

**Note 3 - CASH AND INVESTMENTS (Continued)**

At June 30, 1996, \$327,220 of certificates of deposit at two fiscal agent banks were not adequately secured by pledged securities by \$1,393. Collateralization information was not available on investments in the Deferred Compensation Fund.

The Council has an arrangement with the Parish whereby the Parish retains and invest on the Council's behalf ad valorem taxes in excess of the Council operating needs. At June 30, 1996 the Parish was investing for the Council \$620,179. This amount is presented in Exhibit 1 as investments. The Parish had these funds invested in certificates of deposit, the Louisiana Asset Management Pool, Federal Home Loan Credit Bank Notes and a Federal National Mortgage Association Certificate.

**Note 4 - DUE TO/FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units at June 30, 1996 consisted of the following:

State of Louisiana -	
Office of Elderly Affairs -	
USDA Cash-In-Lieu of Commodities	\$17,300
Department of Health and Hospitals -	
Department of Health and Hospitals (Medicaid Program)	308
Non-Emergency Medical Transportation Program	3,074
Other Local Governmental Units -	
Lafourche Council on Aging -	
Title III C-2 - Home Delivered Meals	<u>118</u>
Total	<u>\$20,800</u>

Amounts due to other governmental units at June 30, 1996 consisted of the following:

State of Louisiana -	
Office of Elderly Affairs -	
Title III A - Area Administration	\$6,097
Ombudsman	<u>620</u>
Total	<u>\$6,717</u>

**Note 12 - IRC SECTION 125 CAFETERIA PLAN**

In March 1991, the Council established an Internal Revenue Code Section 125 "Cafeteria" plan for all its full-time employees. Under this plan an eligible employee can elect to have a portion of their compensation reduced to pay for insurance that the employee would normally have to pay with "after tax" compensation. Participation in this plan is at the option of each full-time employee.

**Note 13 - LITIGATION**

The Council is a defendant to a personal injury lawsuit involving a passenger in a vehicle owned by the Council. The lawsuit was recently filed and the matter has been referred to the Council's liability insurer for defense. Outside counsel believes it is too early in these proceedings to determine whether there is any exposure in excess of the Council's insurance limits.

In another lawsuit, the Council is a defendant in a claim arising out of the discharge of an employee. Legal counsel engaged by the Council believes the Council will prevail in its defense.

**Note 2 - FUNDING POLICIES (Continued)**

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise, and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A revaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 1992. Taxes are due and payable December 31 with interest being charged on payments after January 1.

The tax rate for the year ended December 31, 1995 was \$3.14 per 1,000 for the purpose of operating and maintaining programs for the elderly and disabled persons of Terrebonne Parish. Revenue for the year ended June 30, 1996 recognized property taxes levied November 1, 1995.

**Note 3 - CASH AND INVESTMENTS**

State statutes authorize the Council to invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana. The Council's primary purpose for investing is to earn interest income on money that has been determined to be in excess of immediate cash requirements.

The Council is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. The Council, however, obtains collateralization for cash at financial institutions which is in excess of the FDIC insurance.

At June 30, 1996, \$229,637 of cash deposits in interest bearing checking accounts and \$3,764 of cash deposits in non-interest bearing checking accounts, were adequately collateralized by securities held by an unaffiliated bank for the account of the depositors.

Investments consist of certificates of deposit and those recorded under the Deferred Compensation Fund. As detailed in Note 10, the investments under the Deferred Compensation Fund are maintained by the administrator of the Deferred Compensation Program. They are maintained on a unit value basis for various fixed annuities and investment funds.

**Note 7 - RESERVES FOR SPECIFIC PROGRAMS (Continued)**

	Balance July 1, <u>1995</u>	Excess (Deficiency) of Revenues and Other Sources Over Expenditures and other uses	Balance June 30, <u>1996</u>
Helping Hands Fund	\$ 2,745	\$ 784	\$ 3,529
United Way Fund	-	882	882
Special Fund	41,705	528	42,233
Charitable Gaming Fund	36,336	(85)	36,251
Exxon Grant Fund	671	-	671
South Central Bell Grant Fund	500	-	500
Non-Emergency Medical Transportation Fund	<u>7,737</u>	<u>8,960</u>	<u>16,697</u>
Totals	<u>\$89,694</u>	<u>\$11,069</u>	<u>\$100,763</u>

These balances have no time limitation for usage.

**Note 8 - BOARD OF DIRECTORS**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

**Note 9 - IN-KIND CONTRIBUTIONS**

The Terrebonne Council on Aging, Inc. received various in-kind contributions during the year. The following facilities, goods and services were furnished at no cost to the Council:

- Congregate meal sites
- USDA commodities provided by the State of Louisiana

**Note 2 - FUNDING POLICIES**

The Council receives their monies through various methods of funding. Most of the funds are obtained on a grant basis. Under this method, funds are received on a monthly allocation of the total budget from the Office of Elderly Affairs. The following programs are conducted in this manner: Title III A, B, C-1, C-2, D and F, Ombudsman, Senior Center, State Funds (Act 735) and Audit Funds. The Senior Citizens line item monies are received all at one time. Under the Title III A program, \$6,097 was not expended at June 30, 1996. Under the Ombudsman program, \$620 was not expended at June 30, 1996.

The Council receives funding based upon a per diem per unit of service. The Cash-In-Lieu of Commodities program, the Medicaid Application Program (Department of Health and Hospitals), and the Non-Emergency Medical Transportation Program (Department of Health and Hospitals) receives funding in this manner. For reporting purposes, OEA requires USDA Cash-In-Lieu of Commodities transactions to be reported under Title III C-1 and C-2.

The Council encourages and receives contributions from clients to help offset the cost of the Title III-B, C-1, and C-2 Programs. The Council receives funds from the Terrebonne Parish Consolidated Government, United Way of South Louisiana, South Central Bell, Exxon and Charitable Gaming Participants. Utility Assistance Funds are also provided by the Louisiana Association of Councils on Aging, South Louisiana Electric Cooperative Association and City of Houma under the Helping Hands Program. In addition, various fundraises are held during the year to obtain funds to help expand Council services. 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.

The Council records receipts from the Parish for the 3.14 millage Parish ad valorem tax as ad valorem tax revenue. The Parish acts as the collection agent for these taxes and accounts for these taxes on its books in an agency fund. The Parish withholds certain amounts as reimbursement of expenses that are attributable to the Council. The net revenues are forwarded to the Council for its use on an as need basis. As indicated in Note 3, funds not forwarded by the Parish to the Council are invested by the Parish on behalf of the Council.

**Note 9 - IN-KIND CONTRIBUTIONS (Continued)**

- Some storage of USDA commodities
- Volunteer services
- Volunteers' vehicle and travel
- Building usage for the main office, Bayou Towers, Neil Ransonet and Shady Oak Senior Centers
- Operating supplies and services

While these contributions have not been reported, the offsetting expenditures have also not been reported.

**Note 10 - DEFERRED COMPENSATION PLAN**

Employees of the Terrebonne Council on Aging, Inc. have the option to participate in a deferred compensation program. The maximum compensation that may be deferred under the plan for the participant's taxable year shall not exceed certain limits as defined by Internal Revenue Code Section 457. Additional deferrals are allowed in certain years prior to retirement.

The Council has the responsibility for withholding and remitting contributions from participants to the plan. The Public Employees Benefit Services Corporation, who serves as administrator, has the responsibility for maintaining a deferred account with respect to each participant, investing the participant's account in accordance with the participant's investment specification and reporting annually to the participant and the Council on the status of the plan.

All assets of the plan, including all deferred amounts and all income attributable to such deferred amounts, are the assets of the Council and are subject to all the claims of creditors of the Council. Legally, the amounts deferred are the property of the employer, even though the funds have been earned by the employee and represent a portion of the employee's gross salary. Legal ownership of the plan assets does not vest with the employee until those amounts become due and payable to the employee under the terms of the plan.

A participant who becomes eligible to receive distributions from the plan but chooses instead to receive the deferred amounts over a period of time remains a general creditor the same as those participants who are still active or otherwise ineligible. If the deferred amounts and related earnings are placed in a legal trust for the participants or are otherwise beyond the reach of the government or its general creditors at any time before actual payment, these amounts become taxable income to the participants.

**Note 10 - DEFERRED COMPENSATION PLAN (Continued)**

It is the opinion of the Council that it has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The Council believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

A summary of changes in assets and liabilities for the year ended June 30, 1996 is as follows:

	<u>Balance July 1, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
<b>Assets</b>				
Investments	<u>\$151,324</u>	<u>\$27,497</u>	<u>\$14,264</u>	<u>\$164,557</u>
<b>Liabilities</b>				
Due to Deferred Compensation Program	<u>\$151,324</u>	<u>\$27,497</u>	<u>\$14,264</u>	<u>\$164,557</u>

**Note 11 - ECONOMIC DEPENDENCY**

The Council receives a 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.

However, the Council received proceeds of a property tax from Terrebonne Parish Consolidated Government which provided approximately \$922,506 of additional annual revenues to the Council. This revenue helps reduce the dependency by the Council on federal and state grants. The Council also receives other miscellaneous revenues.

**Note 5 - GENERAL FIXED ASSETS**

A summary of changes in general fixed assets is as follows:

	Balance July 1, <u>1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1996</u>
Buildings	\$163,343	\$ -	\$ -	\$163,343
Office furniture, fixtures and equipment	199,307	5,008	11,395	192,920
Vehicles, machinery and equipment	<u>506,205</u>	<u>30,485</u>	<u>23,824</u>	<u>512,866</u>
Totals	<u>\$868,855</u>	<u>\$35,493</u>	<u>\$35,219</u>	<u>\$869,129</u>

The Senior Center building has been constructed on land owned by the Chauvin Senior Citizens, Inc. It is the Council's intention to obtain a lease on the land.

**Note 6 - LONG-TERM OBLIGATIONS**

The following is a summary of the changes in long-term obligations of the Council for the year ended June 30, 1996:

Long-term obligations, July 1, 1995	\$20,978
Net increase in accumulated unpaid vacation and compensatory time	<u>10,691</u>
Long-term obligations, June 30, 1996	<u>\$31,669</u>

**Note 7 - RESERVES FOR SPECIFIC PROGRAMS**

As previously stated in Note 1(j), amounts reserved for specific programs at June 30, 1996 represent the unexpended portion of monies received for specific programs, as follows:



**SUPPLEMENTARY INFORMATION SECTION**

## **GENERAL FUND**

The General Fund is used to account for all financial resources except for those required to be accounted for in another fund. Monies were derived from a 3.14 mill parish wide ad valorem tax received through the Terrebonne Parish Consolidated Government. Monies are also received from the Governor's Office of Elderly Affairs as stated in the Legislative Act 735. These monies are used for the operation and maintenance of programs of the Council on Aging.

**BALANCE SHEET - GENERAL FUND PROGRAMS****Terrebonne Council on Aging, Inc.**

June 30, 1996

	<u>Programs of the General Fund</u>		
	<u>Ad Valorem Tax Monies</u>	<u>Act 735 Monies</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 71,476	\$ -	\$ 71,476
Investments (at cost)	947,399	-	947,399
Deposits	<u>35,735</u>	<u>-</u>	<u>35,735</u>
Totals	<u>\$1,054,610</u>	<u>\$ -</u>	<u>\$1,054,610</u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	\$ 5,721	\$ -	\$ 5,721
<b>Fund Balances</b>			
Fund balances - unreserved	<u>1,048,889</u>	<u>-</u>	<u>1,048,889</u>
Totals	<u>\$1,054,610</u>	<u>\$ -</u>	<u>\$1,054,610</u>

## SPECIAL REVENUE FUNDS

**Title III A - Area Agency Administration Fund** - Monies are received from the Governor's Office of Elderly Affairs for the Terrebonne Area Agency on Aging administrative costs.

**Title III B - Supportive Services Fund** - Monies are received from the Governor's Office of Elderly Affairs for Supportive Social Services. This fund provides various services to elderly persons age 60. Services include, but are not limited to, legal assistance, outreach, transportation and personal assistance and custodial care.

**Title III C-1 - Congregate Meals Fund** - Monies are received from the Governor's Office of Elderly Affairs for the Congregate Meals Program. A nutritious noon meal is provided five (5) days a week at various locations throughout the parish for individuals age 60 and over and their spouse.

**Title III C-2 - Home Delivered Meals Fund** - Monies are received from the Governor's Office of Elderly Affairs for the Home Delivered Meal Program. A nutritious noon meal is provided five (5) days a week to homebound persons age 60 and over and their spouse.

**Title III D - Frail In-Home Services Fund** - Monies in this fund are received from the Governor's Office of Elderly Affairs. This fund provides homemaker services to the frail elderly.

**Title III F - Frail Elderly Assistance Fund** - Monies are received from the Governor's Office of Elderly Affairs. Part F was incorporated into Title III of the Older Americans Act in 1987. In 1992, Title III-F appropriations were made available to the States for the first time. This money is to be used for disease prevention and health promotion activities. The law directs the State agency to give priority to areas of the State which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need for such services.

**USDA Cash-In-Lieu of Commodities Fund** - Monies in this fund are received from the Governor's Office of Elderly Affairs for the Nutrition Program. Cash is received in-lieu of commodities. Payment is based on the number of meals served to eligible participants and applied to raw food costs.

**Helping Hands Fund** - Monies are received from the customer donations to the Louisiana Association of Councils on Aging, Terrebonne Parish Consolidated Government, and South Louisiana Electric Cooperation Association. These monies provide home energy assistance subsidy to low-income elderly and handicap persons.

**Senior Citizens Fund** - Monies are received from the Governor's Office of Urban Affairs and Development as stated in Act 18 of the 1987 Legislative Session, general fund line item appropriation. These funds are appropriated for Bayou Towers Senior Center, Bayou Dularge Senior Center, Chauvin Senior Center, Dulac Senior Center, East Park Senior Center, Gibson Senior Center, Montegut Senior Center, Schriever Senior Center and Shady Oaks Senior Center.

**Ombudsman Fund** - Monies are received from the Governor's Office of Elderly Affairs. This fund is for investigation and resolution of complaints by an impartial mediator, made by or on behalf of residents of nursing homes.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l) Income Taxes**

Tax exempt status has been granted under Internal Revenue Code Section 501(c)(3).

**m) Interfund Transactions**

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

A reconciliation of operating interfund transfers for the year ended June 30, 1996 is as follows:

	<u>Operating Transfers</u>	
	<u>In</u>	<u>Out</u>
General Fund	\$ -	\$702,702
Special Revenue Funds	<u>780,636</u>	<u>77,934</u>
Reconciled totals	<u>\$780,636</u>	<u>\$780,636</u>

**n) Total Column on Combined Balance Sheet - Overview**

Total column on the combined balance sheet - overview is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present 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.

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## **SPECIAL REVENUE FUNDS (Continued)**

**Audit Fund** - Monies are received from the Governor's Office of Elderly Affairs to be used for audit costs.

**Disaster Assistance Fund** - Monies were received from the Governor's Office of Elderly Affairs to help pay for costs incurred for outreach services to people of Terrebonne Parish, Louisiana, who suffered property damages and hardships because of Hurricane Andrew. Costs are also allowed to help pay for property clean up and repairs which resulted from the hurricane.

**Department of Health and Hospitals Fund** - The Council has been certified as a Medicaid Enrollment Center. Funds received are reimbursed per complete application, and reimbursed on a quarterly basis.

**Senior Center Fund** - Monies are received from the Governor's Office of Elderly Affairs. This fund provides various services to elderly persons age 60 years and over. Services include advocacy, education and training, health and physical fitness, recreation, information and referral, and visitations to ill clients.

**United Way Fund** - Monies are received from the United Way of South Louisiana and are used to provide transportation to the handicapped and to support Senior Center and Title III Transportation services to elderly persons age 60 and over.

**Special Fund** - Monies are generated through special projects, donations and vending sales. This fund is used for social, charitable, and athletic events scheduled for the elderly throughout the year.

**Charitable Gaming Fund** - Monies were generated from conducting Bingo and other related gaming activities. All disbursements must be related to charitable gaming activities (prizes, supplies, equipment, operating expenses, contributions for educational, charitable, religious, patriotic and other public spirited organizations).

**Arts and Humanities Grant Fund** - Houma-Terrebonne Arts and Humanities Council Grant-Funds will be used for advanced art for Seniors.

**Exxon Grant Fund** - Exxon U.S.A. Volunteer Involvement Fund - The Council received a grant to purchase a portable photograph identification system. Identification system would enable the Council to make I.D. cards for the senior citizens of this parish.

**South Central Bell Grant Fund** - Grant received from South Central Bell Seniors Mini Grant-Funds used for portable photograph identification card system. Identification system would enable the Council to make I.D. cards for the senior citizens of this parish.

**Non-Emergency Transportation Fund** - Funds received from Department of Health and Hospitals for Medicaid of Louisiana programs for non-emergency medical transportation. Funds are received based on a billing per trip.

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**

**Terrebonne Council on Aging, Inc.**

June 30, 1996

	Title III A Area Agency Administration Fund	Title III B Supportive Services Fund	Title III C-1 Congregate Meals Fund	Title III C-2 - Home Delivered Meals Fund
<b>Assets</b>				
Cash	\$ 6,895	\$ 13,996	\$ 20,215	\$ 14,743
Receivables - other	-	9,940	-	-
Due from other governmental units	-	-	-	118
Totals	<u>\$ 6,895</u>	<u>\$ 23,936</u>	<u>\$ 20,215</u>	<u>\$ 14,861</u>
<b>Liabilities</b>				
Bank overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued expenses	798	23,936	20,215	14,861
Deferred revenue	-	-	-	-
Due to other governmental units	6,097	-	-	-
Total liabilities	<u>6,895</u>	<u>23,936</u>	<u>20,215</u>	<u>14,861</u>
<b>Fund Balances</b>				
Reserved - specific programs				
Unreserved				
Total fund balances				
Totals	<u>\$ 6,895</u>	<u>\$ 23,936</u>	<u>\$ 20,215</u>	<u>\$ 14,861</u>



**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GENERAL FUND PROGRAMS**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

	General Fund Programs		
	Ad Valorem Tax Monies	Act 735 Monies	Total
<b>Revenues</b>			
Taxes - ad valorem	\$ 922,506	\$ -	\$ 922,506
Intergovernmental:			
State of Louisiana:			
Act 735		13,536	13,536
Department of Transportation and Development	19,506	-	19,506
Miscellaneous:			
Project income and donations	152	-	152
Other	18,099	-	18,099
	<hr/>	<hr/>	<hr/>
Total revenues	960,263	13,536	973,799
<b>Expenditures - Health &amp; Welfare</b>			
Travel	282		282
Operating services	3,403		3,403
Operating supplies	2,026		2,026
Capital outlay	32,643		32,643
	<hr/>	<hr/>	<hr/>
Total expenditures	38,354		38,354
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	921,909	13,536	935,445
<b>Other Financing Uses</b>			
Operating transfers out:			
Title III B - Supportive Services Fund	(378,891)	(13,536)	(392,427)
Title III C-1 - Congregate Meals Fund	(200,255)	-	(200,255)
Title III C-2 - Home Delivered Meals Fund	(87,931)	-	(87,931)
Title III F - Frail Elderly Assistance Fund	(1,563)	-	(1,563)
Senior Center Fund	(19,749)	-	(19,749)
Special Fund	(693)	-	(693)
Arts and Humanities Grant Fund	(84)	-	(84)
	<hr/>	<hr/>	<hr/>
Total other financing uses	(689,166)	(13,536)	(702,702)
<b>Excess of Revenues Over Expenditures and Other Uses</b>	232,743	-	232,743
<b>Fund Balances</b>			
Beginning of year	816,146	-	816,146
	<hr/>	<hr/>	<hr/>
End of year	\$1,048,889	\$ -	\$1,048,889

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

	<u>General</u>	<u>Special Revenue</u>	<u>Total (Memorandum Only)</u>
<b>Revenues</b>			
Taxes - ad valorem	\$ 922,506	\$ -	\$ 922,506
Intergovernmental -			
State of Louisiana:			
Office of Elderly Affairs	-	532,596	532,596
State Funds - Act 735	13,536	-	13,536
Urban affairs	-	15,000	15,000
Department of Transportation and Development	19,506	-	19,506
Terrebonne Parish Consolidated Government	-	2,033	2,033
Charges for services	-	78,904	78,904
Miscellaneous	18,251	136,704	154,955
	<u>973,799</u>	<u>765,237</u>	<u>1,739,036</u>
Total revenues			
<b>Expenditures</b>			
Health and welfare:			
Salaries	-	649,156	649,156
Fringe	-	88,486	88,486
Travel	282	17,547	17,829
Operating services	3,403	313,883	317,286
Operating supplies	2,026	106,178	108,204
Other costs	-	276,985	276,985
Capital outlay	32,643	2,749	35,392
	<u>38,354</u>	<u>1,454,984</u>	<u>1,493,338</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>935,445</u>	<u>(689,747)</u>	<u>245,698</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfer in	-	780,636	780,636
Operating transfer (out)	(702,702)	(77,934)	(780,636)
	<u>(702,702)</u>	<u>702,702</u>	<u>-</u>
Total other financing sources (uses)			
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>	232,743	12,955	245,698
<b>Fund Balances</b>			
Beginning of year	816,146	92,119	908,265
End of year	<u>\$ 1,048,889</u>	<u>\$ 105,074</u>	<u>\$ 1,153,963</u>

See notes to financial statements.

**CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

**Prior Year Finding:** 1. While testing eligibility of twenty-five clients using the Council's services, it was noted that one client receiving home-delivered meals was not reassessed within the required six month time period. The client was reassessed after seven months.

**Corrective Action:** This finding still exists and is included as a current finding in Schedule 1.

**Prior Year Finding:** 2. While testing the Council's system for determining content and number of meals, it appeared that a menu cycle was not submitted to OEA for their review and approval within the required time. The letter sent by the Council in the file was dated February 27, 1995 but the State indicated it wasn't received until March 30, 1995.

**Corrective Action:** The Council has implemented procedures to ascertain that menus are submitted to OEA for their review and approval on a timely basis.

**Prior Year Finding:** 3. While testing items from federal funds (vouched in the General Purpose Financial Statement workpapers) for compliance, it was noted that the allocation of costs for some items did not agree to the cost allocation plan.

**Corrective Action:** The Council makes every attempt to use the percentages in the cost allocation plan to allocate costs.

**Prior Year Finding:** 4. The Council does not have a policy in force to prohibit employees from using Council equipment for personal reasons.

**Corrective Action:** The Council is currently updating its personnel policy and will include a prohibition of the use of Council equipment by employees for personal reasons.

<u>Title III D-Frail In-Home Services Fund</u>	<u>Title III F-Frail Elderly Services Fund</u>	<u>USDA Cash- In-Lieu of Commodities Fund</u>	<u>Helping Hands Fund</u>	<u>Senior Citizens Fund</u>	<u>Ombudsman Program Fund</u>	<u>Audit Fund</u>
	\$ 47	\$ -	\$ 3,529		\$ 871	
	-	-	-		-	
	-	17,300	-		-	
<u>\$ -</u>	<u>\$ 47</u>	<u>\$ 17,300</u>	<u>\$ 3,529</u>	<u>\$ -</u>	<u>\$ 871</u>	<u>\$ -</u>
	\$ -	\$ 17,300			\$ -	
	47	-			251	
	-	-			-	
	-	-			620	
	<u>47</u>	<u>17,300</u>			<u>871</u>	
			\$ 3,529			
			-			
			<u>3,529</u>			
<u>\$ -</u>	<u>\$ 47</u>	<u>\$ 17,300</u>	<u>\$ 3,529</u>	<u>\$ -</u>	<u>\$ 871</u>	<u>\$ -</u>

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## **SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

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## PRINCIPAL OFFICIALS

### **Terrebonne Council on Aging, Inc.**

June 30, 1996

## BOARD OF DIRECTORS

	<u>Term Expiration Date</u>
Aaron Blanchard	December 31, 1997
Willie Bonvillain	December 31, 1997
Evelyn Boudreaux, Vice Chairwoman	December 31, 1997
Lawrence Breaux	December 31, 1998
Betty Brown	December 31, 1997
Jimmy Dagate	December 31, 1996
William Davis	December 31, 1996
Charles Duet	December 31, 1996
Betty Hebert	December 31, 1998
JoAnn Jules, Secretary	December 31, 1998
Lorraine Kimbrell	December 31, 1996
Barbara LeBoeuf, Treasurer	December 31, 1997
Gary Matherne	December 31, 1998
Nella Melancon	December 31, 1996
Frances Modisette	December 31, 1997
Virginia Molaison	December 31, 1998
Kevin Portz	December 31, 1998
Carol Ann Ransonet, Chairwoman	December 31, 1996
Susan Rhodes	December 31, 1996
A.J. Scafide	December 31, 1998
Danny Trahan	December 31, 1997



Bourgeois Bennett

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the accompanying general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended June 30, 1996, as listed in the table of contents. 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; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 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 the Terrebonne Council on Aging, Inc. as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedules listed as "Other Supplementary Information" in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Terrebonne 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.

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June 30, 1996

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**FINANCIAL SECTION**

**COMBINED BALANCE SHEET -  
ALL FUND TYPES AND ACCOUNT GROUPS**

**Terrebonne Council on Aging, Inc.**

June 30, 1996

	Governmental Fund Types		Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Agency	General Fixed Assets	General Long-Term Obligations	
<b>ASSETS</b>						
Cash	\$ 71,476	\$ 170,631	\$ -	\$ -	\$ -	\$ 242,107
Investments	947,399	-	164,557	-	-	1,111,956
Receivables - other	-	10,773	-	-	-	10,773
Deposits	35,735	-	-	-	-	35,735
Due from other governmental units	-	20,800	-	-	-	20,800
Fixed assets	-	-	-	869,129	-	869,129
Amount to be provided for retirement of general long- term obligations	-	-	-	-	31,669	31,669
<b>Totals</b>	<b>\$1,054,610</b>	<b>\$ 202,204</b>	<b>\$ 164,557</b>	<b>\$ 869,129</b>	<b>\$ 31,669</b>	<b>\$2,322,169</b>
<b>LIABILITIES</b>						
Bank overdraft	\$ -	\$ 17,300	\$ -	-	\$ -	\$ 17,300
Accounts payable and accrued expenses	5,721	66,927	-	-	-	72,648
Deferred revenue	-	6,186	-	-	-	6,186
Due to other governmental units	-	6,717	-	-	-	6,717
Due to Deferred Compensation Program	-	-	164,557	-	-	164,557
Long-term obligations	-	-	-	-	31,669	31,669
<b>Total liabilities</b>	<b>5,721</b>	<b>97,130</b>	<b>164,557</b>		<b>31,669</b>	<b>299,077</b>
<b>FUND EQUITY</b>						
Investments in general fixed assets				\$ 869,129		869,129
Fund balances:						
Reserved - specific programs	-	100,763				100,763
Unreserved	1,048,889	4,311				1,053,200
<b>Total fund balances</b>	<b>1,048,889</b>	<b>105,074</b>				<b>1,153,963</b>
<b>Total fund equity</b>	<b>1,048,889</b>	<b>105,074</b>		<b>869,129</b>		<b>2,023,092</b>
<b>Totals</b>	<b>\$1,054,610</b>	<b>\$ 202,204</b>	<b>\$ 164,557</b>	<b>\$ 869,129</b>	<b>\$ 31,669</b>	<b>\$2,322,169</b>

See notes to financial statements.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h) Long-Term Obligations**

The accounting and reporting treatment applied to the long-term obligations associated with a fund are determined by its measurement focus. All Governmental Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term obligations expected to be financed from Governmental Funds are accounted for in the General Long-Term Obligations Account Group, not in the Governmental Funds.

Long-Term Obligations Account Group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

**i) Accumulated Vacation, Compensatory Time and Sick Leave**

Accumulated vacation, compensatory time and sick leave are recorded as an expenditure of the period in which paid. Sick leave can be accumulated but does not vest and, therefore, a provision has not been made for sick leave. The amount of accumulated unpaid vacation and compensatory time at June 30, 1996 is reported in the General Long-Term Obligations Account Group and detailed in Note 6.

**j) Fund Equity**

The reserve for specific programs represents the unexpended portion of monies received for specific programs and is detailed in Note 7.

**k) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Council.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND  
ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes - ad valorem	\$ 718,498	\$ 922,506	\$ 204,008
Intergovernmental:			
State of Louisiana:			
Office of Elderly Affairs	-	-	-
State Funds - Act 735	13,536	13,536	-
Urban affairs	-	-	-
Department of Transportation and Development	19,506	19,506	-
Terrebonne Parish Consolidated Government	-	-	-
Charges for services	-	-	-
Miscellaneous	11,856	18,251	6,395
Total revenues	<u>763,396</u>	<u>973,799</u>	<u>210,403</u>
<b>Expenditures</b>			
Health and welfare:			
Salaries	-	-	-
Fringe	-	-	-
Travel	250	282	(32)
Operating services	2,638	3,403	(765)
Operating supplies	2,188	2,026	162
Other costs	-	-	-
Capital outlay	34,615	32,643	1,972
Total expenditures	<u>39,691</u>	<u>38,354</u>	<u>1,337</u>
Excess (deficiency) of revenues over expenditures	<u>723,705</u>	<u>935,445</u>	<u>211,740</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	-	-	-
Operating transfers (out)	(741,669)	(702,702)	38,967
Total other financing sources (uses)	<u>(741,669)</u>	<u>(702,702)</u>	<u>38,967</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>(17,964)</u>	<u>232,743</u>	<u>250,707</u>
<b>Fund Balances</b>			
Beginning of year	816,146	816,146	-
End of year	<u>\$ 798,182</u>	<u>\$ 1,048,889</u>	<u>\$ 250,707</u>

See notes to financial statements.

Special Revenue Funds		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
539,473	532,596	(6,877)
-	-	-
15,003	15,000	(3)
-	-	-
2,033	2,033	-
73,788	78,904	5,116
136,610	136,704	94
<u>766,907</u>	<u>765,237</u>	<u>(1,670)</u>
653,295	649,156	4,139
92,600	88,486	4,114
17,498	17,547	(49)
346,717	313,883	32,834
108,832	106,178	2,654
275,176	276,985	(1,809)
3,782	2,749	1,033
<u>1,497,900</u>	<u>1,454,984</u>	<u>42,916</u>
<u>(730,993)</u>	<u>(689,747)</u>	<u>41,246</u>
819,763	780,636	(39,127)
<u>(78,097)</u>	<u>(77,934)</u>	<u>163</u>
<u>741,666</u>	<u>702,702</u>	<u>(38,964)</u>
10,673	12,955	2,282
<u>92,119</u>	<u>92,119</u>	<u>-</u>
<u>\$ 102,792</u>	<u>\$ 105,074</u>	<u>\$ 2,282</u>

**NOTES TO FINANCIAL STATEMENTS****Terrebonne Council on Aging, Inc.**

June 30, 1996

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Terrebonne Voluntary Council on the Aged (the Council) was created on April 28, 1965, under Act No. 456 of 1964, of the State of Louisiana, for the welfare of the aging people in Terrebonne Parish. On September 10, 1975, the Council was incorporated as the Terrebonne Council on Aging under the provisions of Title 12, Chapter 2 of the Louisiana Revised Statutes of 1950 to operate as a quasi-public, non-profit organization.

The accounting and reporting policies of the Council conform to generally accepted accounting principles as applicable to governments. The following is a summary of certain significant accounting policies:

**a) Reporting Entity**

The Council is considered a component unit of the Terrebonne Parish Consolidated Government (the Parish) and, as such, these financial statements will be included in the Comprehensive Annual Financial Report (CAFR) of the Parish for the year ended December 31, 1996.

The Council has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

**b) Fund Accounting**

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of selfbalancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate.

Specific revenue sources that are legally restricted to expenditures for specified purposes or revenues for specific programs are accounted for in separate funds. All Councils on Aging receiving funds from the Governor's Office of Elderly Affairs (OEA), State of Louisiana, are required to account for these revenues separately. The various funds are grouped, in the financial statements in this report, into three generic fund types and two broad fund categories as follows:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

**Governmental Funds**

**General Fund** - The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those that are required to be accounted for in another fund.

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

**Fiduciary Funds**

**Agency Fund** - The Agency Fund (Deferred Compensation Fund) is used to account for assets held in a trustee capacity for individuals. It is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

c) Basis of Accounting

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

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized in the accounting period in which they become measurable and available as net current assets. The Council's funding policies relating to grants received from the State of Louisiana, the Terrebonne Parish Consolidated Government, the United Way and other entities are described in Note 2. Substantially all other revenues are recorded when received. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include accumulated unpaid vacation and sick pay, and other employee amounts which are not accrued.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Operating Budgetary Data**

The procedures utilized by the Council in establishing the budgetary data reflected in the financial statements are as follows:

1. The Governor's Office of Elderly Affairs (OEA) notifies the Council each year as to the funding levels for each program's grant award.
2. The Council staff prepares a proposed budget based on the funding levels provided by OEA and then submits the budget to the Board of Directors for approval. At the same time, budgets for all other funds are submitted for approval.
3. The Board of Directors reviews and adopts the budgets before June 30th of the current year for the next year.
4. The adopted budget for OEA funds are forwarded to OEA for final approval.
5. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. There was only one amendment during the year effective April 1, 1996.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Council may transfer funds between line items as often as required but must obtain prior approval from OEA for funds received under grants from this agency.
10. Expenditures cannot legally exceed appropriations on an individual fund level.



**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Operating Budgetary Data (Continued)**

11. The Council has established policies requiring public participation in the budget process.

**e) Bad Debts**

The financial statements for the Council contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position of the Council.

**f) Investments**

Investments are stated at cost except for investments in the deferred compensation agency fund which are reported at market value.

**g) General Fixed Assets**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets Account Group.

The Account Group is not a fund. It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations. Public domain, ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Fixed assets with an estimated historical cost amounted to approximately \$18,600 or 2% of the total General Fixed Assets Account Group. Donated fixed assets are valued at their estimated fair value on the date donated.

In accordance with Government Auditing Standards, we have also issued a report dated October 10, 1996 on our consideration of the Terrebonne Council on Aging, Inc.'s internal control structure and a report dated October 10, 1996 on its compliance with laws and regulations.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 10, 1996.

**Grant Programs**

**Findings**

**Questioned Costs**

Title  
III C-2  
Home  
Delivered  
Meals

3. **Finding** - While testing eligibility of twenty-five clients using the Council's services, it was noted that one client receiving home-delivered meals was not reassessed within the required six month time period.

\$ -0-

**Criteria** - OEA's policy manual requires that each home-delivered meals provider reassess the need for home-delivered meals and other nutrition services at least semi-annually.

**Effect of Finding** - The client could have been determined to be ineligible after the six month time period and therefore the Council would have been providing services to an ineligible client.

**Cause of Finding** - The client files on the computer has a reassessment date of 1995 rather than 1996. However, the paperwork printed out in the client's file had the correct reassessment date. So when reassessment printouts were prepared, this client did not get on the list, therefore no reassessment was not done.

**Recommendation** - We recommend that the Council determine if there is a computer error that is causing certain clients not to be reassessed on a timely basis. And to take necessary measures to prevent this from occurring again.

**Grantee's Response** - This is the Council's first year working with Unity 2. The Council is still experiencing software problems. The Council will continue to work with OEA on software improvements and will monitor reports for assessment dates and print a report at the end of the month for the month to show what is left on reassessment dates.

This report is intended for the information of the Board of Directors, management, the Legislative Auditor for the State of Louisiana and various federal and state audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Bougeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 10, 1996.



Bourgeois Bennett

**INDEPENDENT AUDITOR'S SINGLE AUDIT REPORT ON COMPLIANCE  
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR  
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 10, 1996.

In connection with our audit of the general purpose financial statements of the Council, and with our consideration of the Council's internal control used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments, we selected certain transactions applicable to the nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed; eligibility; reporting; cost allocation; and special requirements that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Council's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Council had not complied, in all material respects, with those requirements. However, the results of our audit procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs (Schedule 1).

This report is intended for the information of the Board of Directors, management, the Legislative Auditor for the State of Louisiana and various federal and state audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 10, 1996.

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Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council) a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, for the year ended June 30, 1996, and have issued our report thereon dated October 10, 1996. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Council taken as a whole. The accompanying Schedule of Federal Financial Assistance for the Terrebonne Council on Aging, Inc. is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule 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.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,

October 10, 1996.

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Thibodaux, LA 70302-1205  
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**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

Federal Granting Agency/ Recipient State Agency/ Grant Program	Grant Period	Catalog Number
<u>Department of Health and Human Services</u>		
<u>Passed Through the Louisiana Governor's</u>		
<u>Office of Elderly Affairs:</u>		
Special Programs for the Aging:		
Title III A - Area Agency Administration	7/1/95 - 6/30/96	93.044
Title III B - Supportive Services	7/1/95 - 6/30/96	93.044
Innovative Award	7/1/95 - 6/30/96	93.044
Title III C-1 - Congregate Meals	7/1/95 - 6/30/96	93.045
Title III C-2 - Home Delivered Meals	7/1/95 - 6/30/96	93.045
Title III D - Frail In-Home Services	7/1/95 - 6/30/96	93.046
Title III F - Frail Elderly Assistance	7/1/95 - 6/30/96	93.043
Ombudsman Program	7/1/95 - 6/30/96	93.044
Administration on Aging, Section 310, Disaster Assistance	7/1/95 - 6/30/96	93.048
Total department of health and human services		
<u>Department of Agriculture</u>		
<u>Passed Through the Louisiana Governor's</u>		
<u>Office of Elderly Affairs:</u>		
U.S.D.A. - Cash -in-Lieu of Commodities	7/1/95 - 6/30/96	10.570
<u>Department of Transportation</u>		
<u>Passed Through the Louisiana</u>		
<u>Department of Transportation and Development</u>		
UMTA-Non Urbanized Area Public Transportation		
Program		
Federal Project #LA-16-0021		
State Project #736-99-0126		20.500
Totals		

- (1) The Legislative Act 735 Monies Fund (State Funds) transferred its funds to the Title III-B Supportive Services Fund.
- (2) The U.S.D.A. - Cash-in-Lieu of Commodities Fund (Federal Funds) transfers its funds to Title III C-1 - Congregate Meals Fund and to Title III C-2 - Home Delivered Meals Fund.
- (3) Certain Senior Citizens Line Item Funds (State Funds) transferred its funds to the Title III-C-1 - Congregate Meals Fund.

Federal Financial Assistance				Other Revenues			Expenditures
Received - Cash Basis	Accrued (Deferred)		Accrual Basis	Accrual Basis			
	6/30/95	6/30/96		State	Local	Other	
\$ 27,493	\$ 4,192	\$ (4,573)	\$ 18,728	\$ 6,243	\$ -	\$ -	\$ 24,971
93,808	7,043	-	86,765	77,716	437,488	13,536 (1)	615,505
1,500	1,500	-	-	-	-	-	-
90,362	6,803	-	83,559	4,953	230,935	47,444 (2)/(3)	366,891
31,489	2,341	-	29,148	93,665	107,667	27,611 (2)	258,091
2,402	181	-	2,221	392	-	-	2,613
8,780	3,913	-	4,867	1,415	1,563	-	7,845
6,782	435	(527)	5,820	1,025	-	-	6,845
-	(6,186)	(6,186)	-	-	-	-	-
							<u>1,282,761</u>
61,771	17,348	17,300	61,723	-	-	- (2)	61,723
19,506	-	-	19,506	-	8,360	-	27,866
<u>\$ 343,893</u>	<u>\$ 37,570</u>	<u>\$ 6,014</u>	<u>\$ 312,337</u>	<u>\$ 185,409</u>	<u>\$ 786,013</u>	<u>\$ 88,591</u>	<u>\$1,372,350</u>



# **NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

## **Terrebonne Council on Aging, Inc.**

June 30, 1996

### **Note 1 - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-128, SINGLE AUDIT ACT OF 1984**

All Federal grant awards of the Terrebonne Council on Aging, Inc. are included in the scope of the OMB Circular A-128, Single Audit Act of 1984. The United States Department of Health and Human Services is the Council's cognizant federal audit agency and the Governor's Office of Elderly Affairs is the state cognizant audit agency for the single audit.

### **Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Financial Assistance has been prepared on the accrual basis of accounting. Accrued revenue at year end represents entitlements not yet received. Deferred revenue at year end represents funds received in excess of reimbursable expenditures incurred.

### **Note 3 - FINDINGS OF NONCOMPLIANCE**

The findings of noncompliance are disclosed in Schedule 1. The potential reimbursement effects of the findings are not ascertainable.

<u>Grant Programs</u>	<u>Findings</u>	<u>Questioned Costs</u>
Title III C-1 Congregate Meals	<p>4. <b>Finding</b> - While testing eligibility of twenty-five clients using the Council's services, it was noted that one client participating in the Congregate Meals did not have any information on file. Therefore, no determination could be made if this client was an eligible recipient of services.</p> <p><b>Criteria</b> - OEA's policy manual states that participants are eligible for congregate nutrition services if they have attained the age of 60. Preference must be given to clients who are economically and/or socially needy. Eligible clients may also be those who are handicapped or disabled who have not attained 60 years of age but who reside in housing facilities occupied primarily by the elderly at which congregate nutrition services are provided.</p> <p><b>Effect of Finding</b> - The client could be determined to be ineligible to receive services.</p> <p><b>Cause of Finding</b> - An oversight by the staff.</p> <p><b>Recommendation</b> - We recommend that care be given to ascertain that necessary information be obtained on all clients to verify that they are eligible to receive services.</p> <p><b>Grantee's Response</b> - The Council will have all site personnel verify (with the main office outreach department) the eligibility of all new Title III C-1 clients and assure that the sites complete an assessment form on each new client.</p>	\$ -0-

**Grant  
Programs**

**Findings**

**Questioned  
Costs**

All  
Programs

2. **Finding** - While testing billings for OEA funds, it was noted that a financial statement was not filed in a timely manner.

\$ -0-

**Criteria** - The OEA policy requires monthly contracts to be submitted by the fifteenth of the following month.

**Effect of Finding** - Noncompliance with OEA policy.

**Cause of Finding** - The report was approved on March 19, 1996 for the month of February.

**Recommendation** - We recommend that the Council submit all reports by the fifteenth of the month.

**Grantee's Response** - The Council's goal is to cross train all departments and create written guidelines on method of procedures for all departments.

claimed or used for matching that are applicable to each of the Council's following nonmajor federal financial assistance programs: Special Programs for the Aging - Title III A, B, C-1, C-2 and Ombudsman, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in internal control that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more internal control elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program 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 internal control and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Directors, management, the Legislative Auditor for the State of Louisiana and various federal and state audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 10, 1996.

<u>Grant Programs</u>	<u>Findings</u>	<u>Questioned Costs</u>
Title III F - Frail Elderly Assistance	<p>5. <b>Finding</b> - One actual line item expenditure for OEA's federal funds and two actual line item expenditures for OEA's state funds exceeded the budgeted line items by greater than 10%.</p> <p style="padding-left: 40px;">Federal funds</p> <p style="padding-left: 40px;">State funds - Senior Center</p> <p><b>Criteria</b> - Technical Assistance Memorandum (TAM) 85-29 allows a maximum budget variance of 10%. Any costs that exceed the budget amount for the program by more than 10% may be disallowed.</p> <p><b>Effect of Finding</b> - Those costs exceeding the budget by greater than 10% may be disallowed.</p> <p><b>Cause of Finding</b> - There were unanticipated costs that occurred after the budget was revised for the final time.</p> <p><b>Recommendation</b> - We recommend that the Council continue to revise their budget and to make every effort not to exceed the budget by greater than 10%.</p> <p><b>Grantee's Response</b> - The Council will continue to revise budgets accordingly and budget as close as possible to actual.</p>	<p>\$ 764</p> <p>\$5,660</p>

## **EXIT CONFERENCE**

### **Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

On October 10, 1996, Michelle A. Gauthreaux from Bourgeois Bennett, L.L.C., Certified Public Accountants, met with Diana Edmonson, Director and Marla Breaux, Bookkeeper of the Terrebonne Council on Aging, Inc.

The Council was commended for its efforts in implementing recommendations made during the prior year audit. The findings listed in the Schedule of Findings and Questioned Costs (Pages 49 to 53) were discussed at length. The Council was asked to review the above findings. The Council's responses to the above findings are included in the Schedule of Findings and Questioned Costs.

**COMMUNICATIONS LETTER**



Bourgeois Bennett

## **COMMUNICATIONS WITH BOARD OF DIRECTORS**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.  
Houma, Louisiana.

In fulfilling our responsibility as Terrebonne Council on Aging, Inc.'s auditors for the year ended June 30, 1996, we are required to communicate to the Board of Directors certain matters related to the conduct of our audit.

### **1) AUDITOR'S RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS**

Our audit was conducted in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments which require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatements.

As required, separate letters have been issued on internal control and compliance with laws and regulations.

We have complied with the requirements of the Single Audit Act and OMB Circular A-128.

### **2) SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies are described in Note 1 to the financial statements. No new accounting policies were adopted nor required to be adopted for the year ended June 30, 1996.

### **3) SIGNIFICANT AUDIT ADJUSTMENTS**

We initiated audit adjustments during our recent audit. Copies have been furnished to management.



This information is intended solely for the use of the Board of Directors and management of the Council and should not be used for any other purpose.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 10, 1996.

1136

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**INTRODUCTORY SECTION**

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 **DEC 18 1996**

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LEGISLATIVE AUDITOR  
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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS****Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

**Grant  
Programs****Findings****Questioned  
Costs**All  
Programs

1. **Finding** - While testing controls for twenty-five items vouched in the general purpose financial statement workpapers, it was noted that one invoice for a water bill was paid after the due date. Therefore, \$1.35 of late fees were incurred. While vouching items during expenditure account analysis, it was noted on one invoice that late fees were paid for a credit card payment made after the due date.

\$17

**Criteria** - Per Circular A-87, costs charged to federal programs should be net of all applicable discounts.

**Effect of Finding** - Federal programs were charged for unallowable costs.

**Cause of Finding** - Payments were made after the due dates.

**Recommendation** - We recommend that the Council pay all invoices prior to their due date and avoid late penalties.

**Grantee's Response** - The Council will process bills in a timely manner.

**Schedule 5  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>United Way Fund</b>			
Salaries	\$ 16,500	\$ 16,480	\$ 20
Fringe	2,413	1,853	560
Travel	313	312	1
Operating services	11,377	11,563	(186)
Operating supplies	2,749	2,554	195
Operating transfer out: Title III B - Supportive Services Fund	<u>1,211</u>	<u>1,211</u>	<u>-</u>
Totals	<u>\$ 34,563</u>	<u>\$ 33,973</u>	<u>\$ 590</u>
<b>Special Fund</b>			
Travel	\$ 1,500	\$ 1,512	\$ (12)
Operating services	7,910	5,627	2,283
Operating supplies	6,678	5,211	1,467
Other costs	<u>2,336</u>	<u>2,246</u>	<u>90</u>
Totals	<u>\$ 18,424</u>	<u>\$ 14,596</u>	<u>\$ 3,828</u>
<b>Charitable Gaming Fund</b>			
Other costs	<u>\$ -</u>	<u>\$ 560</u>	<u>\$ (560)</u>
<b>Arts and Humanities Grant Fund</b>			
Salaries	\$ 330	\$ 330	\$ -
Fringe	-	30	(30)
Travel	30	27	3
Operating services	-	5	(5)
Operating supplies	<u>1,150</u>	<u>1,137</u>	<u>13</u>
Totals	<u>\$ 1,510</u>	<u>\$ 1,529</u>	<u>\$ (19)</u>
<b>Non-Emergency Medical Transportation Fund</b>			
Salaries	\$ 13,868	\$ 12,942	\$ 926
Fringe	1,969	1,290	679
Travel	88	71	17
Operating services	13,048	14,352	(1,304)
Operating supplies	<u>2,733</u>	<u>2,698</u>	<u>35</u>
Totals	<u>\$ 31,706</u>	<u>\$ 31,353</u>	<u>\$ 353</u>

**Schedule 3  
(Continued)**

<u>Special Fund</u>	<u>Charitable Gaming Fund</u>	<u>Arts and Humanities Grant Fund</u>	<u>Exxon Grant Fund</u>	<u>South Central Bell Fund</u>	<u>Non-Emergency Medical Transportation Fund</u>	<u>Total</u>
\$ 45,113	\$ 35,435		\$ 671	\$ 500	\$ 14,717	\$ 170,631
17	816		-	-	-	10,773
-	-		-	-	3,074	20,800
<u>\$ 45,130</u>	<u>\$ 36,251</u>	<u>\$ -</u>	<u>\$ 671</u>	<u>\$ 500</u>	<u>\$ 17,791</u>	<u>\$ 202,204</u>
					\$ -	\$ 17,300
					1,094	66,927
					-	6,186
					-	6,717
					<u>1,094</u>	<u>97,130</u>
\$ 42,233	\$ 36,251		\$ 671	\$ 500	16,697	100,763
2,897	-		-	-	-	4,311
<u>45,130</u>	<u>36,251</u>		<u>671</u>	<u>500</u>	<u>16,697</u>	<u>105,074</u>
<u>\$ 45,130</u>	<u>\$ 36,251</u>	<u>\$ -</u>	<u>\$ 671</u>	<u>\$ 500</u>	<u>\$ 17,791</u>	<u>\$ 202,204</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

	Title III A Area Agency Administration Fund	Title III B Supportive Services Fund	Title III C-1 Congregate Meals Fund	Title III C-2 - Home Delivered Meals Fund
<b>Revenues</b>				
Intergovernmental:				
State of Louisiana:				
Office of Elderly Affairs	\$ 24,971	\$ 164,481	\$ 88,512	\$ 122,813
Urban Affairs	-	-	-	-
Terrebonne Parish Consolidated Government	-	-	-	-
Charges for services	-	37,200	-	-
Miscellaneous:				
Project income and donations	-	16,462	29,899	19,736
Grant	-	-	-	-
Other	-	3,724	780	-
Total revenues	<u>24,971</u>	<u>221,867</u>	<u>119,191</u>	<u>142,549</u>
<b>Expenditures - Health &amp; Welfare</b>				
Salaries	15,915	358,152	115,406	69,787
Fringe	2,120	46,005	15,243	8,471
Travel	138	10,854	1,143	1,723
Operating services	5,556	167,897	54,336	35,687
Operating supplies	1,242	32,597	32,466	24,201
Other costs	-	-	148,297	118,222
Capital outlay	-	-	-	-
Total expenditures	<u>24,971</u>	<u>615,505</u>	<u>366,891</u>	<u>258,091</u>
Excess (deficiency) of revenue over expenditures	<u>-</u>	<u>(393,638)</u>	<u>(247,700)</u>	<u>(115,542)</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in:				
General Fund (Ad Valorem Tax Monies)		378,891	200,255	87,931
General Fund (Ad 735 Monies)		13,536	-	-
Senior Citizens Fund		-	13,333	-
USDA Cash-in-Lieu of Commodities Fund		-	34,112	27,611
United Way Fund		1,211	-	-
Operating transfers out:				
Title III B - Supportive Services Fund		-	-	-
Title III C-1 - Congregate Meals Fund		-	-	-
Title III C-2 - Home Delivered Meals Fund		-	-	-
Senior Center Fund		-	-	-
Total other financing sources (uses)		<u>393,638</u>	<u>247,700</u>	<u>115,542</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Title III D-Frail In-Home Services Fund</u>	<u>Title III F-Frail Elderly Services Fund</u>	<u>USDA Cash- In-Lieu of Commodities Fund</u>	<u>Helping Hands Fund</u>	<u>Senior Citizens Fund</u>	<u>Ombudsman Program Fund</u>	<u>Audit Fund</u>
\$ 2,613	\$ 6,282	\$ 61,723	\$ -	\$ -	\$ 6,845	\$ 3,223
-	-	-	588	15,000	-	-
-	-	-	-	-	-	-
-	-	-	60	-	-	-
-	-	-	7,796	-	-	-
-	-	-	-	-	-	-
<u>2,613</u>	<u>6,282</u>	<u>61,723</u>	<u>8,444</u>	<u>15,000</u>	<u>6,845</u>	<u>3,223</u>
-	985	-	-	-	4,740	-
-	131	-	-	-	588	-
-	9	-	-	-	1,035	-
2,613	344	-	-	-	413	3,223
-	3,627	-	-	-	69	-
-	-	-	7,660	-	-	-
-	2,749	-	-	-	-	-
<u>2,613</u>	<u>7,845</u>	-	<u>7,660</u>	-	<u>6,845</u>	<u>3,223</u>
-	(1,563)	61,723	784	15,000	-	-
-	1,563	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(34,112)	-	(13,333)	-	-
-	-	(27,611)	-	-	-	-
-	-	-	-	(1,667)	-	-
-	1,563	(61,723)	-	(15,000)	-	-
-	-	-	784	-	-	-
-	-	-	2,745	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,529</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

	<u>Disaster Assistance Fund</u>	<u>Department Health and Hospital Fund</u>	<u>Senior Center Fund</u>	<u>United Way Fund</u>
<b>Revenues</b>				
Intergovernmental:				
State of Louisiana:				
Office of Elderly Affairs		\$ -	\$ 51,133	\$ -
Urban Affairs		-	-	-
Terrebonne Parish Consolidated Government		-	-	-
Charges for services	1,414	-	-	-
Miscellaneous:				
Project income and donations	-	-	4,416	8
Grant	-	-	-	34,832
Other	-	-	3,575	15
Total revenues		<u>1,414</u>	<u>59,124</u>	<u>34,855</u>
<b>Expenditures - Health &amp; Welfare</b>				
Salaries			54,419	16,480
Fringe			12,755	1,853
Travel			723	312
Operating services			12,267	11,563
Operating supplies			376	2,554
Other costs			-	-
Capital outlay			-	-
Total expenditures			<u>80,540</u>	<u>32,762</u>
Excess (deficiency) of revenue over expenditures		<u>1,414</u>	<u>(21,416)</u>	<u>2,093</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfers in:				
General Fund (Ad Valorem Tax Monies)			19,749	-
General Fund (Ad 735 Monies)			-	-
Senior Citizens Fund			1,667	-
USDA Cash-in-Lieu of Commodities Fund			-	-
United Way Fund			-	-
Operating transfers out:				
Title III B - Supportive Services Fund			-	(1,211)
Title III C-1 - Congregate Meals Fund			-	-
Title III C-2 - Home Delivered Meals Fund			-	-
Senior Center Fund			-	-
Total other financing sources (uses)			<u>21,416</u>	<u>(1,211)</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>		1,414		882
<b>Fund Balances</b>				
Beginning of year	\$ -	-	-	-
End of year	\$ -	<u>\$ 1,414</u>	<u>\$ -</u>	<u>\$ 882</u>



Special Fund	Charitable Gaming Fund	Arts and Humanities Grant Fund	Exxon Grant Fund	South Central Bell Fund	Non - Emergency Medical Transportation Fund	Total
\$ -	\$ -	\$ -			\$ -	\$ 532,596
-	-	-			-	15,000
-	-	1,445			-	2,033
-	-	-			40,290	78,904
14,230	475	-			23	85,309
-	-	-			-	42,628
673	-	-			-	8,767
<u>14,903</u>	<u>475</u>	<u>1,445</u>			<u>40,313</u>	<u>765,237</u>
-	-	330			12,942	649,156
-	-	30			1,290	88,486
1,512	-	27			71	17,547
5,627	-	5			14,352	313,883
5,211	-	1,137			2,698	106,178
2,246	560	-			-	276,985
-	-	-			-	2,749
<u>14,596</u>	<u>560</u>	<u>1,529</u>			<u>31,353</u>	<u>1,454,984</u>
<u>307</u>	<u>(85)</u>	<u>(84)</u>			<u>8,960</u>	<u>(689,747)</u>
693		84				689,166
-		-				13,536
-		-				15,000
-		-				61,723
-		-				1,211
-		-				(1,211)
-		-				(47,445)
-		-				(27,611)
-		-				(1,667)
<u>693</u>		<u>84</u>				<u>702,702</u>
1,000	(85)	-	\$ -	\$ -	8,960	12,955
<u>44,130</u>	<u>36,336</u>	<u>-</u>	<u>671</u>	<u>500</u>	<u>7,737</u>	<u>92,119</u>
<u>\$ 45,130</u>	<u>\$ 36,251</u>	<u>\$ -</u>	<u>\$ 671</u>	<u>\$ 500</u>	<u>\$ 16,697</u>	<u>\$ 105,074</u>

**SCHEDULE OF EXPENDITURES AND TRANSFERS OUT -  
BUDGET AND ACTUAL**

**Terrebonne Council on Aging, Inc.**

For the year ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>General Fund (Ad Valorem Tax Monies)</b>			
Travel	\$ 250	\$ 282	\$ (32)
Operating services	2,638	3,403	(765)
Operating supplies	2,188	2,026	162
Capital outlay	34,615	32,643	1,972
Operating transfers out:			
Title III B - Supportive Services Fund	401,633	378,891	22,742
Title III C-1 - Congregate Meals Fund	211,127	200,255	10,872
Title III C-2 Home Delivered Meals Fund	94,250	87,931	6,319
Title III F-Frail Elderly Assistance Fund	2,207	1,563	644
Senior Center Fund	18,061	19,749	(1,688)
Ombudsman Fund	195	-	195
Special Fund	595	693	(98)
Arts and Humanities Grant Fund	65	84	(19)
	<u>\$ 767,824</u>	<u>\$ 727,520</u>	<u>\$ 40,304</u>
<b>General Fund (Act 735 Monies)</b>			
Operating transfers out:			
Title III B - Supportive Services Fund	<u>\$ 13,536</u>	<u>\$ 13,536</u>	<u>\$ -</u>
<b>Title III A - Area Agency Administration Fund</b>			
Salaries	16,405	15,915	490
Fringe	2,317	2,120	197
Travel	163	138	25
Operating services	11,035	5,556	5,479
Operating supplies	1,185	1,242	(57)
	<u>\$ 31,105</u>	<u>\$ 24,971</u>	<u>\$ 6,134</u>



Bourgeois Bennett

**INDEPENDENT AUDITOR'S SINGLE AUDIT REPORT ON COMPLIANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE TO  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 10, 1996.

We have applied procedures to test the Council's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996.

- Political Activity
- Civil Rights
- Indirect Cost Plan
- Drug-Free Workplace
- Administrative Requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Council's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Council had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs (Schedule 1).

**Schedule 5  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>USDA Cash-In-Lieu of Commodities Fund</b>			
Operating transfers out:			
Title III C-1 - Congregate Meals Fund	\$ 34,654	\$ 34,112	\$ 542
Title III C-2 - Home Delivered Meals Fund	<u>27,229</u>	<u>27,611</u>	<u>(382)</u>
<b>Totals</b>	<u><u>\$ 61,883</u></u>	<u><u>\$ 61,723</u></u>	<u><u>\$ 160</u></u>
<b>Helping Hands Fund</b>			
Other costs	<u><u>\$ 8,052</u></u>	<u><u>\$ 7,660</u></u>	<u><u>\$ 392</u></u>
<b>Senior Citizens Fund</b>			
Operating transfers out:			
Title III C-1 - Congregate Meals Fund	\$ 13,336	\$ 13,333	\$ 3
Senior Center Fund	<u>1,667</u>	<u>1,667</u>	<u>-</u>
<b>Totals</b>	<u><u>\$ 15,003</u></u>	<u><u>\$ 15,000</u></u>	<u><u>\$ 3</u></u>
<b>Ombudsman Program Fund</b>			
Salaries	\$ 4,793	\$ 4,740	\$ 53
Fringe	681	588	93
Travel	1,411	1,035	376
Operating services	709	413	296
Operating supplies	<u>66</u>	<u>69</u>	<u>(3)</u>
<b>Totals</b>	<u><u>\$ 7,660</u></u>	<u><u>\$ 6,845</u></u>	<u><u>\$ 815</u></u>
<b>Audit Fund</b>			
Operating services	<u><u>\$ 3,223</u></u>	<u><u>\$ 3,223</u></u>	<u><u>\$ -</u></u>
<b>Senior Center Fund</b>			
Salaries	\$ 52,264	\$ 54,419	\$ (2,155)
Fringe	7,298	12,755	(5,457)
Travel	520	723	(203)
Operating services	18,361	12,267	6,094
Operating supplies	<u>401</u>	<u>376</u>	<u>25</u>
<b>Totals</b>	<u><u>\$ 78,844</u></u>	<u><u>\$ 80,540</u></u>	<u><u>\$ (1,696)</u></u>



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED  
ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Council, is the responsibility of the Council's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Council's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of non compliance that are required to be reported herein under Government Auditing Standards. Immaterial instances of noncompliance are noted in the Schedule of Findings and Questioned Costs (Schedule 1).

This report is intended for the information of the Board of Directors, management, the Legislative Auditor for the State of Louisiana and various federal and state audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Bourgeois Bennett, L.L.C.*  
Certified Public Accountants.

Houma, La.,  
October 10, 1996.

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**COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS**  
**AND CHANGES IN GENERAL FIXED ASSETS**

**Terrebonne Council on Aging, Inc.**

For the years ended June 30, 1996 and 1995

	<u>Balance June 30, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
<b>General fixed assets, at cost:</b>				
Buildings	\$ 163,343	\$ -	\$ -	\$ 163,343
Office furniture, fixtures and equipment	199,307	5,008	11,395	192,920
Vehicles, machinery and equipment	<u>506,205</u>	<u>30,485</u>	<u>23,824</u>	<u>512,866</u>
Total general fixed assets	<u>\$ 868,855</u>	<u>\$ 35,493</u>	<u>\$ 35,219</u>	<u>\$ 869,129</u>
<b>Investment in general fixed assets:</b>				
Property acquired with funds from -				
General and Other Funds	\$ 597,457	\$ 32,743	\$ 35,219	\$ 594,981
Title III A - Area Agency Administration	175	-	-	175
Title III B - Supportive Services	10,773	-	-	10,773
Title III C - 1 - Congregate Meals	10,239	-	-	10,239
Title III C - 2 - Home Delivered Meals	5,731	-	-	5,731
Title III F - Frail Elderly Assistance	5,021	2,750	-	7,771
Senior Citizens	189,560	-	-	189,560
Senior Center	11,821	-	-	11,821
Ombudsman	3,428	-	-	3,428
Disaster Assistance	<u>34,650</u>	<u>-</u>	<u>-</u>	<u>34,650</u>
Total investment in general fixed assets	<u>\$ 868,855</u>	<u>\$ 35,493</u>	<u>\$ 35,219</u>	<u>\$ 869,129</u>

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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



In planning and performing our audit of the general purpose financial statements of the Council for the year ended June 30, 1996, we obtained an understanding of internal control. With respect to internal control, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on internal control. Accordingly, we do not express such an opinion.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of internal control elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose 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 internal control and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management, the Legislative Auditor for the State of Louisiana and various federal and state audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
October 10, 1996.



Bourgeois Bennett

**INDEPENDENT AUDITOR'S SINGLE AUDIT REPORT ON  
INTERNAL CONTROL USED IN ADMINISTERING FEDERAL  
FINANCIAL ASSISTANCE PROGRAMS - NO MAJOR PROGRAMS**

To the Board of Directors of the  
Terrebonne Council on Aging, Inc.,  
Houma, Louisiana.

We have audited the general purpose financial statements of the Terrebonne Council on Aging, Inc. (the Council), a component unit of the Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control of the Council in order to determine our auditing procedures for the purpose of expressing our opinion on the Council's general purpose financial statements and to report on internal control in accordance with OMB Circular A-128. This report addresses our consideration of internal control policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated October 10, 1996.

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

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

For the purpose of this report, we have classified significant internal control policies and procedures used in administering federal financial assistance programs into the following categories:

#### **Accounting**

- Budgeting
- Cash Receipts
- Cash Disbursements
- Payroll

#### **General Requirements**

- Political Activity
- Civil Rights
- Indirect Cost Plan
- Drug-Free Workplace
- Administrative Requirements

#### **Specific Requirements**

- Types of Services Allowed
- Eligibility
- Matching Level of Effort
- Reporting
- Special Requirements, if any, (Compliance Supplement)

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

During the year ended June 30, 1996, the Council had no major federal financial assistance programs and expended 71.72% of its total federal financial assistance under the following nonmajor federal financial assistance programs: Special Programs for the Aging - Title III A, B, C-, C-2 and Ombudsman.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements and requirements governing claims for advances and reimbursements and amounts

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**

**Terrebonne Council on Aging, Inc.**

June 30, 1996

	<u>Disaster Assistance Fund</u>	<u>Department of Health and Hospital Fund</u>	<u>Senior Center Fund</u>	<u>United Way Fund</u>
<b>Assets</b>				
Cash	\$ 6,186	\$ 1,114	\$ 4,353	\$ 2,246
Receivables - other	-	-	-	-
Due from other governmental units	-	308	-	-
Totals	<u>\$ 6,186</u>	<u>\$ 1,422</u>	<u>\$ 4,353</u>	<u>\$ 2,246</u>
<b>Liabilities</b>				
Bank overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued expenses	-	8	4,353	1,364
Deferred revenue	6,186	-	-	-
Due to other governmental units	-	-	-	-
Total liabilities	<u>6,186</u>	<u>8</u>	<u>4,353</u>	<u>1,364</u>
<b>Fund Balances</b>				
Reserved - specific programs		-		882
Unreserved		<u>1,414</u>		<u>-</u>
Total fund balances		<u>1,414</u>		<u>882</u>
Totals	<u>\$ 6,186</u>	<u>\$ 1,422</u>	<u>\$ 4,353</u>	<u>\$ 2,246</u>

**Schedule 5  
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Title III B - Supportive Services Fund</b>			
Salaries	\$ 363,684	\$ 358,152	\$ 5,532
Fringe	51,629	46,005	5,624
Travel	9,868	10,854	(986)
Operating services	171,947	167,897	4,050
Operating supplies	36,247	32,597	3,650
Totals	<u>\$ 633,375</u>	<u>\$ 615,505</u>	<u>\$ 17,870</u>
<b>Title III C-1 - Congregate Meals Fund</b>			
Salaries	\$ 115,740	\$ 115,406	\$ 334
Fringe	16,412	15,243	1,169
Travel	1,555	1,143	412
Operating services	62,910	54,336	8,574
Operating supplies	32,203	32,466	(263)
Other costs	147,730	148,297	(567)
Totals	<u>\$ 376,550</u>	<u>\$ 366,891</u>	<u>\$ 9,659</u>
<b>Title III C-2 - Home Delivered Meals Fund</b>			
Salaries	\$ 68,699	\$ 69,787	\$ (1,088)
Fringe	9,738	8,471	1,267
Travel	2,041	1,723	318
Operating services	42,904	35,687	7,217
Operating supplies	22,557	24,201	(1,644)
Other costs	117,058	118,222	(1,164)
Totals	<u>\$ 262,997</u>	<u>\$ 258,091</u>	<u>\$ 4,906</u>
<b>Title III D - Frail In-Home Services Fund</b>			
Operating services	<u>\$ 2,613</u>	<u>\$ 2,613</u>	<u>\$ -</u>
<b>Title III F - Frail Elderly Assistance Fund</b>			
Salaries	\$ 1,012	\$ 985	\$ 27
Fringe	143	131	12
Travel	9	9	-
Operating services	680	344	336
Operating supplies	2,863	3,627	(764)
Capital outlay	3,782	2,749	1,033
Totals	<u>\$ 8,489</u>	<u>\$ 7,845</u>	<u>\$ 644</u>