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**SENIOR CITIZENS OUTREACH ENTITY, INC.
(A NONPROFIT ORGANIZATION)**

**Independent Accountants' Compilation Report
and Accompanying Financial Statements
(Unaudited)
December 31, 1999**

Agreed-Upon Procedures Report

Under provisions of state law, this report is a public document. A copy of this report shall be made available to the public upon request. The report is available to the public upon request at the office of the Auditor General, or at the office of the Auditor General, where appropriate, at the office of the parish clerk of court.

Release Date 8-30-00

LITTLE & BANKS L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

SENIOR CITIZENS OUTREACH ENTITY, INC.
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS
December 31, 1999

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ACCOUNTANTS' COMPILATION REPORT
AND FINANCIAL STATEMENTS

LITTLE & BANKS LLC

CERTIFIED PUBLIC ACCOUNTANTS

2211 N. 7th, Suite 200 West Monroe, Louisiana 71291
Phone (318) 361-9600 Fax (318) 361-9620

Wm. TODD LITTLE, CPA
KERRY J. BANKS, CPA
CHARLES R. MARCHBANKS, JR., CPA

MAILING ADDRESS
P. O. BOX 1435
WEST MONROE, LA 71294-1435

Independent Accountants' Compilation Report

To The Board of Directors
Senior Citizens Outreach Entity, Inc.
Monroe, Louisiana

We have compiled the accompanying statement of financial condition of Senior Citizens Outreach Entity, Inc. (a Nonprofit Organization) as of December 31, 1999, and the related statements of activities, functional expenses, and cash flows for the year then ended, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Little & Banks LLC

West Monroe, Louisiana
June 19, 2000

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 1999

Assets	
Cash	\$ 22,995
Account Receivable	6,250
Property and Equipment:	
Furniture and Equipment	7,649
Leasehold Improvements	51,420
Total	<u>59,069</u>
Less Accumulated Depreciation	27,697
Net Property and Equipment	<u>31,372</u>
 Total Assets	 \$ <u><u>60,617</u></u>
 Liabilities	
Accounts Payable	\$ 4,284
Payroll Taxes Payable	<u>1,317</u>
 Total Liabilities	 5,601
 Net Assets	
Unrestricted	<u>55,016</u>
 Total Liabilities and Net Assets	 \$ <u><u>60,617</u></u>

See accompanying accountants' compilation report and notes to the financial statements.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Contracts:			
State of Louisiana Governor's Office of Elderly Affairs	\$ 75,000	\$ -	\$ 75,000
Grants:			
Hampto, Inc.	40,967	-	40,967
Donated Use of Facility	36,000	-	36,000
Contributions	100	-	100
Interest Income	219	-	219
Total Support and Revenue	<u>152,286</u>	<u>-</u>	<u>152,286</u>
Expenses			
Programs	100,365	-	100,365
Supporting Services: Management and General	<u>55,960</u>	<u>-</u>	<u>55,960</u>
Total Expenses	<u>156,325</u>	<u>-</u>	<u>156,325</u>
Change in Net Assets	(4,039)	-	(4,039)
Net Assets at Beginning of Year	<u>59,055</u>	<u>-</u>	<u>59,055</u>
Net Assets at End of Year	<u>\$ 55,016</u>	<u>\$ -</u>	<u>\$ 55,016</u>

See accompanying accountants' compilation report and notes to the financial statements.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 1999

	Program Services	Supporting Services Management and General	Total
Advertising	\$ -	\$ 407	\$ 407
Alarm System		749	749
Bank Charges	-	159	159
Contract Services	2,120	3,737	5,857
Depreciation	-	11,814	11,814
Donated Use of Facility	32,400	3,600	36,000
Insurance	-	686	686
Meals	28,351	773	29,124
Office Expense	-	1,770	1,770
Office Supplies	-	1,837	1,837
Other Expenses	1,973	113	2,086
Other Taxes, Licenses, and Permits	-	505	505
Payroll	18,531	10,789	29,320
Postage	-	492	492
Professional Fees	-	2,555	2,555
Other Program Expenses	903	-	903
Repairs and Maintenance	-	4,861	4,861
Supplies	-	2,133	2,133
Taxes - Payroll	3,128	1,837	4,965
Telephone Expense	-	2,503	2,503
Transportation	12,538		12,538
Utilities-Water, Gas, Electric, Cable	421	4,640	5,061
	<u>\$ 100,365</u>	<u>\$ 55,960</u>	<u>\$ 156,325</u>

See accompanying accountants' compilation report and notes to the financial statements.

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 1999

Operating Activities	
Change in Net Assets	\$ (4,039)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	11,814
(Increase) Decrease in Account Receivable	6,250
Increase (Decrease) in Accounts Payable	4,284
Increase (Decrease) in Payroll Taxes Payable	(1,525)
Net Cash Provided By Operating Activities	<u>16,784</u>
Investing Activities	-
Financing Activities	<u>-</u>
Net Increase in Cash and Cash Equivalents	16,784
Cash and Cash Equivalents at Beginning of Year	<u>6,211</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>22,995</u></u>

Disclosure of Accounting Policy

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

See accompanying accountants' compilation report and notes to the financial statements.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Senior Citizens Outreach Entity, Inc. (the Organization) is a not-for-profit organization established to enhance the quality of life for senior citizens as it relates to education, health care, economic development and recreational activities. The Organization, which was founded in 1997, provides services to senior citizens residing primarily in the Richwood, Louisiana area.

BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles.

FINANCIAL STATEMENT PRESENTATION

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements for Not-for-Profit Organizations*, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. These three classes of net assets are described as follows:

Unrestricted Net Assets – consists of assets, public support, and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets – includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the organization.

Permanently Restricted Assets – includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the organization to expend all or part of the income derived from the donated assets.

PERVASIVENESS OF ESTIMATES

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

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

CASH AND OTHER DEPOSITS

At December 31, 1999, the Organization maintains two cash accounts at Horizons Bank. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to \$100,000.

PROPERTY, EQUIPMENT, AND DEPRECIATION

Furniture and equipment acquired by the organization and leasehold improvements made by the organization are recorded at cost. Property and equipment donated to the organization are recorded at fair value. Property and equipment purchased or donated with a cost or value exceeding \$250 and having a useful life of more than one year are capitalized. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities.

SUPPORT AND REVENUE RESTRICTIONS

The Organization reports support and revenue that is restricted by the donor as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When the restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

EXPENSE ALLOCATION

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and the supporting services benefited.

INCOME TAX STATUS

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and is classified as other than a private foundation.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 2 - REVENUE AND SUPPORT

The Organization's primary source of support and revenue for the programs and the administration of the Organization are through grants received from the State of Louisiana Governor's Office of Elderly Affairs (Office of Elderly Affairs) and Hampco, Inc., a not-for-profit organization.

NOTE 3 - DONATED USE OF FACILITY

The organization performs administrative functions and provides the majority of its programs in a facility, the use of which is donated by Hampco, Inc. Hampco, Inc. leases the facility from Pleasant Green Baptist Church, Inc. The annual lease amount under such lease agreement is \$36,000.

NOTE 4 - PROGRAM EXPENDITURES

The Organization operates several programs designed to satisfy the needs of senior citizens in Richwood, Louisiana.

The programs operated by the Organization are described as follows:

Meals on Wheels - The program provides food for those senior citizens who are unable to provide a healthy diet for themselves. Meals are served on-site and at the homes of sick and shut-in individuals, who are unable to come on-site to participate in the program.

Transportation - The program is designed to ensure that senior citizens participating in the program can have a safe reliable means of transportation to various civic organizations, to pay bills, to and from the organization's on-site location, to and from medical appointments, and for various other activities.

Recreational and Educational Activities - The program includes, but is not limited to, on site resource presenters who inform the seniors citizens about health concerns affecting the elderly. Volunteers oversee survival skill activities such as grocery shopping, visits to the doctor, and paying bills. Also, various recreational activities, which include crafts and other interests, are provided on-site in order to promote social grouping, individual activities and day to day interaction in a safe and accommodating environment.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 5 - OPERATING LEASE

In 1998, the Organization entered into a lease agreement with St. James Missionary Baptist Church. In accordance with the terms of the lease agreement, the church leases the use of a van to the Organization for \$400 per month. The total amount paid under this lease during the year ended December 31, 1999, was \$4,822.

NOTE 6 - ADVERTISING

The Organization incurred advertising costs of \$407 for the year ended December 31, 1999. These costs are expensed as incurred.

NOTE 7 - FINANCIAL INSTRUMENTS

COLLATERALIZATION POLICY

The Organization does not require collateral to support financial instruments subject to credit risk.

CONCENTRATIONS

The Organization's primary source of current funding is through a grant received from the Office of Elderly Affairs. The grant agreement expires on June 30, 2000; however, it is anticipated that the Organization will receive a new grant through the Office of Elderly Affairs. Such grant will be for the period July 1, 2000, through June 30, 2001.

AGREED-UPON PROCEDURES REPORT

LITTLE & BANKS LLC
CERTIFIED PUBLIC ACCOUNTANTS
2211 N. 7th, Suite 200 West Monroe, Louisiana 71291
Phone (318) 361-9600 Fax (318) 361-9620

Wm. TODD LITTLE, CPA
KERRY J. BANKS, CPA
CHARLES R. MARCHBANKS, JR., CPA

MAILING ADDRESS
P. O. BOX 1435
WEST MONROE, LA 71294-1435

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To The Board of Directors
Senior Citizens Outreach Entity, Inc.

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the Board of Directors of Senior Citizens Outreach Entity, Inc., the Legislative Auditor State of Louisiana, and the Ouachita Council on Aging, Inc. solely to assist the users in evaluating management's assertions about Senior Citizens Outreach Entity, Inc.'s compliance with certain laws and regulations during the period ended December 31, 1999, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year. The only awards that were received were from the State of Louisiana.
2. For the state award, we randomly selected six disbursements during the period under examination.
3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

All six payments were properly coded to the correct general ledger account.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval for proper authorities.

Inspection of documentation for each of the six selected disbursements indicated approvals from the executive director and two members of the Board of Directors for each transaction.

6. For the items selected in procedure 2, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. All disbursement complied with the allowability requirements because the service rendered met the goals of the program.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements. All disbursements complied with the eligibility requirements because all disbursement were within program guidelines.

Reporting

We reviewed the previously listed disbursements for reporting requirements. Monthly financial reports were not submitted in accordance with the Organization's contract with Ouachita Council On Aging, Inc. Therefore, we could not trace disbursements to any reporting documentation.

Meetings

7. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Senior Citizens Outreach Entity, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the Senior Citizens Outreach Entity, Inc.'s office building. Management was not aware of this requirement; therefore, we could find no evidence supporting the Organization's compliance with the open meeting laws.

Comprehensive Budget

8. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Senior Citizens Outreach Entity, Inc. provided a comprehensive budget to the Ouachita Council on Aging, Inc. for the programs mentioned previously.

Prior Comments and Recommendations

9. We did not perform any procedure in relation to prior period comments or recommendations because this is the first year the agreed-upon procedures engagement was performed.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Senior Citizens Outreach Entity, Inc., the Legislative Auditor (State of Louisiana), and the the Ouachita Council on Aging, Inc. and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Little + Banks LLC

Little & Banks, LLC
June 23, 2000

Senior Citizen Outreach Entity, Inc.
5125 Brown Road
Richwood, LA 71202
318-398-0770

Board of Directors

Ms. Alberta Dawson - President
Mr. Carl Robinson - Vice President
Mrs. Bernice Hester - Secretary
Mrs. Emma Jackson Jordan - Treasurer
Mrs. Thelma Williams - Parliamentarian
Mr. Ethel Belt
Mrs. Rosa Fields
Mrs. Zinnic Harris
Mrs. Mildred Washington
Mr. Murray Williams

June 28, 2000

RE: Plan of Corrective Action

The following is our plan of corrective action relative to the finds, which resulted from the Agree-Upon Procedures engagement performed by Little & Banks, LLC:

Reporting

In accordance with our contract with the Ouachita Council on Aging, we are required to submit monthly financial statements in a timely manner. Although we have not complied with the preceding requirement in the past, the Organization will begin submitting monthly financial statements to the Ouachita Council on Aging in a timely manner.

Meetings

In accordance with the requirements of LSA-RS 42:1 through 42:12 (Open Meeting Law) the Organization is required to give written notice of every meeting at least twenty-four hours in advance. Although, the Organization has failed to comply with this policy in the past, we will begin posting a copy of a notice or an agenda of upcoming meetings on the door of the facility at least twenty-four hours prior to an upcoming meeting.

Approved By:

Alberta Dawson

Name

President

Title

6/29/00

Date

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LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

May 26, 2000

Little & Banks, LLC
2211 N. 7th, Suite 200
West Monroe, LA 71294 (Auditors)

In connection with your compilation of our financial statements as of December 31, 1999 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of May 22, 2000.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

N/A Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [x] No []

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

N/A [X] Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

<u>Bernice Hester</u>	Secretary	<u>5-26-00</u>	Date
<u>Robert J. Gault</u>	Treasurer	<u>5-26-00</u>	Date
<u>Alberta Dawson</u>	President	<u>5/26/00</u>	Date