

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

Local

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

PCOA (Act 735)

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

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

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

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 "passes through" the funds to the Council.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

General Fund money and then request reimbursement for the advanced costs under the grant programs. A summary of these interfund loans at June 30, 1996, is as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$10,206	\$ 1,483
Special Revenue Funds:		
U.S.D.A.	\$ -	\$ 1,619
Energy Assistance	547	-
Elderly Waiver	-	8,587
Medicaid Reimbursement	936	-
Total special revenue funds	<u>\$ 1,483</u>	<u>\$10,206</u>
Total all funds	<u>\$11,689</u>	<u>\$11,689</u>
	=====	=====

NOTE 13. MEAL COSTS

Meal Costs in the Congregate Meals Program (Title III C-1) and Home-delivered Meals Program (Title III C-2) consists of raw food and labor and non-edibles. For the year ended June 30, 1996, costs were as follows:

	<u>Title III C-1</u>	<u>Title III C-2</u>
Raw Food	\$17,483	\$13,890
Labor and Non-Edible	14,782	14,389
	<u>\$32,265</u>	<u>\$28,279</u>
	=====	=====

NOTE 14. ADJUSTMENTS

During the year ended June 30, 1996, the Council refunded to the Governor's Office of Elderly Affairs \$204 (Title III-B Ombudsman), \$126 (Title III-D), and \$908 (Title III-B Administrative) for unearned prior year funds previously reported as fund balance in the Special Revenue Funds.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

NOTE 6. BOARD OF DIRECTORS' COMPENSATION

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

NOTE 7. INCOME TAX STATUS

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

NOTE 8. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

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

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

NOTE 9. 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.

COMBINING STATEMENT OF PROGRAM REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

GENERAL FUND

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

	<u>GENERAL FUND</u>		
	<u>LOCAL (UNRESERVED)</u>	<u>STATE OF LOUISIANA</u>	<u>TOTALS</u>
<u>REVENUES</u>			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ -	\$ 11,779	\$ 11,779
Other:			
Miscellaneous income	<u>5,862</u>	<u>-</u>	<u>5,862</u>
Total revenues	<u>\$ 5,862</u>	<u>\$ 11,779</u>	<u>\$ 17,641</u>
<u>EXPENDITURES</u>			
Travel	\$ 71	\$ -	\$ 71
Operating services	4,544	-	4,544
Capital outlay	<u>1,765</u>	<u>-</u>	<u>1,765</u>
Total expenditures	<u>\$ 6,380</u>	<u>\$ -</u>	<u>\$ 6,380</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>\$ (518)</u>	<u>\$ 11,779</u>	<u>\$ 11,261</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	<u>-</u>	<u>(11,779)</u>	<u>(11,779)</u>
Total other sources (uses)	<u>\$ -</u>	<u>\$(11,779)</u>	<u>\$(11,779)</u>
<u>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>\$ (518)</u>	<u>\$ -</u>	<u>\$ (518)</u>
<u>FUND BALANCES</u>			
Beginning of year	<u>703</u>	<u>-</u>	<u>703</u>
End of year	<u>\$ 185</u> =====	<u>\$ -</u> =====	<u>\$ 185</u> =====

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

Amount insured by federal deposit insurance (Category I)	\$7,609
Amount uncollateralized (collateralized fully by securities held by the pledging financial institutions or agent but not in the name of the Sabine Council on Aging, Inc. (Category III))	<u> -</u>
Total bank balance	<u>\$7,609</u> =====

Even though the pledged securities are considered uncollateralized (Category III) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4. CONTRACTS RECEIVABLE

Contracts receivable at June 30, 1996, consists of reimbursements for expenses incurred under the following program:

Elderly Waiver	\$ 9,487
USDA	<u>4,385</u>
	\$13,872
	=====

NOTE 5. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. Senior center/meal-site facilities were furnished to the Council without charge for rent and/or utilities. Other in-kind contributions consisted of the time donated by volunteer workers at senior centers and meal sites, as well as free admittance to recreational and entertainment events provided by various businesses and individuals in the parish. Although these contributions have not been reported as revenues, the offsetting expenses have not been incurred thereby producing no effect on the financial statements. The Council has elected to report \$18,790 as in-kind revenue in the Title III-B Services program. This represents the state matching portion of a van acquired during the year and included at the actual fair market value in the General Fixed Assets Account Group and as capital outlay in the Title III-B fund.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

The Council has classified its fixed assets as follows:

	Balance <u>6/30/96</u>
Buildings	\$ 25,164
Vans	107,686
Furniture and Equipment	<u>30,953</u>
Total	\$163,803 =====

Donated assets represent \$19,250 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 types have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2. REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

Intergovernmental Grants

Intergovernmental grant revenues 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).

Senior Center, State Allocation (Act 735), Title III-B, Title III C-1, Title III C-2, Title III-D, and Title III-F 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 the actual expenditures are made. Audit funds are recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

U.S.D.A., Elderly Waiver, and Medicaid Reimbursement program funds are earned and become susceptible to accrual based upon the

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
 Many, Louisiana
 June 30, 1996
 (Continued)

NOTE 10. ECONOMIC DEPENDENCY

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

NOTE 11. TRANSFERS

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

	Operating Transfers <u>In</u>	Operating Transfers <u>Out</u>
General Fund	\$ -	\$11,779
Special Revenue Funds:		
Title III-B Services	\$37,006	\$ -
Title III-B Ombudsman	712	-
Title III-C-1	517	-
Title III-C-2	19,717	-
Title III-F	2,081	-
Title III-D	562	-
Miscellaneous Grant	-	4,500
Title III-B Administrative	220	-
Elderly Waiver	-	4,450
U.S.D.A.	-	13,890
Senior Center	-	26,196
Total special revenue funds	<u>\$60,815</u>	<u>\$49,036</u>
Total all funds	<u>\$60,815</u> =====	<u>\$60,815</u> =====

NOTE 12. INTERFUND LOANS

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

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 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 classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. Budget Policy:

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

1. The Governor's Office of Elderly Affairs "GOEA" notifies the Council each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
4. The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
5. All budgetary appropriations lapse at the end of each fiscal year (June 30).

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

Medicaid Reimbursement Fund

The Medicaid Reimbursement Fund is used to account for income derived from the processing of applications under the Title XIX Medicaid Program.

Elderly Waiver Fund

The Elderly Waiver Fund is funded under an agreement with the Louisiana Department of Health and Hospitals. The Elderly Waiver Program provides for case management and home care for the elderly.

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 account groups are not "funds".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of the Sabine 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

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

Title III-B Supportive Services Fund

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

U.S.D.A. Fund

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

Energy Assistance Fund

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

Miscellaneous Grant Fund

The Miscellaneous Grant Fund is funded by the Governor's Office of Elderly Affairs. This special purpose grant was made to fund additional program expenses relative to Senior Center operations.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

Audit Fund

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

Title III C-1 Congregate Meals Fund

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

Title III C-2 Home Delivered Meals Fund

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

Senior Center Fund

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

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

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" of the accounting manual for the Louisiana Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of 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 the financial statements in this report, into three generic fund types and one broad fund category (account group).

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

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

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

NOTES TO FINANCIAL STATEMENTS

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

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

The primary function of the Sabine 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, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 11 voluntary members who serve three-year terms, governs the Council.

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

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

number of units of service provided to program participants and are recorded as revenues at that time.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, Title III C-1, Title III C-2 and Title III-D programs. Utility assistance funds are provided from public donations to the Energy Assistance Program sponsored by local utility companies. 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 3. CASH IN BANK

At June 30, 1995, the carrying amount of the Council's deposits was as follows:

Payroll - checking	\$ 1,026
Operating - checking	(6,981)
Cash on Hand	<u>200</u>
	\$(5,755)
	=====

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parities.

The carrying amount of the Council's deposits with financial institutions is \$(5,955) and the collected bank balance is \$7,609 at June 30, 1996. The bank balance is categorized as follows:



NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996
(Continued)

Title III-B Ombudsman Fund

The Title III-B Ombudsman Fund is used to account for funds used to provide long-term care residents (age 60 and older residing in long-term care facilities) a representative to ensure that such resident's rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility. Title III-B Ombudsman funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council.

Title III-D Fund

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

Title III-B Administration Fund

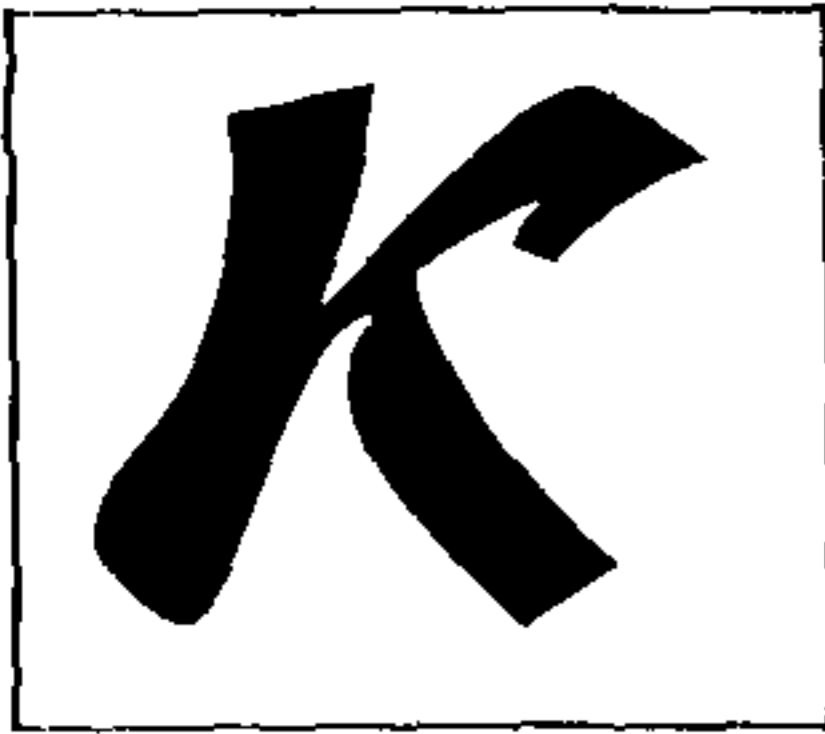
The Title III-B Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-B Administrative Funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center Programs.

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

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE- FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
Intergovernmental	\$246,362	\$246,362	\$ -
Miscellaneous	<u>76,664</u>	<u>98,335</u>	<u>21,671</u>
Total revenues	<u>\$323,026</u>	<u>\$344,697</u>	<u>\$ 21,671</u>
<u>EXPENDITURES</u>			
Salaries	\$161,845	\$163,567	\$ (1,722)
Fringes	22,680	18,730	3,950
Travel	5,674	7,483	(1,809)
Operating service	57,309	54,259	3,050
Operating supplies	11,150	13,449	(2,299)
Meals	62,456	60,544	1,912
Other costs	4,291	7,728	(3,437)
Capital outlay	<u>9,400</u>	<u>26,843</u>	<u>(17,443)</u>
Total expenditures	<u>\$334,805</u>	<u>\$352,603</u>	<u>\$(17,798)</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>\$(11,779)</u>	<u>\$ (7,906)</u>	<u>\$ 3,873</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	\$ 67,424	\$ 60,815	\$ (6,609)
Operating transfers out	<u>(55,645)</u>	<u>(49,036)</u>	<u>6,609</u>
Total other sources (uses)	<u>\$ 11,779</u>	<u>\$ 11,779</u>	<u>\$ -</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	<u>\$ -</u>	<u>\$ 3,873</u>	<u>\$ 3,873</u> =====
<u>FUND BALANCES</u>			
Beginning of year	2,514	2,514	
Adjustments	<u>(1,238)</u>	<u>(1,238)</u>	
End of year	<u>\$ 1,276</u>	<u>\$ 5,149</u>	
	=====	=====	

The accompanying notes are an integral part of this statement.



Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

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

August 30, 1996

To the Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

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

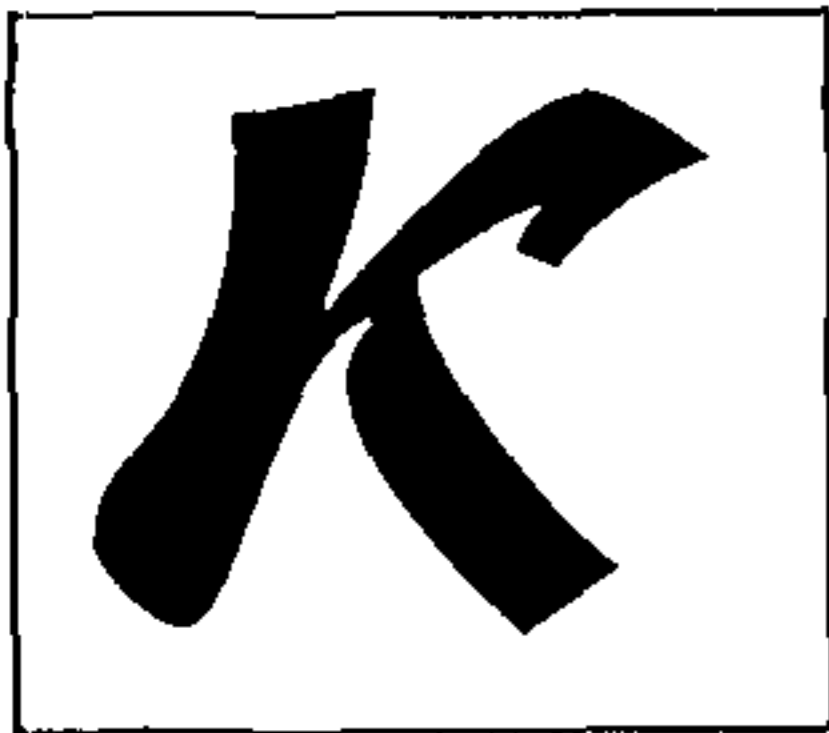
I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget Circular A-128, "Audits of State and Local Governments". Those standards and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

Compliance with laws, regulations, contracts, and grants applicable to Sabine Council on Aging, Inc., 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, the objective of my audit of the financial statements 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 of noncompliance that are required to be reported under Governmental Auditing Standards.

This report is intended for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Council, is a matter of public record.

Roland D. Kraushaar
Certified Public Accountant



Roland D. Kraushaar

Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

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

August 30, 1996

To the Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

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

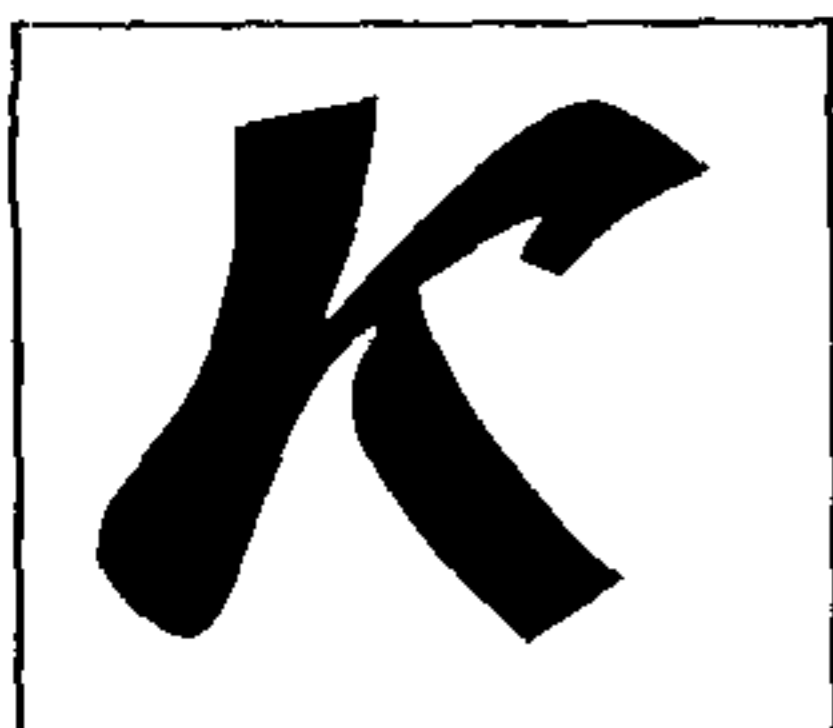
I have applied procedures to test Sabine Council on Aging, Inc.'s, compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, civil rights, cash management, federal financial reports, allowable costs/cost principles, and Drug-Free Workplace Act.

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

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

This report is intended for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Council, is a matter of public record.


Roland D. Kraushaar
Certified Public Accountant



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Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

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

August 30, 1996

To the Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

I have audited the general purpose financial statements of the Sabine Council on Aging, Inc., as of and for the year ended June 30, 1996, and have issued my report thereon dated August 30, 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 Sabine Council on Aging, Inc. in order to determine my auditing procedures for the purpose of expressing my opinion on the Sabine Council on Aging, Inc.'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 30, 1996.

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

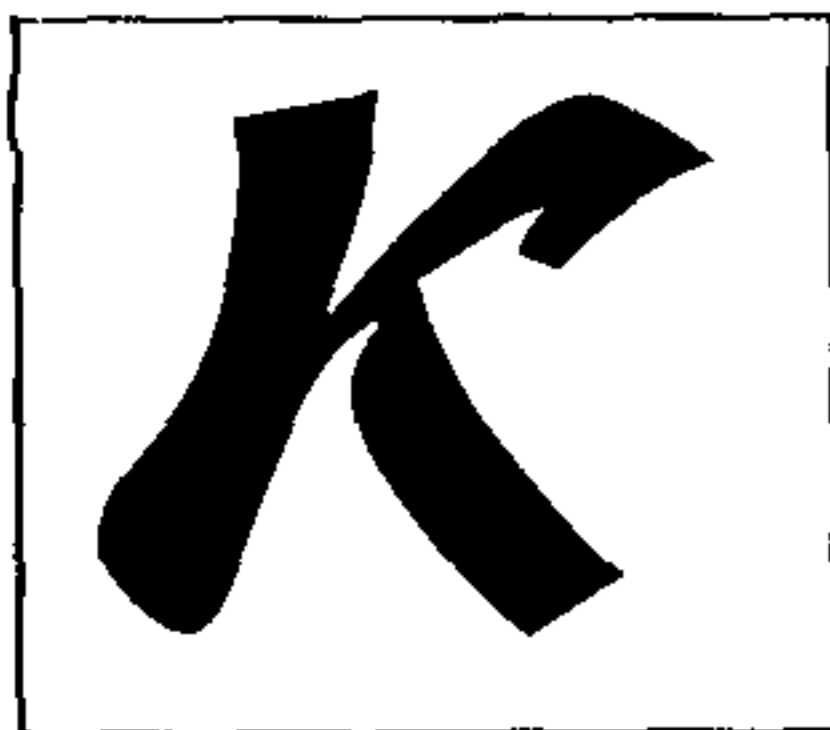
For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Council, is a matter of public record.



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

August 30, 1996

To the Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

I have audited the general purpose financial statements of the Sabine Council on Aging, Inc., Many, Louisiana as of and for the year ended June 30, 1996, and have issued my report thereon dated August 30, 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 of the general purpose financial statements of Sabine Council on Aging, Inc. for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

The management of the Sabine Council on Aging, Inc., Many, 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 general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities, may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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 auditing may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I

SINGLE AUDIT SECTION

EXIT CONFERENCE

Sabine Council on Aging, Inc.
 Many, Louisiana
 Year Ended June 30, 1996

An exit conference was held September 26, 1996. The following representatives were present:

Roland D. Kraushaar	Roland D. Kraushaar, CPA
Shannon Britt	Executive Director
Robin Whittington	Assistant Director
J.B. Anderson	President, 1996-97
Reverend Larry Deloach	Vice-President, 1996-97; President, 1995-96
Opal Magness	Secretary
Lavern Vines	Treasurer
Samuel Beasley, Sr.	Board Member
Carroll Ellzey	Board Member
Sharon Luke	Board Member
Guffy Lynn Pattison	Board Member
Doris Small	Board Member
Marguerite Wright	Board Member
Janet Spears	Board Member

SCHEDULE 2 (Continued)

	TITLE III-B ADMINISTRATION	TITLE III-B SUPPORTIVE SERVICES	USDA	ENERGY ASSISTANCE	MISC.	MEDICAID REIMBURSEMENT	TOTALS
REVENUES							
Intergovernmental:							
Governor's Office of Elderly Affairs	\$ 17,372	\$ 80,782	\$ 16,656	\$ -	\$ 4,500	\$ -	\$ 246,362
Other:							
Client contributions	-	4,400	-	-	-	-	32,128
Miscellaneous income	-	27,643	-	586	-	-	66,207
Total revenues	<u>\$17,372</u>	<u>\$112,825</u>	<u>\$ 16,656</u>	<u>\$ 586</u>	<u>\$ 4,500</u>	<u>\$ -</u>	<u>\$344,697</u>
EXPENDITURES							
Salaries	\$ 8,633	\$ 75,907	\$ -	\$ -	\$ -	\$ -	\$163,567
Fringes	981	8,672	-	-	-	-	18,730
Travel	837	4,408	-	-	-	-	7,483
Operating services	6,800	22,245	-	379	-	-	54,259
Operating supplies	341	8,707	-	-	-	-	13,449
Meal costs	-	-	-	-	-	-	60,544
Other costs	-	3,049	-	-	-	-	7,728
Capital outlay	-	26,843	-	-	-	-	26,843
Total expenditures	<u>\$17,592</u>	<u>\$149,831</u>	<u>\$ -</u>	<u>\$ 379</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$352,603</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (220)	\$ (37,006)	\$ 16,656	\$ 207	\$ 4,500	\$ -	\$ (7,906)
OTHER FINANCING SOURCES (USES)							
Operating transfers in	\$ 220	\$ 37,006	\$ -	\$ -	\$ -	\$ -	\$ 60,815
Operating transfers out	-	-	(13,890)	-	(4,500)	-	(49,036)
Total other sources (uses)	<u>\$ 220</u>	<u>\$ 37,006</u>	<u>\$ (13,890)</u>	<u>\$ -</u>	<u>\$ (4,500)</u>	<u>\$ -</u>	<u>\$ 11,779</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	\$ -	\$ -	\$ 2,766	\$ 207	\$ -	\$ -	\$ 3,873
FUND BALANCES							
Beginning of year	908	-	-	340	-	936	2,514
Adjustments	(908)	-	-	-	-	-	(1,238)
End of year	\$ -	\$ -	\$ 2,766	\$ 547	\$ -	\$ 936	\$ 5,149

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

Many, Louisiana
June 30, 1996
(Continued)

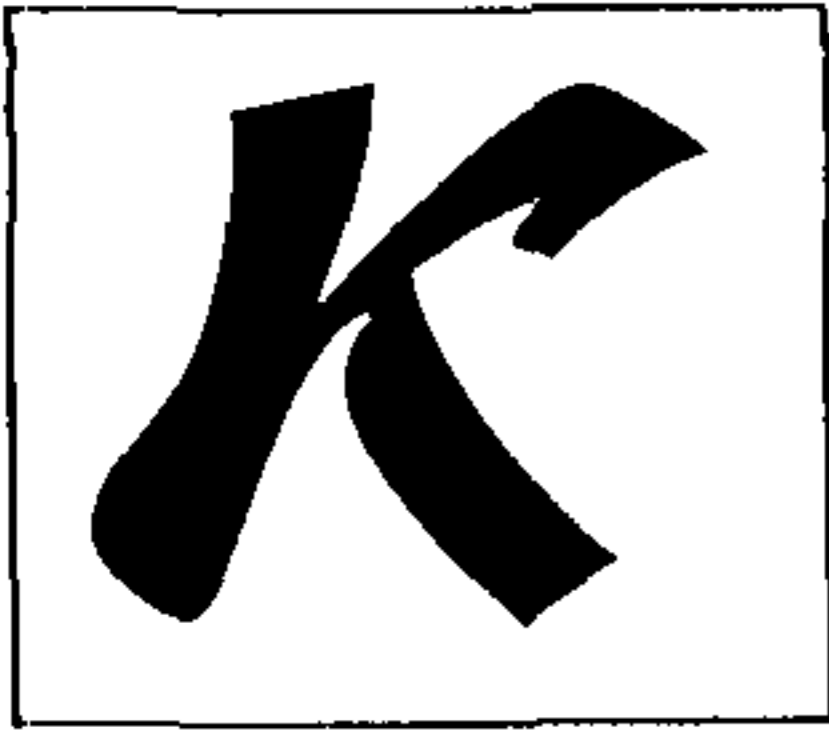
6. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budgeted amounts and any subsequent amendments.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
10. 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:

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.



Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NON-MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

August 30, 1996

To the Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

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

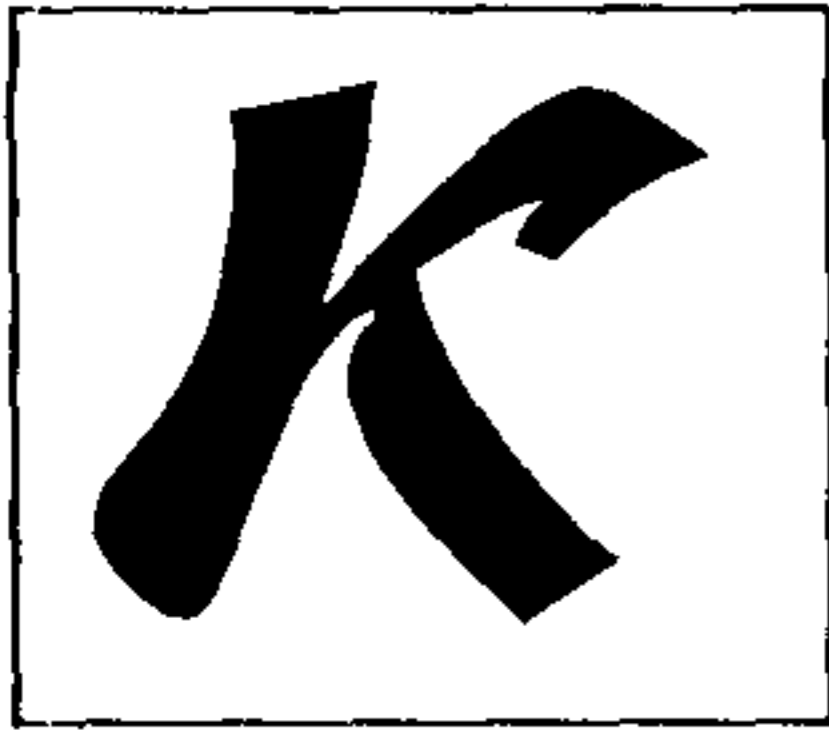
In connection with my audit of the 1996 general purpose financial statements of Sabine Council on Aging, Inc. and with consideration of the Council's control structure used to administer federal financial assistance programs, as required by the Office of Management and Budget Circular A-128, "Audits 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; and other provisions that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on 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 Sabine Council on Aging, Inc. had not complied, in all material respects, with those requirements.

This report is intended for the information of the audit committee, management, Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Council, is a matter of public record.


Roland D. Kraushaar
Certified Public Accountant



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INDEPENDENT AUDITOR'S REPORT ON
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

August 30, 1996

Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

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

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Sabine Council on Aging, Inc., taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respect in relation to the general purpose financial statements taken as a whole.

Roland D. Kraushaar
Certified Public Accountant

Internal Accounting Controls (All Programs)

<u>Cycles of the Entities' Activity</u>	<u>Financial Statement Captions</u>
Treasury or financing	Cash and cash equivalents
Revenue/Receipts	Receivables
Purchase/disbursements	Property and equipment
External financial reporting	Payables and accrued liabilities

General and Specific Administrative Controls Used in Administering Federal Financial Assistance Programs

<u>General:</u>	<u>Specific:</u>
Political activity	Types of service
Civil rights	Cost allocation
Cash management	Matching levels
Federal financial reports	Special provisions relating to participant contributions
Drug-Free Workplace	Eligibility
	Reporting

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 had been placed in operation, and I assessed control risk.

During the year ended June 30, 1996, Sabine Council on Aging, Inc. had no major federal financial assistance programs and expended 69.96% of its total federal financial assistance under the following nonmajor federal financial assistance programs:

Title III-B Supportive Services	-	\$48,514
Title III C-1 Congregate Meals	-	\$46,720
Title III C-2 Congregate Meals	-	\$16,298
USDA Cash-in-lieu	-	\$13,890

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. I have also considered specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. 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 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.

This report is intended for the information of management, the Louisiana Governor's Office of Elderly Affairs, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Council, is a matter of public record.


Roland D. Kraushaar
Certified Public Accountant

SABINE COUNCIL ON AGING, INC.
MANY, LOUISIANA

AUDIT REPORT OF ALL FUNDS
YEAR ENDED
JUNE 30, 1996

RECOMMENDATIONS: When final amended budgets are adopted in April, closer attention should be paid to program revenues and anticipated transfers as well as in-kind contributions used for the acquisition of fixed assets. While expenditures exceeded the budgeted amounts, they did not exceed actual revenues and anticipated transfers.

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

	<u>BUDGETED EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>LOCAL - UNRESERVED</u>			
Travel	NO BUDGET ADOPTED	\$ 71	\$ (71)
Operating services	OR	4,544	(4,544)
Capital outlay	<u>REQUIRED</u>	<u>1,765</u>	<u>(1,765)</u>
Total	\$ - =====	\$ 6,380 =====	\$ (6,380) =====
<u>STATE OF LOUISIANA - ACT 735</u>			
Transfers out	\$ 11,779	\$ -	\$11,779
Title AAA	-	220	(220)
Title III-B Services	-	4,560	(4,560)
Title III C-1	-	517	(517)
Title III C-2	-	3,127	(3,127)
Title III D	-	562	(562)
Title III F	-	2,081	(2,081)
Title III B Ombudsman	-	712	(712)
Total	\$ 11,779 =====	\$ 11,779 =====	\$ - =====
<u>TITLE III-F</u>			
Salaries	\$ 3,894	\$ 3,882	\$ 12
Fringes	545	442	103
Travel	69	83	(14)
Operating services	401	371	30
Operating supplies	23	22	1
Other Costs	<u>28</u>	<u>793</u>	<u>(765)</u>
Total	\$ 4,960 =====	\$ 5,593 =====	\$ (633) =====
<u>AUDIT ALLOTMENT</u>			
Operating services	\$ 1,314	\$ 1,314	\$ -
Total	\$ 1,314 =====	\$ 1,314 =====	\$ - =====
<u>TITLE III C-1</u>			
Salaries	\$ 24,385	\$ 23,521	\$ 864
Fringes	3,420	2,693	727
Travel	314	459	(145)
Operating services	5,517	5,149	368
Operating supplies	811	479	332
Meals	33,749	32,265	1,484
Other costs	<u>-</u>	<u>903</u>	<u>(903)</u>
Total	\$ 68,196 =====	\$ 65,469 =====	\$ 2,727 =====

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

	<u>BUDGETED EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>TITLE III C-2</u>			
Salaries	\$ 24,731	\$ 24,758	\$ (27)
Fringes	3,468	2,819	649
Travel	314	482	(168)
Operating services	9,077	8,369	708
Operating supplies	1,891	3,695	(1,804)
Meals	28,707	28,279	428
Other costs	-	2,983	(2,983)
Capital outlay	1,300	-	1,300
Total	\$ 69,488 =====	\$ 71,385 =====	\$ (1,897) =====
<u>SENIOR CENTER</u>			
Transfers to Title III-B	\$ 26,196 =====	\$ 26,196 =====	\$ - =====
<u>TITLE III-B OMBUDSMAN</u>			
Salaries	\$ 4,200	\$ 4,220	\$ (20)
Fringes	587	476	111
Travel	129	539	(410)
Operating services	438	408	30
Operating supplies	25	23	2
Other costs	30	-	30
Total	\$ 5,409 =====	\$ 5,666 =====	\$ (257) =====
<u>TITLE III-D IN-HOME SERVICES</u>			
Salaries	\$ 1,258	\$ 1,285	\$ (27)
Fringes	176	148	28
Travel	89	128	(39)
Operating services	7,963	7,344	619
Operating supplies	44	41	3
Other costs	54	-	54
Total	\$ 9,584 =====	\$ 8,946 =====	\$ 638 =====

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

	<u>BUDGETED EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>ELDERLY WAIVER</u>			
Salaries	\$ 19,057	\$ 21,361	\$ (2,304)
Fringes	2,668	2,499	169
Travel	586	547	39
Operating services	1,986	1,880	106
Operating supplies	112	141	(29)
Other costs	158	-	158
Transfer	8,359	-	8,359
Title III-B Services	-	1,750	(1,750)
Title III C-2	-	2,700	(2,700)
	-----	-----	-----
Total	\$ 32,926	\$ 30,878	\$ 2,048
	=====	=====	=====
<u>TITLE III-B ADMINISTRATION</u>			
Salaries	\$ 8,634	\$ 8,633	\$ 1
Fringes	1,222	981	241
Travel	280	837	(557)
Operating services	6,427	6,800	(373)
Operating supplies	363	341	22
Other costs	448	-	448
	-----	-----	-----
Total	\$ 17,374	\$ 17,592	\$ (218)
	=====	=====	=====
<u>TITLE III-B SUPPORTIVE SERVICES</u>			
Salaries	\$ 75,686	\$ 75,907	\$ (221)
Fringes	10,594	8,672	1,922
Travel	3,893	4,408	(515)
Operating services	24,186	22,245	1,941
Operating supplies	7,881	8,707	(826)
Other costs	3,593	3,049	544
Capital outlay	8,100	26,843	(18,743)
	-----	-----	-----
Total	\$133,933	\$149,831	\$(15,898)
	=====	=====	=====
<u>USDA</u>			
Transfers to Title III C-2	\$ 16,590	\$ 13,890	\$ 2,700
	=====	=====	=====
<u>ENERGY ASSISTANCE</u>			
Operating supplies	\$ -	\$ 379	\$ (379)
	=====	=====	=====

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

	<u>BUDGETED EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>MISCELLANEOUS</u>			
Transfers to III-B Services	\$ 4,500 =====	\$ 4,500 =====	\$ - =====
<u>MEDICAID REIMBURSEMENT</u>			
Total	\$ - =====	\$ - =====	\$ - =====

The accompanying notes are an integral part of this statement.

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS

Sabine Council on Aging, Inc.
 Many, Louisiana
 Fiscal Year Ended June 30, 1996
 (With Comparative Totals)

	Balance June 30, <u>1995</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1996</u>
General fixed assets, at cost:				
Vans	\$ 79,343	\$ 28,343	\$ -	\$107,686
Furniture and equipment	30,688	265	-	30,953
Building	<u>25,164</u>	<u>-</u>	<u>-</u>	<u>25,164</u>
Total general fixed assets	<u>\$135,195</u> =====	<u>\$ 28,608</u> =====	<u>\$ -</u> =====	<u>\$163,803</u> =====
Investment in general fixed assets:				
Property acquired from:				
Title III C-1	\$ 2,021	\$ -	\$ -	\$ 2,021
Title III C-2	3,503	-	-	3,503
Senior Center	23,037	-	-	23,037
PCOA (Act 735)	19,438	-	-	19,438
General Funds	34,779	1,765	-	36,544
Title III-G	929	-	-	929
Title III-B Supportive	21,100	26,843	-	47,943
Donations	19,250	-	-	19,250
All funds	<u>11,138</u>	<u>-</u>	<u>-</u>	<u>11,138</u>
Total investment in general fixed assets	<u>\$135,195</u> =====	<u>\$ 28,608</u> =====	<u>\$ -</u> =====	<u>\$163,803</u> =====

The accompanying notes are an integral part of this statement.

COMPENSATION TO BOARD MEMBERS

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

During the year covered by my examination the only payments made to or on behalf of board members were travel expenses incurred on Council business.

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SABINE COUNCIL ON AGING, INC.
MANY, LOUISIANA

AUDIT REPORT OF ALL FUNDS
YEAR ENDED
JUNE 30, 1996

ROLAND D. KRAUSHAAR
CERTIFIED PUBLIC ACCOUNTANT

ALEXANDRIA, LOUISIANA

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date ~~NOV 13 1996~~ OCT 13 1996

NOV 13 1996

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Sabine Council on Aging, Inc.
Many, Louisiana
Year Ended June 30, 1996

<u>FEDERAL GRANTOR/PASS THROUGH GRANTORS/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>EXPENDITURES</u>
<u>Department of Health & Human Services</u>				
Passed through Louisiana Governor's Office of Elderly Affairs				
Special Programs for the Aging:				
Title III-B (Area Agency Administration)	93.633	\$13,029	\$13,029	\$13,029
Title III-B (Supportive Services)	93.633	48,514	48,514	48,514
Title III-B (Ombudsman)	93.553	4,212	4,212	4,212
Title III C-1 (Congregate Meals)	93.635	46,720	46,720	46,720
Title III C-2 (Home Delivered Meals)	93.635	16,298	16,298	16,298
Title III-D (In-home Services)	93.641	1,242	1,242	1,242
Title III-F (Frail, Elderly)	93.043	4,485	4,485	4,485
Passed through Louisiana Department of Health and Hospitals				
Title XIX Medicaid	13.714	\$31,778	\$31,778	\$30,878
<u>Department of Agriculture</u>				
Passed through Louisiana Governor's Office of Elderly Affairs				
USDA - Cash in lieu of commodities	10.570	\$16,656	\$16,656	\$13,890

QUESTIONED COSTS

Sabine Council on Aging, Inc.
 Many, Louisiana
 Year Ended June 30, 1996

FINDING: An error was made in computing total hours worked resulting in an overpayment of 1/2 hour.

<u>CHECK NO.</u>	<u>PAYEE</u>	<u>AMOUNT QUESTIONED</u>	<u>PROGRAM</u>
5637	Evelyn Bush	\$ 1.58	Title III C-1
		1.58	Title III C-2
		.11	Elderly Waiver
		1.08	Title III-F
		.02	Title III-D
		.01	Title III-B Ombudsman
		<u>\$ 4.38</u>	
		=====	

RECOMMENDATION: While some errors will continue to be undetected, an effort to recompute total time should continue to be made.

FINDING: Annual leave taken during pay period was not deducted from annual leave records. Prior to the completion of the schedule of compensated absences, this error was detected and the annual leave was adjusted. Therefore, no dollar amount is questioned.

RECOMMENDATION: Greater care should be taken to ensure that all leave taken is deducted from the manual leave records when claimed on any payroll.

FINDING: My review of participant files disclosed that the Council failed to perform the 6 month re-evaluation in 7 of 20 cases. Due to the number of new clients and the limited staffing available, an average of 8 months was required to complete these 7 re-evaluations.

RECOMMENDATION: A system should be implemented that requires all home-bound clients be re-evaluated during designated months (such as March and September). Additional hours or additional staff should be assigned to complete all required reviews within the required guidelines.

FINDING: Total actual expenditures exceeded total budgeted amounts by more than five percent in the Title III C-1 and Title III-B Services programs. Additionally, actual line item expenditures exceeded budgeted expenditures by more than five percent in most funds. The Title III-B Services program expenditures were greater due to the inclusion of the full value of a van (\$26,843) in expenditures while the budget reflected only the Council's matching portion (\$8,100) of the grant.

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

Sabine Council on Aging, Inc.
Many, Louisiana
For the year ended June 30, 1996
With comparative totals for the year ended June 30, 1995

	SPECIAL		TOTALS	
	<u>GENERAL</u>	<u>REVENUE</u>	<u>(MEMORANDUM ONLY)</u>	
			<u>1996</u>	<u>1995</u>
<u>REVENUES</u>				
Intergovernmental	\$ 11,779	\$246,362	\$258,141	\$262,971
Miscellaneous	<u>5,862</u>	<u>98,335</u>	<u>104,197</u>	<u>36,922</u>
Total revenues	<u>\$ 17,641</u>	<u>\$344,697</u>	<u>\$362,338</u>	<u>\$299,893</u>
<u>EXPENDITURES</u>				
Salaries	\$ -	\$163,567	\$163,567	\$146,989
Fringes	-	18,730	18,730	19,183
Travel	71	7,483	7,554	7,502
Operating services	4,544	54,259	58,803	64,622
Operating supplies	-	13,449	13,449	12,017
Meals	-	60,544	60,544	53,712
Other costs	-	7,728	7,728	6,798
Capital outlay	<u>1,765</u>	<u>26,843</u>	<u>28,608</u>	<u>-</u>
Total expenditures	<u>\$ 6,380</u>	<u>\$352,603</u>	<u>\$358,983</u>	<u>\$310,823</u>
<u>EXCESS (DEFICIENCY) OF</u>				
<u>REVENUES OVER EXPENDITURES</u>				
	<u>\$ 11,261</u>	<u>\$ (7,906)</u>	<u>\$ 3,355</u>	<u>\$(10,930)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in	\$ -	\$ 60,815	\$ 60,815	\$ 52,835
Operating transfers out	<u>(11,779)</u>	<u>(49,036)</u>	<u>(60,815)</u>	<u>(52,835)</u>
Total other sources (uses)	<u>\$(11,779)</u>	<u>\$ 11,779</u>	<u>\$ -</u>	<u>\$ -</u>
<u>EXCESS (DEFICIENCY) OF REVENUES</u>				
<u>AND OTHER SOURCES OVER</u>				
<u>EXPENDITURES AND OTHER USES</u>				
	<u>\$ (518)</u>	<u>\$ 3,873</u>	<u>\$ 3,355</u>	<u>\$(10,930)</u>
<u>FUND BALANCES</u>				
Beginning of year	703	2,514	3,217	14,147
Adjustments	<u>-</u>	<u>(1,238)</u>	<u>(1,238)</u>	<u>-</u>
End of year	<u>\$ 185</u>	<u>\$ 5,149</u>	<u>\$ 5,334</u>	<u>\$ 3,217</u>
	=====	=====	=====	=====

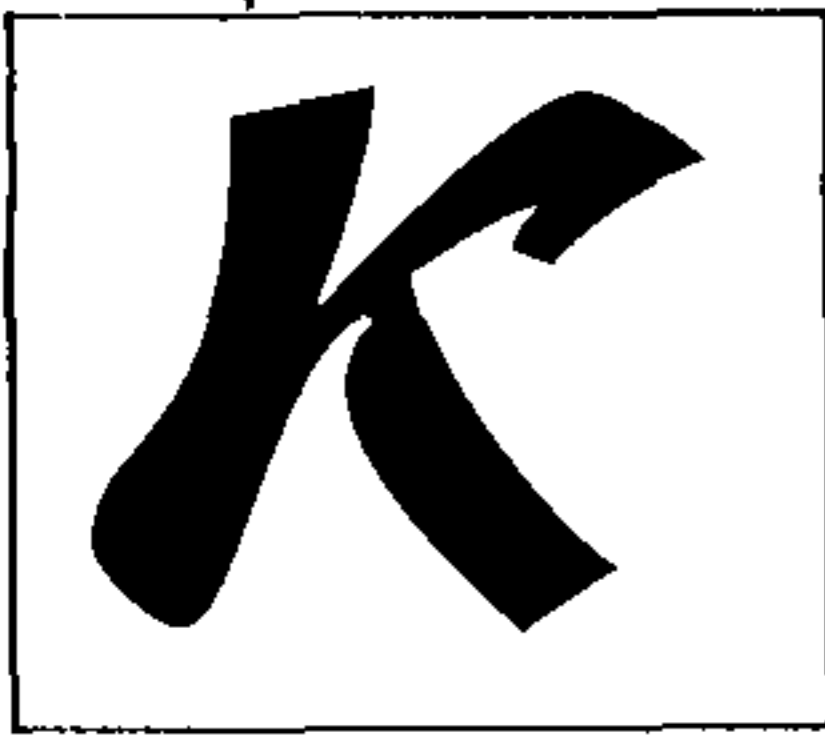
The accompanying notes are an integral part of this statement.

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Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

INDEPENDENT AUDITOR'S REPORT

August 30, 1996

To the Board of Directors
Sabine Council on Aging, Inc.
Many, Louisiana

I have audited the accompanying general purpose financial statements of the Sabine Council on Aging, Inc., as of June 30, 1996, and for the year then ended. 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 the Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

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

My audit was made for the purpose of forming an opinion on the general purpose financial statements of the Sabine Council on Aging, Inc. taken as a whole. The accompanying combining, and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. 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.


Roland D. Kraushaar
Certified Public Accountant

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP

Sabine Council on Aging, Inc.
Many, Louisiana
June 30, 1996

With comparative totals for the year ended June 30, 1995

<u>ASSETS</u>	<u>GOVERNMENTAL FUND TYPES</u>		<u>ACCOUNT GROUPS</u>		<u>TOTALS (MEMORANDUM ONLY)</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>GENERAL LONG-TERM DEBT</u>	<u>GENERAL FIXED ASSETS</u>	<u>1996</u>	<u>1995</u>
Cash	\$ 1,226	\$ -	\$ -	\$ -	\$ 1,226	\$ 211
Accounts receivable	421	-	-	-	421	739
Interfund receivable	10,206	1,483	-	-	11,689	5,080
Contracts receivable	-	13,872	-	-	13,872	3,020
Furniture and equipment	-	-	-	163,803	163,803	135,195
Prepaid expenses	3,937	-	-	-	3,937	3,555
Amount to be provided by retirement of General Long-Term Debt	-	-	4,707	-	4,707	3,631
Total assets	\$15,790	\$15,355	\$4,707	\$163,803	\$199,655	\$151,431
	=====	=====	=====	=====	=====	=====
 <u>LIABILITIES</u>						
Accounts payable	\$ 2,141	\$ -	\$ -	\$ -	\$ 2,141	\$ 268
Bank overdraft	6,981	-	-	-	6,981	4,040
Interfund payables	1,483	10,206	-	-	11,689	5,080
Deferred revenue	5,000	-	-	-	5,000	-
Compensated Absences	-	-	4,707	-	4,707	3,631
Total liabilities	\$15,605	\$10,206	\$4,707	\$ -	\$ 30,518	\$ 13,019
 <u>FUND EQUITY</u>						
Fund Equity:						
Fund balances:						
Unreserved:						
Undesignated	\$ 185	\$ 5,149	\$ -	\$ -	\$ 5,334	\$ 3,217
Investment in general fixed assets	-	-	-	163,803	163,803	135,195
Total fund equity	\$ 185	\$ 5,149	\$ -	\$163,803	\$169,137	\$138,412
Total liabilities and fund equity	\$15,790	\$15,355	\$4,707	\$163,803	\$199,655	\$151,431
	=====	=====	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.