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BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

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FINANCIAL STATEMENTS

June 30, 1996

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 FEB 26 1997

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors,
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the accompanying general purpose financial statements of Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of Bienville Voluntary Council on Aging, Inc., management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Bienville Voluntary 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.

In accordance with Government Auditing Standards, I have also issued a report dated October 3, 1996 on my consideration of Bienville Voluntary Council on Aging, Inc's internal control structure and a report dated October 3, 1996 on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The statements and schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Bienville Voluntary 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 my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Master D. Milligan

Certified Public Accountant
October 3, 1996

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Combined Balance Sheet - All Fund Types and Account Group
June 30, 1996

	Governmental Fund Types		Account Group	Totals
	General	Special Revenue	General Fixed Assets	(Memorandum Only)
<u>ASSETS</u>				
Cash and cash equivalents	\$ 97,106	\$ 729	\$ -	\$ 97,835
Contracts receivable	25,433	26,964	-	52,397
Investments	90,685	-	-	90,685
Prepaid expenses	6,298	-	-	6,298
Deposit on vans	27,369	-	-	27,369
Due from other funds	11,163	14,462	-	25,625
General fixed assets	-	-	343,794	343,794
Total assets	<u>\$258,054</u>	<u>\$ 42,155</u>	<u>\$ 343,794</u>	<u>\$ 644,003</u>
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES:				
Accounts payable	\$ 48	\$ 15,801	\$ -	\$ 15,849
Due to other funds	-	25,625	-	25,625
Total liabilities	<u>48</u>	<u>41,426</u>	<u>-</u>	<u>41,474</u>
FUND EQUITY:				
Investments in general fixed assets	-	-	343,794	343,794
Fund balance:				
Reserved for prepaid expenses	6,298	-	-	6,298
Reserved for van deposits	27,369	-	-	27,369
Reserved for utility assistance	-	729	-	729
Unreserved - undesignated	<u>224,339</u>	<u>-</u>	<u>-</u>	<u>224,339</u>
Total fund equity	<u>258,006</u>	<u>729</u>	<u>343,794</u>	<u>602,529</u>
Total liabilities and fund equity	<u>\$258,054</u>	<u>\$ 42,155</u>	<u>\$ 343,794</u>	<u>\$ 644,003</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 All Governmental Fund Types
 For the Year Ended June 30, 1996

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<u>REVENUES:</u>			
Intergovernmental	\$ 178,562	\$ 443,127	\$ 621,689
Public support	8,742	60,129	68,871
Miscellaneous	<u>27,683</u>	<u>-</u>	<u>27,683</u>
Total revenues	<u>214,987</u>	<u>503,256</u>	<u>718,243</u>
<u>EXPENDITURES:</u>			
Salaries	22,308	258,221	280,529
Fringe	1,865	20,744	22,609
Meals	-	131,523	131,523
Travel	43	22,062	22,105
Operating services	9,748	114,707	124,455
Operating supplies	719	40,898	41,617
Other costs	-	22,465	22,465
Capital outlay	27,866	55,732	83,598
Utility assistance	<u>-</u>	<u>1,782</u>	<u>1,782</u>
Total expenditures	<u>62,549</u>	<u>668,134</u>	<u>730,683</u>
Excess (deficiency) of revenues over expenditures	152,438	(164,878)	(12,440)
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	-	355,366	355,366
Operating transfers out	<u>(165,252)</u>	<u>(190,114)</u>	<u>(355,366)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(12,814)	374	(12,440)
<u>FUND BALANCE:</u>			
Beginning of year	<u>270,820</u>	<u>355</u>	<u>271,175</u>
End of year	<u>\$ 258,006</u>	<u>\$ 729</u>	<u>\$ 258,735</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended June 30, 1996

	Variance Favorable (Unfavorable)	Budget	Actual
<u>REVENUES:</u>			
Intergovernmental	\$ 37,471	\$ 141,091	\$ 178,562
Public support	2,742	6,000	8,742
Miscellaneous	27,683	-	27,683
Total revenues	67,896	147,091	214,987
<u>EXPENDITURES:</u>			
Salaries	(22,308)	-	22,308
Fringe	(1,865)	-	1,865
Travel	(43)	-	43
Operating services	(9,748)	-	9,748
Operating supplies	(719)	-	719
Other costs	-	-	-
Capital outlay	(27,866)	-	27,866
Total expenditures	(62,549)	-	62,549
Excess (deficiency) of revenues over expenditures	5,347	147,091	152,438
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	-	-	-
Operating transfers out	(18,161)	(147,091)	(165,252)
Excess of revenues and other sources over expenditures and other uses	(12,814)	-	(12,814)
<u>FUND BALANCE:</u>			
Beginning of year	-	270,820	270,820
End of year	<u>\$(12,814)</u>	<u>\$ 270,820</u>	<u>\$ 258,006</u>

The accompanying notes are an integral part of this statement.

BIENVILLE COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual - Special Revenue Funds
 For the Year Ended June 30, 1996

	Variance Favorable (Unfavorable)	Budget	Actual
<u>REVENUES:</u>			
Intergovernmental	\$ 30,068	\$ 413,059	\$ 443,127
Public support	5,439	54,690	60,129
Total revenues	<u>35,507</u>	<u>467,749</u>	<u>503,256</u>
<u>EXPENDITURES:</u>			
Salaries	(1,016)	257,205	258,221
Fringe	(528)	20,216	20,744
Meals	277	131,800	131,523
Travel	2,898	24,960	22,062
Operating service	6,203	120,910	114,707
Operating supplies	945	41,843	40,898
Other costs	(59)	22,406	22,465
Capital outlay	(55,732)	-	55,732
Utility assistance	(1,782)	-	1,732
Total expenditures	<u>(48,794)</u>	<u>619,340</u>	<u>668,134</u>
Excess (deficiency) of revenues over expenditures	(13,287)	(151,591)	(164,878)
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	11,089	344,277	355,366
Operating transfers out	<u>2,572</u>	<u>(192,686)</u>	<u>(190,114)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	374	-	374
<u>FUND BALANCE (DEFICIT):</u>			
Beginning of year	-	355	355
End of year	<u>\$ 374</u>	<u>\$ 355</u>	<u>\$ 729</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Presentation

The accompanying financial statements conform to generally accepted accounting principles as applicable to governmental units.

B. Reporting Entity

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

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

The primary function of the Bienville Council on Aging, Inc. is to improve the quality of life for the parish's elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 15 voluntary members who serve three-year terms, governs the Council.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Council are financed. The acquisition, use, and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

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

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

Local

Local funds are received from various local sources; such funds not being restricted to any special use.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Local (Continued)

The Council's program participants also generate revenues through a variety of fund raising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as part of the General Fund's local program.

PCOA (Act 735)

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following are the funds which comprise the Council's Special Revenue Funds:

Section 18

Section 18 funds are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to rural residents within Bienville Parish. The transportation portion of in-kind contributions is an allowed cost for purposes of requesting reimbursement under this program. Because money received under this program is for reimbursement of costs previously incurred, the Council can use these funds for discretionary purposes.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Title III-B Administration Fund

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

Senior Center Fund

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

Title III C-1 Congregate Meals Fund

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

Title III C-2 Home Delivered Meals Fund

Title III C-2 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to home-bound older persons.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program fund provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

Title III-D Fund

The III-D Fund is used to account for funds which are used to provide in-home services to frail, older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-D funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the Louisiana Association of Councils on Aging (LACOA) which in turn remits funds relating to Bienville Council on Aging, Inc. to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

Audit Fund

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

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Title III, Part F

The III, Part F fund is used to account for funds which are used for disease prevention and health promotion activities.

D. Account Groups:

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

General Fixed Assets

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

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

F. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budget Policy:

Budgets for the various programs are prepared by the Council's Executive Director and approved by grantor of the funds for each respective program. The budgets are prepared on a basis consistent with generally accepted accounting principles.

Actual amounts are compared to budgeted amounts periodically during the year as a management control device.

The Council may transfer funds between line items as often as required but must obtain prior approval from the grantor agency for funds received from that agency.

Budgeted amounts presented in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

H. Compensated Absence:

No liability is recorded for nonvesting accumulated rights to receive vacation or sick pay benefits.

I. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets 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 funds 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 resources and uses of "available spendable resources" during a period. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Fixed Assets: (Continued)

All fixed assets are valued at historical cost. Donated fixed assets are stated at their estimated fair market value on the date donated.

J. Cash and Cash Equivalents:

The Council's policy is to include short-term interest bearing deposits with cash in the financial statements.

K. Investments:

Investments consist of certificates of deposit which are stated at cost, which approximates market.

L. Total Columns on Combined Statements - Overview:

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

2. FUNDING POLICIES AND SOURCES OF FUNDS

The Council receives its monies through various methods of funding. U.S.D.A. cash in-lieu of commodities funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food costs in Title III C-1 and C-2 programs. This program is funded under the units of services provided method. The Senior Center Program and State Allocation (PCOA) funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditures. The Title III-B, C-1, C-2, D and F programs are funded based on actual operating costs incurred. The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Councils on Aging to the Council under the Helping Hands and Energy Programs. Section 18 Funds are

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

2. FUNDING POLICIES AND SOURCES OF FUNDS (Continued)

provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to residents within Bienville Parish.

3. BOARD OF DIRECTORS COMPENSATION

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

4. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. In-kind contributions consisted primarily of the time donated by volunteer workers at senior centers and meal sites. Although these contributions have not been reported as revenues, no offsetting expenses have been incurred thereby producing no effect on the financial statements.

5. CONTRACTS RECEIVABLE

Contracts receivable at June 30, 1996, are as follows:

USDA	\$	8,869
Section 18		17,367
Title 19		10,386
Other Miscellaneous		729
Other Local		<u>15,046</u>
Total	\$	<u>52,397</u>

6. CHANGES IN FIXED ASSETS

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

	Balance July 1, <u>1995</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>1996</u>
Building Improvements	\$ 2,150	\$ -	\$ -	\$ 2,150
Furniture and Equipment	<u>258,046</u>	<u>83,598</u>	<u>-</u>	<u>341,644</u>
Totals	<u>\$260,196</u>	<u>\$ 83,598</u>	<u>\$ -</u>	<u>\$343,794</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

7. DEPOSITS WITH FINANCIAL INSTITUTIONS

At June 30, 1996, the carrying amount of the Council's deposits was \$188,520 and the bank's balance was \$170,639. The difference is due to outstanding checks and deposits at June 30. All funds on deposits were insured by federal depository insurance.

8. INCOME TAX STATUS

Bienville Council on Aging, Inc. is an organization exempt from tax under Internal Revenue Code Section 501(c)(3). Accordingly, the financial statements contain no provision for income taxes.

9. ECONOMIC DEPENDENCY

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

10. INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 1996:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 165,252
Special Revenue Funds:		
Title III C-1	17,450	-
Title III C-2	31,835	-
Title III B Administration	178	-
Title III B Supportive Services	284,850	-
Title III F Health Promotion	1,339	-
Title III D In-Home Services	2,824	-
Senior Center	-	8,809
Ombudsman	170	
Section 18	16,720	141,932
USDA	-	34,873
Miscellaneous Grant	-	4,500
Total - Special Revenue Funds	<u>355,366</u>	<u>190,114</u>
Total - All Funds	<u>\$ 355,366</u>	<u>\$ 355,366</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1996

11. DUE TO/FROM OTHER FUNDS

Due to/from other funds at June 30, 1996, consisted of the following:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 11,163	\$ -
Special Revenue Funds:		
USDA	-	8,869
Senior Center	152	-
Ombudsman	2	-
Title IIID	65	-
Title III Administration	-	39
Title IIIB Supportive Services	4,907	-
Title III C-1	4,239	-
Title III C-2	5,097	-
Section 18	<u>-</u>	<u>16,717</u>
Total - Special Revenue Funds	<u>14,462</u>	<u>25,625</u>
Total - All Funds	<u>\$ 25,625</u>	<u>\$ 25,625</u>

Schedule 1

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Statement of Program Revenues, Expenditures and Changes in Fund Balance --
General Fund
For the Year Ended June 30, 1996

	<u>Local</u>	<u>PCOA (ACT 735)</u>	<u>Totals</u>
<u>REVENUES:</u>			
Intergovernmental:			
Office of Elderly Affairs	\$ -	\$ 11,779	\$ 11,779
Louisiana Department of:			
Transportation and			
Development	118,423	-	118,423
Health and Hospitals	36,360	-	36,360
Social Services	12,000	-	12,000
Public support - donations	8,742	-	8,742
Miscellaneous	27,683	-	27,683
	<u>203,208</u>	<u>11,779</u>	<u>214,987</u>
Total revenues			
<u>EXPENDITURES</u>			
Salaries	22,308	-	22,308
Fringe	1,865	-	1,865
Travel	43	-	43
Operating services	9,748	-	9,748
Operating supplies	719	-	719
Other costs	-	-	-
Capital outlay	27,866	-	27,866
	<u>62,549</u>	<u>-</u>	<u>62,549</u>
Total expenditures			
Excess of revenues over expenditures	140,659	11,779	152,438
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	-	-	-
Operating transfers out	(153,473)	(11,779)	(165,252)
	<u>(153,473)</u>	<u>(11,779)</u>	<u>(165,252)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(12,814)	-	(12,814)
<u>FUND BALANCE:</u>			
Beginning of year	270,820	-	270,820
	<u>270,820</u>	<u>-</u>	<u>270,820</u>
End of year	\$ 258,006	\$ -	\$ 258,006
	<u>\$ 258,006</u>	<u>\$ -</u>	<u>\$ 258,006</u>

Title III-F Health Promotion	USDA	Title III-D In Home Services	Section 18	Ombudsman	Utility Assistance Fund	Miscellaneous Grant	Total
\$ 3,206	\$ 34,873	\$ 1,334	\$ -	\$ 4,409	\$ -	\$ 4,500	\$ 271,794
-	-	-	171,333	-	-	-	171,333
-	-	-	-	-	2,156	-	2,156
-	-	517	9,611	-	-	-	57,973
<u>3,206</u>	<u>34,873</u>	<u>1,851</u>	<u>180,944</u>	<u>4,409</u>	<u>2,156</u>	<u>4,500</u>	<u>503,256</u>
-	-	3,334	-	507	-	-	258,221
-	-	273	-	40	-	-	20,744
-	-	-	-	-	-	-	131,523
-	-	565	-	2,032	-	-	22,062
-	-	491	-	168	-	-	114,707
-	-	6	-	15	-	-	40,898
4,545	-	6	-	1,817	-	-	22,465
-	-	-	-	-	1,782	-	1,782
-	-	-	55,732	-	-	-	55,732
<u>4,545</u>	<u>-</u>	<u>4,675</u>	<u>55,732</u>	<u>4,579</u>	<u>1,782</u>	<u>-</u>	<u>668,134</u>
(1,339)	34,873	(2,824)	125,212	(170)	374	4,500	(164,878)
1,339	-	2,824	16,720	170	-	-	355,366
-	(34,873)	-	(141,932)	-	-	(4,500)	(190,114)
-	(8,340)	-	-	-	374	-	374
-	-	-	-	-	355	-	355
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729</u>	<u>\$ -</u>	<u>\$ 729</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
 General and Special Revenue Funds
 For the Year Ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>LOCAL:</u>			
Salaries	\$ -	\$ 22,308	\$(22,308)
Fringe	-	1,865	(1,865)
Meals	-	-	-
Travel	-	43	(43)
Operating services	-	9,748	(9,748)
Operating supplies	-	719	(719)
Other costs	-	-	-
Capital outlay	-	27,866	(27,866)
Transfers to other funds:			
Title III C-1	-	2,748	(2,748)
Title III C-2	9,300	11,664	(2,364)
Title III F	1,339	1,339	-
Ombudsman	983	170	813
Title III D	406	2,824	(2,418)
Title III B Administration	1	178	(177)
Section 18	-	16,720	(16,720)
Title III B			
Supportive Services	<u>123,283</u>	<u>117,830</u>	<u>5,453</u>
Totals	<u>\$ 135,312</u>	<u>\$ 216,022</u>	<u>\$(80,710)</u>
<u>SECTION 18:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	-	-	-
Capital outlay	-	55,732	(55,732)
Transfers to other funds:			
Title III B			
Supportive Services	<u>132,321</u>	<u>141,932</u>	<u>(9,611)</u>
Totals	<u>\$ 132,321</u>	<u>\$ 197,664</u>	<u>\$(65,343)</u>
<u>PCOA (ACT 735):</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>PCOA (ACT 735): (Continued)</u>			
Transfers to other funds:			
Title III B-			
Administrative	\$ -	\$ -	\$ -
Title III-B-Supportive Services	<u>11,779</u>	<u>11,779</u>	<u>-</u>
Totals	<u>\$ 11,779</u>	<u>\$ 11,779</u>	<u>\$ -</u>
 <u>TITLE III C-1:</u>			
Salaries	18,118	14,489	3,629
Fringe	1,435	1,181	254
Meals:			
Raw food	39,066	35,108	3,958
Non-edibles	29,470	26,887	2,583
Travel	1,284	732	552
Operating services	3,771	6,254	(2,483)
Operating supplies	248	358	(110)
Other costs	243	242	1
Totals	<u>\$ 93,635</u>	<u>\$ 85,251</u>	<u>\$ 8,384</u>
 <u>SENIOR CENTER:</u>			
Salaries	\$ -	\$ 5,095	\$(5,095)
Fringe	-	429	(429)
Meals	-	-	-
Travel	-	28	(28)
Operating services	7,744	5,954	1,790
Operating supplies	1,283	686	597
Other costs	-	74	(74)
Transfers to other funds:			
Title III B			
Supportive Services	<u>12,048</u>	<u>8,809</u>	<u>3,239</u>
Totals	<u>\$ 21,075</u>	<u>\$ 21,075</u>	<u>\$ -</u>
 <u>C-2:</u>			
Salaries	\$ 10,524	\$ 9,168	\$ 1,356
Fringe	847	727	120
Meals:			
Raw food	32,265	35,778	(3,513)
Non-edibles	30,999	33,750	(2,751)
Travel	14,717	14,923	(206)
Operating services	4,204	3,020	1,184
Operating supplies	279	563	(284)
Other costs	11,975	11,936	39
Totals	<u>\$ 105,810</u>	<u>\$ 109,865</u>	<u>\$(4,055)</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1996

	Budget	Expenditures	Variance - Favorable (Unfavorable)
<u>IN-HOME SERVICES:</u>			
Salaries	\$ 1,569	\$ 3,334	\$(1,765)
Fringe	122	273	(151)
Travel	191	565	(374)
Operating services	365	491	(126)
Operating supplies	7	6	1
Other costs	6	6	-
Capital outlay	-	-	(-)
Totals	\$ 2,260	\$ 4,675	\$(2,415)
<u>OMBUDSMAN:</u>			
Salaries	\$ 487	\$ 507	\$(20)
Fringe	39	40	(1)
Travel	2,837	2,032	805
Operating services	201	168	33
Operating supplies	14	15	(1)
Other costs	1,814	1,817	(3)
Capital outlay	-	-	(-)
Totals	\$ 5,392	\$ 4,579	\$ 813
<u>TITLE III-B ADMINISTRATION:</u>			
Salaries	\$ 9,751	\$ 10,240	\$(489)
Fringe	786	841	(55)
Travel	731	888	(157)
Operating services	4,024	3,439	585
Operating supplies	286	333	(47)
Other costs	280	294	(14)
Capital outlay	-	-	-
Totals	\$ 15,858	\$ 16,035	\$(177)
<u>TITLE III-B SUPPORTIVE SERVICES:</u>			
Salaries	\$ 216,756	\$ 215,388	\$ 1,368
Fringe	16,987	17,253	(266)
Travel	5,200	2,894	2,306
Operating services	99,046	93,826	5,220
Operating supplies	39,726	38,937	789
Other costs	3,543	3,551	(8)
Capital outlay	-	-	-
Totals	\$ 381,258	\$ 371,849	\$ 9,409

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>AUDIT:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	1,555	1,555	-
Operating supplies	-	-	-
	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 1,555</u>	<u>\$ 1,555</u>	<u>\$ -</u>
 <u>USDA</u>			
Transfer to Title III C-1	\$ 25,348	\$ 14,702	\$ 10,646
Transfers to Title III C-2	<u>18,469</u>	<u>20,171</u>	<u>(1,702)</u>
	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 43,817</u>	<u>\$ 34,873</u>	<u>\$ 8,944</u>
 <u>HEALTH PROMOTION:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	4,545	4,545	(-)
Capital outlay	-	-	-
	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 4,545</u>	<u>\$ 4,545</u>	<u>\$ (-)</u>
 <u>MISCELLANEOUS GRANT:</u>			
Transfers to other funds:			
Title III B			
Supportive Services	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ -</u>
 <u>UTILITY ASSISTANCE:</u>			
Utility assistance	<u>\$ -</u>	<u>\$ 1,782</u>	<u>\$ (1,782)</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Statement of General Fixed Assets
And Changes in General Fixed Assets
For the Year Ended June 30, 1996

	Balance June 30, 1995	Additions (Deletions)	Balance June 30, 1996
General Fixed Assets, at Cost:			
Building Improvements	\$ 2,150	\$ -	\$ 2,150
Furniture and equipment	<u>258,046</u>	<u>83,598</u>	<u>341,644</u>
Totals	<u>\$ 260,196</u>	<u>\$ 83,598</u>	<u>\$ 343,794</u>

Investment in General Fixed Assets:

Title XIX	\$ 37,204	\$ -	\$ 37,204
Title III C-1	6,510	-	6,510
Title III C-2	1,766	-	1,766
Senior Center	3,000	-	3,000
Title III B Administrative	63	-	63
Title III B Support services	3,311	-	3,311
Title III F	4,142	-	4,142
Title III D In Home services	1	-	1
Miscellaneous Grant	4,165	-	4,165
Section 18	27,362	55,732	83,094
Section 16	150,445	-	150,445
Local	<u>22,227</u>	<u>27,866</u>	<u>50,093</u>
Totals	<u>\$ 260,196</u>	<u>\$ 82,598</u>	<u>\$ 343,794</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Per Diem Paid to Board Members
For the Year Ended June 30, 1996

No per diem travel expenses were paid to board members for the year ended June 30, 1996.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Questioned Costs
For the Year Ended June 30, 1996

No questioned costs were found.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Corrective Action Taken on Prior Year Findings
June 30, 1996

Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Recommendation:	No action is recommended.
Management's Response:	We concur with the finding.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Exit Conference
June 30, 1996

The exit conference was held October 3, 1996. Those in attendance were Marsha Millican, CPA, and Elton Lamkin, Executive Director of the Council.

I reported to him that I discovered the finding reported on pages 33 and 37. The director received my finding favorably.

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the general purpose financial statements of Bienville Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1996, and have issued my report thereon dated October 3, 1996. These general purpose financial statements are the responsibility of the management of Bienville Voluntary Council on Aging, Inc. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was made for the purpose of forming an opinion on the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., taken as a whole. The accompanying schedule of federal financial assistance is presented for 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 my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Marsha O. Millican

Certified Public Accountant
October 3, 1996

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Schedule of Federal Financial Assistance
For the Year Ended June 30, 1996

<u>FEDERAL GRANTOR/ PROGRAM TITLE *</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>
<u>Department of Health and Human Services</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs Special programs for the aging:				
Title III, Part C-1 Congregate Meals	93.045	29,527	29,527	29,527
Title III, Part C-2 Home Delivered Meals	93.045	14,877	14,877	14,877
Title III, Part B Area Agency Administrative	93.044	11,893	11,893	11,893
Title III, Part B Supportive Services	93.044	57,401	57,401	57,401
Title IIID, In-Home Services	93.046	1,134	1,134	1,134
Title IIIF, Health Promotion	93.043	2,484	2,484	2,484
Title III-B, Long Term Care Ombudsman	93.044	3,749	3,749	3,749
<u>Department of Agriculture</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs:				
USDA - cash in lieu of commodities	10.550	41,115	34,873	34,873
<u>Federal Transit Administration</u>				
Passed through the Louisiana Department of Transportation				
Title 49 CFR 5311 Operating Assistance	20.509	132,321	132,321	132,321
Capital Assistance	20.509	39,012	39,012	39,012
Totals			<u>\$ 327,271</u>	<u>\$ 327,271</u>

* The Council administered no major programs for the year ended June 30, 1996.

BIENVILLE COUNCIL ON AGING, INC.

Notes to the Schedule of Federal Financial Assistance
June 30, 1996

1. General:

The accompanying Schedule of Federal Financial Assistance presents the activity of all federal financial assistance programs of Bienville Council on Aging, Inc.

2. Basis of Accounting:

The accompanying Schedule of Federal Financial Assistance is presented using the modified accrual basis of accounting, which is described in Note 1 to the general purpose financial statements.

3. Relationship to General Purpose Financial Statements:

Federal financial assistance revenues are reported in the general purpose financial statements as follows:

	<u>Intergovernmental</u>
Special Revenue Funds:	
Governors Office of Elderly Affairs:	
Federal Financial Assistance	\$ 327,271
State Financial Assistance	<u>115,856</u>
Total	<u>\$ 443,127</u>

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

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

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued my report thereon dated October 3, 1996.

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

The management of Bienville Voluntary Council on Aging, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, 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 structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

754 DALZELL • SHREVEPORT, LOUISIANA 71104 • (318) 221-3881
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I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. A reportable condition involves matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Council's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Finding: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic and space limitations. This finding was included in the prior year audit report.

Recommendation: No action is recommended.

Management's Response: We concur with the finding.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that the reportable condition described is a material weakness as described above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of Bienville Voluntary Council on Aging, Inc.

This report is intended for the information of management, the Board of Directors and applicable federal and state cognizant agencies. However, this report is a matter of public record and its distribution is not limited.

Marsha D. Mellican

Certified Public Accountant
October 3, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., for the year ended June 30, 1996, and have issued my report thereon dated October 3, 1996.

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

The management of Bienville Voluntary Council on Aging, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are 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 structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

Accounting Controls:

- Cash receipts
- Cash disbursements
- Payroll

Administrative Controls:

General requirements:

- Political activity
- Civil rights
- Cash management
- Allowable costs
- Drug free workplace
- Administrative requirements

Specific requirements:

- Types of services
- Eligibility

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

During the year ended June 30, 1996, Bienville Voluntary Council on Aging, Inc., had no major federal financial assistance programs and expended 70% of its total federal financial assistance under the following nonmajor federal financial assistance programs.

Title III-B
FTA - Section 18

Supportive Services
Transportation

I performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed for use for matching that are applicable to the aforementioned nonmajor programs. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect Bienville Voluntary Council on Aging, Inc.'s ability to administer federal assistance programs in accordance with applicable laws and regulations.

Finding: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic and space limitations. This finding was included in the prior year audit report.

Recommendation: No action is recommended.

Managements's Response We concur with the finding.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that the reportable condition described is a material weakness as described above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of Bienville Voluntary Council on Aging, Inc.

This report is intended for the information of management, the Board of Directors and applicable state and federal cognizant agencies. However, this report is a matter of public record and its distribution is not limited.

Marsha D. Miller

Certified Public Accountant
October 3, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS TRANSACTIONS

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

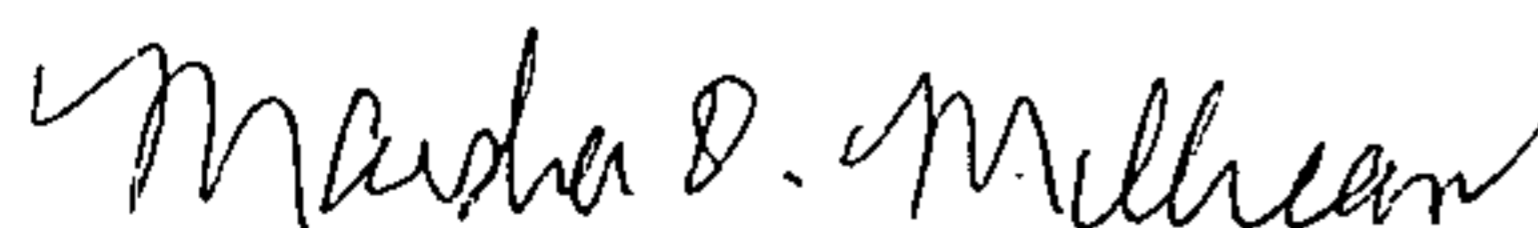
I have audited the general purpose financial statements of Bienville Voluntary Council on Aging, Inc. for the year ended June 30, 1996, and have issued my report thereon dated October 3, 1996.

In connection with my audit of the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., and with my consideration of Bienville Voluntary Council on Aging, Inc., internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Bienville Voluntary Council on Aging, Inc., compliance with these requirements. Accordingly, I 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 my attention that caused me to believe that Bienville Voluntary Council on Aging, Inc., had not complied, in all material respects, with those requirements.

This report is intended for the information of management, the Board of Directors and the applicable federal and state cognizant agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Certified Public Accountant
October 3, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

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

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

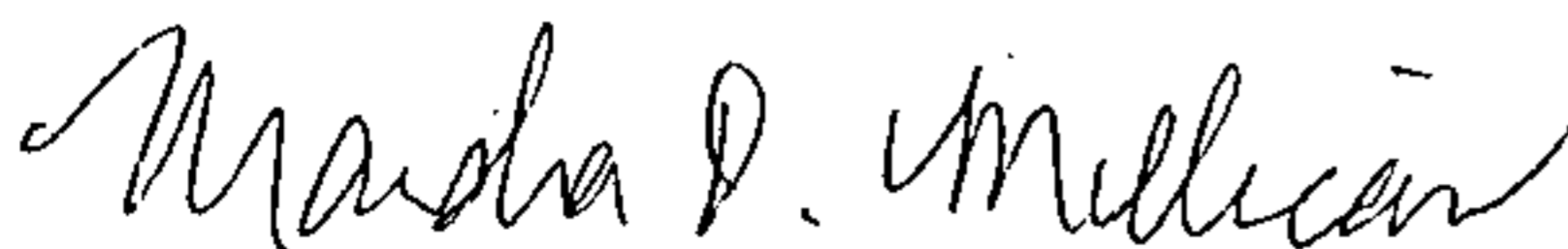
I have audited the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued my report thereon dated October 3, 1996.

I have applied procedures to test Bienville Voluntary Council on Aging, Inc., 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, cash management, allowable costs/cost principles, drug-free workplace act, administrative requirements.

My 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". My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Bienville Voluntary Council on Aging, Inc., compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

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

This report is intended for the information of management, the Board of Directors and the applicable federal and state cognizant agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Certified Public Accountant
October 3, 1996