LIFT Community Action Agency, Inc. and Subsidiaries

Consolidated Financial Statements
and
Supplementary Information
December 31, 2024

(With Independent Auditor's Report Thereon)

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidated Financial Statements
December 31, 2024

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LIFT Community Action Agency, Inc. and Subsidiaries

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Board of Directors
Lift Community Action Agency, Inc. and Subsidiaries
Hugo, Oklahoma

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Lift Community Action Agency, Inc. and Subsidiaries** (the Organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 17, the Organization has made corrections to its prior year financial statements that impacted the beginning balances and the classifications of net assets as of January 1, 2024. Our opinion is not modified with respect to this matter.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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Board of Directors
Lift Community Action Agency, Inc. and Subsidiaries

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Board of Directors
Lift Community Action Agency, Inc. and Subsidiaries

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Oklahoma Department of Commerce, Oklahoma Finance Housing Authority, and the Oklahoma Department of Transportation, and the other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2025 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 solely 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 effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Landmark PLC

Fort Smith, Arkansas
August 5, 2025

Consolidated Financial Statements

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidated Statement of Financial Position
December 31, 2024

ASSETS		
CURRENT ASSETS		
Cash	$	10,194,035
Due from grantors		1,146,358
Other receivables		455
Notes receivable, current portion		77,878
Prepaid expenses		35,815
Total Current Assets		11,454,541
PROPERTY AND EQUIPMENT, NET		8,772,261
OTHER ASSETS		
Notes receivable, net of current portion		1,342,092
Property held for sale		440,737
Total Other Assets		1,782,829
TOTAL ASSETS	$	22,009,631
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$	90,670
Accrued expenses		1,035,785
Deposits subject to refund		30,019
Deferred revenue		8,739
Notes payable - current portion		280,483
Total Current Liabilities		1,445,696
NET ASSETS		
Without donor restrictions		20,257,275
With donor restrictions		306,660
Total Net Assets		20,563,935
TOTAL LIABILITIES AND NET ASSETS	$	22,009,631

See accompanying notes to consolidated financial statements.

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidated Statement of Activities
Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Changes in Net Assets			
Revenues, Gains and Support			
Contributions	$ 71,332	$ -	$ 71,332
Rental	760,484	-	760,484
Federal grants and loans	15,955,610	-	15,955,610
State grants	1,816,030	-	1,816,030
Program fees and contracts	2,866,868	(2,088)	2,864,780
Recoveries from programs	3,993,854	-	3,993,854
Miscellaneous	120,670	-	120,670
Match revenues - In-kind	1,656,579	-	1,656,579
Interest and dividends	170,724	6,533	177,257
Loss on sale of assets	(3,240)	-	(3,240)
Total Revenue, Gains, and Support	27,408,911	4,445	27,413,356
Expenses			
Program services	22,853,070	1,350	22,854,420
Management and general	4,943,121	-	4,943,121
Total Expenses	27,796,191	1,350	27,797,541
Change in net assets	(387,280)	3,095	(384,185)
Net assets, beginning of year, as previously reported	18,544,039	2,404,081	20,948,120
Restatement of net assets (see Note 17)	2,100,516	(2,100,516)	-
Net assets, beginning of year, as restated	20,644,555	303,565	20,948,120
Net asset, end of year	$ 20,257,275	$ 306,660	$ 20,563,935

See accompanying notes to consolidated financial statements.

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses
Year ended December 31, 2024

	Early Childhood	Community Services	Housing	Transportation	Economic Development	Lending Activities	Total Program Services	General Operating	Total
Expenses									
Salaries and wages	$ 4,118,978	$ 1,627,762	$ 1,232,561	$ 796,381	$ 258,659	$ -	$ 8,034,341	$ 1,483,574	$ 9,517,915
Payroll taxes	332,037	129,731	99,342	65,271	19,977	-	646,358	120,707	767,065
Fringe benefits	901,999	395,070	277,927	171,553	48,081	-	1,794,630	404,429	2,199,059
Indirect costs	1,043,273	428,992	336,703	209,672	67,532	-	2,086,172	107,823	2,193,995
Consultant/Contractual	791,161	170,601	257,267	36,451	97,274	13,500	1,366,254	124,501	1,490,755
Travel and transportation	112,504	142,563	150,363	180,924	11,465	29	597,848	42,706	640,554
Space costs	12,506	127,259	65,735	16,630	-	725	222,855	34,332	257,187
Telephone and utilities	209,053	54,296	213,591	67,252	116,734	307	661,233	20,141	681,374
Postage	2,166	2,446	1,908	111	272	-	6,903	6,449	13,352
Supplies	409,348	243,671	95,633	13,391	34,956	5,513	802,512	23,312	825,824
Food	1,680,660	13,313	666	-	134	-	1,694,773	21,076	1,715,849
Equipment and facilities	412,597	189,080	525,732	175,961	250,962	-	1,554,332	210,463	1,764,795
Advertising/promotion	31,518	124,275	32,458	4,482	4,764	-	197,497	31,335	228,832
Insurance	128,716	6,047	239,672	115,061	86,964	-	576,460	1,674,694	2,251,154
Printing and publications	22,898	255	6,574	1,248	-	-	30,975	9,482	40,457
Other	44,582	215,569	3,921	56,129	6,867	2,125	329,193	45,617	374,810
Training	108,993	91,578	70,414	1,543	1,097	2,624	276,249	6,675	282,924
Fees, licenses and dues	33,366	21,361	52,250	70,498	31,854	4,258	213,587	19,326	232,913
Direct services	-	88,812	-	-	-	-	88,812	-	88,812
Match expense	1,121,692	395,499	137,514	-	-	-	1,654,705	1,874	1,656,579
Bad debt expense	-	-	-	-	-	18,633	18,633	-	18,633
Depreciation and amortization	-	-	-	-	-	-	-	540,935	540,935
Interest	-	-	-	-	98	-	98	13,670	13,768
Total Expenses	$ 11,518,047	$ 4,468,180	$ 3,800,231	$ 1,982,558	$ 1,037,690	$ 47,714	$ 22,854,420	$ 4,943,121	$ 27,797,541

See accompanying notes to consolidated financial statements.

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidated Statement of Cash Flows
Year ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ (384,185)
Adjustments to reconcile change in net assets	
to net cash from operating activities:	
Depreciation and amortization	540,935
Loss on sale of assets	3,240
Grants restricted for vehicle purchases	(527,713)
Allowance for credit losses	18,633
Change in:	
Due from grantors	52,084
Other receivables	966,118
Prepaid expenses	(9,187)
Accounts payable	(476,746)
Accrued expenses	193,096
Deposits subject to refund	3,199
Deferred revenue	(6,129)
Total adjustments	757,530
Net Cash From Operating Activities	373,345
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property held for sale	(65,221)
Advances on notes receivable	(185,648)
Repayments on notes receivable	20,471
Acquisitions of property and equipment	(2,191,949)
Net Cash (Used For) Investing Activities	(2,422,347)
CASH FLOWS FROM FINANCING ACTIVITIES	
Acquisition / (reduction) of leases payable	(115)
Grant awards restricted for purchase of vehicles	527,713
Principal payment on notes payable	(3,617)
Net Cash From Financing Activities	523,981
NET CHANGE IN CASH	(1,525,021)
CASH, BEGINNING OF YEAR	11,719,056
CASH, END OF YEAR	$ 10,194,035

See accompanying notes to consolidated financial statements.

NOTE 1: NATURE OF ACTIVITIES

Lift Community Action Agency, Inc. (LIFTCAA) was incorporated in 1968 as a private non-profit organization. LIFT stands for Lifting Individuals for Tomorrow which is at the core of all the organization does. LIFTCAA's mission is to improve the lives of low-income individuals and families through service and collaboration leading to self-sufficiency. Services are provided in areas including early childhood development, low-income housing programs, transportation, tourism and economic development.

Southeast Oklahoma Community Development Corporation (SOCDC) is private non-profit organization, formed under the laws of the state of Oklahoma, established to improve economic and financial stability through financing and development assistance for low-income individuals and families.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation
The consolidated financial statements include the accounts of LIFTCAA and SOCDC, collectively referred to as the Organization. All significant intercompany accounts and transactions have been eliminated in consolidation.

Income Taxes and Uncertain Tax Positions
LIFTCAA is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation within the meaning of Section 509(a) of the Code.

The Organization accounts for uncertain tax positions in accordance with the provisions of Financial Accounting Standards Board (FASB) Codification Topic *Income Taxes*. FASB Codification Topic *Income Taxes* clarifies the accounting for uncertainty in income taxes and requires the Organization to recognize in their consolidated financial statements the impact of a tax position taken or expected to be taken in a tax return, if that position is more likely than not to be sustained under audit, based on the technical merits of the position. Management has assessed the tax positions of the Organization and determined that no positions exist that require adjustment or disclosure under the provisions of FASB Codification Topic *Income Taxes*.

Basis of Presentation
The consolidated financial statement presentation follows the FASB Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. Accordingly, net assets of the Organization are reported as follows:

- Net assets with donor restrictions – net assets subject to donor-imposed restrictions
- Net assets without donor restrictions – net assets not subject to donor-imposed restrictions

At December 31, 2024, LIFTCAA had net assets with donor restrictions amounting to $306,660. These represent funds provided by NeighborWorks America for making loans and for capital projects. All resources granted to this fund must be maintained in perpetuity. LIFTCAA is permitted to transfer or expend only the income (or other economic benefits) derived from capital assets in excess of the investment and grant agreement.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Property and Equipment
With the exception of donated assets, property and equipment is stated at cost. Depreciation of property and equipment is computed on the straight-line method over the estimated useful lives of the assets, which range from five to forty years. Donated assets are recorded at fair value on the date of donation. The cost basis of fully depreciated property and equipment still in use by the Organization at December 31, 2024 amounted to approximately $1,985,000.

All acquisitions of property and equipment in excess of $5,000 with a useful life of one year or greater, and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

Property and equipment purchased with grant funds are owned by the Organization while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Their disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations.

FASB Codification Topic *Property, Plant and Equipment*, Section *Subsequent Measurement* requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts of an asset may not be recoverable. The application of this Codification Topic has not materially affected the Organization’s changes in net assets, financial condition or cash flows.

Deposits Subject to Refund
Deposits subject to refund consist of rental deposits on apartments owned and managed by LIFTCAA.

Net Assets and Contribution Revenue
Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and or purpose restrictions.

Gifts of cash and other assets are recorded as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. Contributions are presented as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the Consolidated Statement of Activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Gifts of land, buildings, and equipment are presented as support and revenue without restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized with donor restrictions. The Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed services which increase non-financial assets such as property or inventory, as well as services contributed by individuals with specialized skills which would have otherwise been purchased, are reported as unrestricted support. Other contributed services that enhance the Organization's programs but are not so essential that they would otherwise be purchased, are not recorded as support for consolidated financial statement purposes.

The majority of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization received 65% of its support from these federal and state awards.

Revenue Recognition

The Organization's transportation program has program service fee revenue such as bus fares. Performance obligations are satisfied at a point in time, and revenue is recognized when the services are provided to customers and additional services are no longer required. The Organization determines the transaction price based on standard charges for the services provided. These program service fee revenues are included in "other revenue" and support on the Consolidated Statement of Activities.

Compensated Absences

The Organization provides employees vacation and sick leave. The accrued annual leave at December 31, 2024 was $430,942. Employees are not compensated for unused sick leave upon termination of employment.

Functional Expense Allocation

Expenses are charged based on direct expenditures incurred. Functional expenses which cannot readily be related to a specific grant/contract are charged to the various grant/contracts based upon hours worked, square footage, number of program staff, or other reasonable methods for allocation which are consistently applied.

NOTE 3: DEPOSITS IN FINANCIAL INSTITUTIONS

All cash is deposited in banks insured by FDIC and collateralized with securities held by the pledging financial institutions' trust department. Bank balances at December 31, 2024 are categorized as follows to give an indication of the level of risk assumed by the Organization.

1) Insured or collateralized with securities held by the Organization or by its agent in the Organization's name	$ 257,609
2) Collateralized with securities held by the pledging financial institution's trust department	10,538,149
3) Uncollateralized	-
Total cash per bank	$ 10,795,758

NOTE 4: RECEIVABLES

As of December 31, 2024, the Organization had the following receivables:

Due from grantors	$ 1,146,358
Notes receivable	1,419,970
Total receivables	$ 2,566,328

Notes receivable – the Organization makes loans to individuals and partnerships under various grant and loan supported programs. Notes receivable under these programs as December 31, 2024 were as follows:

Project Name	Amount	Terms	# of Loans	Interest
Empty Lots (See Note 9)	$ 46,166	30 years	1	1%
NWA Unrestricted	246,910	30 years	3	7%, 4%. 5.95%
NWA Capital Fund	73,879	30 years	2	7.25%, 5.9%
SOCDC loans	529,340	Various	18	3.75% - 9.5%
	896,295			
Less allowance for credit losses	(44,802)			
	$ 851,493			

NOTE 5: RELATED PARTY RECEIVABLES AND TRANSACTIONS

LIFTCAA is related through common management to Belmont Place Senior Housing, Kiamichi Place Senior Housing, and Clayton Place Senior Housing, which are nonprofit entities organized for the purpose of constructing and operating apartment complexes under Section 202 of the National Housing Act. The following receivables were owed to LIFTCAA as of December 31, 2024:

Belmont Place Senior Housing	$ 217,351
Kiamichi Place Senior Housing	123,564
Clayton Place Senior Housing	227,562

Management fees that LIFTCAA receives from the HUD 202 properties is a percentage of rent plus subsidy received within the month. This percentage is set by HUD. Percentages are periodically reviewed and adjusted by HUD. LIFTCAA has a receivable of $522,002 from SOCDC, which has been eliminated upon consolidation. LIFTCAA is allowed this management fee in place of receiving indirect cost from the HUD properties for shared employees. These percentages are as follows:

Belmont Place Senior Housing	12.21%
Kiamichi Place Senior Housing	7.92%
Clayton Place Senior Housing	12.08%

NOTE 6: PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following at December 31:

Cost:	December 31, 2023	Additions	Dispositions	Reclassification	December 31, 2024
Land	$ 563,270	$ 6,480	$ -	$ (163,670)	$ 406,080
Building and improvements	7,580,100	-	-	163,671	7,743,771
Vehicles	3,609,015	641,092	(9,950)	-	4,240,157
Computers and equipment	900,393	1,004,614	(22,450)	(1)	1,882,556
Leased equipment	16,730	-	(16,730)	-	-
Leasehold improvements	2,123,011	52,565	-	-	2,175,576
Construction in progress	-	487,198	-	-	487,198
Total	14,792,519	2,191,949	(49,130)	-	16,935,338
Accumulated depreciation and amortization:					
Building and improvements	2,329,435	169,532	-	-	2,498,967
Vehicles	2,688,796	245,216	(8,955)	-	2,925,057
Computers and equipment	560,430	114,899	(20,205)	-	655,124
Leased equipment	16,117	-	(16,117)	-	-
Leasehold improvements	2,072,641	11,288	-	-	2,083,929
Total	7,667,419	540,935	(45,277)	-	8,163,077
Property and equipment, net	$ 7,125,100	$ 1,651,014	$ (3,853)	$ -	$ 8,772,261

NOTE 7: PROPERTY HELD FOR SALE

Property held for sale is carried at cost, including any costs related to preparing for sale. At December 31, 2024, the following property was held for sale:

Lot in Summit Estates	$ 4,686
Young lot 5 (Lambert Street)	8,255
Wisenhunt lot (Idabel)	6,263
Lot 10 806 W. Oklahoma Street	5,886
Staples addition lots 6-8	45,438
Idabel lots 1-4, 6-9, 13, 14	73,696
Lawless Tract 2	13,709
Sorrell North lot	7,850
Wolfe Property Bluff Street	69,735
NW Enid (Idabel)	16,234
Staples addition lots 1-5	75,750
RC Ranch Lots 6-10	48,014
217 East Bluff (donated)	-
601 East Trice Street, Hugo	65,221
	$ 440,737

NOTE 8: NOTES PAYABLE

During 2021, SOCDC entered into a $500,000 line of credit agreement with First United Bank, with an interest rate of 5.2%, secured by a certificate of deposit held by LIFTCAA. All principal and interest is due at maturity, which was extended to September 18, 2025. At December 31, 2024, the outstanding balance was $280,000. Interest paid on the note payable was $13,670 during the year ended December 31, 2024.

During 2021, LIFTCAA entered into a note agreement with First United Bank for $16,779 at an interest rate of $3.99%, secured by equipment, maturing July 2026. At December 31, 2024, the outstanding balance was $483. Interest paid on the note was $98 during the year ended December 31, 2024.

NOTE 9: ROULEAU HOUSE LIMITED PARTNERSHIP

The Organization is a co-general partner in the Rouleau House Limited Partnership, which was formed to rehabilitate, own, and operate a 20-unit apartment project for the elderly. Interest in the limited partnership is as follows:

LIFT Community Action Agency, Inc. (non-profit)	co-general partner	1%
Southridge Apartments, Inc. (for profit)	co-general partner	4%
Individual	limited partner	95%

The Organization's interest in the limited partnership is not included in the consolidated financial statements, as it was not considered material to the consolidated financial statements.

HOME funds were loaned to the limited partnership for the housing project, which must be repaid to the Organization with interest. See Note 4.

Project	Original Loan	Term	Interest	Balance
Rouleau House	$ 175,000	30 years	1%	$ 46,166

NOTE 10: HEAD START

During the year ended December 31, 2024, LIFTCAA was reimbursed $1,489,337 from the United States Department of Agriculture (USDA) Childcare Food Program. Head Start and the Head Start Food Program accounted for a total of $8,014,115 or 29% of the LIFTCAA revenues including $1,012,743 of in-kind revenue.

NOTE 11: LEASES

The Organization is obligated on a lease agreement for 36 copy machines. This lease is classified as an operating lease for accounting purposes. Total copier lease expense for the Organization for the year ended was $4,689. Total facility lease expense for the Organization for the year ended was $256,462.

NOTE 12: IN-KIND CONTRIBUTIONS

During the year ended December 31, 2024, the Organization received the following noncash donations of materials and services that have been reflected in the consolidated financial statements at fair market value:

	Early Childhood	Community Services	Housing	Lending	Total
Volunteer services	$ 483,773	$ 122,059	$ -	$ 1,874	$ 607,706
Professional services	17,999	750	-	-	18,749
Travel and transportation	285,857	12,563	-	-	298,420
Space	236,730	-	-	-	236,730
Maintenance	57,531	-	-	-	57,531
Telephone and utilities	29,551	3,851	-	-	33,402
Other	10,424	256,103	137,514	-	404,041
	$ 1,121,865	$ 395,326	$ 137,514	$ 1,874	$ 1,656,579

NOTE 13: PENSION PLAN

The Organization provides pension benefits for all its regular full-time employees through a 403(b)tax sheltered annuity retirement plan (the Plan). Regular full-time employees normally working 20 hours or more per week are eligible to participate. Elective contributions up to 15% of an employee's eligible compensation may be contributed to the Plan, not to exceed $16,500. The Organization contributes up to 10% of each employee's eligible compensation. Vesting in employer contributions is 25% per year beginning with the first full year of service. Total retirement expense for the year ended December 31, 2024 was $613,856.

NOTE 14: CONTINGENCIES

The Organization was the recipient of various federal and state awards. These award programs are subject to audit by the federal and state governments or their representatives. In addition, the Organization has several federal award programs that have a funding period that differs from the Organization's year end, some of which require that a certain amount of matching funds be received prior to close of the award. Accordingly, the amount, if any, of expenditures which may be disallowed by the program representatives cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

In light of the current political climate, there is uncertainty surrounding the availability and continuity of government funding. This uncertainty arises from potential changes in government policies, budget allocations, and legislative actions that may impact the funding streams for various programs and initiatives. Given the evolving nature of the political environment, it is challenging to predict the extent and timing of any changes to government funding, if any. Management is continuing to monitor these developments and evaluating their potential impacts.

NOTE 15: CONCENTRATIONS

The Organization receives the majority of its revenue from funds provided through federal and state grants. The grant amounts are appropriated each year by the federal and state agencies. If significant budget cuts are made at the federal and/or state level, the amount of funds the Organization receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Organization will receive in the next fiscal year.

NOTE 16: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year of the Consolidated Statement of Financial Position date as December 31, 2024 are as follows:

Financial assets at year-end	$ 11,418,726
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Deposits subject to refund	(30,019)
Net assets with donor restrictions	(306,660)
Financial assets available to meet cash needs for general expenditures within one year	$ 11,082,047

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The organization manages its liquidity following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient savings to provide reasonable assurance that any long-term obligations will be discharged.

NOTE 17: PRIOR PERIOD ADJUSTMENT

The Organization reclassified its beginning net assets as of January 1, 2024 due to corrections necessary to properly reflect the lack of donor restrictions on net assets. Net assets in the amount of $2,100,516 were reclassified from net assets with donor restrictions to net assets without donor restrictions.

NOTE 18: SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 5, 2025, the date the consolidated financial statements were available to be issued.

On December 20, 2024, an unfunded loan with the Oklahoma Housing Finance Authority (OHFA) in the amount of $1,174,110 was awarded to build five new homes to be sold upon completion on lots already owned by LIFTCAA. Construction is expected to take place in 2025, and funds will be disbursed as construction occurs in accordance with the terms of the agreement with OHFA.

Supplementary Information

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidating Statement of Financial Position
December 31, 2024

ASSETS	LIFT, Inc.	SOCDC	Eliminations	Total
CURRENT ASSETS				
Cash	$ 9,830,482	$ 363,553	$ -	$ 10,194,035
Due from grantors	1,146,358	-	-	1,146,358
Other receivables	455	1,350	(1,350)	455
Notes receivable, current, net	14,924	62,954	-	77,878
Prepaid expenses	35,815	-	-	35,815
Total Current Assets	11,028,034	427,857	(1,350)	11,454,541
PROPERTY AND EQUIPMENT, NET	8,772,261	-	-	8,772,261
OTHER ASSETS				
Notes receivable	1,442,510	421,584	(522,002)	1,342,092
Property held for sale	440,737	-	-	440,737
Total Other Assets	1,883,247	421,584	(522,002)	1,782,829
TOTAL ASSETS	$ 21,683,542	$ 849,441	$ (523,352)	$ 22,009,631
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	$ 81,020	$ 11,000	$ (1,350)	$ 90,670
Accrued expenses	1,035,785	522,002	(522,002)	1,035,785
Deposits subject to refund	30,019	-	-	30,019
Deferred revenue	-	8,739	-	8,739
Notes payable	483	280,000	-	280,483
Total Current Liabilities	1,147,307	821,741	(523,352)	1,445,696
NET ASSETS				
Without donor restrictions	20,229,575	27,700	-	20,257,275
With donor restrictions	306,660	-	-	306,660
Total Net Assets	20,536,235	27,700	-	20,563,935
TOTAL LIABILITIES AND NET ASSETS	$ 21,683,542	$ 849,441	$ (523,352)	$ 22,009,631

See Independent Auditor’s Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidating Statement of Activities
Year ended December 31, 2024

	LIFT, Inc.	SOCDC	Eliminations	Total
Changes in Net Assets				
Revenues, Gains and Support				
Contributions	$ 71,332	$ -	$ -	$ 71,332
Rental	760,484	-	-	760,484
Federal grants and loans	15,945,298	10,312	-	15,955,610
State grants	1,816,030	-	-	1,816,030
Program fees and contracts	2,804,497	102,688	(42,405)	2,864,780
Recoveries from programs	3,993,854	-	-	3,993,854
Miscellaneous	120,670	-	-	120,670
Match revenues	1,654,705	1,874	-	1,656,579
Interest and dividends	148,974	28,283	-	177,257
Loss on sale of assets	(3,240)	-	-	(3,240)
Total Revenue, Gains, and Support	27,312,604	143,157	(42,405)	27,413,356
Expenses				
Program services				
Early childhood	11,518,047	-	-	11,518,047
Community services	4,468,180	-	-	4,468,180
Housing	3,800,231	-	-	3,800,231
Transportation	1,982,558	-	-	1,982,558
Economic development	1,037,690	-	-	1,037,690
Lending activities	-	90,119	(42,405)	47,714
Supportive services				
General operating	4,911,688	31,433	-	4,943,121
Total Expenses	27,718,394	121,552	(42,405)	27,797,541
Change in Net Assets	(405,790)	21,605	-	(384,185)
Net Assets, Beginning of Year	20,942,025	6,095	-	20,948,120
Net Assets, End of Year	$ 20,536,235	$ 27,700	$ -	$ 20,563,935

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Consolidating Statement of Cash Flows
Year ended December 31, 2024

	LIFT, Inc.	SOCDC	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	$ (405,790)	$ 21,605	$ (384,185)
Adjustments to reconcile change in net assets			
to net cash from operating activities:			
Depreciation and amortization	540,935	-	540,935
Loss on sale of assets	3,240	-	3,240
Grants restricted for vehicle purchases	(527,713)	-	(527,713)
Allowance for credit losses	-	18,633	18,633
Change in:			
Due from grantors	52,084	-	52,084
Other receivables	966,118	-	966,118
Prepaid expenses	(9,187)	-	(9,187)
Accounts payable	(476,744)	(2)	(476,746)
Accrued expenses	93,096	100,000	193,096
Deposits subject to refund	3,199	-	3,199
Deferred revenue	(6,129)	-	(6,129)
Total adjustments	638,899	118,631	757,530
Net Cash From Operating Activities	233,109	140,236	373,345
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in property held for sale	(65,221)	-	(65,221)
Advances on notes receivable	(185,648)	-	(185,648)
Repayments on notes receivable	20,471	-	20,471
Acquisitions of property and equipment	(2,191,949)	-	(2,191,949)
Net Cash (Used For) Investing Activities	(2,422,347)	-	(2,422,347)
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisition / (reduction) of leases payable	(115)	-	(115)
Grant awards restricted for purchase of vehicles	527,713	-	527,713
Principal payment on notes payable	(3,617)	-	(3,617)
Net Cash From Financing Activities	523,981	-	523,981
NET CHANGE IN CASH	(1,665,257)	140,236	(1,525,021)
CASH, BEGINNING OF YEAR	11,495,739	223,317	11,719,056
CASH, END OF YEAR	$ 9,830,482	$ 363,553	$ 10,194,035

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Expenditures of Federal and State Awards
Year ended December 31, 2024

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Contract Number	Expenditures
U.S. Department of Health and Human Services				
Direct Programs				
Head Start/Early Head Start	93.600		06 CH 012393/02	$ 378,066
Head Start/Early Head Start	93.600	COVID-19	06 HP 003312/05	87,726
Head Start/Early Head Start	93.600		06 CH 012393/01	4,244,235
Early Head Start Child Care Partnership	93.600		06 HP 000581/01	1,000,807
Early Head Start Child Care Partnership	93.600		06 HP 000312/05	1,333,431
Total Head Start Cluster				7,044,265
Substance Abuse and Mental Health Services Administration				
Drug Free Communities	93.276		5NH28CE002832-10	57,272
Drug Free Communities	93.276		5NH28CE002832-09	97,603
Total Substance Abuse and Mental Health Services Administration				154,875
Health Resources and Services Administration				
Healthy Start Initiative	93.926		6H49MC27826-09	9,000
Healthy Start Initiative	93.926		6H49MC27826-10-03	306,679
Healthy Start Initiative	93.926		6H49MC27826-11-02	691,530
Rural Health Care Services Outreach - Opioid Response	93.912		6GA1RH39569/01	193,199
Rural Health Care Services Outreach - Opioid Response	93.912		1G39RH49493/01	91,333
Total Healthy Resources and Services Administration				1,291,741
Pass-Through Oklahoma Department of Commerce				
Low Income Home Energy Assistance	93.568		19043 DHS 23	19,598
Community Services Block Grant	93.569		18493 CSBG 22	96,621
Community Services Block Grant	93.569		19117 CSBG 23	36,157
Community Services Block Grant	93.569		18806 CSBG 23	122,538
Total passed through Oklahoma Department of Commerce				274,914
Pass-Through Oklahoma Association of Community Action Agencies				
Community Services Block Grant	93.569		2023 OADP/ODOC LIFT CAA	39,070
Community Services Block Grant	93.569		2024 OADP VITA 24	5,367
Total passed through Oklahoma Association of Community Action Agencies				44,437
Pass-Through Oklahoma Office of Attorney General				
Family Violence Prevention & Services/Domestic Violence Shelter & Supportive Services	93.671	COVID-19	N/A	8,301
Total passed through Oklahoma Office of Attorney General				8,301
Total US Department of Health and Human Services				8,818,533
U.S. Department of Justice				
Direct Programs				
Rural Domestic Violence, Dating Violence, Sexual Assault and Stalking Assistance Program	16.589		2017-WR-AX-0046	152,799
Second Chance Reentry Initiative	16.812		25PBJA-21-GG-04047-SCAX	190,081
Consolidated & Technical Assistance Grant Program to Address Children & Youth Experiencing Domestic and Sexual Violence & Engage Men & Boys as Allies	16.888		15JOVW-21-GG-00646-CY	78,134
Total Direct Programs				421,014

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Expenditures of Federal and State Awards
Year ended December 31, 2024

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Contract Number	Expenditures
Pass-Through Oklahoma District Attorney's Council				
Crime Victim Assistance (VOCA)	16.575		2024 VOCA LIFT 155	9,258
Crime Victim Assistance	16.575		2023 VOCA LIFT 098	59,149
Crime Victim Assistance	16.575		2023 VOCA LIFT 097	28,980
Crime Victim Assistance	16.575		2024 VOCA LIFT 131	7,014
Total passed through Oklahoma District Attorney's Council				104,401
Pass-Through Youth Collaboratory of Pittsburgh, PA				
Juvenile Mentoring Program	16.726		2019JUFX0013	39,730
Total passed through Youth Collaboratory of Pittsburgh, PA				39,730
Total US Department of Justice				565,145
U.S. Department of Agriculture				
Direct Programs				
Rural Housing Service	10.420		T&MA 23/28 12RADA23C0002	1,322,049
Rural Housing Service	10.420		Self Help Housing 22-24	450,228
Rural Housing Preservation Grant	10.433		45-012-730772321	116,450
Total Direct Programs				1,888,727
Pass-Through National Healthy Start Association				
Soil and Water Conservation (Healthy Start FAN)	10.902		NR233A750012C003	5,000
Total passed through National Healthy Start Association				5,000
Pass-Through Oklahoma Department of Education				
Child and Adult Care Food Program	10.558		DC-48-012- 22/23	65,589
Child and Adult Care Food Program	10.558		DC-48-012- 23/24	56,896
Child and Adult Care Food Program	10.558		H-12-01 22/23	282,038
Child and Adult Care Food Program	10.558		H-12-01 23/24	899,320
Child and Adult Care Food Program	10.558		DC-12-100- 22/23	17,233
Child and Adult Care Food Program	10.558		DC-12-100- 23/24	168,261
Total passed through Oklahoma Department of Education				1,489,337
Total US Department of Agriculture				3,383,064
U.S. Department of Labor				
Direct Program				
Youth Build	17.274		YB-38191-22-60-A-40	353,047
Youth Build	17.274		24A60YB000091-01-00	176,047
Total Direct Program				529,094
Total US Department of Labor				529,094
U.S. Department of Transportation				
Pass-Through Oklahoma Department of Transportation				
Public Transportation for Nonurbanized Areas	20.509		FTA-5311-TP-22(484)	167,639
Public Transportation for Nonurbanized Areas	20.509		FTA-5311-TP-23(536)	531,082
Public Transportation for Nonurbanized Areas	20.509		FTA-5311-TP-23(559)	356,214
Bus and Bus Facilities Formula Program	20.526		FTA-5339-BBF(057)	527,713
Total passed through Oklahoma Department of Transportation and total Federal Transit Cluster				1,582,648
Total US Department of Transportation				1,582,648

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Expenditures of Federal and State Awards
Year ended December 31, 2024

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Contract Number	Expenditures
U.S. Department of Housing and Urban Development				
Pass-Through Oklahoma Housing Finance Authority				
HOME Investment Partnership Program	14.239		1736 HOME 23	730,936
HOME Investment Partnership Program	14.239		1737 HOME 23	50,000
Total passed through Oklahoma Housing Finance Authority				780,936
Total US Department of Housing and Urban Development				780,936
Corporation for National and Community Services				
Direct Programs				
Retired and Senior Volunteer Program - 2022/2023	94.002		22SRWOK001	1,000
Retired and Senior Volunteer Program - 2023/2024	94.002		22SRWOK001	3,378
Total Direct Programs				4,378
Total Corporation for National and Community Services				4,378
Neighborworks America				
Direct Programs				
NWA Expendable Grant 23-24	21.000		N/A	51,355
NWA Expendable Grant 24-25	21.000		N/A	81,519
NWA Training	21.000		N/A	2,800
Total Direct Programs				137,091
Total Neighborworks America				137,091
U.S. Department of Energy				
Pass-Through Oklahoma Department of Commerce				
State Energy Program	81.041		18555 DOE 22	36,458
Weatherization Assistance for Low-Income Persons	81.042		19022 BDOE 22	533,514
Weatherization Assistance for Low-Income Persons	81.042		19361 DOE 23	135,619
Weatherization Assistance for Low-Income Persons	81.042		19598 DOE 24	66,583
Total passed through Oklahoma Department of Commerce				772,174
Total US Department of Energy				772,174
U.S. Department of Homeland Security				
Direct Programs				
Emergency Food & Shelter	97.024		Choctaw Co - Phase 40	3,100
Emergency Food & Shelter	97.024		Choctaw Co - Phase 41	9,000
Emergency Food & Shelter	97.024		Pushmataha Co - Phase 39	171
Emergency Food & Shelter	97.024		Pushmataha Co - Phase 41	6,668
Emergency Food & Shelter	97.024	COVID-19	Pushmataha Co - Phase ARPA-R	2,438
Total Direct Programs				21,377
Pass-Through McCurtain County, OK				
Emergency Food & Shelter	97.024		McCurtain Co - Phase 40	1,500
Emergency Food & Shelter	97.024		McCurtain Co - Phase 41	1,500
				3,000
Total US Department of Homeland Security				24,377
Total Expenditures of Federal Awards				$ 16,597,440

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Expenditures of Federal and State Awards
Year ended December 31, 2024

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Contract Number	Expenditures
Oklahoma Department of Human Services				
Direct Programs				
Work Readiness Oklahoma	N/A		8309026664	991,468
Choctaw County Strong Fathers	N/A			15,729
McCurtain County Strong Fathers	N/A			308
Pushmataha County Strong Fathers	N/A			14,907
Total Direct Programs				1,022,412
Pass-Through Community Action Project of Tulsa County				
Oklahoma Early Childhood - 23/24	N/A		N/A	106,526
Oklahoma Early Childhood - 24/25	N/A		N/A	72,213
Total passed through Community Action Project of Tulsa County				178,739
Total Oklahoma Department of Human Services				1,201,151
Oklahoma Commission for Children				
Direct Programs				
CASA - 23/24	N/A		AG1118	3,175
CASA - 24/25	N/A		AG1118	5,787
CASA	N/A		AG1118	1,800
Community Based Youth and Family Services - Choctaw County FSMDT	N/A		1279002651	16,575
Community Based Youth and Family Services - Pushmataha County FSMDT	N/A		1279002669	21,233
Total Direct Programs				48,570
Total Oklahoma Commission for Children				48,570
Oklahoma Tourism and Recreation Department				
Direct Programs				
Management of State Parks - Raymond Gary	N/A		5669026919	60,926
Management of State Parks - Clayton	N/A		5669027977	57,030
Total Direct Programs				117,956
Total Oklahoma Tourism and Recreation Department				117,956
Oklahoma Department of Transit				
Direct Programs				
Public Transit Revolving Fund	N/A		STPTRF-9025(518)	104,747
Public Transit Revolving Fund	N/A		STPTRF-9025(559)	44,985
Total Direct Programs				149,732
Total Oklahoma Department of Transit				149,732
Oklahoma District Attorney's Council				
Direct Programs				
Rural Domestic Violence and Dating Violence, Sexual Assualt, and Stalking Assistance Program (DAC Transport)	N/A		N/A	223
Total Direct Programs				223
Total Oklahoma District Attorney's Council				223

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Expenditures of Federal and State Awards
Year ended December 31, 2024

Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Additional Award Identification	Contract Number	Expenditures
Oklahoma Department of Commerce				
Direct Programs				
State Appropriated Funds for Community Action Agencies	N/A		19203 SAF/CAA 24	5,528
State Appropriated Funds for Community Action Agencies	N/A		19480 SAF/CAA 25	6,080
State Appropriated Funds for Community Action Agencies	N/A		19232 SAF/CAA HS 24	36,702
State Appropriated Funds for Community Action Agencies	N/A		19502 SAF/CAA HS 25	45,851
Total Direct Programs				94,161
Passed-Through Ki Bois Community Action Foundation				
Prescription Assistance	N/A		RX OK 23/24	10,070
			RX OK 24/25	3,105
Total passed through Ki Bois Community Action Foundation				13,175
Total Oklahoma Department of Commerce				107,336
Family Resource Center				
Direct Programs				
Know the Grow	N/A		N/A	20,810
Total Family Resource Center				20,810
Total Expenditures of State Awards				1,645,778
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS				$ 18,243,218

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards include the federal grant activity of LIFT Community Action Agency, Inc. and Subsidiaries (the Organization), under programs of the federal government for the year ended December 31, 2024. The information in the schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: CONTINGENT LIABILITIES

The Organization participates in a number of federal and state assisted programs. These programs are audited in accordance with *Government Auditing Standards* and the Single Audit Act Amendments of 1996, if applicable, in accordance with the required levels of Federal Financial Assistance. Audits of prior years have not resulted in any significant disallowed costs. Additionally, the grant programs are subject to audits by the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Management believes any liability for reimbursement which may arise as the result of audits of grant funds would not be material.

NOTE 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule may differ with the amounts reported in the related federal financial reports filed with grantor agencies due to accruals or adjustments posted to the books after the submission of the orginal reports.

NOTE 5: INDIRECT COST RATE

LIFTCAA has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

See Independent Auditor's Report.

LIFT Community Services Action Agency, Inc. and Subsidiaries

Schedule of HOME Banked Match
Year ended December 31, 2024

Banked match certified from ODOC	$	115,951
Contract #96-7725 Overmatched		228
Contract #96-7757 Overmatched		7,413
Contract #97-8282 (Undermatched)		(987)
Contract #01-8913 Overmatched		10,446
Contract #01-8944 (Undermatched)		(12,475)
Contract #01-8940 Overmatched		64,891
Contract #02-8984 Overmatched		13,030
Contract #02-8986 (Undermatched)		(3,839)
Contract #02-9036 Overmatched		53,338
Contract #03-6028 Overmatched		81,074
Contract #04-1000 Overmatched		14,860
Contract #04-1006 Overmatched		2,640
Contract #05-1062 Overmatched		45,113
Contract #05-1082 Overmatched		35,740
Contract #05-1083 Overmatched		40,560
Contract #07-1196 (Undermatched)		(7,500)
Contract #09-1261 Overmatched		34,145
Contract #09-1265 Overmatched		13,475
Contract #10-1361 Overmatched		6,627
Contract #11-1396 (Undermatched)		(46,875)
Contract #11-1397 (Undermatched)		(46,875)
Contract #12-1436 (Undermatched)		(37,500)
Contract #11-1377 Overmatched		5,172
Contract #13-1477 Overmatched		2,702
Contract #15-1529 Overmatched		66,757
Contract #16-1537 Overmatched		28,009
Contract #18-1590 Per 12/31/20 Audit		73,770
Contract #19-1603 Per 12/31/21 Audit		(2,406)
Contract #20-1641 Overmatched		92,874
Contract #20-1658 Overmatched		34,503
Donated land in Valliant, OK - per appraiser report		43,650
Appraised land (Lift CAA Lot 7) in Hugo, OK - per appraiser report		27,000
Appraised land (Lift CAA Lot 10) in Hugo, OK - per appraiser report		19,000
Appraised land (207 E Bluff St) in Hugo, OK - per appraiser report		4,700
Appraised land (Lot 8, Section 33, T6S, R18E) in Hugo, OK - per appraiser report		28,000
Appraised land (Lot 9, Section 33, R6S, R18R) in Hugo, OK - per appraiser report		18,000
TOTAL BANKED MATCH	$	825,211

See Independent Auditor's Report.

LIFT Community Services Action Agency, Inc. and Subsidiaries

Computation of Adjusted Net Worth for Approval and Recertification of Non-supervised Loan Correspondents
Year ended December 31, 2024

1	Home Office		$ 50,000
2	Add:		
	Branch Office	$ 25,000	
	x Number of Branch Offices	-	
	Subtotal		-
3	Total		$ 50,000
4	Net Worth Required		
	(lessor of $250,000 or Line 3)		$ 50,000
	Owner's Equity (Net Worth) per Statement of Financial Position	$ 20,563,935	
	Less Unacceptable Assets	-	
	Adjusted Net Worth for HUD Requirement Purposes	$ 20,563,935	
	Adjusted Net Worth ABOVE Amount Required	$ 20,563,935	
	Adjusted Net Worth BELOW Amount Required	$ -	

See Independent Auditor's Report.

LIFT Community Services Action Agency, Inc. and Subsidiaries

Schedule of In-Kind – Head Start and Early Head Start
Year ended December 31, 2024

	Head Start	Early Head Start	Total
REVENUES			
In-kind	$ 752,608	$ 191,509	$ 944,117
TOTAL REVENUES	$ 752,608	$ 191,509	$ 944,117
EXPENSES			
In Center Salaries	$ 175,689	$ 106,272	$ 281,961
In Center Fringe	35,580	51,853	87,433
Professional Services	14,262	618	14,880
Travel	253,988	6,570	260,558
Space Cost/Rent	190,999	23,870	214,869
Classroom Supplies	20	-	20
Maintenance and Repairs	57,531	-	57,531
Telephone/Utilities	24,539	2,326	26,865
TOTAL EXPENSES	$ 752,608	$ 191,509	$ 944,117

See Independent Auditor's Report.

LIFT Community Services Action Agency, Inc. and Subsidiaries

Schedule of In-Kind – Early Head Start and Child Care Partnership
Year ended December 31, 2024

	Total
REVENUES	
In-kind	$ 3,019
TOTAL REVENUES	$ 3,019
EXPENSES	
Volunteer Salaries	$ 1,215
Volunteer Fringe	119
Professional Services	1,685
TOTAL EXPENSES	$ 3,019

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Financial Position -
Southeast Oklahoma Community Development Corporation
December 31, 2024

ASSETS		
CURRENT ASSETS		
Cash	$	363,553
Accounts receivable		1,350
Notes receivable, current		62,954
Total Current Assets		427,857
Notes receivable, net of current portion		421,584
TOTAL ASSETS	$	849,441
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$	11,000
Deferred revenue		8,739
Other payable		522,002
Note payable, current		280,000
Total Current Liabilities		821,741
NET ASSETS		
Without donor restrictions		27,700
Total Net Assets		27,700
TOTAL LIABILITIES AND NET ASSETS	$	849,441

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Revenues, Expenses, and Changes in Net Assets - Southeast Oklahoma Community Development Corporation
For the year ended December 31, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS			
Grants	$ -	$ 10,312	$ 10,312
Program fees	102,688	-	102,688
Interest	28,283	-	28,283
Match	1,874	-	1,874
Net assets released from restrictions			
Satisfaction of program restrictions	10,312	(10,312)	-
TOTAL SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS	143,157	-	143,157
EXPENSES			
Program services	90,119	-	90,119
Supporting services			
Management and General	31,433	-	31,433
TOTAL EXPENSES	121,552	-	121,552
CHANGE IN NET ASSETS	21,605	-	21,605
NET ASSETS, BEGINNING OF YEAR	6,095	-	6,095
NET ASSETS, END OF YEAR	$ 27,700	$ -	$ 27,700

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Financial Position – Neighborworks America Fund
December 31, 2024

	NW Capital	NW Capital Unrestricted	Loan Reserve	NW 2023 Supplemental
ASSETS				
Cash	$ 174,786	$ 363,446	$ 56,478	$ 4,294
Other receivables	(1,816)	2,032	-	-
Notes receivable	77,212	243,577	-	-
TOTAL ASSETS	250,182	609,055	56,478	4,294
LIABILITIES AND NET ASSETS				
Accrued expenses	-	-	-	-
Total Liabilities	-	-	-	-
NET ASSETS				
Without donor restrictions	$ -	$ 609,055	$ -	$ 4,294
With donor restrictions	250,182	-	56,478	-
Total Net Assets	250,182	609,055	56,478	4,294
TOTAL LIABILITIES AND NET ASSETS	$ 250,182	$ 609,055	$ 56,478	$ 4,294

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Financial Position – Neighborworks America Fund
December 31, 2024

	NF Housing Counsel	SOCDC Lift	Total
ASSETS			
Cash	$ 23,516	$ 133,408	$ 755,928
Other receivables	-	-	216
Notes receivable	-	522,002	842,791
Total Assets	23,516	655,410	1,598,935
LIABILITIES AND NET ASSETS			
Accrued expenses	-	4,224	4,224
Total Liabilities	-	4,224	4,224
NET ASSETS			
Without donor restrictions	23,516	651,186	1,288,051
With donor restrictions	-	-	306,660
Total Net Assets	23,516	651,186	1,594,711
TOTAL LIABILITIES AND NET ASSETS	$ 23,516	$ 655,410	$ 1,598,935

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Revenues, Expenses, and Changes in Net Assets – Neighborworks America Funds
December 31, 2024

	NWA Capital (780)	NWA Capital Unrestricted	NWA Expendable 23/24	NWA Hsg Loans Reserve	NWA Strategic Planning
Revenues, Gains, and Support					
Federal grants and loans	$ -	$ 75,000	$ 5,750	$ -	$ -
Program fees and contracts	(2,088)	(1,473)	-	-	-
Interest and dividends	6,064	16,675	1,016	469	107
Total Revenue, Gains, and Support	3,976	90,202	6,766	469	107
Expenses					
Salaries and wages	-	-	15,754	-	-
Payroll taxes	-	-	1,474	-	-
Fringe benefits	-	-	3,117	-	-
Indirect costs	-	-	4,143	-	-
Consultant/Contractual	-	-	-	-	5,000
Travel and transportation	-	-	1,366	-	19,022
Space costs	-	-	10,771	-	-
Telephone and utilities	-	-	2,811	-	-
Postage	-	-	550	-	-
Supplies	-	-	1,592	-	-
Equipment and facilities	-	-	70	-	-
Advertising/promotion	-	-	6,217	-	-
Printing and publications	-	-	338	-	-
Other	1,350	-	344,602	-	-
Training	-	-	1,913	-	-
Fees, licenses and dues	-	-	1,239	-	1,165
Total Expenses	1,350	-	395,957	-	25,187
Change in Net Assets	2,626	90,202	(389,191)	469	(25,080)
Net Assets, Beginning of Year	247,556	518,853	389,191	56,009	25,080
Net Assets, End of Year	$ 250,182	$ 609,055	$ -	$ 56,478	$ -

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Revenues, Expenses, and Changes in Net Assets – Neighborworks America Funds
December 31, 2024

	NWA Supplemental 2023	NWA Non Fed Housing Counseling	SOCDC LIFT	NWA Expendable 22/23	Total
Revenues, Gains, and Support					
Federal grants and loans	$ -	$ -	$ -	$ 66,583	$ 147,333
Program fees and contracts	-	-	-	-	(3,561)
Interest and dividends	68	195	1,572	-	26,166
Total Revenue, Gains, and Support	68	195	1,572	66,583	169,938
Expenses					
Salaries and wages	-	-	(5,099)	26,891	37,546
Payroll taxes	-	-	1,799	2,161	5,434
Fringe benefits	-	-	(3,018)	6,570	6,669
Indirect costs	-	-	6,196	7,193	17,532
Consultant/Contractual	-	-	-	1,965	6,965
Travel and transportation	-	-	29	708	21,125
Space costs	-	-	770	-	11,541
Telephone and utilities	-	-	491	-	3,302
Postage	-	-	50	-	600
Supplies	-	-	-	4,813	6,405
Equipment and facilities	-	-	-	11,282	11,352
Advertising/promotion	-	-	-	-	6,217
Printing and publications	-	-	-	-	338
Other	-	-	10	-	345,962
Training	5,800	-	-	5,000	12,713
Fees, licenses and dues	-	-	189	-	2,593
Total Expenses	5,800	-	1,417	66,583	496,294
Change in Net Assets	(5,732)	195	155	-	(326,356)
Net Assets, Beginning of Year	10,026	23,321	651,031	-	1,921,067
Net Assets, End of Year	$ 4,294	$ 23,516	$ 651,186	$ -	$ 1,594,711

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Financial Position – LIFT Rental Apartments
December 31, 2024

	Antlers Duplex	Boswell Apartments	FT Towson Apartments	Garvin Apartments	Hugo Triplex Creekside
ASSETS					
Cash	$ 417	$ 5,950	$ (5,272)	$ 8,440	$ (19,069)
Due from grantors	625	-	-	-	-
Total Assets	1,042	5,950	(5,272)	8,440	(19,069)
LIABILITIES AND NET ASSETS					
Accounts payable	72	-	32	-	112
Deposits subject to refund	750	750	1,162	950	1,125
Total Liabilities	822	750	1,194	950	1,237
Net Assets					
Without donor restrictions	220	5,200	(6,466)	7,490	(20,306)
With donor restrictions	-	-	-	-	-
Total Net Assets	220	5,200	(6,466)	7,490	(20,306)
Total Liabilities and Net Assets	$ 1,042	$ 5,950	$ (5,272)	$ 8,440	$ (19,069)

See Independent Auditor's Report.

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Financial Position – LIFT Rental Apartments
December 31, 2024

	Pine Tree Apartments	Soper Apartments	Terry Hill	Valliant Apts	Apartments
ASSETS					
Cash	$ (870)	$ 9,908	$ (53,481)	$ 6,494	$ 388,924
Due from grantors	-	-	1,786	-	-
Other receivables	472	-	-	-	-
Total Assets	(398)	9,908	(51,695)	6,494	388,924
LIABILITIES AND NET ASSETS					
Accounts payable	41	32	4,666	27	-
Accrued expenses	-	-	-	-	5,865
Deposits subject to refund	1,125	1,125	21,488	1,125	-
Total Liabilities	1,166	1,157	26,154	1,152	5,865
Net Assets					
Without donor restrictions	(1,564)	8,751	(77,849)	5,342	383,059
With donor restrictions	-	-	-	-	-
Total Net Assets	(1,564)	8,751	(77,849)	5,342	383,059
Total Liabilities and Net Assets	$ (398)	$ 9,908	$ (51,695)	$ 6,494	$ 388,924

LIFT Community Action Agency, Inc. and Subsidiaries

Statement of Financial Position – LIFT Rental Apartments
December 31, 2024

	TH Reserve	Reserve Apartments	Broadway Apartments	Chappell Duplex	Total
ASSETS					
Cash	$ 146,872	$ 103,289	$ (7,682)	$ (2,256)	$ 581,664
Due from grantors	-	-	-	-	2,411
Other receivables	-	-	-	-	472
Total Assets	146,872	103,289	(7,682)	(2,256)	584,547
LIABILITIES AND NET ASSETS					
Accounts payable	-	-	115	-	5,097
Accrued expenses	-	-	-	-	5,865
Deposits subject to refund	-	-	750	-	30,350
Total Liabilities	-	-	865	-	41,312
Net Assets					
Without donor restrictions	146,872	103,289	(8,547)	(2,256)	543,235
With donor restrictions	-	-	-	-	-
Total Net Assets	146,872	103,289	(8,547)	(2,256)	543,235
Total Liabilities and Net Assets	$ 146,872	$ 103,289	$ (7,682)	$ (2,256)	$ 584,547

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Revenues, Expenses, and Changes in Net Assets – LIFT Rental Apartments
December 31, 2024

	Apartments Reserve	Apartments	Total
Revenues, Gains, and Support			
Rental	$ -	$ 450,887	$ 450,887
Federal grants and loans	-	15,000	15,000
Miscellaneous	7,500	(7,500)	-
Interest and dividends	829	5,611	6,440
Total Revenue, Gains, and Support	8,329	463,998	472,327
Expenses			
Salaries and wages	-	50,230	50,230
Payroll taxes	-	3,797	3,797
Fringe benefits	-	13,688	13,688
Indirect costs	-	13,261	13,261
Consultant/Contractual	-	58,021	58,021
Travel and transportation	-	2,942	2,942
Telephone and utilities	-	83,053	83,053
Postage	-	283	283
Supplies	-	3,849	3,849
Equipment and facilities	-	187,430	187,430
Advertising/promotion	-	6,245	6,245
Insurance	-	157,107	157,107
Printing and publications	-	85	85
Other	-	(206)	(206)
Training	-	758	758
Fees, licenses and dues	-	12,442	12,442
Total Expenses	-	592,985	592,985
Change in Net Assets	8,329	(128,987)	(120,658)
Net Assets, Beginning of Year	234,400	429,493	663,893
Net Assets, End of Year	$ 242,729	$ 300,506	$ 543,235

See Independent Auditor's Report.

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*

Board of Directors
Lift Community Action Agency, Inc. and Subsidiaries
Hugo, Oklahoma

We have audited, 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, the consolidated financial statements of **Lift Community Action Agency, Inc. and Subsidiaries** (the Organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated August 5, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's consolidated financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Landmark PLC, Certified Public Accountants
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Board of Directors
Lift Community Action Agency, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 consolidated financial statements. 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Landmark PLC

Fort Smith, Arkansas
August 5, 2025

LANDMARK
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of Directors
Lift Community Action Agency, Inc. and Subsidiaries
Hugo, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited **Lift Community Action Agency, Inc. and Subsidiaries** (the Organization) (a nonprofit organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance* Supplement that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2024. The Organization's major federal programs are identified in the summary of independent auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Landmark PLC, Certified Public Accountants
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Board of Directors
Lift Community Action Agency, Inc.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Board of Directors
Lift Community Action Agency, Inc.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Landmark PLC

Fort Smith, Arkansas
August 5, 2025

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Findings and Questioned Costs
Year ended December 31, 2024

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

1. The opinions expressed in the independent auditor's report were:

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

   Significant deficiency(ies)? ☐ Yes ☒ None reported
   Material weakness(es)? ☐ Yes ☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit?

   ☐ Yes ☒ No

4. The independent auditor's report on internal control over compliance with requirements that could have a direct and material effect on each major federal awards program disclosed:

   Significant deficiency(ies)? ☐ Yes ☒ None reported
   Material weakness(es)? ☐ Yes ☒ No

5. The opinions expressed in the independent auditor's report on compliance with requirements that could have a direct and material effect on each major federal awards program were:

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. The audit disclosed findings required to be reported by the Uniform Guidance?

   ☐ Yes ☒ No

7. The Organization's major programs were:

Cluster/Program	Assistance Listing Number
Head Start	93.600
HOME Investment Partnership Program	14.239
Healthy Start Initiative	93.926
Rural Housing Service	10.420

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in Uniform Guidance was $750,000.

9. The Organization qualified as a low-risk auditee as that term is defined in Uniform Guidance?

   ☐ Yes ☒ No

LIFT Community Action Agency, Inc. and Subsidiaries

Schedule of Findings and Questioned Costs
Year ended December 31, 2024

II. FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED *GOVERNMENT AUDITING STANDARDS*

There were no audit findings for the year ended December 31, 2024.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no audit findings or questioned costs for the year ended December 31, 2024.

LIFT Community Action Agency, Inc. and Subsidiaries

Summary Schedule of Prior Year Audit Findings
Year ended December 31, 2024

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2023-001: Cash not properly and timely reconciled

Conditions: During on-site fieldwork it was determined that the cash accounts for the accounts payable and payroll bank accounts had not been properly reconciled. Although reconciliations had been prepared monthly it was noted that the reconciliations were incorrectly performed and did not agree with the general ledger. Reconciliations were performed during on-site fieldwork by Organization staff and the necessary adjustment was made in the general ledger to ensure financial statements were fairly stated. The adjustment of $264,479 was between accounts payable cash and payroll cash.

Criteria and Cause: In order to make the financial reports generated by the accounting system as meaningful as possible, and to catch errors or fraudulent activity in a timely manner, the Organization should, at a minimum, reconcile the general ledger accounts for cash, accounts receivable, and accounts payable on a monthly basis. A benefit of monthly reconciliations is that errors do not accumulate but can be identified and attributed to a particular period, which makes it easier to perform future reconciliations. It is our understanding that in FY23, the Organization underwent an accounting software change, and significant implementation challenges led to a failure in the Organization's account reconciliation procedures.

Effect: The financial reports generated by the Organization were not as meaningful or accurate as they could have or should have been for use in the management decision-making process. Misstated financial statements and/or misappropriations of assets due to error or fraud could occur and not be prevented or detected in a timely manner.

Recommendation: We recommend policies be implemented whereby all the general ledger accounts are reconciled to supporting documentation on a monthly basis. We also recommend appropriate management-level personnel conduct timely reviews of all reconciliations and document such review by indicating who reviewed it and when.

Status: The Organization implemented new procedures effective April 1, 2024, which include retrieving bank data entries directly from the accounting software and comparing to the bank statement. These reconciliations must be completed within 20 calendar days of receiving the monthly bank statements.