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

To the Board of Directors,
The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana.

I have audited the general purpose financial statements of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 20, 1996.

In connection with my audit of the general purpose financial statements of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, and with my 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, 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; eligibility; matching, level of effort, or earmarking and allowability of amounts claimed or used for matching; federal financial reports and claims for advances and reimbursements; cost allocations; and voluntary contributions by participants. My 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, 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 The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, had not complied, in all material respects, with those requirements. However, the results of my procedures disclosed immaterial instances of noncompliance with those requirements which are more fully discussed on pages 61 to 62 of this report.

In accordance with Government Auditing Standards, I have also issued a report (see page 3) dated August 20, 1996, on my consideration of The Tangipahoa Parish Voluntary Council on Aging, Inc.'s internal control structure and a report (see page 9) dated August 20, 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 of the The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana. 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 stated in all material respects in relation to the general purpose financial statements taken as a whole.

Neil B. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1996.

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

To the Board of Directors,
The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana.

I have audited the general purpose financial statements of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 20, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. 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.

The management of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, 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 my audit of the general purpose financial statements of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

However, I noted certain matters involving the internal control structure and its operation that I reported to the management of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, during our exit conference on August 20, 1996. I have documented those matters that were discussed on pages 61 to 62 of this report.

This report is intended for the information of the Council's board of directors, management, the Legislative Auditor of the State of Louisiana, and the Louisiana Governor's Office of Elderly Affairs. However, this report is a matter of public record and its distribution is not limited.

Neil B. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1996.

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

To the Board of Directors,
The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana.

I have audited the general purpose financial statements of the The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana as of and for the year ended June 30, 1996, and have issued my report thereon dated August 20, 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.

In planning and performing my audit for the year ended June 30, 1996, I considered the internal control structure of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana in order to determine my auditing procedures for the purpose of expressing my 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 my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated August 20, 1996 (see page 3).

The management of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana 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:

- Cash balances
- Grants, public support, program service fees, other revenues, and receivables
- Prepaid expenses
- Property and equipment
- Accounts payable
- Fund balances
- Expenditures for goods and services
- Payroll expenses and related liabilities
- Donated materials, facilities, and services
- Government financial assistance programs:
 - General requirements:
 - Political activity
 - Civil rights
 - Cash management
 - Federal financial reports
 - Allowable costs/cost principles
 - Drug-free Workplace Act
 - Administrative requirements

- Specific requirements:
 - Type of services allowed or unallowed
 - Eligibility
 - Matching, level of effort, or earmarking and allowability of amounts claimed or used for matching
 - Federal financial reports and claims for advances and reimbursements
 - Cost allocation
 - Voluntary contributions by participants

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, The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, had no major federal financial assistance programs and expended 60% of its total federal financial assistance under the following nonmajor federal financial assistance programs:

FTA - Operating assistance for non-urbanized area public transportation	\$ 94,398
Title III-C	<u>79,183</u>
Total	\$173,581 =====

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 general requirements, specific requirements, requirements governing claims for advances and reimbursements, and amounts claimed or used 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.

My 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 constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. 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. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

However, I noted certain matters involving the internal control structure and its operation that I reported to the management of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, during our exit conference on August 20, 1996. I have documented those matters that were discussed on pages 61 to 62 of this report.

This report is intended for the information of the Council's board of directors, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil G. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1996.

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

To the Board of Directors,
The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana.

I have audited the general purpose financial statements of The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 20, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. 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.

Compliance with laws, regulations, contracts, and grants applicable to The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana is the responsibility of the Council's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Council's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances that are required to be reported under Government Auditing Standards.

I noted immaterial instances of noncompliance that I have discussed with and reported to management. See pages 61 to 62 of this report for additional discussion about these instances.

Note 1 - Summary of Significant Accounting Policies -
(continued)

c. Fund Accounting: (continued)

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

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

● 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 programs comprise the Council's General Fund:

Local

Funds received from various local sources, such as; the Tangipahoa Parish Council, City of Hammond, Town of Kentwood, the United Way, donations from the general public, fund raisers, special events, and interest income earned on unrestricted fund balances have been recorded in the local program of the General Fund. Most of these funds are not restricted to any special use and may be used at the Council's discretion. Expenses which are not chargeable to specific programs because of budget limitations, or because of their nature, are recorded as local program expenditures.

The Council also provides transportation services to local agencies for a fee. These program service fees and their related costs are accounted for within the local program.

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 my attention that caused me to believe that the The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, had not complied, in all material respects, with those requirements. However, the results of my procedures disclosed immaterial instances of noncompliance with those requirements which are more fully discussed on pages 61 to 62 of this report.

This report is intended for the information of the Council's board of directors, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil B. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1996.

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Amite, Louisiana

June 30, 1996

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This report is intended for the information of the Council's board of directors, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil M. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1996.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

June 30, 1996

With Comparative Totals for the Year Ended June 30, 1995

	Governmental Fund Types		Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	General Fixed Assets	General Long-Term Debt	1996	1995
ASSETS AND OTHER DEBITS						
Assets:						
Cash	\$ 84,377	\$ 17,221	\$ -	\$ -	\$101,598	\$120,806
Grants receivable	-	12,596	-	-	12,596	26,399
Accounts receivable	6,801	-	-	-	6,801	3,256
Prepaid expenses	6,141	-	-	-	6,141	717
Due from Special Revenue funds	11,999	-	-	-	11,999	16,452
Restricted assets:						
Cash	9,600	1,421	-	-	11,021	8,460
Vehicle purchase deposit	9,123	-	-	-	9,123	8,360
Fixed assets	-	-	172,791	-	172,791	159,906
Other debits:						
Amount to be provided to retire long-term debt	-	-	-	9,913	9,913	9,328
Total assets	\$128,041	\$ 31,238	\$172,791	\$ 9,913	\$341,983	\$353,684
LIABILITIES, FUND EQUITY, AND OTHER CREDITS						
Liabilities:						
Accounts payable	\$ -	\$ 597	\$ -	\$ -	\$ 597	\$ 9,641
Due to General fund	-	11,999	-	-	11,999	16,452
Deferred income	-	17,221	-	-	17,221	15,764
Accumulated unpaid vacation	-	-	-	9,913	9,913	9,328
Total liabilities	-	29,817	-	9,913	39,730	51,185
Fund Equity and Other Credits:						
Fund balances:						
Reserved for:						
Vehicle purchases	18,723	-	-	-	18,723	8,360
Utility assistance	-	1,421	-	-	1,421	3,507
Prepaid expenditures	6,141	-	-	-	6,141	717
Meals	-	-	-	-	-	4,953
Unreserved - undesignated	103,177	-	-	-	103,177	125,056
Investment in general fixed assets	-	-	172,791	-	172,791	159,906
Total fund equity and other credits	128,041	1,421	172,791	-	302,253	302,499
Total liabilities, fund equity and other credits	\$128,041	\$ 31,238	\$172,791	\$ 9,913	\$341,983	\$353,684

The accompanying notes are an integral part of this statement.

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

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

With Comparative Totals for the Year Ended June 30, 1995

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>1996</u>	<u>1995</u>
<u>REVENUES</u>				
Intergovernmental	\$ 42,152	\$418,257	\$460,409	\$509,345
Public support	27,575	51,690	79,265	65,463
Program service fees	36,485	1,253	37,738	22,300
Interest income	2,600	182	2,782	3,037
Special event fund raiser	4,921	-	4,921	12,358
Miscellaneous	9,830	-	9,830	5,254
In-kind contributions	<u>50,515</u>	<u>36,077</u>	<u>86,592</u>	<u>99,546</u>
Total revenues	<u>174,078</u>	<u>507,459</u>	<u>681,537</u>	<u>717,303</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	33,751	296,548	330,299	332,826
Fringe	4,934	32,785	37,719	50,785
Travel	632	12,884	13,516	15,961
Operating services	4,922	68,590	73,512	66,969
Operating supplies	2,427	25,034	27,461	28,350
Other costs	10,040	10,200	20,240	41,737
Meals	1,963	21,307	23,270	17,121
Full service	-	28,158	28,158	15,136
Capital outlay	4,922	29,317	34,239	44,146
Fund raiser costs	6,229	-	6,229	12,358
Utility assistance	-	16,183	16,183	11,030
In-kind expenses	<u>50,515</u>	<u>36,077</u>	<u>86,592</u>	<u>99,546</u>
Total expenditures	<u>120,335</u>	<u>577,083</u>	<u>697,418</u>	<u>735,965</u>
Excess of revenues over (under) expenditures	53,743	(69,624)	(15,881)	(18,662)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	-	216,857	216,857	239,634
Operating transfers out	(59,178)	(157,679)	(216,857)	(239,634)
Proceeds from sale of fixed assets	<u>2,750</u>	<u>-</u>	<u>2,750</u>	<u>450</u>
Excess of revenues and other sources over (under) expenditures and other uses	(2,685)	(10,446)	(13,131)	(18,212)
<u>FUND BALANCES</u>				
Beginning of year	<u>130,726</u>	<u>11,867</u>	<u>142,593</u>	<u>160,805</u>
End of year	\$128,041 =====	\$ 1,421 =====	\$129,462 =====	\$142,593 =====

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND TYPE

The Tangipahoa Parish Voluntary Council on Aging, Inc.
 Amite, Louisiana

For the year ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Intergovernmental	\$ 51,802	\$ 42,152	\$ (9,650)
Public support	18,000	27,575	9,575
Program service fees	23,903	36,485	12,582
Interest income	-	2,600	2,600
Special event fund raiser	-	4,921	4,921
Miscellaneous	-	9,830	9,830
In-kind contributions	<u>50,515</u>	<u>50,515</u>	<u>-</u>
 Total revenues	 <u>144,220</u>	 <u>174,078</u>	 <u>29,858</u>
<u>EXPENDITURES</u>			
Current:			
Salaries	31,304	33,751	(2,447)
Fringe	3,872	4,934	(1,062)
Travel	620	632	(12)
Operating services	5,240	4,922	318
Operating supplies	2,170	2,427	(257)
Other costs	-	10,040	(10,040)
Meals	-	1,963	(1,963)
Full service	-	-	-
Capital outlay	-	4,922	(4,922)
Fund raiser costs	-	6,229	(6,229)
Utility assistance	-	-	-
In-kind expenses	<u>50,515</u>	<u>50,515</u>	<u>-</u>
 Total expenditures	 <u>93,721</u>	 <u>120,335</u>	 <u>(26,614)</u>
 Excess of revenues over (under) expenditures	 50,499	 53,743	 3,244
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	2,032	-	(2,032)
Operating transfers out	(69,802)	(59,178)	10,624
Proceeds from sale of fixed assets	<u>-</u>	<u>2,750</u>	<u>2,750</u>
 Excess of revenues and other sources over (under) expenditures and other uses	 (17,271)	 (2,685)	 \$ 14,586 =====
<u>FUND BALANCES</u>			
Beginning of year	<u>130,726</u>	<u>130,726</u>	
 End of year	 <u>\$113,455</u> =====	 <u>\$128,041</u> =====	

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUND TYPE

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Intergovernmental	\$414,647	\$418,257	\$ 3,610
Public support	31,254	51,690	20,436
Program service fees	-	1,253	1,253
Interest income	-	182	182
In-kind contributions	<u>36,077</u>	<u>36,077</u>	<u>-</u>
 Total revenues	 <u>481,978</u>	 <u>507,459</u>	 <u>25,481</u>
 <u>EXPENDITURES</u>			
Current:			
Salaries	299,024	296,548	2,476
Fringe	38,156	32,785	5,371
Travel	12,980	12,884	96
Operating services	67,201	68,590	(1,389)
Operating supplies	23,664	25,034	(1,370)
Other costs	10,767	10,200	567
Meals	14,915	21,307	(6,392)
Full service	26,000	28,158	(2,158)
Capital outlay	29,324	29,317	7
Utility assistance	-	16,183	(16,183)
In-kind expenses	<u>36,077</u>	<u>36,077</u>	<u>-</u>
 Total expenditures	 <u>558,108</u>	 <u>577,083</u>	 <u>(18,975)</u>
 Excess of revenues over (under) expenditures	 (76,130)	 (69,624)	 6,506
 <u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	222,234	216,857	(5,377)
Operating transfers out	<u>(154,464)</u>	<u>(157,679)</u>	<u>(3,215)</u>
 Excess of revenues and other sources over (under) expenditures and other uses	 (8,360)	 (10,446)	 \$ (2,086) =====
 <u>FUND BALANCES</u>			
Beginning of year	<u>11,867</u>	<u>11,867</u>	
 End of year	 \$ 3,507 =====	 \$ 1,421 =====	

NOTES TO FINANCIAL STATEMENTS

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

June 30, 1996

Note 1 - Summary of Significant Accounting Policies

a. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on the 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 Louisiana Governor's Office of Elderly Affairs (GOEA). The Tangipahoa Parish Voluntary Council on Aging, Inc. (TVCOA) is a non-profit, quasi-public corporation, which must comply with the policies and regulations established by the Louisiana Governor's Office of Elderly Affairs and the State of Louisiana.

The primary function of The Tangipahoa Parish Voluntary Council on Aging, Inc. is to improve the quality of life for the parish's elderly and 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, nutritional education, information and referral services, operating senior centers and transportation. A Board of Directors consisting of 12 voluntary members, who serve three-year terms, governs the Council.

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

Note 1 - Summary of Significant Accounting Policies -
(continued)

b. Presentation of Statements:

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

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.

c. Fund Accounting:

The Council uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in these financial statements into two generic fund types and two broad fund categories (account groups).

This report is intended for the information of the Council's board of directors, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil G. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1996.

QUESTIONED COSTS

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

There were not any costs questioned during the audit.

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Financial Report

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

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 DEC 18 1996

Immaterial Instances of Noncompliance

1. I selected 33 participants who were receiving meals in the C-1 and C-2 programs to review for eligibility. I noted one employee who was eating a C-1 meal because she thought employees could eat if they made a donation. This was caught and corrected by management. Management could spot check for compliance during the year to prevent future instances of noncompliance.
2. I noted your Deposit Guaranty Bank balances exceeded \$100,000 on occasion during the year thereby creating a situation where some cash balances were not covered by FDIC insurance. However, I noted that you have recently corrected this by having the bank put up collateral to cover any cash balances that exceed \$100,000.

Other Comments and Recommendations

1. The direct costs for your Medicaid programs exceeded revenues earned by \$15,558. You should consider the economics of participating in these programs if losses continue.

There was no separate management letter issued. All findings and recommendations that were reported to the Council's director have been documented in my exit conference discussion here above.

Mrs. Fleming responded favorably to my findings and recommendations and indicated she would implement them in fiscal year 1997. I did not have any disagreement with management during the audit.

Corrective

Action:

Management is aware of the risk and monitors the usage of mobile phones closely.

#12:

The invoice for home delivered meals submitted by Capital Area Agency on Aging(CAAA) is being dated by CAAA and paid by the Council before all of the meals are served. FEMA funds are being used by the Council to pay this invoice. I recommend you coordinate the billing and payment of these meals with CAAA so that funds are disbursed as the meals are served.

Corrective

Action:

No change has occurred here. CAAA billed the Council the same way in fiscal year 1996.

Management should coordinate with CAAA the proper manner to bill the Council for FEMA meals.

#6: Management should emphasize the need for employees to take vacation leave to reduce the liability that has built up.

Corrective
Action:

The director has encouraged employees to take their vacation.

#7: I noticed one employee hired during fiscal year 1996 had not completed an I-9 form.

Corrective
Action:

The employee still had not filled out the Form I-9 as of 6-30-96. No further instances were noted.

#8: Occasionally an employee may not sign his/her timesheet because of logistics. Whoever signs for the employee should note why it was done and who did it.

Corrective
Action:

I noted this in a husband/wife situation. The director is aware of this occurring and understands the reason why it is done.

#9: If an employee's duties change after the budget is prepared such that the employee's wages will be charged to other programs, a note should be made in the budget file to discuss the reasons why the changes were made.

Corrective
Action:

This factor was considered when the amended budget was prepared and adopted.

#10: Consider the costs versus the benefits of fund raising activities. The horse show fund raiser conducted with Blann Productions did not appear to achieve management's expectations. Further, Blann Productions controls all of the collection and disbursement process without any oversight by the Council.

Corrective
Action:

No further fund raisers were held this year that involved Blann Productions.

#11: I noted the Council purchased mobile telephones for certain employees to use. Please monitor this area closely to detect personal or unauthorized use of these phones.

Other Recommendations and Comments Made
at Exit Conference on August 16, 1995

#1: The in-kind contribution value of the building insurance for the Independence site should be reduced to a more reasonable amount. The current amount of \$800/month is too high in my opinion. Perhaps \$800/year would be more logical.

Corrective
Action: A revised in-kind letter was obtained which presented in-kind insurance at \$80/month.

#2: The Tangipahoa Parish Voluntary Council on Aging also pays \$100 per month towards the in-kind services provided at Independence but the bookkeeper has not been reducing the in-kind contributions by the amount the Council is paying.

Corrective
Action: This \$100 payment was considered by the bookkeeper in fiscal year 1996.

#3: I noted erratic program income being reported on the monthly reports filed by The Medical Team. I recommend you follow-up with them to discuss the inconsistency in this area.

Corrective
Action: The Council followed up and found out that in fact there were some months where no program income was collected by The Medical Team.

#4: Contact your insurance agent and make sure he provides you a detailed breakdown of your vehicle premiums. This can help with cost allocations.

Corrective
Action: The detailed breakdown was obtained.

#5: During my subsequent events test for accounts payable, I noticed a \$26.19 late payment penalty was charged by Entergy relating to a utility bill. You should make sure all bills are paid timely. This appeared to be an isolated incident.

Corrective
Action: No further instances of late payment penalties were noted during the audit.

Finding #3: Errors Were Noted in Reporting Costs on Final Reports

As part of the audit, I compared the actual costs reported for each of Council's grant programs to the final report filed with the grantor agency. I noticed errors in certain cases. The Miscellaneous Grant's final report showed costs incurred for various expense categories, whereas the actual disposition of these funds were transfers to the Title III-B and C-1 programs. The In-Kind report shows only \$43,788 of in-kind contributions and related expenses, whereas the actual total was \$99,546. The PCOA report showed a \$1,480 transfer to the Title III-C2 program when in fact no funds were transferred to that program. The Senior Center report showed slight differences in the Other Costs and Capital Outlay categories as well as a total in the Full Service category.

Corrective
Action:

Errors were noted on the in-kind report for this year. It was later corrected. Also, the PCOA and Senior Center reports had to be redone to report corrected final results because of adjustments I made during the audit.

Finding #4: Indirect Cost Percentages Need Periodic Evaluation

The Council prepares a budget at the beginning of the year where it calculates estimated indirect cost percents to use. These percents are used to allocate indirect costs amongst the various programs that allow for indirect cost allocation. I have recommended in previous years that the Council periodically recompute the percentages using actual information and compare them to the initial estimates that were computed at the beginning of the year. This periodic check was not made during the year.

Corrective
Action:

The Council did not do this in fiscal year 1996. The differences were not material but could be material if new programs are added during the year.

Finding #4: Client Contributions in the Meals Program Need Consistent Monitoring

I have recommended in the past that the director review the Title C-1 and C-2 contributions being made by participants at each location for each month. I have worked with the Council over the years to develop a sizeable database of contribution history by month by site.

Corrective
Action:

The director is receiving and reviewing this information now.

Instances of Noncompliance

Finding #1: The Bid Process Needs Improvement

The bid process was not followed in one case where required and documentation was not available to support why the Council's management selected the high bidder in another case where bids were solicited.

Corrective
Action:

I did not note any instances where noncompliance with the bid law occurred. However, there were no instances noted where the bid law was required to be followed.

Finding #2: Actual Cost Exceeded Authorized Budget Limitations in Certain Instances

The Council is supposed to modify its budget and obtain board approval in cases where the actual costs exceed budget limitations for any major expense category within certain grant programs. I noticed during the audit that there were a few instances where a budget approval was not obtained when the budget limits were exceeded by actual costs. The areas that I noticed are as follows:

<u>Program</u>	<u>Expense Category</u>
Title III B	Fringe
Title III C-2	Travel and Operating supplies
Title III F	Salaries and Fringe

Corrective
Action:

No similar instances were noted in fiscal year 1996.

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana.

I have audited the accompanying general purpose financial statements of the The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, 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. 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.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the The Tangipahoa Parish Voluntary Council on Aging, Inc., Amite, Louisiana, as of June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

FINDINGS AND RECOMMENDATIONS - CURRENT YEAR

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

I did not have any reportable conditions to report this year. However, I noted some minor weaknesses in the Council's internal control structure and immaterial instances of noncompliance that I have orally reported to the Council's director at the exit conference. See pages 61 and 62 for my discussion of those items.

5.	SUPPLEMENTARY FINANCIAL INFORMATION:	
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SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

FEDERAL GRANTOR/PASS-THROUGH GRANTORS/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT YEAR ENDED	PROGRAM OR AWARD AMOUNT	FEDERAL REVENUE RECOGNIZED	FEDERAL EXPENDITURES
U.S. Department of Transportation					

Passed through the Louisiana Department of Transportation and Development:					
FTA - Elderly and disabled transportation program (Federal project #LA-16-0021) (State project #736-99-0126)	20.500	N/A	19,506	19,506	19,506
FTA - Elderly and disabled transportation program (Federal project #LA-16-0022) (State project #736-99-0239)	20.500	N/A	21,287	-	-
FTA - Elderly and disabled transportation program (Federal project #LA-16-0023) (State project #736-99-0391)	20.500	N/A	22,400	-	-
Subtotal for CFDA #20.500			63,193	19,506	19,506
Passed through the City of Ponchatoula:					
FTA - Non urbanized area public transportation operating assistance program (Federal project #LA-18-X013) (State project #741-53-0102)	20.509	06/30/96	94,398	94,398	94,398
Totals for U.S. Department of Transportation			157,591	113,904	113,904
Total federal grants			348,662	287,851	287,851

The above programs are all nonmajor. The Tangipahoa Parish Voluntary Council on Aging, Inc. had no major programs during fiscal year 1996.

Note A - Basis of Accounting - The accompanying Schedule of Federal Financial Assistance has been prepared using the modified accrual basis of accounting as contemplated under generally accepted accounting principles and which is the same basis of accounting used for presenting the general purpose financial statements.

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

FEDERAL GRANTOR/PASS-THROUGH GRANTORS/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT YEAR ENDED	PROGRAM OR AWARD AMOUNT	REVENUE RECOGNIZED	EXPENDITURES
Federal Emergency Management Agency					
Passed through the United Way of America:					
Emergency Food & Shelter Program (14-3696-00)	83.523	10/31/96	\$ 17,124	\$ -	\$ -
Emergency Food & Shelter Program (13-3696-00)	83.523	09/31/95	14,800	14,800	14,800
Subtotal CFDA #83.523			31,924	14,800	14,800
Totals for The Federal Emergency Management Agency			31,924	14,800	14,800
U.S. Department of Health and Human Services					
Passed through the Governor's Office of Elderly Affairs:					
Passed through the Capital Area Agency on Aging - District II, Inc.:					
Special Programs for the Aging:					
Title III B-Supportive Services	93.044	06/30/96	77,789	77,789	77,789
Title III C-Area Agency Administration	93.045	06/30/96	28,399	28,399	28,399
Title III C-1-Congregate Meals	93.045	06/30/96	22,239	22,239	22,239
Title III C-2-Home Delivered Meals	93.045	06/30/96	28,545	28,545	28,545
Subtotal CFDA #93.045			79,183	79,183	79,183
Title III F - Disease Prevention and Health Promotion	93.043	06/30/96	2,175	2,175	2,175
Totals for U.S. Department of Health and Human Services			159,147	159,147	159,147

(Schedule 5 Continued on Next Page)

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

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

	<u>Balance June 30, 1995</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1996</u>
General fixed assets:				
Vehicles	\$ 95,348	\$ 32,788	\$(15,272)	\$112,864
Office furniture and equipment	30,857	1,246	(3,988)	28,115
Computer equipment	9,662	205	(2,094)	7,773
Nutrition equipment	21,477	-	-	21,477
Leasehold improvements	2,562	-	-	2,562
	<u>\$159,906</u>	<u>\$ 34,239</u>	<u>\$(21,354)</u>	<u>\$172,791</u>
	=====	=====	=====	=====
 Investment in general fixed assets:				
Property acquired with funds from -				
Local funds and donations	\$ 37,266	\$ 4,922	\$ (7,927)	\$ 34,261
FTA	40,307	19,506	(6,740)	53,073
Title III C-2	19,667	176	(1,084)	18,759
Title III C-1	27,838	8,630	(1,750)	34,718
Senior Center	16,298	-	(2,845)	13,453
Title III-B	11,296	988	(979)	11,305
Section 18	3,601	-	(29)	3,572
Title III F	2,505	17	-	2,522
Energy Outreach	987	-	-	987
Title XX	141	-	-	141
	<u>\$159,906</u>	<u>\$ 34,239</u>	<u>\$(21,354)</u>	<u>\$172,791</u>
	=====	=====	=====	=====
Total investments in general fixed assets				

EXIT CONFERENCE

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

June 30, 1996

The exit conference was held August 20, 1996. Those in attendance were: Neil G. Ferrari, C.P.A., and Mrs. Debi Fleming, Executive Director of the Council.

I reported to Mrs. Fleming that I did not have any reportable conditions this year. Further, I did not discover any material instances of noncompliance with federal and state laws, regulations, and grants.

However, I offered Mrs. Fleming comments about some other matters I feel could help the Council improve its operations. The following list is a summary of these matters.

Weaknesses in the Internal Control Structure

1. Any time a new program is added which will incur its own direct costs, it should be incorporated into the indirect cost allocation plan. As noted in last year's audit, this was not done for Title III F and Medicaid Enrollment/Case Management. However, this year the Title III F program was incorporated into the indirect cost allocation plan but the Medicaid program was not. Management should reconsider this for fiscal year 1997 because if significant revenues are earned or direct costs are incurred by the Medicaid program in relation to the programs with direct costs, then indirect cost allocations could significantly effect the expenses charged to federal and state funded programs and impact your cost reimbursements under these programs. I consider significant in relation to all programs with direct costs to be 5% or more.
2. The Independence meal site is not following the Council's prescribed procedure for safeguarding client contributions. You should follow up on why they are not complying and offer suggestions to accommodate their difficulty in complying and the need to properly safeguard the money collected before it's deposited.

Schedule 3
continued

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>TITLE III C-2</u>			
Salaries	\$ 41,691	\$ 41,794	\$ (103)
Fringe	5,748	4,528	1,220
Travel	1,226	1,079	147
Operating services	7,280	7,236	44
Operating supplies	2,618	2,680	(62)
Other costs	1,167	1,140	27
Meals	-	6,267	(6,267)
Capital outlay	183	176	7
Transfers to Title III C-1	-	1,091	(1,091)
Totals	\$ 59,913 =====	\$ 65,991 =====	\$ (6,078) =====
 <u>Title III F</u>			
Salaries	\$ 4,368	\$ 2,647	\$ 1,721
Fringe	504	457	47
Travel	84	84	-
Operating services	377	435	(58)
Operating supplies	75	77	(2)
Other costs	108	120	(12)
Capital outlay	17	17	-
Totals	\$ 5,533 =====	\$ 3,837 =====	\$ 1,696 =====
 <u>SENIOR CENTER</u>			
Transfer out to Title III-B	\$ 56,562	\$ 56,562	\$ -
Totals	\$ 56,562 =====	\$ 56,562 =====	\$ - =====
 <u>Miscellaneous Grant</u>			
Transfers out to Title III B	\$ 4,500	\$ 4,500	\$ -
Totals	\$ 4,500 =====	\$ 4,500 =====	\$ - =====
 <u>AUDIT FUND</u>			
Other costs	\$ -	\$ 2,729	\$ (2,729)
Transfers out to other funds: Title III B	2,729	-	2,729
Totals	\$ 2,729 =====	\$ 2,729 =====	\$ - =====

			<u>Schedule 3</u> continued
	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>MEDICAID ENROLLMENT/CASE MANAGEMENT (*)</u>			
Salaries	\$ 26,004	\$ 24,904	\$ 1,100
Fringe	3,021	3,583	(562)
Travel	570	-	570
Operating supplies	-	133	(133)
Totals	<u>\$ 29,595</u>	<u>\$ 28,620</u>	<u>\$ 975</u>
<u>TITLE III-B SUPPORTIVE SERVICES</u>			
Salaries	\$183,467	\$183,117	\$ 350
Fringe	24,102	20,577	3,525
Travel	10,220	10,409	(189)
Operating services	53,506	54,850	(1,344)
Operating supplies	19,162	20,556	(1,394)
Other costs	7,766	4,548	3,218
Meals	-	-	-
Full Service	26,000	28,158	(2,158)
Capital outlay	988	988	-
Totals	<u>\$325,211</u>	<u>\$323,203</u>	<u>\$ 2,008</u>
<u>TITLE III C-1 (ADMINISTRATION)</u>			
Salaries	\$ 18,606	\$ 18,098	\$ 508
Fringe	2,112	1,660	452
Travel	1,340	1,201	139
Operating services	6,038	6,069	(31)
Operating supplies	1,209	1,121	88
Other costs	1,726	1,663	63
Meals	-	-	-
Capital outlay	270	270	-
Totals	<u>\$ 31,301</u>	<u>\$ 30,082</u>	<u>\$ 1,219</u>
<u>TITLE III C-1 (SERVICES)</u>			
Salaries	\$ 50,892	\$ 50,892	\$ -
Fringe	5,690	5,563	127
Travel	110	111	(1)
Operating services	-	-	-
Operating supplies	600	600	-
Other costs	-	-	-
Meals	-	125	(125)
Capital outlay	8,360	8,360	-
Totals	<u>\$ 65,652</u>	<u>\$ 65,651</u>	<u>\$ 1</u>

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET AND ACTUAL

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
LOCAL			
Salaries	\$ 5,300	\$ 8,847	\$ (3,547)
Fringe	851	1,351	(500)
Travel	50	632	(582)
Operating services	5,240	4,922	318
Operating supplies	2,170	2,294	(124)
Other costs:			
Medic Alert unit rentals	-	7,826	(7,826)
Miscellaneous	-	331	(331)
Meals:			
Meals	-	902	(902)
Alternate vendors	-	1,061	(1,061)
Capital outlay	-	4,922	(4,922)
Fundraising costs:			
Blann Productions	-	4,224	(4,224)
Miles for Meals	-	2,005	(2,005)
In-kind expenses:			
Services and supplies	50,515	50,515	-
Transfers out to other funds:			
Title III B	54,600	31,502	23,098
Title III C-1	-	12,474	(12,474)
	<u>\$118,726</u>	<u>\$133,808</u>	<u>\$ (15,082)</u>
	=====	=====	=====
PCOA - ACT 735			
Transfers out to other funds:			
Title III B	\$ 15,202	\$ 14,206	\$ 996
Title III F	-	996	(996)
	<u>\$ 15,202</u>	<u>\$ 15,202</u>	<u>\$ -</u>
	=====	=====	=====
SENIOR CENTER ACTIVITIES (*)			
Other costs:			
Ponchatoula Senior Center	\$ -	\$ 29	\$ (29)
Hammond Senior Center	-	1,000	(1,000)
Amite Senior Center	-	826	(826)
Independence Senior Center	-	-	-
Kentwood Senior Center	-	28	(28)
	<u>\$ -</u>	<u>\$ 1,883</u>	<u>\$ (1,883)</u>
	=====	=====	=====

(*) Budget not legally required for this program

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)</u>			
Meals - home delivered	\$ 14,915	\$ 14,915	\$ -
Totals	\$ 14,915 =====	\$ 14,915 =====	\$ - =====
 <u>FTA</u>			
Capital outlay	\$ 19,506	\$ 19,506	\$ -
Totals	\$ 19,506 =====	\$ 19,506 =====	\$ - =====
 <u>LOCAL TRANSPORTATION (SECTION 18)</u>			
In-kind expenses - services and supplies	\$ 36,077	\$ 36,077	\$ -
Transfers out to other funds:			
Title III B	69,495	95,526	(26,031)
Title III C-1	16,454	-	16,454
Title III F	2,692	-	2,692
General Fund	2,032	-	2,032
Totals	\$126,750 =====	\$131,603 =====	\$ (4,853) =====
 <u>UTILITY ASSISTANCE (*)</u>			
Helping Hands	\$ -	\$ 14,856	\$(14,856)
DEMCO	-	90	(90)
Louisiana Gas	-	1,237	(1,237)
Totals	\$ - =====	\$ 16,183 =====	\$(16,183) =====

(*) Budget not legally required for this program

CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

Weaknesses in the Internal Control Structure

Finding #1: The Chart of Accounts Needs Modifying

The chart of accounts was not modified to provide for cost allocations to the Title III-F and Medicaid Enrollment/Case Management Programs. Initially, costs incurred to generate income in these programs were coded to other programs within the Council's general ledger.

Corrective
Action:

The chart of accounts was modified to allow indirect costs to be allocated to the Title III F program but no indirect costs were allocated to the Medicaid Enrollment/Case Management programs.

Finding #2: The Director's Travel Reimbursement Needs Board Approval

During the audit I noted that the travel reimbursement voucher for the director contained only her approval.

Corrective
Action:

The director's travel reimbursements are now being approved by a board member. I did not find any recurrences in fiscal year 1996 of the finding I noted in fiscal year 1995.

Finding #3: Medicaid Billings and Related Cash Receipts Are Not Being Reconciled

The Council participates in a Medicaid Enrollment and Case Management program. For performing services under this program the Council receives certain revenues. These revenues are received at various times subsequent to the billings. The accounting department is not cross referencing the receipt of these funds with the billings that were sent.

Corrective
Action:

A notebook is now being kept to track this information.

Note 2 - Revenue Recognition - Intergovernmental Grants, Program Service Fees, Public Support, Miscellaneous Revenues, and Special Event Fund Raiser - (continued)

Public Support and Miscellaneous Revenues

Public support revenues are derived from the Council's efforts to encourage and provide opportunities to program participants to contribute money to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are provided from public donations under the Louisiana Gas, DEMCO, WST Electric, and L P & L Helping Hands programs. The Council also generated public support through fund raisers. One of these fund raisers, Miles for Meals, was conducted for the purpose of raising money to supplement the costs of providing home delivered meals to qualified people.

Miscellaneous revenues include alternate vendor reimbursements which result when the Council pays for meals to feed participants in the C-1 and C-2 programs when the caterer did not bring enough food. The Council will use other means to buy the food to meet the needs of the participants and later obtain reimbursement from CAAA. Miscellaneous revenue also includes funds generated by the various senior centers selling ceramics, drinks, and other articles.

Public support and miscellaneous revenues are recorded as revenues when the cash is received because the Council cannot predict the timing of receipt and the amount it will receive.

Special Event Fund Raiser

Last fiscal year the Council entered into a contract with Blann Productions to produce a horse show on July 5, 1996, in an effort to raise money for the Council's general fund. The Council has recognized gross revenue in fiscal 1996 equal to the deferred revenues (\$964) as of June 30, 1995 plus any other funds collected after June 30, 1995, relating to this fund raiser. The Council made a net profit of \$555 on this fund raiser.

Note 1 - Summary of Significant Accounting Policies -
(continued)

c. Fund Accounting: (continued)

● General Fund -(continued)

Medicaid Enrollment and Case Management -
(continued)

The Council also acts as a coordinator of services for people who are home-bound and in need of services similar to those provided in a nursing home. Rather than have the person sent to a nursing home, the TVCOA coordinates necessary services and is paid a fee under Medicaid for performing the case management function.

● 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:

Local Transportation Fund

Local transportation are funds provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development which in turn passes these funds to the Council via the City of Ponchatoula. Funds received by the Council are based on actual operating costs of providing transportation services to rural clients within the parish. As part of calculating the operating costs of this program, the Council may apportion some of the in-kind contributions it receives as allowable transportation expenses. This provision results in the Council receiving cash reimbursement for costs which did not require the Council to spend cash. This program is also referred to as the Section 18 program.

Note 1 - Summary of Significant Accounting Policies -
(continued)

c. Fund Accounting: (continued)

• Special Revenue Funds - (continued)

FEMA Fund

The FEMA Fund is used to account for the administration of a program which 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 America which in turn "passes through" the funds to the Council. A local board working with the parish's local United Way agency assists TVCOA in obtaining FEMA funds from United Way's national office. During fiscal year 1996, 6,118 additional home delivered meals were provided by the Council using the FEMA revenues.

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide the following variety of services: information and referral, case management, outreach services, homemaker services, recreation services, telephone services, and transportation for the elderly. Title III-B Supportive Services 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 via the Capital Area Agency on Aging - District II, Inc.

Title III C-1 Administrative Fund

The Title III C-1 Administrative Fund is used to account for the administration of the Special Programs for the Aging. 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 in turn "passes through" the funds to the Council

Note 1 - Summary of Significant Accounting Policies -
(continued)

c. Fund Accounting: (continued)

● Special Revenue Funds - (continued)

Title III C-1 Administrative Fund -
(continued)

via the Capital Area Agency on Aging - District II, Inc., and are allocated to fund administrative costs associated with operating the Title III and Senior Center programs.

Title III C-1 Congregate Meals Fund

The Title III C-1 Congregate Meals Fund is used to account for funds which 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 via the Capital Area Agency on Aging-District II, Inc., and are allocated to provide nutritional congregate meals to the elderly in strategically located centers. During the year the Council provided 50,025 meals to people eligible to participate in this program.

Title III C-2 Home Delivered Meals Fund

The Title III C-2 Home Delivered Meals Fund is used to account for funds which are used to provide nutritional meals to home-bound older persons. 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 in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II, Inc. During the year the Council provided 68,167 meals to people eligible to participate in this program.

● Special Revenue Funds - (continued)

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 in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II, Inc. 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. Beginning in fiscal year 1996, the operating costs for this program were accounted for within the Title III B Fund. The Senior Center Fund receives the revenue and pays for the cost of operating the community service center by transferring its revenue to the Title III B Fund.

Audit Fund

The Audit Fund is used primarily to account for funds provided by the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II Inc., that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

Utility Assistance Fund

This fund is used to account for the administration of the utility assistance programs which are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on the aging to provide assistance to the elderly for the payment of utility bills. The council receives its DEMCO donations through the Capital Area Agency on Aging - District II, Inc. Helping Hands and Louisiana Gas donations are provided through the Louisiana Association of Councils on Aging, Inc. (LACOA).

● Special Revenue Funds - (continued)

Miscellaneous Grant Fund

The Louisiana Legislature appropriated some special funds for various councils on aging throughout the state for fiscal year 1996. The TVCOA was one of the parish councils to receive a special grant of \$4,500 to be used as supplemental funds to operate its Senior Center and Title III programs. The Governor's Office of Elderly Affairs provided these funds to the Council through the Capital Area Agency on Aging - District II, Inc. The money received by this fund during the year was transferred to the Title III B Fund to offset the cost of operating senior centers.

Title III-F Fund

The 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 in which there are a large number of older individuals who have the greatest economic and social need." Title III-F funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II, Inc.

FTA Fund

The FTA Fund is used to account for the acquisition of vehicles purchased in part with federal funds under the Elderly and Disabled Transportation Program. The Louisiana Department of Transportation and Development coordinates the receipt and disbursement of the FTA funds and the required matching funds from the Council. One vehicle was acquired under this program during the fiscal year.

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 following two account groups are not "funds".

General Fixed Assets

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

General Long-Term Debt

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

e. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

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

f. Transfers and Interfund Loans:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts on the balance sheet. Short-term interfund loans are classified as interfund receivables or payables.

g. Budget Policy:

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

- The Capital Area Agency on Aging - District II Inc., (CAAA) notifies the Council each year as to the funding levels for each program's grant award.
- The City of Ponchatoula also provides funds to the Council via the Section 18 program administered by the Louisiana Department of Transportation and Development (DOTD). Accordingly, the Council obtains information from DOTD regarding projected funding under the Section 18 program.
- Revenue projections are also made based on grants from other agencies, program service fees, public support (including client contributions), interest income, and other miscellaneous sources.
- Once the information regarding projected revenues has been obtained, the Council's executive director prepares a proposed budget based on these projections and then submits the budget to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
- The adopted budget is forwarded to CAAA for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30).

g. Budget Policy: - (continued)

- 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. There was one amendment during the fiscal year which was effective April 30, 1996. The budget amendment was approved by the Council's Board of Directors and by Capital Area Agency on Aging, Inc. using a similar procedure as the approval of the original budget.
- Actual amounts are compared to budgeted amounts periodically during the fiscal 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 Capital Area Agency on Aging District II, Inc., and the Governor's Office of Elderly Affairs for funds received under contracts from these agencies.
- Expenditures cannot legally exceed appropriations on an individual fund level.

h. Total Columns of 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.

i. Fixed Assets:

Assets which cost at least \$250 or which have an estimated useful life of greater than one year are capitalized as fixed assets. All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

Donated assets represent \$19,180 of the above total.

j. Comparative Data:

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

k. Annual and Sick Leave:

For governmental fund types, the Council's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. The Council's sick leave policy does not provide for the vesting of sick leave.

l. Related Party Transactions:

There were not any related party transactions during the fiscal year.

m. Reservation and Designations of Fund Balances:

The Council "reserves" portions of its fund balance that are not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

Designated allocations of fund balances result when the Council's management intends to expend certain resources in a designated manner. There were no designated fund balances at June 30, 1996.

Note 1 - Summary of Significant Accounting Policies -
(continued)

c. Fund Accounting: (continued)

• General Fund -(continued)

PCOA - (Act 735)

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

Senior Center Activities

The Council operates senior centers in Hammond, Tickfaw, Amite, Kentwood, Independence, and Ponchatoula. The participants at each of these centers solicit public support through activities to help offset the cost of operating these centers as well as to raise funds for activities that are not paid for through the primary grant to operate senior centers from the Capital Area Agency on Aging - District II, Inc. (CAAA). Examples of the types of activities used to raise these funds include craft sales, ceramic sales, and soft drink sales. There is no restriction on how the net proceeds of these activities are used. The revenues and related expenses for each senior center are maintained in separate accounts within the Council's general ledger.

Medicaid Enrollment and Case Management

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

Note 2 - Revenue Recognition - Intergovernmental Grants, Program Service Fees, Public Support, Miscellaneous Revenues, and Special Event Fund Raiser - (continued)

Intergovernmental Grants

Title III-B Supportive Services, Title III C-1 Congregate Meals, Title III C-2 Home Delivered Meals, and Title III F - Frail, Elderly Assistance funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenues at the time services are provided.

The Senior Center program and PCOA (Act 735) funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until actual expenses are incurred.

Local transportation (Section 18), FEMA, and Audit revenues are recorded as revenue when the actual cost has been incurred, and the grant reimbursement is measurable and available.

Program Service Fees

The Council generates revenue from providing services which are not related to grants from government sources. These program service fees are produced by renting Medic Alert units to elderly people and become susceptible to accrual as revenue at the time the units are rented. Other program service fees are generated by completing Medicaid enrollment applications and providing case management services for elderly people. The Council receives a fee based upon a pre-established rate from the Department of Health and Hospitals under these Medicaid programs. Fares are charged to people who ride one of the Council's vans and do not qualify for free transportation services under one of the programs. In addition, the Council has entered into contracts to provide transportation services for local agencies for a fee. All of these types of revenues are recorded at the time the services are provided.

Note 10 - Income Tax Status

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

Note 11 - Lease and Rental Commitments

The Council has no significant operating or capital leases.

Note 12 - General Long-Term Debt

Long-term liabilities that will be financed from governmental funds are accounted for in the general long-term debt group of accounts. The following is a summary of changes in long-term debt.

	Balance <u>7/01/95</u>	Net Increase (Decrease)	Balance <u>6/30/96</u>
Accumulated unpaid vacation	\$9,328	\$ 585	\$9,913
Total long-term debt	\$9,328 =====	\$ 585 =====	\$9,913 =====

Note 13 - Judgements, Claims, and Similar Contingencies

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

Note 3 - Cash

At June 30, 1996, the carrying amount of the Council's cash balances on the books was \$112,619 and the bank balances were \$145,805. At June 30, 1996, all the bank balances were covered 100% by federal depository insurance.

Note 4 - Grants and Accounts Receivable

Grants receivable represent amounts owed to the Council under a grant award or contract; such amounts being measurable and available as of year end.

Grants receivable, at June 30, 1996, consisted of the following:

<u>Program</u>	<u>Provider</u>	<u>Fund</u>	<u>Amount</u>
Title III C-2	City of Amite	Special Revenue	\$ 558
Title III C-2	CAAA	Special Revenue	3,115
Title III C-1	CAAA	Special Revenue	7,555
Title III F	CAAA	Special Revenue	<u>1,368</u>
	Total		\$12,596 =====

Accounts receivable are not related to a particular grant award but represent money owed to the Council for providing program services. As of year end this revenue is measurable and available. Accounts receivable consist of the following:

<u>Program</u>	<u>Fund</u>	<u>Amount</u>
Medicaid Enrollment/Case Management	General	\$3,888
Local - Options (*)	General	48
Local - Elder Care (*)	General	250
Local - Senior Class (*)	General	<u>2,615</u>
	Total	\$6,801 =====

* Relates to transportation services

Note 5 - Prepaid Expenses

The Council has elected not to expense amounts paid for future services until those services are consumed. The fund balances in the governmental fund types have been reserved for the prepaid expenses recorded in these funds to reflect the amount of fund balance not currently available for expenditure.

Prepaid expenses consisted of the following at June 30, 1996:

Copy machine maintenance contract	\$ 375
Check printing	221
Workmen's compensation premium	<u>5,545</u>
Total prepaid expenses	<u>\$6,141</u> =====

Note 6 - Changes in Fixed Assets

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

	Balance June 30, <u>1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1996</u>
Vehicles	\$ 95,348	\$ 32,788	\$(15,272)	\$112,864
Office furniture and equipment	30,857	1,246	(3,988)	28,115
Computer equipment	9,662	205	(2,094)	7,773
Nutrition equipment	21,477	-	-	21,477
Leasehold improvements	<u>2,562</u>	<u>-</u>	<u>-</u>	<u>2,562</u>
Totals	<u>\$159,906</u> =====	<u>\$ 34,239</u> =====	<u>\$(21,354)</u> =====	<u>\$172,791</u> =====

Note 7 - In-Kind Contributions

The Council received \$86,592 in various in-kind contributions during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenses, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income.

Note 7 - In-Kind Contributions - (continued)

The primary in-kind contributions consisted of free rent and utilities relating to the use of facilities in Ponchatoula, Amite, Tickfaw, Hammond, Independence, and Kentwood. The Council also receives a discount on the fuel it purchases from its gasoline supplier.

A summary of the in-kind contributions and their respective assigned values is as follows:

Fuel discounts	\$ 2,400
Facility rental	56,700
Utilities for facilities	16,512
Telephone	600
Janitorial services	7,800
Insurance	1,380
Maintenance and supplies	<u>1,200</u>
Total in-kind contributions	\$86,592 =====

Note 8 - 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-pocket expenses when traveling on behalf of the Council.

Note 9 - FTA - Public Transportation Operating Assistance for the Non-Urbanized Area - Section 18

The Council earned and received \$94,398 under the "Section 18" program which was allocated to the Local Transportation Fund. Total rural transportation costs were \$265,447 for the year ended June 30, 1996. These costs were funded as follows:

Section 18	\$ 94,398
In-kind contributions	36,077
Title III-B	40,488
State transportation	27,600
PCOA (Act 735)	14,207
Senior Center	29,073
Title III-B participant contributions	4,784
Town of Kentwood	2,400
Public fares and fees	<u>16,420</u>
Total	\$265,447 =====

Note 14 - Federally Assisted Programs

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act of 1984. Audits of prior years have not resulted in any disallowed costs, however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs to such an extent that they would materially affect the Council's financial position.

Note 15 - Economic Dependency

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Department of Transportation and Development, Louisiana Governor's Office of Elderly Affairs and the Capital Area Agency on Aging-District II, Inc. 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 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.

Note 16 - Deferred Income

This account represents funds received but which cannot be recognized as income because (1) the terms of the grant award won't allow revenue recognition until allowable expenditures have been incurred or, (2) an event has not occurred to fulfill a contractual agreement.

The deferred income balance as of June 30, 1996, consisted of the following:

● FEMA grant revenue *	\$17,221
	=====

* Expenses relating to this deferred revenue will be incurred in fiscal year 1997.

Note 19 - Purchase Commitments

The Council has entered into an agreement with the Louisiana Department of Transportation and Development (DOTD) to purchase a new van. The Council is responsible for matching 30% of the purchase price (estimated to be \$30,410). The Council has remitted the required matching funds (\$9,123) as of June 30, 1996.

The Council has also entered into another agreement with DOTD to purchase a new van. The Council is responsible for matching 30% of the purchase price (estimated to be \$32,000). The Council has not yet remitted the required matching funds (\$9,600) but has had its bank issue an irrevocable letter of credit in favor of DOTD for \$9,600.

Note 20 - Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur.

SUPPLEMENTARY FINANCIAL INFORMATION

SCHEDULE OF PROGRAM REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GENERAL FUND

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Amite, Louisiana

For the year ended June 30, 1996

Programs of the General Fund

	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Senior Center Activities</u>	<u>Medicaid Enrollment and Case Management</u>	<u>Totals</u>
<u>REVENUES</u>					
Intergovernmental:					
Tangipahoa Parish Council	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
City of Hammond	4,550	-	-	-	4,550
Town of Kentwood	2,400	-	-	-	2,400
GOEA	-	15,202	-	-	15,202
Public support:					
Tangipahoa Area					
United Way	18,008	-	-	-	18,008
Miles for Meals	9,382	-	-	-	9,382
General public	185	-	-	-	185
Program service fees:					
LA Department of					
Health & Hospitals	-	-	-	13,062	13,062
Medic Alert unit rentals	7,857	-	-	-	7,857
Transportation fares & fees	15,566	-	-	-	15,566
Interest income	2,600	-	-	-	2,600
Special event fund raiser:					
Horse show -					
Blann Productions	4,779	-	-	-	4,779
T-shirt sales	142	-	-	-	142
Miscellaneous:					
Alternate vendor					
reimbursements	1,062	-	-	-	1,062
Sales of ceramics,					
drinks, etc.	-	-	3,223	-	3,223
Insurance premium refund	5,545	-	-	-	5,545
In-kind donations	50,515	-	-	-	50,515
Total revenues	142,591	15,202	3,223	13,062	174,078

(Schedule 1 continued on next page)

Programs of the General Fund

	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Senior Center Activities</u>	<u>Medicaid</u>	<u>Totals</u>
<u>EXPENDITURES</u>					
Current:					
Salaries	8,847	-	-	24,904	33,751
Fringe	1,351	-	-	3,583	4,934
Travel	632	-	-	-	632
Operating services	4,922	-	-	-	4,922
Operating supplies	2,294	-	-	133	2,427
Other costs	8,157	-	1,883	-	10,040
Meals	1,963	-	-	-	1,963
Capital outlay	4,922	-	-	-	4,922
Fund raiser costs	6,229	-	-	-	6,229
Utility assistance	-	-	-	-	-
In-kind expenses	50,515	-	-	-	50,515
Total expenditures	<u>89,832</u>	<u>-</u>	<u>1,883</u>	<u>28,620</u>	<u>120,335</u>
Excess of revenues over (under) expenditures	52,759	15,202	1,340	(15,558)	53,743
<u>OTHER FINANCING SOURCES</u>					
Operating transfers in	-	-	-	-	-
Operating transfers out	(43,976)	(15,202)	-	-	(59,178)
Proceeds from sale of fixed assets	2,750	-	-	-	2,750
Excess of revenues and other sources over (under) expenditures and other uses	11,533	-	1,340	(15,558)	(2,685)
<u>FUND BALANCES (DEFICIT)</u>					
Beginning of year	<u>127,400</u>	<u>-</u>	<u>1,491</u>	<u>1,835</u>	<u>130,726</u>
End of year	<u>\$138,933</u>	<u>\$ -</u>	<u>\$ 2,831</u>	<u>\$(13,723)</u>	<u>\$128,041</u>

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

Schedule 2

The Tangipahoa Parish Voluntary Council on Aging, Inc.
Abite, Louisiana

For the year ended June 30, 1996

	Title III C-1				Title III C-2	Title III C-3	Title III C-4	Senior Center	Misc. Grant	Audit	FEMA	FTA	Local Transportation (Section 18)	Utility Assistance	Totals
	Title III C-1	Adm. Services	Adm. Services	Adm. Services											
REVENUES															
Intergovernmental:															
Capital Area Agency on Aging (CAAA)	\$ 116,123	\$ 30,082	\$ 23,557	\$ 51,034	\$ 2,841	\$ 56,562	\$ 2,729	\$ 4,500	\$ 2,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 287,428
LA Dept. of Transportation	-	-	-	-	-	-	-	-	-	-	19,506	94,398	-	-	113,904
United Way of America	-	-	-	-	-	-	-	-	-	-	14,800	-	-	-	14,800
City of Abite	-	-	-	2,125	-	-	-	-	-	-	-	-	-	-	2,125
Public support:															
DEMCO (via CAAA)	-	-	-	-	-	-	-	-	-	-	-	-	114	-	114
L P & L Helping Hands (via LACOA)	-	-	-	-	-	-	-	-	-	-	-	-	12,557	-	12,557
LA Gas Service	-	-	-	-	-	-	-	-	-	-	-	-	1,236	-	1,236
WST Electric	-	-	-	-	-	-	-	-	-	-	-	-	123	-	123
Client contributions	4,784	-	20,044	10,968	-	-	-	-	-	-	-	-	-	-	35,796
General public	-	-	-	1,864	-	-	-	-	-	-	-	-	-	-	1,864
Program service fees - fares	-	-	-	-	-	-	-	-	-	-	-	1,128	-	-	1,128
Program service fees - guest meals	-	-	125	-	-	-	-	-	-	-	-	-	-	-	125
Interest income	-	-	-	-	-	-	-	-	-	-	115	-	-	67	182
In-kind contributions	-	-	-	-	-	-	-	-	-	-	-	36,077	-	-	36,077
Total revenues	120,907	30,082	43,726	65,991	2,841	56,562	2,729	4,500	2,729	14,915	19,506	131,603	14,097	507,459	
EXPENDITURES															
Current:															
Salaries	183,117	18,098	50,892	41,794	2,647	-	-	-	-	-	-	-	-	-	296,548
Fringe	20,577	1,660	5,563	4,528	457	-	-	-	-	-	-	-	-	-	32,785
Travel	10,409	1,201	111	1,079	84	-	-	-	-	-	-	-	-	-	12,884
Operating services	54,850	6,069	-	7,236	435	-	-	-	-	-	-	-	-	-	68,590
Operating supplies	20,556	1,121	600	2,680	77	-	-	-	-	-	-	-	-	-	25,034
Other costs	4,548	1,663	-	1,140	120	-	2,729	-	-	-	-	-	-	-	10,200
Meals	-	-	125	6,267	-	-	-	-	-	14,915	-	-	-	-	21,307
Full service	28,158	-	-	-	-	-	-	-	-	-	-	-	-	-	28,158
Capital outlay	988	270	8,360	176	17	-	-	-	-	-	19,506	-	-	-	29,317
Utility assistance	-	-	-	-	-	-	-	-	-	-	-	-	16,183	-	16,183
In-kind expenses	-	-	-	-	-	-	-	-	-	-	-	36,077	-	-	36,077
Total expenditures	323,203	30,082	65,651	64,900	3,837	-	2,729	19,506	4,500	14,915	19,506	36,077	16,183	577,083	
Excess of revenues over (under) expenditures	(202,296)	-	(21,925)	1,091	(996)	56,562	-	-	4,500	-	-	95,526	(2,086)	(69,624)	
OTHER FINANCING SOURCES (USES)															
Operating transfers in	202,296	-	13,565	-	996	-	-	-	-	-	-	-	-	-	216,857
Operating transfers out	-	-	-	(1,091)	-	(56,562)	-	(4,500)	-	-	-	(95,526)	-	-	(157,679)
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(8,360)	-	-	-	-	-	-	-	-	-	(2,086)	(10,446)	
FUND BALANCE (DEFICIT)															
Beginning of year	-	-	8,360	-	-	-	-	-	-	-	-	-	3,507	-	11,867
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,421	\$ -	\$ 1,421

n. Restricted Assets:

Restricted assets include cash which has been acquired through donations whereby the donor has placed a restriction on how the donation can be used by the Council. There were two types of restricted donations received during the year. One was for utility assistance and the other was for meals. As of June 30, 1996, there remained \$1,421 of unused utility assistance but there was no "Miles for Meals" funds left to spend. All of the Mile for Meals funds were used to pay for the excess costs in the Title III C-1 congregate meal program this year.

In addition to these restricted assets, there were other restricted assets relating to commitments made to purchase two FTA vans. The first one represents \$9,600 of cash set aside by way of a letter of credit issued by the Council's bank. The second one represents \$9,123 of funds which have been deposited as the Council's share of local matching funds.

Restricted assets are offset by a corresponding reservation of the Council's fund balance.

o. Management's Use of Estimates:

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

Note 2 - Revenue Recognition - Intergovernmental Grants, Program Service Fees, Public Support, Miscellaneous Revenues, and Special Event Fund Raiser

Intergovernmental grant revenues and program service fees are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

Note 17 - Interfund Transfers

Operating transfers in and out are listed by fund for 1996:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ -	\$ 59,178
Special Revenue Funds:		
Local Transportation (Section 18)	-	95,526
Title III B	202,296	-
Title III C-1	13,565	-
Title III C-2	-	1,091
Title III F	996	
Senior Center	-	56,562
Miscellaneous Grant	-	4,500
	<u>216,857</u>	<u>157,679</u>
Total special revenue funds		
	<u>216,857</u>	<u>157,679</u>
	=====	=====
Total all funds	\$216,857	\$216,857
	=====	=====

Note 18 - Interfund Loans

Because the Council operates most of its programs under unit-cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans. A summary of these interfund loans at June 30, 1996, were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 11,999	\$ -
Special Revenue Funds:		
Title III C-1	-	7,555
Title III C-2	-	3,076
Title III F	-	1,368
	<u>-</u>	<u>11,999</u>
Total special revenue funds		
	<u>-</u>	<u>11,999</u>
	=====	=====
Total all funds	\$ 11,999	\$ 11,999
	=====	=====