

**CADDO COUNCIL ON AGING, INC.**

**SHREVEPORT, LOUISIANA**

**JUNE 30, 2022**

CADDO COUNCIL ON AGING, INC.

SHREVEPORT, LOUISIANA

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of Caddo Council On Aging, Inc. financial performance provides an overview of the Council's financial activities for the year ending June 30, 2022. This discussion should be read in conjunction with the Audited Financial Statements, which begin on page 1.

### Financial Highlights

- The Council had a net increase in overall net position of \$161,492 this year.
- Net Capital Assets of the Council increased by \$224,204.
- No deficit fund balance exists at year-end.
- The unreserved, undesignated net position was \$1,514,529 at year-end, which is a \$198,548 increase from the prior year.
- The restricted net position was \$1,657,543, which is a \$32,263 decrease from the prior year.
- The Council's long term debt consists only of that related to its lease liability.

### How to Use This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and The Statement of Activities (pages 4 and 5) provide information about the activities of the Council as a whole and present a long-term view of the Council's finances. The Balance Sheet – Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balance (on pages 6-8) provide information on how services were financed in the short-term as well as what remains for future spending.

Budgetary Comparison Schedules for the Council's major funds are on pages 24-28. These schedules compare Original Budget, and Final Budget to Actual amounts for the year. The Schedule of Revenues, Expenditures, and Changes in Fund Balance for non-major funds is on page 30. This schedule reports in more detail the expenses of the non-major funds.

Our auditor has provided assurance in the independent auditor's report, located after the Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance about Supplementary Financial Information Required by GASB Statement 34 and Supplementary Financial Information Required by Governor's Office of Elderly Affairs (GOEA) and the Uniform Guidance that follow later in this reporting package. A user of this report should read the independent auditor's report carefully to determine the level of assurance being provided for each part of the financial section of the report.

#### A. The Council as a Whole Using Government-Wide Statements

Our Analysis of the Council's finances as a whole begins on page v. An important question to ask about the Council's finances is, "What was the impact as a result of the year's activities?" The Statement of Net Position and Statement of Activities (referred to collectively as the Government-Wide Financial Statements) report information about the Council as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting method used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-Wide statements report the Council's net position and changes in it. Some of the net position is restricted which means it can only be used for a specific purpose. The Statement of Net Position is designed to present the financial position of the Council as of year-end. Over time, increases or decreases in the Council's net position are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall financial position of the Council, you will need to consider other non-financial factors, such as the condition of the Council's capital assets, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

The Statement of Activities provides information that shows how the Council's net position changed as a result of this year's activities. All of the Council's significant activities are reported in the Statement of Activities. These activities include but are not limited to an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include supportive social services, nutritional services, and disease prevention. All activities of the Council are considered to be governmental activities. A governmental activity is one where the Council uses money it receives from government grants and contracts, along with donations from the general public, to pay for the services the agency provides to the elderly. The people benefiting from the services are not required to pay for the services received. If the Council charged fees to cover all or most the cost of providing a service, that activity would be classified as a business-type activity. The Council does not have any business-type activities.

## **B. Reporting the Council's Special Funds Using Fund Financial Statements**

The General Fund is used to account for all financial resources that are not restricted to specific funds. The Council's funds are either major funds or non-major funds. Major funds are those funds whose revenues, expenses, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria, but which is important to present for the Council's financial statement users. The Fund Financial Statements for the Council's major funds are on pages 26 to 30. These reports compare the original and final appropriated budgets to actual budget results for the Council's fiscal year. The Council's major funds are the General Fund, Title IIIC-2 Home Delivered Meals, Title IIIB Supportive Services, Veterans Home and Community Based Services, and Restricted Contributions. The Fund Financial Statement for the Council's non-major funds is on page 30.

The special revenue funds account for specific revenue sources that are legally restricted to expenditures for specified purposes, other than debt service or capital projects. By using separate funds to track revenues and expenditures, management can control and manage funds for particular purposes or show that the fund is meeting legal requirements for using certain grants and other revenues.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic service it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. The difference between the net position of governmental activities and fund balances of the governmental funds is presented in reconciliation at the bottom of the Balance Sheet for Governmental Funds, which is on page 6. In addition, the difference between the change in net fund balances for the governmental funds and the change in net position for the governmental activities has been presented in reconciliation on page 8.

### **C. Notes to the Financial Statements**

The notes provide additional information that is essential to understanding the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 9. The notes to the financial statements should be read before making assumptions or conclusions about the Council's financial condition.

### **D. Supplementary Information Required by GASB Statement 34**

In addition to the basic financial statements, this report also presents certain required supplementary information (RSI) that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget. (see pages 26 to 30).

Management's Discussion and Analysis (MD&A) is also required supplementary information by GASB Statement 34. However, GASB Statement 34 requires the MD&A be presented as the first item in this reporting package and not with the other RSI, which is included later in this reporting package.

### **E. Supplementary Information Required by Governor's Office of Elderly Affairs**

GOEA has required the Council to present combining statements that provide details about non-major governmental funds and details about capital assets and the changes in capital assets. This information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (see pages 32 and 33).

### **F. Supplementary Information Required by the Uniform Guidance**

The Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations requires a Schedule of Expenditures of Federal Awards to be included as supplemental information. This schedule will present information about the Council's federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted federal money to the Council (see pages 34-35).

### **G. Supplementary Information Required by Act 706 of the 2014 Regular Legislative Session**

Act 706 of the 2014 Regular Legislative Session which amends (R.S. 24:513(A)(3) requires that the total compensation, reimbursements, and benefits paid an agency head or political subdivision head, or chief executive officer related to the position, including but not limited to, travel, housing, unvouchered expenses, per diem, and registration fees be reported as a supplemental report within the financial statement of the local auditee (see page 31).



## H. Analysis of the Council as a Whole Using Government-Wide Financial Statements

Table 1: Condensed information on the Council's net position

	2021	2022
<b>Assets:</b>		
Current and other assets	3,454,546	3,639,866
Capital Assets, net of accumulated depreciation	99,245	94,452
Lease right of use assets, net of accumulate amortization	-	228,997
Total Assets	<u>3,553,791</u>	<u>3,963,315</u>
<b>Liabilities:</b>		
Other Liabilities	419,455	438,440
Vacation Liability	29,304	29,354
Lease liability – short-term	-	68,665
Lease liability – long-term	-	160,332
Total Liabilities	<u>448,759</u>	<u>696,761</u>
<b>Net position:</b>		
Restricted	1,689,806	1,657,543
Unrestricted	1,315,981	1,514,529
Investment in Capital Assets net of debt	99,245	94,452
Total Net position	<u><u>3,105,032</u></u>	<u><u>3,266,524</u></u>

As of June 30, 2022, the Council “as a whole” had assets greater than its liabilities by \$3,266,524. The Council’s total net position increased from \$3,105,032 to \$3,266,524. This equates to an increase of 5.20%. It should be noted that the current year includes the new lease presentation required under GASB 87, while prior year does not. The implementation of GASB 87 had no effect on total expenditures in the Fund Financial Statements but added the Lease Right of Use Asset and Lease Liabilities at the end of the year in the Government-Wide Financial Statements.

The Council’s unrestricted net position increased \$198,548. It is important for the Council to have unrestricted net position so that resources are available to adapt to changes in the economy, emergencies, unexpected needs, and reductions in grant revenues by government agencies.

The Council’s restricted net position decreased by \$32,263. Net position is reported as restricted when the constraints placed upon the asset’s use are either (a) externally imposed by a grantor, contributor, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The liability for compensated absences increased from \$29,304 to \$29,354. This liability represents what the Council would owe to its employees as of year-end for unused vacation leave. This amount varies from year to year because it is dependent on the vacation patterns of the employees, the number of employees, and the

hourly rate of pay. This liability could adversely affect the Council’s financial position if it were to lay off a significant portion of its workforce. This event would trigger the immediate payment of unused vacation to terminated employees, resulting in the Council having to use unrestricted assets to make the payment. Other liabilities increased by \$18,985. Other liabilities are costs for this year that were not paid at June 30<sup>th</sup>. Lease liabilities, both short-term and long-term, increased in total by \$228,997, due to the of the implementation of GASB 87.

Table 2: *Condensed information on the Increase/Decrease in Net position*

	<u>2021</u>	<u>2022</u>
<b>Revenues :</b>		
Program Revenues		
Operating Grants and Contributions	4,062,350	4,078,637
General Revenues		
Unrestricted Grants and contributions	416,838	416,838
<b>Total Revenues</b>	<u>4,479,188</u>	<u>4,495,475</u>
 <b>Governmental Activities:</b>		
Health, Welfare & Social Services:		
Supportive Services	276,732	300,166
Nutrition Services	1,860,399	1,719,162
Utility Assistance	-	2,484
Disease Prevention and Health Promotion	7,892	11,410
National Family Caregiver Support	65,120	108,620
Louisiana SenioRx	113,289	115,955
Ombudsman	113,127	139,361
Audit	26,960	28,925
Restricted Gifts	37,054	48,653
Veterans Home & Community Based Services	1,234,012	1,407,762
COVID Outreach	-	29,679
Other Local	635	-
Administration	372,003	421,806
<b>Total Governmental activities</b>	<u>4,107,223</u>	<u>4,333,983</u>
 <b>Increase (decrease) in net position</b>	<u>371,965</u>	<u>161,492</u>

## I. Analysis of Governmental Activities

Most of the Council's activities are funded by federal, state, and local grants. These grants represent 90% and 89% of the revenues of the Council for 2021 and 2022. Most of these grants are restricted which means that the money can only be used in designated programs. The amount of funds available from most of the grants remains rather constant from year to year.

The Council also receives donations from its clients, the general public, community grants and fundraising activities. These revenues help to lessen the financial burden of the Council and help it to maintain services. Public support revenues represented 3.2% and 2.4% of the total revenues for 2021 and 2022.

The Council has invested idle funds and is able to earn interest on this money each year. The investment earnings are used or accumulated as necessary to meet expenses each year.

When reviewing the Government-Wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. As you can see in Table 3, the Council's largest activities are related to nutrition services. The Council's main focus is to meet the nutritional needs of the elderly citizens of Caddo Parish. There is a high demand for this service; therefore, resources are channeled to meet this demand.

You will also note that most of the governmental activities have more expenses than revenues. The Council's budgets were prepared with this in mind. Traditionally, general revenues are used to cover the excess of expenses over revenues in these activities.

Comparing the amount of administrative costs as well as calculating the percentage administrative expenses bear in relation to total expenses is another indicator of how funds are used efficiently. Total administration expense for 2021 and 2022 were \$372,003 or 9.1% and \$421,806 or 9.73%.

Table 3: *Services provided and measurable unit for FY-2021 & FY-2022*

	Measurable Unit	FY-2021	FY-2022
Congregate Meals	Meal	-	33,124
Home Delivered Meals	Meal	373,312	293,890
Homemaker	Hour	2,955	1,366
Information & Assistance	Contact	1,803	1,826
Legal	Hour	154	175
NFCSP In-Home Respite	Hour	1,856	2,912
NFCSP I & A	Contact	78	124
Nutrition Education	Session	86	82
Ombudsman	Visit	57	476
Outreach	Contact	27	40
Senior Rx	Prescriptions	2,443	1,974
Sitter	Hour	2,837	2,818
Transportation	One Way Trip	-	2,439
Wellness	Contact	43	160
Veterans Services	Hours	92,460	110,075

In FY-2021 the pandemic had an adverse effect on the agency programs and services. Due to state mandates and closures, councils were not permitted to provide services in congregate settings. Therefore, there was a dramatic decrease in Nutrition Education, Outreach, Congregate Meals, Preventive Health, and transportation to the congregate site. Ombudsman units decreased due to nursing home visit restrictions in adherence to COVID-19 ordinances. Cares and COVID funding provided resources to increase Home Delivered Meals and Homemaker services.

In FY-2022 pandemic mandates were lifted and the council's Congregate Meals, Ombudsman, Preventive Health, Outreach and Transportation to congregate services gradually returned to normal.

## **J. Analysis of the Council's Funds Using Governmental Fund Financial Statements**

### **Fund Balances**

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unassigned fund balance may service as useful measure of a government's net resources available for spending at the end of the fiscal year. The Council showed a combined governmental fund balance of \$3,201,426 at the end of this year, which is an increase of \$166,335 from last year. However, when you look at the funds individually you will see that the Council's General Fund increased by \$111,787 while Special Revenue Funds had a combined fund balance increase of \$54,548 this year. This includes a decrease of \$30,513 of CARES funding received in FY-2021 that was utilized for services in FY-2022.

The Council's General Fund revenues are comprised of Parish Council on Aging (Legislative) Funds, General Donations from the public, Nutrition Service Incentive Program, interest income earned on unrestricted funds, Senior Center funds, and Supplemental Senior Center funds. In FY-2022 these funds supplemented the expenses of the following programs: Home Delivered Meals, Area Aging Agency, Supportive Services, Caregiver, and Audit programs.

### **Revenues & Expenditures**

In FY-2022 the Council's revenues increased slightly in various programs for a total of \$16,287 and expenses increased by \$226,760. The most notable increase in expenses was due to an increase in the Veteran's Home and Community Based Services of \$77,693. 17,615 more hours of service was provided by the program. The council also received a grant of \$29,679 to provide COVID outreach to the community.

## **K. Analysis of the General Fund Budget**

The council's budget was amended one time in FY-2022. The amendment was approved at the Board of Directors meeting on April 25, 2022. The amendment approved any expenditure that had already been incurred that exceeded its original budgeted amount. The primary reasons for amending the budget are to account for unanticipated changes in both revenues and expenditures and to prevent compliance violations under the Council's grants from the Governor's Office of Elderly Affairs.

You can find schedules of the original and amended budgets for the Major Funds in the Supplementary Financial Information Required by GASB Statement 34 section of this report on pages 26 to 30. When you review the budget versus actual schedule, you will note that the favorable and unfavorable variances are not very large. This is a result of the budget amendment process, which allows us the opportunity to use hindsight to adjust the forecast that it made at the beginning of the year. With only two months left in the fiscal year at the time the

budget is amended, the risk of a significant budget overrun is reduced because of our ability to more accurately predict what will occur over a shorter period of time versus a longer period of time.

**L. Analysis of Capital Asset and Debt Administration**

At the end of the year, the Council had \$94,452 in fixed assets net of accumulated depreciation, and \$228,997 in lease right of use assets net of accumulated amortization. This amounted to a net increase of \$224,204 from last year.

Table 4: *Capital Assets, Net of Accumulated Depreciation at Year End*

	FY-2021	FY-2022
Furniture & Equipment	4,801	2,496
Vehicles	94,444	91,956
Right of Use Assets	-	228,997
	99,245	323,449

**M. Economic Factors and Next Year’s Budgets**

The Council receives most of its funding from the Governor’s Office of Elderly Affairs. Because of this, the source of income for the Council depends on the state’s budget. In FY-2022 the council received American Recovery Plan (ARP) and CARES funding for various programs due to the pandemic from the Governor’s Office of Elderly Affairs. All CARES funds were spent in FY-2022. ARP funding not utilized in FY-2022 was carried forward to FY-2023. The ARP funds are restricted by program. The Council’s grants and contracts from federal and state sources have been approved for FY-2023. Some of the Council’s local grantors operate on a calendar year; as of today, notification has not been received of funding level for CY-2023. The council will adjust services accordingly once notification is received.

**Contacting the Council’s Management**

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask for more information, you should contact Monica Wright, the Council's Executive Director, at the Council's main office located at 1700 Buckner Street, Suite 240 Shreveport, LA 71101, by phone at (318) 676-7900, or by email at [ccoa@caddocoa.org](mailto:ccoa@caddocoa.org).

**AUDITED FINANCIAL STATEMENTS**



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318.429.1525 (P) | 318.429.2124 (F)

Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

## **Independent Auditor's Report**

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Council on Aging, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Caddo Council on Aging, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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 Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Caddo Council on Aging 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 opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Caddo Council on Aging's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the 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 opinions. 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 generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 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 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 Caddo Council on Aging'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Caddo Council on Aging'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.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i-ix and budgetary comparison information on pages 26-30 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Caddo Council on Aging's basic financial statements. The accompanying information on pages 31-35 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and also is not a required part of the 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic 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 December 29, 2022, on our consideration of the Council'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 Council'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 Council's internal control over financial reporting and compliance.

*Heard, McElroy & Vestal, LLC*

Shreveport, Louisiana

December 29, 2022

CADDO COUNCIL ON AGING, INC.

GOVERNMENT-WIDE STATEMENT OF NET POSITION

JUNE 30, 2022

	<u>Governmental Activities</u>
<u>Assets:</u>	
Cash	2,890,178
Accounts receivable	2,309
Grants receivable	649,809
Prepaid expenses	97,570
Capital assets, net of accumulated depreciation	94,452
Lease right of use assets, net of accumulated amortization	<u>228,997</u>
Total assets	3,963,315
 <u>Liabilities:</u>	
Accounts payable	418,440
Other liabilities	20,000
Vacation liability	29,354
Lease liability - short-term	68,665
Lease liability - long-term	<u>160,332</u>
Total liabilities	<u>696,791</u>
 <u>Net position:</u>	
Restricted:	
Nutrition services-meals	9,999
Special revenue funds	1,647,544
Unreserved/undesignated	1,514,529
Investment in capital assets	<u>94,452</u>
Total net position	<u><u>3,266,524</u></u>

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

CADDO COUNCIL ON AGING, INC.

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

			Program Revenues		Net (Expense) Revenue and Increase (Decrease in Net Assets)
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities
<u>Programs:</u>					
Governmental activities:					
Health, welfare, and social services:					
Supportive services	-	-	-	365,419	365,419
Sitter	79,988	5,656	-	-	(85,644)
Other services	427	30	-	-	(457)
Homemaker	42,718	3,021	-	-	(45,739)
Information and assistance	124,700	8,819	-	-	(133,519)
Outreach	1,899	134	-	-	(2,033)
Transportation	40,618	2,872	-	-	(43,490)
Legal	9,816	-	-	-	(9,816)
Net change in supportive services					44,721
Nutrition services:					
Congregate meals	171,824	11,808	-	156,380	(27,252)
Home delivered meals	1,547,338	112,634	-	979,441	(680,531)
Nutritional incentive program	-	-	-	220,749	220,749
Net change in nutrition services					(487,034)
Utility assistance	2,484	-	-	-	(2,484)
Disease prevention and health promotion	11,410	731	-	17,191	5,050
National family caregiver support:					
NFCSCP in-home respite	97,067	4,390	-	-	(101,457)
Other services	11,553	1,554	-	-	(13,107)
Net change in National family caregiver support					(920)
Louisiana SenioRx (ADRC)	115,955	9,288	-	122,843	(2,400)
MIPPA	-	-	-	27,500	27,500
No Wrong Door	-	-	-	13,895	13,895
Ombudsman	139,361	10,420	-	118,023	(31,758)
Audit	28,925	-	-	-	(28,925)
Restricted fund	48,653	-	-	174,278	125,625
Veterans home and community based services	1,407,762	81,316	-	1,455,999	(33,079)
COVID outreach	29,679	-	-	29,679	-
AAA and administration	421,806	(252,673)	-	283,596	114,463
Total governmental activities	4,333,983	-	-	4,078,637	(255,346)
<u>General revenues:</u>					
				Grants and contributions not restricted to specific programs	416,838
				Increase in net position	161,492
				Net position - beginning of year	3,105,032
				Net position - end of year	3,266,524

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

CADDO COUNCIL ON AGING, INC.

BALANCE SHEET-GOVERNMENTAL FUNDS

AT JUNE 30, 2022

	General Fund	Title IIIB Supportive Services	Title III C-2 Home Delivered Meals	Veterans HCBS	Restricted Contributions	Non-Major Funds	Total
<u>Assets:</u>							
Cash	2,827,775	-	-	-	62,403	-	2,890,178
Accounts receivable	2,309	-	-	-	-	-	2,309
Grants receivable	-	19,908	50,000	518,074	-	61,827	649,809
Due from other funds	-	-	-	104,614	1,103,877	125,623	1,334,114
Prepaid expenses	97,570	-	-	-	-	-	97,570
 Total assets	<u>2,927,654</u>	<u>19,908</u>	<u>50,000</u>	<u>622,688</u>	<u>1,166,280</u>	<u>187,450</u>	<u>4,973,980</u>
<u>Liabilities:</u>							
Accounts payable	77,993	12,926	45,304	214,703	4,959	62,555	418,440
Due to other funds	1,305,133	6,982	4,696	-	-	17,303	1,334,114
Other liabilities	20,000	-	-	-	-	-	20,000
 Total liabilities	1,403,126	19,908	50,000	214,703	4,959	79,858	1,772,554
<u>Fund balance:</u>							
<u>Nonspendable:</u>							
Prepaid expenses	97,570	-	-	-	-	-	97,570
<u>Restricted for:</u>							
Nutrition services-meals	9,999	-	-	-	-	-	9,999
Special revenue funds	-	-	-	407,985	1,161,321	107,592	1,676,898
Unassigned	1,416,959	-	-	-	-	-	1,416,959
 Total fund balances	<u>1,524,528</u>	<u>-</u>	<u>-</u>	<u>407,985</u>	<u>1,161,321</u>	<u>107,592</u>	<u>3,201,426</u>
 <u>Total liabilities and fund balances</u>	<u>2,927,654</u>	<u>19,908</u>	<u>50,000</u>	<u>622,688</u>	<u>1,166,280</u>	<u>187,450</u>	<u>4,973,980</u>

Total Fund Balances 3,201,426

Amounts reported for governmental activities in the statement of net assets are different because:

- Vacation Liability is not paid for out of current financial resources and is therefore not reported in the funds.	(29,354)
- Lease Liability	(228,997)
- Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	94,452
- Lease Right of Use Assets	228,997
Net assets of governmental activities	<u>3,266,524</u>

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

CADDO COUNCIL ON AGING, INC.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Title III B Supportive Services	Title III C-2 Home Delivered Meals	Veterans HCBS	Restricted Contributions	Non-Major Funds	Totals
<b>Revenues:</b>							
Intergovernmental:							
Governor's Office of Elderly Affairs:							
Primary grants	-	293,886	457,331	-	-	1,027,228	1,778,445
PCOA	144,095	-	-	-	-	-	144,095
Nutrition Service Incentive Grant	220,749	-	-	-	-	-	220,749
Supplemental Senior Center	10,913	-	-	-	-	-	10,913
Senior Center	261,830	-	-	-	-	-	261,830
Department of Insurance	-	-	-	-	-	9,180	9,180
FEMA	-	-	20,000	-	-	-	20,000
Department of Veterans Affairs	-	-	-	1,455,999	-	-	1,455,999
Caddo Parish Commission	-	-	100,000	-	-	-	100,000
Public support-restricted:							
Community Foundation Shreveport/Bossier	20,000	-	90,088	-	-	-	110,088
United Way	-	-	5,027	-	-	-	5,027
Public support-unrestricted:							
Donations-unrestricted	38,272	-	-	-	70,708	-	108,980
Participant and program income	-	-	2,548	-	-	1,230	3,778
Fundraising revenues-restricted	31,269	-	-	-	98,038	-	129,307
Fundraising revenues-unrestricted	-	-	-	-	-	-	-
Interest income	14,141	-	-	-	5,532	-	19,673
Other income	57,001	-	60,410	-	-	-	117,411
<b>Total revenue</b>	<b>798,270</b>	<b>293,886</b>	<b>735,404</b>	<b>1,455,999</b>	<b>174,278</b>	<b>1,037,638</b>	<b>4,495,475</b>
<b>Expenditures:</b>							
Salaries	559	133,757	270,455	89,592	-	396,967	891,330
Fringe benefits	522	25,702	35,743	18,270	-	73,738	153,975
Travel	40	3,171	33,027	1,272	-	18,128	55,638
Operating services	7,517	23,067	92,255	20,117	1,574	78,456	222,986
Operating supplies	811	2,735	7,250	1,679	-	18,236	30,711
Other costs	14,811	5,349	10,896	147,323	46,811	62,694	287,884
Utility Assistance	-	-	-	-	2,484	-	2,484
Cost of meals	-	-	871,947	-	-	354,701	1,226,648
Client services	-	126,917	-	1,210,824	-	88,528	1,426,269
Capital outlay	31,215	-	-	-	-	-	31,215
<b>Total expenditures</b>	<b>55,475</b>	<b>320,698</b>	<b>1,321,573</b>	<b>1,489,077</b>	<b>50,869</b>	<b>1,091,448</b>	<b>4,329,140</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>742,795</b>	<b>(26,812)</b>	<b>(586,169)</b>	<b>(33,078)</b>	<b>123,409</b>	<b>(53,810)</b>	<b>166,335</b>
<b>Other financing sources (uses):</b>							
Transfers in	38,994	26,812	586,169	-	-	64,511	716,486
Transfers out	(670,002)	-	-	-	(5,000)	(41,484)	(716,486)
<b>Total other financing sources and uses</b>	<b>(631,008)</b>	<b>26,812</b>	<b>586,169</b>	<b>-</b>	<b>(5,000)</b>	<b>23,027</b>	<b>-</b>
<b>Net increase (decrease) in fund balances</b>	<b>111,787</b>	<b>-</b>	<b>-</b>	<b>(33,078)</b>	<b>118,409</b>	<b>(30,783)</b>	<b>166,335</b>
<b>Fund balances:</b>							
Beginning of year	1,412,741	-	-	441,063	1,042,912	138,375	3,035,091
End of year	1,524,528	-	-	407,985	1,161,321	107,592	3,201,426

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

CADDO COUNCIL ON AGING, INC.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,

AND CHANGES IN FUND BALANCES OF GOVERNMENTAL

FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

Net increase in fund balances - total governmental funds	166,335
Governmental funds report capital outlays as expenditures However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$31,215) is less than depreciation (\$36,008) in the current period.	(4,793)
(Increase) in compensated absences	(50)
Rounding	<u>2</u>
Increase in net position of governmental activities	<u><u>161,494</u></u>

The accompanying notes are an integral part of the financial statement.

CADDO COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

**1. Purpose of the Council on Aging and Summary of Significant Accounting Policies**

**a. Purpose of the Council on Aging:**

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in Caddo Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish; to provide for a mutual exchange of ideas and information on the parish and state level; to conduct public meetings to make recommendations for needed improvements and additional resources; to promote the welfare of aging people when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) and other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Caddo Parish include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, home repairs, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

**b. Reporting Entity:**

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. However, before the council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and are governed by the policies and regulations established by GOEA.

The Caddo Council on Aging is a legally separate, nonprofit, quasi-public corporation. It received its charter and began operations in 1972.

A board of directors, consisting of 17 voluntary members, who serve three-year terms, governs the Council.

Membership in the Council is open at all times, without restriction, to all residents of Caddo Parish who have reached the age of majority and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 14, the Caddo Council on Aging is not a component unit of another primary government, nor does it have any component units that are related to it. In addition, based on the criteria set forth in GASB Codification Section 2100, the Council has

**1. Purpose of the Council on Aging and Summary of Significant Accounting Policies (Continued)**

presented its financial statements as a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes, or set rates or charges, and issue bonded debt. As previously mentioned, GOEA establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

**c. Presentation of Statements:**

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Council's overall financial position and results of operations.
- Governmental-Wide Financial statements prepared using full accrual accounting for all of the Council's activities.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

**d. Basic Financial Statements - Government-Wide Statements:**

The Council's basic financial statements include both Government-Wide (GWFS) (reporting the Council as a whole) and fund financial statements (FFS) (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or



**1. Purpose of the Council on Aging and Summary of Significant Accounting Policies (Continued)**

any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

The content and certain titles of the GWFS were changed upon the adoption by the Council of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement provides reporting guidance for deferred outflows of resources and deferred inflows of resources, and adds them, when applicable, as elements of the GWFS, because they are distinct from assets and liabilities. In addition, because these additional elements may affect the residual amount of all of the elements presented in a statement of financial position, GASB 63 renames that measure as net position rather than net assets. The Council had no significant deferred outflows or inflows of resources at June 30, 2022.

Accordingly, the statement of net position presents information on all of the Council's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

In the Government-Wide Statement of Net Position, the governmental type activities column is presented on a consolidated basis by column, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net position is reported in three parts - investment in capital assets, net of related debt; restricted; and unrestricted. Investment in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted includes all other net assets that do not meet the definition of "restricted" or "investment in capital assets, net of related debt."

The Council's policy is to use restricted resources first to finance its activities except for nutrition services. When providing nutrition services, revenues earned by the Council under its Nutrition Services Incentive Program contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the Nutrition Services Incentive Program revenues when paying for nutrition program costs. Quite often unrestricted resources are available for use that must be consumed, or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

The GWFS reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used

1. **Purpose of the Council on Aging and Summary of Significant Accounting Policies** (Continued)

to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Council did not receive any capital-specific grants this year.

The Council allocates its indirect costs among various functions and programs in accordance with the Uniform Guidance. The Statement of Activities shows this allocation in a separate column labeled "indirect cost allocation." In addition, GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net position resulting from the current year's activities.

e. **Basic Financial Statements - Fund Financial Statements:**

The financial transactions of the Council are reported in individual funds in the Fund Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

The following is a description of the governmental funds of the Council:

- **The General Fund** is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. It is a major fund on the Council's financial statements, and consists of the following types of programs:

**Local**

Local funds are received from various local sources. All funds are provided to help the Council supplement the Homemaker and Home Delivered Meals programs.

The Council's program participants also generate revenues through certain fundraising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as part of the Special Revenue Fund's local program. Local funds may be used as transfers to Special Revenue Funds to supplement those programs.

1. **Purpose of the Council on Aging and Summary of Significant Accounting Policies** (Continued)

**PCOA (Act 735)**

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion.

**Senior Center**

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The senior center for Caddo Parish is located in Shreveport. Senior Center Funds can be used at management's discretion to support any of the Council's programs that benefit the elderly. Accordingly, during the fiscal year, the Senior Center Fund transferred most of its grant revenue to the Title III C-2 Fund to subsidize program costs of home-delivered meals.

**The Nutritional Services Incentive Program Fund** (formerly the U.S.D.A. Fund) is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider for congregate and home-delivered meals served to eligible participants so that United States food and commodities may be purchased to supplement these programs.

- **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

**Major Special Revenue Funds**

**The Title IIIB Supportive Services Funds** are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program is used to provide the elderly various types of social services, including information and assistance, outreach and referral, Homemaker, telephoning, and utility assistance.

**The Title III C-2 Home Delivered Meals Fund** is used to account for funds that are used to provide nutritional meals to homebound older persons. Using Title III C-2 funds the Council served meals during the year to people eligible to participate in this program.

**The Veterans HCBS Fund** is used to account for funds that provide veterans the opportunity to hire their own personal care aides to assist them with daily living activities. The Council contracts with Overton Brooks VA Medical Center to provide this service.

1. **Purpose of the Council on Aging and Summary of Significant Accounting Policies** (Continued)

**The Restricted Contributions Fund** is used to account for funds restricted by the donor for specific uses. Such restrictions generally relate to the provision of nutrition services to seniors.

**Nonmajor Special Revenue Funds**

**The Title III C-1 Area Agency Administration Fund** is used to account for the administration of Special Programs for the Aging. Title III C administrative funds are provided by the United States Department of Health and Human Services through GOEA. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

**The Title III C-1 Congregate Meals Fund** is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Shreveport and surrounding areas. Using Title C-1 Funds, the Council provides meals to people eligible to participate in that program.

**The Title IIIB Ombudsman Funds** are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides a liaison between the resident, the family, and the nursing home. The objective of the program is to protect the resident's rights.

**The Title III D Fund** is used to account for funds used for disease prevention and health promotion activities.

**The Title III-E Caregiver Funds** are provided by the U. S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program provides in-home services and community services for the elderly.

**SenioRx/Aging and Disability Resource Center (ADRC) Fund** is provided for support services for access to prescription assistance and to promote public awareness of both public and private long-term support options for seniors and adults with disabilities. The program service area covers nine parishes. The program is administered by Louisiana Governor's Office of Elderly Affairs.

**MIPPA Fund** is provided to educate all partners and assist Area Agencies in their outreach and enrollment regarding benefits available under Medicare Part D, Medicare Savings Program, and Low-Income Subsidy Programs. The program is administered by Louisiana Governor's Office of Elderly Affairs.

**The Audit Fund** is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements. The cost allocated to this fund is equal to the GOEA supplement. Excess audit costs are covered by transfers from the discretionary PCOA fund.

**Local and Miscellaneous (Designated) Funds** include funds used to provide a variety of services for program participants.

1. **Purpose of the Council on Aging and Summary of Significant Accounting Policies** (Continued)

**American Rescue Plan Area Agency Administration Fund** addresses the needs of the aging population and the obstacles the council encounters while meeting the increased cost and demand for services.

**American Rescue Plan Congregate Meals Fund** addresses the increased demand and cost of congregate meals provided to eligible older individuals that attend the Council's meal sites.

**American Rescue Plan Home Delivered Meal Fund** addresses the increased demand and cost of nutritional meals provided to homebound individuals aged 60 and older.

**American Rescue Plan Preventive Health** addresses the increased need for disease prevention and health promotion activities for individuals aged 60 and older.

**American Rescue Plan Caregiver Funds** addresses the increased demand and cost of in-home relief services to caregivers of individuals aged 60 and older.

**American Rescue Plan Supportive Services Fund** addresses the increased cost and demand for services such as information and assistance, outreach and referral, homemaker, sitter, and transportation.

**CARES Home Delivered Meals Fund** addresses the increased demand to provide nutritional meals to homebound older persons.

**CARES Ombudsman Fund** addresses the increased need for a liaison between the resident, family, and nursing home. The objective of the program is to protect the resident's rights.

**CARES Aging & Disability Resource Center (No Wrong Door) Fund** provides older and disabled individuals with applying for SNAP, food box, utility, and rent assistance as a result of the pandemic.

**CARES COVID Outreach Fund** allowed the Council to educate the community on essential COVID precautions and promote vaccine confidence, access, and uptake.

f. **Measurement Focus and Basis of Accounting:**

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

1. **Accrual Basis - Government-Wide Financial Statements (GWFS):**

The Statement of Net Position and the Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

## **2. Modified Accrual Basis - Fund Financial Statements (FFS):**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year-end.

Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

### **g. Interfund Activity:**

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net position in the Government-Wide Financial Statements.

### **h. New Accounting Standard:**

The Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases, and as required the Caddo Council on Aging has adopted it in this fiscal year. This Statement outlines a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Caddo Council on Aging has analyzed the provisions of GASB Statement No. 87, Leases, and has concluded that there is one leasing arrangement which qualifies for disclosure under the new statement with the Caddo Council on Aging being the lessee.

### **i. Cash and Cash Equivalents:**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

### **j. Investments:**

GASB Statement 31 requires the Council to report its investments at fair value, except for investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of

**1. Purpose of the Council on Aging and Summary of Significant Accounting Policies (Continued)**

deposit with redemption terms that do not consider market rates. This type of investment is reported using a cost-based measure, provided that the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors.

Investments that include securities traded on a national or international exchange are valued based on their last reported sales price. Investments that do not have an established market are reported at estimated fair value.

**k. Prepaid Expenses/Expenditures:**

Prepaid expenses include amounts paid for services in advance.

These are shown as assets on the Government-Wide Statement of Net Position. In the Fund Financial Statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditure.

**l. Capital Assets:**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets

in the Government-Wide Statement of Net Position. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Equipment	5 years
Vehicles	5 years
Computers	3 years

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated except for vehicles.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

**1. Purpose of the Council on Aging and Summary of Significant Accounting Policies (Continued)**

**m. Unpaid Compensated Absences:**

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year.

In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, no amounts have been accrued as fund liabilities as of year-end in the Fund Financial Statements. The differences in the methods of accruing compensated absences creates a reconciling item between the fund and government-wide financial statement presentations.

The Council's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absences in the Government-Wide Financial Statements relative to sick leave.

**n. Allocation of Indirect Expenses:**

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

**o. Management's Use of Estimates:**

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

**p. Eliminations and Reclassifications:**

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.



1. Purpose of the Council on Aging and Summary of Significant Accounting Policies (Continued)

q. **Fund Equity – Fund Financial Statements:**

Governmental fund equity is classified as fund balance. The Council has implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of resources are either:
  - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's board of directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Council did not have any committed resources as of year-end.
- **Assigned:** This classification includes spendable amounts that are reported in governmental funds *other than the General Fund*, that are neither restricted nor committed and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement 54. The intent of an assigned fund balance should be expressed by either the Council's board of directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purposes.
- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Council would use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, it reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

1. **Purpose of the Council on Aging and Summary of Significant Accounting Policies** (Continued)

r. **Budget Policy:**

The Council follows these procedures in establishing the budgetary data reflected in these financial statements.

- The Governor's Office of Elderly Affairs (GOEA) and other funding agencies notify the Council each year as to the funding levels for each program's grant award.
- The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
- The adopted budget is forwarded to the Governor's Office of Elderly Affairs or other appropriate funding agency for final approval.
- Most budgetary appropriations lapse at the end of each fiscal year (June 30).
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
- The Council may transfer funds between line items as often as required but must obtain prior approval from the respective funding agency for funds received under grants from each agency.

2. **Revenue Recognition-Intergovernmental Grants, Public Support, and Miscellaneous Revenues**

***Intergovernmental Grants***

Intergovernmental grant revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). Senior Center, State Allocation (Act 735), Titles III B, C-1, C-2, and Ombudsman program funds are received as a monthly allocation of the total grant in advance of the actual expenditures but are not susceptible to accrual as revenue until the actual expenditures are made. Audit funds are also recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

***Public Support and Miscellaneous Revenues***

The Council encourages and receives contributions from clients to help offset the costs of various programs. During the year, Caddo Parish, Community Foundation of North Louisiana, and the United Way provided funds to the Council. In addition, various fundraisers are held during the year to obtain funds to offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are sometimes difficult to predict but are recorded as revenue when the related ordinance is passed, or the pledge is made.

**3. Cash in Bank**

At June 30, 2022, the carrying amount of the Council’s deposits was as follows:

Community Foundation of North Louisiana	48,973
Petty cash	75
Payroll-checking	5,313
Operating-checking	2,590,182
Local funds-BFCU	<u>231,457</u>
Cash on deposit in banks	<u>2,876,000</u>

All cash deposits are protected by federal deposit insurance and/or a pledge of qualified U.S. government (or its agencies) securities.

Interest bearing accounts consist of those in Barksdale Federal Credit Union.

**4. Grants Receivable**

Grants receivable at June 30, 2022, consisted of the following:

<u>Program</u>	<u>Fund</u>	<u>Amount</u>
Caddo Parish Commission	Special Revenue	50,000
GOEA	Special Revenue	79,539
Veterans Affairs	Special Revenue	518,074
Other	Special Revenue	<u>2,196</u>
		<u>649,809</u>

**5. In-Kind Contributions**

In addition to in-kind revenues presented in this report, the Council received \$77,720 in various in-kind contributions during the year which have been valued at their estimated fair market value. In-kind contributions consisted of the following:

<u>Fund</u>	
Title III C-2: Home Delivered Meals volunteer services	<u>77,720</u>

**6. Board of Directors’ Compensation**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council’s regular personnel policy.

**7. Lease Commitments**

The Council leases space for its main office at 1700 Buckner Square, Shreveport, Louisiana. The terms of this lease require monthly payments of \$6,267-\$6,850 through July 2025, plus a share of common operating expenses. Only a portion of this lease is on a long-term basis; the remainder is month-to-month. Although this lease was extended for five years in August 2020, it contains provisions that allow the commitment to be broken due to lack of funding. Total rent payments for the year ended June 30, 2022, amounted to \$86,950.

**7. Lease Commitments (Continued)**

The following is a summary of lease liability transactions of the Council for the year-ended June 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance
Capital Leases	287,570	-	(58,573)	228,997

The Council’s principal and interest requirements to maturity are as follows:

	Principal	Interest	Total Payments
2023	68,665	9,894	78,559
2024	73,968	6,340	80,308
2025	79,542	2,515	82,057
2026	6,822	28	6,850
2027	-	-	-
			<u>247,774</u>

**8. Income Tax Status**

As a nonprofit, privately supported organization, Caddo Council on Aging is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code but must file an annual return with the Internal Revenue Service that contains information on its financial operations. The Council is required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it continues to qualify as a tax-exempt entity. It must also consider whether it has nexus in jurisdictions in which it has income and whether a tax return is required in those jurisdictions. In addition, as a tax-exempt entity, the Council must assess whether it has any tax positions associated with unrelated business income subject to income tax. The Council does not expect any of these tax positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the Council’s accounting records.

Caddo Council on Aging is required to file U. S. federal Form 990 for informational purposes. Its federal income tax returns for the tax fiscal years 2018 and beyond remain subject to examination by the Internal Revenue Service.

**9. Judgments, Claims, and Similar Contingencies**

There is no significant litigation pending against the Council at June 30, 2022. Furthermore, the Council’s management believes that any potential lawsuits would be adequately covered by insurance.

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Council. Also, it is management’s opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council’s financial position.

**10. Federally Assisted Programs**

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act, as amended in 1996. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council’s management believes that further examinations would not result in any significant disallowed costs.

In accordance with the Single Audit Act, as amended, a schedule of expenditures of federal awards is presented in the supplementary financial information portion of this report.

**11. Economic Dependency**

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor’s Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council 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 Council will receive in the next fiscal year.

**12. Interfund Transfers**

Operating transfers in and out are listed by fund for the fiscal year:

Funds Transferred In	Funds Transferred Out								Total In
	PCOA	Nutritional Service	Senior Center	Supplemental Senior Center	Restricted Contributions	MIPPA	Preventive Health	No Wrong Door	
Area Agency Administration	903	-	-	-	-	-	-	-	903
Supportive Services	26,723	-	-	-	-	-	89	-	26,812
Congregate Meals	-	31,353	-	-	-	-	-	-	31,353
Home Delivered Meals	86,615	221,811	261,830	10,913	5,000	-	-	-	586,169
Ombudsman	3	-	-	-	-	-	-	-	3
Audit	28,925	-	-	-	-	-	-	-	28,925
Caregiver	926	-	-	-	-	-	-	-	926
Local	-	-	-	-	-	27,500	-	13,895	41,395
<b>Total Out</b>	<b>144,095</b>	<b>253,164</b>	<b>261,830</b>	<b>10,913</b>	<b>5,000</b>	<b>27,500</b>	<b>89</b>	<b>13,895</b>	<b>716,486</b>

### 13. Interfund Loans

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans. A summary of these interfund loans at June 30, 2022, follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	-	1,305,134
Special revenue funds:		
AAA Administration	7,718	-
Supportive Service	-	6,982
Congregate Meals	-	5,157
Home Delivered Meals	-	4,696
Ombudsman	5,806	-
Preventive Healthcare	-	1,019
Caregiver	1,891	-
SeniorRx	-	1,421
MIPPA	-	2,765
Nutritional Service Incentive Program	9,999	-
Cares Ombudsman	3,039	-
ARP Supportive Services	65,572	-
Veterans HCBS	104,614	-
Support Coordination	2,075	-
Cares ADRC	-	2,975
CNCS/FGP	2,005	-
Cares Vaccine Outreach	5,085	-
ARP Congregate Meals	2,377	-
ARP Area Agency Administration	12,537	-
ARP Home Delivered Meals	-	3,965
ARP Preventive Health	4,548	-
Due To/From Senior Center Special	3,415	-
ARP Caregiver	6,337	-
Restricted gifts	1,093,877	-
Indirect	3,219	-
Total special revenue funds	<u>1,334,114</u>	<u>28,980</u>
Total all funds	<u><u>1,334,114</u></u>	<u><u>1,334,114</u></u>

#### 14. Changes in Capital Assets

A summary of changes in capital assets is as follows:

	<u>Balance 6/30/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2022</u>
General fixed assets, at cost:				
Furniture and equipment	30,664	-	1,670	28,994
Vehicles	<u>221,997</u>	<u>31,215</u>	<u>-</u>	<u>253,212</u>
	252,661	31,215	1,670	282,206
Accumulated depreciation:				
Furniture and equipment	25,863	2,305	1,670	26,498
Vehicles	<u>127,553</u>	<u>33,703</u>	<u>-</u>	<u>161,256</u>
	<u>153,416</u>	<u>36,008</u>	<u>1,670</u>	<u>187,754</u>
	99,245	(4,793)	-	94,452
Right of use assets	293,838	-	-	293,838
Less accumulated amortization	<u>-</u>	<u>64,841</u>	<u>-</u>	<u>64,841</u>
Total	<u>293,838</u>	<u>(64,841)</u>	<u>-</u>	<u>228,997</u>
Net capital assets	<u><u>393,083</u></u>	<u><u>(69,634)</u></u>	<u><u>-</u></u>	<u><u>323,449</u></u>

#### 15. Changes in Noncurrent Liabilities

The following is a summary of transactions relating to the Council's noncurrent liabilities during the year.

	<u>Balance 6/30/2021</u>	<u>Increase</u>	<u>Balance 6/30/2022</u>
Vacation liability	<u>29,304</u>	<u>50</u>	<u>29,354</u>

#### 16. Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage. The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss as a result of business interruption and certain acts of God.

#### 18. Subsequent Events

The Council is required to evaluate events or transactions that may occur after the balance sheet date for potential recognition or disclosure in the financial statements. The entity performed such an evaluation through December 29, 2022, the date which the financial statements were available to be issued and noted no such subsequent events.

**REQUIRED SUPPLEMENTARY FINANCIAL INFORMATION**



CADDO COUNCIL ON AGING, INC.

BUDGETARY COMPARISON SCHEDULE-GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
<u>Revenues:</u>				
Intergovernmental:				
Governor's Office of Elderly Affairs:				
PCOA	144,095	144,095	144,095	-
Nutrition Service Incentive Grant	330,548	263,166	220,749	(42,417)
Supplemental Senior Center	10,912	10,913	10,913	-
Senior Center	261,830	261,830	261,830	-
Public support - restricted				
Community Foundation Shreveport/Bossier	-	4,148	20,000	15,852
Public support - unrestricted				
Donations unrestricted	59,011	57,786	38,272	(19,514)
Fund raising revenues - restricted	6,596	16,601	31,269	14,668
Interest income	2,327	776	14,141	13,365
Other income	41,809	27,873	57,001	29,128
<b>Total revenue</b>	<b>857,128</b>	<b>787,188</b>	<b>798,270</b>	<b>11,082</b>
<u>Expenditures:</u>				
Salaries	2,116	2,117	559	1,558
Fringe benefits	793	793	522	271
Travel	236	236	40	196
Operating services	2,659	2,844	7,517	(4,673)
Operating supplies	-	625	811	(186)
Other costs	121,048	208,104	14,811	193,293
Capital outlay	-	-	31,215	(31,215)
<b>Total expenditures</b>	<b>126,852</b>	<b>214,719</b>	<b>55,475</b>	<b>159,244</b>
<b>Excess of revenues over expenditures</b>	<b>730,276</b>	<b>572,469</b>	<b>742,795</b>	<b>170,326</b>
<u>Other financing sources (uses):</u>				
Transfers in	17,110	107,535	38,994	(68,541)
Transfers out	(747,386)	(680,004)	(670,002)	10,002
<b>Total other financing sources and uses</b>	<b>(730,276)</b>	<b>(572,469)</b>	<b>(631,008)</b>	<b>(58,539)</b>
<b>Net increase in fund balances</b>	<b>-</b>	<b>-</b>	<b>111,787</b>	<b>111,787</b>
<u>Fund balances:</u>				
Beginning of year	1,412,741	1,412,741	1,412,741	-
End of year	1,412,741	1,412,741	1,524,528	111,787

CADDO COUNCIL ON AGING, INC.

BUDGETARY COMPARISON SCHEDULE-TITLE III B SUPPORTIVE SERVICES

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
<u>Revenues:</u>				
Intergovernmental:				
Governor's Office of Elderly Affairs				
Primary Grants	291,041	293,886	293,886	-
Total revenue	291,041	293,886	293,886	-
<u>Expenditures:</u>				
Salaries	150,420	114,979	133,757	(18,778)
Fringe benefits	26,513	21,662	25,702	(4,040)
Travel	4,022	675	3,171	(2,496)
Operating services	24,180	13,231	23,067	(9,836)
Operating supplies	2,297	2,336	2,735	(399)
Other costs	4,729	4,940	5,349	(409)
Client services	125,811	136,063	126,917	9,146
Total expenditures	337,972	293,886	320,698	(26,812)
<u>Excess (deficiency) of revenues over expenditures</u>	(46,931)	-	(26,812)	(26,812)
<u>Other financing sources</u>				
Transfers in	46,931	-	26,812	26,812
Transfers out	-	-	-	-
<u>Total other financing sources</u>	46,931	-	26,812	26,812
<u>Net increase (decrease) in fund balances</u>	-	-	-	-
<u>Fund balances:</u>				
Beginning of year	-	-	-	-
End of year	-	-	-	-

CADDO COUNCIL ON AGING, INC.

BUDGETARY COMPARISON SCHEDULE-TITLE IIIC-2 HOME DELIVERED MEALS

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>GAAP</u> <u>Basis</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues:</u>				
Intergovernmental:				
Governor's Office of Elderly Affairs				
Primary Grants	457,331	457,331	457,331	-
FEMA	-	5,000	20,000	15,000
Caddo Parish Commission	50,000	100,000	100,000	-
Public support - restricted				
Community Foundation Shreveport/Bossier	47,500	49,945	90,088	40,143
United Way	2,000	4,270	5,027	757
Donations unrestricted	-	2,868	-	(2,868)
Participant and program income	1,500	2,591	2,548	(43)
Other income	50,000	52,910	60,410	7,500
<b>Total revenue</b>	<b>608,331</b>	<b>674,915</b>	<b>735,404</b>	<b>60,489</b>
<u>Expenditures:</u>				
Salaries	320,327	268,855	270,455	(1,600)
Fringe benefits	41,327	36,490	35,743	747
Travel	28,940	27,838	33,027	(5,189)
Operating services	95,444	96,368	92,255	4,113
Operating supplies	6,680	4,568	7,250	(2,682)
Other costs	11,604	10,960	10,896	64
Cost of meals	850,877	874,296	871,947	2,349
<b>Total expenditures</b>	<b>1,355,199</b>	<b>1,319,375</b>	<b>1,321,573</b>	<b>(2,198)</b>
<u>(Deficiency) of revenues over expenditures</u>	<u>(746,868)</u>	<u>(644,460)</u>	<u>(586,169)</u>	<u>58,291</u>
<u>Other financing sources (uses)</u>				
Transfers in	746,868	644,460	586,169	(58,291)
<u>Total other financing sources</u>	<u>746,868</u>	<u>644,460</u>	<u>586,169</u>	<u>(58,291)</u>
<u>Net increase (decrease) in fund balances</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund balances:</u>				
Beginning of year	-	-	-	-
End of year	-	-	-	-

CADDO COUNCIL ON AGING, INC.

BUDGETARY COMPARISON SCHEDULE-VETERANS HOME AND COMMUNITY BASED SERVICES

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
<u>Revenues:</u>				
Intergovernmental:				
Department of Veterans Affairs	1,385,499	1,380,835	1,455,999	75,164
Total revenue	1,385,499	1,380,835	1,455,999	75,164
<u>Expenditures:</u>				
Salaries	101,697	101,062	89,592	11,470
Fringe benefits	18,749	18,984	18,270	714
Travel	3,965	2,013	1,272	741
Operating services	19,575	19,064	20,117	(1,053)
Operating supplies	1,709	1,709	1,679	30
Other costs	51,804	50,003	147,323	(97,320)
Client services	1,188,000	1,188,000	1,210,824	(22,824)
Total expenditures	1,385,499	1,380,835	1,489,077	(108,242)
<u>Excess of revenues over expenditures</u>	-	-	(33,078)	(33,078)
<u>Other financing sources (uses):</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<u>Total other financing sources and uses</u>	-	-	-	-
<u>Net increase in fund balances</u>	-	-	(33,078)	(33,078)
<u>Fund balances:</u>				
Beginning of year	441,063	441,063	441,063	-
End of year	441,063	441,063	407,985	(33,078)

CADDO COUNCIL ON AGING, INC.

BUDGETARY COMPARISON SCHEDULE-RESTRICTED CONTRIBUTIONS

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>GAAP</u> <u>Basis</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Revenues:</u>				
Public support - unrestricted				
Donations unrestricted	172,180	97,952	70,708	(27,244)
Fund raising revenues - restricted	126,036	95,948	98,038	2,090
Interest income	7,741	7,741	5,532	(2,209)
Other income	-	20,000	-	(20,000)
<b>Total revenue</b>	<b>305,957</b>	<b>221,641</b>	<b>174,278</b>	<b>(47,363)</b>
<u>Expenditures:</u>				
Salaries	211	211	-	211
Operating services	28	3,369	1,574	1,795
Other costs	76,138	98,270	46,811	51,459
Utility Assistance	-	-	2,484	(2,484)
<b>Total expenditures</b>	<b>76,377</b>	<b>101,850</b>	<b>50,869</b>	<b>50,981</b>
<u>Excess of revenues over expenditures</u>	<u>229,580</u>	<u>119,791</u>	<u>123,409</u>	<u>3,618</u>
<u>Other financing sources (uses):</u>				
Transfers in	-	-	-	-
Transfers out	(229,580)	(119,791)	(5,000)	114,791
<u>Total other financing sources and uses</u>	<u>(229,580)</u>	<u>(119,791)</u>	<u>(5,000)</u>	<u>114,791</u>
<u>Net increase in fund balances</u>	<u>-</u>	<u>-</u>	<u>118,409</u>	<u>118,409</u>
<u>Fund balances:</u>				
Beginning of year	1,042,912	1,042,912	1,042,912	-
End of year	<u>1,042,912</u>	<u>1,042,912</u>	<u>1,161,321</u>	<u>118,409</u>

**SUPPLEMENTARY FINANCIAL INFORMATION**

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

FOR THE YEAR ENDED JUNE 30, 2022

Agency Head: Monica Wright

Salary	93,904
Benefits-insurance-health insurance	23,532
Benefits-retirement	2,976
Reimbursements	-
Local travel reimbursement and parking	171
Conference travel and meals reimbursement	-
Conference hotel, parking, and air fare	650
Organizational dues and subscriptions	125
Cell phone, data plan	1,861

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2022

	Title III C-1		CARES Home	Title III-D		Title III-E	SeniorRx	MIPPA	Audit	Cares		ARP	CARES	CARES	ARP	ARP Home	ARP	ARP	Other Local	Total		
	Title III C-1 AAA	Congregate Meals	Delivered Meals	Title III-B Ombudsman	Preventive Health					Caregiver	Ombudsman	HDC-5	Supportive Services	ADRC	COVID OUTREACH	Congregate	Delivered Meals	Preventive Health	Caregiver		Programs	
<b>Revenues:</b>																						
Intergovernmental:																						
Governor's Office of Elderly Affairs																						
Primary Grants	93,085	134,442	-	124,140	12,229	100,135	113,663	27,500	-	(6,117)	99,720	71,533	13,895	29,679	20,708	29,828	144,317	4,962	13,509	-	1,027,228	
Department of Insurance	-	-	-	-	-	-	9,180	-	-	-	-	-	-	-	-	-	-	-	-	-	9,180	
Participant and Program Income	-	1,230	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,230	
<b>Total revenue</b>	<b>93,085</b>	<b>135,672</b>	<b>-</b>	<b>124,140</b>	<b>12,229</b>	<b>100,135</b>	<b>122,843</b>	<b>27,500</b>	<b>-</b>	<b>(6,117)</b>	<b>99,720</b>	<b>71,533</b>	<b>13,895</b>	<b>29,679</b>	<b>20,708</b>	<b>29,828</b>	<b>144,317</b>	<b>4,962</b>	<b>13,509</b>	<b>-</b>	<b>1,037,638</b>	
<b>Expenditures:</b>																						
Salaries	63,314	38,321	20,697	92,522	451	25,006	80,787	-	-	7,256	20,151	-	-	7,447	3,341	11,530	25,344	-	800	-	396,967	
Fringe benefits	19,788	6,594	2,647	13,358	110	4,854	16,176	-	-	554	2,577	-	-	1,011	466	2,398	2,945	-	260	-	73,738	
Travel	659	145	2,573	5,875	12	229	527	-	-	1,149	2,505	-	-	709	2	76	3,666	-	1	-	18,128	
Operating services	7,627	6,017	7,099	10,188	180	2,730	19,342	-	-	5,646	6,912	-	-	3,288	342	558	8,419	-	108	-	78,456	
Operating supplies	1,110	675	565	983	14	176	2,690	-	-	11,032	551	-	-	84	2	85	268	-	1	-	18,236	
Other costs	1,490	1,742	851	1,217	993	2,084	5,722	-	28,925	-	825	-	-	17,140	206	179	884	-	169	267	62,694	
Cost of meals	-	113,531	67,995	-	-	-	-	-	-	-	66,199	-	-	-	12,247	-	94,729	-	-	-	354,701	
Client services	-	-	-	-	10,380	65,982	-	-	-	-	-	-	-	-	-	-	-	-	12,166	-	88,528	
<b>Total expenditures</b>	<b>93,988</b>	<b>167,025</b>	<b>102,427</b>	<b>124,143</b>	<b>12,140</b>	<b>101,061</b>	<b>125,244</b>	<b>-</b>	<b>28,925</b>	<b>25,637</b>	<b>99,720</b>	<b>-</b>	<b>-</b>	<b>29,679</b>	<b>16,606</b>	<b>14,826</b>	<b>136,255</b>	<b>-</b>	<b>13,505</b>	<b>267</b>	<b>1,091,448</b>	
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(903)</b>	<b>(31,353)</b>	<b>(102,427)</b>	<b>(3)</b>	<b>89</b>	<b>(926)</b>	<b>(2,401)</b>	<b>27,500</b>	<b>(28,925)</b>	<b>(31,754)</b>	<b>-</b>	<b>71,533</b>	<b>13,895</b>	<b>-</b>	<b>4,102</b>	<b>15,002</b>	<b>8,062</b>	<b>4,962</b>	<b>4</b>	<b>(267)</b>	<b>(53,810)</b>	
<b>Other financing sources (uses):</b>																						
Transfers in	903	31,353	-	3	-	926	2,401	-	28,925	-	-	-	-	-	-	-	-	-	-	-	64,511	
Transfers out	-	-	-	-	(89)	-	-	(27,500)	-	-	-	-	(13,895)	-	-	-	-	-	-	-	(41,484)	
<b>Total other financing sources and uses</b>	<b>903</b>	<b>31,353</b>	<b>-</b>	<b>3</b>	<b>(89)</b>	<b>926</b>	<b>2,401</b>	<b>(27,500)</b>	<b>28,925</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13,895)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,027</b>	
<b>Net increase in fund balances</b>	<b>-</b>	<b>-</b>	<b>(102,427)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31,754)</b>	<b>-</b>	<b>71,533</b>	<b>-</b>	<b>-</b>	<b>4,102</b>	<b>15,002</b>	<b>8,062</b>	<b>4,962</b>	<b>4</b>	<b>(267)</b>	<b>(30,783)</b>	
<b>Fund balances:</b>																						
Beginning of year	-	-	102,427	-	-	-	-	-	-	31,754	-	-	-	-	-	-	-	-	-	-	4,194	138,375
End of year	-	-	-	-	-	-	-	-	-	-	-	71,533	-	-	4,102	15,002	8,062	4,962	4	3,927	107,592	



CADDO COUNCIL ON AGING, INC.

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS AND

CHANGES IN GENERAL FIXED ASSETS

FOR THE YEAR ENDED JUNE 30, 2022

	<u>Balance</u> <u>6/30/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2022</u>
General fixed assets, at cost:				
Vehicles	221,997	31,215	-	253,212
Furniture & equipment	<u>30,664</u>	<u>-</u>	<u>1,670</u>	<u>28,994</u>
Total general fixed assets	<u>252,661</u>	<u>31,215</u>	<u>1,670</u>	<u>282,206</u>
Investment in general fixed assets:				
Property acquired with funds from:				
III-B	2,305	-	-	2,305
Ombudsman	4,610	-	-	4,610
Local funds (unreserved)	75,188	31,215	1,670	104,733
Grayson Foundation	24,793	-	-	24,793
Beiard Foundation	25,000	-	-	25,000
D. Thomason Grant	15,000	-	-	15,000
Community Foundation	18,000	-	-	18,000
Franks Foundation	31,000	-	-	31,000
Chesapeake Energy	10,000	-	-	10,000
Twin Cities	2,000	-	-	2,000
Donated assets	<u>44,765</u>	<u>-</u>	<u>-</u>	<u>44,765</u>
Total inventory listing	<u>252,661</u>	<u>31,215</u>	<u>1,670</u>	<u>282,206</u>

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>U S Department of Health and Human Resources</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs:				
Special Programs for the Aging:				
Title IIIB Ombudsman	93.044	101,138	101,138	101,138
Title IIIB Supportive Svcs	93.044	187,308	187,308	187,308
COVID 19-ARP IIIB	93.044	60,803	60,803	-
COVID 19-CARES Vaccine Outreach	93.044	29,679	29,679	29,679
			<u>378,928</u>	<u>318,125</u>
Title IIIC-1 AAA	93.045	69,814	69,814	69,814
Title IIIC-1 Congregate Meals	93.045	114,260	114,260	114,260
Title IIIC-2 Home Delivered Meals	93.045	232,200	232,200	232,200
COVID 19-ARP AAA	93.045	22,371	22,371	14,826
COVID 19-ARP IIIC-1	93.045	17,582	17,582	16,117
COVID 19-ARP IIIC-2	93.045	126,621	126,621	116,400
COVID 19-CARES HDC5 (C-2)	93.045	99,720	99,720	99,720
			<u>682,568</u>	<u>663,337</u>
Title IIID Health Facilitation	93.043	12,229	12,229	12,229
COVID 19-ARP IIID	93.043	4,963	4,963	-
			<u>17,192</u>	<u>12,229</u>
Title IIIE Caregiver	93.052	75,101	75,101	75,101
COVID 19-ARP IIIE	93.052	11,254	11,254	10,410
			<u>86,355</u>	<u>85,511</u>
Nutritional Services Incentive Program (2022)	93.053	220,749	220,749	210,749
Nutritional Services Incentive Program (2021)	93.053	201,084	-	42,415
			<u>220,749</u>	<u>253,164</u>
COVID 19-CARES ADRC	93.048	13,895	13,895	13,895
Medicare Improvements for Patients and Providers Act 2010	93.071	27,500	27,500	27,500
			<u>27,500</u>	<u>27,500</u>
Total Aging Cluster			1,427,187	1,373,761
<u>US Department of Homeland Security</u>				
Emergency Food and Shelter National Board Program	97.024	20,000	20,000	20,000
Total Federal Awards			<u>1,447,187</u>	<u>1,393,761</u>

The accompanying notes are an integral part of this schedule.

CADDO COUNCIL ON AGING, INC.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Caddo Council on Aging, Inc. and is presented on the accrual basis of accounting, which is the same basis of accounting used for the presentation of the general-purpose financial statements. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Caddo Council on Aging, Inc. did not pass through any of its federal awards to a subrecipient during the fiscal year, nor did it expend any federal awards in the form of noncash assistance.

Caddo Council on Aging, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

2. Nutritional Services Incentive Program

Revenues and expenditures under this program are summarized as follows:

*a. Fiscal Year 2021:*

Revenues recognized in fiscal year 2021 amounted to \$201,084. Of this amount, \$189,812 was expended; the remainder of \$11,272 is combined with \$31,143 available from 2020, and the total \$42,415 is carried over to fiscal year 2022.

*b. Fiscal Year 2022:*

Expenditures of \$253,164 consumed the amount carried over from fiscal year 2021 and resulted in an unspent balance of funds of \$10,000 remaining at the end of fiscal year 2022.

**OTHER REPORTS**



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REGIONS TOWER  
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Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

**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**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caddo Council on Aging, Inc. as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council’s basic financial statements, and have issued our report thereon dated December 29, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council’s internal control. Accordingly, we do not express an opinion of the effectiveness of the Council’s internal control.

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

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.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council's financial statements are free from 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 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Heard, McElroy & Vestal, LLC*

Shreveport, Louisiana

December 29, 2022



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REGIONS TOWER  
333 TEXAS STREET, SUITE 1525 | SHREVEPORT, LOUISIANA 71101  
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Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

**Independent Auditor's Report on Compliance for Each Major  
Federal Program and Report on Internal Control over Compliance  
Required by the Uniform Guidance**

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Caddo Council on Aging, Inc.'s 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 Caddo Council on Aging, Inc.'s major federal programs for the year ended June 30, 2022. Caddo Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Caddo Council on Aging, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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 Caddo Council on Aging, Inc., 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 Caddo Council on Aging, Inc.'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 Caddo Council on Aging, Inc.'s federal programs.

## ***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 Caddo Council on Aging, Inc.'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 generally accepted auditing standards, *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 Caddo Council on Aging, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Caddo Council on Aging, Inc.'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 Caddo Council on Aging, Inc.'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 Caddo Council on Aging, Inc.'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 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.



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. 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.

*Heard, McElroy & Vestal, LLC*

Shreveport, Louisiana

December 29, 2022

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2022

**A. Summary of Audit Results**

1. The auditor’s report expresses an unmodified opinion on the basic financial statements of Caddo Council on Aging, Inc.
2. No material weaknesses relating to the audit of the basic financial statements are reported.
3. No instances of noncompliance material to the basic financial statements of Caddo Council on Aging, Inc. were disclosed during the audit.
4. No material weaknesses relating to the audit of major federal award programs are reported.
5. The auditor’s report on compliance for the major federal award programs for Caddo Council on Aging, Inc. expresses an unmodified opinion.
6. There are no audit findings relative to the major federal award programs for Caddo Council on Aging, Inc.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA No.</u>
Title IIIB Ombudsman	93.044
Title IIIB Supportive Services	93.044
COVID-19 ARP IIIB	93.044
COVID-19 CARES Vaccine Outreach	93.044
Title IIIC-1 Area Agency Administration	93.045
Title IIIC-1 Congregate Meals	93.045
Title IIIC-2 Home Delivered Meals	93.045
COVID-19 ARP Area Agency Administration	93.045
COVID-19 ARP IIIC-1	93.045
COVID-19 ARP IIIC-2	93.045
COVID-19 CARES HDC5 (C-2)	93.045
Title IIIE Caregiver	93.052
COVID-19 ARP IIIE	93.052
Title IIID Health Facilitation	93.043
COVID-19 ARP IIID	93.043
COVID-19 CARES ADRC	93.048
Nutritional Services Incentive Program	93.053
Medicare Improvements for Patients and Providers	93.071

8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Caddo Council on Aging, Inc. was determined to be a low-risk auditee.

**B. Findings - Financial Statement Audit**

None

**C. Findings and Questioned Costs - Major Federal Award Programs**

None

CADDO COUNCIL ON AGING, INC.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2022

There were no findings and questioned costs from the prior year.



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REGIONS TOWER  
333 TEXAS STREET, SUITE 1525 | SHREVEPORT, LOUISIANA 71101  
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December 29, 2022

Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

Louisiana Legislative Auditor  
Baton Rouge, Louisiana

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. Caddo Council on Aging, Inc.'s (CCOA) management is responsible for those C/C areas identified in the SAUPs.

CCOA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2021 through June 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget  
*The entity has written policies and procedures that adequately address the budget function.*
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

*The entity has written policies and procedures that adequately address the purchasing function. Although the entity does not have a formal requisition and purchase order system due to its small size, all purchases are approved by the District's Executive Director.*

- c) **Disbursements**, including processing, reviewing, and approving.

*The entity has written policies and procedures that adequately address the disbursements function.*

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

*The entity has written policies and procedures that adequately address the receipts and collections function.*

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

*The entity has written policies and procedures that adequately address the payroll and personnel function.*

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

*The entity has written policies and procedures that adequately address the contracting function.*

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

*The entity has written policies and procedures that adequately address the credit card function.*

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

*The entity has written policies and procedures that adequately address the travel and expense reimbursement function.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

*Exception: Although the entity has policies and procedures that address ethics and actions to be taken in cases of violations, policies specific to requirements (1) and (3) – (4) were not present.*

*Management's Response: Management will update its policies to include these specific requirements.*

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*N/A because the entity has no debt.*

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*The entity has policies and procedures that address information technology disaster recovery/business continuity requirements except for periodic testing/verification that backups can be restored.*

*Management's Response: Management will update its policies and procedures to include requirements for periodic verification that backups can be restored.*

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

*Exception: The entity has policies and procedures that address sexual harassment except for requirements for annual employee training and for annual reporting.*

*Management's Response: Management will update its personnel policy to include requirements for annual employee training and for annual reporting.*

### **Board or Finance Committee**

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2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

*The entity's Board of Directors met monthly nine times during the year. Under its bylaws, the Board must meet at least six times per year in accordance with a schedule previously agreed to by the Board.*

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds<sup>7</sup>.

*Each meeting's minutes referred to budget-to-actual financial statement comparisons of its sole fund.*

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

*The entity's general fund did not reflect a negative unassigned fund balance in the prior year audit report.*

### **Bank Reconciliations**

---

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

*No exceptions noted.*

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

*No exceptions noted.*

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*No exceptions noted.*

### **Collections (excluding electronic funds transfers )**

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- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

*The entity has one physical office location where deposits are prepared and reconciled.*

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

*No exceptions noted.*



- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

*No exceptions noted.*

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

*No exceptions noted.*

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

*No exceptions noted.*

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

*No exceptions noted.*

- 7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

*In lieu of pre-numbering receipts, all receipts are recorded onto a daily receipt listing that is reconciled to the validated deposit slip in order to ensure the completeness of deposits.*

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*No exceptions noted.*

- c) Trace the deposit slip total to the actual deposit per the bank statement.

*No exceptions noted.*

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

*Per the entity's cash receipts policy, deposits are to be made within one week (5 business days) of receipt. No exceptions to policy noted.*

- e) Trace the actual deposit per the bank statement to the general ledger.

*No exceptions noted.*

***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

---

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

*Per listing provided by management, payments are processed through one location - the Main Office.*

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

*Job duties appear properly segregated.*

- b) At least two employees are involved in processing and approving payments to vendors.

*Job duties appear properly segregated.*

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

*Job duties appear properly segregated.*

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

*Job duties appear properly segregated.*

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]]

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

*No exceptions noted.*

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

*No exceptions noted.*

### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*Obtained listing and related documentation of all active cards from Management.*

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

*Monthly statements and related payments are reviewed and approved by the Executive Director and/or a member of the Board of Commissioners, as applicable.*

- b) Observe that finance charges and late fees were not assessed on the selected statements.

*No exceptions noted.*

- 13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*No exceptions noted.*

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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- 14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

*No exceptions noted.*

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

*No exceptions noted.*

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

*No exceptions noted.*

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*No exceptions noted.*

### **Contracts**

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

*No exceptions noted.*

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

*No exceptions noted.*

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).

*No exceptions noted.*

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*No exceptions noted.*

## ***Payroll and Personnel***

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16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

*Obtained listing from Management and agreed selected employees' salaries and pay rates without exception.*

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

*No exceptions noted.*

- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

*No exceptions noted.*

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

*No exceptions noted.*

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

*No exceptions noted.*

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

*No exceptions noted.*

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

*Management's representation obtained covering these statements.*

## **Ethics**

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20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above: obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

*Exception: Two of the employees selected did not complete the required training during the fiscal period.*

*Management’s Response: Management will ensure that all employees complete the required training during the fiscal period.*

- b. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.

*N/A – there were no changes to the entity’s ethics policy during the fiscal period.*

## **Debt Service**

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21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management’s representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued.

*N/A because the entity has no debt.*

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management’s representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

*N/A because the entity has no debt.*

## **Fraud Notice**

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management’s representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*N/A – there were no misappropriations of public funds identified during the fiscal period.*

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*No exceptions noted.*

## ***Information Technology Disaster Recovery/Business Continuity***

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25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- a. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

*We performed the procedure and discussed the results with management.*

- b. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

*We performed the procedure and discussed the results with management.*

- c. Obtain a listing of the entity’s computers currently in use, and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

*We performed the procedure and discussed the results with management.*

## ***Sexual Harassment***

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26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

*Exception: Documentation was not available for two of five employees to demonstrate completion of the training.*

*Management’s Response: Management will ensure that all employees complete the required training during the fiscal period.*

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

*Exception: Although the policy and complaint procedure was observed as posted on the entity’s premises, it was not posted on the entity’s website.*

*Management’s Response: Management will update its website to include a copy of the sexual harassment policy.*

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

- a. Number and percentage of public servants in the agency who have completed the training requirements;

*No exceptions noted.*

- b. Number of sexual harassment complaints received by the agency;

*No exceptions noted.*

- c. Number of complaints which resulted in a finding that sexual harassment occurred;

*No exceptions noted.*

- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

*No exceptions noted.*

- e. Amount of time it took to resolve each complaint.

*No exceptions noted.*

We were engaged by CCOA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of CCOA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Heard, McElroy & Vestal, LLC*