

**McGladrey & Pullen**  
Certified Public Accountants

## **Coastal Community Action, Inc.**

Financial and Compliance Reports  
09.30.08

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# McGladrey & Pullen

Certified Public Accountants

## Independent Auditor's Report

To the Board of Directors  
Coastal Community Action, Inc.  
Newport, North Carolina

We have audited the accompanying statement of financial position of Coastal Community Action, Inc. as of September 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization'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 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 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 Coastal Community Action, Inc. as of September 30, 2008, and the changes in its net assets and its 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 our report dated January 22, 2009 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Coastal Community Action, Inc. taken as a whole. The accompanying Schedule of Expenditures of Federal and State Awards-Cash Basis, as required by U. S. Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations" and North Carolina General Statute 143C-6-23, and the accompanying schedules listed as supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America or a complete presentation in accordance with the cash or programmatic bases. Under the cash basis, receipts are recognized when received rather than earned, and expenditures are recognized when paid rather than when the obligation is incurred. Under the programmatic basis, revenue is recognized when measurable and available and expenditures are recognized when incurred. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

*McGladrey & Pullen, LLP*

Morehead City, North Carolina  
January 22, 2009

**Coastal Community Action, Inc.**

**Statement of Financial Position**  
**September 30, 2008**

**Assets**

Cash and cash equivalents	\$ 957,280
Restricted cash (Note 7)	78,953
Accounts receivable (Note 7):	
Grants and contracts (Note 5)	513,548
Other	17,371
Prepaid expenses	33,733
Other assets	4,432
Property and equipment, net of accumulated depreciation (Notes 3 and 7)	3,776,391
<b>Total assets</b>	<b>\$ 5,381,708</b>

**Liabilities and Net Assets**

Liabilities:	
Accounts payable	\$ 115,506
Accrued expenses (Note 4)	309,686
Deferred revenue	96,510
Long-term debt:	
Mortgage payable (Note 7)	3,153,311
Capital leases payable (Note 7)	3,139
<b>Total liabilities</b>	<b>3,678,152</b>

Commitments and Contingencies (Notes 2, 3, 5 and 10)

Unrestricted	1,468,442
Temporarily restricted (Note 11)	235,114
<b>Total net assets</b>	<b>1,703,556</b>
<b>Total liabilities and net assets</b>	<b>\$ 5,381,708</b>

See Notes to Financial Statements.

**Coastal Community Action, Inc.**

**Statement of Activities  
Year Ended September 30, 2008**

	Unrestricted	Temporarily Restricted	Total
<b>Revenue (Notes 1, 5 and 7):</b>			
Federal grants	\$ 9,699,667	\$ 235,114	\$ 9,934,781
State grants	606,683	-	606,683
In-kind contributions (Note 1 and 9)	1,550,370	-	1,550,370
Interest	12,980	-	12,980
Program services	103,861	-	103,861
Contracted services (Note1)	419,141	-	419,141
Local revenue	98,962	-	98,962
Other	41,269	-	41,269
<b>Total revenue</b>	<b>12,532,933</b>	<b>235,114</b>	<b>12,768,047</b>
<b>Expenses:</b>			
Program services			
Head start program	7,437,156	-	7,437,156
Housing assistance program	1,888,012	-	1,888,012
Community services program	312,896	-	312,896
Housing repairs program	904,548	-	904,548
Senior Programs	689,810	-	689,810
Other programs, primarily aging and health related	399,980	-	399,980
Management and general	694,517	-	694,517
<b>Total expenses</b>	<b>12,326,919</b>	<b>-</b>	<b>12,326,919</b>
<b>Increase in net assets</b>	<b>206,014</b>	<b>235,114</b>	<b>441,128</b>
Net assets, beginning	1,262,428	-	1,262,428
Net assets, ending	<b>\$ 1,468,442</b>	<b>\$ 235,114</b>	<b>\$ 1,703,556</b>

See Notes to Financial Statements.

**Coastal Community Action, Inc.**

**Statement of Cash Flows**  
**Year Ended September 30, 2008**

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Cash Flows From Operating Activities	
Increase in net assets	\$ 441,128
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	257,497
Loss on disposal of assets	284
Changes in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	(286,491)
Prepaid expenses	(1,077)
Increase (decrease) in:	
Accounts payable and accrued expenses	37,125
Deferred revenue	(196,855)
<b>Net cash provided by operating activities</b>	<u>251,611</u>
Cash Flows Used In Investing Activities	
Restricted cash set aside for mortgage loan requirements	(19,056)
Purchase of property and equipment	(96,755)
<b>Net cash used in investing activities</b>	<u>(115,811)</u>
Cash Flows Used In Financing Activities	
Payments on mortgages payable	(70,790)
Payments on capital leases	(5,622)
<b>Net cash used in financing activities</b>	<u>(76,412)</u>
<b>Increase in cash and cash equivalents</b>	59,388
Cash and Cash Equivalents, unrestricted	
Beginning	897,892
Ending	<u>\$ 957,280</u>
Supplemental Disclosure of Cash Flow Information	
Cash payments for interest	<u>\$ 152,269</u>

See Notes to Financial Statements.

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## Coastal Community Action, Inc.

### Notes To Financial Statements

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#### Note 1. Nature of Activities and Significant Accounting Policies

**Nature of activities:** Coastal Community Action, Inc. ("CCA") is a nonprofit corporation organized under the laws of the state of North Carolina for the purpose of providing access to community services, advocacy for necessary services, and to provide direct housing, health, day care, aging, emergency and certain other social services to qualifying residents of Carteret, Craven, Duplin, Jones, Lenoir, Onslow, and Pamlico counties.

#### A summary of significant accounting policies follows:

Basis of presentation: In order to report limitations and restrictions placed by donors on the use of resources available to CCA, its accounts are separated into three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets, as applicable.

Unrestricted net assets represent resources whose use is not limited or restricted by donors. They generally arise as a result of earning revenue under grant agreements and other exchange transactions, and receiving unrestricted contributions, or temporarily restricted contributions whose restrictions have been accomplished.

Temporarily restricted net assets represent resources whose use is limited by donors as to the purpose and/or the time in which they may be expended. Temporarily restricted net assets are reclassified as unrestricted when their time and/or purpose restrictions are met. At September 30, 2008, there were no temporarily restricted net assets.

Permanently restricted net assets represent resources whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of CCA. The income may be unrestricted or may be restricted according to grantor's or donor's wishes. At September 30, 2008, there were no permanently restricted net assets.

Cash and cash equivalents: CCA considers unrestricted debt instruments purchased with an original maturity of three months or less to be cash equivalents. For purposes of reporting cash flows, CCA excludes lender restricted cash from cash and cash equivalents. At times, CCA's level of deposits exceeds federal depository insurance coverage limits. CCA has not suffered any financial loss on such deposits and does not believe that it is exposed to significant credit risk on its cash and cash equivalents.

Grants and contract receivable: Grants and contracts receivable are carried at original amount and are not discounted for any doubtful receivables. It has been management's experience to collect all of its outstanding receivables and therefore an allowance for doubtful accounts is not considered necessary. If and when management decides that an allowance would be necessary, we would determine the allowance by evaluating individual grant and contract receivables along with the grantor's financial condition, credit history and current economic conditions. Grants and contracts receivable will be written off in the year deemed to be uncollectible and any recoveries of previously written off amounts will be recorded in the year received. Management considers receivables past due when the balance is outstanding more than 30 days.

Property and equipment: Property and equipment is capitalized at acquisition cost or fair value on the date received by donation. Depreciation is provided over the estimated useful lives of all depreciable assets (regardless of method of acquisition) on the straight-line method. CCA evaluates property and equipment for impairments whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Grants, contracts and contributions received: Grants and contracts received in exchange for services rendered are recognized as revenue in the period in which they are earned. In addition, some grantors make restricted use contributions to CCA as part of their earned program revenue. Proceeds received in advance of the grant period in which they are earned are recorded as deferred revenue.

**Coastal Community Action, Inc.**

**Notes To Financial Statements**

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**Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

A summary of deferred revenue, by program, as of September 30, 2008, is as follows:

Transition Grants CCR - Smart Start	\$ 19,914
Urgent Repair	76,596
	<u>\$ 96,510</u>

Contributions: Gifts of cash and unconditional promises to give (pledges) are recognized when received and presented as unrestricted support or, if they are received with donor stipulations that limit the use of the donated assets, as restricted support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions, including investment gains and investment income with similar characteristics, whose restrictions are met in the same reporting period in which they are received are reported as unrestricted support. Pledges are recorded as received, and allowances are provided for amounts estimated to be uncollectible. Conditional contributions are recognized when the conditional promise becomes unconditional.

Contracted services: CCA contracts with Pamlico, Carteret and Craven counties and offers day care services to their qualified citizens. These individuals have the option to use any day care facility as well as CCA.

Donated assets and in-kind contributions: Real estate, materials, equipment, use of facilities, and other objectively measurable assets received as donations are recognized in the accompanying financial statements at their estimated fair values at the date they are received. Such contributions may vary from year to year. Restrictions are not implied on donated long-lived assets received without donor stipulations as to how long the assets must be used.

Income taxes: CCA is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except to the extent of taxes on any unrelated business income.

Use of estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and gains, and expenses and losses, during the reporting period. Actual results could differ from those estimates.

**Note 2. Pension Plan**

The Organization has a defined contribution retirement plan in effect whereby qualifying employees may elect to participate. The plan is administered by Mutual of America Life Insurance Company. Under the plan, a predetermined contribution "may be made by each qualifying employee who has elected coverage," based on annual compensation levels. The Organization matches 100 percent of employee contributions with a maximum matching contribution of 4% of applicable employee compensation. The Organization contributed \$71,579 during the year ended September 30, 2008.

**Coastal Community Action, Inc.**

**Notes To Financial Statements**

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**Note 3. Property and Equipment**

A summary of property and equipment as of September 30, 2008, is as follows:

Motor vehicles	\$ 747,321
Equipment	603,611
Furniture and fixtures	178,088
Buildings	3,166,983
Land	<u>532,725</u>
	5,228,728
Less accumulated depreciation	<u>1,452,337</u>
	<u><u>\$ 3,776,391</u></u>

The Organization has acquired the majority of its motor vehicles, equipment and furniture and fixtures with grant funds. The grantor agencies reserve the right to request the assets be returned to the grantor agencies at the end of the grant relationship.

**Note 4. Compensated Absences**

Accounting principles generally accepted in the United States of America require that an accrual be made for employees' rights to receive compensation for future absences from employment because of illness, holiday, vacation, or other reasons when certain conditions are met. Employees may accumulate up to ten days of annual leave. The amount of accrued compensated absences at September 30, 2008, totaling \$109,943 is included in accrued expenses.

**Note 5. Economic Dependence/Contingency**

CCA receives approximately 80% percent of its revenue from federal and State sources for the various programs CCA administers. Balances due from federal and State sources comprise 97% of the grant and contracts receivable balance as of September 30, 2008. Any significant change, either increase or decrease, in funding for these programs could result in a material change in CCA's operations.

As noted above, CCA's revenue is derived primarily from federal and State programs. Periodic audits of these programs are required and certain costs may be questioned as not being appropriate expenditures under terms of the program agreements. Such audits could result in the refund of monies to the agencies responsible for these programs. No provision has been made in the accompanying financial statements for the refund of such monies.

**Note 6. Line of Credit**

During 2003, CCA established an unsecured bank line of credit with interest at prime rate, renewable annually in August, for advances limited to \$100,000. As of September 30, 2008, CCA had no outstanding balance due under this line of credit. The prime rate as of September 30, 2008 was 5%.

**Coastal Community Action, Inc.**

**Notes To Financial Statements**

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**Note 7. Long-Term Debt**

A summary of the Company's long-term debt, and collateral pledged thereon, consisted of the following at September 30, 2008:

**Mortgages Payable:**

**U.S. Department of Agriculture, Rural Development Administration:**

Obligation due in annual installments of \$55,260, including interest at a rate of 4.5%, through January 2034, collateralized by all rents, revenues, fees, charges, assessments, all income from whatever source derived, accounts receivable, other choices in action of whatever nature and service charges in connection with the operation of the facilities of Newport Administration Building. \$ 836,016

Obligation due in annual installments of \$78,650, including interest at a rate of 4.375%, through April 2034, collateralized by all rents, revenues, fees, charges, assessments, all income from whatever source derived, accounts receivable, other choices in action of whatever nature and service charges in connection with the operation of the facilities of Beaufort Child Development Center. 1,203,247

Obligation due in annual installments of \$45,058, including interest at a rate of 4.250%, through June 2035, collateralized by all rents, revenues, fees, charges, assessments, all income from whatever source derived, accounts receivable, other choices in action of whatever nature and service charges in connection with the operation of the facilities of Pamilco Child Development Center. 715,353

Obligation due in annual installments of \$11,503, including interest at a rate of 4.250%, through June 2035, collateralized by all rents, revenue, fees, charges, assessments, all income from whatever source derived, accounts receivable, other choices in action of whatever nature and service charges in connection with the operation of the facilities of Pamilco Child Development Center. 181,825

**RBC Centura:**

Obligation due in monthly installments of \$2,327, including interest at a rate of 7.330%, through June 2020, collateralized by the Pamilco Child Development Center. 216,870

Total mortgages payable 3,153,311

(Continued)

**Coastal Community Action, Inc.**

**Notes To Financial Statements**

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**Note 7. Long-Term Debt (Continued)**

**Capital Leases Payable:**

11.1% lease purchase contract requiring monthly payments of \$105 through July 2009. Collateralized by equipment with a carrying value of \$1,895.	\$ 998
9.2% lease purchase contract requiring monthly payments of \$128 through July 2009. Collateralized by equipment with a carrying value of \$2,413.	1,228
11% lease purchase contract requiring monthly payments of \$96 through July 2009. Collateralized by equipment with a carrying value of \$1,735.	913
Total leases payable	<u>3,139</u>
Total mortgages and leases payable	3,156,450
Less current maturities	77,367
	<u>\$ 3,079,083</u>

Aggregate maturities required on long-term debt as of September 30, 2008 are due in future years as follows:

Year Ending September 30,	
2009	\$ 77,367
2010	77,936
2011	81,782
2012	85,658
2013	90,003
Thereafter	2,743,704
	<u>\$ 3,156,450</u>

In connection with the debt agreements with the U.S. Department of Agriculture, Rural Development Administration, CCA has agreed to establish and make monthly or annual payments to a special savings account until one annual payment has been accumulated for each of the loans. The balance of restricted cash in connection for the above debt agreements at September 30, 2008 is \$78,953.

Interest expense for 2008 was \$152,269.

**Note 8. Rental Expense**

CCA rents various equipment and buildings under short-term lease agreements for which the total minimum rental commitment at September 30, 2008 is not material. Rental expense included in the statement of activities for the year ended September 30, 2008 is \$28,296.

**Coastal Community Action, Inc.**

**Notes To Financial Statements**

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**Note 9. In-Kind Contributions and Expense**

Any future use of these facilities is conditional upon CCA continuing to provide Head Start daycare services. Total in-kind contributions for facilities for the year ended September 30, 2008 amounted to \$1,329,356. Other in-kind contributions of \$221,014 related to educational services were recorded for the year ended September 30, 2008.

**Note 10. Contingency**

CCA is named defendant in a lawsuit related to the carrying out of its normal operations. Based upon consultations with its attorneys, CCA believes its ultimate liability, if any, will not be material to its financial statements.

**Note 11. Temporarily Restricted Net Assets**

CCA has temporarily restricted net assets of \$235,114 at September 30, 2008. The temporarily restricted net assets are designated for eligible Housing and Assistance Program needs for the current or future years, and may not be used to cover any prior year program deficits.

## **SUPPLEMENTARY INFORMATION**

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**Coastal Community Action, Inc.**  
**Combining Schedules of Revenues and Expenditures - Programmatic Basis**  
**For the Year Ended September 30, 2008**  
**(Page 1 of 2)**

	Child Development Programs	Housing Assistance Programs	Community Services Programs	Housing Repairs Programs	Senior Programs	Other Programs & Non-program Revenue/Costs	Totals
<b>Revenue:</b>							
<b>Grants:</b>							
Federal	\$ 5,983,579	\$ 2,166,341	\$ 349,759	\$ 839,010	\$ 578,058	\$ 18,034	\$ 9,934,781
State	460,048	-	-	131,631	-	15,004	606,683
In-kind	1,487,617	-	-	-	62,753	-	1,550,370
Program services	103,861	-	-	-	-	-	103,861
Local revenue	17,253	-	-	1,250	80,459	-	98,962
Contracted services	419,141	-	-	-	-	-	419,141
Interest (Non-Program)	-	368	-	442	-	12,170	12,980
Lease Income	-	-	-	-	-	8,580	8,580
Rent income	-	-	-	-	-	363,185	363,185
Other	679	10,358	-	225	1,155	21,152	33,569
<b>Total revenue</b>	<b>8,472,178</b>	<b>2,177,067</b>	<b>349,759</b>	<b>972,558</b>	<b>722,425</b>	<b>438,125</b>	<b>13,132,112</b>
<b>Expenditures:</b>							
Salaries	3,169,092	128,965	149,495	192,976	107,662	41,833	3,790,023
Fringe benefits	1,035,313	37,352	40,331	55,951	26,676	17,410	1,213,033
Indirect costs	602,125	24,504	28,404	35,663	20,457	7,951	719,104
Admin Fee Portability	-	769	-	-	-	-	769
Administrative cost	-	-	1,000	670	-	-	1,670
Dump fees	-	-	-	170	-	-	170
Labor	-	-	-	107,246	-	300	107,546
Stipends	-	-	-	-	348,347	-	348,347
Client payments	-	-	62,223	-	-	1,319	63,542
Housing assistance	-	1,614,953	-	-	-	-	1,614,953
In-kind space	1,327,551	-	-	-	1,805	-	1,329,356
Contractual services	209,522	-	-	-	-	21,025	230,547
Food costs	231,272	-	-	-	-	-	231,272
Equipment leasing	-	-	-	8,580	-	-	8,580
Supplies	432,479	12,899	5,287	2,901	3,230	262	457,058
Small tools & equipment expense	-	-	-	3,570	-	1,150	4,720
Utilities	197,487	-	-	-	-	14,479	211,966
United Way expenses	-	5,522	-	-	-	-	5,522
Telephone	63,713	1,729	3,905	3,586	1,239	136	74,308
Travel	30,703	8,477	19,908	22,954	105,540	(534)	187,048
Audit and accounting fees	4,794	10,211	1,877	5,134	4,303	1,153	27,472
Advertising	14,070	1,769	953	1,728	105	-	18,625
Insurance	81,562	1,308	1,108	6,678	2,314	126	93,096
Postage	13,673	4,812	1,975	2,311	4,930	12	27,713
Recognition	-	195	656	-	7,237	-	8,088
Mental health	2,345	-	-	-	-	-	2,345
Meals and activities	-	150	7,906	-	10,644	87	18,787
Rents	323,786	15,373	13,523	18,502	11,505	1,092	383,781
In-kind other	160,068	-	-	-	60,946	-	221,014

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**Coastal Community Action, Inc.**  
**Combining Schedules of Revenues and Expenditures - Programmatic Basis**  
**For the Year Ended September 30, 2008**  
**(Page 2 of 2)**

	Child Development Programs	Housing Assistance Programs	Community Services Programs	Housing Repairs Programs	Senior Programs	Other Programs & Non-program Revenue/Costs	Totals
Medical /Dental services	\$ 1,527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,527
Soft Costs	-	-	-	2,949	-	-	2,949
Hard Costs	-	-	-	286,235	-	-	286,235
Materials	-	-	-	174,075	-	(34)	174,041
Vehicle repair	34,647	-	-	1,989	-	-	36,636
Repairs and maintenance	129,346	-	-	-	-	7,383	136,729
Machinery Maintenance	-	-	-	768	-	-	768
Copier Lease payments	11,455	-	-	-	-	-	11,455
Client Education	5,338	-	-	-	-	-	5,338
Transportation consumables	35,392	-	-	-	-	-	35,392
Parent activity	4,399	-	-	-	-	-	4,399
Physicals	-	-	-	-	494	-	494
Mortgage interest expense	-	-	-	-	-	146,436	146,436
Property Tax	922	-	-	-	-	992	1,914
FSS Escrow	-	48,597	-	-	-	-	48,597
Revolving Loan Expense	-	-	-	-	-	(464)	(464)
Transportation expense	-	-	-	-	755	-	755
Training	83,558	5,948	6,896	2,367	1,340	-	100,109
Vehicle Purchases	57,443	-	-	-	-	-	57,443
Classroom consumables	8,901	-	-	-	-	-	8,901
Health & Safety	-	-	-	23,488	-	-	23,488
Computer Cost	4,240	1,000	76	-	630	-	5,946
Field Trips	889	-	-	-	-	-	889
Playground	40,863	-	-	-	-	-	40,863
Cobra Expense	-	-	-	-	-	10,661	10,661
Other	8,806	1,252	6,559	192	847	555	18,211
<b>Total expenditures</b>	<b>8,327,281</b>	<b>1,925,785</b>	<b>352,082</b>	<b>960,683</b>	<b>721,006</b>	<b>273,330</b>	<b>12,560,167</b>
Revenue over (under) expenditures	\$ 144,897	\$ 251,282	\$ (2,323)	\$ 11,875	\$ 1,419	\$ 164,795	\$ 571,945
Reconciliation of revenues and expenditures- programmatic basis with GAAP basis:							
Revenue over (under) expenditures - programmatic basis	\$ 144,897	\$ 251,282	\$ (2,323)	\$ 11,875	\$ 1,419	\$ 164,795	\$ 571,945
Capitalized expenditures	77,612	-	-	-	-	19,143	96,755
Capital lease principle payments	4,941	120	100	110	80	271	5,622
Depreciation	(95,147)	(1,259)	(1,723)	(5,317)	(42)	(154,009)	(257,497)
Loss on disposal of assets	500	-	-	-	-	(784)	(284)
Indirect costs	602,125	24,504	28,404	35,663	20,457	7,951	719,104
Rent and lease offset	300,094	14,408	12,405	25,679	10,701	(363,287)	-
Revenue over program expenses - GAAP basis	1,035,022	289,055	36,863	68,010	32,615	(325,920)	1,135,645
Indirect costs reported as separate item, management and general	(581,537)	(23,666)	(27,433)	(34,444)	(19,758)	(7,679)	(694,517)
Increase in net assets - GAAP basis	\$ 453,485	\$ 265,389	\$ 9,430	\$ 33,566	\$ 12,857	\$ (333,599)	\$ 441,128

**Coastal Community Action, Inc.**

**Head Start Program**

**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Year Ended August 31, 2008**

	Agency Year Ended Sept 30, 2008	Add Sept 1, 2007 to Sept 30, 2007	Deduct Sept 1, 2008 to Sept 30, 2008	Program Year Ended Aug 31, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grant	\$ 4,283,650	\$ 348,836	\$ 426,253	\$ 4,206,233	\$ 4,272,060	\$ (65,827)
In-kind	1,246,658	84,544	103,241	1,227,961	1,068,015	159,946
Other	72	-	-	72	-	72
<b>Total revenues</b>	<b>5,530,380</b>	<b>433,380</b>	<b>529,494</b>	<b>5,434,266</b>	<b>5,340,075</b>	<b>94,191</b>
<b>Expenditures:</b>						
<b>Head Start Full-Year/Part Day:</b>						
Salaries	2,075,962	139,906	199,034	2,016,834	2,080,800	63,966
Fringe benefits	648,783	57,202	58,327	647,658	696,060	48,402
Travel	18,132	2,194	2,325	18,001	18,745	744
Supplies	154,296	8,770	26,469	136,597	134,180	(2,417)
Property Tax	830	151	-	981	982	1
Utilities	141,379	10,767	11,030	141,116	141,962	846
Telephone	46,030	7,410	3,998	49,442	49,442	-
Insurance	66,721	5,888	5,286	67,323	67,324	1
Rents	233,702	19,167	19,707	233,162	234,074	912
Postage	6,898	173	1,551	5,520	5,520	-
Medical/Dental services	1,527	-	-	1,527	1,530	3
Mental health	2,045	-	-	2,045	2,328	283
Vehicle purchase	31,103	-	-	31,103	-	(31,103)
Parent activity	4,203	-	-	4,203	4,223	20
In kind space	1,144,808	80,839	95,401	1,130,246	970,065	(160,181)
Training	53,221	3,195	17,184	39,232	47,554	8,322
Client Education	5,278	-	576	4,702	4,702	-
Field Trips	889	-	-	889	1,325	436
In kind other	101,852	3,705	7,840	97,717	97,950	233
Maintenance and repairs	62,502	829	13,956	49,375	44,378	(4,997)
Vehicle repair	27,293	1,803	7,567	21,529	21,030	(499)
Playgrounds	28,504	-	-	28,504	28,785	281
Equipment leasing	7,862	4,878	4,399	8,341	8,342	1
Printing and publishing	2,831	-	2,281	550	550	-
Contract services	125,503	11,372	8,370	128,505	129,750	1,245
Food costs	123,742	15,143	167	138,718	104,783	(33,935)
Advertising	11,352	1,732	615	12,469	12,470	1
Other	4,807	163	90	4,880	5,055	175
Classroom consumables	8,674	1,270	2,289	7,655	7,655	-
Transportation consumables	23,599	2,366	3,024	22,941	23,159	218
<b>Total direct costs</b>	<b>5,164,328</b>	<b>378,923</b>	<b>491,486</b>	<b>5,051,765</b>	<b>4,944,723</b>	<b>(107,042)</b>
Indirect costs	394,433	26,582	37,816	383,199	395,352	12,153
<b>Total expenditures</b>	<b>5,558,761</b>	<b>405,505</b>	<b>529,302</b>	<b>5,434,964</b>	<b>5,340,075</b>	<b>(94,889)</b>
Revenue over expenditures	\$ (28,381)	\$ 27,875	\$ 192	\$ (698)	\$ -	\$ (698)

**Coastal Community Action, Inc.**  
**More at 4 Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
State Grant	\$ 439,642	\$ 168,074	\$ 66,149	\$ 541,567	\$ 110,000	\$ 431,567
State Grant - supplemental	20,406	2,052	2,052	20,406	24,624	(4,218)
<b>Total Revenue</b>	<b>460,048</b>	<b>170,126</b>	<b>68,201</b>	<b>561,973</b>	<b>134,624</b>	<b>427,349</b>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	116,709	78,323	26,498	168,534	65,000	(103,534)
Fringe benefits	40,376	28,446	5,732	63,090	21,200	(41,890)
Travel	803	956	26	1,733	500	(1,233)
Insurance	-	-	-	-	285	285
Supplies	66,460	2,301	534	68,227	30,124	(38,103)
Utilities	9,933	3,059	782	12,210	3,000	(9,210)
Maint & Repair	40,422	165	379	40,208	-	(40,208)
Telephone	4,112	846	89	4,869	-	(4,869)
Rents and Lease	12,010	5,957	1,016	16,951	-	(16,951)
Copier Lease Payments	1,359	322	148	1,533	-	(1,533)
Postage and Freight	1,131	190	-	1,321	-	(1,321)
Vehicle Repair	7,354	434	32	7,756	-	(7,756)
Trans. Consumable	11,756	160	203	11,713	-	(11,713)
Contract Services	48,822	31,327	233	79,916	-	(79,916)
Accounting fees	1,367	373	-	1,740	400	(1,340)
Other	(3)	3	-	-	-	-
Property Tax	92	-	-	92	-	(92)
Vehicle Purchase	9,840	-	-	9,840	-	(9,840)
Printing and Publications	13	-	-	13	-	(13)
Training	467	150	467	150	-	(150)
Classroom Consumables	-	201	-	201	1,830	1,629
Playground	6,811	-	-	6,811	-	(6,811)
<b>Total direct costs</b>	<b>379,834</b>	<b>153,213</b>	<b>36,139</b>	<b>496,908</b>	<b>122,339</b>	<b>(374,569)</b>
<b>Indirect costs</b>	<b>22,174</b>	<b>14,880</b>	<b>5,034</b>	<b>32,020</b>	<b>12,285</b>	<b>(19,735)</b>
<b>Total expenditures</b>	<b>402,008</b>	<b>168,093</b>	<b>41,173</b>	<b>528,928</b>	<b>134,624</b>	<b>(394,304)</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 58,040</b>	<b>\$ 2,033</b>	<b>\$ 27,028</b>	<b>\$ 33,045</b>	<b>\$ -</b>	<b>\$ 33,045</b>

Coastal Community Action, Inc.  
Head Start - Child Care Food Program  
Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Year Ended August 31, 2008

	Agency Year Ended Sept 30, 2008	Add Sept 1, 2007 to Sept 30, 2007	Deduct Sept 1, 2008 to Sept 30, 2008	Program Year Ended Aug 31, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:						
Federal grants	\$ 321,734	\$ 14,471	\$ 26,511	\$ 309,694	\$ 513,300	\$ (203,606)
Expenditures:						
Direct costs:						
Salaries	116,570	9,030	11,242	114,358	169,068	54,710
Fringe benefits	43,018	3,795	3,759	43,054	59,175	16,121
Travel	-	-	-	-	-	-
Food costs	230,061	11,560	25,906	215,715	202,634	(13,081)
Supplies	51,330	4,873	3,979	52,224	48,000	(4,224)
Nonsubsidized Nutr Servs	(122,531)	(16,503)	-	(139,034)	-	139,034
Audit and accounting fees	1,649	-	-	1,649	2,300	651
Total direct costs	320,097	12,755	44,886	287,966	481,177	193,211
Indirect costs	22,148	1,716	2,136	21,728	32,123	10,395
Total expenditures	342,245	14,471	47,022	309,694	513,300	203,606
Revenue over (under) expenditures	\$ (20,511)	\$ -	\$ (20,511)	\$ -	\$ -	\$ -

**Coastal Community Action, Inc.**  
**Head Start - Craven County Day Care**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended August 31, 2008**

	Agency Year Ended Sept 30, 2008	Add Sept.1, 2007 to Sept 30, 2007	Deduct Sept. 1, 2008 to Sept 30, 2008	Program Year Ended Aug 31, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Contracted services	\$ 265,628	\$ 16,419	\$ 16,676	\$ 265,371	\$ 185,468	\$ 79,903
Parent fees	52,280	1,630	4,046	49,864	14,829	35,035
Other	1,658	-	122	1,536	2,000	(464)
<b>Total revenues</b>	<b>319,566</b>	<b>18,049</b>	<b>20,844</b>	<b>316,771</b>	<b>202,297</b>	<b>114,474</b>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	86,298	13,770	14,764	85,304	91,000	5,696
Fringe benefits	74,666	6,072	6,167	74,571	32,810	(41,761)
Travel	96	28	12	112	1,700	1,588
Supplies	8,916	474	672	8,718	8,878	160
Classroom Consumables	9			9		(9)
Telephone	2,814	481	281	3,014	3,050	36
Postage and freight	578	16	33	561	260	(301)
Maintenance and repairs	2,061	34	412	1,683	1,350	(333)
Insurance	4,260	396	338	4,318	4,950	632
Vehicle repair	-	-				-
Utilities	9,257	628	424	9,461	12,000	2,539
Equipment Lease Expense	304	156	158	302	1,400	1,098
Rents/leases	5,576	447	464	5,559	5,400	(159)
Transportation consumables	-	-				-
Contract services	6,609	707	455	6,861	10,500	3,639
Training	-	-			500	500
Admin cost	-	-				-
Advertising	59	143		202	500	298
Audit and accounting fees	1,150	-		1,150	800	(350)
Playground Mulch	138	-		138	550	412
Other	-	-				-
<b>Total direct costs</b>	<b>202,791</b>	<b>23,352</b>	<b>24,180</b>	<b>201,963</b>	<b>175,648</b>	<b>(26,315)</b>
<b>Indirect costs</b>	<b>16,397</b>	<b>2,616</b>	<b>2,805</b>	<b>16,208</b>	<b>26,649</b>	<b>10,441</b>
<b>Total expenditures</b>	<b>219,188</b>	<b>25,968</b>	<b>26,985</b>	<b>218,171</b>	<b>202,297</b>	<b>(15,874)</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 100,378</b>	<b>\$ (7,919)</b>	<b>\$ (6,141)</b>	<b>\$ 98,600</b>	<b>\$ -</b>	<b>\$ 98,600</b>

Coastal Community Action, Inc.  
Head Start - Pamlico County Day Care  
Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Year Ended August 31, 2008

	Agency Year Ended Sept 30, 2008	Add Sept 1, 2007 to Sept 30, 2007	Deduct Sept 1, 2008 to Sept 30, 2008	Program Year Ended Aug 31, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Contracted services	\$ 123,727	\$ -	\$ 5,349	\$ 118,378	\$ 75,000	\$ 43,378
Parent fees	16,236	-	2,164	14,072	7,000	7,072
Other	7,624	420		8,044		8,044
Total revenues	<u>147,587</u>	<u>420</u>	<u>7,513</u>	<u>140,494</u>	<u>82,000</u>	<u>58,494</u>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	64,414	2,067	4,936	61,545	40,000	(21,545)
Fringe benefits	20,725	883	1,734	19,874	12,840	(7,034)
Utilities	4,103	416	231	4,288	4,100	(188)
Rents	16,553	1,387	1,343	16,597	8,000	(8,597)
Equipment Lease Expense	112	89		201	200	(1)
Supplies	1,828	1	327	1,502	4,200	2,698
Transportation Consumables	37		37			-
Vehicle repairs	-	-				-
Maintenance and repair	960	8	17	951	1,500	549
Classroom consumables	82	-		82	500	418
Playground	81			81		(81)
Food Costs	-	-				-
Contract services	3,128	300	273	3,155	2,000	(1,155)
Audit and accounting fees	472	-		472	500	28
Other	-	1		1		(1)
Postage and freight	2	-	1	1	100	99
Telephone	1,215	126	69	1,272	500	(772)
Total direct costs	<u>113,712</u>	<u>5,278</u>	<u>8,968</u>	<u>110,022</u>	<u>74,440</u>	<u>(35,582)</u>
Indirect costs	<u>12,238</u>	<u>393</u>	<u>938</u>	<u>11,693</u>	<u>7,560</u>	<u>(4,133)</u>
Total expenditures	<u>125,950</u>	<u>5,671</u>	<u>9,906</u>	<u>121,715</u>	<u>82,000</u>	<u>(39,715)</u>
Revenue over (under) expenditures	<u>\$ 21,637</u>	<u>\$ (5,251)</u>	<u>\$ (2,393)</u>	<u>\$ 18,779</u>	<u>\$ -</u>	<u>\$ 18,779</u>

Coastal Community Action, Inc.  
Head Start – Carteret County Day Care  
Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Year Ended August 31, 2008

	Agency Year Ended Sept 30, 2008	Add Sept 1, 2007 to Sept 30, 2007	Deduct Sept 1, 2008 to Sept 30, 2008	Program Year Ended Aug 31, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:						
Contracted services	\$ 29,786	\$ 2,406	\$ 3,010	\$ 29,182	\$ 25,000	\$ 4,182
Parent fees	24,711	1,347	2,470	23,588	5,000	18,588
Other	1,352	-		1,352		1,352
Total revenues	<u>55,849</u>	<u>3,753</u>	<u>5,480</u>	<u>54,122</u>	<u>30,000</u>	<u>24,122</u>
Expenditures:						
Direct costs:						
Salaries	16,120	1,163	1,286	15,997	13,000	(2,997)
Fringe benefits	6,316	144	507	5,953	3,250	(2,703)
Utilities	2,517	229	169	2,577	2,200	(377)
Rents	3,071	255	256	3,070	1,300	(1,770)
Equipment Lease Expense	312	34	18	328	250	(78)
Supplies	955	136	65	1,026	3,043	2,017
Maintenance and Repair	975	-	46	929	200	(729)
Insurance	-	-			300	300
Classroom consumables	-	-			700	700
Travel	9	1		10	100	90
Contract services	2,351	22	170	2,203	2,300	97
Postage and freight	27	-		27	100	73
Audit and accounting fees	156	-		156	200	44
Other	-	41		41		(41)
Telephone	650	96	32	714	600	(114)
Total direct costs	<u>33,459</u>	<u>2,121</u>	<u>2,549</u>	<u>33,031</u>	<u>27,543</u>	<u>(5,488)</u>
Indirect costs	<u>3,062</u>	<u>221</u>	<u>244</u>	<u>3,039</u>	<u>2,457</u>	<u>(582)</u>
Total expenditures	<u>36,521</u>	<u>2,342</u>	<u>2,793</u>	<u>36,070</u>	<u>30,000</u>	<u>(6,070)</u>
Revenue over expenditures	<u>\$ 19,328</u>	<u>\$ 1,411</u>	<u>\$ 2,687</u>	<u>\$ 18,052</u>	<u>\$ -</u>	<u>\$ 18,052</u>

**Coastal Community Action, Inc.**  
**Early Head Start Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended August 31, 2008**

	Agency Year Ended Sept 30, 2008	Add Sept 1, 2007 to Sept 30, 2007	Deduct Sept 1, 2008 to Sept 30, 2008	Program Year Ended Aug 31, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grants	\$ 1,378,195	\$ 109,998	\$ 103,031	\$ 1,385,162	\$ 1,457,711	\$ (72,549)
In kind	240,959	21,369	16,790	245,538	364,428	(118,890)
Other	607	-	-	607	-	607
Total revenues	<u>1,619,761</u>	<u>131,367</u>	<u>119,821</u>	<u>1,631,307</u>	<u>1,822,139</u>	<u>(190,832)</u>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	693,019	56,682	52,865	696,836	696,836	-
Fringe benefits	201,429	19,425	16,594	204,260	247,705	43,445
Travel	11,663	278	287	11,654	13,894	2,240
Training	24,838	661	3,507	21,992	32,606	10,614
Client Education	60	-	60	-	3,558	3,558
Insurance	10,581	932	840	10,673	10,675	2
Maintenance and repair	9,958	71	1,672	8,357	9,016	659
Vehicle repair	-	-	-	-	-	-
Utilities	30,298	2,314	2,130	30,482	33,343	2,861
Equipment leases	1,506	313	315	1,504	1,807	303
Rents	52,874	4,940	4,473	53,341	53,345	4
Classroom consumables	136	425	-	561	31,181	30,620
Printing and publishing	570	-	570	-	-	-
Supplies	136,811	2,016	3,572	135,255	105,809	(29,446)
Computer Costs	4,240	-	-	4,240	4,240	-
Incidental Renovations	-	-	-	-	-	-
Vehicle Purchase	16,500	-	-	16,500	16,500	-
Medical/Dental Services	-	-	-	-	-	-
Mental Health Services	300	-	-	300	-	(300)
Contract Services	23,109	2,453	1,545	24,017	24,018	1
Speech Services	-	-	-	-	-	-
In kind space	182,743	20,404	15,229	187,918	244,846	56,928
In kind other	58,216	965	1,561	57,620	119,582	61,962
Advertising	2,659	289	-	2,948	2,950	2
Playaround Expenses	5,329	-	-	5,329	5,609	280
Other	588	-	-	588	588	-
Food Costs	-	1,488	-	1,488	1,489	1
Educational Resources	11,883	-	3,054	8,829	15,110	6,281
Telephone	8,892	1,377	717	9,552	9,636	84
Parent activity	196	-	-	196	928	732
Postage	5,037	83	652	4,468	4,468	-
Total direct costs	<u>1,493,435</u>	<u>115,116</u>	<u>109,643</u>	<u>1,498,908</u>	<u>1,689,739</u>	<u>190,831</u>
Indirect costs	<u>131,673</u>	<u>10,770</u>	<u>10,044</u>	<u>132,399</u>	<u>132,400</u>	<u>1</u>
Total expenditures	<u>1,625,108</u>	<u>125,886</u>	<u>119,687</u>	<u>1,631,307</u>	<u>1,822,139</u>	<u>190,832</u>
Revenue over (under) expenditures	\$ (5,347)	\$ 5,481	\$ 134	\$ -	\$ -	\$ -

**Coastal Community Action, Inc.**  
**Child Development Program – Local Cash**  
**Schedule Of Revenues And Expenditures – Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:						
Carteret Co. Local Cash	17,253	\$ 4,622	\$ 4,375	\$ 17,500	\$ 17,500	\$ -
Expenditures:						
Direct costs:						
Repairs & Maintenance	12,468			12,468		(12,468)
Supplies	-				13,900	13,900
Training	5,032			5,032	3,600	(1,432)
Total direct costs	17,500	-	-	17,500	17,500	-
Revenue over expenditures	\$ (247)	\$ 4,622	\$ 4,375	\$ -	\$ -	\$ -

Coastal Community Action, Inc.  
 Child Development Program – Transition Grant  
 Schedule Of Revenues And Expenditures - Programmatic Basis- Budget And Actual  
 For the Year Ended September 30, 2008

	Agency Year Ended September 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:			
Transition Grant	\$ 1,750	\$ 35,200	\$ (33,450)
Transporation	(1,750)		(1,750)
	-	35,200	(35,200)
Expenditures:			
Direct costs:			
Playground surfacing		18,000	18,000
Playground supplies		700	700
Domed Tents		8,400	8,400
Classroom Instruction		6,100	6,100
Literacy materials		2,000	2,000
Total direct costs	-	35,200	35,200
Revenue under expenditures	\$ -	\$ -	\$ -

**Coastal Community Action, Inc.**  
**Housing Assistance Payments Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Eighteen Month Program Period April 1, 2007 Through September 30, 2008**

	Agency Year Ended Sept 30, 2008	Add April 1, 2007 to Sept 30, 2007	Program Period April 1, 2007 to Sept 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>					
Federal grants	\$ 2,116,718	\$ 916,200	\$ 3,032,918	\$ 2,858,407	\$ 174,511
Fraud recovery	3,126	2,515	5,641	3,000	2,641
Other income	1,732	202	1,934	5,400	(3,466)
<b>Total revenues</b>	<b>2,121,576</b>	<b>918,917</b>	<b>3,040,493</b>	<b>2,866,807</b>	<b>173,686</b>
<b>Expenditures:</b>					
<b>Direct costs:</b>					
Salaries	107,571	52,887	160,458	164,460	4,002
Fringe benefits	31,770	14,254	46,024	48,852	2,828
Supplies	12,899	2,470	15,369	15,000	(369)
Audit fees	10,212	9,851	20,063	9,218	(10,845)
Telephone	1,729	844	2,573	2,700	127
Postage	4,812	2,206	7,018	8,100	1,082
Computer costs	1,000	1,000	2,000	1,500	(500)
Travel	8,477	1,234	9,711	7,200	(2,511)
Insurance	1,308	710	2,018	2,160	142
Training	5,948	794	6,742	8,130	1,388
Rents and leases	15,373	7,508	22,881	22,500	(381)
Publ/Subscrip/Printing	308	-	308	600	292
Advertising	1,769	-	1,769	150	(1,619)
Recognition	195		195		(195)
Meals & Activites	150		150		(150)
Other	944	403	1,347	1,200	(147)
Admin Fee port	769	429	1,198	3,600	2,402
FSS Escrow	48,597	23,113	71,710	75,000	3,290
Housing assistance payments	1,614,953	790,723	2,405,676	2,465,189	59,513
<b>Total direct costs</b>	<b>1,868,784</b>	<b>908,426</b>	<b>2,777,210</b>	<b>2,835,559</b>	<b>58,349</b>
<b>Indirect costs</b>	<b>20,439</b>	<b>10,101</b>	<b>30,540</b>	<b>31,248</b>	<b>708</b>
<b>Total expenditures</b>	<b>1,889,223</b>	<b>918,527</b>	<b>2,807,750</b>	<b>2,866,807</b>	<b>59,057</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 232,353</b>	<b>\$ 390</b>	<b>\$ 232,743</b>	<b>\$ -</b>	<b>\$ 232,743</b>

**Coastal Community Action, Inc.**  
**Housing Assistance Payments Program – Family Self-Sufficiency**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Eighteen Month Program Period April 1, 2007 Through September 30, 2008**

	Agency Year Ended Sept 30, 2008	Add Apr 1, 2007 to Sept 30, 2007	Program Period Apr 1, 2007 to Sept 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>					
Federal grant	\$ 54,832	\$ -	\$ 54,832	\$ 54,832	\$ -
Interest income	368	442	810	750	60
HUD FSS Escrow	(5,209)	36,433	31,224	13,500	17,724
United Way Grant	5,500	3,028	8,528	8,250	278
	<u>55,491</u>	<u>39,903</u>	<u>95,394</u>	<u>77,332</u>	<u>18,062</u>
<b>Expenditures:</b>					
<b>Direct costs:</b>					
Salaries	21,394	14,659	36,053	34,500	(1,553)
Fringe benefits	5,582	4,690	10,272	13,777	3,505
United Way expenses	5,521	3,002	8,523	8,250	(273)
Total direct costs	<u>32,497</u>	<u>22,351</u>	<u>54,848</u>	<u>56,527</u>	<u>1,679</u>
Indirect costs	<u>4,065</u>	<u>2,785</u>	<u>6,850</u>	<u>6,555</u>	<u>(295)</u>
Total expenditures	<u>36,562</u>	<u>25,136</u>	<u>61,698</u>	<u>63,082</u>	<u>1,384</u>
Revenue over (under) expenditures	<u>\$ 18,929</u>	<u>\$ 14,767</u>	<u>\$ 33,696</u>	<u>\$ 14,250</u>	<u>\$ 19,446</u>

**Coastal Community Action, Inc.  
Community Services Block Grant  
Self-Sufficiency Program  
Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grant	\$ 349,759	\$ 90,944	\$ 95,799	\$ 344,904	\$ 345,324	\$ (420)
Other Contributions	-	341	-	341	-	341
	<u>349,759</u>	<u>91,285</u>	<u>95,799</u>	<u>345,245</u>	<u>345,324</u>	<u>(79)</u>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	149,495	39,541	36,121	152,915	153,536	621
Fringe benefits	40,331	10,073	10,169	40,235	42,370	2,135
Telephone	3,905	343	2,846	1,402	1,528	126
Postage	1,975	453	1,086	1,342	1,500	158
Advertising	953	-	-	953	953	-
Insurance	1,108	189	178	1,119	1,115	(4)
Rent	13,523	3,155	3,346	13,332	14,196	864
Audit and accounting fees	1,877	-	-	1,877	1,877	-
Computer Cost	76	-	76	-	-	-
Training	6,896	1,049	1,884	6,061	6,100	39
Travel	19,908	5,265	5,328	19,845	22,300	2,455
Supplies	5,287	927	3,076	3,138	3,954	816
Client payments	62,223	17,864	22,057	58,030	55,035	(2,995)
Recognition	656	3,604	-	4,260	4,200	(60)
Printing and Publ	-	-	-	-	-	-
Administrative Cost	1,000	-	-	1,000	1,000	-
Meals & Activities	7,906	-	589	7,317	3,000	(4,317)
Other	6,559	1,160	4,807	2,912	3,488	576
Total direct costs	<u>323,678</u>	<u>83,623</u>	<u>91,563</u>	<u>315,738</u>	<u>316,152</u>	<u>414</u>
Indirect costs	<u>28,404</u>	<u>7,626</u>	<u>6,863</u>	<u>29,167</u>	<u>29,172</u>	<u>5</u>
Total expenditures	<u>352,082</u>	<u>91,249</u>	<u>98,426</u>	<u>344,905</u>	<u>345,324</u>	<u>419</u>
Revenue over (under) expenditures	<u>\$ (2,323)</u>	<u>\$ 36</u>	<u>\$ (2,627)</u>	<u>\$ 340</u>	<u>\$ -</u>	<u>\$ 340</u>

**Coastal Community Action, Inc.**  
**Weatherization Assistance Program For Low Income Persons**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grant						
Weatherization assistance	\$ 366,763	\$ 81,721	\$ 84,988	\$ 363,496	\$ 363,516	\$ (20)
Contributions	225		225			-
Training and tech asst	8,517	-	1,767	6,750	6,750	-
<b>Total revenues</b>	<b>375,505</b>	<b>81,721</b>	<b>86,980</b>	<b>370,246</b>	<b>370,266</b>	<b>(20)</b>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
<b>Weatherization assistance:</b>						
Salaries	150,176	30,458	31,681	148,953	142,824	(6,129)
Fringe benefits	42,234	8,813	12,082	38,965	44,310	5,345
Travel	18,737	5,687	4,302	20,122	23,190	3,068
Audit and accounting fees	2,500	-		2,500	2,500	-
Supplies	2,237	708	1,045	1,900	1,220	(680)
Other	52	-		52		(52)
Insurance	6,366	1,182	1,192	6,356	7,400	1,044
Postage and freight	1,528	634	443	1,719	1,000	(719)
Telephone	2,330	861	574	2,617	2,480	(137)
Vehicle repairs	1,989	674	242	2,421	2,112	(309)
Advertising	554	84		638	1,000	362
Machinery Maintenance	768	380	448	700	1,395	695
Labor-Subcontractor	3,794	-		3,794	1,500	(2,294)
Equipment purchased	-	-				-
Tools and small equip exp	3,570	79	845	2,804	2,120	(684)
Rents and leases	12,887	2,829	3,630	12,086	13,140	1,054
Vehicle leases	8,580	2,145	2,145	8,580	8,580	-
Dump Fees	170	33	24	179	353	174
Health and safety	23,488	4,445	5,148	22,785	22,805	20
Materials	64,858	16,515	17,088	64,285	64,130	(155)
<b>Total direct costs</b>	<b>346,818</b>	<b>75,527</b>	<b>80,889</b>	<b>341,456</b>	<b>342,059</b>	<b>603</b>
<b>Training and technical assistance</b>						
Consumer education	-	486		486	405	(81)
Training	1,938	1,989	1,400	2,527	1,850	(677)
	1,938	2,475	1,400	3,013	2,255	(758)
<b>Indirect costs</b>	<b>27,534</b>	<b>5,787</b>	<b>6,115</b>	<b>27,206</b>	<b>25,952</b>	<b>(1,254)</b>
<b>Total expenditures</b>	<b>376,290</b>	<b>83,789</b>	<b>88,404</b>	<b>371,675</b>	<b>370,266</b>	<b>(1,409)</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (785)</b>	<b>\$ (2,068)</b>	<b>\$ (1,424)</b>	<b>\$ (1,429)</b>	<b>\$ -</b>	<b>\$ (1,429)</b>

**Coastal Community Action, Inc.**  
**Heating Appliance Repair And Replacement Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept. 30, 2007	Deduct July 1, 2008 to Sept. 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:						
Federal grant	\$ 91,574	\$ 14,637	\$ 17,453	\$ 88,758	\$ 88,758	\$ -
Expenditures:						
Direct costs:						
Salaries	1,666	1,334		3,000	3,000	-
Fringe benefits	732	250		982	982	-
Supplies	-	-				-
Tools and supplies	-	-				-
Postage and freight	-	-				-
Subcontractor labor	27,828	3,306	4,082	27,052	27,052	-
Contractor Labor	-	-				-
Materials	61,033	9,495	13,371	57,157	57,157	-
Insurance	-	-				-
Other	-	-				-
Total direct costs	91,259	14,385	17,453	88,191	88,191	-
Indirect costs	314	253		567	567	-
Total expenditures	91,573	14,638	17,453	88,758	88,758	-
Revenue over (under) expenditures	\$ 1	\$ (1)	\$ -	\$ -	\$ -	\$ -

Coastal Community Action, Inc.  
Urgent Repair Program  
Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Periods May 9, 2006 Through October 16, 2007  
And July 3, 2007 Through September 16, 2008

	Agency Year End Sept 30, 2008	Program Period May 9, 2006 to Oct 16, 2007	Program Period Ended Sept 16, 2008	Approved Budget For Both Program Periods	Favorable (Unfavorable)
Revenues:					
State grant	\$ 131,631	\$ 5,727	\$ 125,904	\$ 130,000	\$ 1,631
Interest Income	442		442		442
Total revenues	<u>132,073</u>	<u>5,727</u>	<u>126,346</u>	<u>130,000</u>	<u>2,073</u>
Expenditures:					
Direct costs:					
Salaries	13,044	1,449	11,595		(13,044)
Fringe benefits	1,639	186	1,453		(1,639)
Travel	117		117		(117)
Labor	69,563	2,960	66,603		(69,563)
Materials	44,285	1,000	43,285	130,000	85,715
Advertising	-				-
Administration	649		649		(649)
Total direct costs	<u>129,297</u>	<u>5,595</u>	<u>123,702</u>	<u>130,000</u>	<u>703</u>
Indirect costs	<u>2,478</u>	<u>275</u>	<u>2,203</u>		<u>(2,478)</u>
Total expenditures	<u>131,775</u>	<u>5,870</u>	<u>125,905</u>	<u>130,000</u>	<u>(1,775)</u>
Revenue over (under) expenditures	<u>\$ 298</u>	<u>\$ (143)</u>	<u>\$ 441</u>	<u>\$ -</u>	<u>\$ 298</u>

Coastal Community Action, Inc.  
Housing and Home Improvements Program  
Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual  
For the Program Year Ended June 30, 2008

	Agency Year Ended Sept 30, 2008	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:					
Federal pass through funds	\$ 9,000	\$ -	\$ 9,000	\$ 9,000	\$ -
Local funds	1,250	250	1,000	1,000	-
Total revenues	10,250	250	10,000	10,000	-
Expenditures:					
Direct costs:					
Salaries	-	-	-	-	-
Fringe benefits	-	-	-	-	-
Admin cost	-	-	-	-	-
Accounting and Auditing	39	-	39	-	(39)
Labor-subcontractor	6,061	-	6,061	-	(6,061)
Materials	3,899	-	3,899	10,000	6,101
Total direct costs	9,999	-	9,999	10,000	1
Indirect costs					
	-	-	-	-	-
Total expenditures	9,999	-	9,999	10,000	1
Revenue over (under) expenditures	\$ 251	\$ 250	\$ 1	\$ -	\$ 1

**Coastal Community Action, Inc.**  
**Single Family Rehabilitation Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis- Budget And Actual**  
**For the Year Ended September 30, 2008**

	Agency Year Ended Sept 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:			
Federal pass through funds	\$ 363,156	\$ 1,732,749	\$ (1,369,593)
Expenditures:			
Salaries	28,090	80,000	51,910
Fringe benefits	11,346	26,000	14,654
Travel	4,100	2,000	(2,100)
Soft costs	2,949	182,225	179,276
Hard costs	286,235	1,388,500	1,102,265
Supplies	664	15,800	15,136
Rent and Leases	5,615		(5,615)
Admin costs	21	22,056	22,035
Postage	783		(783)
Telephone	1,256	1,000	(256)
Advertising	1,174		(1,174)
Accounting and Audit	2,595		(2,595)
Training	429		(429)
Insurance and Bonding	312		(312)
Other	140		(140)
Total direct costs	<u>345,709</u>	<u>1,717,581</u>	<u>1,371,872</u>
Indirect costs	<u>5,337</u>	<u>15,168</u>	<u>9,831</u>
Total expenditures	<u>351,046</u>	<u>1,732,749</u>	<u>1,381,703</u>
Revenue over (under) expenditures	<u>\$ 12,110</u>	<u>\$ -</u>	<u>\$ 12,110</u>

**Coastal Community Action, Inc.**  
**Retired Senior Volunteers Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grant	\$ 46,242	\$ 11,200	\$ 11,083	\$ 46,359	\$ 46,359	\$ -
In-kind	11,395	4,038	4,732	10,701	8,524	2,177
Contributions	955	-	-	955	-	955
Local cash	11,758	4,375	4,375	11,758	11,758	-
<b>Total revenues</b>	<b>70,350</b>	<b>19,613</b>	<b>20,190</b>	<b>69,773</b>	<b>66,641</b>	<b>3,132</b>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	30,462	7,526	7,470	30,518	30,688	170
Fringe benefits	7,901	2,227	2,125	8,003	7,970	(33)
Recognition	2,893	-	-	2,893	1,939	(954)
In-kind space	485	90	195	380	-	(380)
In-kind other	10,909	3,948	4,537	10,321	8,524	(1,797)
Training	360	-	-	360	360	-
Travel	3,757	1,014	802	3,969	4,643	674
Transportation Expense	755	96	177	674	-	(674)
Supplies	759	666	372	1,053	1,053	0
Computer Cost	350	-	-	350	-	(350)
Audit and accounting fees	412	-	-	412	412	-
Insurance	938	336	250	1,024	1,079	55
Postage	649	82	114	617	617	-
Rent	2,484	655	692	2,447	2,447	-
Telephone	287	69	72	284	284	-
Meals & Activities	247	-	20	227	228	1
Advertising	105	-	-	105	105	-
Other	251	-	116	135	485	350
<b>Total direct costs</b>	<b>64,005</b>	<b>16,710</b>	<b>16,943</b>	<b>63,772</b>	<b>60,834</b>	<b>(2,938)</b>
<b>Indirect costs</b>	<b>5,787</b>	<b>1,430</b>	<b>1,419</b>	<b>5,798</b>	<b>5,807</b>	<b>9</b>
<b>Total expenditures</b>	<b>69,792</b>	<b>18,140</b>	<b>18,362</b>	<b>69,570</b>	<b>66,641</b>	<b>(2,929)</b>
<b>Revenue over (under) expenditures</b>	<b>\$ 558</b>	<b>\$ 1,473</b>	<b>\$ 1,828</b>	<b>\$ 203</b>	<b>\$ -</b>	<b>\$ 203</b>

**Coastal Community Action, Inc.**  
**Foster Grandparent Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grants	\$ 298,049	\$ 60,400	\$ 51,453	\$ 306,996	\$ 306,996	\$ -
Local cash	14,269	1,750	1,750	14,269	14,269	-
In-kind	24,594	16,719	18,347	22,966	36,537	(13,571)
Other	-	-	-	-	-	-
<b>Total revenues</b>	<b>336,912</b>	<b>78,869</b>	<b>71,550</b>	<b>344,231</b>	<b>357,802</b>	<b>(13,571)</b>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	48,758	11,297	12,623	47,432	48,100	668
Fringe benefits	10,668	2,965	2,834	10,799	10,879	80
Travel	45,729	9,314	5,139	49,904	50,325	421
In-kind space	225	-	125	100	-	(100)
In-kind other	24,369	16,719	18,222	22,866	36,537	13,671
Audit and accounting fees	2,119	-	-	2,119	1,500	(619)
Supplies	1,254	518	493	1,279	1,279	-
Postage	1,618	352	475	1,495	1,495	-
Telephone	647	173	118	702	701	(1)
Printing and publication	-	-	-	-	200	200
Insurance	864	269	188	945	945	-
Meals & activities	9,237	1,470	60	10,647	7,614	(3,033)
Stipends	173,018	34,145	26,370	180,793	180,793	-
Recognition	2,267	-	-	2,267	650	(1,617)
Training	445	160	25	580	580	-
Rent	6,120	1,627	1,167	6,580	6,580	-
Transportation	-	-	-	-	-	-
Physicals	283	12	91	204	204	-
Other	449	15	135	329	329	-
<b>Total direct costs</b>	<b>328,070</b>	<b>79,036</b>	<b>68,065</b>	<b>339,041</b>	<b>348,711</b>	<b>9,670</b>
<b>Indirect costs</b>	<b>9,264</b>	<b>2,146</b>	<b>2,398</b>	<b>9,012</b>	<b>9,091</b>	<b>79</b>
<b>Total expenditures</b>	<b>337,334</b>	<b>81,182</b>	<b>70,463</b>	<b>348,053</b>	<b>357,802</b>	<b>9,749</b>
<b>Revenue over (under) expenditures</b>	<b>\$ (422)</b>	<b>\$ (2,313)</b>	<b>\$ 1,087</b>	<b>\$ (3,822)</b>	<b>\$ -</b>	<b>\$ (3,822)</b>

**Coastal Community Action, Inc.**  
**Senior Companion Program**  
**Schedule Of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Year Ended June 30, 2008**

	Agency Year Ended Sept 30, 2008	Add July 1, 2007 to Sept 30, 2007	Deduct July 1, 2008 to Sept 30, 2008	Program Year Ended June 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
<b>Revenues:</b>						
Federal grants						
Senior companion	\$ 187,822	\$ 47,151	\$ 49,800	\$ 185,173	\$ 185,173	\$ -
HCCBG	45,945	12,124	13,868	44,201	44,201	-
Local cash	26,648	4,167	5,750	25,065	26,273	(1,208)
FCSP	27,784	2,556	6,024	24,316	24,316	-
In-kind	26,764	8,680	10,603	24,841	17,537	7,304
Other	200	-	-	200	-	200
Total revenues	<u>315,163</u>	<u>74,678</u>	<u>86,045</u>	<u>303,796</u>	<u>297,500</u>	<u>6,296</u>
<b>Expenditures:</b>						
<b>Direct costs:</b>						
Salaries	28,442	6,232	7,413	27,261	27,443	182
Fringe benefits	8,107	1,974	2,117	7,964	8,170	206
Travel	56,055	9,883	13,420	52,518	50,822	(1,696)
Stipends	175,329	38,441	40,423	173,347	173,346	(1)
Supplies	1,217	535	613	1,139	1,140	1
Rent	2,901	655	692	2,864	2,864	-
Postage	2,663	726	799	2,590	2,590	-
Telephone	305	76	75	306	310	4
Meals and activities	1,159	8	47	1,120	2,474	1,354
Other	147	30	80	97	125	28
Computer Cost	280	4	127	157	125	(32)
Audit and accounting fees	1,772	-	-	1,772	1,772	-
Training	535	-	175	360	360	-
In-kind other	25,669	8,680	10,328	24,021	17,537	(6,484)
In-kind space	1,095	-	275	820	-	(820)
Recognition	2,076	-	-	2,076	2,077	1
Physicals	211	255	150	316	315	(1)
Insurance	512	311	148	675	702	27
Total direct costs	<u>308,475</u>	<u>67,810</u>	<u>76,882</u>	<u>299,403</u>	<u>292,172</u>	<u>(7,231)</u>
Indirect costs	<u>5,405</u>	<u>1,184</u>	<u>1,409</u>	<u>5,180</u>	<u>5,328</u>	<u>148</u>
Total expenditures	<u>313,880</u>	<u>68,994</u>	<u>78,291</u>	<u>304,583</u>	<u>297,500</u>	<u>(7,083)</u>
Revenue over expenditures	<u>\$ 1,283</u>	<u>\$ 5,684</u>	<u>\$ 7,754</u>	<u>\$ (787)</u>	<u>\$ -</u>	<u>\$ (787)</u>

Coastal Community Action, Inc.  
 Early Childhood Rehabilitative  
 Schedule of Revenues And Expenditures - Programmatic Basis  
 For the Year Ended September 30, 2008

	Agency Year Ended Sept 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:			
EDS	\$ 18,034	\$ 18,000	\$ 34
State of NC DHH	15,004	11,000	4,004
Total revenues	<u>33,038</u>	<u>29,000</u>	<u>4,038</u>
Expenditures:			
Direct costs:			
Salaries	19,871	20,200	329
Fringe benefits	6,954	6,850	(104)
Audit and accounting fees			-
Travel	(909)		909
Supplies			-
Insurance	126	125	(1)
Postage	12	12	-
Telephone	136	136	-
Rents and leases	1,092	1,100	8
Training			-
Total direct costs	<u>27,282</u>	<u>28,423</u>	<u>1,141</u>
Indirect costs	<u>3,775</u>	<u>3,838</u>	<u>63</u>
Total expenditures	<u>31,057</u>	<u>32,261</u>	<u>1,204</u>
Revenue over (under) expenditures	<u>\$ 1,981</u>	<u>\$ (3,261)</u>	<u>\$ 5,242</u>

**Coastal Community Action, Inc.**  
**HUD Revolving Loan Fund**  
**Schedule of Revenues And Expenditures - Programmatic Basis - Budget And Actual**  
**For the Program Period February 1, 2003 Through September 30, 2008**

	Agency Year Ended Sept 30, 2008	Add Feb 1, 2003 to Sept 30, 2007	Program Period Feb 1, 2003 to Sept 30, 2008	Approved Budget	Variance, Favorable (Unfavorable)
Revenues:					
HUD Revolving Loan Fund	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Expenditures:					
Revolving Loan Expense	(464)	3,682	3,218	5,000	1,782
Revenue over (under) expenditures	\$ 464	\$ 1,318	\$ 1,782	\$ -	\$ (1,782)

**Coastal Community Action, Inc.**  
**Building Services**  
**Schedule Of Revenues And Expenditures - Programmatic Basis**  
**For the Year Ended September 30, 2008**

	<u>Newport Admin Bldg</u>		<u>Beaufort Child Devel Center</u>	
	Agency		Agency	
	Year Ended Sept 30, 2008	Approved Budget	Year Ended Sept 30, 2008	Approved Budget
Revenues:				
Rent Income	\$ 126,548	\$ 124,200	\$ 122,829	\$ 111,275
Lease Income	8,580	-	-	-
Interest Income	9,296	500	-	-
Total revenues	<u>144,424</u>	<u>124,700</u>	<u>122,829</u>	<u>111,275</u>
Expenditures:				
Facility Expenses:				
Salaries and Wages	20,673	19,000	-	-
Fringe Benefits	10,260	5,100	-	-
Travel	35	100	-	-
Supplies	262	200	-	-
Audit and accounting fees	558	500	274	500
Other	55	500	-	-
Postage and freight	-	-	-	-
Mortgage interest expense	37,971	39,500	53,189	55,800
Utilities	14,380	17,000	-	-
Property Tax	-	-	-	-
Maintenance and repairs	4,114	8,000	-	-
Contract services	8,600	-	-	-
Janitorial services	12,425	9,000	-	-
Total direct costs	<u>109,333</u>	<u>98,900</u>	<u>53,463</u>	<u>56,300</u>
Indirect Cost	3,928	-	-	-
Total expenditures	<u>113,261</u>	<u>98,900</u>	<u>53,463</u>	<u>56,300</u>
Revenue over expenditures	<u>\$ 31,163</u>	<u>\$ 25,800</u>	<u>\$ 69,366</u>	<u>\$ 54,975</u>

Pamlico Child Devel Center		103 Split Oak Way		Total Building Services		Variance, Favorable (Unfavorable)
Agency Year Ended Sept 30, 2008	Approved Budget	Agency Year Ended Sept 30, 2008	Approved Budget	Agency Year Ended Sept 30, 2008	Approved Budget	
\$ 106,108	\$ 112,790	\$ 7,700	\$ 7,700	\$ 363,185	\$ 355,965	\$ 7,220
-	-	-	-	8,580	-	8,580
-	-	-	-	9,296	500	8,796
106,108	112,790	7,700	7,700	381,061	356,465	24,596
-	-	-	-	20,673	19,000	(1,673)
-	-	-	-	10,260	5,100	(5,160)
-	-	-	-	35	100	65
-	-	-	-	262	200	(62)
321	500	-	-	1,153	1,500	347
-	500	-	-	55	1,000	945
-	-	-	-	-	-	-
55,276	59,000	-	-	146,436	154,300	7,864
-	-	99	200	14,479	17,200	2,721
-	-	992	-	992	-	(992)
-	-	3,269	3,000	7,383	11,000	3,617
-	-	-	-	8,600	-	(8,600)
-	-	-	-	12,425	9,000	(3,425)
55,597	60,000	4,360	3,200	222,753	218,400	(4,353)
-	-	-	-	3,928	-	(3,928)
55,597	60,000	4,360	3,200	226,681	218,400	(8,281)
<u>\$ 50,511</u>	<u>\$ 52,790</u>	<u>\$ 3,340</u>	<u>\$ 4,500</u>	<u>\$ 154,380</u>	<u>\$ 138,065</u>	<u>\$ 16,315</u>

Coastal Community Action, Inc.  
Miscellaneous Other Program And Non-Program Summary  
Schedule Of Revenues And Expenditures- Programmatic Basis  
For the Year Ended September 30, 2008

	Agency Year Ended Sept 30, 2008
<hr/>	
Revenues:	
Interest	\$ 2,874
Other	5,423
Cobra Receipts	13,832
Contributions	1,897
	<hr/> 24,026 <hr/>
Expenditures:	
Direct costs:	
Salaries	1,289
Fringe benefits	196
Tools and supplies	1,150
Materials	(34)
Travel	340
Subcontractor Labor	300
Client Payments / Emer Exp	1,319
Recognition	0
Professional fees	1,740
Maintenance and repairs	0
Cobra expense	10,661
Meals & Activities	87
Other	(1,240)
Total direct costs	<hr/> 15,808 <hr/>
Indirect costs	<hr/> 248 <hr/>
Total expenditures	<hr/> 16,056 <hr/>
Revenue over expenditures	<hr/> \$ 7,970 <hr/>

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## **COMPLIANCE SECTION**

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

To the Board of Directors  
Coastal Community Action, Inc.  
Newport, North Carolina

We have audited the financial statements of Coastal Community Action, Inc., as of and for the year ended September 30, 2008, and have issued our report thereon dated January 22, 2009. We conducted our 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Coastal Community Action, Inc.'s internal control over financial reporting as a basis for determining our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coastal Community Action, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Coastal Community Action, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coastal 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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

*McGladrey & Pullen, LLP*

Morehead City, North Carolina  
January 22, 2009

# McGladrey & Pullen

Certified Public Accountants

## **Independent Auditor's Report On Compliance With Requirements Applicable To Each Major Federal Program And On Internal Control Over Compliance In Accordance With OMB Circular A-133**

To the Board of Directors  
Coastal Community Action, Inc.  
Newport, North Carolina

### Compliance

We have audited the compliance of Coastal 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 September 30, 2008. Coastal Community Action, Inc.'s major federal programs are identified in the summary of auditor's 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 Coastal Community Action, Inc.'s management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that 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 Coastal 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 on the Coastal Community Action, Inc.'s compliance with those requirements.

In our opinion, Coastal 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 September 30, 2008.

### Internal Control Over Compliance

The management of Coastal Community Action, Inc. is responsible for establishing and maintaining effective internal control over the compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Coastal Community Action, Inc.'s internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Coastal Community Action, Inc.'s internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

*McGladrey & Pullen, LLP*

Morehead City, North Carolina  
January 22, 2009

**Coastal Community Action, Inc.  
 Schedule Of Findings And Questioned Costs  
 For the Year Ended September 30, 2008**

**Section 1. Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness (es) identified? \_\_\_\_\_ Yes       X       No

Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes       X       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

Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes       X       None Reported

Type of auditor's report issued on compliance for major federal programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? \_\_\_\_\_ Yes       X       No

Identification of major federal programs:

CFDA #	Program Name
93.600	Administration for Children, Youth, and Families – Head Start
94.011/94.016	Foster Grandparent/Senior Companion Program Cluster

Dollar threshold used to distinguish between Type A and Type B Programs \$ 300,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes       X       No

**Coastal Community Action, Inc.  
Schedule Of Findings And Questioned Costs (Continued)  
For the Year Ended September 30, 2008**

**Section 2. Financial Statement Findings**

None reported.

**Section 3. Federal Award Findings and Questioned Costs**

None reported.

**Coastal Community Action, Inc.  
Corrective Action Plan  
For the Year Ended September 30, 2008**

No findings reported.

**Coastal Community Action, Inc.  
Summary Schedule of Prior Audit Findings  
For the Year Ended September 30, 2008**

**Finding 07-1:**

Name of contact person: Edith Travers

Corrective action taken: Policies and procedures have been amended to confirm that expenses are recorded to the correct fiscal year in which the liability is incurred, and that the resulting accounts receivable for grant expense reimbursements are also recorded in the correct fiscal year associated with the program expenses.

Coastal Community Action, Inc. has amended Section V - Purchasing Procedures General, of its Financial Policies and Procedures to prohibit the use of paper purchase orders, and all copies of the formerly used paper form have been destroyed. eRequester is now the only accepted means of securing approval for all procurement activities in CCA. The eRequester program is a real time web based program that does not enable the user to generate a requisition with a date other than the date of actual entry.

The authorization to procure goods or services that is provided by an approved purchase order is valid for a period of no longer than 15 business days. The goods or services authorized by the approved purchase order must be physically ordered from the vendor in that timeframe. Failure to do so results in cancellation of the purchase order and rescinding of the authorization provided by the approved purchase order. If the goods or services are still needed, the requisitioner has to go through the requisition approval process again.

No purchase requisition from current year funding is entered into eRequester after a date 10 business days prior to the end of the requisitioning program's fiscal year. CCA has established, in its fiscal policies and procedures, a cut off for new requisitions of 10 business days before the end of the requisitioning program's fiscal year. Requisitions submitted within that 10 day period without the advance approval of the Program Director and the Executive Director will be rejected. Approval by the PD and the ED will be granted only if there is a reasonable expectation that the transaction can be completed before the program fiscal year end.

Any approved purchase orders that have not been physically ordered from the vendor by the end of the program's fiscal year are cancelled. If program management wishes to procure the goods or services using the subsequent program year funding, a new requisition has to be entered into eRequester and pass through the approval process again.

**Finding 07-2:**

See response for Finding 07-1.

Coastal Community Action, Inc.  
 Schedule Of Expenditures Of Federal And State Awards - Cash Basis  
 For the Year Ended September 30, 2008

Page 1 of 3

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Grant Number	Receipts	Disbursements
<b>FEDERAL GRANTS</b>				
<b>US Department of Health and Human Services</b>				
Direct program:				
Administration for Children, Youth and				
Families - Head Start	93.600	04CH0027/28	\$ 4,163,389	\$ 4,296,557 **
Early Head Start	93.600	04CH0027/28	1,286,955	1,388,835 **
Total			<u>5,450,344</u>	<u>5,685,392</u>
Passed through NC Department of Health and Human Services				
Office of Economic Opportunity				
Community Services Block Grant	93.569	OEO00304	338,530	351,942
Heating Appliance Repair and Replacement Program	93.568	807/907 WA	79,646	91,573
			<u>418,176</u>	<u>443,515</u>
Passed through NC Department of Health and Human Services				
Home & Community Care Block Grant				
Passed through Carteret County	93.667		25,071	9,999
Passed through Craven County			28,508	
			<u>53,579</u>	<u>9,999</u>
<b>Total US Department of Health and Human Services</b>			<u>5,922,099</u>	<u>6,138,906</u>
<b>US Department of Housing and Urban Development</b>				
Direct program:				
Lower Income Housing Assistance Program (A-2910-E)	14.856	NC141VO	1,976,662	1,925,785
Passed through NC Housing Finance Agency				
Single Family Rehabilitation Program	14.239		363,156	351,046
<b>Total US Department of Housing and Urban Development</b>			<u>2,339,818</u>	<u>2,276,831</u>

Coastal Community Action, Inc.  
 Schedule Of Expenditures Of Federal And State Awards - Cash Basis (Continued)  
 For the Year Ended September 30, 2008

Page 2 of 3

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Grant Number	Receipts	Disbursements
<b>US Department of Energy</b>				
Passed through NC Department of Health and Human Services				
Office of Economic Opportunity				
Weatherization Assistance for Low Income Persons				
	81.042	207 & 307	\$ 380,831	\$ 376,194
<b>US Department of Agriculture</b>				
Passed through NC Department of Public Instruction				
Child Care Food Program				
	10.558		309,694	342,245
<b>Corporation for National and Community Service</b>				
Direct Programs:				
Foster Grandparent /Senior Companion Program Cluster				
	94.011/94.016	02SFSNC001/ 02SCSNC006	489,562	599,857 **
Retired Senior Volunteer Program				
	94.002	02SRSNC025	49,434	58,398
<b>Total Corporation for National and Community Service</b>			<b>538,996</b>	<b>658,255</b>
Subtotal - federal awards			9,491,438	9,792,431

(Continued)

Coastal Community Action, Inc.  
 Schedule Of Expenditures Of Federal And State Awards - Cash Basis (Continued)  
 For the Year Ended September 30, 2008

Page 3 of 3

Federal Grantor/Pass-Through Grantor Program Title	CFDA Number	Grant Number	Receipts	Disbursements
<b>STATE GRANTS</b>				
<b>NC Department of Public Instruction</b>				
Passed through Craven County Board of Education More at Four Program			\$ 116,587	\$ 219,188 *
Passed through Carteret County Board of Education More at Four Program			132,912	125,950 *
Passed through Craven County Smart Start More at Four Program			78,939	36,521 *
<b>Total NC Department of Public Instruction</b>			328,438	381,659
<b>NC Department of Health and Human Services</b>				
Passed through Craven County Partnership for Children Smart Start			23,006	17,500
<b>NC Housing Trust Fund</b>				
Urgent Repair Program			137,500	131,775
Subtotal - State awards			488,944	530,934
<b>Total receipts</b>			\$ 9,980,382	
<b>Total disbursements</b>				\$ 10,323,365

\* - Program having compliance requirements that could have a direct and material effect on the organization's financial statements.

\*\* - Major programs under Office of Management and Budget Circular A-133.

**Note:**

Expenditures are reported on the cash basis of accounting in accordance with the directives of North Carolina General Statute 143C-6-23. The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and with North Carolina General Statute 143C-6-23.