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CALCASIEU PARISH
VOLUNTARY COUNCIL ON AGING, INC.
LAKE CHARLES, LOUISIANA

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
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 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 11 0 7 2000

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Calcasieu Parish Voluntary Council on Aging, Inc.
Lake Charles, Louisiana

We have audited the accompanying general purpose financial statements of the Calcasieu Parish Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Calcasieu Parish Voluntary Council on Aging, Inc.'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 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. 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 the Calcasieu Voluntary Council on Aging, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type 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 December 22, 1999 on our consideration of the Calcasieu Parish Voluntary Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The Supplementary Information listed in the table of contents as Schedules 1 through 7 are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Calcasieu Parish Voluntary Council on Aging. The accompanying schedule of expenditures of federal awards (Schedule 8) is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements of the Calcasieu Parish Voluntary Council on Aging. 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 stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Gus Schram & Co., Ltd

December 22, 1999

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 COMBINED BALANCE SHEET - ALL FUND
 TYPES AND ACCOUNT GROUPS
 As of June 30, 1999

	Governmental ...Fund Type...	Proprietary ...Fund Type...Fiduciary Fund Types.....	Account Groups.....		Total (Memorandum Only)
			Pension Trust Fund	Agency Fund	General Fixed Assets	General Long-term Debt	
ASSETS AND OTHER DEBITS							
ASSETS:							
Cash (Note 3)	\$ 52,411	\$ 36,659	\$ -	\$ 32,813	\$ -	\$ -	121,883
Restricted cash (Note 4)	8,646	-	-	-	-	-	8,646
Grant receivable (Note 6)	15,713	-	-	-	-	-	15,713
Miscellaneous receivable (Note 6)	6,050	906	-	-	-	-	6,956
Investments-retirement plan (Note 8)	-	-	51,223	-	-	-	51,223
Inventory (Note 1)	-	2,853	-	-	-	-	2,853
Fixed assets (net, where applicable of accumulated depreciation) (Note 10)	-	128,399	-	373	1,122,043	-	1,250,815
OTHER DEBITS:							
Amounts to be provided for retirement of general long term debt	-	-	-	-	-	426,675	426,675
Total Assets and Other Debits	\$ 82,820	\$ 168,817	\$ 51,223	\$ 33,186	\$ 1,122,043	\$ 426,675	\$ 1,884,764

"The notes to the financial statements are an integral part of this statement."

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 COMBINED BALANCE SHEET - ALL FUND
 TYPES AND ACCOUNT GROUPS
 As of June 30, 1999

	Governmental ...Fund Type...	Proprietary ...Fund Type...	Fiduciary Fund Types.....		Account Groups.....		Total (Memorandum Only)
			Pension Trust Fund	Agency Fund	General Fixed Assets	General Long-term Debt	
LIABILITIES, EQUITY AND OTHER CREDITS							
LIABILITIES:							
Accounts payable	\$ 151,294	\$ 10,560	\$ -	\$ -	\$ -	\$ -	\$ 161,854
Wages payable	11,763	6,924	-	-	-	-	18,687
Accrued payroll taxes and related benefits payable	11,738	2,079	-	-	3,987	-	17,804
Due to other entities-agency funds	-	-	-	33,186	-	-	33,186
Taxes payable (Note 14)	-	34,072	-	-	-	-	34,072
Leases payable (Note 12)	-	-	-	-	-	8,285	8,285
Note payable (Note 12)	-	-	-	-	-	96,452	96,452
Mortgage payable (Note 12)	-	-	-	-	-	317,951	317,951
Total Liabilities	<u>174,795</u>	<u>53,635</u>	<u>-</u>	<u>33,186</u>	<u>-</u>	<u>426,675</u>	<u>688,291</u>
EQUITY AND OTHER CREDITS:							
Investments in general fixed assets	-	-	-	-	1,122,043	-	1,122,043
Retained earnings-unreserved	-	115,182	-	-	-	-	115,182
Fund Balances:							
Unreserved-undesignated	(100,621)	-	-	-	-	-	(100,621)
Reserved (Note 11)	8,646	-	51,223	-	-	-	59,869
Total Equity and Other Credits	<u>(91,975)</u>	<u>115,182</u>	<u>51,223</u>	<u>-</u>	<u>1,122,043</u>	<u>-</u>	<u>1,196,473</u>
Total Liabilities, Equity And Other Credits	\$ <u>82,820</u>	\$ <u>168,817</u>	\$ <u>51,223</u>	\$ <u>33,186</u>	\$ <u>1,122,043</u>	\$ <u>426,675</u>	\$ <u>1,884,764</u>

"The notes to the financial statements are an integral part of this statement."

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GENERAL FUND (GOVERNMENTAL FUND TYPE) AND EXPENDABLE TRUST FUND

For the year ended June 30, 1999

	Governmental ..Fund Type	Fiduciary ..Fund Type.. Pension Trust Fund	Total (Memorandum Only)
	General		
REVENUES (Note 2)			
Intergovernmental	\$ 823,143	\$ -	\$ 823,143
Employer contributions	-	11,484	11,484
Local grants	82,833	-	82,833
Participant contributions	102,191	-	102,191
Interest and other income	2,924	2,561	5,485
Local and miscellaneous	115,547	-	115,547
In-kind contributions	18,909	-	18,909
Sale of fixed assets	3,000	-	3,000
Total Revenues	1,148,547	14,045	1,162,592
EXPENDITURES			
Current:			
Salaries	403,757	-	403,757
Fringe	123,072	-	123,072
Travel	18,790	-	18,790
Operating services	769,772	220	769,992
Operating supplies	26,945	-	26,945
Benefits Paid	-	20,830	20,830
Debt service - principal and interest	91,266	-	91,266
Capital outlay	66,869	-	66,869
Total Expenditures	1,500,471	21,050	1,521,521
Excess (Deficiency) of Revenues over Expenditures	(351,924)	(7,005)	(358,929)
OTHER FINANCING SOURCES (USES)			
Proceeds from lease and other debt financing (Note 12)	28,776	-	28,776
Operating transfers in (Note 7)	1,098,566	-	1,098,566
Operating transfers out (Note 7)	(808,724)	-	(808,724)
Total Other Financing Sources (Uses)	318,618	-	318,618
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	(33,306)	(7,005)	(40,311)
FUND BALANCES			
Beginning of year	(58,669)	58,228	(441)
End of year	\$ (91,975)	\$ 51,223	\$ (40,752)

"The notes to the financial statements are an integral part of this statement."

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC. Exhibit 3
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL-
 GENERAL FUND (GOVERNMENTAL FUND TYPE)
 For the year ended June 30, 1999

General Fund.....		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 803,951	\$ 823,143	\$ 19,192
Local grants	46,000	82,833	36,833
Participant contributions	-	102,191	102,191
Local and miscellaneous	500,337	85,575	(414,762)
Interest income	-	2,924	2,924
In-kind contributions	-	18,909	18,909
Sale of fixed assets	-	3,000	3,000
	<u>1,350,288</u>	<u>1,118,575</u>	<u>(231,713)</u>
Total Revenues			
EXPENDITURES			
Current:			
Salaries	439,101	403,757	35,344
Fringe	76,991	123,072	(46,081)
Travel	19,752	18,790	962
Operating services	778,864	738,720	40,144
Operating supplies	55,056	26,945	28,111
Debt service - principal and interest	-	91,266	(91,266)
Capital outlay	19,500	66,869	(47,369)
	<u>1,389,264</u>	<u>1,469,419</u>	<u>(80,155)</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	(38,976)	(350,844)	(311,868)
OTHER FINANCING SOURCES (USES)			
Proceeds from lease and other debt financing	-	28,776	28,776
Operating transfers in	815,511	1,098,566	283,055
Operating transfers out	(776,535)	(808,724)	(32,189)
	<u>38,976</u>	<u>318,618</u>	<u>279,642</u>
Total Other Financing Sources (Uses)			
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	-	(32,226)	(32,226)
FUND BALANCES			
Beginning of year	-	(68,366)	(68,366)
	<u>-</u>	<u>(68,366)</u>	<u>(68,366)</u>
End of Year	\$ -	\$ (100,592)	\$ (100,592)

"The notes to the financial statements are an integral part of this statement."

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 COMBINED STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES
 For the year ended June 30, 1999

Exhibit 4

		Proprietary ...Fund Types...
		<u>Enterprise</u>
Operating revenue		
Charges for sales and services	\$	1,551,067
Rental income		328,358
Miscellaneous income		<u>16,471</u>
Total Operating Revenues		1,895,896
Operating expenses		
Cost of sales and services		1,046,116
Salaries		272,008
Fringe		31,399
Operating services		146,854
Operating supplies		74,025
Interest		18,132
Depreciation		19,300
Tax expense		20,000
Reduction of prior years' tax estimate		(28,781)
Penalties		<u>243</u>
Total Operating Expenses		1,599,296
Operating Income (Loss)		296,600
Transfer (to) other funds		
General fund		<u>(289,842)</u>
Net Income (Loss)		6,758
Retained Earnings, July 1		<u>108,424</u>
Retained Earnings, June 30	\$	<u>115,182</u>

"The notes to the financial statements are an integral part of this statement."



CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
COMBINED STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES
For the year ended June 30, 1999

Exhibit 5

	Proprietary ...Fund Types
	<u>Enterprise</u>
Cash flows from Operating Activities:	
Operating income (loss)	\$ 296,600
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	19,300
Increase (decrease) in :	
Inventory	1,060
Miscellaneous receivable	(233)
Accounts payable	(19,125)
Other liabilities	<u>(11,449)</u>
Total Adjustments	<u>(10,447)</u>
Net Cash Provided by (Used For) Operating Activities	286,153
Cash Flows from Investing Activities:	
Equipment Purchases	<u>(6,224)</u>
Net Cash Provided by (Used For) Investing Activities	(6,224)
Cash Flows from Financing Activities:	
Interfund transfers	<u>(289,842)</u>
Net Cash Provided by (Used For) Financing Activities	<u>(289,842)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(9,913)
Cash and Cash Equivalents at Beginning of Year	<u>46,572</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>36,659</u></u>

"The notes to the financial statements are an integral part of this statement."

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Organizational Information and Summary of Significant Accounting Policies

Organizational Information:

The local councils on the aging were created under Act No. 456 of 1964 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. Each council is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs and any other entity that provides the Council with federal or state funds.

The Calcasieu Parish Voluntary Council on Aging, Inc. (Council) was incorporated in May, 1982. The basic purposes of the organization are as follows:

- A. To afford an avenue for working out a more complete understanding of the problems, interests and desires of the elderly people of Calcasieu Parish. For this purpose, anyone who has attained the age of sixty (60) years shall be considered elderly.
- B. To develop plans for counseling the elderly about the problems of aging and to implement such plans.
- C. To develop and implement plans and programs of education whereby people who need to supplement their retirement income or those who wish to do so will be able to earn an income by their own efforts.
- D. To develop and implement plans and programs of education for the improvement of health, social and recreational welfare of elderly people.
- E. To collect facts and statistics and make special studies of conditions pertaining to employment, health, financial status, recreation, social adjustment and other conditions affecting the welfare of the elderly of Calcasieu Parish and to interpret such findings and make recommendations for improvement to the Governor's Office of Elderly Affairs.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Significant Accounting Policies:

Reporting Entity:

As required by generally accepted accounting principles, these financial statements include all funds which are controlled by the Council.

The Council is also not a member of another reporting entity since the Council is not controlled by or dependent on another entity (not financially accountable to another entity). Financial accountability includes the appointment of a voting majority of an entity's governing body and the ability of the primary government to impose its will on the component unit organization or if there is a financial benefit/ burden relationship. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity.

Based on the foregoing criteria, it was determined that no other agency is required to be included in this entity's financial reports.

Statement of Presentation:

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 June of 1998, the GASB reissued 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.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements of Government Auditing Standards issued by the United States

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Comptroller General; Louisiana Revised Statute 24:513 and the provisions of the Louisiana Governmental Audit Guide; Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; and the Louisiana Governor's Office of Elderly Affairs policy manual Subsection VI.

Fund Accounting (Measurement Focus, Basis of Accounting):

The accounts of the Council are organized on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The Council has the following fund types and account groups:

Governmental Fund Types

Governmental funds are used to account for the Council's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Grant reimbursements, service oriented earnings and interest amounts are susceptible to accrual. Other receipts become measurable and available when cash is received by the Council and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

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 (state or local) from which they are derived.

The following types of funds comprise the Council's General Fund:

Local- Local funds are received from various local sources. These funds are not restricted to any special use.

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

- * 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.

* However, since the Council has maintained one general ledger for all of the listed General and Special Revenue Funds, they have all been reported in the one fund for financial statement purposes (General Fund).

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

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

Title III-B Supportive Services Fund reports Title III-B funds that are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.

Title III-C-1 Congregate Meals Fund reports amounts that 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 Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III-C-2 Home Delivered Meals Fund reports amounts that 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 Council. These funds are used to provide nutritional meals to home-bound older persons.

Title III-D In-Home Fund is used to account for funds which are used to provide in-home services to the frail and elderly person who is home-bound. Title III-D funds are provided by the U. S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III-F Preventive Health Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (5) nutrition assessment/screening,

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically under served 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 Council.

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 Council. 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.

Ombudsman Fund is used to account for funds which are used to provide communications between the Ombudsman Coordinator and long-term care facilities to the Ombudsman State office through the Louisiana Governor's Office of Elderly Affairs. The Ombudsman duties are public education of the long-term facilities, problem solving of long-term care residents and any other complaints of the long-term care facilities' residents. The Ombudsman visits the facilities on a regular basis, usually once a week.

Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

USDA Cash-in-Lieu of Commodities Fund is used to account for the administration of the Food Distribution Program funds provided by the U.S. Department of Agriculture through the Louisiana

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

Energy Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. Contributions are recorded from the various utility companies for assistance payments for the qualified elderly. Funds received from Entergy may be used for payments of any utility company bill, however, monies received from Entex and Cleco are restricted to their bills only. Payments are made directly to the utility companies by the Council on behalf of qualified elderly participants. Each qualified participant is limited to two assistance payments per year.

Miscellaneous Grant Fund accounts for additional miscellaneous grants 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 Council.

Proprietary Funds

Proprietary Funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Council applies all Governmental Accounting Standards Board (GASB) pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The Council has not elected to apply those FASB pronouncements issued after November 30, 1989 for its proprietary activities. Proprietary funds include the following fund types:

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The following enterprise funds are utilized by the Council:

Bingeaux Café Fund accounts for the operation of the concession area during the various bingo sessions.

Bingo Fund accounts for the income and expenses associated with the bingo sessions held at the Council's main location.

Electronic Video Bingo (EVB) Fund accounts for the income and expenses associated with the operation of the video bingo machines located in the Council's bingo hall.

Fiduciary Funds

Fiduciary Funds account for assets held by the Council in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the Council under the terms of a formal trust agreement. The following funds are fiduciary funds:

Agency Fund is custodial in nature and does not present results of operations or have a measurement focus. The Council maintains two Agency Funds. The Special Projects account is maintained for use in coordinating special events for senior citizens while the Progressive Jackpot account is used to account for amounts deposited from each bingo session which accumulate and are disbursed when a bingo participant wins the black out bingo game. The latter funds are the property of each session sponsor and not the Council.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Pension Trust Fund is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The fund accounts for the assets of the Council's employees pension plan.

Account Groups are financial reporting devices 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 two account groups are not "funds".

General Fixed Assets Account Group accounts for fixed assets (capital outlays) used in governmental fund type operations of the Council. The outlays are also recorded as expenditures in the government fund types when purchased.

General Long Term Debt Account Group accounts for long-term liabilities expected to be financed from governmental funds. This account group shows only the measurement of financial position and is not involved with measurement of results of operations.

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.

Budgets and Budgetary Information:

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

1. The Governor's Office of Elderly Affairs "OEA" - State of Louisiana notifies the Council each year as to the funding levels for each program grant.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1998

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

2. The Executive Director prepares a proposed budget based on the funding levels provided by OEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget prior to June 30 each 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.
6. Budgets for the Special Revenue Funds (combined with General Fund for reporting purposes) are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted. (No amendments were adopted by the Board of Directors of the Council.)
7. Expenditures cannot legally exceed appropriations on an individual fund level.
8. Budgets were not adopted for fund sources not received by the Louisiana Governor's Office of Elderly Affairs. The state budget law requires budgets for each general and special revenue fund and that amendments be prepared for more than 5% unfavorable variances. This was not completely adhered to by the Council during the fiscal year primarily for interfund transfers.
9. Budgets were not adopted for the Energy Assistance Fund and thus actual amounts for this fund is not presented for budgetary to actual comparisons. Actual expenditures exceeded appropriations on the following funds:

	Budgeted	Actual
	<u>Expenditures</u>	
Title III C-1	<u>\$278,268</u>	<u>\$326,662</u>
Title III C-2	<u>\$312,475</u>	<u>\$388,578</u>
Title III F	<u>\$ 20,463</u>	<u>\$ 27,307</u>
United Way	<u>\$ 46,000</u>	<u>\$ 72,000</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources</u>
Total - Exhibit 2	\$1,148,547	\$1,500,471	\$318,618
Less Unbudgeted Fund:			
Energy Assistance	<u>(29,972)</u>	<u>(31,052)</u>	<u>-0-</u>
Total Budgeted - Exhibit 3	<u>\$1,118,575</u>	<u>\$1,469,419</u>	<u>\$318,618</u>

Fixed Assets:

For governmental fund types, all items of property, plant and equipment are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. Such assets are maintained on a basis of original cost or estimated original cost if original cost is not available and no depreciation is computed or recorded thereon. Donated fixed assets are stated at their estimated fair market value on the date donated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group or capitalized in the proprietary funds.

Property, plant and equipment are depreciated in the proprietary funds of the government using the straight line method over the following estimated useful lives:

Office Equipment	-	12 years
Machinery	-	12 years

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Annual and Sick Leave:

It is the Council's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave since the sick leave policy does not provide for the vesting of sick leave. Vacation pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

Annual leave is based on the number of years of service and is earned as follows:

First Year	5 Days
Two Years to Four Years	10 Days
Five to Nine Years	15 Days
Ten Years or More	25 Days

No more than five days of vacation leave may be carried over at the end of a fiscal year.

Long-Term Obligations

The Council reports long-term debt of governmental funds at face value in the general long-term debt account group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the general long-term debt account group. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds. Principal and interest on long-term liabilities are accounted for in the general fund because the Council intends to use general fund revenues to pay them.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 1: Nature of the Business and Summary of Significant Accounting Policies (Continued)

Cash Equivalents

There were no non-cash transactions required to be reported. Interest paid during the year was \$35,003. For purposes of the statement of cash flows, the Council considers all cash and highly liquid debt instruments, purchased with a maturity of three months or less, to be cash and cash equivalents.

Inventory

For proprietary funds, inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when purchased rather than when consumed, whereas proprietary funds record them when consumed.

Fund Equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose.

Memorandum Only - Total Columns:

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 cash flows 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.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 2: Funding Policies and Sources of Funds

The Council receives its monies through various methods of funding. Most of the funds are received on a grant basis from the Governor's Office of Elderly Affairs. Under this method, funds are received on a monthly allocation of the total budget (grant) in advance of the actual expenditure. The following programs are handled in this manner: Title III-B, Title III-C-1 and Title III-C-2, Senior Center, State Allocation funds (Act 735), Title III-D In-Home Services, Ombudsman, Title III-F Preventive Health, and Elderly Protective Services.

USDA and Energy Assistance 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.

The Council also receives proceeds from charitable gaming. The Council encourages and receives contributions from clients to help offset the costs of programs.

Revenues in the general fund type include the following:

Intergovernmental Revenue:

Office of Elderly Affairs	\$797,057
DOTD	<u>26,092</u>
Total	<u>\$823,143</u>

Participants' Contributions Revenue:

Nutrition contributions	\$ 79,029
Transportation contributions	22,091
Housekeeping contributions	<u>1,071</u>
Total	<u>\$102,191</u>

Local and Miscellaneous Revenue:

Local Grants:

United Way Grant	\$ 72,000
City of Sulphur - Senior Center	
Director Salary Reimbursement	<u>10,833</u>
Total	<u>\$ 82,833</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 2: Funding Policies and Sources of Funds (Continued)

Local and Miscellaneous:

Food Source Contributions	\$ 3,842
Other Income	71,733
Medical Reimbursement	<u>10,000</u>
Total	<u>\$ 85,575</u>

Note 3: Deposits

At year end the Council had the following balances in its cash accounts:

	<u>Bank Balance</u>	<u>Book Balance</u>
Petty Cash	\$ N/A	\$ 8,700
Hibernia National Bank		
General Operating\Payroll	62,301	28,895
Payroll Account	5,528	23,016
United Way	29	29
Energy Assistance	8,767	8,617
Progressive Jackpot (Agency)	7,715	7,715
Special Project (Agency)	25,979	25,098
Bingeaux Café (Proprietary)	14,725	8,608
Bingo Account (Proprietary)	14,292	10,262
Video Bingo (Proprietary)	8,619	8,619
Bingeaux Café' (Proprietary)	<u>2,200</u>	<u>970</u>
Total Cash	<u>\$150,155</u>	<u>\$130,529</u>

Governmental Accounting Standards Board Statement 3 (GASB-3) concludes that deposits with financial institutions should be evaluated for risk and classified in one of the three following categories:

Category 1 - Insured or collateralized with securities held by the governmental entity or by its agent in the name of the governmental entity.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the governmental entity's name.

Category 3 - Uncollateralized or collateralized with securities that are not evidenced by a written security agreement or not in the name of the governmental entity.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 3: Deposits (Continued)

	<u>Bank Balance</u>	<u>Book Balance</u>
Category 1	\$100,000	\$100,000
Category 2	-0-	-0-
Category 3	<u>50,155</u>	<u>21,829</u>
Total Cash	<u>\$150,155</u>	<u>\$121,829**</u>

** Petty Cash of \$8,700 is not presented in the above presentation.

Note 4: Restricted Assets

The balance in restricted cash at June 30, 1999 consisted of the following:

Energy Assistance Fund	\$ 8,646
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Note 5: In-Kind Contributions

The Calcasieu Parish Voluntary Council on Aging, Inc. received various in-kind contributions of \$2,522 for its Title III-B Fund and \$16,387 for its Senior Center Fund during the year. These amounts are recorded as contribution revenue and expense during the year.

Note 6: Due From Other Governments/Other Receivables

The following amounts were recorded as grants receivable at June 30, 1999:

Governor's Office of Elderly Affairs:	
USDA Cash-in-Lieu of Commodities	\$15,713

The following amounts were recorded as receivables at June 30, 1999:

<u>Miscellaneous Receivables:</u>	
<u>Governmental Fund:</u>	
United Way	\$6,000
Miscellaneous	<u>50</u>
Total	<u>\$6,050</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 6: Due From Other Governments/Other Receivables (Continued)

Proprietary Fund:
 Miscellaneous \$ 906

Note 7: Interfund Activity

These amounts represent interfund transfers between funds to supplement current year programs:

<u>Fund</u>	<u>Transfer(s)</u> <u>In</u>	<u>Transfer(s)</u> <u>Out</u>
General		
Proprietary	\$ 289,842	\$ -
Title III-C-1	-	97,874
Title III-C-2	-	120,046
Title III-D	-	2,088
Title III-F	-	18,678
Title III-B Support Services	-	124,542
United Way	72,000	-
Proprietary		
General	-	289,842
Title III-B Supportive Services		
Senior Center	105,487	-
General	124,542	-
PCOA Local	40,211	-
Supp Senior Center Fund	4,500	-
Title III-C-1		
General	97,874	-
USDA	31,188	-
Title III-C-2		
General	120,046	-
USDA	41,912	-
Title III-D		
General	2,088	-
Title III-F		
General	18,678	-
USDA		
Title III-C-1	-	31,188
Title III-C-2	-	41,912
Senior Center		
Title III-B Support Services	-	105,487
United Way		
Supplemental Senior Center	-	72,000
Supplemental Senior Center	-	4,500
PCOA Local		
Title III-B Support Services	-	40,211
Total	<u>\$ 948,368</u>	<u>\$ 948,368</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 8: Retirement Commitments

Employees of the Council are participants in the Social Security system and retirement benefits are provided by that system.

Additional retirement benefits are provided by a non-profit organization, Mutual of America, through a defined contribution plan, Mutual of America Defined Contribution Prototype Plan adopted by Calcasieu Council on Aging, Inc. The Council contributes five percent of salaries for eligible employees. An employee is eligible to participate after reaching age 21 and having been employed for one year (1,000 hours of service). Contributions made are 100% vested after 5 years of service. For June 30, 1999, the Council contributed \$11,484, five percent of the covered payroll of \$229,680. Total payroll for all employees was approximately \$540,000. The assets of the plan are presented at amounts confirmed by Mutual of America, which approximates fair value. The plan may be amended through a resolution of the Board of Directors.

Note 9: Annual Leave and Sick Pay

At June 30, 1999, there was \$4,783 accrued in annual leave payable for all of the Council employees. \$3,987 was recorded in the General Long Term Debt Account Group and \$796 was recorded in the Proprietary Funds.

Note 10: Changes in Fixed Assets

General Fixed Assets Account Group:

A summary of changes in general fixed assets follows:

	Balance July 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1999**</u>
Land & Building	\$ 745,722	\$ -0-	\$ -0-	\$ 745,722
Vehicles	131,582	46,149	20,000	157,731
Furniture & Equipment	<u>197,870</u>	<u>20,720</u>	<u>-0-</u>	<u>218,590</u>
Totals	<u>\$1,075,174</u>	<u>\$66,869</u>	<u>\$ 20,000</u>	<u>\$1,122,043</u>

** These amounts includes leased assets in the amount of \$30,328. These assets are recorded in the general fund; therefore, no depreciation expense has been recorded.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 10: Changes in Fixed Assets (Continued)

Proprietary Fund Fixed Assets:

The following is a summary of proprietary fund type fixed assets for the Council at June 30, 1999:

	<u>Bingeaux Café Fund</u>	<u>Bingo Fund</u>	<u>Video Bingo Fund</u>
Building Improvements	\$ -0-	\$16,134	\$ -0-
Furniture, Fixtures and Equipment	39,769	41,466	142,971
Less: Accumulated Depreciation	<u>(7,029)</u>	<u>(24,798)</u>	<u>(80,114)</u>
Totals	<u>\$32,740</u>	<u>\$32,802</u>	<u>\$ 62,857</u>
Depreciation Expense	<u>\$ 2,700</u>	<u>\$ 4,686</u>	<u>\$ 11,914</u>

Note 11: Changes in Reserves or Designation of Fund Balance

The following schedule indicates changes in reserves or designation of fund balance for the year ended June 30, 1999:

Pension Trust Fund	\$51,223
Energy Assistance Fund	<u>8,646</u>
Total	<u>\$59,869</u>

Note 12: General Long-Term Obligations

The following is a summary of transactions relating to the Council's long-term debt during the fiscal year ended June 30, 1999:

	<u>Balance July 1, 1998</u>	<u>Principal</u>		<u>Balance June 30, 1999</u>
		<u>Additions</u>	<u>Deletions</u>	
Mortgage Payable	\$353,225	\$ -0-	\$ 35,274	\$317,951
Note Payable **	84,072	25,240	12,860	96,452
Capital Leases Payable **	18,194	3,536	13,445	8,285
Compensated Absence Payable	4,764	-0-	777	3,987
Contingent Legal Liability	<u>44,000</u>	<u>-0-</u>	<u>44,000</u>	<u>-0-</u>
Totals	<u>\$504,255</u>	<u>\$ 28,776</u>	<u>\$100,356</u>	<u>\$426,675</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 12: General Long-Term Obligations (Continued)

** Proceeds from the issuance of lease financing and other debt obligations total \$28,776.

Long-term debt consists of the following:

Mortgage payable - due in monthly installments of \$5,300, including interest at 8.375% - secured by land and building Matures April 12, 2006	\$317,951
Note payable - due in monthly installments of \$2,039, including interest at 7.85% - secured by land and building Matures March 27, 2004	96,452
Capital lease - due in monthly installments of \$437, including interest at 13.28% - secured by copier Matures May, 2000	4,881
Capital lease - due in monthly installments of \$70, including interest at 15.84% - secured by copier Matures May, 2000	769
Capital lease - due in monthly installments of \$118, including interest at 13.747% - secured by two computers Matures October 1, 2000	2,635
Compensated Absences (See Note 9)	<u>3,987</u>
Total Long-Term Debt	<u>\$426,675</u>

The annual principal requirements to amortize all debt outstanding follows:

Fiscal Year Ended <u>June 30,</u>	Principal Amount
2000	\$ 66,306
2001	62,076
2002	66,208
2003	71,603
2004	71,072
Thereafter	<u>89,310</u>
Totals	<u>\$426,675</u>

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 12: General Long-Term Obligations (Continued)

The liabilities for compensated absences has been reflected in the 2000 "principal amount" column even though management is unsure as to the eventual payment date.

Note 13: Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, some board members were reimbursed for expenses incurred in conducting Council related activities.

Note 14: 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.

While the Council is exempt from federal income taxes, it is still subject to tax on unrelated business taxable income (UBTI) that is generated. The Council is liable for UBTI that was generated from instant bingo games (i.e. pull tabs), dauber sales, video bingo commissions, a portion of bingo session fees, video bingo operations, and the operation of the Bingeaux Café.

As of the conclusion of the audit, the Council's June 30, 1999 Form 990T's have not been filed; therefore, an estimate for tax liability of \$20,000 has been accrued for fiscal year ended June 30, 1999. Also included in the financial statements are tax liabilities for the previous years based on an IRS examination. The total amount of the assessment from the examination was \$16,686. A liability of \$13,436 (\$16,686 assessment less previous payments of \$3,250) was included in these financial statements in addition to the estimate for the current fiscal year. Prior years' estimated tax liability was reduced by \$28,781. The total tax liability for the UBTI at June 30, 1999 was \$33,436.

Note 15: Judgements, Claims, and Similar Contingencies

At the beginning of the year, the Council was a defendant in three lawsuits. One of the cases was settled for a judgment against the Council for \$25,000. Management's legal counsel is of the opinion that the remaining lawsuits have little or no liability expenses to the Council, so at the present time there is no liability reflected on the balance sheet.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 15: Judgements, Claims, and Similar Contingencies (Continued)

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 expense arising out of a final review are recognized in the period in which agreed upon by the agency and the council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

There is a remote possibility, as with any other organization, that the Council may be subject to certain federal, state and local regulations relating to environmental compliance issues. There is a risk that the Council could be found to be in noncompliance with these regulations. Should this occur, it may be subject to fines and mandatory remedial actions which may be material to the financial statements. Management has no knowledge of any compliance problems as of the date of the combined balance sheet.

Note 16: Federally Assisted Programs

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

Note 17: Economic Dependency

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

While the funds presented as Proprietary Funds will serve to reduce the dependency by the Council on federal and state grants, the Council is still deemed to be primarily dependent on the above grants to provide the basic operating funds.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1999

Note 18: Segment Information - Enterprise Funds

The Council maintains three enterprise funds. Selected segment information for the year ended June 30, 1999 is as follows:

	<u>Bingeaux Café Fund</u>	<u>Bingo Fund</u>	<u>Video Bingo Fund</u>
Operating Revenues	\$317,777	\$1,243,526	\$334,593
Depreciation	2,700	4,686	11,914
Operating Income (Loss)	33,028	256,142	7,430
Operating Grants	-0-	-0-	-0-
Operating Transfers	(28,463)	(251,017)	(10,362)
Net Income (Loss)	4,565	5,125	(2,932)
Current Capital Contribution	-0-	-0-	-0-
Fixed Asset Additions	4,679	1,545	-0-
Net Working Capital	13,181	13,482	13,755
Total Assets	45,921	46,284	76,612
Bonds Payable	-0-	-0-	-0-
Total Equity	32,016	7,759	75,407

Note 19: Risk Management - Insurance Coverage

The Council purchases commercial insurance for its various liability risks. General liability, property and bond insurance policy has the following policy limits: \$500,000 per occurrence, \$1,000,000 in the aggregate and \$50,000 for bond coverage. This policy runs from July 1, 1998 to June 30, 1999. The Council also has a separate directors and officers insurance policy which is effective for the same period. The Council's automobile policy has a \$500,000 limit and also runs from July 1, 1998 to June 30, 1999. These coverages are not materially different from coverages in the prior year and there have not been any payments for liabilities in excess of coverages for the year ended June 30, 1999.

Note 20: Lease Information

The Council leases its pagers and mobile phone equipment. There was \$4,035 in lease payments for the current fiscal year. These leases did not meet the criteria established for capitalized lease reporting, therefore the leases were reflected as operating leases.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

Note 21: Estimates

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

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUND
 For the Year Ended June 30, 1999

	Local Funds	PCOA Local Funds	Title III-B Supportive Services Fund	Title III-C-1	Title III-C-2	Title III-D	Title III-F
REVENUES							
Intergovernmental	\$ 26,092	\$ 40,211	\$ 159,358	\$ 160,621	\$ 184,570	\$ 5,415	\$ 8,629
Local grants	-	-	10,833	-	-	-	-
Participant contributions	-	-	23,162	36,979	42,050	-	-
Local and miscellaneous	85,575	-	-	-	-	-	-
Interest income	2,924	-	-	-	-	-	-
In-kind contributions	-	-	2,522	-	-	-	-
Sale of fixed assets	3,000	-	-	-	-	-	-
Total Revenues	117,591	40,211	195,875	197,600	226,620	5,415	8,629
EXPENDITURES							
Current:							
Salaries	17,264	-	193,150	72,373	69,158	2,158	18,569
Fringe	-	-	76,569	17,920	14,131	3,630	3,780
Travel	-	-	8,027	4,317	2,450	78	217
Operating services	1,680	-	183,570	222,965	296,783	1,418	4,083
Operating supplies	425	-	9,299	9,087	6,056	219	658
Debt service	91,266	-	-	-	-	-	-
Capital outlay	66,869	-	-	-	-	-	-
Total Expenditures	177,504	-	470,615	326,662	388,578	7,503	27,307
Excess (Deficiency) of Revenues over Expenditures	(59,913)	40,211	(274,740)	(129,062)	(161,958)	(2,088)	(18,678)
OTHER FINANCING SOURCES (USES)							
Proceeds from lease and other debt financing	28,776	-	-	-	-	-	-
Operating transfers in	512,040	-	274,740	129,062	161,958	2,088	18,678
Operating transfers out	(513,426)	(40,211)	-	-	-	-	-
Total Other Financing Sources (Uses)	27,390	(40,211)	274,740	129,062	161,958	2,088	18,678
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	(32,523)	-	-	-	-	-	-
FUND BALANCES							
Beginning of year	(68,366)	-	-	-	-	-	-
End of year	\$ (100,889)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUND
 For the Year Ended June 30, 1999

	Senior Center Fund	Ombudsman Fund	Audit Fund	USDA Cash-in-Lieu of Commodities Fund	United Way Fund	Energy Assistance Fund	Supplemental Senior Center Fund	Grand Totals
REVENUES								
Intergovernmental	\$ 105,487	\$ 50,821	\$ 4,339	\$ 73,100	\$ -	\$ -	\$ 4,500	\$ 823,143
Local grants	-	-	-	-	72,000	-	-	82,833
Participant contributions	-	-	-	-	-	-	-	102,191
Local and miscellaneous	-	-	-	-	-	29,972	-	115,547
Interest income	-	-	-	-	-	-	-	2,924
In-kind contributions	16,387	-	-	-	-	-	-	18,909
Sale of fixed assets	-	-	-	-	-	-	-	3,000
Total Revenues	121,874	50,821	4,339	73,100	72,000	29,972	4,500	1,148,547
EXPENDITURES								
Current:								
Salaries	-	31,085	-	-	-	-	-	403,757
Fringe	-	7,042	-	-	-	-	-	123,072
Travel	-	3,701	-	-	-	-	-	18,790
Operating services	16,387	7,495	4,339	-	-	31,052	-	769,772
Operating supplies	-	1,201	-	-	-	-	-	26,945
Debt service	-	-	-	-	-	-	-	91,266
Capital outlay	-	-	-	-	-	-	-	66,869
Total Expenditures	16,387	50,524	4,339	-	-	31,052	-	1,500,471
Excess (Deficiency) of Revenues over Expenditures	105,487	297	-	73,100	72,000	(1,080)	4,500	(351,924)
OTHER FINANCING SOURCES (USES)								
Proceeds from lease and other debt financing	-	-	-	-	-	-	-	28,776
Operating transfers in	-	-	-	-	-	-	-	1,098,566
Operating transfers out	(105,487)	-	-	(73,100)	(72,000)	-	(4,500)	(808,724)
Total Other Financing Sources (Uses)	(105,487)	-	-	(73,100)	(72,000)	-	(4,500)	318,618
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other (Uses)	-	297	-	-	-	(1,080)	-	(33,306)
FUND BALANCES								
Beginning of year	-	-	-	-	-	9,697	-	(58,669)
End of year	\$ -	\$ 297	\$ -	\$ -	\$ -	\$ 8,617	\$ -	\$ (91,975)

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 COMBINING BALANCE SHEET -
 PROPRIETARY ENTERPRISE FUNDS
 As of June 30, 1999

Schedule 2

	Bingeaux Cafe	Bingo Account	EVB-Video Bingo	Totals
ASSETS				
Cash	\$ 10,278	\$ 13,262	\$ 13,119	\$ 36,659
Miscellaneous receivable	50	220	636	906
Inventory	2,853	-	-	2,853
Equipment and improvements	39,769	57,600	142,971	240,340
Less: Accumulated depreciation	(7,029)	(24,798)	(80,114)	(111,941)
Total Assets	\$ 45,921	\$ 46,284	\$ 76,612	\$ 168,817
LIABILITIES AND EQUITY				
LIABILITIES				
Accounts payable	\$ 8,269	\$ 2,291	\$ -	\$ 10,560
Wages payable	3,610	2,374	940	6,924
Accrued payroll and related benefits payable	1,603	211	265	2,079
Taxes payable	423	33,649	-	34,072
Total Liabilities	13,905	38,525	1,205	53,635
EQUITY				
Retained earnings-Unreserved	32,016	7,759	75,407	115,182
Total Equity	32,016	7,759	75,407	115,182
Total Liabilities and Equity	\$ 45,921	\$ 46,284	\$ 76,612	\$ 168,817

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
PROPRIETARY ENTERPRISE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES RETAINED IN EARNINGS
 For the year ended June 30, 1999

Schedule 3

	Bingeaux Cafe	Bingo Account	EVB-Video Bingo	Totals
Operating Revenue				
Charges for sales and service	\$ 317,035	\$ 899,573	\$ 334,459	\$ 1,551,067
Rental income	-	328,358	-	328,358
Miscellaneous income	742	15,595	134	16,471
	317,777	1,243,526	334,593	1,895,896
Operating Expenses				
Cost of sales and services	114,591	661,212	270,313	1,046,116
Salaries	135,424	109,653	26,931	272,008
Fringe	13,244	8,856	9,299	31,399
Operating services	17,907	115,484	13,463	146,854
Operating supplies	939	72,796	290	74,025
Interest	2	18,130	-	18,132
Depreciation	2,700	4,686	11,914	19,300
Tax expense	2,060	17,772	168	20,000
Reduction of prior years' tax estimate	(2,361)	(21,205)	(5,215)	(28,781)
Penalties	243	-	-	243
	284,749	987,384	327,163	1,599,296
Operating Income (Loss)	33,028	256,142	7,430	296,600
Transfer (to)/from other funds	(28,463)	(251,017)	(10,362)	(289,842)
Net Income (Loss)	4,565	5,125	(2,932)	6,758
RETAINED EARNINGS:				
Beginning of year	27,451	2,634	78,339	108,424
End of year	\$ 32,016	\$ 7,759	\$ 75,407	\$ 115,182

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, IN Schedule 4
 TRUST AND AGENCY FUND
 COMBINING BALANCE SHEET
 As of June 30, 1999

	Pension TrustAgency..... Special Projects	Progressive Jackpot	Totals
ASSETS				
Cash	\$ -	\$ 25,098	\$ 7,715	\$ 32,813
Investments	51,223	-	-	51,223
Equipment	-	373	-	373
Total Assets	\$ 51,223	\$ 25,471	\$ 7,715	\$ 84,409
 LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other entities	\$ -	\$ 25,471	\$ 7,715	\$ 33,186
Total Liabilities	-	25,471	7,715	33,186
FUND BALANCES				
Reserved for retirement benefits	51,223	-	-	51,223
Total Fund Balances	51,223	-	-	51,223
Total Liabilities And Fund Balances	\$ 51,223	\$ -	\$ -	\$ 84,409

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC. Schedule 5
COMBINING STATEMENT OF CASH FLOWS -
ALL PROPRIETARY FUND TYPES
 For the year ended June 30, 1999

Proprietary Fund Types.....			(Memorandum Only) Totals
	Bingeaux Cafe	Bingo Account	EVB-Video Bingo	
Cash flows from Operating Activities:				
Operating income (loss)	\$ 33,028	\$ 256,142	\$ 7,430	\$ 296,600
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:				
Depreciation	2,700	4,686	11,914	19,300
Increase (decrease) in :				
Inventory	1,060	-	-	1,060
Miscellaneous receivable	(50)	453	(636)	(233)
Accounts payable	(7,740)	(6,169)	(5,216)	(19,125)
Other liabilities	(2,875)	(5,156)	(3,418)	(11,449)
Total Adjustments	(6,905)	(6,186)	2,644	(10,447)
Net Cash Provided by (Used For) Operating Activities	26,123	249,956	10,074	286,153
Cash Flows from Investing Activities:				
Equipment purchases	(4,679)	(1,545)	-	(6,224)
Net Cash Provided by (Used For) Investing Activities	(4,679)	(1,545)	-	(6,224)
Cash Flows from Financing Activities:				
Interfund transfers	(28,568)	(247,894)	(13,380)	(289,842)
Net Cash Provided by (Used For) Financing Activities	(28,568)	(247,894)	(13,380)	(289,842)
Net Increase (Decrease) in Cash and Cash Equivalents	(7,124)	517	(3,306)	(9,913)
Cash and Cash Equivalents at Beginning of Year	17,402	12,745	16,425	46,572
Cash and Cash Equivalents at End of Year	\$ 10,278	\$ 13,262	\$ 13,119	\$ 36,659

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 SCHEDULE OF EXPENDITURES - BUDGET VS ACTUAL
 For the year ended June 30, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
PCOA (Act 735)			
Transfers to other funds:			
Title III-B - Supportive services	\$ 40,211	\$ 40,211	--
Totals	\$ 40,211	\$ 40,211	--
LOCAL FUND			
Capital outlay	\$ --	\$ 66,869	(66,869)
Transfer to Other Funds	500,337	83,245	417,092
Totals	\$ 500,337	\$ 150,114	350,223
TITLE III-B SUPPORTIVE SERVICES			
Salaries	\$ 301,626	\$ 193,150	108,476
Fringe	49,732	76,569	(26,837)
Travel	10,921	8,027	2,894
Operating services	265,267	183,570	81,697
Operating supplies	43,869	9,299	34,570
Capital outlay	15,259	--	15,259
Totals	\$ 686,674	\$ 470,615	216,059
TITLE III C-1			
Salaries	\$ 45,677	\$ 72,373	(26,696)
Fringe	10,915	17,920	(7,005)
Travel	1,745	4,317	(2,572)
Operating services	215,986	210,697	5,289
Cost of raw food	0	12,268	(12,268)
Operating supplies	2,967	9,087	(6,120)
Capital outlay	978	--	978
Totals	\$ 278,268	\$ 326,662	(48,394)

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 SCHEDULE OF EXPENDITURES - BUDGET VS ACTUAL
 For the year ended June 30, 1999

Schedule 6

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TITLE III C-2			
Salaries	\$ 30,777	\$ 69,158	(38,381)
Fringe	3,622	14,131	(10,509)
Travel	1,176	2,450	(1,274)
Operating services	272,354	280,297	(7,943)
Cost of raw food	0	16,486	(16,486)
Operating supplies	2,796	6,056	(3,260)
Capital outlay	1,750	--	1,750
Totals	\$ <u>312,475</u>	\$ <u>388,578</u>	(76,103)
TITLE III-D			
Salaries	\$ 5,890	\$ 2,158	3,732
Fringe	1,292	3,630	(2,338)
Travel	156	78	78
Operating services	2,513	1,418	1,095
Operating supplies	423	219	204
Capital outlay	162	--	162
Totals	\$ <u>10,436</u>	\$ <u>7,503</u>	2,933
TITLE III-F			
Salaries	\$ 13,353	\$ 18,569	(5,216)
Fringe	2,961	3,780	(819)
Travel	285	217	68
Operating services	3,286	4,083	(797)
Operating supplies	339	658	(319)
Capital outlay	239	--	239
Totals	\$ <u>20,463</u>	\$ <u>27,307</u>	(6,844)
SENIOR CENTER			
Transfers to Title III-B Support Services	\$ <u>105,487</u>	\$ <u>105,487</u>	--
Totals	\$ <u>105,487</u>	\$ <u>105,487</u>	--

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 SCHEDULE OF EXPENDITURES - BUDGET VS ACTUAL
 For the year ended June 30, 1999

Schedule 6

	<u>Budgeted</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
OMBUDSMAN			
Salaries	\$ 41,778	\$ 31,085	\$ 10,693
Fringe	8,469	7,042	1,427
Travel	5,469	3,701	1,768
Operating services	15,119	7,495	7,624
Operating supplies	4,662	1,201	3,461
Capital outlay	1,112	-	1,112
Totals	\$ 76,609	\$ 50,524	\$ 26,085
AUDIT FUND			
Operating services	\$ 4,339	\$ 4,339	--
Totals	\$ 4,339	\$ 4,339	--
U.S.D.A.			
Transfers to Title III C-1 & Title C-2	\$ 80,000	\$ 73,100	\$ 6,900
Totals	\$ 80,000	\$ 73,100	\$ 6,900
UNITED WAY FUND			
Transfers to Title III B & Title III C	\$ 46,000	\$ 72,000	\$ (26,000)
Totals	\$ 46,000	\$ 72,000	\$ (26,000)
SUPPLEMENTAL SENIOR CENTER FUND			
Transfer to Title III-B	\$ 4,500	\$ 4,500	--
Totals	\$ 4,500	\$ 4,500	--

The above schedule does not include a budget presentation for the Energy Assistance Fund since no budget was adopted for this fund.

"See Independent Auditors' Report"

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 STATEMENT OF GENERAL AND PROPRIETARY FUND
 FIXED ASSETS AND CHANGES IN FIXED ASSETS
 For the year ended June 30, 1999

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
General fixed assets, at cost:				
Land and building	\$ 745,722	\$ -	\$ -	\$ 745,722
Vehicles	131,582	46,149	20,000	157,731
Furniture and equipment	197,870	20,720	-	218,590 ++
Totals	\$ 1,075,174	\$ 66,869	\$ 20,000	\$ 1,122,043
Investment in general fixed assets:				
Local Funds	\$ 1,054,449	\$ 66,869	\$ 20,000	\$ 1,101,318 ++
Senior Center	288	-	-	288
Title III-C-1	20,437	-	-	20,437
Totals	\$ 1,075,174	\$ 66,869	\$ 20,000	\$ 1,122,043

++ This amount includes leased assets in the amount of \$30,328.

Proprietary Fund Fixed Assets:

	Café Bingo	Bingo Fund	Video Bingo Fund
Furniture, fixtures, and equipment	\$ 39,769	\$ 57,600	\$ 142,971
Less: accumulated depreciation	(7,029)	(24,798)	(80,114)
Totals	\$ 32,740	\$ 32,802	\$ 62,857

** This amount includes equipment in the amount of \$4,551 that is held in storage pending sale.

"See Independent Auditors' Report"

CALCASIEU COUNCIL ON AGING, INC.
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1999

1. Listed below is a summary of the data for grants awarded and received during the period covered by our audit:

Federal Grantor/ Pass-Through Grantor <u>Program Title</u>	Federal CFDA <u>Number</u>	<u>Pass Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Health & Human Services:</u>			
Passed through the Louisiana Governor's Office of Elderly Affairs:			
Title III-C-1	93.045	CFMS #522018/528434	\$125,508
Title III-C-2	93.045	CFMS #522018/528434	65,760
Title III-B	93.044	CFMS #522018/528434	134,254
Title III-D-InHome	93.046	CFMS #522018/528434	4,603
Title III-F	93.043	CFMS #522018/528434	7,335
USDA	10.550	Not Available	73,100
Title III-B Ombudsman	93.044	CFMS #522018/528434	<u>29,819</u>
Totals			<u>\$440,379</u>

2. Scope of Audit Pursuant to the Single Audit Act of 1996 and OMB Circular A-133.

3. Summary of Significant Accounting Policies

The above statement of grant data has been prepared on the modified accrual basis of accounting.

4. Amount of Insurance in Effect

The Council purchases commercial insurance for its various liability risks. General liability, property and bond insurance coverage has the following policy limits: \$500,000 per occurrence, \$1,000,000 in the aggregate and \$50,000 for bond coverage. This policy runs from July 1, 1998 to June 30, 1999. The Council also has a separate directors and officers insurance policy which is effective for the same period. The Council's automobile policy has a \$500,000 limit and also runs from July 1, 1998 to June 30, 1999.

5. There were no federal awards expended in the form of non-cash assistance.

CALCASIEU COUNCIL ON AGING, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 SUMMARY OF AUDITOR RESULTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1999

1. Type of Auditors' Report on Financial Statements
 Unqualified opinion on the general purpose financial statements.
2. Reportable Conditions and Material Weaknesses in Audit of Financial Statements
 Schedule 9b-Section I, Item ICG-99-1 lists a reportable condition noted, which was considered to be a material weakness.
3. Noncompliance Material to the Financial Statements
 Schedule 9b-Section II, No findings noted.
4. Reportable Conditions and Material Weaknesses Over Major Programs
 Schedule 9c-Section I, Item ICC-99-1 and Schedule 9c-Section II, Item CC-99-1 lists reportable conditions noted, which were all considered to be material weaknesses.
5. Type of Auditors' Report on Compliance for Major Programs
 Unqualified opinion.
6. Identification of Major Programs

Title III-B Grant for Supportive Services and Senior Centers	93.044
Title III-B Ombudsman	93.044

All major program funds were received from the Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs.
7. Dollar Threshold Used to Distinguish Major Programs
 The threshold for distinguishing Types A and B programs was \$300,000.
8. Findings and Questioned Costs for Federal Awards
 See Item 4 above and Schedule 9c - Section II, Item CC-99-1 for a reportable compliance finding. There were no questioned costs identified in the reports.
9. Low Risk Auditee
 The entity was not considered a low risk auditee.

CALCASIEU COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

I. INTERNAL CONTROL FINDINGS - GOVERNMENTAL AUDITING STANDARDS (ICG)

(ICG-99-1) Lack of Segregation of Duties

Finding: There appears to be some lack of segregation of duties with respect to the accounting function of the Council. The accountant and chief financial officer are both involved in the cash receipt and disbursement functions yet, at times, during the fiscal year they both prepared the monthly bank reconciliations.

Criteria: Proper internal controls require segregation of key accounting functions in order to safeguard the assets of the Council.

Cause: Due to limited personnel, it is not feasible to distribute the workload.

Effect: There is not a segregation of duties with respect to bank reconciliations

Recommendation: That the Executive Director or Board Treasurer review and initial the bank reconciliation on a monthly basis.

Management's Response: We will implement the recommendation.

CALCASIEU COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
COMPLIANCE AND INTERNAL CONTROL IN ACCORDANCE
WITH OMB CIRCULAR A-133
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

I. INTERNAL CONTROL FINDINGS - OMB CIRCULAR A-133 (ICC)

Note: All the following internal control finding relates to all of the federal programs listed in Schedule 8 - Schedule of Expenditures of Federal Awards. The Department of Health & Human Services is the only disbursing federal agency.

(ICC-99-1) Lack of Segregation of Duties (Duplicate of ICG-99-1)

Finding: There appears to be some lack of segregation of duties with respect to the accounting function of the Council. The accountant and chief financial officer are both involved in the cash receipt and disbursement functions yet, at times, during the fiscal year they both prepared the monthly bank reconciliations.

Criteria: Proper internal controls require segregation of key accounting functions in order to safeguard the assets of the Council.

Cause: Due to limited personnel, it is not feasible to distribute the workload.

Effect: There is not a segregation of duties with respect to bank reconciliations

Recommendation: That the Executive Director or Board Treasurer review and initial the bank reconciliation on a monthly basis.

Management's Response: We will implement the recommendation.

II. COMPLIANCE FINDING - OMB CIRCULAR A-133 (CC)

The following finding relates to all of the grants received from the Department of Health & Human Services which was passed through the Governor's Office of Elderly Affairs.

(CC-99-1) Assessment of Eligibility Requirements

Federal Programs: Title III-C

II. COMPLIANCE FINDING - OMB CIRCULAR A-133 (CC) (Continued)

Finding: We reviewed the Council's eligibility procedures with respect to Title III-C program. We selected files from eligible participants and reviewed the latest assessments for eligibility. The client assessments should be completed every year, however, our testing revealed twelve of twenty-five assessments reviewed were over one year old.

Criteria: The Office of Elderly Affairs grant program specification requires the Council to perform certain eligibility requirements which include reassessments.

Cause: Due to time constraints on the existing staff, it appears that the reassessment could not be properly kept up to date.

Effect: While there is no financial impact of this finding, it could result in participants receiving benefits when not eligible.

Recommendation: We recommend that reassessment be completed every year.

Management's Response: The recommendation will be implemented.

GUS SCHRAM & CO., Ltd.
 CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 SCHEDULE OF PRIOR AUDIT FINDINGS (UNAUDITED)
 FOR THE YEAR ENDED JUNE 30, 1999

Below you will find a summary of the findings that resulted from previous years' financial related audit of the Calcasieu Parish Voluntary Council on Aging (CCOA). 1997 Comments that were not reflected as "resolved" on the 1997 report are updated below. All 1998 comments have been listed with the corresponding status of each.

Fiscal Yr.

<u>Ref No.</u>	<u>Finding</u>	<u>Description of Finding</u>	<u>Planned Corrective Action</u>	<u>Disposition</u>
<u>INTERNAL CONTROL - GOVERNMENTAL AUDITING STANDARDS (ICG)</u>				
ICG-98-1	6/30/98	Accounting Records Adequacy (Maintenance of adequate accounting records.)	New computer system now installed.	Resolved
ICG-98-2	6/30/98	Lack of Segregation of Duties	Ongoing	See ICG-99-1
ICG-98-3	6/30/98	Controls over Fixed Assets	Now have current updated list of fixed assets.	Resolved

COMPLIANCE FINDINGS - GOVERNMENTAL AUDITING STANDARDS (CG)

CG-98-1	6/30/98	Budget Adoption	Now following all requirements.	Resolved
CG-98-2	6/30/98	Bid Process/Procurement Process	Now following guidelines.	Resolved
CG-98-3	6/30/98	Internal Revenue Service Filing Requirements for Not-for-Profit Corporation	Now following IRS requirements.	Resolved
CG-98-4	6/30/98	Timeliness of Audit Report	Audit report for June 30, 1999 filed on time.	Resolved
CG-98-5	6/30/98	Electronic Video Bingo Activities	Prior year recommendations were implemented.	Resolved

Corrective
Action Taken

GUS SCHRAM & Fiscal Yr.

Planned Corrective Action

Ref No. Finding Description of Finding

INTERNAL CONTROL FINDINGS - OMB CIRCULAR A-133 (ICC)

ICC-98-1	6/30/98	Accounting Records Adequacy (Maintenance of adequate accounting records)	New computer system now installed.	Resolved
ICC-98-2	6/30/98	Lack of Segregation of Duties	Ongoing.	See ICC-99-1
ICC-98-3	6/30/98	Controls over Fixed Assets	Now have current up-dated list of fixed assets.	Resolved
ICC-98-4	6/30/98	Controls over Allowable and Unallowable Costs	Prior year's recommendations were implemented.	Resolved

COMPLIANCE FINDINGS - OMB CIRCULAR A-133 (CC)

CC-98-1	6/30/98	Required Reporting to Grantor	Monthly reporting now being submitted.	Resolved
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MANAGEMENT LETTER RECOMMENDATIONS

ML-98-1	6/30/98	In-Kind Revenue and Expenditure Documentation	Centralization of this reporting process is now in place.	Resolved
ML-98-2	6/30/98	Credit Risk Exposure	Written security pledge agreement has been signed.	Resolved
ML-98-3	6/30/98	Preparation of MS Form 1099 (Miscellaneous Income)	Form 1099's are being issued and monitored.	Resolved
ML-98-4	6/30/98	Improved Review of Disbursements	Recommendation has been implemented.	Resolved
ML-98-5	6/30/98	Bingeaux Café Reconciliation of Sales and Sales Tax Reporting	Monthly reconciliation is now in place.	Resolved

GUS SCHRAM & CO., Ltd.
Fiscal Yr.

Corrective

Action TakenPlanned Corrective ActionDescription of FindingRef No. FindingMANAGEMENT LETTER RECOMMENDATIONS (Continued)

ML-98-6	6/30/98	Reconciliation of Interfund Transfers	Recommendation has been implemented.	Resolved
ML-98-7	6/30/98	Controls over Electronic Video Bingo Activities	Recommendations have been implemented.	Resolved
ML-98-8	6/30/98	Procurement Policies (Purchase Orders)	Numbered purchase orders are now in use.	Resolved
ML-98-9	6/30/98	Controls of Disbursement Processing	Recommendations have been implemented.	Resolved

CALCASIEU COUNCIL ON AGING, INC.
COMPENSATION FOR BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 1999

During the fiscal year ended June 30, 1999, no per diem payment or other compensation payments were made to board members. However, business expenses were reimbursed on an actual basis to certain board members and the Executive Director.

UNAUDITED
PREPARED BY MANAGEMENT

CALCASIEU COUNCIL ON AGING, INC.
REQUIRED SUPPLEMENTARY DISCLOSURES
YEAR 2000
FOR THE FISCAL YEAR ENDED JUNE 30, 1999

The Calcasieu Parish Voluntary Council on Aging (CCOA) has not presented the disclosures required by Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, as amended by Governmental Accounting Standards Board Technical Bulletin 99-1, that the Governmental Accounting Standards Board has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that CCOA is or will become year 2000 compliant, that CCOA year 2000 remediation efforts will be successful in whole or in part, or that parties with which CCOA does business are or will become year 2000 compliant.

CALCASIEU PARISH VOLUNTARY COUNCIL ON AGING, INC.
 SCHEDULE OF PRIORITY SERVICES - TITLE III, PART B -
 GRANT FOR SUPPORTIVE SERVICES
 For the year ended June 30, 1999

			<u>% of GOEA Grant</u>
Access (30%):	Assisted Transportation	\$ 150,583	
	Case Management	17,072	
	Information & assistance	36,006	
	Outreach	<u>47,165</u>	
	Total access expenses		250,826 157.40%
In-home (15%):	Homemaker - Chore	<u>167,103</u>	167,103 104.86%
Legal (5%):	Legal assistance	<u>0</u>	0 0.00%
Non-priority services		<u>104,844</u>	
Total Title IIIB - Supportive service expenditures		522,773	
Less:	Participant contributions	(23,162)	
	Other public support	(13,355)	
	Transfers in	<u>(326,898)</u>	
Title IIIB - Support service contract (original grant award)		\$ <u>159,358</u>	

"See Independent Auditors' Report"



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

To the Board of Directors
Calcasieu Parish Voluntary Council on Aging, Inc.
Lake Charles, Louisiana

We have audited the financial statements of Calcasieu Parish Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1999, and have issued our report thereon dated December 22, 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 Calcasieu Parish Voluntary Council on Aging, Inc.'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 was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance that is required to be reported under Government Auditing Standards. We also noted certain immaterial instances of noncompliance that we have reported to management of the Council in a separate letter dated December 22, 1999.

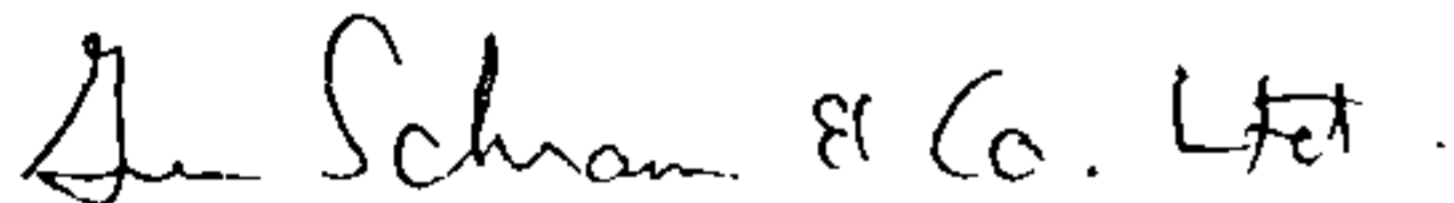
Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Calcasieu Parish Voluntary Council on Aging, Inc.'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. However, we noted a certain matter involving

the internal control over financial reporting and its operation that we consider to be a reportable condition. A reportable condition involves matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the Calcasieu Parish Voluntary Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the Schedule 9b as Item ICG 99-1.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable condition described above, we consider it to be a material weakness. We also noted other matters involving the internal control over financial reporting that we have reported to management of the Council in a separate letter dated December 22, 1999.

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



December 22, 1999



REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Calcasieu Parish Voluntary Council on Aging, Inc.
Lake Charles, Louisiana

Compliance

We have audited the compliance of the Calcasieu Parish Voluntary Council on Aging, Inc. with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement (or in the grant documents) that are applicable to each of its major federal programs for the year ended June 30, 1999. The Calcasieu Parish Voluntary Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs (Schedule 9a). Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Calcasieu Parish Voluntary Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the Calcasieu Parish Voluntary Council on Aging, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Calcasieu Parish Voluntary Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Calcasieu Parish Voluntary Council on Aging, Inc.'s compliance with those requirements.

As described in Schedule 9c as Item CC-99-1, the Calcasieu Parish Voluntary Council on Aging, Inc. did not comply with requirements regarding assessing eligibility requirements that are applicable to its Title III-C programs of the Department of Health and Human Resources. Compliance with such requirements is necessary, in our opinion, for the Calcasieu Parish Voluntary Council on Aging, Inc. to comply with requirements applicable to the Title III-B programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the Calcasieu Parish Voluntary Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of the Calcasieu Parish Voluntary Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Calcasieu Parish Voluntary Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Calcasieu Parish Voluntary Council on Aging, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in Schedule 9c as Item ICC-99-1.

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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major 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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider all of them to be material weaknesses.

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

Gus Schram & Co., Ltd.

December 22, 1999