

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
RELATIVE TO FEDERAL AGENCY PROGRAMS
(continued)

4. The person entering accounts payable into the computer should be responsible for tagging fixed assets before the P/C/R is entered into the computer. The financial officer should verify that new fixed assets are tagged as part of the review of the monthly financial statements. The fixed asset subledger should be updated monthly and reconciled to the general ledger. A physical inventory should be taken on or about June 30 each year. COEA should be sent a copy of the fixed asset subledger.
5. All reports to grantor and funding agencies should be reviewed by someone other than the preparer. The Project Care and RSVF reports should be amended because the errors affect future periods.

Current Status: All recommendations were implemented. No additional auditor findings were noted during the FY97 audit in this area.

1996 Finding No. 3 (page 44-67 Fy 96 report):

Instances of Noncompliance Were Noted Relating to the RSVF Program.

- Conditions:
1. The Council should have submitted to COEA a final report of RSVF expenditures within 45 days of the close of the grant year. No report was submitted.
 2. Several reports were submitted late to The Corporation for National and Community Service.
 3. Amounts reported to The Corporation for National and Community Service were not correct for the December 31, 1995 and the June 30, 1996 reports.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
RELATIVE TO FEDERAL FINANCIAL PROGRAMS

(continued)

4. The current system of fixed asset management is to tag fixed assets when received, although this is not done on a consistent basis. A physical inventory of fixed assets was performed but the results were not reconciled to the books. A final list of fixed assets has not been submitted to SOGA. The fixed asset schedule was not updated nor reconciled prior to the audit.
5. (A) Project Care reports contain errors.
(B) Reports to SOGA contain errors.
(C) Reports to The Corporation for National and Community Service contained errors.

Recommendations:

These examples of failure to perform tasks that are part of the internal control structure can be cured by proper supervision and follow-up.

1. There were no recommendations for finding #1 because this account was closed and all other bank accounts were properly reconciled.
2. The payroll accountant should not enter time information from timesheets unless the supervisor has approved them. If this is unavoidable because of the demands of getting out the payroll, the employee's check should not be released until the timesheet has been approved.
3. The payroll accountant should review all personnel files to insure they comply with Federal law and council policy. The accounting supervisor should verify that payroll files are properly maintained through "spot checks".

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
RELATIVE TO FEDERAL AWARD PROGRAMS
(continued)

2. The Council's accounting software includes an Accounts Receivable module that is not being used. The auditor recommended the Council begin using this module to properly record and monitor its receivables. In addition, the auditor recommended people be assigned specific responsibilities in the process of billing, recording, collecting, and reconciling the transactions relating to the services mentioned above to eliminate control weaknesses.

Current Status:

1. The Council adopted the alternative recommendation under which the compliance officer has control of the rubber stamp and both the financial officer and the compliance officer review and initial supporting documentation.
2. Monitoring of accounts receivable improved in FY 97 but there were still some unresolved weaknesses in this area. The balances of eight receivables were corrected with credit adjustments. However, the total of these adjustments was not material to the financial statements as a whole. The Council began using the accounts receivable module in FY 98.

1996 Finding No. 3 (page 42-47 FY 94 report):

There is Evidence of Failure to Perform Tasks That Are a Part of the Internal Control Structure.

condition:

1. The payroll account had not been successfully reconciled.
2. In the auditor's detailed test of payroll, there were two instances where the supervisor's signature was not on the subordinate employee's timesheet.
3. In the auditor's test of personnel files, there were instances found where I-9 forms were not properly filled out, which

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
RELATIVE TO FEDERAL AGENCY PROGRAMS

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

June 10, 1997

DEPARTMENT OF HEALTH AND HUMAN SERVICES - ADMINISTRATION ON AGING

1996 Finding No. 2 (page 21-22 FY 96 report):

There Are Situations Where the Design of the Internal Control
Structure is Inadequate.

- condition:
1. PO/DVs are entered into the payables system and computer checks are processed for most disbursements. The checks are "signed" using a double-signature rubber stamp. The rubber stamp is under the control of the financial officer. The use of the rubber stamp eliminates the benefits of the double-signature requirement. Since the financial officer can approve PO/DVs, make journal entries to the accounting system, prepare the bank statement reconciliation, and has control of the signature stamp, there is a lack of segregation of duties.
 2. The Council lacks an adequate system to monitor accounts receivable.

- Recommendations:
1. Checks should not be released until the check and the underlying documentation is reviewed by two responsible people, at least one of whom is independent of the accounting function. The best method is to eliminate the rubber stamp and require two manual signatures. An alternative is to have the rubber stamp under the control of the compliance officer and to have both the accounting officer and the compliance officer review and initial the supporting documentation. The chief executive officer should review and initial the supporting documentation if checks need to be issued when the compliance officer or the finance officer is unavailable.

CORRECTIVE ACTION PLAN

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

June 30, 1997

To the following oversight agencies for audit:

Federal: U.S. Department of Health and Human Services -
Administration on Aging.

State: Legislative Auditor of the State of Louisiana; and
Governor's Office of Elderly Affairs.

East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana,
respectfully submits the following corrective action plan for the
year ended June 30, 1997.

Name and address of independent public accounting firm: Neil G.
Ferrari, CPA, 14481 Old Hammond Highway, Suite 4, Baton Rouge,
Louisiana, 70818.

Audit period: For the year ended June 30, 1997.

There were no findings mentioned on the June 30, 1997 schedule of
findings and questioned costs. Accordingly, no corrective action
plan is required to be submitted by the Council's management.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(continued)

7. The programs tested as major programs are as follows:

U.S. Department of Health and Human Services -
Administration on Aging:

Special Programs for the Aging:

- Title III, Part B - Grants for Supportive Services and Senior Centers; CFDA #93.044
- Title III, Part C-1 - Nutrition Services - Congregate Meals; CFDA #93.045
- Title III, Part C-2 - Nutrition Services - Home Delivered Meals; CFDA #93.045
- Title III, Part D - In-Home Services for Frail Older Individuals; CFDA #93.046, and
- Title III, Part F - Disease Prevention and Health Promotion Services; CFDA #93.043

8. The threshold for distinguishing Types A and B programs was \$100,000.

9. East Baton Rouge Council on Aging, Inc. was not determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no findings that are required to be reported in this section of the report.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDED PROGRAMS AUDIT

There are no findings that are required to be reported in this section of the report.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

June 30, 1997

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the East Baton Rouge Council on Aging, Inc.
2. No internal control matters relating to the audit of the general-purpose financial statements are reported in the "Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards."
3. No instances of noncompliance material to the general-purpose financial statements of the East Baton Rouge Council on Aging, Inc. were disclosed during the audit.
4. No internal control matters relating to the audit of the major federal award programs are reported in the "Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133."
5. The auditor's report on compliance for the major federal award programs for the East Baton Rouge Council on Aging, Inc. expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for the East Baton Rouge Council on Aging, Inc. are reported in Part C of this schedule.

SCHEDULE OF BEST ACTIVITIES

East Neice Group Council on Aging, Inc.
 Baton Rouge, Louisiana

For the Grant Year Ended December 31, 1998

Costs Incurred For BEST Were As Follows:

	<u>BUDGET</u>	<u>ACTUAL'S</u>	<u>Budget</u>	<u>Actual'S</u>
Volunteer Support	144,911	78,824	144,900	78,944
Volunteer Expense	<u>15,882</u>	<u>21,504</u>	<u>17,323</u>	<u>24,004</u>
Total costs incurred	160,793		162,223	
Costs paid with local match	<u>18,833</u>			
Costs remaining to be paid with The Corporation for National and Community Service and OGEA Funds	141,960			
Costs paid for with OGEA (State) funds received	120,223			
Costs paid with funds from The Corporation for National and Community Service	<u>21,737</u>			
	160,793			

SCHEDULE OF EXPENDITURES BY FEDERAL AGENCY

Elders Action League Council on Aging, Inc.
Elders League, Inc./Elders

For the year ended June 30, 1987

FEDERAL ORGANIZATION - (FEDERAL ORGANIZATION PROGRAM TITLE)	FEDERAL CPOA NUMBER	GRANT NUMBER	GRANT YEAR (MM/YY)	PROGRAM DOLLARS AMOUNT	FEDERAL REVENUE RECEIVED	FEDERAL EXPENSES
The Corporation for National and Community Service						
Direct Programs:						
Retired Senior Volunteer Program (RSVP)	44-000	44-000(10-01)	10/1986	\$ 40,000	\$ 0.000	\$ 40,000
Retired Senior Volunteer Program (RSVP)	44-000	44-000(10-01)	10/1987	40,000	0.000	40,000
Subtotal CPOA #44-000				80,000	0.000	80,000
Executive Vice-President for National and Community Service				40,000	0.000	40,000
US Department of Health and Human Services - Administration on Aging						
Passed through the Secretary's Office of Elderly Affairs						
Special Programs for the Aging:						
Title II, Part B -- Grant for Executive Services and Senior Centers	000001	001	00/0001	170,000	170,000	170,000
Title II, Part C -- Area Agency Administration	000001	001	00/0001	40,000	40,000	40,000
Title II, Part C -- ... - National Services -- Long-term Care	000001	001	00/0001	100,000	100,000	100,000
Title II, Part C -- ... - National Services -- Home-Delivered Meals	000001	001	00/0001	50,000	50,000	50,000
Subtotal CPOA #000001				360,000	360,000	360,000
Title II, Part C -- In-Home Services for the Elderly Individuals				0.000	0.000	0.000
Title III - Disease Prevention and Health Promotion Services				0.000	0.000	0.000
Total for U.S. Department of Health and Human Services				360,000	360,000	360,000
U.S. Department of Agriculture						
Passed through the Secretary's Office of Elderly Affairs						
Nutrition Program for the Elderly	1-0070	001	00/0001	100,000	100,000	100,000
Nutrition Program for the Elderly(2)	1-0070	001	00/0000	100,000	-	100,000
Subtotal CPOA #1-0070				200,000	100,000	100,000
Total federal grants				\$ 560,000	\$ 460,000	\$ 560,000

(c) There were \$100,000 of funds received but spent under the FY86 award. These funds were carried over to FY87 and spent this year.

Note A - Basis of Accounting - The accompanying Schedule of Expenditures of Federal Funds has been prepared using the modified accrual basis of accounting as contemplated under generally accepted accounting principles and reflects the same basis of accounting as that presented in the general purpose financial statements.

Note B - The Elders Action League-Council on Aging, Inc. defined year-through use of its federal awards to a calendar year during the fiscal year.

Note C - No federal awards were expended in the form of non-cash maintenance during the fiscal year.

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

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

For the year ended June 30, 1997

	Balance June 30, 1996	Additions	Deletions	Balance June 30, 1997
General fixed assets:				
Vehicles	\$ 81,847	\$ 4,000	\$ -	\$ 85,847
Office furniture and equipment	284,807	33,500	-	318,307
Computer software	18,500	3,270	-	21,770
Business equipment	85,271	15,114	-	100,385
Leasehold improvements	78,278	200	-	78,478
Capital leases	145,532	-	-	145,532
Land	82,800	-	-	82,800
Total general fixed assets	1038,935	\$ 46,284	\$ -	1085,219
Investment in general fixed assets:				
Property acquired with funds from -				
General funds and local donations	1418,188	\$ 38,955	\$ -	\$ 1457,143
Title III-B Administrative	3,788	-	-	3,788
Title III-B Supportive Services	350	-	-	350
BOVY	1,298	-	-	1,298
Elderstar Assistance	4,782	-	-	4,782
FOSS	2,308	-	-	2,308
Title III C-1	313	-	-	313
Title III C-2	543	-	-	543
Title III F	1,379	-	-	1,379
Funding information not maintained to identify fixed assets acquired before 1-1-83	317,383	-	-	317,383
In-kind from the general public	77,280	3,399	-	80,679
Total investments in general fixed assets	1473,581	\$ 42,354	\$ -	1515,935

Subtotal 3
and lower

Variance-
 Favorable
 (Unfavorable)

	<u>Budget</u>	<u>Actual</u>	
TITLE 131 F			
Salaries(*)	\$ 82,882	\$ 82,308	\$ 574
Prinops(*)	4,322	28,710	(24,388)
Travel(*)	1,558	2,862	(1,304)
Operating services	9,902	9,828	74
Operating supplies(*)	1,372	1,822	(450)
Other costs(*)	2,382	2,581	(199)
Full service	-	-	-
Grants	-	-	-
Capital outlay	-	-	-
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total Title 131 F	\$ 93,418	\$107,208	\$ 13,790
	<u>-----</u>	<u>-----</u>	<u>-----</u>
S.S.D.A.			
Transfers to Title 131 C-1	\$ 48,440	\$ 37,852	\$ 10,588
Transfers to Title 131 C-2	<u>88,282</u>	<u>88,887</u>	<u>(605)</u>
TOTAL S.S.D.A.	\$136,722	\$126,739	\$ 9,983
	<u>-----</u>	<u>-----</u>	<u>-----</u>
MOIST FUND			
Operating services	\$ 2,322	\$ 22,282	\$ 19,960
Total Moist Fund (*)	\$ 2,322	\$ 22,282	\$ 19,960
	<u>-----</u>	<u>-----</u>	<u>-----</u>
SENIOR CENTER			
Salaries(*)	\$ 78,421	\$ 78,281	\$ 140
Prinops	12,322	12,858	(536)
Transfers to Title 131 B	28,097	28,022	75
Transfers to Title 131 B	5,257	5,282	(25)
Transfers to Title 131 F	<u>74,851</u>	<u>68,228</u>	<u>6,623</u>
Total Senior Center	\$192,948	\$192,468	\$ 480
	<u>-----</u>	<u>-----</u>	<u>-----</u>

(*) Actual costs exceed budgeted costs by more than 10%. However, transfers were made from the General Fund to pay for the excess expenditures.

Schedule J
continued

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Disfavorable)
TITLE III C-1			
Salaries	2225,317	2215,938	9,379
Fringe	32,731	34,318	(1,587)
Travel**	1,884	1,800	84
Operating services	43,888	44,344	(456)
Operating supplies**	12,281	13,855	(1,574)
Other costs	5,729	5,898	(169)
Full service	-	-	-
Meals	-	-	-
Raw food	154,948	149,938	5,010
Non-edibles	32,238	29,415	2,823
Capital outlay	-	-	-
Total Title III C-1	<u>2404,812</u>	<u>2409,430</u>	<u>4,618</u>
TITLE III C-2			
Salaries	2121,381	2142,188	20,807
Fringe	29,605	32,488	(2,883)
Travel**	8,288	10,808	(2,520)
Operating services	26,751	27,888	(1,137)
Operating supplies**	5,288	6,568	(1,280)
Other costs	3,888	4,140	(252)
Full service	-	-	-
Meals	-	-	-
Raw food	83,820	89,847	(6,027)
Non-edibles	17,488	17,894	(406)
Capital outlay	-	-	-
Total Title III C-2	<u>2297,482</u>	<u>2328,824</u>	<u>(31,342)</u>
TITLE III D			
Salaries	2 11,840	2 5,948	1 6,092
Fringe	2,855	3,140	(285)
Travel	487	465	22
Operating services	1,318	874	444
Operating supplies	344	84	260
Other costs	84	37	47
Full service	-	-	-
Meals	-	-	-
Capital outlay	-	-	-
Total Title III D	<u>2 17,711</u>	<u>2 7,846</u>	<u>1 9,865</u>

(*) Actual costs exceed budgeted costs by more than 10%. However, transfers were made from the General Fund to pay for the excess expenditures.

EAST BATON ROUGE COMMISSION ON AGING, INC.
BATCH BOOK, LOUISIANA

SCHEDULE OF EXPENDITURES - BUDGET VS ACTUAL - GRANTS PROVIDED
THROUGH THE LOUISIANA GOVERNOR'S OFFICE OF ELDERLY AFFAIRS (GOGA)

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance-</u> <u>Plus/Minus</u> <u>(Enclosed/Over)</u>
<u>FOGA - ACT 135</u>			
Transfers out to 101 B	\$18,308	\$18,308	\$ -
Total FOGA	\$18,308	\$18,308	-
<u>TITLE III B SUPPORTIVE SERVICES</u>			
Salaries	\$233,718	\$281,887	\$ 48,169
Fringe	44,000	43,493	781
Travel	9,424	10,803	1,379
Operating services	32,413	24,368	8,045
Operating supplies(*)	3,789	4,358	1,569
Other costs	2,888	2,319	1,167
Field service	50,598	50,598	-
Meals	-	-	-
Capital outlay	-	-	-
Total Title III B Supportive Services	\$377,820	\$468,327	\$ 90,507
<u>TITLE III C - ASA</u>			
Salaries	\$13,483	\$13,483	\$ -
Fringe	4,118	4,118	-
Travel	525	525	-
Operating services	18,389	18,389	-
Operating supplies	2,801	2,000	-
Other costs	1,270	1,118	-
Field service	-	-	-
Meals	-	-	-
Capital outlay	-	-	-
Total Title III C - ASA	\$39,586	\$39,609	\$ -

(*) Actual costs exceeds budgeted costs by more than 20%. However, transfers were made from the General Fund to pay for the excess expenditures.

ADMINISTRATIVE EXPENSES

For the Six Months Ended 30/9/2022

	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	Total
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
RESEARCH AND DEVELOPMENT															
Staff	1,599,357	1,447,651	2,283,089	2,133,661	2,498,860	2,387,110	2,886,881	2,789,670	2,873,798	2,802,142	2,987,594	2,970,713	2,970,713	19,792,118	19,792,118
Materials	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963
Travel	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Contract research and development	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651
Professional fees	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	11,506,480	11,506,480
Depreciation and amortization	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	17,502,420	17,502,420
SG&A															
Staff	1,586,953	1,428,233	2,274,962	2,125,526	2,498,860	2,387,110	2,886,881	2,789,670	2,873,798	2,802,142	2,987,594	2,970,713	2,970,713	19,792,118	19,792,118
Materials	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963	10,963
Travel	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Contract research and development	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651	23,651
Professional fees	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	1,150,648	11,506,480	11,506,480
Depreciation and amortization	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	1,750,242	17,502,420	17,502,420
GENERAL ADMINISTRATIVE															
Staff	1,200,000	1,100,000	1,200,000	1,100,000	1,200,000	1,100,000	1,200,000	1,100,000	1,200,000	1,100,000	1,200,000	1,100,000	1,200,000	11,000,000	11,000,000
Materials	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Travel	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Contract research and development	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Depreciation and amortization	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
FINANCIAL															
Staff	1,000,000	900,000	1,000,000	900,000	1,000,000	900,000	1,000,000	900,000	1,000,000	900,000	1,000,000	900,000	1,000,000	9,000,000	9,000,000
Materials	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Travel	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Contract research and development	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Professional fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Depreciation and amortization	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
NON-RECURRING															
Other	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	10,000,000	10,000,000
Total	12,800,000	11,500,000	13,500,000	12,500,000	14,500,000	13,500,000	15,500,000	14,500,000	16,500,000	15,500,000	17,500,000	16,500,000	18,500,000	160,000,000	160,000,000

RECORDS OF INVESTMENT (GENERAL INVESTMENT)
FOR THE YEAR ENDED JUNE 30, 1997

EXHIBIT 1

Program of the General Fund

Account	POD	Change by	Fund	Revised	Entity	State	Inter- and	Inter- and	Inter- and	Total
				Year		Transfers	Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
							Intra- and	Intra- and	Intra- and	
General	10,000	-		10,000						
Salaries	14,110	-		14,110						14,110
Fringe	14,110	-		14,110						14,110
Fuel	14,110	-		14,110						14,110
Printing	14,110	-		14,110						14,110
Operating supplies	14,110	-		14,110						14,110
Office supplies	14,110	-		14,110						14,110
Materials	14,110	-		14,110						14,110
Communication	14,110	-		14,110						14,110
Professional services	14,110	-		14,110						14,110
Interest	14,110	-		14,110						14,110
Capital outlay	14,110	-		14,110						14,110
Depreciation	14,110	-		14,110						14,110
Transfer to other funds	14,110	-		14,110						14,110
Total expenditures	14,110	-		14,110						14,110
Total revenues		14,110								
Excess (shortage) over total expenditures		14,110								14,110
Change in inter-fund receivable payable										
Operating transfers to		-								
Operating transfers to		14,110								
Operating transfers to		-								
Change in inter-fund receivable payable		14,110								14,110
Total revenues		14,110								
Excess (shortage) over total expenditures		-								
Beginning of year										
End of year										

STATE BUDGET BOARD REPORT - BY SOURCE, BY
SCHEDULE OF PROGRAMS/FUNDS, EXPENDITURES AND REVENUES (continued) - GENERAL FUND
For the year ending June 30, 1997

Schedule 1

REVENUES OF THE DISTRICT FUND

Source	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
REVENUES																
State Tax	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474	2,564,474
Local Sales Tax	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Income Tax	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
State Grants	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Grants	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
State Lottery	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Lottery	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
State Interest	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Interest	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
State Miscellaneous	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Miscellaneous	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total revenues	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000

EXPENDITURES - (CONTINUED ON NEXT PAGE)

Category	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
State Grants	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Grants	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
State Lottery	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Lottery	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
State Interest	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Interest	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
State Miscellaneous	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Local Miscellaneous	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total expenditures	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000

SUPPLEMENTARY FINANCIAL INFORMATION

Note 22 - Change in Accounting Principle - Deferred Compensation -
(continued)

and their beneficiaries. Existing plans are required to comply with the requirement by January 1, 1998.

As a result of the tax law change, the Council's deferred compensation plan was modified to comply with the new IRS requirements as of September 30, 1998. Accordingly, as required by Governmental Accounting Standards Board Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", the Council no longer shows the investment in deferred compensation and the offsetting deposits and accrued amounts as assets and liabilities on its combined balance sheet. This accounting change had no effect on the beginning fund balance of the fiscal year 1997 financial statements.

Note 23 - Subsequent Events

As of June 30, 1997, the Council had been notified by its Medicare Intermediary, Palmetto Government Benefits Administrators (Palmetto), that \$10,507 had been withheld from payments to the Council's Waiver Aid program because of reporting errors from 1994. However, this amount was included in the June 30, 1997, accounts receivable because the Council expected to resolve these reporting questions.

After year end, Palmetto made another tentative adjustment to the December 31, 1996, cost report that, if finalized, would result in the Council owing Medicare \$67,401. Accordingly, Palmetto began withholding money for current services provided by the Council to repay this amount.

As a result of these questioned costs, the Council resubmitted the cost reports for 1994, 1995, and 1996. In letters dated November 13 and 14, 1997, Palmetto informed the Council that, after reviewing the new cost reports, Medicare actually owed the Council's Waiver Aid program \$18,823 for 1994 and \$35,823 for 1995. In addition, on November 28, 1997, Palmetto confirmed that the tentative adjustment for 1996 was removed and that all funds withheld from current services due to this adjustment would be repaid.

Of the \$54,646 additional reimbursements for 1994 and 1995, only the \$10,507 that was withheld during fiscal year 1997 is included in the June 30, 1997, accounts receivable balance. The remaining \$44,139 has not been accrued as a receivable because it was not measurable by and available to the Council at year end.

Note 20 - Risk Management

The Council is exposed to various risks of loss related to torts; thefts 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. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 21 - IRC Section 125 Cafeteria Plan

In January, 1992, the Council established an Internal Revenue Code Section 125 "cafeteria" plan for its full-time employees. Under this plan an eligible employee can elect to have a portion of his/her compensation reduced to pay for personal health insurance, dental insurance, and/or disability insurance that the employee would normally have to pay with "after tax" compensation. Participation in this plan is at the option of each full-time employee.

Note 22 - Change in Accounting Principle - Deferred Compensation

The council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all council employees and permits them to defer a portion of their salary until future years. Participation in the plan is at the employee's option. The deferred compensation is not available to participating employees until termination, retirement, death or unforeseeable emergency.

When the plan was created, Internal Revenue Code Section 457 required that all amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the council subject only to the claims of the Council's general creditors. Participants' rights under the plan were equal to those of the general creditors of the council in an amount equal to the fair market value of the deferred account for each participant.

Internal Revenue Code Section 457 was amended as of August 20, 1996 to state that new plans will not be considered eligible plans until all assets and income of the plan are held in trust for the exclusive benefit of the participants

Note 18- Judgments, Claims, and Similar Contingencies - (continued)

In fiscal year 87, a current employee sued the Council as a co-defendant with Louisiana Workers' Compensation Corporation (LWCC) for failure to pay some of the medical bills she incurred due to an on-the-job injury. Management for the Council believes any liability for the employee's medical bills is a liability of the insurance company of the person (non-council employee) who injured the plaintiff and/or LWCC, and that the Council is without liability in this matter.

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. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, in its management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

Note 19 - Economic Dependency

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

Note 16 - In-Kind Donations - (continued)

In-kind fixed assets:

1988 Dodge Van	4,200
Office equipment	<u>1,155</u>
Total in-kind capital assets	<u>5,355</u>
Total in-kind contributions	<u>\$998,879</u>

The Council received additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

Note 17 - 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.

The Council does not file a Form 990 because it has been determined to be an "affiliate of a governmental unit" within the meaning of Section 4 of Revenue Procedure 95-48, 1995-2 C.B. 418.

Note 18 - Judgments, Claims, and Similar Contingencies

On September 8, 1999, the Council was sued by a former employee who alleged employment discrimination by the Council. Discovery responses were made in January, 2000, but no action has been taken since that time. In a separate matter, on March 2, 1999, the Council was sued by another former employee who claims that the Council defamed her and wrongfully discharged her from her job. This employee seeks to recover lost wages and other benefits as a result of her claim. Management and the attorney for the Council believe there is no merit to either of the above claims and that the Council will prevail in its defense of these lawsuits without liability.

Note 15 - 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 16 - In-Kind Donations

The Council received \$100,079 in various in-kind contributions during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income.

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

In-kind services and facilities:

The Council's main office facility was furnished by the City of Baton Rouge for \$1.00 per year. Janitorial services and maintenance workers are also included.	\$120,140
Senior center/meal site facilities and health screening sites are furnished to the Council without charge.	120,000
Community service workers perform services in the kitchen for the meal programs that would have to be performed by paid employees if the community service workers were not available.	10,941
The City of Baton Rouge provides postage to the Council.	3,176
Other donated services.	_____162
Total in-kind services and facilities	\$254,219

Note 14 - Interfund Transfers

Operating transfer in and out are listed by fund for fiscal year 1997 as follows:

	Operating Transfers <u>In</u>	Operating Transfers <u>Out</u>
General Fund:		
Local	\$	\$310,385
FOOD	"	98,888
Public Relations	83,800	-
Medicaid Waiver	43,895	-
Grants Health	-	48,303
Assessments and Case Management	<u>922</u>	<u>-</u>
Total general fund	<u>148,622</u>	<u>315,426</u>
Special Revenue Funds:		
Title III B	90,177	-
Title III C-1	98,360	-
Title III C-2	118,642	-
Title III D	1,083	-
Title III F	98,380	-
U.S.D.A.	-	184,399
Audit	13,639	-
Senior Center	798	102,629
SEVP	<u>21,131</u>	<u>-</u>
Total special revenue funds	<u>438,152</u>	<u>287,428</u>
Total all funds	<u>\$586,774</u>	<u>\$602,854</u>

Note 12 - Operating Leases

On September 1, 1992, the Council entered into a lease with the City of Baton Rouge for the building that houses the Council's main office at 1790 Florida Boulevard, Baton Rouge, Louisiana. The terms of this lease require annual payments of \$1,500 per year. The Council is responsible for utilities, normal repairs and maintenance, and liability, fire and casualty insurance.

At June 30, 1997 the Council also had a long-term lease for a photocopy machine as follows:

Term	Monthly Payment
12-01-92 to 11-30-97	\$281.67

Future minimum lease payments for the photo copy machine are as follows:

Year Ended June 30	Amount
1998	\$ 1,408

Total rent expense was \$2,706 for the year ended June 30, 1997.

Note 13 - 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.

The interfund loans at June 30, 1997 were as follows:

	General Fund	Special Revenue Fund- 199A
Due from the 199A Fund	\$27,630	
Due to the General Fund		\$27,630

Note 10 - Capital Lease Obligations - (continued)

- A lease-purchase agreement of a copy machine consisting of the following terms:

Monthly Payment	Number of Months	Lease Term	Imputed Interest Rate
\$473.74	60	06-01-98 to 06-01-01	14.40%

Future minimum lease payments, by year and in the aggregate, are as follows:

Year Ended June 30,	Amount
1998	\$ 19,939
1999	15,360
2000	13,225
2001	<u>2,286</u>

Total minimum lease payments remaining \$107,258
Less: Imputed Interest (19,282)

Present value of net minimum lease payments at June 30, 1997 \$ 87,976

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 the general long-term debt account group.

	Balance 01/01/98	INCREASE	DECREASE	Balance 6/30/97
Unaudited Variation				
Lease	\$ 64,343	\$ 18,040	\$ -	\$ 82,383
Notes Payable	17,874	-	33,614	1,456
Capital Lease Obligations	<u>112,789</u>	<u>-</u>	<u>33,628</u>	<u>87,173</u>
	<u>\$194,899</u>	<u>\$ 18,040</u>	<u>\$ 33,628</u>	<u>1056,624</u>

Note 10 - Capital Lease Obligations - (continued)

- A lease-purchase agreement of voice mail equipment consisting of the following terms:

Monthly Payment	Number of months	Lease Term	Imputed Interest Rate
\$487.50	60	03-11-94 to 03-11-99	11.55%

At the end of the lease period, the equipment can be purchased for \$1.00.

- A lease-purchase agreement of additional voice mail equipment consisting of the following terms:

Monthly Payment	Number of months	Lease Term	Imputed Interest Rate
\$110.40	60	08-21-98 to 08-21-99	13.76%

At the end of the lease period, the equipment can be purchased for \$1.00.

- A lease-purchase agreement of equipment for the Council's Accountability Plus system consisting of the following terms:

Monthly Payment	Number of months	Lease Term	Imputed Interest Rate
\$1,483.80	60	10-23-98 to 10-23-00	12.60%

At the end of the lease period, the equipment can be purchased for \$1.00.

Note 8 - Advances from Funding Agencies

This account represents funds, received in excess of allowable expenditures, that may need to be returned to the funding agency if the funds are not spent per the grant award and/or by a specified time. The advances are as follows:

<u>Fund</u>	<u>Grant Year Ended</u>	<u>Grantor Agency</u>	<u>Amount</u>
RFFP	12-31-97	OSHA	\$ 8,701
RFFP	12-31-97	OSHA	<u>6,688</u>
Total advances from funding agencies			<u>\$15,389</u>

Note 9 - Notes Payable

On March 10, 1994 the Council obtained a bank loan to purchase three Dodge cargo vans. The terms of the loan are as follows:

<u>Amount Received</u>	<u>Due Date</u>	<u>Monthly Payment</u>	<u>Interest Rate</u>	<u>Unpaid at 06-30-97</u>
\$48,847.18	09/22/97	\$1,826.40	7%	\$0,458

Future principal payments under this note are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
1998	<u>\$1,658</u>

Note 10 - Capital Lease Obligations

During the year ended June 30, 1997, the council had the following capital leases:

- A lease-purchase agreement of a phone system consisting of the following terms:

<u>Monthly Payment</u>	<u>Number of Months</u>	<u>Lease Term</u>	<u>Imputed Interest Rate</u>
\$717.43	60	03-17-94 to 03-17-99	10.75%

Note 6 - Prepaid Expenses

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

Prepaid expenses consisted of the following at June 30, 2007:

Prepaid insurance	\$ 1,944
Advance payments on capital lease obligations	<u>2,058</u>
	<u>\$ 4,002</u>

Note 7 - Changes in Fixed Assets

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

	Balance 6/30/06	Additions	Adjustments and Deletions	Balance 6/30/07
Vehicles	\$ 41,347	4,000	-	\$ 45,347
Office furniture & equipment	104,487	20,380	-	124,867
Computer software	18,340	1,378	-	19,718
Business equipment	48,371	18,134	-	66,505
Leasehold improvements	78,078	385	-	78,463
Capital lease equipment	162,532	-	-	162,532
Land	<u>92,000</u>	<u>-</u>	<u>-</u>	<u>92,000</u>
Totals	<u>\$435,055</u>	<u>\$44,787</u>	<u>\$ -</u>	<u>\$480,842</u>

current year additions include \$4,385 of in-kind contributions of fixed assets.

Note 4 - Investments - (continued)

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 did not have any funds which it considered as an investment for financial statement presentation purposes at year end.

Note 5 - Grants Receivable and Accounts Receivable

Grants receivable at June 30, 1997, consisted of reimbursements for expenses incurred or revenues earned under the following programs:

<u>Program</u>	<u>Provider</u>	<u>Fund</u>	<u>Amount</u>
U.S.B.A.	GOBA	Special Revenues	\$27,430 *****

Accounts receivable at June 30, 1997 for General Fund programs consisted of the following:

<u>Program</u>	<u>Provider</u>	<u>Amount</u>
Grants Aid	Medicare	\$ 51,039
Grants Aid	Medicaid	2,157
Medicaid Waiver	Medicaid	21,696
Grants Meals	N/A	22,410
Assessment/Case Management	N/A	973
Local	N/A	2,413
Public Relations	N/A	8,268
Wellness Program	N/A	1,328
Total		\$ 93,486 *****

Note 3 - Cash - (continued)

presentation purposes because it is designed to be highly liquid to give the Council immediate access to its account balance. The third consolidated account is used only for payroll purposes.

The carrying amount of the Council's cash accounts at June 30, 1997 was \$488,528 whereas the related bank balances totaled \$588,528. The difference in these amounts relates to checks written on demand deposit accounts which have not yet cleared the bank accounts and petty cash of \$100. The following table is a summary of the Council's bank balances at June 30, 1997, presented in three levels of credit risk.

	<u>Bank</u> <u>Balance</u>
Category 1	\$188,000
Category 2	"
Category 3	<u>400,528</u>
Total	<u>\$588,528</u>

Category 1 includes bank balances which are insured by Federal depository insurance or collateralized with securities held by the Council or its agent in the Council's name. Category 2 includes bank balances which are collateralized with securities held by the pledging financial institution's trust department or agent in the Council's name. Category 3 includes bank balances which are uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Council's name.

Note 4 - 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.

Note 2 - Revenue Recognition - Intergovernmental, Program Service Fees, Public Support, Special Events, and Miscellaneous Revenues

Intergovernmental

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). Intergovernmental grants do not allow the Council to recognize revenue until the grant award until actual costs are incurred or units of service are provided. However, funds received from the City of Baton Rouge are not subject to revenue recognition restrictions.

Program Service Fees

Program service fees are recognized when the Council provides the service that entitles the Council to charge the recipient for the services received.

Public Support, Special Events, and Miscellaneous Revenues

The timing and amounts of the receipts of public support, special events, and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenues in the period received.

Note 3 - Cash

The Council maintains three consolidated bank accounts. The consolidated accounts are available for use by all funds. The primary purpose of the consolidated accounts is to reduce administrative costs and to facilitate cash management. The consolidated accounts also allow these funds with available cash resources to cover any negative cash balances in other funds. One consolidated bank account is an operating account, which is used to deposit monies collected and pay bills. Bank balances in excess of \$10,000 in this account are automatically transferred into a second account (short-term investment) at the bank. These excess funds are invested overnight in United States Treasury notes and/or bonds. Money from the short-term investment account is automatically transferred back to the operating account when checks are presented for payment. The short-term investment account is included in cash for financial statement.

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

n. Inventory:

Inventory is valued at cost using the first-in, first-out method. Inventory consists of food and kitchen supplies which have not been consumed as of year end and of resource materials purchased for resale as part of the Wellness Partners Program. Amounts reported as inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

o. Prepaid Expenses:

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

p. Trademarks and Copyrights:

The Council on Aging paid \$25,000 for use of the Wellness Partners' name and \$6,847 for the copyrights to certain Wellness Partners' materials. Management has estimated the useful life of these assets to be five years. Accordingly, they are being amortized on a straight line basis over five years. Amortization expense for FY 97 was \$1,580.

q. 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 1 - Summary of Significant Accounting Policies - (continued)

k. Related Party Transactions:

An outside agency has written a draft of a book about Fundraising for non-profit organizations based on ideas provided by Sharon LaFleur, the Council's chief executive officer, and Donna Spayde, an executive assistant. Costs of writing the book will be paid by the East Baton Rouge Council on Aging, Inc. The copyright to the book will be held by the Council, or its designee, and the Council will receive a 80% royalty from the sale of any books. Sharon LaFleur and Donna Spayde will each receive a 20% royalty. No royalties were received during the fiscal year.

Sharon LaFleur has granted the Council a usufructuary of her 1984 Lincoln stretch limousine during daytime hours on Monday through Friday of each week. In return for the use of this vehicle, the Council has agreed to provide, at its expense, insurance coverage, maintenance and repairs, and gasoline while it is being operated for the Council's purposes.

There were no other significant related party transactions during fiscal year 1987.

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

m. Reservation and Designations of Fund Balances:

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

Designated allocations of fund balances result when the Council's management intends to expend certain resources in a designated manner. There were not any designated fund balances at year end.

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

3. Compensated Absences:

Full time employees earn vacation leave beginning with the first full month of employment at the rate of one day per month. Vacation leave increases with each year of employment, according to the following schedule:

<u>Years of Employment</u>	<u>Days Earned</u>
1	13
2	13
3	14
4	15
5	14
6	17
7	18
8	19
9	20
10 and over	21

Beginning June 15, 1990, no more than 5 days of vacation leave may be carried over at the end of a calendar year. Prior to June 15, 1990, any earned and unused vacation leave had no expiration date as to when it had to be used. Payment of any vested vacation leave is made by the council upon job termination of an employee for any reason.

For governmental fund types, the Council's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. The liability has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. An amount is added to this total for social security and Medicare taxes. Accrued vacation benefits will be paid from future year's resources and will be recorded as fund expenditures in the various governmental funds in the year in which they are paid. The Council's sick leave policy does not provide for the vesting of sick leave whereby an employee could be entitled to payment for any accrued portion upon termination.

Note 2 - Summary of Significant Accounting Policies - (continued)

g. Budget Policy - (continued)

- Expenditures cannot legally exceed appropriations on an individual fund level.
- The primary budget requirement under the RMTV program's grant from The Corporation for National and Community Services is that the ratio of volunteer expenses to total program expenses must equal or exceed the ratio in the approved budget.
- The City of Baton Rouge, Louisiana, does not require the Council to submit a budget to receive the annual allocation of funds the Council receives from it. Hence, this money is totally unrestricted as to its use.
- The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

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.

i. Fixed Assets:

All fixed assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets. As of June 30, 1997, the Council had recorded \$61,605 of donated fixed assets in its financial statements.

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

g. Budget Policy - (continued)

- The Council's financial and compliance officers prepare a proposed budget and then submit 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 comprehensive budget is forwarded to GOEA for its approval.
- Budgetary appropriations for grants awarded the Council by GOEA lapse at the end of each fiscal year (June 30) and at December 31 for the grant award from The Corporation for National and Community Service for the RISE program. Occasionally, the Council will receive a special project grant which may operate on a period different from the Council's normal fiscal year and, therefore, have a specified date where the budgetary appropriation will lapse.
- 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 awarded budget amounts as approved by the Council's Board of Directors and GOEA. One amendment was made to the original budget during fiscal year 1997.
- 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, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceed the budgeted amount by more than 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.

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

e. Basis of Accounting: - (continued)

Governmental and agency 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, except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

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:

For the fiscal year ended June 30, 1987, the Council used the following procedures to derive the budgetary data which has been presented in Exhibits C and D of 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. GOEA awards funds using the same fiscal year as the Council, except for the NSWP program award which is on a calendar year.
- The Council may also obtain grants from agencies other than GOEA and the Council considers the potential revenues to be earned under these grants.
- Projections are made of revenues from the City of Eaton Ridge, program service fees, special events, public support, and miscellaneous sources based on past trends and data available to form expectations of future revenues.

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

d. Account Groups:

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

General Fixed Assets

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

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations. Principal and interest payments on long-term liabilities (bank loans and capital lease obligations) are accounted for in the General Fund because the Council intends to use unrestricted resources to pay them and no legal mandate exists to establish a debt service fund.

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.

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

v. 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 Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program reimburses the service provider about 88 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.

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. The Council operates 4 senior centers in East Baton Rouge Parish, Louisiana.

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

a. Fund Accounting: - (continued)

■ Special Revenue Funds - (continued)

Title III-C-2 Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home-delivered meals to homebound older persons. Title III C-2 funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. During the fiscal year July 1, 1995 to June 30, 1997, the Council served about 48,000 home delivered meals.

Title III-D Fund

The Title III-D 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-D funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III-E Fund

The Title III-E Fund is used to account for funds used for disease prevention and health promotion activities or services, such as: (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/counseling, 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-E funds are provided by the U.S. Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

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

c. Fund Accounting: - (continued)

• Special Revenue Funds - (continued)

Title III-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 outreach for the elderly. Title III-B supportive Services funds are provided by the United States Department of Health and Human Services - Administration on Aging through the 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 (AAA) Fund is used to account for some of the administrative costs associated with operating the Special Programs for the Aging. Title III-C administrative funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. These funds are used to help pay for some of the administrative costs associated with the Title III and Senior Center programs.

Title III C-3 Fund

The Title III C-3 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-3 funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. During the fiscal year July 1, 1988 to June 30, 1989, the Council served about 118,000 congregate meals.

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

c. Fund Accounting: - (continued)

Assessments and Case Management

The Council performs health assessments and case management services for elderly people for certain corporations and receives a fee for these services.

Palloosa Partners

During FY 87, the Council acquired an inventory of resource materials designed to be used to provide preventive health services to the elderly as described in Title III, Part F of the Older Americans Act of 1965 as amended October, 1982. The Council is marketing its services and these materials to other councils on aging and businesses.

Local Transportation(FISH)

The local transportation program provides transportation to medical and social service facilities for needy citizens of any age who cannot get this type of help from other agencies. Previously, these services were provided by another local non-profit agency called FISH of Baton Rouge. However, the local United Way agency withdrew its funding of FISH and, accordingly, FISH merged with the Council on Aging on October 1, 1986.

■ 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 funds comprise the Council's Special Revenue Funds:

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

g. Fund Accounting: - (continued)

• General Fund - (continued)

Public Relations

The Council uses its public relations program to inform and educate the community about the Council's services and programs. Some of the specific services provided under this program are as follows:

- The Council publishes a resource guide, "Flatiron Plus", to provide information about community services related to senior citizens.
- The Council's newspaper, "The Flatiron Record", is published and distributed monthly to approximately 12,000 homes in East Baton Rouge Parish to inform readers about the Council's activities and provide information to help elderly people.
- The Council sponsors special events, such as, Ageless Expos, to give people information about the community resources for the elderly.

Medicaid Waivers

The Medicaid Waiver program provides homemakers and Medicaid services for up to 32 hours per week to qualified participants. The Council is paid a fee by Medicaid to perform these services.

Grande Meals

Grande Meals include congregated meals sold to organizations, guest meals sold at C-1 congregated meal sites, and meals delivered to the homes of persons who are homebound and willing to pay the full cost of the meal. Any revenues in excess of expenditures to operate this program are transferred, as needed, to the Title III C-1 and C-2 programs to supplement their costs of providing meals.

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

c. Fund Accounting: - (continued)

• General Fund - (continued)

Local - (continued)

- The Council sponsors special activities for senior citizens such as an annual fishing rodeo, an Easter party, a Christmas party, and tea dances.
- The Council provides health screening services and flu shots to enable senior citizens to prevent or detect health problems.
- The Council provides a consignment store, called the Crafts of Distinction, to enable senior citizens to market their crafts.

Local funds are also provided as transfers to special revenue funds to supplement these programs. In addition, most of the fixed asset additions are paid for with local funds.

FOGA

FOGA (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 (OOEA). The Council may use these "Act 735" funds at its discretion. During fiscal year 1997, all FOGA funds were used to supplement the Title III B programs.

Grande Aid

Grande Aid provides quality home health care for noncovered elderly patients. Any person who has a doctor's prescription for home health care services is a candidate for Grande Aid. Grande Aid is licensed by the State of Louisiana and is certified by Medicare and Medicaid.

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

e. Fund Accounting: - (continued)

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

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

• General Fund

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the general fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the Council's general fund:

Local

The Council sponsors a variety of programs to serve its elderly clientele as part of the local component of the General Fund. Some of the more significant programs are as follows:

- The Council collects donations for blankets and fans and distributes these items to senior citizens.
- The Council operates a Senior Net Learning center where computer classes are held for the purposes of training and enhancing the computer skills of senior citizens.

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

b. Basis of Presentation for the Financial Statements:

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

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

c. Fund Accounting:

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

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

NOTES TO FINANCIAL STATEMENTS

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

June 30, 1997

Note 1 - Summary of Significant Accounting Policies.

a. Reporting Entity:

In 1964, the State of Louisiana passed Act 556 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 East Baton Rouge Council on Aging, Inc. is a non-profit, quasi-public corporation which must comply with the policies and regulations established by the Governor's office of Elderly Affairs, the state agency which provides the Council with most of its revenues. Other entities that provide the Council with federal, state, or local funds may impose some additional requirements.

The primary function of the East Baton Rouge Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Some of the services provided by the Council include congregate and home delivered meals, health care services, nutritional education, information and referral, legal assistance, homecare, operating senior centers, discount services, and outreach. A Board of Directors, consisting of 11 voluntary members who serve three-year terms, governs the council.

Before January 1, 1992, the Council operated as part of the City of Baton Rouge. Effective January 1, 1992, the Council began operating as a stand-alone entity, responsible for managing all of its affairs. It is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the Council has presented its financial statements as a separate special-purpose government.

EAST BAYOU HOUSE COUNCIL ON AGING, INC.
BAYOU ROUGE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND FINANCIAL POSITION BALANCE SHEET (DEFICIT)
PERIOD 1966-1967 PERIOD AND RETURN - SPECIAL REVENUE FUND

For the year ended June 30, 1967

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$1,200,000	\$1,204,480	\$ 44,480
Public support	100,000	144,900	(44,900)
Special events	-	2,728	2,728
In-kind contributions	228,280	218,040	10,240
Total revenues	1,428,280	1,569,148	140,868
EXPENDITURES			
CURRENT:			
Salaries	630,157	676,430	(46,273)
Fringe	100,260	130,440	(30,180)
Travel	20,880	30,087	(9,207)
Operating services	140,370	156,421	(16,051)
Operating supplies	24,800	33,676	(8,876)
Other costs	20,120	13,100	7,020
Fuel service	10,100	10,100	-
Rents	291,880	288,438	3,442
Utility assistance	80,000	67,120	12,880
Subgrants	20,000	20,000	-
In-kind expenditures	228,280	218,040	10,240
Total expenditures	1,889,307	1,812,702	76,605
Excess of revenues over (under) expenditures	(461,470)	(243,554)	(217,884)
OTHER FINANCING SOURCES USED:			
Operating transfers in	310,480	610,107	300,627
Operating transfers out	(130,000)	(200,000)	(70,000)
Excess of revenues and other resources over (under) expenditures and other uses	-	(63,373)	\$ (63,373)
FIN. BALANCE			
Beginning of year	100,000	100,000	-
End of year	\$ 100,000	\$ 43,648	-

The accompanying notes are an integral part of this statement.

EAST BAYOU WASTE SYSTEMS, INC.
 EAST BAYOU, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 DEFICIT (GAAP BASIS) AND RETAIN - GENERAL FUND

For the year ended June 30, 1987

	Budget	Actual	Variance Favorable (Disadvantage)
REVENUES			
Intergovernmental	\$ 147,815	\$ 197,793	\$ (49,978)
Interest income	8,300	18,423	10,123
Public support	60,381	33,982	(26,399)
Process service fees	183,833	213,833	30,000
Special events	33,600	13,150	(20,450)
Miscellaneous	83,400	98,323	14,923
Included contributions	68,800	71,838	3,038
TOTAL REVENUES	3,582,400	1,874,388	(1,708,012)
EXPENDITURES			
Current:			
Salaries	824,848	881,384	56,536
Fringe	123,457	96,094	(27,363)
Travel	15,408	14,994	(414)
Operating supplies	388,383	380,787	(7,596)
Operating supplies	47,838	38,098	(9,740)
Other costs	44,047	383,968	339,921
Debit	18,430	23,743	5,313
Capital outlay	38,080	38,080	0
Debt service	53,750	53,750	0
De-listed expenditures	68,800	71,838	3,038
Total expenditures	1,818,483	1,388,808	(429,675)
Excess of revenues over (under) expenditures	167,795	389,471	221,676
OTHER FINANCING SOURCES (USES)			
Operating transfers in	308,245	148,497	(159,748)
Operating transfers out	(121,708)	(123,435)	(1,727)
Excess of revenues and other sources over current expenditures and other uses	84,332	142,733	\$ 58,401
FUND BALANCE			
Beginning of year	482,823	482,823	
End of year	\$ 567,155	\$ 625,556	

The accompanying notes are an integral part of this statement.

JEFFERSON COUNTY BOARD OF COMMISSIONERS, INC.
JEFFERSON COUNTY, MISSISSIPPI

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

For the year ended June 30, 1987

	General	Special Revenues	Totals	
			1987	1986
REVENUES				
Intergovernmental	\$ 327,793	\$1,264,483	\$1,592,276	\$1,948,888
Interest income	18,425	-	18,425	6,558
Public supports				
Unrestricted	12,122	-	12,122	7,588
Restricted	21,668	144,229	165,897	171,225
Program service fees	21,832	-	21,832	573,759
Special events	11,082	2,728	13,810	27,248
Miscellaneous	86,523	-	86,523	65,482
In-kind contributions	71,838	228,642	300,480	-
Total revenues	1,428,383	1,866,382	3,294,765	3,823,884
EXPENDITURES				
Current:				
Salaries	681,284	876,428	1,557,712	1,372,455
Fringe	88,888	328,848	417,736	188,828
Travel	34,934	34,887	69,821	48,287
Operating services	343,787	356,822	700,609	578,258
Operating supplies	28,889	21,878	50,767	89,878
Other costs	182,980	21,788	204,768	68,287
Fuel services	-	15,194	15,194	39,523
Rents	23,742	289,814	313,556	288,889
Capital outlay	28,957	-	28,957	115,811
Utility assistance	-	67,524	67,524	42,759
Subgrants	-	20,808	20,808	-
Debt service:				
Principal retirement	28,928	-	28,928	43,227
Interest	14,822	-	14,822	14,820
In-kind expenditures	73,828	228,842	302,670	-
Total expenditures	1,388,958	1,872,892	3,261,850	3,818,484
Excess of revenues over (under) expenditures	339,425	(6,510)	332,915	15,400
OTHER FINANCING SOURCE (SINK)				
Operating transfers in	168,897	428,287	597,184	378,244
Operating transfers out	(115,425)	(269,429)	(384,854)	(179,145)
Proceeds from capital lease obligations	-	-	-	83,282
Excess of revenues and other sources over (under) expenditures and other uses	140,742	(41,142)	99,600	382,381
FUND BALANCES				
Beginning of year	482,828	108,922	591,750	327,228
End of year	\$ 623,570	\$ 47,780	\$ 671,350	\$ 709,609

The accompanying notes are an integral part of this statement.

STATE SERVICE INCORPORATED (SOCIETY INCORPORATED), INC., BAYVIEW BEACH, LOS ANGELES
 COUNCILS BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT CATEGORIES

June 30, 1987

Governmental Fund Types	Account Classes			Totals	
	Special Revenue	General Fund State	General Fund Local/Trust Fund	1987	1988
General	11,267	-	-	11,267	6,605
	-	40,730	-	40,730	45,004
	5,118	820	-	5,938	11,310
	8,600	-	-	8,600	15,914
	17,736	-	-	17,736	13,321
	16,267	-	-	16,267	-
	24,520	890	-	25,410	47,575
	-	533,348	-	533,348	820,828
	503,261	533,348	-	1,036,609	1,270,559
	813,889	533,348	188,874	1,536,111	1,507,379

Fund Revenues and Other Credits
 Fund Revenues:
 Restricted FC
 Restricted Activities
 Utility revenues
 Property revenues
 Special -- workers' compensation
 Interest -- workers' compensation
 Interest
 Prerogative
 Voluntary and savings
 Loans and -- unutilized
 Investment in general fund assets
 Total fund equity and other assets
 Total liabilities, fund equity
 and other assets

The accompanying notes are integral parts of this statement.

STATE BAR OF MISSISSIPPI, INC., MEMBERS HOUSE, LOUISIANA
COMBINED BALANCE SHEET - ALL FUNDS, TRUSTS AND ACCOUNT GROUPS

June 30, 1997

	Investmental Fund Types		Associations		Trusts	
	General	Special Purpose	General Assets	General Long-Term Debt	Membership Only	
					MS*	TRUST
ASSETS						
Cash	\$ 44,458	\$ 13,114	-	-	\$ 49,045	\$ 44,478
General savings/investment (limited investments)	-	-	-	-	-	18,498
Investments in securities	-	27,950	-	-	27,950	27,950
Accounts receivable	33,498	-	-	-	33,498	33,498
Accounts payable	-	-	-	-	-	18,718
Prepaid expenses	11,375	803	-	-	12,178	12,178
Inventory - supplies/equipment, all out	5,375	-	-	-	5,375	5,375
Inventory - Workbooks available at cost	5,375	-	-	-	5,375	-
Supplies - Association (computers) inventory	118	-	-	-	118	1,821
Other	-	-	-	-	-	-
Restricted assets						
Cash	11,274	42,700	-	-	54,000	54,000
State Bar Special Purpose Fund	21,458	-	-	-	21,458	21,458
Trusts and copyright - Business Practice	11,857	-	-	-	11,857	-
Other assets	-	-	881,648	-	881,648	881,648
Sum of all investments	-	-	-	148,174	148,174	148,174
Total assets	\$ 114,489	\$ 84,877	\$ 881,648	\$ 148,174	\$ 1,059,148	\$ 1,353,358
LIABILITIES, FUND EQUITY, AND OTHER CATEGORIES						
Liabilities						
Accounts payable	1,497	-	-	-	1,497	-
Advances from lending agencies	-	19,249	-	-	19,249	11,491
DEBTS and reserve accounts	4,890	-	-	-	4,890	4,890
Unearned (prepaid) membership fees	4,487	-	-	-	4,487	-
Due to General Fund	-	27,860	-	-	27,860	4,641
General savings/investment employees	-	-	-	17,183	17,183	18,298
accountant unpaid salaries	-	-	-	4,485	4,485	44,545
Notes payable	-	-	-	41,174	41,174	17,314
Capital lease obligations (trucks)	-	-	-	-	-	14,078
Total liabilities	\$ 11,874	\$ 47,149	\$ -	\$ 148,174	\$ 244,087	\$ 205,508

*(Shown as combined on membership)

The accompanying notes are an integral part of this statement.

In my opinion, the East Baton Rouge Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997.

Internal Control Over Compliance

The management of the East Baton Rouge Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the East Baton Rouge Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with GAO Circular A-333.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

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,
September 8, 1997.

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**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH GMS
CIRCULAR A-133**

To the Board of Directors,
East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana.

Compliance

I have audited the compliance of the East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1981. The East Baton Rouge Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the East Baton Rouge Council on Aging, Inc.'s management. My responsibility is to express an opinion on the East Baton Rouge Council on Aging, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the East Baton Rouge Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of the East Baton Rouge Council on Aging, Inc.'s compliance with those requirements.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the East Baton Rouge Council on Aging, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses. However, I noted other matters involving the internal control over financial reporting that I have reported to the board of directors of the East Baton Rouge Council on Aging, Inc. in a separate letter dated September 8, 1997.

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

Neil B. Ferman, CPA

Baton Rouge, Louisiana,
September 8, 1997.

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors,
East Baton Rouge Council on Aging, Inc.,
Baton Rouge, Louisiana.

I have audited the general-purpose financial statements of the East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated September 8, 1997. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the East Baton Rouge Council on Aging, Inc.'s general-purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards. However, I noted certain immaterial instances of noncompliance that I have reported to the board of directors of the East Baton Rouge Council on Aging, Inc. in a separate letter dated September 8, 1997.

In accordance with Government Auditing Standards, I have also issued a report (see page 31 dated September 8, 1997, on my consideration of the East Baton Rouge Council on Aging, Inc.'s internal control over financial reporting and my tests of its compliance with laws, regulations, contracts, and grants.

My audit was made for the purpose of forming an opinion on the general-purpose financial statements of the East Baton Rouge Council on Aging, Inc., Baton Rouge, 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 East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

Neil B. Fermani, CPA

Baton Rouge, Louisiana,
September 8, 1997, except for Note 13
as to which the date is November 30, 1997.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
East Baton Rouge Council on Aging, Inc.,
Baton Rouge, Louisiana.

I have audited the accompanying general-purpose financial statements of the East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana, as of and for the year ended June 30, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Council's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; standards applicable to financial audits contained in 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 States, Local Governments, and Non-Profit Organizations. 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 amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana, as of June 30, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

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Baton Rouge, Louisiana

June 30, 1997

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Financial Report

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

June 30, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. This 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 04 1998

"MC-3 The RSVP contract requires that the percent of money spent on volunteers equal or exceed the budgeted amount. For grant year 1996, total volunteer expense was budgeted at \$17,993 (24.6%). Actual volunteer expense was \$15,950. I recommend that the RSVP Director verify that adequate funds are being spent on volunteers and that the Compliance Officer monitor this compliance requirement."

Response: We understand that RSVP funding sources require that at least 25% of the budget be allocated for volunteer expenses. Every effort will be made to monitor these expenses for compliance.

Very truly yours,



Sharon S. LaFleur
Chief Executive Officer



EAST BATON ROUGE COUNCIL ON AGING
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December 17, 1997

Legislative Audit Advisory Council
c/o Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana

Comments:

The following is in response to "Findings and Recommendations" of our audit for the period ending June 30, 1997 and found in our Management Letter dated September 8, 1997.

"B. Other Findings Relating to Weaknesses in the Council's Internal Controls

IC-1. Monitoring of accounts receivable has improved but additional controls are needed. In the FY96 audit, I recommended the Council begin using the Fundware accounts receivable module to better monitor receivables. This suggestion was not adopted in FY97 but is now being implemented."

Response: The Fundware accounts receivable module was installed just prior to the close of FY97. Staff training was provided by a consultant and the module is now being utilized.

"C. Findings Related to Immateral Instances of Noncompliance

NC-1 Circular A-87 requires that the time sheets for employees working in multiple programs reflect the actual number of hours worked in each program. Accordingly, the gross wage distribution to specific programs for these employees should be made per the time sheets. For fiscal year 97, the Council allocated the gross wages for all its employees according to the budget. This is acceptable only for employees who work in one program. Although the budget has been approved by the board of directors and COBA, this does not release the Council from complying with Circular A-87. Allison LeBlanc has already taken steps to redesign the time sheet for employees in multiple programs to eliminate this problem.

Response: We understand the requirements of Circular A-87 pertaining to time sheets for employees working in multiple programs. We have designed time sheets for employees working in multiple programs to record their time worked in each program so that we will comply with these requirements.

This information is intended for the information of the Board of Directors and the management of the East Baton Rouge Council on Aging, Inc., the 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.

Sincerely,



Neil G. Ferrari
Certified Public Accountant

Findings and Recommendations

A. Material Weaknesses in Internal Control and Material Instances of Noncompliance

None were noted during the audit.

B. Other Findings Relating to Weaknesses in the Council's Internal Controls

IC-1 Monitoring of accounts receivable has improved but additional controls are needed. In the FY 96 audit, I recommended the Council begin using the Farsware accounts receivable module to better monitor receivables. This suggestion was not adopted in FY 97 but is now being implemented.

C. Findings Related to Immaterial Instances of Noncompliance

MC-1 Circular A-83 requires that the timesheets for employees working in multiple programs reflect the actual number of hours worked in each program. Accordingly, the gross wage distribution to specific programs for these employees should be made per the timesheets. For fiscal year 97, the Council allocated the gross wages for all its employees according to the budget. This is acceptable only for employees who work in one program. Although the budget has been approved by the board of directors and OMB, this does not relieve the Council from complying with circular A-83. Allison LeBlanc has already taken steps to redesign the timesheet for employees in multiple programs to eliminate this problem.

MC-2 The NWP contract requires that the percent of money spent on volunteers equal or exceed the budgeted percent. For grant year 1996, total volunteer expenses was budgeted at \$17,397 (24.4%). Actual volunteer expenses were \$15,598. I recommended that the NWP Director verify that adequate funds are being spent on volunteers and that the Compliance Officer monitor this compliance requirement.

D. Corrective Action Taken on Findings Noted in Last Year's Audit

Management has addressed the corrective action taken on prior year's findings in the January Schedule of Prior Audit Findings Relative to Federal Awards Programs. I concur with management's response in that schedule.

general purpose financial statements that, in my judgment, may not have been detected except through my auditing procedures. These adjustments may include those proposed by us but not recorded by the East Baton Rouge Council on Aging, Inc. that could potentially cause future financial statements to be materially misstated, even though I have concluded that such adjustments are not material to the current financial statements.

During the audit I proposed several adjustments. Some of the reasons are as follows:

- To adjust accounts receivable to reconciled amounts.
- To adjust for the recalculation of indirect costs.
- To record transfers amongst funds.

All of my proposed adjustments were accepted by management. In my judgment, some of these audit adjustments, either individually or in the aggregate, could have had a significant effect on the East Baton Rouge Council on Aging, Inc.'s financial statements if they had not been made.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement as a matter, whether or not resolved to my satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the general purpose financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Consultations with Other Independent Accountants

To the best of my knowledge, management has not consulted with or obtained opinions from other independent accountants during the past year that are subject to the requirements of Statement on Auditing Standards No. 98, "Reports on the Application of Accounting Principles."

Issues Discussed Prior to Retention of Independent Auditors

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the East Baton Rouge Council on Aging, Inc.'s auditor. However, these discussions occurred in the normal course of our professional relationship and my responses were not a condition to my retention.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management performing the audit.

to major federal award programs for the purpose of expressing an opinion on the East Baton Rouge Council on Aging, Inc.'s compliance with those requirements.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the East Baton Rouge Council on Aging, Inc. are described in Notes 1 and 2 to the general purpose financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 1997. I noted no transactions entered into by the East Baton Rouge Council on Aging, Inc. during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the general purpose financial statements prepared by management and are based on management's current judgments. Certain accounting estimates are particularly sensitive because of their significance to the general purpose financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments.

Management's estimate of the in-kind contributions was based on an estimated fair market value. The primary components of the in-kind contributions are free use of coregregate meal sites, reduced annual rent for the Florida Boulevard office, and wages and related payroll taxes for 2 community service workers assigned to the kitchen. The fair market value of rent for the Florida Boulevard office and the coregregate meal sites was estimated at \$7.53 per square foot less any utility costs paid by the Council. This estimate was based on the rate paid for the COMA office on North Boulevard. Because Bill Campbell, the kitchen manager, estimated he would require only two additional full-time employees for the kitchen if the community service workers were not available, the value of the in-kind contribution relating to these workers was estimated to be the cost of two additional employees. I evaluated the key factors and assumptions used to develop the in-kind contributions and determined that they were reasonable in relation to the financial statements taken as a whole.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the

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MANAGEMENT LETTER

September 8, 1997

To the Board of Directors
East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

I have audited the general purpose financial statements of the East Baton Rouge Council on Aging, Inc., Baton Rouge, Louisiana, as of June 30, 1997, and for the year then ended, and have issued my report dated September 8, 1997. Professional standards require that I provide you with the following information related to my audit.

My Responsibility under Generally Accepted Auditing Standards and OMB Circular A-133

As stated in my engagement letter dated June 21, 1997, my responsibility, as described by professional standards, is to plan and perform my audit to obtain reasonable, but not absolute, assurance about whether the general purpose financial statements are free of material misstatement. Because of the concept of reasonable assurance and because I did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defractions, may exist and not be detected by me.

As part of my audit, I considered the internal control of the East Baton Rouge Council on Aging, Inc. Such considerations were for the purpose of determining my audit procedures and to report on the internal control in accordance with OMB Circular A-133 and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the East Baton Rouge Council on Aging, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my tests was not to provide an opinion on overall compliance with such provisions. Also, in accordance with OMB Circular A-133, I examined, on a test basis, evidence about the East Baton Rouge Council on Aging, Inc.'s compliance with requirements applicable

EXIT CONFERENCE

East Baton Rouge Council on Aging, Inc.
Baton Rouge, Louisiana

June 10, 1997

The exit conference was held December 14, 1997, at the Council's administrative office in Baton Rouge, Louisiana. The conference was attended by Neil G. Ferreri, C.P.A.; Sheryl Dawkins, C.F.A.; Sharon LaFleur, Chief Executive Officer; Allison LaBlanc, Financial Officer; Michael F. Edwards, Compliance Officer; Dorothy Green, Vice-Chairman of the Board Directors; Mike Lee, Chairman of the Board of Directors; and Mike Hill, Audit Manager of the City of Baton Rouge.

I reported that I did not find any material weaknesses in internal control or any material instances of noncompliance with laws, regulations, contracts and grant agreements. I then discussed the immaterial instances of noncompliance and immaterial weaknesses in internal control that were reported to the Council's board of directors in a separate letter dated September 8, 1997.

The Council's management received my comments and recommendations favorably and stated that they will evaluate how to implement them. There were not any disagreements with the Council's management during the audit.

GENERAL SCHEDULE OF PRIOR AUDIT FINDINGS
RELATIVE TO FEDERAL AIDED PROGRAMS
(continued)

Recommendation: The auditor recommended that the financial and compliance officers be responsible for reading the detailed terms of the grant awards from The Corporation for National and Community Service and CORA to determine what is required of the Council under these contracts. It is important that these terms be monitored throughout the grant period. Cost reports should be submitted timely and double-checked by someone other than the preparer.

Current Status: Cost reports are being submitted timely and double-checked by someone other than the preparer. However, there were immaterial instances of noncompliance relating to the NCVF program in FY87. Now that these problem areas have been brought to our attention, they will also be monitored.