc. This fund requires prior approval of expenditures by the funding source.

Low Income Home Energy Assistance Program - Energy Fund

These funds are dedicated for the use of Home Energy Assistance only. Ninety-five percent of all funds received are to be used to provide approximately 279 units of service (energy benefits) for eligible residents of Lincoln Parish. Funds may only be expended for line items approved by the funding resource. Assistance is limited to \$190 per family in a six month period.

Emergency Food and Shelter

A program to provide assistance on an emergency basis for persons being threatened by eviction or other hardship. Clients must present proof of income and proof of eviction or other difficulty ie. late payment notice. They must also present proof of an emergency or crisis situation which prevents their paying the amount.

Commodities

These funds are dedicated to the distribution and storage of USDA donated commodities for the Temporary Emergency Food Assistance Program (TEFAP). The Louisiana Department of Agriculture is the pass through agency for the TEFAP funds. These funds will allow for the distribution of food for 817 Lincoln Parish households.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2002

SPECIAL REVENUE FUNDS (Continued)

Transportation

This fund is derived from the following resources: Section 5311 of the Rural Public Transportation Act, Title XIX from the Louisiana State Medicaid Program for Transportation, Margaret Roan Industries, Office of Family Securities for Project Independence and Transportation Fares. Section 5311 funds, once reimbursed from the state, can be used for any expense of the Center. These funds represent a fifty percent reimbursement of the deficit cost of operation to provide Rural Public Transportation. Title XIX are used solely for transportation purposes. For these financial statements the assets and liabilities have been combined, but a separate column for each fund on the "Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds - Transportation Funds" has been presented. (Schedule 3)

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
COMBINING BALANCE SHEET  
DECEMBER 31, 2002

	Medicare	Community Service Block Grant	LIHEAP Energy
<b>Assets:</b>			
Cash	\$ 1,381	\$ 61	\$ 2,460
Accounts receivable	-	8,177	38,571
Due from other government units	-	-	-
Due from other funds	-	1,685	-
<b>TOTAL ASSETS</b>	<b>\$ 1,381</b>	<b>\$ 9,923</b>	<b>\$ 41,031</b>
 <b>Liabilities and fund equity:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 1,759	\$ 35,881
Due to other funds	-	365	-
Due to other government units	-	-	-
Deferred revenue	-	8,046	-
Total liabilities	-	10,170	35,881
 <b>Fund equity:</b>			
<b>Fund balances:</b>			
Reserved for subsequent - years' expenditures	-	-	-
Unreserved - designated	1,381	(247)	5,150
Total fund equity	1,381	(247)	5,150
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,381</b>	<b>\$ 9,923</b>	<b>\$ 41,031</b>

<u>Summer Food Service Program</u>	<u>Emergency Food and Shelter</u>	<u>Commodities</u>	<u>Transportation</u>	<u>Total</u>
\$ -	\$ 8,324	\$ 187	\$ 153,446	\$ 165,859
-	-	-	42,933	89,681
-	-	-	-	-
-	-	-	-	1,685
<u>\$ -</u>	<u>\$ 8,324</u>	<u>\$ 187</u>	<u>\$ 196,379</u>	<u>\$ 257,225</u>
\$ -	\$ 7,559	\$ -	\$ 91	\$ 45,290
-	-	-	-	365
-	-	-	-	-
-	-	-	-	8,046
<u>-</u>	<u>7,559</u>	<u>-</u>	<u>91</u>	<u>53,701</u>
-	-	-	-	-
-	765	187	196,288	203,524
-	765	187	196,288	203,524
<u>\$ -</u>	<u>\$ 8,324</u>	<u>\$ 187</u>	<u>\$ 196,379</u>	<u>\$ 257,225</u>



HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Medicare</u>	<u>Community Service Block Grant</u>	<u>LIHEAP Energy</u>
Revenues:			
Intergovernmental revenues:			
Grant receipts	\$ 838	\$ 95,515	\$ 214,010
Transportation fares	-	-	-
Commodities	-	-	-
Miscellaneous	-	-	-
Program	-	-	-
Total revenues	<u>838</u>	<u>95,515</u>	<u>214,010</u>
Expenditures:			
Bad debts	-	-	-
Personnel and fringe benefits	-	82,594	21,215
Vehicle maintenance and insurance	-	-	-
Operating services and supplies	-	-	-
Meal costs	-	-	-
Travel	-	3,166	54
Energy and emergency assistance	-	-	-
Emergency crisis and rent assistance	-	-	189,446
Other support costs	-	16,123	284
Prevention of homelessness assistance	-	-	-
Purchase of fixed assets	-	-	-
Total expenditures	<u>-</u>	<u>101,883</u>	<u>210,999</u>
Excess (deficiency) of revenues over expenditures	<u>838</u>	<u>(6,368)</u>	<u>3,011</u>
Other financing sources (uses):			
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	838	(6,368)	3,011
Fund balances, beginning	543	6,121	2,139
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,381</u>	<u>\$ (247)</u>	<u>\$ 5,150</u>

<u>Summer Food Service Program</u>	<u>Emergency Food and Shelter</u>	<u>Commodities</u>	<u>Transportation</u>	<u>Total</u>
\$ -	\$ 17,177	\$ -	\$ 234,205	\$ 561,745
-	-	-	12,093	12,093
-	-	-	-	-
-	-	-	1,245	1,245
-	-	-	-	-
-	<u>17,177</u>	-	<u>247,543</u>	<u>575,083</u>
-	-	-	-	-
-	-	-	172,263	276,072
-	-	-	42,801	42,801
-	-	-	14,557	14,557
-	-	-	-	-
-	-	-	1,196	4,416
-	4,845	-	-	4,845
-	4,063	-	-	193,509
-	7,705	-	-	24,112
-	-	-	-	-
-	-	-	-	-
-	<u>16,613</u>	-	<u>230,817</u>	<u>560,312</u>
-	-	-	-	-
-	<u>564</u>	-	<u>16,726</u>	<u>14,771</u>
(4)	-	-	-	(4)
(4)	-	-	-	(4)
(4)	564	-	16,726	14,767
4	201	187	177,526	186,721
-	-	-	2,036	2,036
<u>\$ -</u>	<u>\$ 765</u>	<u>\$ 187</u>	<u>\$ 196,288</u>	<u>\$ 203,524</u>

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - SPECIAL REVENUE FUNDS -  
TRANSPORTATION FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Title 19</u>
Revenues:	
Grant receipts	\$ 17,688
Transportation fares	-
Miscellaneous	-
Total revenues	<u>17,688</u>
Expenditures:	
Bad debts	-
Personnel and fringe benefits	12,308
Vehicle maintenance and insurance	3,056
Operating services and supplies	1,039
Meal costs	-
Travel	85
Energy and emergency assistance	-
Emergency crisis and rent assistance	-
Prevention of homelessness assistance	-
Purchase of fixed assets	-
Total expenditures	<u>16,488</u>
Excess (deficiency) of revenues over expenditures	<u>1,200</u>
Other financing sources (uses):	-
Operating transfers in (out)	-
Total other financing sources (uses)	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,200
Fund balances, beginning	1,999
Prior period adjustment	<u>-</u>
Fund balances, ending	<u>\$ 3,199</u>

Section 5311	Project Independence	Transportation Fares	Total
\$ 99,391	\$ 114,828	\$ 2,297	\$ 234,204
-	-	12,093	12,093
-	-	1,246	1,246
<u>99,391</u>	<u>114,828</u>	<u>15,636</u>	<u>247,543</u>
-	-	-	-
69,165	79,908	10,882	172,263
17,184	19,854	2,707	42,801
5,845	6,751	922	14,557
-	-	-	-
480	555	76	1,196
-	-	-	-
-	-	-	-
-	-	-	-
<u>92,674</u>	<u>107,068</u>	<u>14,587</u>	<u>230,817</u>
<u>6,717</u>	<u>7,760</u>	<u>1,049</u>	<u>16,726</u>
-	-	-	-
-	-	-	-
-	-	-	-
6,717	7,760	1,049	16,726
45,017	111,797	18,713	177,526
-	-	2,036	2,036
<u>\$ 51,734</u>	<u>\$ 119,557</u>	<u>\$ 21,798</u>	<u>\$ 196,288</u>

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
 RUSTON, LOUISIANA  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - SPECIAL REVENUE FUNDS -  
 TRANSPORTATION FUNDS - SECTION 5311  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	1/1/02 through 6/30/02	7/1/02 through 12/31/02	Total
<b>Revenues:</b>			
Grant receipts - Section 5311	\$ 49,696	\$ 49,696	\$ 99,391
Total revenues	<u>49,696</u>	<u>49,696</u>	<u>99,391</u>
<b>Expenditures:</b>			
Personnel and fringe benefits	34,583	34,582	69,165
Vehicle maintenance and insurance	8,592	8,592	17,184
Operating services and supplies	2,923	2,922	5,845
Travel	240	240	480
Purchase of fixed assets	-	-	-
Total expenditures	<u>46,338</u>	<u>46,336</u>	<u>92,674</u>
Excess (deficiency) of revenues over expenditures	3,358	3,360	6,717
Fund balances, beginning	22,508	22,509	45,017
Prior period adjustment	-	-	-
Fund balances, ending	<u>\$ 25,866</u>	<u>\$ 25,869</u>	<u>\$ 51,734</u>

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
 RUSTON, LOUISIANA  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - SPECIAL REVENUE FUNDS -  
 PROJECT INDEPENDENCE  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	1/1/02 through 6/30/02	7/1/02 through 12/31/02	Total
<b>Revenues:</b>			
Grant receipts	\$ 58,914	\$ 55,914	\$ 114,828
Total revenues	<u>58,914</u>	<u>55,914</u>	<u>114,828</u>
<b>Expenditures:</b>			
Personnel and fringe benefits	39,954	39,954	79,908
Vehicle maintenance and insurance	9,927	9,927	19,854
Operating services and supplies	3,376	3,375	6,751
Travel	278	277	555
Purchase of fixed assets	-	-	-
Total expenditures	<u>53,535</u>	<u>53,533</u>	<u>107,068</u>
Excess (deficiency) of revenues over expenditures	5,379	2,381	7,760
Fund balances, beginning	55,898	55,898	111,796
Prior period adjustment	-	-	-
Fund balances, ending	<u>\$ 61,277</u>	<u>\$ 58,279</u>	<u>\$ 119,556</u>

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
 RUSTON, LOUISIANA  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -  
 SPECIAL REVENUE FUNDS - MEDICARE APPLICATION ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Program revenue	\$ 850	\$ 838	\$ (12)
Total revenues	<u>850</u>	<u>838</u>	<u>(12)</u>
Expenditures:			
Personnel and fringe benefits	-	-	-
Other support costs	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 850</u>	838	<u>\$ (12)</u>
Fund balance, beginning		543	
Prior period adjustment		<u>          </u>	
Fund balance, ending		<u>\$ 1,381</u>	

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -  
SPECIAL REVENUE FUNDS - COMMUNITY SERVICES BLOCK GRANT (CSBG)  
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Grant receipts - Louisiana Department of Employment and Training	\$ 97,192	\$ 95,515	\$ 1,677
Prevention of homelessness	-	-	-
Program revenue	-	-	-
Interest	-	-	-
<b>Total revenues</b>	<b>97,192</b>	<b>95,515</b>	<b>1,677</b>
<b>Expenditures:</b>			
<b>Administration:</b>			
Personnel and fringe benefits	53,447	52,251	1,196
Travel	3,232	3,166	66
Other support costs	10,857	10,837	20
Purchase of fixed assets	-	-	-
<b>Program activities:</b>			
Salaries and fringe benefits	30,342	30,350	(8)
Travel	-	-	-
Other support costs	5,414	5,279	135
Purchase of fixed assets	-	-	-
Community food and nutrition	-	-	-
From program income	-	-	-
Prevention of homelessness	-	-	-
<b>Total expenditures</b>	<b>103,292</b>	<b>101,883</b>	<b>1,409</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (6,100)</b>	<b>(6,368)</b>	<b>\$ 268</b>
Fund balance, beginning		6,121	
Prior period adjustment			
Fund balance, ending		<b>\$ (247)</b>	



HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -  
SPECIAL REVENUE FUNDS - LIHEAP ENERGY  
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Grant receipts - DHHR	\$ 214,000	\$ 214,010	\$ (10)
Heat crisis grant	-	-	-
<b>Total revenues</b>	<b>214,000</b>	<b>214,010</b>	<b>(10)</b>
<b>Expenditures:</b>			
<b>Administration:</b>			
Personnel and fringe benefits	21,297	21,215	82
Other support costs	448	284	164
Energy assistance	192,200	189,446	2,754
Travel	55	54	1
<b>Total expenditures</b>	<b>214,000</b>	<b>210,999</b>	<b>3,001</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ -</b>	<b>3,011</b>	<b>\$ (3,011)</b>
<b>Fund balance, beginning</b>		<b>2,139</b>	
<b>Prior period adjustment</b>			
<b>Fund balance, ending</b>		<b>\$ 5,150</b>	

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -  
SPECIAL REVENUE FUNDS - EMERGENCY FOOD & SHELTER  
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Grant receipts - Federal Emergency Management Agency	\$ 17,177	\$ 17,177	\$ -
Total revenues	<u>17,177</u>	<u>17,177</u>	<u>-</u>
<b>Expenditures:</b>			
Personnel and fringe benefits	255	-	255
Operating services and supplies	-	-	-
Emergency crisis and rent assistance	4,133	4,845	(712)
Energy and emergency assistance	5,000	4,063	937
Other support costs	7,789	7,705	84
Total expenditures	<u>17,177</u>	<u>16,613</u>	<u>564</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	564	<u>\$ 564</u>
Fund balance, beginning		201	
Prior period adjustment		<u>-</u>	
Fund balance, ending		<u>\$ 765</u>	

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -  
SPECIAL REVENUE FUNDS - TRANSPORTATION  
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Grant receipts	\$ 228,628	\$ 234,205	\$ 5,577
Transporation fares	12,500	12,093	(407)
Miscellaneous - other	1,500	1,245	(255)
<b>Total revenues</b>	<b>242,628</b>	<b>247,543</b>	<b>4,915</b>
<b>Expenditures:</b>			
Personnel and fringe benefits	174,450	172,263	2,187
Vehicle maintenance and supplies	39,725	42,801	(3,076)
Operating services and supplies	14,500	14,557	(57)
Travel	1,000	1,196	(196)
Purchase of fixed assets	-	-	-
<b>Total expenditures</b>	<b>229,675</b>	<b>230,817</b>	<b>(1,142)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>12,953</b>	<b>16,726</b>	<b>6,057</b>
<b>Operating transfers in (out)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>\$ 12,953</b>	<b>16,726</b>	<b>\$ 6,057</b>
<b>Fund balance, beginning</b>		<b>177,526</b>	
<b>Prior period adjustment</b>		<b>2,036</b>	
<b>Fund balance, ending</b>		<b>\$ 196,288</b>	

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2002

Compensation Paid Board Members

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

Federally Assisted Programs

In accordance with the Office of Management and Budget Circular A-133, a schedule of expenditures of federal awards is presented on Schedule 12.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2002

	Program Name	Federal CFDA Number
United States Department of Health and Human Services:		
Passed through State:		
Department of Employment and Training	Community Service Block Grant	13.665
Department of Social Services	LIHEAP Energy	13.818
Department of Social Services	Medicaid - Title 19	13.714
Department of Social Services	Project Independence - Jobs Grant	17.781
Department of Health and Hopsitals	Medicaid Applications	
Total U. S. Department of Health and Human Services		
United States Department of Transportation:		
Passed through State:		
Department of Transportation	Urban Mass Transportation Administration - Section 5311	20.509
Federal Emergency Management Agency	Emergency Food and Shelter	83.516
Total U. S. Department of Transporation		
Total Federal Receipts and Expenditures		

<u>Award Number</u>	<u>Award Period</u>	<u>Cash Receipts</u>	<u>Expenditures</u>
2000P0048	01/01/02-12/31/02	\$ 95,515	\$ 101,883
3703192	01/01/02-12/31/02	214,010	210,999
	01/01/02-12/31/02	17,688	16,488
DSS01284	01/01/02-06/30/02	58,914	53,535
	07/01/02-12/31/02	55,914	53,533
553268	01/01/02-12/31/02	838	-
		<u>442,879</u>	<u>436,438</u>
LA-18-X018	01/01/02-06/30/02	49,696	46,338
LA-18-X019	07/01/02-12/31/02	49,696	46,336
19-3648-00	01/01/02-12/31/02	<u>17,177</u>	<u>16,613</u>
		<u>116,569</u>	<u>109,287</u>
		<u>\$ 559,448</u>	<u>\$ 545,725</u>

**WILLIAM R. HULSEY**

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

To the Health and Welfare Committee Members  
of the Lincoln Parish Police Jury  
Humanitarian Enterprises of Lincoln Parish  
Ruston, Louisiana

I have audited the financial statements of the Humanitarian Enterprises of Lincoln Parish, a component unit of Lincoln Parish Police Jury, as of and for the year ended December 31, 2002, and have issued my report thereon dated June 9, 2003. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Humanitarian Enterprises of Lincoln Parish's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Humanitarian Enterprises of Lincoln Parish's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the committee, the Legislative Auditor, and the Lincoln Parish Police Jury. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

WILLIAM R. HULSEY  
Certified Public Accountant



June 9, 2003



**WILLIAM R. HULSEY**

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

To the Health and Welfare Committee Members  
of the Lincoln Parish Police Jury  
Humanitarian Enterprises of Lincoln Parish  
Ruston, Louisiana

Compliance

I have audited the compliance of Humanitarian Enterprises of Lincoln Parish 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 December 31, 2002. Humanitarian Enterprises of Lincoln Parish's major federal programs are identified in the accompanying Schedule of Federal Expenditures. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Humanitarian Enterprises of Lincoln Parish's management. My responsibility is to express an opinion on Humanitarian Enterprises of Lincoln Parish's compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that 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 Humanitarian Enterprises of Lincoln Parish'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. My audit does not provide a legal determination on the Humanitarian Enterprises of Lincoln Parish's compliance with those requirements.

In my opinion, the Humanitarian Enterprises of Lincoln Parish, compiled, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2002. The results of my auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

Internal Control Over Compliance

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

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. 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. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the use of management, members of the Humanitarian Enterprises of Lincoln Parish, and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

WILLIAM R. HULSEY  
Certified Public Accountant



June 9, 2003

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SCHEDULE OF CURRENT YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2002

There were no current year findings.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
RUSTON, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2002

There were no prior year findings in our report issued June 9, 2002.

HUMANITARIAN ENTERPRISES OF LINCOLN PARISH  
 RUSTON, LOUISIANA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2002  
 EIN 72-6000673

**SECTION I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	Unqualified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Reportable condition (s) identified that are not considered to be material weakness (es)	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness (es) identified?	No
Reportable condition (s) identified that are not considered to be material weakness (es)?	None reported
Type of auditor’s 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?	No
Dollar threshold used to distinguish between type A and type B programs?	\$300,000
Auditee qualified as low-risk auditee?	No

**SECTION II – Financial Statement Findings**

No matters were reported.

**SECTION III – Federal Award Findings and Questioned Costs**

No matters were reported.