

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole, and on the combining, individual fund, and account group financial statements. The accompanying financial information listed as "Schedules and Other Information" in the Table of Contents is presented for the purpose of additional analysis, and is not a required part of the financial statements of the Louisiana Association of Caretakers on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund, and account group financial statements, and in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and the account group taken as a whole.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose, combining, individual fund and account group financial statements of the Louisiana Association of Caretakers on Aging, Inc.


James Thomas & Company
CPAs, Chartered

September 27, 1998
Mandeville, Louisiana

SUPPLEMENTARY INFORMATION

Louisiana Association of Councils on Aging, Inc.
Supplementary Schedule of Federal Financial Assistance
Year Ended June 30, 1996

Federal Office/ Pass-Through Director/ Business Title	Federal CFDA/ Assistance Number	Award Amount	Program Income	Current Year Revenues	Current Year Expenditures	Total Program Expenditures to June 30, 1996
PASS-THROUGH PROGRAM:						
Special Programs for the Aging (Minority Management Training)	82.094	\$20,400	90	\$48,000	\$47,411	\$200,000

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LOUISIANA ASSOCIATION OF COUNCILS ON AGING, INC.

ANNUAL FINANCIAL REPORT
JUNE 30, 1976

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

Release Date: NOV 20 1996

Louisiana Association of Councils on Aging, Inc.

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Johnson, Thomas & Cunningham

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Louisiana Association of
Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., Natchitoches, Louisiana, and the combining, individual fund, and account group financial statements of the Association as of and for the year ended June 30, 1986, as listed in the Table of Contents. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in the Government Auditing Standards, issued by the U.S. General Accounting Office, and the Louisiana Governmental Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Association of Councils on Aging, Inc., as of June 30, 1986, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and the account groups of the Louisiana Association of Councils on Aging Inc., as of June 30, 1986, and the results of operations of each fund for the year then ended in conformity with generally accepted accounting principles.

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Louisiana Association of Councils on Aging, Inc.
Metairie, Louisiana

Combined Balance Sheet
All Fund Types and Account Group
June 30, 1990 and 1993

	Fund Types		Account Group General Fund Assets	Totals (Millions, Only)	
	Governmental	Special Revenue		1990	1993
Assets					
Cash	\$47,621	\$5,273	\$ 0	\$ 52,894	\$ 48,196
Investments	0	0	0	0	6,308
Accounts Receivable	944	0	0	944	329
Due From Other Funds	8,808	0	0	8,808	9,708
Equipment	0	0	\$7,988	\$7,988	\$9,168
Total Assets	\$57,373	\$5,273	\$7,988	\$129,634	\$114,709
Liabilities					
Accounts Payable	\$ 1,326	\$ 0	\$ 0	\$ 1,326	\$ 3,644
PLOCA Fees					
Received in Advance	973	0	0	973	2,129
Due to Other Funds	8,808	0	0	8,808	9,708
Total Liabilities	\$11,107	\$ 0	\$ 0	\$ 11,107	\$ 15,481
Fund Equity					
Investment in General					
Fund Assets	\$ 0	\$ 0	\$7,988	\$ 7,988	\$ 9,168
Fund Balances:					
Unreserved-Undesignated	46,264	5,273	0	51,537	49,331
Deficit	0	0	0	0	(5,075)
Total Fund Equity	\$46,264	\$5,273	\$7,988	\$109,525	\$ 94,624
Total Liabilities & Fund Equity	\$57,373	\$5,273	\$7,988	\$129,634	\$114,709

See notes to financial statements.

Louisiana Association of Councils on Aging, Inc.
Maitland, Louisiana

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
All Governmental Fund Types
Year Ended June 30, 1996
With Comparative Amounts from Year Ended June 30, 1995

	General Fund Types	Special Revenue Fund Types	Totals	
			1995	1996
REVENUES:				
Interest on investments	\$ 78,836	\$ 76,687	\$ 154,871	\$ 209,172
Revolutions	208,318	201,867	409,238	583,112
Total Revenues	\$ 287,154	\$ 278,554	\$ 565,687	\$ 792,284
EXPENDITURES:				
CLERICAL:				
Salaries	\$ 65,644	\$ 15,788	\$ 81,421	\$ 121,625
Fringe	4,318	8,356	12,686	12,689
Travel	5,948	27,660	33,587	22,890
Operating Services	8,481	5,858	14,339	27,396
Operating Supplies	15,970	4,779	20,749	28,660
Office Costs	175,498	108,827	284,325	487,327
Capital Outlay	— 000	— 3,228	— 3,228	— 0
Total Expenditures	\$ 289,413	\$ 126,312	\$ 415,725	\$ 648,487
Excess (Deficiency) of Revenues Over Expenditures	\$ 28,741	\$ 152,242	\$ 152,242	\$ 143,797
CHANGES IN FUND BALANCES:				
SOURCES (USES):				
Operating Transfers In	\$ 1,304	\$ 800	\$ 2,104	\$ 8,358
Operating Transfers Out	800	1,304	2,104	8,358
Total Other Financing	\$ 1,304	\$ 1,304	\$ 2,104	\$ 2,104
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 29,045	\$ 153,946	\$ 153,946	\$ 145,891
Fund Balances (Deficit):				
Beginning of Year	16,311	25,813	42,124	28,318
Fund Balances (Deficit):				
End of Year	\$ 45,356	\$ 1,127	\$ 46,483	\$ 74,209

See notes to financial statements.

Louisiana Association of Councils on Aging, Inc.
 Natchitoches, Louisiana
 Notes to Financial Statements
 June 30, 1986

	Operating Transfers In	Operating Transfers Out
Special Revenue Funds:		
MH Fund	\$ 0	\$ 736
Silver-Thread Legislative Fund	0	565
Energy Fund	100	___0
Total Special Revenue Funds	\$100	\$1,301
 Total All Funds	 \$100	 \$1,301

14. Interfund Loans

Because the Association 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. A summary of these interfund loans at June 30, 1986, were as follows:

	Due From Other Funds	Due To Other Funds
General Fund - Local	\$8,888	\$ 0
General Fund - State of Louisiana	___0	8,888
Total General Funds	\$8,888	\$8,888
 Special Revenue Funds:		
Acute Attention Fund	\$___0	\$___0
Total Special Revenue Funds	\$___0	\$___0
 Total All Funds	 \$8,888	 \$8,888

Auditor's Report on Schedule of Federal
Financial Assistance

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Supplementary Schedule of Federal
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Louisiana Association of Councils on Aging, Inc.
 Metairie, Louisiana
 Notes to Financial Statements
 June 30, 1996

j. Annual and Sick Leave, Vacation:

Employees of the Association do not accrue or "carry forward" vacation or sick leave from year to year. As such, there are no accruals made in either of the General Funds, or in a general long-term debt account group for these payments.

k. Related Party Transactions:

The Association did not have any related party transactions during the year ended June 30, 1996.

2. Funding Policies and Sources of Funds:

The Association receives its monies through various methods of funding. Some of the funds are received on a grant basis. Under this method, funds are received as needed or on a monthly or quarterly allocation of the total grant.

3. Board of Director's Compensation:

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

4. Income Tax Status:

The Association is a nonprofit corporation exempt from Federal income taxation under Section 501 (C) (3) of the Internal Revenue Code.

5. Changes in General Fixed Assets:

A summary of changes in general fixed assets follows:

	Balance 02,01-95	Additions	Deletions	Balance 06,30-96
Office Furniture & Equipment	\$33,168	\$7,820	\$0	\$40,988
Totals	\$33,168	\$7,820	\$0	\$40,988

Louisiana Association of Councils on Aging, Inc.
Natchitoches, Louisiana

Combined Balance Sheet
General Fund Types
June 30, 1996

With Comparative Amounts from Year Ended June 30, 1995

	General Fund Types		Totals	
	Local (Unincorporated)	State of Louisiana	6-30-96	6-30-95
Assets				
Cash	\$35,360	\$12,360	\$47,721	\$19,258
Investments, CIP's	0	0	0	6,300
Accounts Receivable	858	94	954	279
Due from Other Funds	8,888	0	8,888	3,208
Total Assets	\$44,906	\$12,454	\$57,372	\$25,945
Liabilities				
Accounts Payable	\$ 1,326	\$ 0	\$ 1,326	\$ 7,378
PCA Fee				
Received in Advance	375	680	935	2,125
Due to Other Funds	0	8,888	8,888	9,288
Total Liabilities	\$ 1,701	\$ 9,468	\$11,169	\$18,791
Fund Balances				
Unincorporated-Undesignated	\$43,218	\$ 3,046	\$46,264	\$23,406
Deficit	0	0	0	(3,972)
Total Fund Balances	\$43,218	\$ 3,046	\$46,264	\$25,334
Total Liabilities & Fund Balances	\$44,906	\$12,454	\$57,372	\$25,945

See notes to financial statements.

Lawrence Association of County Home Aging, Inc.
Pittsfield, Vermont

Comparing Statement of Program Revenues, Expenditures, & Changes in Fund Balances
Special Revenue Funds
Year Ended June 30, 1996

	Special Revenue Funds							Totals	
	Healthy Life Fund	Welding Fund/Fund	Energy Fund	BBT Prog. Fund	SMB Fund	Acid Alkali rec'd Fund	\$,000.00	(Millions)	\$,000.00
REVENUES									
Income from:									
BBT Grant	\$ 0	\$ 0	\$ 0	\$49,000	\$ 0	\$ 0	\$ 49,000	\$228,020	
City of Essex Falls	0	0	0	0	20,000	1,000	21,000	36,000	1,000
Miscellaneous:									
CPA Contribution	0	100,000	0	0	0	0	100,000	194,000	
Lab Fee Service Fee	30,000	0	0	0	0	0	30,000	55,000	
VT State Const. Budget	0	0	20,000	0	0	0	20,000	22,000	
Interest	100	100	0	100	0	0	400	700	
Miscellaneous	3,000	0	0	0	0	0	3,000	0	20
Total Revenues	\$33,100	\$100,100	\$20,000	\$49,100	\$0,000	\$1,000	\$103,200	\$400,000	
EXPENDITURES									
Administration:									
Salaries	\$ 0	\$ 0	\$ 0	\$10,700	\$ 0	\$ 0	\$ 10,700	\$ 16,000	
fringe	0	0	0	8,200	0	0	8,200	7,200	
Taxes	0	0	0	2,000	20,000	0	22,000	10,000	
Operating Materials	0	0	0	4,000	0	0,000	4,000	4,700	
Operating Supplies	0	0	0	0	4,700	0	4,700	3,700	
Other Costs:									
Capital Expenditures	0	0	0	0	1,200	0	1,200	0	
Deprec.	0	0	0	11,500	0	0	11,500	55,000	
Indemnities or Penalties	10,000	100,000	20,000	0	0	0	210,000	260,000	
Contingents	0	0	0	0	0	0	0	0	0
Total Expenditures	\$10,000	\$100,000	\$20,000	\$24,200	\$21,200	\$1,000	\$146,400	\$400,000	
Excess (Deficiency) of Revenues over Expenditures									
	\$23,100	\$0	\$0	\$24,900	\$18,800	\$0	\$66,800	\$0	\$0
CHANGES IN FUND BALANCES									
Operating Transfers to:									
Operating Transfers to	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Transfers to	0	0	0	100	100	0	200	0	0
Total Other Financing	\$0	\$0	\$0	\$100	\$100	\$0	\$200	\$0	\$0
Excess (Deficiency) of Revenues and/or Transfers over (Under) Expenditures and Other Items									
	\$23,100	\$0	\$0	\$25,000	\$18,900	\$0	\$67,000	\$0	\$0
Fund Balance (deficit) Beginning of Year									
	20,000	0	0	0	0	0	20,000	0	0
Fund Balance (deficit) End of Year									
	\$ 2,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,000	\$ 0	\$ 0

See notes to financial statements.

Legislative Association of Councils on Aging, Inc.
Middlebrook, Vermont

Combining Statement of Program Revenues, Expenditures & Changes in Fund Balances
Special Funds
Year Ended June 30, 1996
With Comparative Amounts from Year Ended June 30, 1995

	General Fund, Total		Totals	
	Local (Amounts)	State of Vermont	1995	1996
REVENUES				
Intergovernmental				
Office of Elderly Affairs Legislative Grant	\$ 0	\$18,246	\$ 18,246	\$ 179,246
Miscellaneous				
Donor Event Purch. U.M.W.'s	0	4,450	4,450	1,140
Interest Income	303	341	1,597	471
Special Revenue Admin. Fees Local Sales	11,300	1,547	982	17,800
PRRS Fees	215,117	0	148,712	346,654
Inventory Admin. Fees	1,500	0	1,500	3,900
Miscellaneous	-3,872	-141	-5,845	0
Total Revenues	\$214,039	\$205,744	\$322,205	\$871,251
EXPENDITURES				
Salaries	\$ 0	\$62,641	\$ 62,641	\$ 467,600
Fringe	0	4,350	4,350	14,776
Taxes	5,044	0	5,044	11,941
Operating Services	194	8,189	8,185	27,545
Operating Supplies	15,574	0	15,574	46,095
Other Items				
Local Sales (Public Accounts)	648	0	648	880
Purch. U.M.W. Inventory	1,644	0	1,644	3,831
PRRS Fees	164,679	0	164,679	158,117
Local Group Health Ins.	4,268	0	4,268	6,917
Capital Outlay	-1,027	0	-800	0
Total Expenditures	\$229,837	\$71,180	\$298,672	\$726,717
Change (Decrease)/Increase in Fund Balances				
Local Expenditures	\$ 21,120	\$ 2,288	\$ 28,702	\$ 11,664
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	\$ 716	\$ 660	\$ 1,378	\$ 9,238
Operating Transfers Out	-1,200	0	-1,100	-9,238
Total Other Financing	\$ -484	\$ 660	\$ 278	\$ 0
Change (Increase)/Decrease in Fund Balances				
and Other Sources Over Expenditures and Other Uses	\$ 21,480	\$ 8,171	\$ 29,258	\$ 11,664
Fund Balance at Beginning of Year	29,086	17,879	18,088	11,664
Fund Balance at End of Year	\$ 49,218	\$ 26,480	\$ 47,346	\$ 23,328

See notes to financial statements.

Louisiana Association of Councils on Aging, Inc.
Machoudou, Louisiana

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

	Budget	Actual	Variance- Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$ 38,836	\$ 38,836	\$ 0
Miscellaneous	221,129	248,914	27,785
Total Revenues	\$260,965	\$287,750	\$26,785
EXPENDITURES:			
Current:			
Salaries	\$ 65,000	\$ 65,641	\$ 641
fringe	18,000	4,100	13,900
Taxes	8,700	5,940	2,754
Operating Services	13,950	9,183	4,767
Operating Supplies	24,102	35,674	(11,482)
Other Costs	126,900	133,389	(6,489)
Total Expenditures	\$260,652	\$288,327	\$27,675
Excess (Deficiency) of Revenues Over Expenditures	\$ 313	\$ 3,983	\$ 3,670
OTHER FINANCING SOURCES-(USES):			
Operating Transfers In	\$ 0	\$ 700	\$ 700
Operating Transfers Out	0	0	0
Total Other Financing	\$ 0	\$ 700	\$ 700
Excess (Deficiency) of Revenues and Other Sources Over Expen- ditures and Other Uses	\$ 313	\$ 3,983	\$ 3,670
Fund Balance (Deficit)- Beginning of Year	16,311	16,311	0
Fund Balance (Deficit)- End of Year	\$ 21,554	\$ 20,294	\$ 1,260

See notes to financial statements.

COMBINED FINANCIAL STATEMENTS

INDIVIDUAL FUND INFORMATION

Louisiana Association of Councils on Aging, Inc.
New Orleans, Louisiana

Statement of Expenditures—Budget and Actual
Year Ended June 30, 1996

	Budget	Actual	Budget Over/Under (Actual)
Helping Hands Program:			
Reimbursements to Providers CAA	\$195,000	\$181,426	\$13,574
Operating Services	____80	____80	____80
Total	\$195,000	\$181,426	\$13,574
Energy Funds Program:			
Reimbursements to Providers CAA	\$ 25,000	\$ 20,415	\$ 4,585
Operating Services	____80	____85	____15
Total	\$ 25,000	\$ 20,290	\$ 4,710
Fooding Help Program:			
Reimbursements to Florida COA	\$ 20,000	\$ 16,436	\$ 3,564
Operating Supplies	____0	____0	____0
Total	\$ 20,000	\$ 16,436	\$ 3,564
Minority Retiree Training Program:			
Salaries	\$ 15,000	\$ 15,780	\$ (780)
Fringe	5,000	8,296	(3,296)
Travel	5,000	5,281	(281)
Operating Services	4,000	4,680	(680)
Operating Supplies	0	0	0
Other Costs	18,000	13,585	4,415
Total	\$ 47,000	\$ 47,622	\$ (622)
Other Related Expenses:			
Travel	\$ 25,000	\$ 23,806	\$ 1,194
Office	5,000	4,779	2,221
Capital Expenditures	____5,000	____7,528	____2,528
Total	\$ 35,000	\$ 36,113	\$ (1,113)
Adult Abuse and Neglect Fund:			
Operating Services	\$ 5,000	\$ 5,000	\$ 0

Continued next page.

See notes to financial statements.

Louisiana Association of Councils on Aging, Inc.
 Metairie, Louisiana
 Notes to Financial Statements
 June 30, 1996

6. Cash and Investments

Cash and investments are held separately by each of the Association's Funds. At June 30, 1996, the Association's cash and investments totaled \$52,894. Of the amounts held in commercial banks and savings and loan associations, the entirety was covered by federal depositary insurance.

The Association's cash and investments are categorized below to give an indication of the level of risk assumed by the Association at June 30, 1996. Category 1 includes cash that is held by the Association, cash and investments that are insured or registered, or investments held by the Association or it's brokers in the Association's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the broker's dealer's trust department or agent in the Association's name. Category 3 would include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by it's trust department or agent, but not in the Association's name.

	Category			Carrying Value
	1	2	3	
Cash-Checking Accounts	\$52,894	\$0	\$0	\$52,894
Totals	\$52,894	\$0	\$0	\$52,894

8. Pension Plan

The Association has no pension plan for it's employees. All employees are covered by the Social Security Act.

9. Judgments, Claims, and Other Contingencies

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

ACCIDENT GROUP FINANCIAL STATEMENT

Louisiana Association of Councils on Aging, Inc.
 Metairie, Louisiana
 Notes to Financial Statements
 June 30, 1996

- (2) Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. There were no amendments during the year effective June 30, 1996.
- (3) Actual amounts are compared to budgeted amounts periodically during the fiscal year as a managerial control device.

g. Total Columns of Combined Statements - Overview:

Total columns on the combined statements - overview, and the combining statements are captioned "Memorandum Only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

h. Fixed Assets:

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

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

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

All fixed assets are stated at historical cost.

i. Comparative Data:

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

Louisiana Association of Councils on Aging, Inc.
Metairie, Louisiana
Notes to Financial Statements
June 30, 1990

In this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

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

e. Transfers:

Advances between funds which are not expected to be repaid are accounted for as operating transfers. In those cases where repayment is expected, the advances are accounted for through the various "due from" and "due to" accounts.

f. Budget Policy:

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

- (1) The Governor's Office of Elderly Affairs "GOEA" notifies the Association each year as to the funding levels for each program's grant award.
- (2) The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
- (3) The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
- (4) The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
- (5) All budgetary appropriations lapse at the end of each fiscal year (June 30).
- (6) The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Louisiana Association of Councils on Aging, Inc.
 Metairie, Louisiana
 Notes to Financial Statements
 June 30, 1996

Governmental Fund Type:

Governmental funds are those through which most governmental functions of the Association are financed. The acquisitions, use, and balances of the Association's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Association's governmental fund types:

General Fund - The General Fund (State of Louisiana) and the Discretionary Fund (Local) are the general operating funds of the Association. They are 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 from which they are derived.

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

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

The Association's program participants also generate revenues through a variety of fund raising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as a part of the General Fund's local program.

PCCA (Act 735) - State of Louisiana - PCCA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for reimbursement to the Association. The Association may use these "ACT 735" funds at its discretion.

Special Revenue Funds - The Minority Interg. Training Program, Hearing Help Fund, Helping Hands Fund, Energy Fund, Silver-Haired Legislature Fund, and Audit Allowance Fund are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

d. 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

Louisiana Association of Councils on Aging, Inc.
Natchitoches, Louisiana
Notes to Financial Statements
June 30, 1986

1. Summary of Significant Accounting Policies:

a. Statement of Presentation:

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 local governmental units as prescribed by *Annals 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 Office of Elderly Affairs Contractee; and, the revised *Louisiana Governmental Audit Guide*.

b. Organization:

The Louisiana Association of Councils on Aging, Inc., is a non-profit quasi-public corporation that performs services for the sixty-four parish Councils on Aging, and operates grant programs. The Association receives funding from the State of Louisiana (Legislative Grant), local Councils on Aging (membership fees), Louisiana Power and Light Company (Helping Hands Program), Louisiana Gas Service Company (Helping Help Program), and Central Louisiana Electric Company (Energy Fund Program). The Association also received a grant (issued by the State) from the federal government to operate the Minority Intern Training Program.

c. Fund Accounting:

The accounts of the Association are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent, and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

NOTES TO FINANCIAL STATEMENTS

Louisiana Association of Councils on Aging, Inc.
Mandeville, Louisiana

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
(Budget (GAAP Basis) and Actual
Special Revenue Funds
Year Ended June 30, 1996)

	Budget	Actual	Variance- Favorable (Unfavorable)
REVENUES:			
Intergovernmental	\$ 76,015	\$ 76,015	\$ 0
Miscellaneous	291,808	241,887	(49,921)
Total Revenues	\$327,813	\$317,902	\$49,911
EXPENDITURES:			
Current:			
Salaries	\$ 12,808	\$ 15,788	\$ (2,980)
Fringe	1,808	8,256	(6,448)
Travel	34,808	27,641	6,167
Operating Services	5,215	5,818	(603)
Operating Supplies	1,808	4,779	(2,971)
Capital Outlay	0	7,238	(7,238)
Other Costs	293,808	289,822	3,986
Total Expenditures	\$352,215	\$328,312	\$43,903
Excess (Deficiency) of Revenues Over Expenditures	\$ (24,402)	\$ (10,410)	\$ 13,992
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	\$ 0	\$ 180	\$ 180
Operating Transfers Out	0	(3,381)	(3,381)
Total Other Financing	\$ 0	\$ (3,201)	\$ (3,201)
Excess (Deficiency) of Revenues and Other Sources Over Expen- ditures and Other Uses	\$ (24,402)	\$ (13,611)	\$ 10,791
Fund Balance- Beginning of Year	22,923	22,923	0
Fund Balance- End of Year	\$ 2,721	\$ 9,312	\$ 6,591

See notes to financial statements.

Louisiana Association of Councils on Aging, Inc.
 Natchitoches, Louisiana
 Notes to Financial Statements
 June 30, 1996

10. Federally Assisted Programs-

The Association often participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act of 1996. Audits of prior years have not resulted in any disallowed costs, however, grantor agencies may provide for further examinations. Based on prior experience, the Association's management believes that further examinations would not result in any significant disallowed costs.

11. Economic Dependency-

The Association receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Association 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 Association will receive in the next fiscal year.

12. IRC Section 125 Cafeteria Plan-

In January, 1992, the Association 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.

13. Interfund Transfers-

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

	Operating Transfers In	Operating Transfers Out
General Fund - Local	\$ 750	\$ 100
General Fund - State of Louisiana	553	0
Total General Funds	\$1,303	\$ 100

This report is intended solely for the use of management, all applicable Federal agencies, and those other governmental units from which financial assistance was received and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon delivery to the Louisiana Association of Councils on Aging, Inc., is a matter of public record.


Johnson, Thomas & Cunningham, CPAs

September 23, 1986
Natchitoches, Louisiana

Johnson, Thomas & Cunningham

Chartered Accountants

Exhibit 1-C

Page 40

John S. Johnson, Jr., P.C.A., C.F.A., Registered Accountant

Paul W. Thomas, Jr., P.C.A., C.F.A., Registered Accountant

Ray A. Cunningham, P.C.A., C.F.A., Registered Accountant

1990 National Office

1616 Lakeside Avenue, Suite 2000

1001 Poydras Street

New Orleans, Louisiana 70112

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

Board of Directors of the Louisiana
Association of Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., and the combining (individual fund and account group) financial statements as of and for the year ended June 30, 1996, and have issued our report thereon dated September 27, 1996.

In connection with our audit of the general purpose financial statements of the Association, and with our consideration of the Association's internal control structure used to administer Federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audit of State and Local Governments", we selected certain transactions applicable to certain mortgage interest financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing type of services allowed or disallowed, reporting, eligibility, and matching. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Louisiana Association of Councils on Aging, Inc., compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items noted, the results of those procedures disclosed no material instances of non-compliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Louisiana Association of Councils on Aging, Inc., had not complied, in all material respects, with those requirements.

This report is intended for the information of management, applicable Federal agencies, and other governmental agencies from whom Federal financial assistance was received. However, upon delivery to the Louisiana Association of Councils on Aging, Inc., this report is a matter of public record and its distribution is not limited.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPAs

September 27, 1996
Metairie/Lafayette, Louisiana

This report is intended for the information of management, applicable Federal agencies, and other governmental agencies from which financial assistance was received. This restriction is not intended to limit the distribution of this report, which, upon delivery to the Louisiana Association of Councils on Aging, Inc., is a matter of public record.


Jeffrey Thomas & Cunningham, CPAs

September 27, 1998
Baton Rouge, Louisiana

J. H. Jones & Cunningham

Chartered Public Accountants

142661-4

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John H. Jones, F.C.P.A., M. (Professional Register)

John H. Jones, F.C.P.A., M. (Professional Register)

John H. Cunningham, F.C.P.A., M. (Professional Register)

200 Canal Street

New Orleans, Louisiana 70112

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TELEX 330000

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

Board of Directors of the Louisiana
Association of Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., and the combining, individual fund and account group financial statements as of and for the year ended June 30, 1986, and have issued our report thereon dated September 27, 1986.

We have applied procedures to test the Louisiana Association of Councils on Aging, Inc.'s compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended June 30, 1986:

Political activity
Civil rights
Cash management
Federal financial reports
Allowable cost/expense principles
Administrative requirements

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

With respect to the items tested, the results of these procedures disclosed no instances of non-compliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the Louisiana Association of Councils on Aging, Inc. had not complied, in all material respects, with those requirements.

This report is intended solely for the use of management, all applicable Federal agencies, and those other governmental units from which financial assistance was received and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon delivery to the Louisiana Association of Councils on Aging, Inc., is a matter of public record.


Johnson, Thomas & Cunningham, CPAs

September 27, 1998
Mandeville, Louisiana

requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed as used for matching that are applicable to the Association's federal financial assistance programs, which is identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants.

Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the Association's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

Separation of Duties

Finding:

The accounting department of the Association consists of only three employees. This leaves very little opportunity to have a proper separation of duties needed for a strong system of internal control.

Recommendation:

Since the cost of an internal control system should not outweigh the benefits derived from it, we can not recommend that additional personnel be added, and have no recommendation to make in this area.

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

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe some of the reportable conditions described above is a material weakness.

structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, perception of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering Federal financial assistance programs in the following categories:

General requirements:

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

Specific requirements:

- Types of services
- Reporting
- Special requirements
- Matching

Claims for all sources and reimbursements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the Association expended 100 percent of its total federal financial assistance under various Federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific

Louisiana Association of Councils on Aging, Inc.
Machoudan, Louisiana

Statement of Expenditures- Budget and Actual
Year Ended June 30, 1996

	Budget	Actual	Budget Over/(Under) Actual
EXPENDITURES:			
Local Government:			
Salaries	\$ 0	\$ 0	\$ 0
Fringe	0	0	0
Travel	2,708	2,846	2,734
Operating Services	0	904	(904)
Operating Supplies	24,192	25,674	(11,482)
Other Costs:			
PMS Expense	141,888	144,629	(22,741)
Craft Sales Disbursements	860	618	242
COA Parish Ins.	6,075	3,658	3,028
COA Group Health Ins.	3,494	8,294	(880)
Capital Outlays	0	682	(680)
Total	\$189,812	\$228,413	\$228,601
State of Louisiana-Act 725:			
Salaries	\$ 65,000	\$ 65,641	\$ (641)
Fringe	18,000	4,338	13,678
Travel	0	0	0
Operating Services	13,584	8,188	5,702
Operating Supplies	0	0	0
Other:			
COA Group Health Ins.	0	0	0
Total	\$ 96,584	\$ 78,167	\$ 18,712

Continued next page

See notes to financial statements.

Johnson, Thomas & Cunningham

Chartered Public Accountants

Exhibit 1.0

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John G. Brown, Jr., P.C.A., C.P.A., C.F.A., C.F.P.

Paul W. Thomas, P.C.A., C.P.A., C.F.A., C.F.P.

Gregory B. Cunningham, P.C.A., C.P.A., C.F.A., C.F.P.

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**COMPLIANCE REPORT BASED ON AN ALERT BY THE
FINANCIAL STATEMENT REVIEWERS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors of the Louisiana
Association of Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc. for the year ended June 30, 1998, and have issued our report thereon dated September 27, 1998.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States, Audits of State and Local Governments, and the Louisiana Governmental Audit Guide and the provision of Office of Management and Budget Circular A-128 "Audits of State and Local Governments." These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Louisiana Association of Councils on Aging, Inc. is responsible for the Association's compliance with laws, regulations, contracts, and grants. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Association's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Governmental Auditing Standards.

This report is intended for the information of the Board of Directors and the management of the Louisiana Association of Councils on Aging, Inc.. However, this report is a matter of public record and its distribution is not limited.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, C.P.A.s

September 27, 1998
Metairie, Louisiana

Johnson, Thomas & Cunningham

Chartered Accountants

Exhibit 14

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State of Louisiana, 1996, 1997, 1998 Supplemental Report

And 1999, 2000, 2001, 2002 Supplemental Report

Also, 1999, 2000, 2001, 2002 Supplemental Report

1999 Supplemental Report

1999 Supplemental Report

1999, 2000, 2001

1999, 2000, 2001

**AUTHOR'S REPORT ON SCHEDULE OF FEDERAL
FINANCIAL ASSISTANCE**

Board of Directors of the Louisiana
Association of Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., and the combining individual fund and account group financial statements for the year ended June 30, 1998, and have issued our report thereon dated September 27, 1998. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audit of State and Local Governments." These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham Chartered

September 27, 1998

Metairie, Louisiana

In planning and performing our audit of the general purpose financial statements of the Louisiana Association of Geriatrician on Aging, Inc. for the year ended June 30, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express an opinion.

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

Separation of Duties

Finding:

The accounting department of the Association consists of only three employees. This leaves very little opportunity to have a proper separation of duties needed for a strong system of internal control.

Recommendation:

Since the cost of an internal control system should not outweigh the benefits derived from it, we cannot recommend that additional personnel be added, and have no recommendations to make in this area.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that we also considered to be material weaknesses, as defined above. However, we believe some of the reportable conditions described above is a material weakness.

Johnson, Thomas & Cunningham

Chartered Public Accountants

October 15, 1996

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John S. Thomas, II, P.C.A., (A) Registered Signature

Paul L. Thomas, P.C.A., (A) Registered Signature

John R. Cunningham, P.C.A., (A) Registered Signature

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**AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL PURPOSE
THE BASIC FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors of the Louisiana
Association of Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., and the accompanying, individual fund and account group financial statements for the year ended June 30, 1996, and have issued our report thereon dated September 27, 1996.

We conducted our audit in accordance with generally accepted auditing standards and the standards for audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States, the provisions of Office of Management and Budget Circular A-133, Audit of State and Local Governments, and the Louisiana Governmental Audit Guide. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Louisiana Association of Councils on Aging, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

INTERNAL CONTROL AND COMPLIANCE

Louisiana Association of Councils on Aging, Inc.
Metairie, Louisiana

Exit Conference
Year Ended June 30, 1998

An exit conference was held on Tuesday, October 8, 1998, at the Bentley Hotel in Alexandria, Louisiana. The conference was attended by Michael McGill, director of the Association, members of the Board of Directors, and Roger Cunningham, from the firm of Johnson, Thomas & Cunningham, CPA's. A separate management letter was not issued. However, the audit report, accounting records, and the internal control procedures of the Association were discussed, including all matters noted in the report on internal controls included herein. The director (and board members) received our findings and recommendations favorably.

SCHEDULES AND OTHER INFORMATION

Louisiana Association of Councils on Aging, Inc.
Mandeville, Louisiana

Comparative Statement of General Fixed Assets
June 30, 1996 and 1995

	June 30, 1996	June 30, 1995
GENERAL FIXED ASSETS:		
Office Furniture & Equipment	\$57,988	\$50,168
Total General Fixed Assets	\$57,988	\$50,168
INVESTMENT IN GENERAL FIXED ASSETS:		
Total Investment in General Fixed Assets	\$57,988	\$50,168

See notes to financial statements.

Johnson, Thomas & Cunningham

Chartered Public Accountants

Exhibit 1-3

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John G. Thomas, F.C.P.A., M.A., CPA and Corporate

Richard W. Thomas, F.C.P.A., M.A., CPA and Corporate

Joseph R. Cunningham, F.C.P.A., M.A., CPA and Corporate

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ADMINISTRATIVE REPORT ON THE INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Board of Directors of the Louisiana
Association of Councils on Aging, Inc.

We have audited the general purpose financial statements of the Louisiana Association of Councils on Aging, Inc., and the combining, individual fund and account group financial statements as of and for the year ended June 30, 1996, and have issued our report thereon dated September 27, 1996. We have also audited the Louisiana Association of Councils on Aging, Inc., compliance with requirements applicable to federal financial assistance programs and have issued our report thereon dated September 27, 1996.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments", and the Louisiana Governmental Audit Guide. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the Association complied with laws and regulations, noncompliance with which would be material to a federal financial assistance program.

In planning and performing our audits for the year ended June 30, 1996, we considered the Association's internal control structure in order to determine the auditing procedures for the purpose of expressing our opinions on the Association's financial statements and on its compliance with requirements applicable to federal financial assistance programs and not to provide assurance on the internal control structure. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs.

The management of the Louisiana Association of Councils on Aging, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control

Louisiana Association of Commissioners Aging, Inc.
Baldwinville, Louisiana

Combining Balance Sheet
Special Revenue Fund
Years Ended June 30, 1996 and 1995

	Ending 1995 Fund	Ending 1996 Fund	Special Revenue Fund			Assets Other Fund	Year ended 6/30/96		6/30/95
			1995 Fund	1996 Fund	1996 Fund		6/30/96	6/30/95	
Assets									
Cash	\$2,284	\$2,947	\$0	\$0	\$0	\$0	\$0,200	\$26,940	
Accounts Receivable	0	0	0	0	0	0	0	0	
Total Assets	\$2,284	\$2,947	\$0	\$0	\$0	\$0	\$0,200	\$26,940	
Liabilities									
Accounts Payable									
Total Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	
Fund Balance									
Unexpended Fund Balance	\$2,284	\$2,947	\$0	\$0	\$0	\$0	\$0,200	\$25,940	
Total Fund Balance	\$2,284	\$2,947	\$0	\$0	\$0	\$0	\$0,200	\$25,940	
Total Liabilities & Fund Balance	\$2,284	\$2,947	\$0	\$0	\$0	\$0	\$0,200	\$26,940	