

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

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Stephen R. Dischler, MBA, CPA

## Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

The Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated September 11, 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 Office of Management and Budget 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 St. Landry Council on Aging, Inc. is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the St. Landry Council on Aging, Inc.'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 noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Eunice, Louisiana  
September 11, 1996

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## Independent Auditor's Report on the Internal Control Structure used in Administering Federal Financial Assistance Programs

The Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated September 11, 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 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 structure of the St. Landry Council on Aging, Inc. 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 the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated September 11, 1996.

The management of the St. Landry 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,

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procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Council did not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

Response:

No response is considered necessary.

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.

Our 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, we believe the reportable condition described above is a material weakness.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Eunice, Louisiana  
September 11, 1996

The reportable condition noted is as follows:

Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Council did not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

Response:

No response is considered necessary.

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.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance 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, we believe the reportable condition described above is a material weakness.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.

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## Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Conducted in Accordance with Government Auditing Standards

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The Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated September 11, 1996.

We have 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 Office of Management and Budget 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 St. Landry 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 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 our audit of the general purpose financial statements of the St. Landry Council on Aging, Inc., for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, 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

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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, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

<u>Accounting Controls</u>	<u>Administrative Controls</u>	
	<u>General Requirements</u>	<u>Specific Requirements</u>
Receipts/Revenue Disbursements/Expenditures Payroll	Political Activity Civil Rights Cash Management Federal Financial Reports Allowable Costs/Cost Principles Drug-Free Workplace Act Administrative Requirements	Eligibility Types of services allowed or unallowed Matching, level of effort, or earmarking Amounts claimed or used for matching Reporting Claims for advancement and reimbursement Special Provisions

For all of the internal control structure 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 St. Landry Council on Aging, Inc., had no major federal financial assistance programs and expended 75% of its total federal financial assistance under the following nonmajor federal financial assistance programs: Title III C-1 - Congregate meals and Title III B-Supportive services.

We 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 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 claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

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

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of special revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes.

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

Title III-B Supportive Services 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, in-home services, community services, legal assistance, and transportation for the elderly.

Title III C-1 Congregate Meals Fund

Title III C-1 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 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.

Title III-D Fund

The Title III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and



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## Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions

The Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated September 11, 1996.

In connection with our audit of the general purpose financial statements of the St. Landry Council on Aging, Inc., and with consideration of the Council's 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," we 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, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advancement and reimbursements; special provisions; and amounts claimed or used for matching 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.

The results of our tests indicate that, with respect to the items tested, St. Landry Council on Aging, Inc., complied with those requirements, except as described in the attached Schedule of Findings and Questioned Costs. However, the extent of noncompliance noted in our testing indicates that, with respect to nonmajor program transactions not tested by us, there is more than a relatively low risk that the St. Landry Council on Aging, Inc. may not have complied with the requirements referred to in the preceding paragraph. These matters were considered by us in evaluating whether the general purpose financial statements are presented fairly in conformity with generally accepted accounting principles.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.

*Darnall, Sikes, Kolder, Frederick & Rainey*

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September 11, 1996

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## Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs

The Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated September 11, 1996.

We have applied procedures to test St. Landry Council on Aging, Inc.'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, cash management, federal financial reports, allowable costs/cost principles, Drug-Free Workplace Act, and 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 St. Landry Council on Aging, Inc.'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 St. Landry Council on Aging, Inc., had not complied, in all material respects, with those requirements.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.

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Eunice, Louisiana  
September 11, 1996

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## Independent Auditor's Report on Schedule of Federal Financial Assistance

The Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated September 11, 1996. These general purpose financial statements are the responsibility of the St. Landry Council on Aging, Inc.'s management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; 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 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 conducted for the purpose of forming an opinion on the general purpose financial statements of the St. Landry Council on Aging, Inc., taken as a whole. The accompanying schedule of federal financial assistance 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.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Eunice, Louisiana  
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ST. LANDRY COUNCIL ON AGING, INC.

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1996

	Governmental Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue	General Fixed Assets	General Long-term Debt	
<b>ASSETS</b>					
Cash	\$ 80,258	\$ -	\$ -	\$ -	\$ 80,258
Certificate of deposit	60,798	-	-	-	60,798
Due from other funds	-	21,557	-	-	21,557
Other receivables	9,475	-	-	-	9,475
Fixed assets	-	-	50,402	-	50,402
Amount to be provided for retirement of general long-term debt	-	-	-	11,149	11,149
<b>Total assets</b>	<b>\$150,531</b>	<b>\$21,557</b>	<b>\$50,402</b>	<b>\$11,149</b>	<b>\$233,639</b>
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Liabilities</b>					
Accounts payable	\$ 7,231	\$ -	\$ -	\$ -	\$ 7,231
Due to other funds	21,557	-	-	-	21,557
Accrued payroll and related benefits payable	11,889	-	-	-	11,889
Deferred revenue	2,078	-	-	-	2,078
Long-term debt:					
Accumulated unpaid vacation	-	-	-	11,149	11,149
<b>Total liabilities</b>	<b>42,755</b>	<b>-</b>	<b>-</b>	<b>11,149</b>	<b>53,904</b>
<b>Fund Equity</b>					
Investment in fixed assets	-	-	50,402	-	50,402
<b>Fund balances</b>					
Unreserved - undesignated	107,776	20,802	-	-	128,578
Reserved	-	755	-	-	755
<b>Total fund balances</b>	<b>107,776</b>	<b>21,557</b>	<b>-</b>	<b>-</b>	<b>129,333</b>
<b>Total fund equity</b>	<b>107,776</b>	<b>21,557</b>	<b>50,402</b>	<b>-</b>	<b>179,735</b>
<b>Total liabilities and fund equity</b>	<b>\$150,531</b>	<b>\$21,557</b>	<b>\$50,402</b>	<b>\$11,149</b>	<b>\$233,639</b>

The accompanying notes are an integral part of this statement.

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**ST. LANDRY COUNCIL ON AGING, INC.**

Financial Report

Year Ended 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 NOV 27 1996

GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

OTHER SUPPLEMENTARY INFORMATION



ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Energy Fund

The Energy 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, Inc. (LACOA) which in turn remits funds relating to St. Landry Parish to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

LIHEAP Outreach Program

This program is used to account for funds received from the U.S. Department of Energy through the Louisiana Department of Natural Resources. These funds are used to help identify those elderly persons who may be eligible to receive energy assistance payments but are not currently aware of the program.

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.

The governmental fund types (General Fund and Special Revenue Funds) use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. Intergovernmental revenues are considered susceptible to accrual. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting, when the related fund liability is incurred, if measurable.

F. Cash and Investments

Cash includes amounts on hand and in demand deposits. Investments include time deposits with original maturities exceeding three months.

ST. LANDRY COUNCIL ON AGING, INC.

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

	<u>General</u>	<u>Special Revenue</u>	<u>Total (Memorandum Only)</u>
<b>Revenues</b>			
Intergovernmental Program	\$ -	\$289,259	\$289,259
Local and miscellaneous	-	48,140	48,140
Total revenues	<u>91,418</u>	<u>369</u>	<u>91,787</u>
	<u>91,418</u>	<u>337,768</u>	<u>429,186</u>
<b>Expenditures</b>			
Current -			
Salaries	-	209,877	209,877
Fringe	-	16,878	16,878
Travel	405	29,649	30,054
Operating services	5,138	48,814	53,952
Operating supplies	5,078	14,354	19,432
Other costs	35,546	3,663	39,209
Capital outlay	<u>2,293</u>	<u>1,420</u>	<u>3,713</u>
Total expenditures	<u>48,460</u>	<u>324,655</u>	<u>373,115</u>
Excess (deficiency) of revenues over expenditures	<u>42,958</u>	<u>13,113</u>	<u>56,071</u>
<b>Other financing sources (uses)</b>			
Operating transfers in	2,522	62,159	64,681
Operating transfers out	<u>(490)</u>	<u>(64,191)</u>	<u>(64,681)</u>
Total other financing sources (uses)	<u>2,032</u>	<u>(2,032)</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	44,990	11,081	56,071
<b>Fund balances</b>			
Beginning of year	<u>62,786</u>	<u>10,476</u>	<u>73,262</u>
End of year	<u>\$107,776</u>	<u>\$ 21,557</u>	<u>\$129,333</u>

The accompanying notes are an integral part of this statement.

ST. LANDRY COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget (GAAP Basis) and Actual -  
Budgeted Governmental Fund Types  
Year Ended June 30, 1996

	General Fund			(Budgeted) Special Revenue Funds		
	Budgeted	Actual	Variance - Favorable (Unfavorable)	Budgeted	Actual	Variance - Favorable (Unfavorable)
Revenues						
Intergovernmental Program	\$ -	\$ -	\$ -	\$260,888	\$260,888	\$ -
Local and miscellaneous	-	-	-	40,616	46,148	5,532
Total revenues	<u>105,682</u>	<u>91,418</u>	<u>(14,264)</u>	<u>301,504</u>	<u>307,405</u>	<u>5,901</u>
Expenditures						
Current -						
Salaries	-	-	-	198,165	194,249	3,916
Fringe	-	-	-	16,150	15,502	648
Travel	405	405	-	30,449	29,649	800
Operating services	-	5,138	(5,138)	49,267	48,814	453
Operating supplies	3,077	5,078	(2,001)	12,262	14,354	(2,092)
Other costs	35,546	35,546	-	5,085	3,663	1,422
Capital outlay	-	2,293	(2,293)	-	1,420	(1,420)
Total expenditures	<u>39,028</u>	<u>48,460</u>	<u>(9,432)</u>	<u>311,378</u>	<u>307,651</u>	<u>3,727</u>
Excess (deficiency) of revenues over expenditures	<u>66,654</u>	<u>42,958</u>	<u>(23,696)</u>	<u>(9,874)</u>	<u>(246)</u>	<u>9,628</u>
Other financing sources (uses)						
Operating transfer in	-	2,522	2,522	69,931	62,159	(7,772)
Operating transfer out	<u>(17,004)</u>	<u>(490)</u>	<u>16,514</u>	<u>(60,666)</u>	<u>(61,669)</u>	<u>(1,003)</u>
Total other financing sources (uses)	<u>(17,004)</u>	<u>2,032</u>	<u>19,036</u>	<u>9,265</u>	<u>490</u>	<u>(8,775)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	49,650	44,990	(4,660)	(609)	244	853
Fund balances						
Beginning of year	<u>62,786</u>	<u>62,786</u>	<u>-</u>	<u>6,691</u>	<u>6,691</u>	<u>-</u>
End of year	<u>\$112,436</u> =====	<u>\$107,776</u> =====	<u>\$(4,660)</u> =====	<u>\$ 6,082</u> =====	<u>\$ 6,935</u> =====	<u>\$ 853</u> =====

The accompanying notes are an integral part of this statement.

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

A. Presentation of Statements

In April, 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

B. Organization

Act 456 of 1964, 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. Each council is a non-profit corporation which must comply with policies and regulations established by the Governor's Office of Elderly Affairs and any other entity that provides the Council with federal or state funds.

The 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 presented its financial statement as a separate special-purpose government.

The primary function of the St. Landry Council on Aging, Inc. is to provide services to the 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 and nutritional education, information and referral services, legal assistance, operating senior centers and transportation. A Board of Directors consisting of 21 members, who serve three-year terms, governs the council.

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

C. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the St. Landry Council on Aging, Inc. Control by or dependent on the Council was determined on the basis of budget adoption, appointment of governing body, and other general oversight responsibility.

D. 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 based upon determination of changes in financial position, rather than upon net income determination. The following are the Council's governmental fund types:

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 sources from which they are derived.

The following fund comprises the Council's General Fund:

Local

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

ST. LANDRY COUNCIL ON AGING, INC.

Schedule of Federal Financial Assistance  
For the Year Ended June 30, 1996

<u>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 &amp; Human Services</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs:				
Title III B-Supportive services	93.044	\$ 54,461	\$ 54,461	\$ 54,461
Title III C-1-Congregate meals	93.045	41,096	41,096	41,096
Title III C-2-Home delivered meals	93.045	14,284	14,284	14,284
Title III D-In-home services	93.046	2,536	2,536	2,536
Title VI - Chapter 2 - Ombudsman	93.042	6,761	6,761	6,761
Title III F-Disease prevention and health promotion services	93.043	<u>5,557</u>	<u>5,557</u>	<u>5,557</u>
		<u>124,695</u>	<u>124,695</u>	<u>124,695</u>
<u>Federal Emergency Management Agency</u>				
Passed through the Phase X Program:				
Emergency Food - Shelter Program	83.523	<u>2,250</u>	<u>2,250</u>	<u>2,522</u>
		<u>\$126,945</u>	<u>\$126,945</u>	<u>\$127,217</u>

ST. LANDRY COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (GAAP Basis) and Actual -  
Special Revenue Funds  
Year Ended June 30, 1996

	<u>Budgeted</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>Title III-B</u>			
Salaries	\$ 83,255	\$ 87,888	\$ (4,633)
Fringe	6,785	7,102	(317)
Travel	3,180	3,545	(365)
Operating services	24,450	25,154	(704)
Operating supplies	7,347	7,083	264
Other costs	<u>1,800</u>	<u>1,900</u>	<u>(100)</u>
	<u>\$126,817</u>	<u>\$132,672</u>	<u>\$ (5,855)</u>
 <u>Title III C-1</u>			
Salaries	\$ 43,666	\$ 40,909	\$ 2,757
Fringe	3,556	3,276	280
Travel	2,587	1,970	617
Operating services	6,112	6,024	88
Operating supplies	1,630	1,523	107
Other costs	<u>1,200</u>	<u>1,216</u>	<u>(16)</u>
	<u>\$ 58,751</u>	<u>\$ 54,918</u>	<u>\$ 3,833</u>
 <u>Title III C-2</u>			
Salaries	\$ 46,747	\$ 46,481	\$ 266
Fringe	3,808	3,947	(139)
Travel	20,535	19,970	565
Operating services	6,217	8,047	(1,830)
Operating supplies	<u>1,650</u>	<u>1,630</u>	<u>20</u>
	<u>\$ 78,957</u>	<u>\$ 80,075</u>	<u>\$ (1,118)</u>
 <u>Title III-D</u>			
Salaries	\$ 6,651	\$ 1,479	\$ 5,172
Fringe	542	117	425
Travel	1,710	1,504	206
Operating services	773	764	9
Operating supplies	<u>143</u>	<u>154</u>	<u>(11)</u>
	<u>\$ 9,819</u>	<u>\$ 4,018</u>	<u>\$ 5,801</u>

(Continued)

ST. LANDRY COUNCIL ON AGING, INC.

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Special Revenue Funds  
Year Ended June 30, 1996

	Title III-B	Title III-C-1	Title III-C-2	Title III-D	Title III-F	Senior Center
Revenue						
Intergovernmental	\$ 77,801	\$48,348	\$37,590	\$ 2,984	\$ 7,173	\$ 58,685
Program	1,769	6,577	34,783	840	-	460
Local and miscellaneous	151	112	89	6	6	-
Total revenues	<u>79,721</u>	<u>55,037</u>	<u>72,462</u>	<u>3,830</u>	<u>7,179</u>	<u>59,145</u>
Expenditures						
Current -						
Salaries	87,888	40,909	46,481	1,479	2,791	9,119
Fringe	7,102	3,276	3,947	117	277	350
Travel	3,545	1,970	19,970	1,504	166	343
Operating services	25,154	6,024	8,047	764	649	7,352
Operating supplies	7,083	1,523	1,630	154	1,324	204
Other costs	1,900	1,216	-	-	547	-
Capital outlay	-	-	-	-	1,420	-
Total expenditures	<u>132,672</u>	<u>54,918</u>	<u>80,075</u>	<u>4,018</u>	<u>7,174</u>	<u>17,368</u>
Excess (deficiency) of revenues over expenditures	<u>(52,951)</u>	<u>119</u>	<u>(7,613)</u>	<u>(188)</u>	<u>5</u>	<u>41,777</u>
Other financing sources (uses)						
Operating transfers in	53,105	-	7,707	197	-	-
Operating transfers out	-	-	-	-	-	(41,316)
Total other financing sources (uses)	<u>53,105</u>	<u>-</u>	<u>7,707</u>	<u>197</u>	<u>-</u>	<u>(41,316)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	154	119	94	9	5	461
Fund balances, beginning of year	<u>(154)</u>	<u>(119)</u>	<u>(94)</u>	<u>(9)</u>	<u>(5)</u>	<u>921</u>
Fund balances (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,382</u>



INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER GRANT INFORMATION

ST. LANDRY COUNCIL ON AGING, INC.

Statement of Revenues, Expenditures, and Changes in  
Fund Balance - General Fund  
Year Ended June 30, 1996

Revenues	
Interest	\$ 2,004
Development school meals	51,223
PMS units	6,332
Municipalities	2,861
Miles for meals	15,146
Trips	7,431
Miscellaneous	6,421
Total revenues	<u>91,418</u>
Expenditures	
Current -	
Travel	405
Operating services	5,138
Operating supplies	5,078
Other cost	35,546
Capital outlay	2,293
Total expenditures	<u>48,460</u>
Excess of revenues over expenditures	<u>42,958</u>
Other financing sources (uses)	
Operating transfers in	2,522
Operating transfers out	(490)
Total other financing sources (uses)	<u>2,032</u>
Excess of revenues and other sources over expenditures and other uses	44,990
Fund balance	
Beginning of year	<u>62,786</u>
End of year	<u>\$107,776</u>

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 6 Certificates of Deposit

At June 30, 1996, the Council had the following certificates of deposit:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
St. Landry Homestead Federal Savings Bank	\$40,798	5.15%	2/12/97
Washington State Bank	<u>20,000</u>	4.50%	8/12/96
Total	<u>\$60,798</u>		

Note 7 Operating Transfers In, Out

	<u>Funds transferring out:</u>					<u>Total</u>
	<u>General</u>	<u>FEMA</u>	<u>Miscellaneous Grant</u>	<u>Act 735</u>	<u>Senior Center</u>	
Funds transferring in:						
Title						
III-B	\$ -	\$ -	\$2,399	\$ 9,390	\$41,316	\$53,105
Title III-						
C-2	490		2,101	5,116	-	7,707
General	-	2,522	-	-	-	2,522
Ombudsman	-	-	-	1,150	-	1,150
Title						
III-D	<u>-</u>	<u>-</u>	<u>-</u>	<u>197</u>	<u>-</u>	<u>197</u>
	<u>\$ 490</u>	<u>\$2,522</u>	<u>\$4,500</u>	<u>\$15,853</u>	<u>\$41,316</u>	<u>\$64,681</u>

Note 8 Interfund Receivables, Payables

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$21,557
Special Revenue Funds		
Senior Center	1,382	-
LIHEAP	4,798	-

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 2 Budget Presentation - Reconciliation

Presented below is a schedule reconciling all special revenue funds to special revenue funds in which budgets were adopted:

Special revenue fund:

Excess of revenues and other financing sources over expenditures and other uses (Page 5)	\$11,081
Add (deduct) funds not budgeted:	
FEMA - excess of expenditures over revenue	272
Personal Care Attendant - excess of revenue over expenditures	(9,117)
United Way - excess of revenues over expenditures	<u>(1,992)</u>
Excess of revenues and other financing sources over expenditures and other uses (Page 6)	<u>\$ 244</u>

Note 3 Board of Directors' Compensation

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

Note 4 Income Tax Status

The Council, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Note 5 Cash and Interest-Bearing Deposits

Under state law, the Council may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Council may invest in certificates and time deposits of state banks organized under Louisiana laws and national banks having principal offices in Louisiana. At June 30, 1996, the Council has cash and interest-bearing deposits (book balances) totaling \$141,056.

Demand deposits	\$ 80,258
Time deposits	<u>60,798</u>
Total	<u>\$141,056</u>

Deposit balances (bank balances) at June 30, 1996, totaled \$147,458 and are fully secured by federal deposit insurance.

SCHEDULES OF INDIVIDUAL FUNDS

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 12 Changes in Long-Term Debt

	Balance June 30, <u>1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1996</u>
Accrued annual leave	<u>\$9,343</u>	<u>\$3,488</u>	<u>\$1,682</u>	<u>\$11,149</u>

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 8 Interfund Receivables, Payables (Continued)

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
FEMA	\$ 2,290	\$ -
Energy Assistance	755	-
United Way	3,692	-
P.C.A	<u>8,640</u>	<u>-</u>
	<u>\$21,557</u>	<u>\$21,557</u>

Note 9 Reserved Fund Balance

The Council receives funding from the local utility company for the restricted purpose of alleviating hardship conditions related to the payment of utility bills for elderly individuals. These funds are accounted for in the Energy Fund (a Special Revenue Fund). Funds available at year-end for this purpose have been reserved accordingly.

Note 10 Judgements, Claims, and Similar Contingencies

There is no litigation pending against the Council at June 30, 1996. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

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

Note 11 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.

SUPPLEMENTAL INFORMATION



ST. LANDRY COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (GAAP Basis) and Actual -  
Special Revenue Funds (Continued)  
Year Ended June 30, 1996

	<u>Budgeted</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>Title III-F</u>			
Salaries	\$ 2,791	\$ 2,791	\$ -
Fringe	227	277	(50)
Travel	139	166	(27)
Operating services	565	649	(84)
Operating supplies	1,366	1,324	42
Other costs	2,085	547	1,538
Capital outlay	-	1,420	(1,420)
	<u>-----</u>	<u>-----</u>	
	\$ 7,173	\$ 7,174	\$ (1)
	<u>-----</u>	<u>-----</u>	<u>-----</u>
<u>Senior Center</u>			
Salaries	\$ 9,542	\$ 9,119	\$ 423
Fringe	783	350	433
Travel	405	343	62
Operating services	8,142	7,352	790
Operating supplies	-	204	(204)
	<u>-----</u>	<u>-----</u>	<u>-----</u>
	\$18,872	\$17,368	\$ 1,504
	<u>-----</u>	<u>-----</u>	<u>-----</u>
<u>Ombudsman</u>			
Salaries	\$ 5,513	\$ 5,582	\$ (69)
Fringe	449	433	16
Travel	1,893	2,151	(258)
Operating services	682	824	(142)
Operating supplies	126	110	16
	<u>-----</u>	<u>-----</u>	<u>-----</u>
	\$ 8,663	\$ 9,100	\$ (437)
	<u>-----</u>	<u>-----</u>	<u>-----</u>
<u>Energy Fund</u>			
Operating services	\$ 2,326	\$ 2,326	\$ -
	<u>-----</u>	<u>-----</u>	<u>-----</u>

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

I. 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 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.

J. Fixed Assets

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

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) should be accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. The estimated amounts of fixed assets are immaterial to these financial statements. Donated fixed assets are stated at their estimated fair market value on the date donated.

K. Annual Leave

The Council's policy allows full time employees to carry forward 30 days of annual leave beyond the fiscal year end. Full-time employees earn 1 1/2 days of annual leave per month. The liability for accumulated annual leave has been recorded in the General Long-Term Debt Account Group.

<u>Ombudsman</u>	<u>FEMA</u>	<u>Personal Care Attendant</u>	<u>United Way</u>	<u>Act 735</u>	<u>Energy</u>	<u>Miscellaneous Grant</u>	<u>LIHEAP</u>	<u>Total</u>
\$ 7,954	\$ 2,250	\$26,121	\$ -	\$ 15,853	\$ -	\$ 4,500	\$ -	\$289,259
-	-	-	1,992	-	1,719	-	-	48,140
<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>369</u>
<u>7,959</u>	<u>2,250</u>	<u>26,121</u>	<u>1,992</u>	<u>15,853</u>	<u>1,719</u>	<u>4,500</u>	<u>-</u>	<u>337,768</u>
5,582	-	15,628	-	-	-	-	-	209,877
433	-	1,376	-	-	-	-	-	16,878
2,151	-	-	-	-	-	-	-	29,649
824	-	-	-	-	-	-	-	48,814
110	-	-	-	-	2,326	-	-	14,354
-	-	-	-	-	-	-	-	3,663
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,420</u>
<u>9,100</u>	<u>-</u>	<u>17,004</u>	<u>-</u>	<u>-</u>	<u>2,326</u>	<u>-</u>	<u>-</u>	<u>324,655</u>
<u>(1,141)</u>	<u>2,250</u>	<u>9,117</u>	<u>1,992</u>	<u>15,853</u>	<u>(607)</u>	<u>4,500</u>	<u>-</u>	<u>13,113</u>
1,150	-	-	-	-	-	-	-	62,159
<u>-</u>	<u>(2,522)</u>	<u>-</u>	<u>-</u>	<u>(15,853)</u>	<u>-</u>	<u>(4,500)</u>	<u>-</u>	<u>(64,191)</u>
<u>1,150</u>	<u>(2,522)</u>	<u>-</u>	<u>-</u>	<u>(15,853)</u>	<u>-</u>	<u>(4,500)</u>	<u>-</u>	<u>(2,032)</u>
9	(272)	9,117	1,992	-	(607)	-	-	11,081
<u>(9)</u>	<u>2,562</u>	<u>(477)</u>	<u>1,700</u>	<u>-</u>	<u>1,362</u>	<u>-</u>	<u>4,798</u>	<u>10,476</u>
\$ -	\$ 2,290	\$ 8,640	\$3,692	\$ -	\$ 755	\$ -	\$4,798	\$ 21,557
=====	=====	=====	=====	=====	=====	=====	=====	=====

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

G. 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.

H. Budget Policy

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

The Governor's Office of Elderly Affairs "GOEA" notifies the Council each year as to the funding levels for each program's grant award.

The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.

The Board of Director reviews and adopts the budget before June 30 of the current year for the next year.

The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.

All budgetary appropriations lapse at the end of each fiscal year.

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

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

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

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

FEMA Fund

The FEMA Fund is used to account for the administration of a Disaster Assistance Program whose purpose is to supplement food and shelter assistance to individuals who might currently be receiving assistance, as well as to assist those who are not receiving any. Funds are provided by the Federal Emergency Management Agency through the United Way of Acadiana which in turn "passes through" the funds to the Council.

Personal Care Attendant Fund

The Personal Care Attendant Fund is used to account for funds which are used to provide services that will meet the needs of those diverted or deinstitutionalized beneficiaries whose disabilities preclude the acquisition of certain independent living skills related to the activities of daily living.

United Way

This fund reports assistance received from the community's regular United Appeals activity. The funds are received upon application to the United Giver's Agency and are subject to reporting to, and monitoring by, that Agency.

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. These funds are accounted for in a separate special revenue fund to facilitate tracking of this resource and to ensure its utilization in the budget period. The funds are unrestricted in application and are transferred from this Special Revenue Fund for appropriate application in the General Fund and other Special Revenue Funds.

# DARNALL, SIKES, KOLDER, FREDERICK & RAINEY

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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Russell F. Champagne, CPA  
Victor R. Staven, CPA  
Conrad O. Chapman, CPA

## RETIRED

Eugene H. Darnall, CPA 1990

Lloyd F. Dore, Jr., CPA  
Paula D. Bihm, CPA  
Christine L. Cousin, CPA  
Stephanie M. Higginbotham, CPA  
Kathleen T. Darnall, CPA  
Jennifer S. Ziegler, CPA  
P. Troy Courville, CPA  
Stephen R. Dischler, MBA, CPA

## Independent Auditor's Report

Board of Directors  
St. Landry Council on Aging, Inc.  
Opelousas, Louisiana

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125 Rue Beaugard  
Lafayette, LA 70508  
(318) 232-3312  
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Morgan City, LA 70380  
(504) 384-6264  
408 W. Cotton Street  
Ville Platte, LA 70586  
(318) 363-2792  
113 East Bridge Street  
Breaux Bridge, LA 70517  
(318) 332-4020  
404 Pere Megret  
Abbeville, LA 70510  
(318) 893-5470  
2011 MacArthur Drive  
Building 1  
Alexandria, LA 71301  
(318) 445-5564

We have audited the general purpose financial statements of the St. Landry Council on Aging, Inc., 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 Office of Management and Budget 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Landry 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, we have also issued a report dated September 11, 1996, on our consideration of the St. Landry Council on Aging, Inc.'s internal control structure and a report dated September 11, 1996, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis

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and is not a required part of the general purpose financial statements of the St. Landry 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 stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Darnall, Sikes, Kolder, Frederick & Rainey*

A Corporation of Certified Public Accountants

Eunice, Louisiana  
September 11, 1996

ST. LANDRY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

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.

Title III-F Fund

Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and which there are a large number of older individuals who have the greatest economic and social need." Title III-F funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Senior Center Fund

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 which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Ombudsman Fund

The Ombudsman Program was established to investigate and resolve complaints of any relevant nature on behalf of individuals, especially aged individuals who are residents of long-term care facilities. Ombudsman 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.



ST. LANDRY COUNCIL ON AGING, INC.

Schedule of Changes in General Fixed Assets  
Year Ended June 30, 1996

	Balance June 30, <u>1995</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>1996</u>
General fixed assets, at cost				
Furniture & equipment	\$24,740	\$10,921	\$ -	\$35,661
Vehicles	<u>17,936</u>	<u>-</u>	<u>-</u>	<u>17,936</u>
Total general fixed assets	<u>\$42,676</u>	<u>\$10,921</u>	<u>\$ -</u>	<u>\$53,597</u>
Investment in general fixed assets				
Title III B	\$ 6,153	\$ -	\$ -	\$ 6,153
Title III C-1	6,195	-	-	6,195
Senior Center	4,269	-	-	4,269
Title III G	1,521	-	-	1,521
Local	15,780	2,293	-	18,073
Title III-F	810	1,420	-	2,230
Title XX	1,159	-	-	1,159
State	6,789	-	-	6,789
Donations	<u>-</u>	<u>7,208</u>	<u>-</u>	<u>7,208</u>
Total investment in general fixed assets	<u>\$42,676</u>	<u>\$10,921</u>	<u>\$ -</u>	<u>\$53,597</u>

ST. LANDRY COUNCIL ON AGING, INC.

Schedule of Corrective Action Taken on Prior Year Finding  
June 30, 1996

There were no prior year findings.

ST. LANDRY COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs  
June 30, 1996

Participant Evaluations

Finding:

The Council is required to reassess Title III C-1 participants annually and Title III C-2 participants semi-annually. We obtained a list of one hundred forty-four (144) Title III C-1 participants and three hundred sixteen (316) Title III C-2 participants and selected a sample of ten participant files for review. Based on the results of our procedures, we noted two participants who have not been reassessed within the proper time period.

Recommendation:

All Title III C-1 and Title III C-2 participants should be reassessed on an annual and semi-annual basis, respectively.

Response:

Due to a small number of personnel, it has become difficult to reassess Title III C-1 and Title III C-2 participants as required, however increased efforts will be made in the future to do so.

ST. LANDRY COUNCIL ON AGING, INC.

Schedule of Disbursements to Board Members  
For the Year Ended June 30, 1996

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

ST. LANDRY COUNCIL ON AGING, INC.

Schedule of Exit Conference  
Year Ended June 30, 1996

An exit conference was held on October 14, 1996, with the St. Landry Council on Aging, Inc. In attendance were:

Gussie Robin, Board Member  
Gus Breaux, Jr., Board Member  
Stella Thomas, Board Member  
Earline Bihm, Board Member  
Shannon Broussard, Director CAAA  
Karin Stelly, Director COA  
Gloria Sam, Bookkeeper  
Paula Bihm, CPA  
Steven Moosa, CPA

We reported on the results of our audit and our discovery of a material weakness in internal control, which is reported on page 27. A copy of this letter was furnished to the Legislative Auditor and the Governor's Office of Elderly Affairs.