

1133

RECEIVED  
LEGISLATIVE AUDITOR  
MAY 19 19 20 26

**ORIGINAL  
FILE COPY  
DO NOT REMOVE**

PLEASE REPOSIT  
MATERIAL IN THE  
COPY AND PLACE  
BACK IN FILE

**Financial Report**

**of the Temporary Council on the Aging, Inc.,  
Covington, Louisiana**

**June 30, 1966**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the Auditor, or reviewed, orally 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 MAY 19 1967

TABLE OF CONTENTS

Financial Report

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

June 30, 1994

1.	INDEPENDENT AUDITOR'S REPORT . . . . .	1
2.	INTERNAL CONTROL REPORTS:	
•	Independent Auditor's Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards . . . . .	3
•	Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Financial Assistance Programs . . . . .	6
3.	COMPLIANCE REPORTS:	
•	Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards . . . . .	11
•	Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Financial Assistance Programs . . . . .	13
•	Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions . . . . .	15
4.	GENERAL PURPOSE FINANCIAL STATEMENTS:	
•	Combined Balance Sheet - All Fund Types and Account Group(s) . . . . .	17
•	Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types . . . . .	18
•	Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General Fund . . . . .	19
•	Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Special Revenue Fund . . . . .	20

4.	GENERAL PURPOSE FINANCIAL STATEMENTS - (continued)	
•	Notes to Financial Statements . . . . .	31
5.	SUPPLEMENTARY FINANCIAL INFORMATION:	
•	Schedule 1 - Schedule of Program Revenues, Expenditures, and Changes in Fund Balance - General Fund . . . . .	46
•	Schedule 2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds . . . . .	48
•	Schedule 3 - Schedule of Program Expenditures - Budget vs. Actual . . . . .	49
•	Schedule 4 - Comparative Statement of General Fixed Assets and Changes in General Fixed Assets . . . . .	54
•	Schedule 5 - Schedule of Federal Financial Assistance . . . . .	55
6.	QUESTIONED COSTS . . . . .	57
7.	FINDINGS AND RECOMMENDATIONS - CURRENT YEAR . . . . .	58
8.	CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS . . . . .	63
9.	EXIT CONFERENCE . . . . .	68

# NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT  
14481 OLD HAMMOND HIGHWAY, SUITE 4  
BATON ROUGE, LOUISIANA 70816

MEMBER OF THE  
SOCIETY OF CHARTERED ACCOUNTANTS

MEMBER OF THE  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

PHONE (504) 279-1177

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,  
St. Tammany Council on the Aging, Inc.,  
Covington, Louisiana.

I have audited the accompanying general purpose financial statements of the St. Tammany Council on the Aging, Inc., Covington, Louisiana, as of and for the year ended June 30, 1986. 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-133, Audits of State and Local Governments. Those standards and OMB circular A-133 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 accounts 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 St. Tammany Council on the Aging, Inc., Covington, Louisiana, as of June 30, 1986, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report (see page 1) dated August 28, 1986, on my consideration of St. Tammany Council on the Aging, Inc.'s internal control structure and a report (see page ii) dated August 28, 1986, 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 St. Tammany Council on the Aging, Inc., Covington, 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 St. Tammany Council on the Aging, Inc., Covington, 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 D. Ferraro, CPA*

Baton Rouge, Louisiana,  
August 28, 1986.

# NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14801 OLD HAMMOND ROAD  
BAYON TERRACE, LOUISIANA 70014

MEMBER OF THE  
CITY OF LOUISIANA CLUB

MEMBER OF THE  
AMERICAN INSTITUTE OF CPAs

PHONE (504) 878-1177

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,  
St. Tammany Council on the Aging, Inc.  
Covington, Louisiana.

I have audited the general purpose financial statements of St. Tammany Council on the Aging, Inc., Covington, Louisiana, as of and for the year ended June 30, 1994, and have issued my report thereon dated August 28, 1994.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These 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 St. Tammany Council on the Aging, Inc., Covington, 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 St. Tammany Council on the Aging, Inc., Covington, 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.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data in a manner that is consistent with the assertions of management in the financial statements. The reportable conditions have been more fully discussed on pages 58 to 62 of this report. Here is a brief summary of the reportable conditions.

- Actual Costs Exceeded Budget Authorization in Some Instances.
- The Fixed Assets Subledger Had Not Been Fully Updated and Reconciled As of June 30, 1996.
- Errors in Final Reports Filed With OSHA Were Noted.
- Some Dictation Costs Allocated To The Title III-F Program Were Not Documented.
- A Vehicle That Was Purchased With FTA Funds Was Being Improperly Used.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I do not believe the reportable conditions described above to be material weaknesses.

I also noted other matters involving the internal control structure and its operation that I reported to the management of St. Tammany Council on the Aging, Inc., Covington, Louisiana, during our exit conference on August 28, 1998. I have documented these matters that were discussed on pages 66 to 72 of this report.

This report is intended for the information of the 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 D. Farani, CPA*

Baton Rouge, Louisiana,  
August 28, 1998.



# NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14481 OLD HAWTHORNE HIGHWAY, SUITE 4  
BATON ROUGE, LOUISIANA 70816

MEMBER OF THE  
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF LOUISIANA

MEMBER OF THE  
AMERICAN INSTITUTE OF CPAs

PHONE (504) 878-1577

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

To the Board of Directors,  
St. Tammany Council on the Aging, Inc.,  
Covington, Louisiana.

I have audited the general purpose financial statements of the St. Tammany Council on the Aging, Inc., Covington, Louisiana as of and for the year ended June 30, 1996, and have issued my report thereon dated August 28, 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-133, Audits of State and Local Governments. Those standards and OMB Circular A-133 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 St. Tammany Council on the Aging, Inc., Covington, 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-133. 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 28, 1996 (see page 2).

The management of St. Tammany Council on the Aging, Inc., Covington, 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 recorded 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
- Investments
- 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
- Inventory 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, 1990, St. Tammany Council on the Aging, Inc., Covington, Louisiana, had no major federal financial assistance programs and expended 73% of its total federal financial assistance under the following nonmajor federal financial assistance programs:

Title 122-B	\$ 93,187
Title 122-C	<u>138,843</u>
Total	<u>\$232,030</u>

I performed tests of controls, as required by SAS Circular A-120, 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.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the St. Tammany Council on the Aging, Inc., Covington, Louisiana's ability to administer federal financial assistance programs in accordance with applicable laws and regulations. The reportable conditions have been more fully discussed on pages 58 to 62 of this report. Here is a brief summary of the reportable conditions.

- Actual Costs Exceeded Budget Authorization in Some Instances.
- The Fixed Assets Subledger Had NOT Been Fully Updated and Reconciled As Of June 30, 1996.
- Errors in Final Reports Filed With GCSA Were Noted.
- Some Distinctive Costs Allocated To The Title III-F Program Were Not Documented.
- A Vehicle That Was Purchased With FTA Funds Was Being Improperly Used.

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

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I do not believe the reportable conditions described above to be material weaknesses.

I also noted other matters involving the internal control structure and its operation that I reported to the management of St. Tammany Council on the Aging, Inc., Covington, Louisiana, during our exit conference on August 28, 1996. I have documented those matters that were discussed on pages 63 to 79 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 P. Ferraro, CPA*

Baton Rouge, Louisiana,  
August 28, 1986.

# NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14481 OLD HAMMERED HIGHWAY, SUITE 4  
BATON ROUGE, LOUISIANA 70816

PHONE (504) 878-1177

MEMBER OF THE  
SOCIETY OF LOUISIANA CPAs

MEMBER OF THE  
AMERICAN INSTITUTE OF CPAs

## 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,  
St. Tammany Council on the Aging, Inc.,  
Covington, Louisiana.

I have audited the general purpose financial statements of St. Tammany Council on the Aging, Inc., Covington, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 28, 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 St. Tammany Council on the Aging, Inc., Covington, 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 65 to 73 of this report for additional discussion about these instances.

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 28, 1988.

# NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT  
1408 1/2 OLD HAMBURG HIGHWAY, SUITE 4  
BAYTON BOULE, LOUISIANA 70316

MEMBER OF THE  
INSTITUTE OF CERTIFIED CPAs

MEMBER OF THE  
AMERICAN INSTITUTE OF CPAs

PHONE: (504) 878-1177

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

To the Board of Directors,  
St. Tammany Council on the Aging, Inc.  
Covington, Louisiana.

I have audited the general purpose financial statements of St. Tammany Council on the Aging, Inc., Covington, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 20, 1996.

I have applied procedures to test St. Tammany Council on the 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:

### General Requirements

- Political activity
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace
- Administrative requirements

My procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the St. Tammany Council on the Aging, Inc.'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 the St. Tammany Council on the Aging, Inc., Covington, 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 65 to 72 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 A. Farnow, CPA*

Metairie Square, Louisiana,  
August 28, 1974.

# NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14987 OLD HAMMOND HIGHWAY, SUITE 4  
BATON ROUGE, LOUISIANA 70802

MEMBER OF THE  
AMERICAN INSTITUTE OF CPAs

MEMBER OF THE  
INSTITUTE OF CPAs OF LOUISIANA

PHONE (504) 878-1777

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

To the Board of Directors,  
St. Tammany Council on the Aging, Inc.,  
Covington, Louisiana.

I have audited the general purpose financial statements of St. Tammany Council on the Aging, Inc., Covington, Louisiana, as of and for the year ended June 30, 1996, and have issued my report thereon dated August 28, 1996.

In connection with my audit of the general purpose financial statements of St. Tammany Council on the Aging, Inc., Covington, 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 these 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 St. Tammany Council on the Aging, Inc., Covington, Louisiana, had not complied, in all material respects, with these requirements. However, the results of my procedures disclosed immaterial instances of noncompliance with these requirements which are more fully discussed on pages 68 to 73 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. Ferraro, CPA*

Baton Rouge, Louisiana,  
August 28, 1986..

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

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

June 30, 1990

With Comparative Totals for the Year ended June 30, 1989

	Governmental		ACCOUNT GROUPS		Totals	
	Fund Types		Fixed Assets	General Long-Term Debt	Incorporated Equity	
	General	Special Revenue			1989	1990
<b>ASSETS AND OTHER DEBITS</b>						
Assets:						
Cash	\$ 30,100	\$ 10,400	\$ -	\$ -	\$ 30,100	\$ 33,813
Investments, at cost	10,000	10,700	-	-	20,700	143,007
Grants receivable	-	0,000	-	-	0,000	13,000
Accounts receivable	1,000	-	-	-	1,000	203
Insurance prepaid	-	0,400	-	-	0,400	-
Due from special revenue fund	-	-	-	-	-	0,000
Restricted assets:						
Cash	00	0,000	-	-	0,000	0,713
Investments, at cost	47,000	-	-	-	47,000	43,000
Fixed assets	-	-	240,120	-	240,120	240,120
Other Debits:						
Amount to be provided to retire long-term debt	-	-	-	0,000	0,000	0,000
<b>Total assets</b>	<b>\$110,100</b>	<b>\$ 21,400</b>	<b>\$240,120</b>	<b>\$ 0,000</b>	<b>\$370,220</b>	<b>\$613,153</b>
<b>LIABILITIES, FUND RESERVE, AND OTHER CREDITS</b>						
Liabilities:						
Accounts payable	\$ -	\$ 200	\$ -	\$ -	\$ 200	\$ -
Accrued salaries and wages	00	10,000	-	-	10,000	-
Accrued payroll taxes	0	1,000	-	-	1,000	-
Accrued travel	-	1,000	-	-	1,000	-
State payroll tax withholding due to General Fund	010	-	-	-	010	213
Advances from funding agencies	-	010	-	-	010	0,000
Accumulated unpaid vacation	-	-	-	0,010	0,010	7,000
<b>Total liabilities</b>	<b>010</b>	<b>12,210</b>	<b>-</b>	<b>0,010</b>	<b>12,220</b>	<b>17,000</b>
Fund Equity and other credits:						
Fund balances:						
Reserved for:						
Utility assistance	-	1,000	-	-	1,000	0,700
Vehicle acquisition	20,000	-	-	-	20,000	80,000
Building acquisition	20,000	-	-	-	20,000	20,000
Undesignated - undesignated	01,000	00,000	-	-	21,000	181,000
Investment in general fixed assets	-	-	240,120	-	240,120	240,120
<b>Total fund equity and other credits</b>	<b>100,010</b>	<b>01,010</b>	<b>240,120</b>	<b>-</b>	<b>341,010</b>	<b>385,000</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$110,100</b>	<b>\$ 21,400</b>	<b>\$240,120</b>	<b>\$ 0,000</b>	<b>\$370,220</b>	<b>\$613,153</b>

The accompanying notes are an integral part of this statement.

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

St. Tammany Council on the Aging, Inc.  
 Covington, Louisiana

For the year ended June 30, 1994

With Comparative Totals for the Year Ended June 30, 1993

	1994	1993	Totals	
			1994	1993
<b>REVENUES</b>				
Intergovernmental	\$ 45,149	\$45,711	\$44,855	\$43,278
Public support	8,399	12,899	31,179	34,799
Fund balances	41,045	-	41,145	41,543
Interest income	1,580	1,484	7,894	7,843
Program service fees	4,845	80	4,825	3,059
Miscellaneous	100	-	100	1,899
In-kind contributions	-	-	-	8,324
total revenues	<u>142,118</u>	<u>110,863</u>	<u>169,998</u>	<u>139,835</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	1,918	245,165	849,285	823,004
Printing	197	18,151	22,848	18,128
Travel	85	18,424	18,827	18,353
Operating services	12,107	189,875	121,197	115,588
Operating supplies	1,470	14,891	24,444	28,899
Other costs	4,895	4,424	11,819	14,583
Waste	84	149,148	149,110	123,798
Capital outlay	-	885	885	88,593
Utility assistance	-	12,147	12,147	4,516
Fuel services	-	44,188	44,188	88,915
Fund raising	28,988	-	28,988	28,875
In-kind expenses	-	-	-	8,224
total expenditures	<u>52,487</u>	<u>619,433</u>	<u>1,442,110</u>	<u>1,212,879</u>
Excess of revenues over (under) expenditures	89,631	(488,570)	(127,112)	18,956
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	188,781	188,781	37,143
Operating transfers out	(173,897)	(412,424)	(188,781)	(137,143)
Proceeds from sale of fixed assets	452	-	452	4,872
Excess of revenues and other sources over (under) expenditures and other uses	(133,042)	(223,643)	(100,458)	4,872
<b>FUND BALANCES</b>				
Beginning of year	<u>134,488</u>	<u>38,153</u>	<u>128,333</u>	<u>123,168</u>
End of year	<u>\$101,446</u>	<u>\$ 9,489</u>	<u>\$127,485</u>	<u>\$28,030</u>

The accompanying notes are an integral part of this statement.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND, 2010; AND ACTUAL - GENERAL FUND**

St. Tammany Council on the Aging, Inc.  
Baton Rouge, Louisiana

For the year ended June 30, 2010

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>REVENUES</b>			
Intergovernmental			
Public support	\$ 44,900	\$ 45,300	\$ 400
Fund balance	8,481	8,300	(181)
Interest income	5,885	42,388	36,503
Program service fees	5,798	8,800	3,002
Miscellaneous	18,000	4,400	(13,600)
	5,384	300	(5,084)
<b>Total revenues</b>	<b>88,368</b>	<b>105,188</b>	<b>16,820</b>
<b>EXPENDITURES</b>			
Current:			
Salaries	4,800	5,818	1,017
Fringe	879	207	(672)
Travel	828	99	(729)
Operating services	14,840	13,120	(1,720)
Operating supplies	4,574	3,878	(696)
Other costs	3,872	4,000	128
Meals	244	99	(145)
Capital outlay	11,700	-	(11,700)
Fund balance	-	28,280	28,280
<b>Total expenditures</b>	<b>54,623</b>	<b>57,407</b>	<b>2,784</b>
<b>Excess of revenues over (under) expenditures</b>	<b>33,745</b>	<b>47,781</b>	<b>14,036</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	-	-	-
Operating transfers out	(44,320)	(27,827)	(16,493)
Proceeds from sale of fixed assets	380	400	20
<b>Excess of revenues and other sources over (under) expenditures and other uses</b>	<b>(43,940)</b>	<b>(24,746)</b>	<b>(19,196)</b>
<b>FUND BALANCE</b>			
Beginning of year	124,680	124,680	
End of year	80,740	99,934	19,194

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 COUNTY OF ST. TAMMANY AND PARISH OF ORLEANS - SPECIAL REVENUE FUND

St. Tammany Council on the Aging, Inc.  
 Covington, Louisiana

For the year ended June 30, 1998

	Budget	Actual	Variance- Favorable Disadvantage
<b>REVENUES</b>			
Intergovernmental	\$900,000	\$ 900,711	\$ 711
Public support	20,000	20,000	0
Fund raising	1,814	-	(1,814)
Interest income	200	3,400	3,199
Program service fees	-	80	80
<b>Total revenues</b>	<u>\$922,014</u>	<u>\$924,591</u>	<u>\$2,577</u>
<b>EXPENDITURES</b>			
PERSONNEL:			
Salaries	347,000	348,300	1,300
Fringe	21,000	20,351	(649)
Travel	10,000	10,000	0
Operating services	110,000	100,000	(10,000)
Operating supplies	10,170	10,000	(170)
Other costs	0	0	0
Books	140,000	140,000	0
Capital outlay	-	0	0
Utility maintenance	0	10,000	10,000
Full services	40,000	40,000	0
<b>Total expenditures</b>	<u>\$668,070</u>	<u>\$668,651</u>	<u>\$581</u>
Excess of revenues over (under) expenditures	\$253,944	\$255,940	\$1,996
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	170,000	170,000	0
Operating transfers out	(170,000)	(170,000)	0
<b>Excess of revenues and other sources over (under) expenditures and other uses</b>	<u>\$253,944</u>	<u>\$255,940</u>	<u>\$1,996</u>
<b>FUND BALANCES</b>			
Beginning of year	\$0	\$0	0
End of year	\$ 253,944	\$ 255,940	\$1,996

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

St. Tammany Council on the Aging, Inc.  
Covington, 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 respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The St. Tammany Council on the Aging, Inc. 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 St. Tammany Council on the 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 assistance services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 20 voluntary members who serve three-year terms, governs the Council.

The St. Tammany Council on the 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 1968, 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 the Governor's Office of Elderly Affairs Contractors; and, The Louisiana Governmental Audit Guide.

c. Fund Accounting:

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities. The Council uses funds and account groups to report its financial position and the results of its operations. Each fund is considered a separate accounting entity, accordingly, 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).

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

a. 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 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

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) program service revenues from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the local program of the General Fund. Expenses incurred which are not chargeable to specific programs because of budget limitations, or because of their nature, are recorded as local program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged as local program expenditures.

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

c. Fund Accounting: - (continued)

Senior Center Activities

The Council operates senior centers in Slidell, Lacrosse, Covington, Mandeville, and Pearl River. 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 for senior centers from the Governor's Office of Elderly Affairs. The types of activities used to raise these funds consist of rummage sales, craft sales, raffles, dances, and soft drink sales. There is no restriction on how the net proceeds of these activities are used. In addition, the participants at the Slidell senior center have solicited from the public and conducted activities to raise money for the purpose of building, furnishing, and providing some operating funds for the senior center facility. The net proceeds from this activity have been presented as a restricted asset on the Council's balance sheet with a corresponding reservation of the fund balance. The revenues and related expenses for each 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 \$34 per application it completes by the Department of Health and Hospitals(DHH). Any funds remaining after applying direct costs to operate this program are available for discretionary use by management.

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 Council coordinates necessary services and is paid a fee by Medicaid for performing the case management function.

Note 3 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting: - (continued)

RCOA (Act 735)

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

Van

The Van program is used to account for the money which is generated through fund raising programs. The donors have given this money to the Council based on the promise that it will be used to purchase new vehicles. An outside fund raising company (Bayou Country Productions, L.L.C.) is used by the Council to solicit these donations. After the direct costs of the fund raiser are paid, Bayou Country Productions, L.L.C. gets 25% of the "net" proceeds as its commission and the Council gets 75% of the "net".

Local Transportation

The Local Transportation program is used to account for money received from the cities of Slidell and Mandeville, and the Bayou Liberty Civic Club that is restricted for use in providing transportation services to elderly residents of the donor's respective city or area.

• 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 programs comprise the Council's Special Revenue Funds:

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

c. Fund Accounting: - (continued)

• Special Revenue Funds - (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 68 and older residing in long-term care facilities a representative to ensure that such residents' 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 through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III B Supportive Services Fund

The Title III B Supportive Services Fund is used to account for funds which are to provide a variety of services, such as; information and assistance, access services, in-home services, community services, legal assistance, 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.

Title III C Area Agency Administration (AAA) Fund

The Title III C Area Agency Administration Fund (AAA) is used to account for the administration of Special Programs for the Aging. Title III C administrative 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. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

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

c. Fund Accounting: - (continued)

• Special Revenue Funds - (continued)

Title III C-1 Congregate Meals Fund

The Title III C-1 Congregate Meals Fund is used to account for funds which are used to provide nutritional congregate meals to the elderly in strategically located centers. 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. During the year the Council served 23,764 meals to people eligible to participate in this program.

Title III C-2 Home Delivered Meals Fund

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. During the year the Council served 34,188 meals to people eligible to participate in this program.

Title III E Fund

The Title III E Fund is used to account for funds which are used to provide in-home services to the frail and elderly person who is home-bound, 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-E 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)

a. Fund Accounting: - (continued)

• Special Revenue Funds - (continued)

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.

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. 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.

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

e. Fund Accounting: - (continued)

• Special Revenue Funds - (continued)

U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of Nutrition Program for the Elderly Funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program reimburses the service provider about 60 cents 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.

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.

Miscellaneous Grant

The Louisiana Legislature appropriated some special funds for various councils on aging throughout the state for fiscal year 1998. St. Tammany Council on the Aging, Inc. was one of the parish councils to receive a special grant of \$4,500. The Governor's Office of Elderly Affairs provided those funds to the Council. The Council used \$1,610 of these funds to supplement Title III B Supportive Services this year.



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

c. Fund Accounting: - (continued)

• Special Revenue Funds - (continued)

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The purpose of this program is to help the needy, elderly people of the parish pay utility bills. Louisiana Power and Light (LPL&L), Louisiana Gas Services, and CIBCO collect contributions from service customers and send the donations to the Louisiana Association of Councils on Aging (LACOA) which in turn remits funds relating to St. Tammany Parish to the Council. Washington St. Tammany Electric (WST) will remit donations it collects directly to the Council.

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. The Council did not acquire any vans under this program during the fiscal year, therefore, there was no activity in this fund to report. However, the Council has entered into a contract with the Louisiana Department of Transportation & Development to acquire a new van in fiscal year 1997.

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":

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

d. Account Groups - (continued)

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of St. Tammany Council on the 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.

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

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.

- The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for each program's grant award.
- The Council may also obtain grants from agencies other than GOEA and the Council's management considers the potential revenues to be earned under those grants.
- Projections are made of public support, program service fees, and other revenues based on past trends and data available to form expectations of future revenues.
- The Council's executive director prepares a proposed budget based on the funding levels provided by GOEA and other agencies, as well as the expected amounts of other revenues, 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 the Governor's Office of Elderly Affairs (GOEA) for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30).

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

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 were two amendments during the fiscal year with the last one being made May 1, 1996. Budget amendments were approved by the Council's board of directors and GO&A 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 Governor's Office of Elderly Affairs for funds received under grants from this state agency. As part of its grant awards, GO&A requires the Council to amend its budget in cases where actual costs for a particular line item exceed the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.
- 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 or results of operations 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.

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

1. 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. As of June 30, 1998, the Council had recorded \$12,708 of donated fixed assets in its financial statements.

During the fiscal year the Council added \$880 of new fixed assets and deleted \$21,888 of fixed asset costs. The deletions resulted from the Council's management taking a thorough physical inventory and writing off numerous assets that were obsolete, broken, or below the dollar value (\$250) which requires capitalization.

3. 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 since their inclusion would make the statements unduly complex and difficult to read.

8. 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. These amounts will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave.

1. Related Party Transactions:

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

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

b. Restricted Assets:

Restricted assets represent assets which have been primarily acquired through donations whereby the donor has placed a restriction on how the donation can be used by the Council (i.e., utility assistance funds, vehicle and transportation donations, and building fund donations). Restricted assets are offset by a corresponding reservation of the Council's fund balances.

a. Reservation and Designations of Fund Balances:

The Council "reserves" portions of its fund balances 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 not any designated fund balances as of June 30, 1996.

c. 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, Program Service Fees, Public Support, Fund Balances, and Miscellaneous Revenues

Intergovernmental 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, fund raisers, and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

Note 2 - Revenue Recognition - Intergovernmental, Program Service Fees, Public Support, Fund Raisers, and Miscellaneous Revenues - (continued)

#### Intergovernmental

The Senior Center, FCMA (AOT 725), Title III A, C-1, C-2, D, and 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 revenues until actual expenses are incurred.

FTA, Miscellaneous Grant, and Audit revenues are recorded as revenue when the actual cost has been incurred, and the grant reimbursement is measurable and available.

U.S.D.A. program funds are earned and become susceptible to accrual based upon the number of units of service (meals) provided to C-1 and C-2 program participants and are recorded as revenues at that time.

Revenues from the cities of Ellsford and Wanderville for local transportation services are recorded when received.

#### Program Service Fees

Program service fees result from renting Medic Alert units to program participants and become susceptible to accrual as revenues at the time the units are rented. Other program service fees are generated by completing Medicaid enrollment applications and providing case management services. These revenues are recorded at the time the services are provided.

#### Public Support, Fund Raisers, and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of the Title III-A, C-1, C-2, and D programs. The Bayou Liberty Civic Club also provides funds to the Council for local transportation services. Utility assistance funds are provided from public donations. In addition, various fund raisers were held during the year to obtain funds to purchase vehicles, and offset costs of senior center activities. These funds are recorded as revenues when the cash is received because the Council cannot predict the timing of receipt and the amount it will receive.

Note 3 - Cash and Investments

Deposits - At June 30, 1996, the total bank balances of the Council's deposits was \$218,046; such amount being comprised of four checking accounts, one passbook savings account and six certificates of deposit. All of these deposits were covered by Federal depository insurance.

Investments

State statutes authorize the Council to invest temporarily idle monies in the following:

1. United States Treasury Bonds.
2. United States Treasury Notes.
3. United States Treasury Bills.
4. Obligations of U.S. Government Agencies, including such instruments as Federal Home Loan Bank Bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
5. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
6. Fully collateralized repurchase agreements.
7. Fully collateralized interest-bearing checking accounts, and
8. Mutual or Trust Fund Institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.

The Council's primary purpose for investing is to earn interest income on money that has been determined to be in excess of immediate cash needs.



Note 3 - Cash and Investments - (continued)

At June 30, 1990, investments consisted of the following:

<u>Bank</u>	<u>Type Of Investment</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
Regions	C.D.	\$ 13,000	5.10%	06-18-93
Regions	C.D.	18,721	4.50%	10-26-96
Regions	C.D.	10,100	4.50%	10-23-96
St. Tammany Homestead	C.D.	31,181	4.50%	09-12-96
St. Tammany Homestead	C.D.	50,000	5.40%	09-01-96
Hibernia National Bank	C.D.	8,700	4.50%	04-15-93
St. Tammany Homestead	Passbook savings account	<u>2,810</u>	2.5%	Demand
<b>Total Investments</b>		<b>\$132,512</b>		
<b>Reserved for:</b>				
Vehicle acquisition		(37,923)		
Slidell Senior Center Building		<u>(20,881)</u>		
<b>Unreserved and undesignated Investments</b>		<b>\$ 64,647</b>		

The above investments have been recorded at cost, which approximates market value. The market values of the certificates of deposit and savings account do not fluctuate. All of the above investments are classified as category 1 type investments according to GASB Statement 3 because they were fully covered by federal depository insurance.

Note 4 - Grants Receivable

Grants receivable at June 30, 1998, consisted of the following:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
U.S.D.A.	Special Revenue	GOHA	\$9,698

Note 5 - Changes in Fixed Assets

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

	Balance 07-01-97	Adjustments and Additions	Balance 07-01-98
vehicles	\$202,401	\$ -	\$ 13,718
office furniture and equipment	60,824	889	(1,713)
computer equipment and software	29,318	-	(1,748)
firearms equipment	12,547	-	(7,890)
building improvements	31,820	-	(881)
marine equipment	10,385	-	(2,389)
educational equipment	5,120	-	(5,120)
health maintenance equipment	1,822	-	-
<b>Total general fixed assets</b>	<b>\$360,237</b>	<b>\$ 889</b>	<b>\$348,545</b>

Note 6 - Advances from Funding Agencies

This account represents funds, received in excess of allowable expenditures, that are to be returned to the funding agency. The amounts payable are as follows:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
Title III D Ombudsman	Special Revenue	GOHA	\$ 44
	Special Revenue	GOHA	241
<b>Total advances from funding agencies</b>			<b>\$ 285</b>

Note 7 - 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 in accordance with the State of Louisiana's travel reimbursement policy when attending meetings on behalf of the Council.

Note 8 - In-Kind Contributions

The Council received various in-kind contributions during the year. Senior center/meal site facilities were furnished in Mandeville, Lafosse, Pearl River, and Covington to the Council without charge for rent. The Slidell Senior Center/meal site is furnished by the City of Slidell for an annual cost of \$3 per year for rent plus utility charges. Utilities are furnished at the Mandeville site for free, while at Pearl River the Council is responsible for one half of the utility bill. Other in-kind contributions consisted of the time donated by volunteer workers to help with meals delivered meals and to assist at senior centers and meal sites. These contributions, the value of which was not objectively compiled and determined, have not been reported as revenues or offsetting expenses in these financial statements.

Note 9 - 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 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 10 - Lease Commitments

The Council entered into a lease of the building that houses its main office at 328 East Boston Street, Covington, Louisiana on July 23, 1984. The terms of this lease require monthly payments of \$425 for twenty years. The Council is responsible for utilities, normal repairs and maintenance, and liability insurance. There is an escape clause that allows the Council to break the lease commitment should it lose its funding from the Federal and state governments.

On July 30, 1994, the Council entered into a 20 year lease with the City of Slidell whereby the Council will rent from the City for \$1.00 per year a newly constructed Slidell Senior Citizens Center at 810 Cassin Street, Slidell, LA.

Note 10 - Lease Commitments - (continued)

The Council has the right to renew this lease for 10 additional years under the same terms and conditions. Either party may terminate the lease with 120 days written notice. The City will be responsible for any repairs requiring labor and material of \$501 or more. The Council is responsible for normal operating costs, including water, telephone, utility, janitorial, and minor repair costs. The City will provide property and liability insurance.

Total building rent expense for the year was \$5,360.

On March 13, 1996, the Council entered into a lease for a photo copy machine. Terms of the lease require 36 monthly payments of \$57.46 beginning March 13, 1996. The Council made 4 payments on this lease during fiscal year 1996.

Note 11 - 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	Net	Balance
	07-01-95	Additions	06/30/96
		(Reductions)	
Accumulated unpaid vacation	\$ 1,581	\$ 12,647)	\$ 3,584
Total long-term debt	\$ 1,581	\$ 12,647)	\$ 3,584
	*****	*****	*****

Note 12 - Judgments, Claims, and Similar Contingencies

There is no litigation pending against the Council as of June 30, 1996. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

The Council receives revenues from various Federal and State grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Council. Also, it is management's opinion

Note 12 - Judgments, Claims, and Similar Contingencies - (continued)

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. However, instances of noncompliance were noted during the audit of these financial statements resulting in questioned costs; the status of which is unresolved at this time.

Note 13 - 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 that would adversely affect the Council's financial position.

Note 14 - 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 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 15 - Interfund Transfers

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

	Operating Transfers In	Operating Transfers Out
General Fund	\$ -	\$ 73,927
Special Revenue Funds:		
Title III B-Embodiment	-	74
Title III B-Services	97,459	1,515
Title III C-AAA	1,937	222
Title III C-1	28,883	16,118
Title III C-2	64,856	628
Title III D	-	37
Title III F	59	74
WMA	-	45,393
Senior Center	-	31,143
Audit	3,898	-
Miscellaneous grant	-	3,628
Total special revenue funds	<u>\$199,761</u>	<u>\$122,934</u>
Total all funds	<u>\$199,761</u>	<u>\$196,761</u>

Note 16 - Interfund Loans

Because the Council operates most of its programs under 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. There were no interfund loans outstanding as of June 30, 1996.

Note 17 - 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.

**Note 18 - Purchase Commitment**

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 \$44,000). The Council has not yet remitted the required matching funds (\$13,200) but has had its bank issue an irrevocable letter of credit in favor of DOTD for \$13,200.

**SUPPLEMENTARY FINANCIAL INFORMATION**



OF MEMBERS RECEIVED BY THE BOARD, INC.  
 SUMMARY OF FINANCIAL STATEMENTS, EXPENSES, AND CHANGES IN FUND BALANCE - FISCAL YEAR  
 For the year ended June 30, 2009

Exhibit 1

Programs of the General Fund

	Local	State	Federal	ROB (net F&E)	IRA	Transpation	Totals
\$ -	\$ -	\$ -	\$ 21,489	\$ -	\$ -	\$ -	\$ 21,489
-	-	-	-	-	-	21,489	21,489
-	-	-	-	-	-	2,200	2,200
3,400	394	-	-	500	-	-	4,294
1,200	1,200	-	-	-	-	-	2,400
-	1,400	-	-	500	-	3,400	5,300
-	4,500	-	-	-	-	-	4,500
-	1,200	-	-	-	-	-	1,200
-	1,400	-	-	-	-	-	1,400
-	95	-	-	-	-	-	95
-	25	-	-	-	-	-	25
-	-	-	-	11,000	-	-	11,000
-	-	-	1,795	-	-	-	1,795
15	-	-	-	-	-	-	15
1,200	-	-	-	-	-	-	1,200
20	-	-	-	-	-	-	20
-	500	-	-	-	-	-	500
4,470	10,000	1,795	11,489	6,500	61,500	61,500	142,500

FOOTNOTE 1 CONTINUED ON NEXT PAGE

REVENUES

- Intergovernmental
- Office of Public Safety
- City of Dallas
- City of Irving
- Interest Income
- FOIA (net cost)
- Administrative expenses
- Specialized operations
- Local (net cost)
- Grants
- BP/IS
- Refundations sales
- City sales
- Insurance sales
- Service fees
- Program services fees
- Costs of health & hospital
- Transpation
- Net to City totals
- Revenues (directly)
- Other (net cost)
- Net (for totals)

Total revenues

ST. THOMAS COLLEGE, INC. AND AFFILIATES

SCHEDULE OF REVENUE SOURCES, EXPENSES, AND CHANGES IN FUND BALANCE - CONTINUED, FUND  
For the year ended June 30, 1990

Fund	Programs of the Internal Fund					Total
	Service Contracts	Reimburse- ment	FICA (Net Pay)	Fee	Unexpended Balance	
190	-	200	5,900	-	-	6,100
191	-	25	500	-	-	525
192	-	24	-	-	-	24
2,000	2,000	-	191	14	-	2,205
11	1,000	-	-	-	-	1,000
200	4,000	-	-	-	-	4,000
-	10	-	-	-	-	10
-	-	-	-	25,000	-	25,000
2,005	21,000	200	3,100	25,000	-	50,300
2,000	(1,000)	1,000	25,000	5,000	(5,000)	25,000
-	-	-	-	-	-	-
(14,000)	-	-	(10,000)	-	(10,000)	(24,000)
200	-	-	-	-	-	200
(14,000)	(1,000)	1,000	-	1,000	-	(5,000)
11,000	24,000	1,000	-	20,000	-	66,000
2 40,000	2 20,000	2 1,000	2 -	2 21,000	2 -	2 82,000

EXPENSES

Salaries  
Fringe  
Travel  
Operating expenses  
Printing supplies  
Other costs  
Rent  
Fuel retarding

Total expenses  
Excess of revenues over  
(under) expenses

OTHER REVENUE SOURCES (USES)

Operating revenues in  
operating activities and  
financial long-term in-  
vestments

Excess of revenues and  
other assets over (under)  
operating and other uses

NET INCREASE (DECREASE)

Beginning of year  
End of year

GENERAL STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - FUND BALANCE SHEET

2. Agency fund of the City, Inc.  
 General Fund  
 up to the year ended 1958

Fund	1957-58		1958-59		1959-60		1960-61		1961-62		1962-63	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
1. Cash	100.00	-	100.00	-	100.00	-	100.00	-	100.00	-	100.00	-
2. Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
3. Inventory	-	-	-	-	-	-	-	-	-	-	-	-
4. Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-
5. Other assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>
6. Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
7. Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>

Fund	1957-58		1958-59		1959-60		1960-61		1961-62		1962-63	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
1. Cash	100.00	-	100.00	-	100.00	-	100.00	-	100.00	-	100.00	-
2. Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
3. Inventory	-	-	-	-	-	-	-	-	-	-	-	-
4. Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-
5. Other assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>
6. Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
7. Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>

Fund	1957-58		1958-59		1959-60		1960-61		1961-62		1962-63	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
1. Cash	100.00	-	100.00	-	100.00	-	100.00	-	100.00	-	100.00	-
2. Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
3. Inventory	-	-	-	-	-	-	-	-	-	-	-	-
4. Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-
5. Other assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>
6. Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
7. Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>

1958-59

## SUMMARY OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

For the year ended June 30, 1990

	Budget	Actual	Variance- Favorable (adverse)
<b>LOCAL</b>			
Salaries	\$ 1,177	\$ 745	\$ 432
Fringe	111	63	48
Travel	135	79	56
operating services	8,437	1,477	7,000
operating supplies	713	14	700
other costs	2,471	800	1,671
meals	189	-	189
Capital outlay	1,100	-	1,100
Transfers out to:			
Title III C - AAA	-	1,837	(1,837)
Title III B	24,543	25,800	(1,257)
Title III 4-2	-	22,887	(22,887)
Title III F	-	58	(58)
<b>Totals</b>	<b>\$ 37,967</b>	<b>\$ 33,400</b>	<b>\$ 4,567</b>
<b>SENIOR CENTER ACTIVITIES (INCLUDING RELIANCE FUNDS)</b>			
operating services	\$ 4,000	\$ 3,994	\$ (6)
operating supplies	2,804	3,488	684
other costs	1,400	4,100	(2,700)
meals	300	44	256
Capital outlay	12,800	-	12,800
<b>Totals</b>	<b>\$ 21,304</b>	<b>\$ 22,626</b>	<b>\$ 1,322</b>
<b>FOOD - SET 185</b>			
Salaries	\$ -	\$ 2,847	\$ (2,847)
Fringe	-	200	(200)
operating services	-	375	(375)
Transfers to other funds:			
Title III-B (AAA)	3,773	-	3,773
Title III-B	17,134	28,380	(11,246)
Title III-B	500	-	500
<b>Totals</b>	<b>\$ 21,407</b>	<b>\$ 34,802</b>	<b>\$ 13,395</b>
<b>MEDICAID</b>			
salaries	\$ 300	\$ 300	\$ -
Fringe	107	35	72
Travel	100	14	86
operating services	200	-	200
<b>Totals</b>	<b>\$ 707</b>	<b>\$ 654</b>	<b>\$ 53</b>

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<b>USE OPERATIONS AND ACQUISITIONS</b>			
Salaries	\$ 4,500	\$ -	\$ 4,500
Prings	510	-	510
Travel	382	-	382
operating services	4,238	74	4,164
operating supplies	1,950	-	1,950
Printing costs - direct:			
Production fees	-	15,404	(15,404)
cost of the variety show	-	1,500	(1,500)
commissions paid to Bayou country			
Productions, LLC	-	3,000	(3,000)
Postage	-	2,400	(2,400)
Telephone	-	2,300	(2,300)
Utilities	-	371	(371)
Rent	-	1,400	(1,400)
Insurance	-	300	(300)
tickets and envelopes	-	482	(482)
	<u>\$ 14,710</u>	<u>\$ 20,877</u>	<u>\$(6,167)</u>
	*****	*****	*****
<b>LOCAL TRANSPORTATION</b>			
transfers to title tax s	\$ 11,500	\$ 11,500	\$ -
	<u>\$ 11,500</u>	<u>\$ 11,500</u>	<u>\$ -</u>
	*****	*****	*****
<b>TITLE III-B PURCHASING FROM OPERATOR</b>			
Salaries	\$ 6,813	\$ 7,130	\$ 1,317
Prings	704	430	274
Travel	1,200	700	470
Operating services	813	675	138
operating supplies	60	40	20
Other costs	300	-	300
Transfers to Audit Fund	-	74	(74)
	<u>\$ 11,090</u>	<u>\$ 9,079</u>	<u>\$ 1,981</u>
	*****	*****	*****

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (underexpend)</u>
<b>TITLE III-B SUPPORTIVE SERVICES</b>			
Salaries	1100,000	1000,000	\$ 1,000
Fringe	9,000	9,000	0
Travel	1,000	1,000	0
operating services	10,000	9,000	1,000
operating supplies	10,000	10,000	0
Other costs	0	0	0
Full services:			
Nominating services - The National Team	40,000	40,000	-
Legal Services - Southwest positions			
Legal services	0	0	-
transfer out to audit fund	-	1,000	1,000
<b>Totals</b>	<b>1270,000</b>	<b>1170,000</b>	<b>\$ 1,000</b>
<b>TITLE III C - AREA AGENCY ADMINISTRATION</b>			
salaries	0 20,000	0 20,000	0 0
Fringe	0 200	0 200	0 0
Travel	0 100	0 100	0 0
operating services	0 500	0 500	0 0
operating supplies	0 0	0 0	0 0
Other costs	0 0	0 0	0 0
Transfer out to Audit fund	-	0 0	0 0
<b>Totals</b>	<b>0 20,700</b>	<b>0 20,700</b>	<b>0 0</b>
<b>TITLE III C-1</b>			
salaries	0 20,000	0 20,000	0 0
Fringe	0 200	0 200	0 0
Travel	0 100	0 100	0 0
operating services	0 500	0 500	0 0
operating supplies	0 0	0 0	0 0
Other costs	0 0	0 0	0 0
audit:			
New food	40,000	40,000	0
Labor/overhead	0 0	0 0	0 0
Transfer out to:			
Title III C-2	-	0 0	0 0
Audit fund	-	0 0	0 0
<b>Totals</b>	<b>120,700</b>	<b>120,700</b>	<b>0</b>

Exhibit 3  
Continued

	<u>Budget</u>	<u>Actual</u>	Variance - memorable
		<u>(Unfavorable)</u>	
<b>FIELD #10-2</b>			
salary	\$ 41,505	\$ 43,300	\$ (1,795)
fringe	3,500	3,425	(75)
Travel	13,500	13,045	455
Operating services	13,500	10,171	3,329
operating supplies	3,000	2,800	200
Other costs	1,140	-	1,140
Transfers:			
Gas fund	41,840	41,840	-
Labor/non-edible	20,000	20,133	(133)
Transfers out to Audit Fund	-	420	(420)
<b>TOTALS</b>	<b>\$140,940</b>	<b>\$144,901</b>	<b>\$ (3,961)</b>
<b>FIELD #11-2</b>			
salary	\$ 775	\$ 831	\$ (56)
fringe	47	47	-
Travel	34	34	-
Operating services	3,297	3,430	(133)
operating supplies	32	31	1
Other costs	134	-	134
Transfers out to Audit Fund	-	33	(33)
<b>TOTALS</b>	<b>\$ 3,513</b>	<b>\$ 3,666</b>	<b>\$ (153)</b>
<b>FIELD #12-2</b>			
salary	\$ 3,100	\$ 3,505	\$ (405)
fringe	270	300	(30)
Travel	170	170	-
operating services	3,034	2,740	294
operating supplies	70	64	6
Other costs	40	-	40
Transfers out to Audit Fund	-	30	(30)
<b>TOTALS</b>	<b>\$ 6,614</b>	<b>\$ 6,805</b>	<b>\$ (191)</b>
<b>DESIGN CENTER - BUREAU</b>			
salary	\$ 20,700	\$ 20,975	\$ (275)
fringe	2,873	2,800	73
Travel	610	420	190
Operating services	12,170	12,277	(107)
operating supplies	1,400	1,320	80
Other costs	670	-	670
Transfers to:			
Title 12 B	22,020	20,990	1,030
Audit Fund	-	200	(200)
<b>TOTALS</b>	<b>\$ 38,373</b>	<b>\$ 37,878</b>	<b>\$ (495)</b>

Schedule 3  
Continued

	<u>Budget</u>	<u>Actual</u>	Variance receivable controllable
<b>RESEARCH</b>			
Transfers to Title III C-1	\$ 9,885	\$ 28,553	\$ 18,668
Transfers to Title III C-2	<u>81,418</u>	<u>81,848</u>	<u>43,389</u>
<b>Totals</b>	<b>\$ 91,303</b>	<b>\$ 110,401</b>	<b>\$ 62,057</b>
<b>STATE FUND</b>			
Other Costs	\$ -	\$ 4,750	\$ 4,750
Transfers WFL to:			
Title III C - 3Aa	182	-	182
Title III B	<u>2,768</u>	<u>-</u>	<u>2,768</u>
Title III C-2	<u>188</u>	<u>-</u>	<u>188</u>
<b>Totals</b>	<b>\$ 3,038</b>	<b>\$ 4,750</b>	<b>\$ 1,712</b>
<b>NONREVENUE GRANT</b>			
Special Study	\$ -	\$ 800	\$ 800
Transfers to Title III B	<u>4,500</u>	<u>4,500</u>	<u>0</u>
<b>Totals</b>	<b>\$ 4,500</b>	<b>\$ 5,300</b>	<b>\$ 800</b>
<b>UTILITY ASSISTANCE</b>			
L P & C Heating Funds	\$ 140	\$ 140	\$ -
Other	<u>5,440</u>	<u>7,570</u>	<u>2,130</u>
WFL Costs	800	800	0
LA One Heating Help	<u>2,580</u>	<u>4,500</u>	<u>1,920</u>
<b>Totals</b>	<b>\$ 8,960</b>	<b>\$ 13,010</b>	<b>\$ 4,050</b>



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

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

for the year ended June 30, 1994

	Balance June 30, 1993	additions	Dispositions and deletions	Balance June 30, 1994
<b>General fixed assets:</b>				
Vehicles	\$293,431	\$ -	\$ (1,710)	\$ 291,721
office furniture and equipment	48,904	889	(1,711)	48,182
computer equipment and software	38,508	-	(1,769)	36,739
Recreation equipment	12,137	-	(7,489)	4,647
Building improvements	13,943	-	(881)	13,062
Nutrition equipment	38,180	-	(2,840)	35,340
Educational equipment	8,728	-	(5,709)	3,019
Health maintenance equipment	3,632	-	-	3,632
<b>total general fixed assets</b>	<b>\$485,363</b>	<b>\$ 889</b>	<b>\$ (11,809)</b>	<b>\$ 474,443</b>
<b>Investment in general fixed assets:</b>				
Property acquired with funds from -				
FFA	\$194,500	\$ -	-	\$ 194,500
van fund raises	27,518	-	(338)	27,179
State allocation funds (part 10)	28,847	-	(8,808)	20,039
General funds and local donations	18,195	-	(3,755)	14,440
Title 128 B	4,185	-	(2,389)	1,796
Title 128 C-1	4,182	-	(2,381)	1,801
Title 128 D	898	-	-	898
Title 128 F	3,973	-	-	3,973
Title 128 G	519	-	(330)	189
Miscellaneous grant	12,799	899	(389)	13,309
Senior Center - Covington	12,799	-	(843)	11,956
Senior Center - Mandeville	4,009	-	(4,009)	800
Senior Center - Slidell	4,773	-	481	5,254
Senior Center - LaCombe	882	-	(342)	540
Title XX	3,973	-	(388)	3,585
in-kind donations	12,852	-	(12,852)	-
<b>total investment in general fixed assets</b>	<b>\$390,510</b>	<b>\$ 899</b>	<b>\$ (21,090)</b>	<b>\$ 369,319</b>

Note: During fiscal year 1994 the Council deleted assets which had a book or estimated value of less than \$200 from its inventory to make it more manageable and comply with the changes in GAMA's policy which raised the dollar value of a fixed asset to \$500. In addition, other reclassifications were made to streamline the inventory.

SCHEDULE B: FEDERAL FINANCIAL ASSISTANCE

1a. Temporary Council on the Aging, Inc.  
Cottageville, Louisiana

For the year ended June 30, 2008

FEDERAL CHARITABLE/GRANT-THROUGH ORGANIZATION/PROGRAM TITLE	FISCAL YEAR ENDED	START DATE	PERIOD OF ASSISTANCE (MONTHS)	EXPENSES INCURRED	EXPENSES
<b>U.S. Department of Health and Human Services</b>					
Passed through the Governor's Office of Elderly Affairs:					
Special Program for the Aging:					
Title 311 B-Supportive Services	05-044	05/30/06	6	\$ 61,887	\$ 61,887
Title 311 B-Substance	05-044	05/30/06	6	9,478	7,885
<b>Subtotal CFM #05.044</b>				<b>71,365</b>	<b>69,772</b>
Title 311 C-Open Agency Administration	05-040	05/30/06	23	23,490	23,490
Title 311 C-1/Transports for Is	05-040	05/30/06	23	64,034	64,034
Title 311 C-2-Home Delivered Ser	05-040	05/30/06	23	29,229	29,229
<b>Subtotal CFM #05.040</b>				<b>116,753</b>	<b>116,753</b>
Title 311 B-Or-Home Services	05-040	05/30/06	1	1,177	1,177
Title 311 F - Disease Prevention and Health Promotion	05-040	05/30/06	4	4,097	4,097
<b>Totals for U.S. Department of Health and Human Services</b>				<b>296,112</b>	<b>296,112</b>
<b>U.S. Department of Agriculture</b>					
Passed through the Governor's Office of Elderly Affairs:					
Nurturing Program for the Elderly					
By grant 00	18-510	05/30/04	36	36,774	-
By grant 00	18-510	05/30/04	36	36,774	9,575
By grant 00	18-510	05/30/04	36	-	36,695
By grant 00	18-510	05/30/03	36	34,000	18,000
<b>Subtotal CFM #05.510</b>				<b>147,548</b>	<b>64,270</b>
<b>Totals for U.S. Department of Agriculture</b>				<b>147,548</b>	<b>64,270</b>

Schedule B continued on next page

## COUNCIL OF FEDERAL FINANCIAL ASSISTANCE

St. Tammany Council on the Aging, Inc.  
New Orleans, Louisiana

For the year ended June 30, 1966

FEDERAL GRANTOR/AGENCY-TITLE OF PROGRAM (Title)	FEDERAL CFA NUMBER	GRANT YEAR FUND	FEDERAL OR AGENT AMOUNT	FEDERAL REVENUE RECORDED FOR	FEDERAL CAPITAL FUNDS
<b>U.S. Department of Transportation</b>					
Financed Through The Louisiana Department of Transportation and Development.					
FRA - 19507-16 and 19507-01 Transportation program Federal project #1A-10-0000 State project #100-10-0011	20,500	6/5	20,500	-	-
Totals for U.S. Department of Transportation			20,500	-	-
Total Federal grants			\$ 402,113	\$ 278,500	\$ 200,140

The above programs are still underway. St. Tammany Council on the Aging, Inc. had no other programs during fiscal year 1966.

- (1) Revenue recognized is more than expenditures because the revenue under this program was earned under a split cost contract. Unspent revenue (\$26,811) this year has been carried over to be used next year.
- (2) There was a total \$20,500 of funds earned but not spent under the 1966 award. These funds were carried over to 1967 and \$5,629 was spent this year. \$14,871 remained unspent and available for future years.
- (3) \$4,491 was carried over from prior year and consumed this year.
- (4) \$44,060 was carried over from prior year and consumed this year.

Note 5 - Basis of Accounting - The accompanying Schedule of Federal Financial Statements has been prepared using the modified accrual basis of accounting as prescribed under generally accepted accounting principles and which is the same basis of accounting used for preparing the general purpose financial statements.

FINDINGS AND RECOMMENDATIONS - CURRENT YEAR

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

For the year ended June 30, 1980

REPORTABLE CONDITIONS

Actual Costs Exceeded Budget Authorization in Some Instances

**Findings:** There were some instances noted where the budgeted amount for certain expenses was exceeded by more than 10% by the actual costs of the related expense category in several programs. Here below is a schedule of the specific instances:

<u>Program</u>	<u>Expense Category</u>	<u>Actual Cost</u>	<u>Budget +10%</u>	<u>Exceeded Cost</u>
Title III-B Deafness	Operating services	\$ 474	\$ 564	\$ 110
Miscellaneous Grant	Capital Outlay	890	-	890
FOIA	Salaries	2,067	-	2,067
FOIA	Fringe	288	-	288
FOIA	Operating services	175	-	175
				<u>\$ 4,392</u>

**Criteria:** According to the Council's contract with HCSA, a budget revision is required at the time the actual cost in a major expense category exceeds the budget amount by more than 10%.

**Causes:** There appears to be no direct cause of this problem other than these areas being overlooked in the final budget revision that was effective May 1, 1980.

Actual Costs Exceeded Budget Authorization in Some Instances -  
(continued)

**Effect:** There is not any material effect upon the financial statements unless the questioned costs are later disallowed by GORR. GORR in prior years has not disallowed costs that have been questioned based on this type of noncompliance.

**Recommendation:** Management should more closely monitor the relationship between actual costs and their budget amounts and amend the Council's budget when necessary to comply with the terms of its contract with GORR or any other funding agency.

The Fixed Asset Subledger Had Not Been Fully Updated and Reconciled As Of June 30, 1990

**Finding:** The fixed asset subledger had not been fully updated and reconciled.

**Criteria:** Property records must be maintained that include the description of the property, a serial number or other identification number, the source of property, who holds the title, the acquisition date, cost of the property, percentage of federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition date including the date of disposal and sales price of the property. A physical inventory of the property must be taken and results reconciled with the property records at least once every two years.

**Cause:** The Council's director quit near year end so the time that could have been devoted to complete this task was consumed by the Council's staff having to attend to other matters of a higher priority at year end.

**Effect:** There is not any financial statement effect because the subledger was reconciled by me before the financial statements were completed.

The Fixed Assets Subledger Had Not Been Fully Updated and Reconciled To The June 30, 1998 Balances - (continued)

**Recommendation:** Additions to the subledger should match what are recorded as capital outlay expenditures on the general ledger. Any deletions or disposals of assets should be recorded on the subledger as they occur. The subledger should be reviewed by the director before year end to ascertain it has been properly reconciled. Any questions about updating the subledger should be brought to my attention so that I can provide guidance to the Council as to the proper way to update the subledger.

Errors In Final Reports Filed With GOMA were Noted

**Finding:** As part of the audit, I compared the information on the final reports submitted to GOMA with information that is on the general ledger. I noted instances where several reports filed with GOMA as final reports for the fiscal year contained some errors. The reports affected are as follows:

- AAA
- Title III B - Supportive Services
- Title III C-1
- Title III C-2
- Senior Center
- FCOA
- Miscellaneous Grant
- Title III F
- Title III D
- Ombudsman
- USDA
- Fixed Asset Inventory

**Comment:** Some of the differences were produced by me having made audit adjustments and some of the differences were caused by the Council not filling out the report accurately. Year-end bookkeeping errors caused the data in the general ledger to be incorrect which affected the accuracy of the reports that had been filed.

Errors In Final Reports Filed With GSEA Were Noted - (continued)

**Effect:** There are not any material effects upon the financial statements. However, the information that has been reported to GSEA will not compare to the information in the audit report.

**Recommendation:** The director should review the final reports very thoroughly before they are submitted to GSEA to minimize any clerical errors in completing them. Implementation of my other recommendations can help reduce the risk that errors could occur within the general ledger and thereby reduce the risk of errors being made when completing the GSEA reports. Management should learn from the types of errors that were made this year and look specifically for these errors in the future. Finally, I recommend that the director contact the Council's GSEA representative and alert her to the final report errors and determine whether or not any amended reports should be filed at this point in time.

Some Distician GSEA Allocated To The Title III-F Program Were Not Documented

**Finding:** The Council allocated \$1,325 of the total distician costs (\$2,142) to the Title III-F program. According to the invoices submitted by the distician, it appears that only \$999 should have been charged to the Title III F program.

**Criteria:** To be an allowable cost of a federally funded program, the cost must be supported by proper documentation.

**Cause:** The person reviewing the documentation for distician costs apparently did not know to compare the distician's coding of her time amongst programs to how the costs were allocated by the accounting department. I base this comment on the fact that the distician submits monthly bills and the error occurred more than once.

**Effects:** I have questioned \$928 of costs charged to the Title III F program. The dollar amount is not material to the financial statements.

Distortion Costs Allocated To Title III-F Program Were Not Documented - (continued)

**Recommendation:** The person responsible for reviewing invoices before they are paid needs to pay close attention to how expenses are being coded by the accounting department and compare the coding to what the underlying documentation supports.

A Vehicle That Was Purchased With FTA Funds Was Being Improperly Used

**Finding:** A vehicle that was purchased with federal funds under an FTA grant is being used to deliver home delivered meals under the Title III C-1 program.

**Criteria:** vehicles purchased under FTA grants can only be used to transport people.

**Cause:** Over the years the Council has disposed of vehicles that were eligible to deliver meals, leaving only FTA funded vehicles in its inventory. Some of the FTA funded vehicles are eligible to deliver meals because the estimated useful lives of the vehicles according to FTA standards have been surpassed. However, some of the vehicles are not eligible and, when management began to shift vehicle usage to meet needs produced by the disposal of previous vehicles, it did not consider this compliance requirement or was unaware of it. Therefore, the violation occurred inadvertently.

**Effect:** This is a compliance violation that has no material effect on the financial statements.

**Recommendation:** The Council's management needs to reallocate its vehicle usage to prevent this violation from recurring. If enough vehicles are not available to correct the noncompliance, I recommend obtaining a waiver from the Louisiana Department of Transportation and Development until the situation can be corrected. A thorough knowledge of the rules and regulations accompanying the various grants is management's responsibility. I have discussed the importance of the director gaining knowledge in this area in another section of this report.



CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

June 10, 1988

Last year I reported the following reportable conditions in my reports:

1. There were instances noted where the actual costs exceeded authorized budget limitations in certain expense categories for some of the federal and state funded programs.
2. The fixed asset subledger had not been updated timely and a fiscal inventory had not been taken.
3. During the audit I found that some program income relating to the Title III-B Supportive Services Program was inadvertently coded to another account.
4. Title III C-1 and C-2 participant files were not properly updated or did not have required information.
5. Errors in final reports filed with GORR were noted.
6. Subcontractor's monthly cost reports were not accurately filed.
7. Joint fund raising account activity was not being recorded on the Council's books.

The Council took corrective action, or I did not notice any similar instances, relating to the findings noted above except as follows:

1. There were additional instances noted where actual costs exceeded the authorized budget limitations in certain expense categories for some of the federal and state funded programs.
2. The fixed asset subledger had not been completely updated and reconciled to the books.
3. Errors in final reports filed with GORR were noted.

Otherwise, sufficient action had been taken by the Council to correct the prior year's reportable conditions.

I have restated as current year findings the three reportable conditions that were not fully corrected. The failure of management to fully correct these items indicates a weakness in the Council's internal control structure.

I also reported to management some immaterial instances of internal control structure weaknesses; noncompliance with laws, regulations, contracts, and grants; and other matters in last year's audit. Some of these items were corrected and some were not. In cases where they were not, I have restated the item on pages 44 to 72 and indicated that it is a repetitive comment.

## EXIT CONFERENCE

St. Tammany Council on the Aging, Inc.  
Covington, Louisiana

June 30, 1998

The exit conference was held August 10, 1998 at the Council's administrative office in Covington, Louisiana. The conference was attended by Neil G. Ferrari, C.F.A., Kristie Kuss, Executive Director, and Troy Allen, Assistant Director of the Council.

I reported to Mrs. Kuss and Mrs. Allen some findings which included reportable conditions as well as immaterial instances of weaknesses in the Council's internal control structure and immaterial instances of noncompliance. I also offered them some other recommendations to prevent findings from occurring in certain areas as well as to improve the Council's operations. Although I noted some reportable conditions, I did not consider them to be material weaknesses in the Council's internal control structure. Here below is a summary of the items I discussed with them at that meeting.

### REPORTABLE CONDITIONS

There were five items I described as reportable conditions and I presented the related discussion about them in the current year finding section of this report on pages 58 to 62. A summary of these reportable conditions is as follows:

- Actual Costs Exceeded Budget Authorization in Some Instances.
- The Fixed Assets Subledger Had Not Been Fully Updated and Reconciled as of June 30, 1998.
- Errors in Final Reports Filed With OGEA Were Noted.
- Some Distiction Costs Allocated To The Title III-P Program Were Not Documented.
- A Vehicle That Was Purchased With FTA Funds Was Being Improperly Used.

## MINOR WEAKNESSES IN THE INTERNAL CONTROL STRUCTURE

### Recable Check Manually Designed Worksheets

1. There are several Lotus worksheets that were developed by a former director for use in the Council's routine operations. Some of these worksheets are printed for our use during the audit. I noticed that there were occasions where some of the formulas had not been adjusted for changes that had been made to these worksheets. There were also occasions where information on the worksheets was not always updated. I recommend to the Council that it review every Lotus worksheet that is used in the assembling and processing of accounting data to determine that it is inherently correct. This recommendation includes a step whereby manual mathematical checks are made to ascertain that the worksheets have been properly designed. This item is a repetitive finding from last year's audit.

As an example, we noticed that a particular employee's gross wage should have been \$314.73 for a specific pay period but the computer calculated a gross wage of \$430.56. This resulted in questioned costs of \$115.83.

### Cost Allocation Plan Needs To Be Redesigned

2. The Council currently allocates certain indirect costs at the time it incurs the expense on an individual case by case basis. Management has considered how to allocate these indirect costs at the beginning of the fiscal year during the budgeting process. The Council has always used a method similar to this and, in my discussion with the previous director, it is my understanding that he re-evaluated the allocation percentages each year. Although this method is acceptable, it leaves some room for error in allocating indirect costs and it is not the most efficient way to do so. I recommend that management consider using an indirect cost pool where all types of indirect costs would be charged. The total of the indirect cost pool would then be allocated using direct cost percentages by program at the end of the month. This method is efficient to administer and can allow management the flexibility to make adjustments each month so that at the end of the year the cumulative effects can set against one another thereby producing a more accurate cost allocation. This item is a repetitive finding from last year's audit.

Cost Allocation Plan Needs To Be Redesignated - (continued)

As an example, we had to correct the insurance expense allocations. We also noted problems in cost allocations for vehicle maintenance and gasoline costs. Although some of these costs are direct type costs, it indicates a weakness in the Council's cost allocation plan as a whole.

Payroll Changes Need To Be Double Checked

3. When changes are made to the payroll's master file, these changes are not being double checked by the director to assure that they were made as intended. The risk is that anyone who has access to the payroll data, particularly the wage rates, could make a change that was intended or unintended. Because there is no control in place to double check the processing of this information, an error could occur in paying someone and not be timely detected. I recommend that any time a change is authorized to the payroll master file, that a printout of the information be provided to the director for his review and approval. The director should also be cognizant of this fact and double check the following payroll to ensure that the changes were not subsequently altered. This item is a repetitive finding from last year's audit.

As an example, we noted an instance where the Notice of Payroll Change in the employee's file said the employee should be paid \$8.88/hour but the employee was paid \$4.25/hour instead.

Vacation Worksheet Not Being Accurately Prepared

4. The initial worksheet that we were provided during the audit which summarized the accumulated and unpaid vacation leave for each employee contained some errors. This worksheet had to be redone in order to make it as accurate as possible. One method to help ensure that errors do not occur in this area in the future, as well as to prevent any misunderstanding amongst employees and management, is to provide each employee a written analysis of his/her unpaid annual leave as of June 30 each year and have them acknowledge whether or not they agree with the analysis. Any exceptions that are noted could be investigated more in depth to determine the correct balance to use. This is a repetitive finding from last year's audit.

The COA Needs To Identify All  
Other Sources of Revenue

3. When I reviewed your budget, I noticed that the other sources of revenue used to supplement the Title III programs were not specifically identified. Your staff and I had to make some assumptions to get the budget information on the financial statements to properly balance. I recommend that all components of the Council's budget be clearly identified.

Use Ink When Preparing Timesheets and Travel Reports

4. Timesheets and travel reports should be completed in ink. We noted some instances where the employees had used pencil to complete their timesheets.

Monitor Contract Terms And Actual Results  
With Fund Raising Company More Closely

7. When contracting with an outside fund raising company, there are some considerations that I recommend. First, make sure you read the agreement closely and compare what it says to what actually takes place. The fund raising company has a lot of control in this situation and can take advantage of you. I do not suspect that this has occurred or will be occurring but want to caution you that it could occur. Second, you should also be furnished copies of any invoices that are paid by the fund raising company for your records. These costs are being reported on the Council's books so you need to have the supporting documents. If the company won't furnish them to you, then don't use them as your fund raising company. Finally, review each of the reports that the company sends to you and make sure that you agree with them. These reports should also be copied and reconciled to your general ledger. I have done this each year as part of the audit but this is a procedure that should be done by your staff.

### In Alert To Situations Where The COA Is Used Money

2. The Council needs to be more attentive to situations where it is used money. I noted two cases where funds used to the Council were overlooked and not detected until the audit. The first one related to a sale of a Ford car where the insurance company was notified that the car had been sold but failed to remit the unused portion (\$1,449) of the insurance premium. The second occurred when GSEA shorted the Council when reimbursing it under the USDA program for meals the Council had served and reported under the Title III C-1 and C-2 programs. The amount shorted was \$3,583. The Council has since received the \$1,449 of premium refund and GSEA has said that it will remit the \$3,583 soon.

### IMMEDIATE INSTANCES OF NONCOMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS, AND GRANTS

#### Refunds Were Not Allocated Correctly

1. Refunds received for expenses that have been previously paid and charged to various grant programs need to be reallocated to the programs in the same proportion as they were paid. This was not done in the case of two insurance refunds. The amounts involved were not material but management should be aware of the requirement to allocate similar refunds in the future. Failure to do so could violate the allocation rules that are part of the federal grant awards. This is a repetitive finding from last year's audit.

#### Transfer of USDA Funds Not Limited By Raw Food Costs

2. GSEA permits COAs to transfer USDA funds into the C-1 or C-2 program up to the amount of raw food costs incurred in each program. When I tested the Council's compliance with this requirement, I noted a violation had occurred in the C-2 program. To correct the matter, I transferred the C-1 program income from client contributions to C-2 and made up the difference with local funds. Excess USDA funds were transferred back to the USDA fund to keep the Council from incurring questioned costs and having another instance of noncompliance.

#### OTHER COMMENTS AND RECOMMENDATIONS

1. I noted a negative trend in the Title III C2 collections at Sillsall. I want to point out that C-2 collections at Sillsall were \$442 in July, 1998, and rose to \$500 in January, 1999. However, they declined from that point until June, 1999, when collections were only \$20 for that month. I advised Les Beech that he should follow up on this trend.

Last year I recommended to the director to have the deposit book's individual deposit slips prenumbered by his office before issuing them to the various site locations. Also, a master worksheet containing the C-1 and C-2 collection information should be kept by the participants who count the money at the individual sites to provide better control in this area. There are repetitive comments from last year's audit.

2. One method that many councils use to handle their POMA funds is to not code any expense directly to this program but use this money(which is unrestricted) to supplement over expenditures in your primary programs. To this extent, using the transfer method to spend this money is more flexible when budgeting and projecting costs throughout the year. This is a repetitive comment from last year's audit.
3. Last year, I recommended that the director review the detailed general ledger each month to catch recording errors and to ask questions about any unusual entries. It is my understanding in speaking with the Council's staff that Mr. Edwards did this routinely. I want to recommend that Mrs. Russ continue this practice. Although she does not have prior experience with cost bookkeeping, this can be a good way for her to learn and at the same time perform an important control procedure. Therefore, this recommendation is being made to help the council continue this practice in future periods.

We noted an instance where a Fuelman bill was coded to vehicle maintenance instead of vehicle supplies. This is an example of the type of an obvious error that should be caught during the review.



4. The Council receives various in-kind contributions during the year. Some of these contributions can qualify for recording on the Council's books based on the nature of the contribution. In those cases it is mandatory that clear and objective data be compiled on the particular contribution at or near the time the contribution is made by the donor. If the Council's management wants to record in-kind contributions, then it should consult us on how to do this and what types of contributions can qualify.
5. There are many compliance and accounting requirements associated with the typical council on aging operation. The Council's director, Kristis Koss, is new to this type of entity. I encourage the Council's board of directors to support her in any effort to acquire knowledge and skills. She may have to attend seminars and buy reference materials to enhance her skills in these areas. This will cost money but I believe she will need to do this to become an effective director.
6. I noticed during the year that the Council entered into a lease-purchase contract for a photocopy machine. I generally recommend the Council avoid these types of contracts. When acquiring fixed assets it is usually best to solicit bids and buy the item outright, especially if you have the cash. Lease-purchase contracts also require bidding and the lessee (you) will pay more money in the long run because of the financing factor (interest) built into a lease-purchase contract. The photocopy contract did not require bidding because it was under a state contract price. However, many people are unaware about the bid requirement in lease-purchase contracts and commit a compliance violation. Therefore, to prevent compliance violations which could lead to questioned or disallowed costs and to save money, I recommend the Council avoid lease-purchase contracts in the future.
7. We noted that an insurance premium financing charge had been buried in the amount the Council was being charged for its insurance. The amount was \$191 and we reclassified it to the General Fund because federally funded programs do not permit interest costs as an allowable cost. Your staff should keep this in mind when allocating insurance premium costs.

8. One of the audit procedures we do is to verify the number of units reported for the meals programs to ARMA by examining the supporting documentation. When I did the audit procedure to test the units reported for August, 1995, I had a difficult time verifying the units because the data had not been compiled in an orderly manner. The process had been improved by year end because I had no problem in verifying the June, 1996, units. The Director should spot check the data gathering and compilation process for units to determine that an efficient and accurate method is being used consistently.
9. The Legal contract and the Medical Team contract contain wording for a two year contract whereas these contracts operate on a year to year basis. I recommend you review these contracts and determine if the period they are covering is the period that you want covered. Otherwise, amend the contract to reflect the proper period.
10. I noticed at year end a lot of reclassification entries were made to move expenses out of the Council's primary programs and into the General Fund. This was done because certain programs may not have had any more grant money to spend. However, this is not necessary. I reversed many of these year end entries made by your staff to put the costs back into the programs to which they related. It is important to know what the program is costing the Council. Therefore, all direct costs of operating that program should be coded to their related program regardless of the amount of grant funds remaining. If the costs exceed the program's costs to exceed its revenue, then funds should be transferred from another program, if allowable, or the General Fund into the program where the deficit has occurred to eliminate the deficit. The same logic should be used in the budget process to make the data comparable.

---

Mrs. Koss and Mrs. Allen responded to my findings and recommendations favorably. There were not any disagreements with management during the audit relating to accounting principles.

I do not intend to issue a separate management letter because I believe the information in this report and my oral discussions with Mrs. Koss and Mrs. Allen to be sufficient.

# ST. TAMMANY COUNCIL ON THE AGING, INC.

INCORPORATED  
IN THE STATE OF LOUISIANA  
NOVEMBER 11, 1958

1001 PINEAPPLE AVENUE, SUITE 201  
MONROE, LOUISIANA 70132

FOR THE  
FISCAL YEAR  
ENDING 12/31/78  
STATE REPORT  
NUMBER 78-100  
DATE AND PLACE  
ISSUED: 1/11/79

December 12, 1978  
to Auditors  
Louisiana Law Audit Advisory Council  
P.O. Box 100  
Monroe, LA

**Dear Sirs:** In audits and communications made in the audit reports of St. Tammany Council on Aging for the period ending June 30, 1978,

### A Certain Excessed Budget Authorization in Some Instances

It was noted that business units where the budget amount for certain expenses was exceeded by more than 10% by the actual cost of the related expense categories in several programs.

**Findings:** Even though every effort was made to adjust line items and obtain necessary approval, some items were not within the budget. It is often impossible to predict certain and unexpected expenditures during the last quarter of the fiscal year when the final revision are due to the funding source. We will continue to work in this area to avoid these problems.

### The Fiscal Audit Subledger That Was Being Utilized and Reported To You June 30, 1978

**Findings:** The fiscal audit subledger had not been fully updated and reconciled.

**Response:** A complete necessary was being being for year end statements items were deleted and others added. We are flexible and will work with you to ensure that the monetary will be accurate and that reconciliation is for future. We will continue to work on this area and seek the advice of the auditors.

### Errors in Fund Account That With FEMA Were Found

**Findings:** As part of the audit, I compared the information on the fund reports submitted to FEMA on the fund year financial statements. I noted instances where several reports did not match on 7 Services, Title 49-1, Title 49-2, Senior Center, FEMA, Miscellaneous Grant, A&A, Title 49 Miscellaneous, FEMA, Fiscal Audit Inventory.

**Response:** In the future, the fund reports will be reviewed more thoroughly by the Director of Office to working funds in the funding source. The FEMA representatives will be a check on the fund reports for FY 79 to determine whether or not amended items.

**To:**

**Title:**

**Findings:**

**A review:**

**delivered to:**

**Response:**

**The subledger:**

**will be:**

**reconciled to:**

The request  
essentially do  
double check  
of revenue, &  
member costs  
where the CIA  
the first credit.

Sincerely,  
*Richard T. Bann*  
Richard T. Bann  
Executive Director

# ST. TAMMANY COUNCIL ON THE AGING, INC.

4041 ROSE FOR LANE, SUITE 414  
CORCORAN, LA 70007-0171  
800-800

516 COLLEGE STREET  
THERMIDOR, LA 70002  
504-782-5118

December 12, 1996



Louisiana Legislative Auditor  
ATTN: Legislative Audit Advisory Council  
Paton Rump, Louisiana

Dear Sir:

This is in response to findings and recommendations made in the audit report of St. Tammany Council on Aging's records for the period ended June 30, 1995.

### Actual Costs Exceeded Budget Authorizations in Some Instances

#### Finding:

There were some instances noted where the budgeted amount for certain expenses was exceeded by more than 100% by the actual cost of the related expense category in several programs.

#### Response:

Even though every effort was made to adjust line items and obtain necessary approval, some items were inadvertently overlooked. It is often impossible to project unmet and unexpended expenditures during the last quarter of the fiscal year when the final revisions are due to the funding source. We will continue to work in this area to avoid these problems.

### The Fixed Asset Subledger Had Not Been Fully Updated and Reconciled To The June 30, 1995 Balance.

#### Finding:

The fixed asset subledger had not been fully updated and reconciled.

#### Response:

A complete inventory was done during the year and numerous items were deleted and others added. The new director and staff will work together to ensure that the inventory will be accurate and that subledger are reconciled in the future. We will continue to work on this area and seek the advice of the auditor should questions arise.

### Errors In Final Reports Filed With GORSA Were Listed

#### Finding:

As part of the audit, I compared the information on the final reports submitted to GORSA with information that is on the general ledger. Listed instances where annual reports filed with GORSA as final reports for the fiscal year contained some errors. The reports affected are as follows: ARA, Title III-Supportive Services, Title III-C-1, Title III-C-2, Senior Center, FCOA, Miscellaneous Grant, Title III, Title IIIA, Outstations, USAAA, Fixed Asset Inventory.

#### Response:

In the future, the final reports will be reviewed more thoroughly by the director and the assistant director prior to sending them to the funding source. The GORSA representative will be contacted concerning the errors in the final reports for FY 96 to determine whether or not unexpended monies will need to be filed.

### Decision Costs Allocated To Title III-F Program Were Not Documented

#### **Finding:**

The Council allocated \$1,325 of decision costs to the Title III-F program. I only verified \$599 of the allocated costs through examination of supporting documentation.

#### **Response:**

In the future, the person responsible for reviewing invoices will pay close attention to how all expenses are coded by the accounting department and compare with necessary supporting documentation. We will work in this area to avoid any future problems.

### Vehicle Purchased With FTA Funds Being Improperly Used

#### **Finding:**

A vehicle that was purchased with federal funds under an FTA grant is being used to deliver home delivered meals under the Title III-C program.

#### **Response:**

The vehicle will be reallocated and a vehicle from the Council's private fleet (which has surpassed its useful life) will be used to deliver home delivered meals. In the future, any reallocation of vehicles will be closely monitored to prevent this from occurring.

\*\*\*

The suggestions made during the Exit Conference on August 18, 1996 were as follows: double check manually designed worksheets, cost allocation plan needs to be redesigned, payroll changes need to be double checked, vacation worksheets not being accurately prepared, CMA needs to identify all other sources of revenue, director's travelcost needs board approval, etc. We will prepare timesheet and travel reports, monitor contract terms and actual results with fund raising company more closely, be alert to situations where the CMA is over money. We have begun efforts to implement many of the recommendations made at the Exit Conference and we will continue our efforts to improve our internal control structure.

Sincerely,



Kristin T. Bass  
Executive Director

under provisions of state law, this report is a public document. A copy of this report has been submitted to the clerk of, or forwarded, sent by and other appropriate public officials. This report is available for public inspection at the Budget House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

FEB 13 1997

Release Date: \_\_\_\_\_