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GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

**FINANCIAL STATEMENTS
AND
AUDITORS' REPORTS**

June 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other responsible 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 **DEC 29 1999**

GRANT COUNCIL ON AGING, INC.
COLFAX, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

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GRANT COUNCIL ON AGING, INC.
COLFAX, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

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MEMBER
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CERTIFIED PUBLIC ACCOUNTANTS



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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Grant Council on Aging, Inc.
Colfax, Louisiana

We have audited the accompanying general purpose financial statements of Grant Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 1999. These general purpose financial statements are the responsibility of the **Council's** management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Grant Council on Aging, Inc., as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 1999, on our consideration of the **Council's** internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Grant Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Dayat, Ball & Debevec, APC

Certified Public Accountants

October 6, 1999

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1999
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1998

	<u>Governmental Fund Types</u>		<u>Account Group</u>		<u>Totals</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>(Memorandum Only)</u>	
					<u>1999</u>	<u>1998</u>
ASSETS						
Cash	\$ 54,628				\$ 54,628	\$ 49,703
Accounts receivable						
Cenla Area Agency on Aging, Inc.		\$ 11,989			11,989	12,699
Department of Health and Hospitals	266				266	420
Prepaid insurance						
Meter deposit		75			75	75
Due from Special Revenue Fund	7,758				7,758	4,071
General fixed assets			\$ 17,685		17,685	25,400
OTHER DEBITS:						
Amount to be provided for retirement of long term debt				\$ 7,696	7,696	8,934
Total Assets	<u>\$ 62,652</u>	<u>\$ 12,064</u>	<u>\$ 17,685</u>	<u>\$ 7,696</u>	<u>\$ 100,097</u>	<u>\$ 101,302</u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS						
LIABILITIES:						
Accounts payable		\$ 1,309			\$ 1,309	\$ 1,529
Payroll withholding payable						112
Due to General Fund		7,758			7,758	4,071
Compensated absences payable				\$ 7,696	7,696	8,934
Total Liabilities	-0-	9,067	-0-	7,696	16,763	14,646
FUND EQUITY AND OTHER CREDITS:						
Investment in General Fixed Assets			\$ 17,685		17,685	25,400
Fund balances						
Reserved for Utility Assistance		2,997			2,997	7,173
Unreserved - Undesignated	\$ 62,652				62,652	54,083
Total Fund Equity and Other Credits	<u>62,652</u>	<u>2,997</u>	<u>17,685</u>	<u>-0-</u>	<u>83,334</u>	<u>86,656</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 62,652</u>	<u>\$ 12,064</u>	<u>\$ 17,685</u>	<u>\$ 7,696</u>	<u>\$ 100,097</u>	<u>\$ 101,302</u>

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**
For the Year Ended June 30, 1999
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>1999</u>	<u>1998</u>
Revenues				
Intergovernmental				
Cenla Area Agency on Aging, Inc.		\$ 144,271	\$ 144,271	\$ 157,292
Office of Elderly Affairs	\$ 21,779		21,779	11,779
Office of Urban Affairs				
Department of Health and Hospitals	1,792		1,792	1,694
United Way		2,318	2,318	4,884
Program income		16,306	16,306	17,176
Public support		4,918	4,918	10,675
Interest income	<u>29</u>	<u>87</u>	<u>116</u>	<u>133</u>
Total revenues	<u>23,600</u>	<u>167,900</u>	<u>191,500</u>	<u>203,633</u>
Expenditures				
Current:				
Salaries	2,380	100,293	102,673	99,485
Fringe	323	10,353	10,676	10,632
Travel		22,070	22,070	19,620
Operating services	1,436	20,667	22,103	23,627
Operating supplies	83	6,569	6,652	6,719
Other costs	116	16,180	16,296	19,195
Meals		3,904	3,904	14,294
Capital outlay		<u>2,733</u>	<u>2,733</u>	<u>2,818</u>
Total expenditures	<u>4,338</u>	<u>182,769</u>	<u>187,107</u>	<u>201,390</u>
Excess (deficiency) of revenues over expenditures	19,262	(14,869)	4,393	2,243
Other financing sources (uses)				
Operating transfers in	13,791	61,626	75,417	84,219
Operating transfers out	<u>(24,484)</u>	<u>(50,933)</u>	<u>(75,417)</u>	<u>(84,219)</u>
Total other financing sources (uses)	(10,693)	10,693	-0-	-0-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	8,569	(4176)	4,393	2,243
Fund balance, beginning	<u>54,083</u>	<u>7,173</u>	<u>61,256</u>	<u>59,013</u>
Fund balance, ending	<u>\$ 62,652</u>	<u>\$ 2,997</u>	<u>\$ 65,649</u>	<u>\$ 61,256</u>

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Coffax, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
For the Year Ended June 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental	\$ 24,299	\$ 23,571	\$ (728)
Interest Income	<u> </u>	<u> 29</u>	<u> 29</u>
Total revenues	<u>24,299</u>	<u>23,600</u>	<u>(699)</u>
 EXPENDITURES			
Current:			
Salaries	2,327	2,380	(53)
Fringe	262	323	(61)
Travel	90		90
Operating services	300	1,436	(1,136)
Operating supplies	29	83	(54)
Other costs	<u> 47</u>	<u> 116</u>	<u> (69)</u>
Total expenditures	<u>3,055</u>	<u>4,338</u>	<u>(1,283)</u>
 Excess (deficiency) of revenues over expenditures	 21,244	 19,262	 (1,982)
 OTHER FINANCING SOURCES (USES)			
Operating transfers in	535	13,791	13,256
Operating transfers out	<u>(21,779)</u>	<u>(24,484)</u>	<u>(2,705)</u>
Total other financing sources (uses)	<u>(21,244)</u>	<u>(10,693)</u>	<u>10,551</u>
 Excess (deficiency) of revenues and other sources over expenditures and other uses	 -0-	 8,569	 <u>\$ 8,569</u>
 Fund balance, beginning	 <u>54,083</u>	 <u>54,083</u>	
 Fund balance, ending	 <u>\$ 54,083</u>	 <u>\$ 62,652</u>	

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
For the Year Ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 146,938	\$ 146,589	\$ (349)
Public support		4,918	4,918
Interest income		87	87
Program income	<u>11,725</u>	<u>16,306</u>	<u>4,581</u>
Total revenues	<u>158,663</u>	<u>167,900</u>	<u>9,237</u>
EXPENDITURES			
Current:			
Salaries	103,167	100,293	2,874
Fringe	11,558	10,353	1,205
Travel	25,647	22,070	3,577
Operating services	18,818	20,667	(1,849)
Operating supplies	8,721	6,569	2,152
Other costs	12,531	16,180	(3,649)
Meals		3,904	(3,904)
Capital outlay		<u>2,733</u>	<u>(2,733)</u>
Total expenditures	<u>180,442</u>	<u>182,769</u>	<u>(2,327)</u>
Excess (deficiency) of revenues over expenditures	(21,779)	(14,869)	6,910
OTHER FINANCING SOURCES (USES)			
Operating transfers in	54,680	61,626	6,946
Operating transfers out	<u>(32,901)</u>	<u>(50,933)</u>	<u>(18,032)</u>
Total other financing sources (uses)	<u>21,779</u>	<u>10,693</u>	<u>(11,086)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-0-	(4,176)	<u>\$ (4,176)</u>
Fund balance, beginning	<u>7,173</u>	<u>7,173</u>	
Fund balance, ending	<u>\$ 7,173</u>	<u>\$ 2,997</u>	

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Grant Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The **Council** also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the **Council** can use the money provided.

The **Council** is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the **Council** has presented its financial statements as a separate special-purpose government.

The primary function of Grant Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly of the parish. Such services include providing a location for meals, nutritional education, information and referral services, chore services, operating senior centers, and transportation. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the **Council**.

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

GRANT COUNCIL ON AGING, INC.
Collfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

B. Presentation of Statements: (continued)

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have 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 Louisiana Governmental Audit Guide.

C. Fund Accounting:

The accounts of the **Council** are organized on the basis of funds, 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, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are 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 one broad fund category (account group).

Governmental Fund Types

Governmental funds are used to account for all or most of the **Council's** general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

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

GRANT COUNCIL ON AGING, INC.
Collfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

C. Fund Accounting: (Continued)

General Fund

The General Fund is the general operating fund of the **Council**. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the **Council's** General Fund:

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded at "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

Medicaid

This is a program where the **Council** completes enrollment applications for people wanting to apply for Medicaid services. The **Council** is paid \$14 per application it completes by the Department of Health and Hospitals (DHH). Any funds remaining after applying direct costs to operate this program are available for discretionary use by management.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

C. Fund Accounting: (Continued)

General Fund (continued)

PCOA (Act 735)

PCOA (Act 735) funds are appropriated for the **Council** by the Louisiana Legislature and remitted to the **Council** via the Governor's Office of Elderly Affairs (GOEA). The council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

Special Revenue Funds

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. Most of the **Council's** special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount.

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

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services and outreach for people age 60 and older.

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 1998 to June 30, 1999, the **Council** served about 7,936 congregate meals.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

C. Fund Accounting: (Continued)

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 1998 to June 30, 1999, the **Council** served about 38,817 home delivered meals.

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-F Fund

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

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 to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount. 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. The **Council** operates 1 senior center in Grant Parish, Louisiana.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

C. Fund Accounting: (Continued)

Special Revenue Fund (continued)

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for additional funds to be used to supplement the primary contract for the Senior Centers. These funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Cenla Area Agency Aging, Inc. who funds the **Council**.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the **Council** or the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Grant Parish to the **Council**. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Account Groups

An account group is a financial reporting device designated 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 group is not a "fund".

General Fixed Assets

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

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

C. Fund Accounting: (Continued)

Special Revenue Fund (continued)

General Long Term Debt

General obligations of the **Council** are recorded in the General Long Term Debt Account Group. The only general obligation at June 30, 1999 was compensated absences.

D. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue 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.

E. Transfers:

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 classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

F. Budget Policy:

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

- The Cenla Area Agency on Aging, Inc. notifies the **Council** each year as to the funding levels for each program's grant award.
- The **Council** may also obtain grants from agencies other than GOFA and the **Council** considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Cenla Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the following year.
- The adopted budget is forwarded to the Cenla Area Agency on Aging, Inc. for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30). Occasionally, the **Council** will receive a special project grant which may operate on a period different from the **Council's** normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control policy.

GRANT COUNCIL ON AGING, INC.
Collfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

F. Budget Policy: (Continued)

- The **Council** may transfer funds between line items as often as required but must obtain prior approval from the Cenla Area Agency on Aging, Inc. for funds received under grants from GOFA.

- The **Council** is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

G. Total Columns of Combined Statements:

Total columns on the combined statements 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.

II. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

I. Comparative Data:

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

J. Restricted Assets:

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the **Council** (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

NOTE 2 REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (modified accrual basis). (Contracts do not allow the **Council** to recognize revenue until units of services are provided.)

Act 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

Public Support and Miscellaneous Revenues

The **Council** encourages and receives contributions from clients to help offset the costs of various programs. 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 revenue in the period received.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

NOTE 3 INCOME TAX STATUS

The **Council**, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

NOTE 4 FUND BALANCE - RESERVED

Fund balance - reserved - special revenue fund consists of amounts to be specifically used for utility assistance.

NOTE 5 CONTRACTS RECEIVABLE

Contracts receivable at June 30, 1999, consisted of the following:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
Senior Center	Special Revenue	Cenla AAA	\$ 1,580
Title III-B	Special Revenue	Cenla AAA	3,340
Title III C-1	Special Revenue	Cenla AAA	1,479
Title III C-2	Special Revenue	Cenla AAA	4,431
Title III D	Special Revenue	Cenla AAA	125
Title III F	Special Revenue	Cenla AAA	197
Supplemental Senior Center	Special Revenue	Cenla AAA	837
Medicaid	General	DHH	266
Total			<u>\$ 12,255</u>

NOTE 6 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>6/30/98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/99</u>
Furniture & equipment	\$ 25,400	\$ 2,733	\$ 10,448	\$ 17,685

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

NOTE 7 COMPENSATED ABSENCES

Annual leave is earned by employees at varying rates per pay period based on length of service. The amount of accumulated annual leave which can be carried forward at the end of the year is limited based on length of service up to 45 days.

NOTE 8 CASH IN BANK

The **Council** maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 1999, the balance of the **Council's** consolidated bank account was \$48,748. The related bank balance (collected deposits) at that date was \$51,463. The **Council** also maintains savings and payroll accounts. At June 30, 1999, the balance of the savings account was \$5,876 and the balance of the payroll account was \$4. The related bank balances (collected deposits) at that date were \$5,876 and \$1,021 respectively. All of the deposits were covered by federal depository insurance. GASB Statement 3 categorized the credit risk of these deposits as Category 1 because they are fully insured.

NOTE 9 JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES

There is no litigation pending against the **Council** at June 30, 1999. Furthermore, **Council's** management believes that any potential litigation would be adequately covered by insurance.

NOTE 10 FEDERAL AWARD PROGRAMS

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

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

NOTE 11 ECONOMIC DEPENDENCY

The **Council** receives the majority of its revenue from contracts with Cenla Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Cenla Area Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the **Council's** operations. Management is not aware of any actions that will adversely affect the amount of funds the **Council** will receive in the next fiscal year.

NOTE 12 RELATED PARTY

There were no related party transactions during the fiscal year.

NOTE 13 RISK MANAGEMENT

The **Council** is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The **Council** has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the **Council's** insurance coverage.

NOTE 14 INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for 1999:

Funds Transferred In	<u>Funds Transferred Out</u>							General Fund	Total In
	Title III				Senior Center	Supplemental Senior Center	FEMA		
	<u>C-1</u>	<u>C-2</u>	<u>D</u>	<u>E</u>					
Title III B- Supportive Services			\$1,511	\$2,408	\$18,982	\$ 3,700	\$6,759	\$15,240	\$48,600
Title III C-1								4,579	4,579
Title III C-2						6,300		2,147	8,447
General Fund	<u>\$9,755</u>	<u>\$1,518</u>						<u>2,518</u>	<u>13,791</u>
Total Out	<u>\$9,755</u>	<u>\$1,518</u>	<u>\$1,511</u>	<u>\$2,408</u>	<u>\$18,982</u>	<u>\$ 10,000</u>	<u>\$6,759</u>	<u>\$24,484</u>	<u>\$75,417</u>

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1999

NOTE 15 BOARD OF DIRECTORS COMPENSATION

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

ADDITIONAL INFORMATION

GRANT COUNCIL ON AGING, INC.
Coffax, Louisiana

**COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GENERAL FUND**
For the Year Ended June 30, 1999

	<u>Other Local</u>	<u>Medicaid</u>	<u>PCOA Act 735</u>	<u>Totals</u>
Revenues				
Intergovernmental			\$ 21,779	\$ 21,779
Office of Elderly Affairs				
Department of Health and Hospitals		\$ 1,792		1,792
Interest Income	<u>\$ 29</u>			<u>29</u>
Total revenues	<u>29</u>	<u>1,792</u>	<u>21,779</u>	<u>23,600</u>
Expenditures				
Current:				
Salaries		2,380		2,380
Fringe		323		323
Operating services		1,436		1,436
Operating supplies		83		83
Other costs	<u>28</u>	<u>88</u>		<u>116</u>
Total expenditures	<u>28</u>	<u>4,310</u>	<u>-0-</u>	<u>4,338</u>
Excess (deficiency) of revenues over expenditures	1	(2,518)	21,779	19,262
Other financing sources (uses)				
Operating transfers in	11,273	2,518		13,791
Operating transfers out	<u>(2,705)</u>		<u>(21,779)</u>	<u>(24,484)</u>
Total other financing sources (uses)	8,568	2,518	(21,779)	(10,693)
Excess (deficiency) of revenues and other sources over expenditures and other uses	8,569	-0-	-0-	8,569
Fund balance, beginning	<u>54,083</u>	<u>-0-</u>	<u>-0-</u>	<u>54,083</u>
Fund balance, ending	<u>\$ 62,652</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 62,652</u>

The accompanying notes are an integral part of this statement.

SCHEDULE 2 (continued)

Excess (deficiency) of revenues over expenditures	411	(48,600)	5,176	(6,929)	18,982	10,000	1,511	2,408	2,172	(14,869)
Other financing sources (uses)										
Operating transfers in		48,600	4,579	8,447						61,626
Operating transfers out			<u>(9,755)</u>	<u>(1,518)</u>	<u>(18,982)</u>	<u>(10,000)</u>	<u>(1,511)</u>	<u>(2,408)</u>	<u>(6,759)</u>	<u>(50,933)</u>
Total other financing sources (uses)	-0-	48,600	(5,176)	6,929	(18,982)	(10,000)	(1,511)	(2,408)	(6,759)	10,693
Excess (deficiency) of revenues and other sources over expenditures and other uses	411	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(4,587)	(4,176)
Fund balance, beginning	<u>1,126</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>6,047</u>	<u>7,173</u>
Fund balance, ending	<u>\$ 1,537</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,460</u>	<u>\$ 2,997</u>

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<u>PCOA - ACT 735</u>			
<i>Transfers to:</i>			
Title III-B	\$ 15,053	\$ 15,053	\$ -0-
Title III C-1	4,579	4,579	
Title III C-2	<u>2,147</u>	<u>2,147</u>	<u>-0-</u>
Totals	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ -0-</u>
<u>TITLE III-B SUPPORTIVE SERVICES</u>			
Salaries	\$ 48,116	\$ 46,162	\$ 1,954
Fringe	5,390	5,269	121
Travel	6,612	4,614	1,998
Operating services	9,555	17,575	(8,020)
Operating supplies	6,522	4,748	1,774
Other costs	9,913	14,945	(5,032)
Meals		2,255	(2,255)
Capital outlay		<u>1,561</u>	<u>(1,561)</u>
Totals	<u>\$ 86,108</u>	<u>\$ 97,129</u>	<u>\$ (11,021)</u>
<u>TITLE III C-1</u>			
Salaries	\$ 11,002	\$ 5,836	\$ 5,166
Fringe	1,233	610	623
Travel	479	699	(220)
Operating services	1,600	1,641	(41)
Operating supplies	1,130	1,572	(442)
Other costs	847	829	18
Capital outlay		586	(586)
Meals		1,409	(1,409)
<i>Transfers to:</i>			
General fund		<u>9,755</u>	<u>(9,755)</u>
Totals	<u>\$ 16,291</u>	<u>\$ 22,937</u>	<u>\$ (6,646)</u>

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<u>TITLE III C-2</u>			
Salaries	\$ 44,049	\$ 48,295	\$ (4,246)
Fringe	4,935	4,474	461
Travel	18,556	16,757	1,799
Operating services	7,663	1,300	6,363
Operating supplies	1,069	249	820
Other costs	1,771	406	1,365
Capital outlay		586	(586)
Meals		240	(240)
Transfers to:			
General fund		<u>1,518</u>	<u>(1,518)</u>
Totals	<u>\$ 78,043</u>	<u>\$ 73,825</u>	<u>\$ 4,218</u>
<u>TITLE III-D</u>			
Transfers to:			
Title III B	<u>\$ 1,511</u>	<u>\$ 1,511</u>	<u>\$ -0-</u>
Totals	<u>\$ 1,511</u>	<u>\$ 1,511</u>	<u>\$ -0-</u>
<u>TITLE III-F</u>			
Transfers to:			
Title III B	<u>\$ 2,408</u>	<u>\$ 2,408</u>	<u>\$ -0-</u>
Totals	<u>\$ 2,408</u>	<u>\$ 2,408</u>	<u>\$ -0-</u>
<u>SENIOR CENTER</u>			
Transfers to:			
Title III B	<u>\$ 18,982</u>	<u>\$ 18,982</u>	<u>\$ -0-</u>
Totals	<u>\$ 18,982</u>	<u>\$ 18,982</u>	<u>\$ -0-</u>
<u>SUPPLEMENTAL SENIOR CENTER</u>			
Transfers to:			
Title III B	\$ 3,700	\$ 3,700	\$ -0-
Title III C-2	<u>6,300</u>	<u>6,300</u>	<u>-0-</u>
Totals	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

**COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS
For the Year Ended June 30, 1999**

	Balance June 30, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1999</u>
GENERAL FIXED ASSETS, AT COST				
Furniture & equipment	<u>\$ 25,400</u>	<u>\$ 2,733</u>	<u>\$ 10,448</u>	<u>\$ 17,685</u>
Total General Fixed Assets	<u>\$ 25,400</u>	<u>\$ 2,733</u>	<u>\$ 10,448</u>	<u>\$ 17,685</u>
INVESTMENT IN GENERAL FIXED ASSETS				
Title III-B	\$ 915	\$ 1,561	\$ 1,147	\$ 1,329
Title III-C-1	486	586	37	1,035
Title III-C-2	486	586	37	1,035
Senior Center	3,559		1,619	1,940
Title III-D	283			283
General	<u>19,671</u>	<u> </u>	<u>7,608</u>	<u>12,063</u>
Total Investment in General Fixed Assets	<u>\$ 25,400</u>	<u>\$ 2,733</u>	<u>\$ 10,448</u>	<u>\$ 17,685</u>

The accompanying notes are an integral part of this statement.

**OTHER REPORT REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***



MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Grant Council on Aging, Inc.

We have audited the general purpose financial statements of Grant Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 1999, and have issued our report thereon dated October 6, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Daynet, Ball & Debevec, APC

Certified Public Accountants

October 6, 1999

GRANT COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1999

We have audited the financial statements of Grant Council on Aging, Inc. as of and for the year ended June 30, 1999, and have issued our report thereon dated October 6, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

- a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Non Compliance Material to Financial Statements Yes No

Section II Financial Statement Findings

There were no Financial Statement findings or questioned costs.

**GRANT COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 1999**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

There were no Internal Control or Compliance findings.