

NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1987
(Continued)

Miscellaneous Grant Fund

Funded by the Governor's office of Elderly Affairs, this special purpose grant was made to fund additional program expenses relative to Senior Center operations.

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (such as weight people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (5) nutrition (assessment, counseling, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need." Title III-F 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 Agency.

D. Account Groups:

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account groups are not "funds".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of the Cajon Area Agency on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the appropriate governmental fund type when purchased.

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-

NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
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Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations.

E. Basis of Accounting:

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

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

F. Transfers and Interfund Loans:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts. Short-term interfund loans are classified as interfund receivables or payables.

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
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G. Budget Policy:

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

1. The Governor's Office of Elderly Affairs (OGEA) notifies the Agency each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by OGEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
4. The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
5. All budgetary appropriations lapse at the end of each fiscal year (June 30).
6. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Agency may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
10. Expenditures cannot legally exceed appropriations on an individual fund level.

NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1987
(Continued)

H. Total Columns of Combined Statements - Overview:

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

I. Fixed Assets:

All fixed assets are stated at historical cost. No depreciation has been provided on general fixed assets.

The Agency has classified its fixed assets as follows:

| | Balance |
|-------------------------|-----------|
| | 6/30/87 |
| Furniture and Equipment | \$97,158 |
| Nutrition equipment | 3,828 |
| Total | \$100,986 |

J. Comparative Data:

Comparative data for the prior year have been presented in the accompanying financial statements to provide an understanding of changes in the Agency's financial position and operations. However, presentation of comparative data by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

K. Annual and Sick Leaves:

For governmental fund types, the Agency's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. These amounts will be recorded as fund expenditures in the year in which they are

NOTE TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1987
(Continued)

paid or become due or accrued to terminated employees. The Agency's sick leave policy does not provide for the vesting of sick leave.

L. Reservation of Fund Balances:

The Agency "reserves" portions of its fund balances that are not available for expenditures because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

M. Prepaid Expenses:

The Agency has elected not to expense amounts paid for future services until those services are consumed to comply with the cost reimbursement terms of its grant agreements.

NOTE 3. 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, Title III-B, Title III C-1, Title III C-2, Title III-F and Title III-D 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. Project Care, Elderly Waiver, Miscellaneous Grant, and Audit funds are also recognized as revenues once the related cost has been incurred, and the grant reimbursement is measurable and available.

U.S.D.A program funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenues at that time.

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1987
(Continued)

Public Support and Miscellaneous Revenues

Utility assistance funds are provided from public donations to the Project Care Program sponsored by Gulf States Utilities. In addition, various fund raisers 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 difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenues in the period received.

NOTE 3. CASH IN BANK

At June 30, 1987, the carrying amount of the Agency's deposits was as follows:

| | |
|--------------------------|-----------|
| Payroll - checking | \$ 10,887 |
| Operating - checking | 144,291 |
| Money market savings | 214,218 |
| Cash on deposit in banks | \$369,396 |

At June 30, 1987, the collected deposits held at Bank One totaled \$323,998. Of this amount, \$323,998 with Bank One is classified as credit risk category 1. The bank has pledged additional collateral in the name of the Agency for the amount over the FDIC limit and these securities are held at the Federal Reserve Bank. However, it is the opinion of the Governmental Accounting Standards Board (GASB) that if the agreement between the Bank and the Agency is not in writing and approved by the Bank's Board of Directors, then the government may not be in compliance with the Financial Institution's Reform, Recovery and Enforcement Act of 1989 which discusses the depositor's rights to collateral. GASB states that the collateral described above should be classified as category 2. This is the same with Cajun Area Agency. The following are descriptions of the three risk categories:

- (1) Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- (2) Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

NOTE TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
(continued)

(3) Category 3 - Uncollateralized, including securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name or those types of securities as described above.

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 1997, consists of the following special revenue programs:

| | |
|----------------|--------------|
| Elderly Mailer | \$ 3,528 |
| MSDA | 121,482 |
| Title III C-1 | 9,719 |
| Title III-F | <u>4,252</u> |
| | \$134,961 |

NOTE 5. CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in general fixed assets.

| | Balance 8/30/96 | Additions | Adjustments and Deletions | Balance 8/30/97 |
|-------------------------------|--------------------|-----------|---------------------------------|--------------------|
| Furniture & Equipment | \$34,614 | \$ 4,610 | \$ 3,066 | \$37,358 |
| Nutrition Equipment | <u>2,938</u> | <u>-</u> | <u>-</u> | <u>2,938</u> |
| Total General Fixed Assets | \$37,552 | \$ 4,610 | \$ 3,066 | \$40,356 |

NOTE 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 travel expenses incurred in accordance with the Agency's travel policies.

NOTES TO FINANCIAL STATEMENTS

DeJarn Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
(continued)

NOTE 7. INCOME TAX STATUS

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

NOTE 8. CHANGES IN LONG-TERM DEBT

The following is a summary of transactions relating to the Agency's long-term debt during the fiscal year.

| | Balance 8/30/96 | Additions | Deductions | Balance 8/30/97 |
|--------------------------------|--------------------|-----------|------------|--------------------|
| Accumulated unpaid vacation | \$8,000 | \$7,000 | \$6,000 | \$9,000 |

NOTE 9. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Agency as of June 30, 1997. Furthermore, the Agency's management believes that any potential lawsuits would be adequately covered by insurance.

The Agency receives revenue 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 grantor and the Agency. 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 Agency's financial position.

NOTE 10. FEDERALLY ASSISTED PROGRAMS

The Agency participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act of 1988. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Agency's management believes that further examinations would not result in any significant disallowed costs.

NOTES TO FINANCIAL STATEMENTS

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1987
(Continued)

NOTE 11. ECONOMIC DEPENDENCE

The Agency receives the majority of its revenues 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 Agency 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 Agency will receive in the next fiscal year.

NOTE 12. INTERFUND TRANSFERS

| | Operating Transfers In | Operating Transfers Out |
|------------------------------|------------------------------|-------------------------------|
| General Fund | \$ - | \$ 854 |
| Special Revenue Funds | | |
| Title III C-1 | \$ 50,802 | \$ - |
| Title III C-2 | 105,051 | - |
| U.S.D.A. | = | 164,513 |
| Title III-B - Administration | 840 | - |
| Title III-B - Outstations | 118 | - |
| Total Special Revenue Funds | \$265,607 | \$164,513 |
| Total All Funds | \$265,607 | \$165,367 |

NOTE 13. INTERFUND LOANS

All bank accounts and the related interest earned are treated as belonging to the General Fund. Cash belonging to the Special Revenue Funds is deposited in the various bank accounts and the related interfund receivables and payables are established. The following is a summary of interfund loans at June 30, 1987:

NOTE TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
(Continued)

| | Due to Other Funds | Due From Other Funds |
|-----------------------|-----------------------|-------------------------|
| General Fund | \$194,854 | \$ - |
| Special Revenue Funds | | |
| U.S.D.A. | \$ - | \$180,824 |
| Project Care | - | 376 |
| Elderly Waiver | - | 13,655 |
| | ----- | ----- |
| Total All Funds | \$194,854 | \$194,854 |
| | ----- | ----- |

NOTE 14. MEAL COSTS

Meal costs in the Congregate Meals Program (Title III C-1) and Home-Delivered Meals (Title III C-2) consists of raw food and labor and non-edibles. For the year ended June 30, 1997, costs were as follows:

| | Title III C-1 | Title III C-2 |
|-----------------------|------------------|------------------|
| Raw Food | \$193,430 | \$ 237,881 |
| Labor and Non-edibles | 124,127 | 488,826 |
| Total Meal Costs | \$317,557 | \$ 726,707 |
| | ----- | ----- |

NOTE 15. PENSION PLAN

The Agency provides a Simplified Employee Pension Individual Retirement account for each of its qualified employees. During the fiscal year ended June 30, 1997, the Agency contributed 4.5% of wages to the plan at a cost of \$8,628. All employees are eligible to participate.

The Agency is under no obligation for future contributions.

**COMBINED STATEMENT OF REVENUE, EXPENDITURE
AND CHANGE IN FUND BALANCE**

SPECIAL REVENUE FUND

Cajon Area Agency on Aging, Inc.
Lafayette, California
Year Ended June 30, 1987

| | TITLE III-B ADMINISTRATION | TITLE III-B OPERATIONS | TITLE III C-1 | TITLE III C-2 | TITLE III-B SUPPORT SERVICES | SECTION NUMBER |
|--|-------------------------------|------------------------------|------------------|-------------------|---------------------------------------|-------------------|
| REVENUE | | | | | | |
| Intragovernmental: Governor's Office of Elderly Affairs | 2178,276 | 170,143 | 2 488,128 | 4 883,248 | 4474,948 | 1342.483 |
| Other: Special Interest Loans | - | - | - | - | - | - |
| Total revenue | <u>2178,276</u> | <u>170,143</u> | <u>2 488,128</u> | <u>4 883,248</u> | <u>4474,948</u> | <u>1342.483</u> |
| EXPENDITURES | | | | | | |
| Salaries | 1394,541 | 112,318 | 2 - | 2 - | 4 - | 5 - |
| Fringe | 24,280 | 2,828 | - | - | - | - |
| Travel | 2,578 | 1,814 | - | - | - | - |
| Operating services | 31,898 | 4,378 | - | - | - | - |
| Operating supplies | 2,578 | 818 | - | - | - | - |
| Real costs | - | - | 217,917 | 946,878 | - | - |
| Other costs | 4,884 | 9 | - | - | - | - |
| Grants to subrecipients | - | 48,142 | 278,218 | 278,218 | 471,948 | 342.483 |
| Capital outlay | 2,728 | - | - | - | - | - |
| Total expenditures | <u>1738,118</u> | <u>168,278</u> | <u>2 545,813</u> | <u>11,271,878</u> | <u>4774,948</u> | <u>1342.483</u> |
| EXCESS OF REVENUE OVER INVEST EXPENDITURES | | | | | | |
| | \$ 440,158 | \$ 1,865 | \$ 942,315 | \$ 3,611,370 | \$ - | \$ - |
| OTHER FINANCING SOURCES (DEBT) | | | | | | |
| Operating transfers in | 2 048 | 2 114 | 2 18,282 | 2 208,812 | 2 - | 2 - |
| Operating transfers out | - | - | - | - | - | - |
| Total other sources (uses) | <u>2 048</u> | <u>2 114</u> | <u>2 18,282</u> | <u>2 208,812</u> | <u>2 -</u> | <u>2 -</u> |
| EXCESS OF REVENUE AND OTHER FINANCING OVER INVEST EXPENDITURES AND OTHER USES | | | | | | |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| FUND BALANCE | | | | | | |
| Beginning of year adjustments | - | - | - | - | - | - |
| End of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
(Continued)

Title III C-2 Home Delivered Meals Fund

Title III C-2 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 Agency. These funds are used to provide nutritional meals to home-bound older persons.

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is 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 Agency. This program provides address services, in-home services, community services, legal assistance, and transportation for the elderly.

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Agency. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Title III-D Fund

The Title III-D Fund is used to account for funds which are used to provide in-home services to frail, older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-D 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 Agency.

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1983
(Continued)

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes.

The following are the funds which comprise the Agency's Special Revenue Funds:

Title III-B Administration Fund

The Title III-B Administration Fund is used to account for the administration of special programs for the aging. Title III-B administrative 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 Agency. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

Title III-B Ombudsman Fund

The Title III-B Ombudsman Fund is used to account for funds used to provide long-term care residents age 60 and older residing in long-term care facilities a representative to ensure that each resident's rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility. Ombudsman funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Agency.

Title III C-1 Congregate Meals Fund

Title III C-1 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Agency. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

SINGLE ASSET SECTION



Roland D. Kraushaar
Certified Public Accountant

1405 Tenth Avenue Alexandria, LA 71301
Post Office Box 12508 Alexandria, LA 71310

October 3, 1987

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON ASSESS OF DESIGN, PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajon Area Agency on Aging, Inc., Lafayette, Louisiana as of and for the year ended June 30, 1987, and have issued my report thereon dated October 3, 1987.

I conducted my audit in accordance with generally accepted auditing standards promulgated by the Institute of Certified Public Accountants of the United States, and the provisions of the Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements of Cajon Area Agency on Aging, Inc. for the year ended June 30, 1987, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the Agency's general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The management of the Cajon Area Agency on Aging, Inc., Lafayette, Louisiana, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of an internal control structure and to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities, may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Internal Accounting Controls (IAC) PROGRAM

Codes of the Entities' Activity
Procure of financing
Revenue/Receipts
Purchase/Disbursements
Retained financing reporting

Financial Statement Sections
Cash and cash equivalents
Receivables
Property and equipment
Payables and accrued liabilities

For all of the internal control structure weaknesses listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they had been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Audit Committee, management, Louisiana Governor's Office of Fiscal Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Agency, is a matter of public record.


Richard E. Brumback
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
Post Office Box 10508 Alexandria, LA 71315

October 3, 1997

INTERIORAL CONTROL'S IMPACT ON THE FEDERAL FINANCIAL ASSISTANCE PROGRAM
AND A RECOMMENDED FEDERAL FINANCIAL ASSISTANCE PROGRAM

To the Board of Directors
Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajon Area Agency on Aging, Inc., as of and for the year ended June 30, 1997, and have issued my report thereon dated October 3, 1997. I have also audited the compliance of Cajon Area Agency on Aging, Inc., with requirements applicable to major federal financial assistance programs and have issued my report thereon dated October 3, 1997.

I conducted my audit in accordance with generally accepted auditing standards, Accounting Auditing Standards, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the Agency complied with laws and regulations, noncompliance with which could be material to a major federal program.

In planning and performing my audit for the year ended June 30, 1997, I considered the internal control structure of the Cajon Area Agency on Aging, Inc. in order to determine my auditing procedures for the purpose of expressing my opinion on the Cajon Area Agency on Aging, Inc.'s general purpose financial statements and on the compliance of Cajon Area Agency on Aging, Inc., with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures referred to in my audit of the general purpose financial statements in a separate report dated October 3, 1997.

The management of the Cajon Area Agency on Aging, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors or irregularities, or instances of noncompliance may nevertheless occur

and not be detected. Also, projection of any evaluation of the structure in future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Internal Accounting Controls (All Programs)

| | |
|---|---------------------------------------|
| <u>Office of the Executive Director</u> | <u>Financial Statement Exclusions</u> |
| Treasury of Expenditures | Cash and cash equivalents |
| Revenues/Receipts | Accounts receivable |
| Payables/Accounts Payable | Property and equipment |
| Internal financing reporting | Payables and accrued liabilities |

General and Specific Administrative Controls Used in Administering Federal Financial Assistance Programs

| | |
|------------------------------|-------------------------------|
| <u>General:</u> | <u>Specific:</u> |
| Political activity | Types of services |
| Civil rights | Cost allocation |
| Cash management | Matching funds |
| Federal financial reports | Maintaining of sub-agreements |
| Drug-Free Workplace | Eligibility |
| Alcoholic Control Principles | Reporting |
| Administrative requirements | |

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and determined whether they had been placed in operation, and I assessed control risk.

During the year ended June 30, 1991, major Area Agency on Aging, Inc. expended 87.3% of the total Federal awards under major programs.

I performed tests of controls, as required by OMB Circular 4-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to, each of Major Area Agency on Aging, major Federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

By consideration of the internal control structure, policies and procedures used in administering Federal awards could not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be a material weakness as defined above.

This report is intended for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Agency, is a matter of public record.



Roland D. Krawchak
Certified Public Accountant



Roland D. Kraushaar
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1408 Texas Avenue Alexandria, LA 71301
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October 3, 1987

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAW AND REGULATIONS BASED ON AN ASSESS OF
FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajun Area Agency on Aging, Inc., as of and for the year ended June 30, 1987, and have issued my report thereon dated October 3, 1987.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Cajun Area Agency on Aging, Inc., is the responsibility of the Agency's management. As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Agency's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Agency, is a matter of public record.

Roland D. Kraushaar
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
 Post Office Box 12526 Monroeville, LA 71352
 Metairie, LA 70002 1987

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE FEDERAL FINANCIAL ASSISTANCE ACTS AND THE
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Directors
 Cajon Area Agency on Aging, Inc.
 Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajon Area Agency on Aging, Inc., as of and for the year ended June 30, 1997, and have issued my Report Thereon dated October 3, 1997.

I have applied procedures to test Cajon Area Agency on Aging, Inc.'s, compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1997: political activity, civil rights, cash management, federal financial reports, allowable costs/unit principles, drug-free workplace act and administrative requirements.

My procedures were limited to those set forth in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". My procedures were substantially less in scope than as would be the objective of which is the expression of an opinion on Cajon Area Agency on Aging's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the Cajon Area Agency on Aging, Inc. had not complied, in all material respects, with those requirements.

This report is intended for the information of the audit committee, management, Louisiana Governor's office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Agency, is a matter of public record.


 Roland D. Kraushaar
 Certified Public Accountant



Roland D. Kreushaar
Certified Public Accountant

1408 Texas Avenue - Alexandria, LA 71301
Post Office Box 12528 - Monroeville, LA 71351
October 2, 1997

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REGULATORY REQUIREMENTS TO RECEIVE
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Board of Directors
Cajun Area Agency on Aging, Inc.
Baton Rouge, Louisiana

I have audited the general purpose financial statements of the Cajun Area Agency on Aging, Inc., as of and for the year ended June 30, 1997, and have issued my report thereon dated October 2, 1997.

I have also audited the Agency's compliance with the requirements governing types of services allowed or disallowed; eligibility matching; level of effort; or accountability reporting; claims for admission and reimbursement; and amounts claimed or used for matching that are applicable to such of the major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1997. The management of Cajun Area Agency on Aging, Inc. is responsible for the Agency's compliance with these requirements. My responsibility is to express an opinion on compliance with these requirements based on my audit.

I conducted my audit of compliance with these requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Title 28 of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Cajun Area Agency on Aging's compliance with these requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

In my opinion, the Cajun Area Agency on Aging, Inc. complied, in all material respects, with the requirements governing types of services allowed or disallowed; eligibility matching; level of effort; or accountability reporting; special costs and provisions; claims for admission and reimbursement; and amounts claimed or used for matching that are applicable to such of the major federal financial assistance programs for the year ended June 30, 1997.

This report is loaned for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not loaned to limit the distribution of this report, which, upon acceptance by the Agency, is a matter of public record.



Roland S. Bruehlner
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
Post Office Box 19526 Alexandria, LA 71315

October 3, 1997

**INDEPENDENT AUDITOR'S REPORT ON
STATEMENTS OF FINANCIAL POSITION AND EXPENSES**

Board of Directors
Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana

I have audited the general purpose financial statements of the Cajon Area Agency on Aging, Inc., as of and for the year ended June 30, 1997, and have issued my report thereon dated October 3, 1997. These general purpose financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Cajon Area Agency on Aging, Inc., taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in this schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.


Roland D. Kraushaar
Certified Public Accountant

NOTES TO FINANCIAL STATEMENTS

Ozja Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997
(continued)

recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Legislative Governmental Audit Guide.

C. Fund Accounting:

The accounts of the Agency are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. 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, or expenses, as appropriate. 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 grouped, in the financial statements in this report, into two generic fund types and two broad fund categories (report groups).

The governmental funds and programs comprising them as presented in the financial statements are as follows:

General Fund - The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived.

NOTE TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1974, gubernatorial Executive Order No. 54 initially established area agencies on aging. Gubernatorial Executive Order No. 80-84 of 1988 authorized the Governor's Office of Elderly Affairs to designate planning and service areas to coincide with the geographic boundaries of the 64 parishes of the state, and to designate Area agencies therein. An area agency must be an organization whose single purpose is to administer programs for older persons, or a multipurpose agency with the authority and capacity to administer human services in the planning and service area. If it is a multipurpose agency, the Area Agency on Aging, Inc. must designate all its authority and responsibility for carrying out the responsibilities listed below to a single organizational unit in the agency unless the agency receives a waiver of this requirement from the Governor's Office of Elderly Affairs.

The purpose and function of the Cajun Area Agency on Aging, Inc., is to develop a comprehensive and coordinated service-delivery system for the elderly and serve as the advocate and focal point for older persons by entering into agreements with the Governor's Office of Elderly Affairs and with providers of supportive and nutrition services. "Comprehensive and coordinated system" refers to a program of interrelated supportive and nutrition services designed to meet the needs of older persons in each planning and service area. This system is to be developed by the Agency over a period of time. The Cajun Area Agency on Aging, Inc. performs these functions throughout an eight parish area of South Louisiana.

B. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are

COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - MAJOR FUND BALANCE AND ACTUAL - ALL GOVERNMENTAL FUND TYPES

Cajon Area Agency on Aging, Inc.
 Calipatria, California
 Year Ended June 30, 1987

| | GENERAL FUND | | | SPECIAL REVENUE FUND | | |
|--|------------------|------------------|--------------------------------------|----------------------|--------------------|--------------------------------------|
| | BUDGET | ACTUAL | VARIANCE FAVORABLE UNFAVORABLE | BUDGET | ACTUAL | VARIANCE FAVORABLE UNFAVORABLE |
| REVENUE | | | | | | |
| Incarpermental | \$ - | \$ - | \$ - | \$3,787,803 | \$3,386,781 | \$ 401,022 |
| Miscellaneous | 21,827 | 18,052 | 13,775 | 23,658 | 82,278 | 58,620 |
| Total revenue | \$ 21,827 | \$ 18,052 | \$ 13,775 | \$3,811,461 | \$3,469,059 | \$ 342,402 |
| EXPENDITURES | | | | | | |
| Salaries | \$ - | \$ - | \$ - | \$ 120,000 | \$ 120,000 | \$ - |
| Fringe | - | - | - | 37,500 | 37,500 | - |
| Travel | - | - | - | 2,400 | 7,848 | (5,448) |
| Operating services | - | - | - | 62,314 | 65,858 | (3,544) |
| Operating supplies | - | - | - | 3,000 | 3,375 | (375) |
| Rent | - | - | - | 1,310,138 | 1,310,812 | (674) |
| Other misc | 54 | 78 | (24) | 7,137 | 6,993 | 144 |
| Capital outlay | 868 | 868 | - | 3,700 | 3,700 | - |
| Grants to sub-recipients | - | - | - | 1,875,142 | 1,875,142 | - |
| Total expenditures | \$ 912 | \$ 918 | \$ 6 | \$3,323,968 | \$3,331,316 | \$ 7,348 |
| EXCESS (DEFICIENCY) OF GENERAL FUND BALANCES | \$ 20,915 | \$ 17,134 | \$ 3,781 | \$ 487,493 | \$ 137,743 | \$ 349,750 |
| OTHER FINANCING SOURCES INCOME | | | | | | |
| Operating transfers in | \$ - | \$ - | \$ - | \$ 367,839 | \$ 344,065 | \$ 23,774 |
| Operating transfers out | (353) | (353) | - | (382,800) | (384,131) | 1,331 |
| Total other sources income | \$ (353) | \$ (353) | \$ - | \$ - | \$ - | \$ 25,105 |
| EXCESS (DEFICIENCY) OF GENERAL AND OTHER FUND BALANCES AT THE END OF YEAR | \$ 20,562 | \$ 16,781 | \$ 3,781 | \$ 487,493 | \$ 137,743 | \$ 349,750 |
| FUND BALANCES | | | | | | |
| Beginning of year | 38,341 | 38,341 | - | 38,341 | 38,341 | - |
| End of year | \$127,814 | \$111,801 | \$16,013 | \$ 86,214 | \$ 194,854 | \$ 68,640 |

The accompanying notes are an integral part of this statement.

**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES**

Cajon Area Agency on Aging, Inc.
Indioville, Louisiana
Year Ended June 30, 1997 and 1996

| | GENERAL | SPECIAL REVENUE | TOTALS | |
|--|------------------|---------------------|---------------------|---------------------|
| | | | — 1997 | — 1996 |
| REVENUE | | | | |
| Intergovernmental | \$ - | \$ 286,793 | \$ 286,793 | \$ 286,793 |
| Microdonations | 13,832 | 80,115 | 93,947 | 94,153 |
| Total Revenue | \$ 13,832 | \$ 286,908 | \$ 300,740 | \$ 280,946 |
| EXPENDITURES | | | | |
| Salaries | \$ - | \$ 119,544 | \$ 119,544 | \$ 119,483 |
| Fringe | - | 27,543 | 27,543 | 28,257 |
| Travel | - | 7,048 | 7,048 | 8,421 |
| Operating services | - | 48,068 | 48,068 | 47,828 |
| Operating supplies | - | 2,374 | 2,374 | 2,564 |
| Meals | - | 3,514,822 | 3,514,822 | 3,485,788 |
| Other costs | 78 | 8,883 | 8,961 | 7,780 |
| Capital outlay | 649 | 2,780 | 3,429 | 8,881 |
| Sub-subsidiaries | - | 3,678,332 | 3,678,332 | 3,722,289 |
| Total expenditures | \$ 627 | \$ 3,715,224 | \$ 3,715,224 | \$ 3,722,213 |
| EXCESS DEFICIENCY OF REVENUE OVER EXPENDITURES | \$ 13,205 | \$ -52,316 | \$ 115,526 | \$ -41,267 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in | \$ - | \$ 388,847 | \$ 388,847 | \$ 478,543 |
| Operating transfers out | (1844) | (134,313) | (136,157) | (177,543) |
| Total other sources (uses) | \$ (1844) | \$ 254,534 | \$ 252,690 | \$ 301,000 |
| EXCESS DEFICIENCY OF REVENUE AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES | \$ 11,361 | \$ 74,244 | \$ 168,376 | \$ 11,766 |
| FUND BALANCE | | | | |
| Beginning of year | 88,147 | 88,680 | 176,827 | 184,350 |
| Adjustments | - | - | - | - |
| End of year | \$ 88,147 | \$ 88,680 | \$ 176,827 | \$ 184,350 |

The accompanying notes are an integral part of this statement.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

Gujar Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1997 and 1996

| | <u>GENERAL</u> | | <u>ACCOUNT GROUP</u> | | <u>TOTAL</u> | |
|--|-------------------|----------------|----------------------|------------------|------------------------|-------------|
| | <u>FUND TYPES</u> | | <u>GENERAL</u> | <u>GENERAL</u> | <u>MEMORANDUM ONLY</u> | |
| | <u>GENERAL</u> | <u>SPECIAL</u> | <u>FUND</u> | <u>LONG-TERM</u> | <u>1997</u> | <u>1996</u> |
| ASSETS AND OTHER DEBITS | | | | | | |
| ASSETS | | | | | | |
| Cash | \$248,787 | \$ - | \$ - | \$ - | \$248,787 | \$184,377 |
| Accounts receivable | 124,561 | - | - | - | 124,561 | 277,800 |
| Prepaid expenses | 2,277 | - | - | - | 2,277 | 2,274 |
| Interfund receivables | - | 194,804 | - | - | 194,804 | 80,590 |
| Fixed assets | - | - | 48,356 | - | 48,356 | 97,410 |
| OTHER DEBITS | | | | | | |
| Amount to be provided for retirement of general long-term debt | - | - | - | 8,488 | 8,488 | 8,488 |
| Total assets and other debits | \$406,035 | \$194,804 | \$48,356 | \$8,488 | \$645,735 | \$668,079 |
| LIABILITIES, FUND EQUITY AND OTHER CREDITS | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 58,314 | \$ - | \$ - | \$ - | \$ 58,314 | \$121,887 |
| Unearned payables | 174,864 | - | - | - | 174,864 | 84,530 |
| Accumulated compensated absences | - | - | - | 8,488 | 8,488 | 8,187 |
| Total liabilities | \$233,178 | \$ - | \$ - | \$8,488 | \$241,666 | \$214,604 |
| FUND EQUITY AND OTHER CREDITS | | | | | | |
| FUND EQUITY | | | | | | |
| Fund Balances | | \$491,218 | \$ - | \$ - | \$491,218 | \$ 98,560 |
| Retained | \$ - | \$491,218 | \$ - | \$ - | \$491,218 | \$ 98,560 |
| Unreserved | \$111,800 | \$13,044 | \$ - | \$ - | \$124,844 | \$ 98,157 |
| Total fund balances | \$111,800 | \$194,804 | \$ - | \$ - | \$306,604 | \$196,717 |
| OTHER CREDITS | | | | | | |
| Amounts in general fund assets | - | - | 48,356 | - | 48,356 | 97,410 |
| Total fund equity and other credits | \$111,800 | \$194,804 | \$48,356 | \$ - | \$363,010 | \$294,127 |
| Total liabilities, fund equity and other credits | \$406,035 | \$194,804 | \$48,356 | \$8,488 | \$645,735 | \$668,079 |

The accompanying notes are an integral part of this statement.

analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



Melvyn D. Brauckman
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 11030 Alexandria, LA 71315

October 3, 1987

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana

I have audited the accompanying general purpose financial statements of the Cajun Area Agency on Aging, Inc., as of June 30, 1987, and for the year then ended. These general purpose financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Cajun Area Agency on Aging, Inc., as of June 30, 1987, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements of the Cajun Area Agency on Aging, Inc. taken as a whole. The accompanying combining, and account group financial statements and schedules listed in the table of contents are presented for purposes of additional

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CAJON AREA AGENCY ON AGING, INC.
LAFAYETTE, LOUISIANA

ANNUAL REPORT OF ALL FUNDS
YEAR ENDED
JUNE 30, 1987

NOLAN D. KRAUSHAM
CERTIFIED PUBLIC ACCOUNTANT
ALEXANDRIA, LOUISIANA

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

Release Date NOV 26 1987

SCHEDULE 1

| TITLE 110-0 10-MONTH SERVICE | PROGNOST CODE | AMOUNT | DEBIT | EXPENSE MAJOR | MISC. GRANT | TITLE 111-T | TOTALS |
|------------------------------------|------------------|---------------|-------------------|------------------|----------------|----------------|--------------------|
| 228,824 | 0 - | \$10,543 | \$ 448,287 | 0 - | \$28,000 | \$20,600 | \$3,086,293 |
| - | 11,378 | 11,378 | - | 13,326 | - | - | 60,175 |
| <u>228,824</u> | <u>11,378</u> | <u>20,921</u> | <u>\$ 448,287</u> | <u>13,326</u> | <u>28,000</u> | <u>20,600</u> | <u>\$3,146,468</u> |
| 0 - | 0 - | 0 - | 0 - | \$ 1,455 | 0 - | 0 - | \$ 128,046 |
| - | - | - | - | 328 | - | - | 27,041 |
| - | - | - | - | 1,489 | - | - | 7,058 |
| - | - | 20,000 | - | 482 | - | - | 64,058 |
| - | - | - | - | 380 | - | - | 2,374 |
| - | - | - | - | - | - | - | 1,214,857 |
| - | - | - | - | - | - | - | 8,950 |
| 79,814 | 10,814 | - | - | - | 28,000 | 20,600 | 1,679,127 |
| <u>228,824</u> | <u>11,378</u> | <u>20,921</u> | <u>0 -</u> | <u>13,326</u> | <u>28,000</u> | <u>20,600</u> | <u>\$3,175,214</u> |
| 0 - | 0 - | 0 - | \$ 476,217 | 123,814 | 0 - | 0 - | \$ 60,210 |
| 0 - | 0 - | 0 - | 0 - | 0 - | 0 - | 0 - | \$ 245,287 |
| - | - | - | <u>1254,113</u> | - | - | - | <u>1288,213</u> |
| 0 - | 0 - | 0 - | \$1254,113 | 0 - | 0 - | 0 - | \$ 914 |
| 0 - | \$ 376 | 0 - | \$ 80,244 | \$13,844 | 0 - | 0 - | \$ 94,088 |
| - | - | - | 98,888 | - | - | - | 98,888 |
| 0 - | \$ 376 | 0 - | \$ 188,834 | \$13,844 | 0 - | 0 - | \$ 204,854 |

SCHEDULE OF PAYMENTS TO NON-RESIDENTS

Cajon Area Agency on Aging, Inc.
 Lafayette, Louisiana
 Year Ended June 30, 1987

| | TITLE 112-B CONTRIBUTION | TITLE 111 C-1 | TITLE 111 C-2 | TITLE 111-B REPORT SERVICES | OTHER COSTS |
|---|--------------------------------|------------------|------------------|--------------------------------------|------------------|
| Madia Parish Council on Aging | \$ 4,742 | \$ 48,801 | \$ 48,807 | \$ 78,904 | \$ 41,342 |
| Stamphill Parish Council on Aging | 4,815 | 38,238 | 38,238 | 78,938 | 28,862 |
| Starr Parish Council on Aging | 5,378 | 38,868 | 35,387 | 63,960 | 48,438 |
| Lafayette Parish Council on Aging | 12,038 | 51,871 | 24,861 | 118,807 | 87,338 |
| St. Landry Parish Council on Aging | 7,788 | 47,877 | 32,860 | 78,380 | 108,888 |
| St. Martin Parish Council on Aging | 2,890 | 23,288 | 18,455 | 68,257 | 28,214 |
| St. Mary Parish Council on Aging | 2,882 | 23,288 | 18,488 | 68,241 | 28,288 |
| Winnifree Parish Council on Aging N.C.E.S. | 4,824 | 29,543 | 2,824 | 128,258 | 62,278 |
| | | | | 38,472 | |
| | <u>\$48,182</u> | <u>\$228,098</u> | <u>\$228,238</u> | <u>\$673,840</u> | <u>\$342,482</u> |

SCHEDULE 3

| <u>TITLE III-D</u> <u>24-HOUR</u> <u>RESOURCES</u> | <u>PROJECT</u> <u>CODE</u> | <u>RISC</u> <u>GRANT</u> | <u>TITLE</u> <u>III-D</u> | <u>TOTALS</u> |
|--|-------------------------------|-----------------------------|------------------------------|-------------------|
| \$ 3,314 | \$ 1,755 | \$ 4,000 | \$ 3,500 | \$ 344,800 |
| 3,900 | - | 4,500 | 3,904 | 389,803 |
| 3,144 | 1,383 | 4,500 | 3,288 | 380,104 |
| 3,275 | 2,863 | 4,500 | 5,043 | 374,350 |
| 3,884 | 2,250 | 4,500 | 5,589 | 337,618 |
| 3,884 | 878 | 4,500 | 3,954 | 341,384 |
| 3,500 | - | 4,500 | 3,500 | 344,384 |
| 3,884 | 1,857 | 4,500 | 5,331 | 307,742 |
| - | - | - | - | 38,443 |
| <u>137,911</u> | <u>119,834</u> | <u>185,500</u> | <u>130,606</u> | <u>11,478,132</u> |

STATEMENT OF REVENUES - DEBIT AND ACTING

SCHEDULE 3

Cajon Area Agency on Aging, Inc.
Indipolis, Louisiana
Year Ended June 30, 1999

| | REVENUE EXERCISES | ACTUAL EXERCISES | VARIANCE PAYABLE COMPARABLE |
|--|----------------------|---------------------|-----------------------------------|
| GENERAL FUND | | | |
| Other Costs | \$ 14 | \$ 70 | \$ (56) |
| Capital outlay | 800 | 800 | - |
| Transfers | 714 | 754 | - |
| Total | \$ 1,528 | \$ 1,624 | \$ (96) |
| TITLE III-B ADMINISTRATION | | | |
| Balance | \$ 108,487 | \$ 200,543 | \$ (92) |
| Prize | 24,000 | 24,500 | 0 |
| Travel | 3,307 | 3,570 | (263) |
| Operating services | 38,441 | 21,000 | 17,441 |
| Operating supplies | 2,000 | 2,570 | (570) |
| Other costs | 2,188 | 6,700 | (4,512) |
| Capital outlay | 3,350 | 3,750 | - |
| TOTAL | \$ 178,773 | \$ 278,133 | \$ (99) |
| TITLE III-C SERVICES | | | |
| Balance | \$ 12,300 | \$ 12,300 | \$ - |
| Prize | 2,000 | 2,000 | 1 |
| Travel | 1,814 | 1,800 | 140 |
| Operating services | 4,200 | 6,200 | (200) |
| Operating supplies | 640 | 600 | 40 |
| Other costs | 0 | 0 | - |
| Sub-recipients | 80,100 | 48,300 | - |
| Capital outlay | - | - | - |
| Total | \$ 90,100 | \$ 70,200 | \$ (200) |
| TITLE III-D-1 | | | |
| Other costs | \$ 217,001 | \$ 217,000 | \$ (1) |
| Sub-recipients | 228,000 | 228,000 | - |
| Total | \$ 445,001 | \$ 445,000 | \$ (1) |
| TITLE III-D-2 | | | |
| Other costs | \$ 982,807 | \$ 988,800 | \$ (5,993) |
| Sub-recipients | 228,200 | 228,200 | - |
| TOTAL | \$ 1,211,007 | \$ 1,217,000 | \$ (5,993) |
| TITLE III-E SUPPORTIVE SERVICES | | | |
| Sub-recipients | \$ 873,048 | \$ 873,048 | \$ - |
| TOTAL | \$ 873,048 | \$ 873,048 | \$ - |

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Waters Area Agency on Aging, Inc.
Lafayette, Louisiana
Year Ended June 30, 1969

| | BUDGETED EXPENDITURES | ACTUAL EXPENDITURES | BALANCE FORWARDING (UNRECORDED) |
|-------------------------------------|--------------------------|------------------------|---------------------------------------|
| SENIOR CENTERS | | | |
| Sub-recipients | \$ 362,400 | \$ 362,400 | \$ - |
| Total | \$ 362,400 | \$ 362,400 | \$ - |
| TITLE III-B IS-OWEB SERVICES | | | |
| Sub-recipients | \$ 18,912 | \$ 18,912 | \$ - |
| Total | \$ 18,912 | \$ 18,912 | \$ - |
| PROJECT CARE | | | |
| Sub-recipients | \$ 18,804 | \$ 18,804 | \$ - |
| Total | \$ 18,804 | \$ 18,804 | \$ - |
| MULTI AGENCY | | | |
| Operating services | \$ 38,380 | \$ 38,380 | \$ - |
| Total | \$ 38,380 | \$ 38,380 | \$ - |
| GRS | | | |
| Transfers to Title III B-1 | \$ 82,800 | \$ 82,800 | \$ (144) |
| Transfers to Title III B-2 | 388,800 | 388,800 | 18,872 |
| Total | \$ 471,600 | \$ 471,600 | \$ 18,728 |
| BLINDLY SALES | | | |
| Salaries | \$ 1,800 | \$ 1,800 | \$ - |
| Fringe | 120 | 200 | - |
| Travel | 1,200 | 1,490 | (210) |
| Operating services | 400 | 400 | 150 |
| Operating supplies | 120 | 200 | 130 |
| Total | \$ 3,700 | \$ 3,800 | \$ (10) |

SCHEDULE J
(Continued)

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Cajon Area Agency on Aging, Inc.
LaFayette, Louisiana
Year ended June 30, 1997

| | BUDGETED EXPENDITURES | ACTUAL EXPENDITURES | VARIANCE FAVORABLE UNFAVORABLE |
|----------------------|--------------------------|------------------------|--------------------------------------|
| MISCELLANEOUS | | | |
| Sub-recipients | \$ 38,000 | \$ 38,000 | \$ - |
| Total | \$ 38,000 | \$ 38,000 | \$ - |
| TITLE III-F | | | |
| Sub-recipients | \$ 38,000 | \$ 38,000 | \$ - |
| Total | \$ 38,000 | \$ 38,000 | \$ - |

SCHEDULE 4

COMPENSATION TO BOARD MEMBERS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
Year Ended June 30, 1997

During the year covered by my examination, the only payments made to or on behalf of board members were travel expenses incurred on Agency business.

| | | |
|--------------------|----|-------------------|
| John Lambousy | \$ | 54.00 |
| Verna Guillory | | 74.00 |
| Verna Fortsonot | | 78.44 |
| Lacy Dupluchain | | 58.24 |
| Dale Leger | | 40.56 |
| Mark Piazza | | 21.92 |
| Edward Newstead | | 81.44 |
| William Minchester | | 36.41 |
| Clarence Kemper | | 118.00 |
| Dudley Hebert | | 173.18 |
| Eric Martin | | 30.48 |
| Elta Brow | | 15.40 |
| David Landry | | 72.80 |
| Jean Michel | | 210.76 |
| Louie Pavear | | 55.20 |
| | | <u>\$1,154.81</u> |

QUESTIONED COSTS

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
Year Ended June 30, 1987

During the year covered by my examination there were no questioned costs.

SCHEDULE OF FINDINGS, RECOMMENDATIONS AND
CORRECTIVE ACTION - CURRENT YEAR

Cajin Area Agency on Aging, Inc.
Lafayette, Louisiana
Year ended June 30, 1997

BUDGET VARIANCES:

FINDING: Three individual funds (General Fund, Title III-B Administration, and Elderly Waiver) had actual expenditures that exceeded budgeted amounts by more than five percent.

EFFECT: State law requires that a 5% unfavorable variance for revenues, expenditures or fund balances be amended through the budget process.

RECOMMENDATION: The Agency should review all funds for unusual expenditures, reimbursements and/or transfers to ensure compliance.

SCHEDULE OF FINDINGS, RECOMMENDATIONS AND
CORRECTIVE ACTION - PRIOR YEAR

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
Year Ended June 30, 1997

BUDGET VARIANCE:

FINDING: Two individual funds had actual expenditures that exceeded budgeted amounts by more than five percent.

CORRECTIVE ACTION:

The Agency continues to review all funds for unusual expenditures, reimbursements and/or transfers to ensure compliance.

EXIT CONFERENCE

Cajon Area Agency on Aging, Inc.
Lafayette, Louisiana
Year Ended June 30, 1997

An exit conference was held with the Finance Committee on October 14, 1997. The following representatives were present:

| | |
|-------------------------|--------------------------|
| Bradley Hobert | Chairman |
| Clarence Kasper | Vice-Chairman |
| Jean Michel | Secretary/Treasurer |
| Millien Winchester | Board Member |
| Sharon Brownard | Executive Director |
| Jennifer S. Clowds, CPA | Roland S. Krauscher, CPA |

NOTES TO FINANCIAL STATEMENTS

Cajun Area Agency on Aging, Inc.
Lafayette, Louisiana
June 30, 1987
(continued)

Project Care Fund

The Project Care Fund is used to account for the administration of a program that is sponsored by Gulf States Utilities. Gulf States Utilities collects contributions from service customers and remits these funds to the Agency. The Agency in turn "passes through" these funds to the individual councils on aging.

Audit Fund

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 Agency's financial statements.

U.S.D.A. Fund

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 Agency. This program reimburses the service provider on a per unit basis for each congregata and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

Elderly Nalver Fund

The Elderly Nalver Fund is funded under an agreement with the Louisiana Department of Health and Hospitals. The Elderly Nalver Program provides for case management and home care for the elderly.

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Cajon Area Agency on Aging, Inc.
 Lafayette, Louisiana
 Year Ended June 30, 1997

| FEDERAL GRANTOR/HEAD TITLE Division/Program Title | FEDERAL PROGRAM TYPE OR AMOUNT | | REVENUE RECORDED | EXPENDITURES |
|--|-----------------------------------|-----------|---------------------|--------------|
| | FINANCIAL | AMOUNT | | |
| Department of Health & Human Services | | | | |
| Funded through Louisiana Governor's Office of Elderly Affairs | | | | |
| Special Programs for the Aging | | | | |
| Title III-B (Area Agency Administration) | \$3,844 | \$125,707 | \$125,707 | \$125,707 |
| * Title III-B (Supportive Services) | \$3,844 | 475,848 | 475,848 | 475,848 |
| * Title III-B (Adultsday) | \$3,844 | 59,574 | 59,574 | 59,554 |
| * Title III C-1 (Homecare Meals) | \$3,844 | 445,832 | 445,832 | 445,922 |
| * Title III C-2 (Home Delivered Meals) | \$3,844 | 287,481 | 287,481 | 287,481 |
| Title III-B (In-Home Services) | \$3,844 | 16,924 | 16,924 | 16,924 |
| Title III-F (Adult Elderly) | \$3,844 | 30,514 | 30,504 | 30,486 |
| Department of Agriculture | | | | |
| Funded through Louisiana Governor's Office of Elderly Affairs | | | | |
| * OREA - Cash in lieu of commodities | 10,570 | 502,000 | 502,000 | 502,000 |

* Denotes major programs