

4840-0283
11-88

OFFICIAL
FILE COPY
DO NOT SIGN OUT
CHECK NUMBER
FROM THE
TOP AND PLACE
HEREIN 1983

RECEIVED

JAN 14 1988

LIBRARY OF CONGRESS

9 8402583
1103
35

GRANT COUNCIL ON AGING, INC.
Coffas, Louisiana

FINANCIAL STATEMENTS
AND
AUDITORS' REPORTS

June 30, 1988

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

Release Date JAN 13 1988

GRANT COUNCIL ON AGING, INC.,
COLLIER, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

TABLE OF CONTENTS

| | Exhibit | Page |
|--|---------|------|
| Independent Auditors' Report | | 1 |
| FINANCIAL STATEMENTS | | |
| Combined Balance Sheet - All Fund Types and Account Groups | A | 3 |
| Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types | B | 4 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund | C | 5 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Special Revenue Fund | D | 6 |
| Notes to Financial Statements | | 7 |
| Additional Information | | 11 |
| SUPPLEMENTAL INFORMATION | | |
| <u>Schedule</u> | | |
| Combining Schedule of Program Revenues, Expenditures and Changes in Fund Balances General Fund | 1 | 12 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds | 2 | 13 |

GRANT COUNCIL ON AGING, INC.
COLFAS, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

TABLE OF CONTENTS (CONTINUED)

| | | |
|---|---|----|
| Schedule of Program Expenditures - Budget vs. Actual | 3 | 25 |
| Comparative Schedule of General Fixed Assets and Changes in General Fixed Assets | 4 | 27 |
| Other Report Required by Government Auditing Standards | | 28 |
| Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | | 29 |
| Schedule of Findings and Questioned Costs | | 31 |
| Schedule of Prior Year Audit Findings | | 32 |



DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Grant Council on Aging, Inc.
Coffin, Louisiana

We have audited the accompanying general purpose financial statements of Grant Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 1998. These general purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 general purpose 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 aspects, the financial position of Grant Council on Aging, Inc., as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 1998, on our consideration of the Council's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed 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 Great Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose 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.



Certified Public Accountant
October 13, 1988

GRANT COUNCIL ON SUBSTANCE
 Abuse, Inc.

COMBINED BALANCE SHEET - ALL FUND TYPES AND FUND GROUPS
 June 30, 1999
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1997

| | Statement of Financial Position | | Balance Sheet | | Totals | |
|---|---------------------------------|-----------|---------------|----------|-----------|-----------|
| | 1999 | 1997 | 1999 | 1997 | 1999 | 1997 |
| ASSETS | | | | | | |
| Cash | \$ 40,503 | | | | \$ 40,503 | \$ 40,503 |
| Accounts receivable | | | | | | |
| State Agency on Alcohol Abuse | | \$ 12,000 | | | 12,000 | 12,000 |
| Department of Health and Human Services | 400 | | | | 400 | |
| Regional Institute | | 50 | | | 50 | 50 |
| New York Federal Reserve Bank | | | | | | |
| Fund | 4,000 | | | | 4,000 | 4,000 |
| Unexpended allocations or grants in hand | | | 25,000 | | 25,000 | 25,000 |
| Accounts for receivable - unexpended allocations | | | | 8,000 | 8,000 | 8,000 |
| Total Assets | \$ 44,903 | \$ 12,050 | \$ 25,000 | \$ 8,000 | \$ 69,903 | \$ 78,503 |
| LIABILITIES, FUND EQUITY AND OTHER CREDITS | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 111 | \$ 1,000 | | | \$ 1,111 | \$ 1,111 |
| Payroll - outstanding payrolls | | 111 | | | | |
| Due to General Fund | | 4,000 | | | 4,000 | 4,000 |
| Unexpended amounts payable | | | | 1,000 | 1,000 | 1,000 |
| Total Liabilities | 111 | 5,111 | 0 | 1,000 | 5,111 | 6,111 |
| FUND EQUITY AND OTHER CREDITS | | | | | | |
| Investment in General Fund Assets | | | 25,000 | | 25,000 | 25,000 |
| Fund Balances | | | | | | |
| Department of Health and Human Services | | 1,000 | | | 1,000 | |
| New York - Unexpended | 1,000 | | | | 1,000 | 1,000 |
| Total Fund Equity and Other Credits | 1,000 | 1,000 | 25,000 | 0 | 26,000 | 26,000 |
| Total Liabilities, Fund Equity and Other Credits | \$ 2,111 | \$ 6,111 | \$ 25,000 | \$ 1,000 | \$ 71,011 | \$ 84,611 |

The accompanying notes are an integral part of this statement.

CHERRY CREEK, INC. (FORMER, INC.)
 Tulsa, Oklahoma

EXHIBIT B

COMBINED STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
 For the Year Ended June 30, 1998
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1997

| | Actual | Special Revenues | Totals | |
|---|------------------------|-------------------------|----------------------------------|-------------------------|
| | | | (All Governmental Funds) 1998 | 1997 |
| Revenues | | | | |
| Intergovernmental | | | | |
| Tulsa Area Agency on Retiring, Inc. | | 1,187,290 | 1,187,290 | 1,187,290 |
| Office of Elderly Affairs | 21,779 | | 11,779 | 11,779 |
| Office of Senior Affairs | | | | 18,000 |
| Department of Health and Hospitality | 1,094 | | 1,094 | |
| Indian WPA | | 4,894 | 4,894 | 4,894 |
| Program Income | | 17,776 | 17,776 | 2,281 |
| Public support | | 10,675 | 10,675 | 10,675 |
| Miscellaneous | | 127 | 127 | |
| Total revenues | <u>22,873</u> | <u>1,208,862</u> | <u>1,231,721</u> | <u>1,216,839</u> |
| Expenditures | | | | |
| Current | | | | |
| Salaries | 2,185 | 55,046 | 57,231 | 55,114 |
| Fringe | 118 | 18,122 | 18,240 | 6,441 |
| Travel | 4 | 194.81 | 198.81 | 15,892 |
| Operating services | 1,112 | 28,115 | 29,227 | 45,048 |
| Operating supplies | 602 | 6,817 | 7,419 | 6,249 |
| Other costs | 147 | 19,818 | 20,965 | |
| Waste | 2,408 | 14,291 | 16,699 | |
| Capital outlay | <u>2,408</u> | <u>1,111</u> | <u>3,519</u> | |
| Total expenditures | <u>10,284</u> | <u>124,510</u> | <u>134,750</u> | <u>124,644</u> |
| Excess (deficiency) of revenues over expenditures | 12,589 | 1,084,352 | 1,096,971 | 99,195 |
| Other financing sources or uses | | | | |
| Operating transfers in | 28,899 | 74,278 | 103,177 | 122,443 |
| Operating transfers out | <u>(11,025)</u> | <u>(89,819)</u> | <u>(78,794)</u> | <u>(81,558)</u> |
| Total other financing sources/uses | <u>17,874</u> | <u>(15,541)</u> | <u>24,383</u> | <u>40,885</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 30,463 | 1,068,811 | 1,121,354 | 139,080 |
| Fund balances, beginning | <u>(11,119)</u> | <u>(1,122)</u> | <u>(12,241)</u> | <u>(12,241)</u> |
| Fund balances, ending | <u>19,344</u> | <u>1,067,689</u> | <u>1,087,013</u> | <u>1,311,120</u> |

The accompanying notes are an integral part of this statement.

EXHIBIT C

GRANT COUNCIL ON AGING, INC.
Coffee, LouisianaSTATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 1998

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Intergovernmental | \$ 13,879 | \$ 13,473 | \$ -406 |
| Total revenues | <u>13,879</u> | <u>13,473</u> | <u>-406</u> |
| EXPENDITURES | | | |
| Current | | | |
| Salaries | | 3,076 | (3,076) |
| Fringe | | 98 | (98) |
| Travel | | 4 | (4) |
| Operating services | 3,022 | 2,932 | 90 |
| Operating supplies | | 82 | (82) |
| Other costs | | 147 | (147) |
| Capital outlay | | <u>7,889</u> | <u>(7,889)</u> |
| Total expenditures | <u>3,022</u> | <u>11,986</u> | <u>(8,964)</u> |
| Excess (deficiency) of revenues over expenditures | 9,857 | 1,487 | (8,370) |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating transfers in | 1,900 | 21,889 | 20,000 |
| Operating transfers out | (11,779) | (22,528) | (10,749) |
| Total other financing sources (uses) | <u>1,900</u> | <u>(649)</u> | <u>2,549</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 0 | 3,617 | \$ 3,617 |
| Fund balance, beginning | <u>58,700</u> | <u>58,626</u> | |
| Fund balance, ending | <u>\$ 58,700</u> | <u>\$ 62,243</u> | |

The accompanying notes are an integral part of this statement.

EXHIBIT D

GRANT COUNCIL, DON AGING, INC.
Colfax, LouisianaSTATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (PLANNED) AND ACTUAL
SPECIAL REVENUE FUND

For the Year Ended June 30, 1998

| | Budget | Actual | Variance Favorable (\$ in thousands) |
|--|------------|------------|--|
| REVENUES | | | |
| Intergovernmental | \$ 198,115 | \$ 192,176 | \$ (5,939) |
| Public support | | 16,675 | 16,675 |
| Interest income | | 111 | 111 |
| Program income | 18,200 | 17,179 | (1,021) |
| Total revenues | 224,515 | 226,141 | 1,626 |
| EXPENDITURES | | | |
| Current: | | | |
| Salaries | 96,140 | 95,086 | 1,054 |
| Wages | 11,100 | 10,177 | 923 |
| Taxes | 28,890 | 19,681 | 9,209 |
| Operating services | 26,518 | 20,119 | 6,399 |
| Operating supplies | 6,888 | 6,507 | 381 |
| Other costs | 6,489 | 19,088 | (12,599) |
| Depreciation | | 14,289 | (14,289) |
| Capital outlay | | 810 | 810 |
| Total expenditures | 186,025 | 188,733 | (2,708) |
| Excess (deficiency) of revenues over expenditures | 38,490 | 37,408 | 882 |
| OTHER FUNDING SOURCES (USES) | | | |
| Operating transfers in | 44,708 | 58,258 | 13,550 |
| Operating transfers out | (11,842) | (60,891) | (49,049) |
| Total other financing sources (uses) | 32,866 | (2,633) | 35,500 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 71,356 | 34,775 | 36,581 |
| Fund balance, beginning | 7,507 | 7,507 | |
| Fund balance, ending | \$ 78,863 | \$ 42,282 | \$ 36,581 |

This accompanying audit is an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Cottier, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Grant Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The Council also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the Council can use the money provided.

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

The primary function of Grant Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly of the parish. Such services include providing a location for meals, nutritional education, information and referral services, chore services, operating senior centers, and transportation. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the Council.

B. Presentation of Statements:

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

GRANT COUNCIL ON AGING, INC.
Cotton, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

B. Presentation of Statements: (continued)

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

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds, 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. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are 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 one broad fund category (account group).

Governmental Fund Types

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:

GRANT COUNCIL ON AGING, INC.
Culiac, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

C. Fund Accounting (Continued)

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:

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) program service revenue from renting Mobile Alert tanks and providing Medicinal services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General Fund. Expenses incurred which are not chargeable to specific programs are recorded as "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, flood asset additions are generally paid with "other local" funds.

Medicaid

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

GRANT COUNCIL ON AGING, INC.
Coffey, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

C. Fund Accounting (Continued)

General Fund (continued)

FCOA (Act 735)

FCOA (Act 735) funds are appropriated for the Council by the Louisiana Legislature and sent to the Council via the Governor's Office of Elderly Affairs (GOEA). The council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs to Coffey Area Agency on Aging, Inc. who funds the Council on a pre-determined unit cost reimbursement basis up to the contract amount.

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

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 social services, such as, information and assistance, access services, in-home services, community services and outreach for people age 60 and older.

Title III-C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregating meals to the elderly in strategically located centers. During the fiscal year July 1, 1997 to June 30, 1998, the Council served about 3,348 congregating meals.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

C. Fund Accounting: (Continued)

Title III-C-2 Home-Delivered Meals Fund

This Title III-C-2 Fund is used to account for funds which are used to provide nutritional, home-delivered meals to homebound older persons. During the fiscal year July 1, 1997 to June 30, 1998, the Council served about 38,161 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 frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

Title III-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 and (5) nutrition (assessment/screening, counseling, and education). The line directs the state agency administering this program to "give priority to areas of the state which are radically underserved and in which there are a large number of older individuals who have the greatest economic and social need."

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 to Colfax Area Agency on Aging, Inc. who funds the Council on a predetermined unit cost reimbursement basis up to the contract amount. 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 1 senior center in Grand Parish, Louisiana.

GRANT COUNCIL ON AGING, INC.
Cottier, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

C. Fund Accounting - (Continued)

Special Revenue Fund (continued)

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for additional funds to be used to supplement the primary contract for the Senior Centers. These funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Geriatric Area Agency Aging, Inc. who funds the Council.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the Council or the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Grant Funds to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Account Groups

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

General Fixed Assets

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

GRANT COUNCIL ON AGING, INC.
Coffey, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

C. Fund Accounting (Continued)

Special Revenue Fund (continued)

General Long Term Debt

General obligations of the Council are recorded in the General Long Term Debt Account Group. The only general obligation at June 30, 1998 was compensated absences.

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 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. Interfunds:

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.

GRANT COUNCIL ON AGING, INC.
Coffins, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

F. Budget Policy:

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

- The Care Area Agency on Aging, Inc. modifies the Council each year as to the funding levels for each program's grant award.
- The Council may also obtain grants from agencies other than COGA and the Council considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Care Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the following year.
- The adopted budget is forwarded to the Care Area Agency on Aging, Inc. for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30). 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 when the budgetary appropriations 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 original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control policy.

GRANT COUNCIL ON AGING, INC.
Coffee, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

F. Budget Policy (Continued)

- The Council may transfer funds between line items as often as required but must obtain prior approval from the Central Area Agency on Aging, Inc. for funds received under grants from GOLA.
- 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.

G. Total Columns of Combined Statements

Total columns on the combined 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.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset 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 or estimated historical cost if actual historical cost is not available. Depreciated fixed assets are stated at their estimated fair market value on the date of valuation.

GRANT COUNCIL ON AGING, INC.
Cafritz, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

1. Comparative Data:

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

2. Restricted Assets:

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the Council (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

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

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (modified accrual basis). (Contracts do not allow the Council to recognize revenues until units of services are provided.)

Not 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

Public Support and Miscellaneous Revenues

The Council arranges and receives contributions from clients to help offset the costs of various programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

GRANT COUNCIL ON AGING, INC.
Catfish, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE 3 INCOME TAX STATUS

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

NOTE 4 FUND BALANCE - RESERVED

Fund balance - reserved - special revenue fund consists of amounts to be specifically used for utility assistance.

NOTE 5 CONTRACTS RECEIVABLE

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

| Expense | Fund | Funding Agency | Amount |
|----------------------------|-----------------|----------------|----------|
| Senior Center | Special Revenue | Credit A.A.R. | \$ 1,980 |
| Title II-B | Special Revenue | Credit A.A.R. | 1,841 |
| Title II-C-1 | Special Revenue | Credit A.A.R. | 1,761 |
| Title II-C-2 | Special Revenue | Credit A.A.R. | 5,032 |
| Title II-D | Special Revenue | Credit A.A.R. | 161 |
| Title II-F | Special Revenue | Credit A.A.R. | 158 |
| Supplemental Senior Center | | | |
| Center | Special Revenue | Credit A.A.R. | 836 |
| Medical | General | DEB | (420) |
| | Total | | \$33,112 |

NOTE 6 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

| | Balance 6/30/97 | Additions | Deletions | Balance 6/30/98 |
|-----------------------|--------------------|-----------|-----------|--------------------|
| Furniture & equipment | \$ 17,932 | \$ 7,818 | \$ 350 | \$ 25,400 |

GRANT COUNCIL ON AGING, INC.
Coffin, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE 7 **COMPENSATED ABSENCES**

Annual leave is earned by employees at varying rates per pay period based on length of service. The amount of accumulated annual leave which can be carried forward at the end of the year is limited based on length of service up to 45 days.

NOTE 8 **CASH IN BANK**

The Council maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows these funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 1998, the balance of the Council's consolidated bank account was \$43,940. The related bank balance (collected deposits) at that date was \$46,777. The Council also maintains savings and payroll accounts. At June 30, 1998, the balance of the savings account was \$3,760 and the balance of the payroll account was \$3. The related bank balances (collected deposits) at that date were \$5,760 and \$253 respectively. All of the deposits were covered by federal-depository insurance. CASH Statement 3 categorized the credit risk of these deposits as Category 1 because they are fully insured.

NOTE 9 **JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Council at June 30, 1998. Furthermore, Council's management believes that any potential litigation would be adequately covered by insurance.

NOTE 10 **FEDERAL AWARD PROGRAMS**

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 grantee agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantee agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

GRANT COUNCIL ON AGING, INC.
Coffey, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

NOTE 13 ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from contracts with Coala Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Coala Area Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the Council's 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 12 RELATED PARTY

There were no related party transactions during the fiscal year.

NOTE 13 RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; thefts of, 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 14 INTERFUND TRANSFERS

Opening transfers in and out are listed by fund for 1998:

| Fund | Funds Transferred To | | | | Supplemental | | Transf. In | Total |
|--------------|----------------------|---------|---------|---------|--------------|------------|------------|---------|
| | LI | LI | 0 | 1 | Transf. Out | Transf. In | | |
| Supplemental | | | \$1,995 | \$1,995 | \$1,995 | \$ 1,995 | \$4,225 | \$4,225 |
| Supplemental | | | | | \$ 4,400 | 700 | | 5,100 |
| Capital Fund | \$4,422 | \$4,422 | | | | \$4,422 | \$4,422 | \$4,422 |
| Capital Fund | \$4,422 | \$4,422 | | | \$4,422 | \$4,422 | \$4,422 | \$4,422 |

GRANT COUNCIL ON AGING, INC.
Cafritz, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 1998

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 for out-of-pocket travel expenses incurred in accordance with the Council's regular personnel policy.

ADDITIONAL INFORMATION

STATE OF TEXAS, BY AND FOR THE
COMPTROLLER

COMPARING SUMMARY OF PROGRAM REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GENERAL FUND
For the Year Ended June 30, 1998

| | State Fund | Admitted | FOIA Admitted | Total |
|--|------------------|--------------|------------------|------------------|
| Revenues | | | | |
| Intergovernmental | | | | |
| Office of History Affairs | | | \$ 11,700 | \$ 11,700 |
| Department of Health and Human Resources | | \$ 1,400 | | 1,400 |
| Total revenues | <u>0</u> | <u>1,400</u> | <u>11,700</u> | <u>13,100</u> |
| Expenditures | | | | |
| Current | | | | |
| Salaries | 664 | 1,600 | | 2,264 |
| Fringe | | 100 | | 100 |
| Travel | | 0 | | 0 |
| Contracting services | 10 | 1,000 | | 1,010 |
| Contracting supplies | | 100 | | 100 |
| Other items | | 147 | | 147 |
| Capital outlay | <u>1,000</u> | <u>0</u> | <u>0</u> | <u>1,000</u> |
| Total expenditures | <u>1,674</u> | <u>2,700</u> | <u>0</u> | <u>4,374</u> |
| Excess (deficiency) of revenues over expenditures | 16,426 | 1,200 | 11,700 | 29,326 |
| Other financing sources (uses) | | | | |
| Operating transfers in | 20,000 | 1,000 | | 21,000 |
| Operating transfers out | <u>(11,300)</u> | <u>0</u> | <u>(11,700)</u> | <u>(23,000)</u> |
| Total other financing sources (uses) | 8,700 | 1,000 | (11,700) | 0 |
| Excess (deficiency) of revenues and other financing over expenditures and other uses | 16,426 | 0 | 0 | 16,426 |
| Residuals, beginning | <u>11,400</u> | <u>0</u> | <u>0</u> | <u>11,400</u> |
| Residuals, ending | <u>\$ 13,000</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 13,000</u> |

The accompanying schedule is integral part of this statement.

SCHEDULE J

GRANT COUNCIL ON AGING, INC.
Coffey, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 1968

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-----------|-----------|--|
| FEDA - ACCESS | | | |
| Transfer to | | | |
| Title III-01 | \$ 11,840 | \$ 11,840 | \$ 0- |
| General fund | 730 | 730 | 0- |
| Totals | \$ 12,570 | \$ 12,570 | \$ 0- |
| TITLE III - SUPPORTIVE SERVICES | | | |
| Salaries | \$ 47,683 | \$ 48,401 | \$ (718) |
| Fringe | 5,586 | 6,183 | (697) |
| Travel | 3,218 | 3,982 | (764) |
| Operating services | 9,176 | 16,798 | (7,622) |
| Operating supplies | 6,687 | 4,527 | 2,160 |
| Other costs | 3,793 | 14,718 | (10,925) |
| Meals | | 2,174 | (2,174) |
| Capital outlay | | 178 | (178) |
| Totals | \$ 76,083 | \$ 93,062 | \$ (16,979) |
| TITLE III-C-1 | | | |
| Salaries | \$ 8,668 | \$ 8,675 | \$ (7) |
| Fringe | 1,008 | 921 | 87 |
| Travel | 399 | 2,817 | (2,418) |
| Operating services | 1,491 | 1,990 | (500) |
| Operating supplies | 1,868 | 1,808 | 660 |
| Other costs | 148 | 2,834 | (2,686) |
| Capital outlay | | 37 | (37) |
| Meals | | 2,359 | (2,359) |
| Transfer to | | | |
| General fund | | 3,297 | (3,297) |
| Totals | \$ 13,582 | \$ 23,332 | \$ (9,750) |

SCHEDULE 3-Continued

GRANT COUNCIL ON AGING, INC.
Cottier, LouisianaSCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 1998

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|----------------------------------|------------------|------------------|--|
| DELE-002 | | | |
| Salaries | \$ 28,791 | \$ 28,258 | \$ 533 |
| Fringe | 4,598 | 3,624 | 1,974 |
| Tarvel | 16,670 | 13,840 | 2,830 |
| Operating services | 8,512 | 7,688 | 824 |
| Operating supplies | 1,225 | 521 | 704 |
| Other costs | 881 | 583 | 298 |
| Capital outlay | | 37 | 37 |
| Intials | | 9,561 | (9,561) |
| Transfers to: | | | |
| General fund | | (9,284) | (9,284) |
| Totals | <u>\$ 71,247</u> | <u>\$ 68,994</u> | <u>\$ 2,253</u> |
| DELE-003 | | | |
| Transfers to: | | | |
| Title 18-B | \$ 1,518 | \$ 1,518 | \$ 0 |
| Totals | <u>\$ 1,518</u> | <u>\$ 1,518</u> | <u>\$ 0</u> |
| DELE-004 | | | |
| Transfers to: | | | |
| Title 18-B | \$ 2,310 | \$ 2,310 | \$ 0 |
| Totals | <u>\$ 2,310</u> | <u>\$ 2,310</u> | <u>\$ 0</u> |
| MEMPH-CENTER | | | |
| Transfers to: | | | |
| Title 18-B | \$ 18,932 | \$ 18,932 | \$ 0 |
| Totals | <u>\$ 18,932</u> | <u>\$ 18,932</u> | <u>\$ 0</u> |
| SUPPLEMENTAL MEMPH-CENTER | | | |
| Transfers to: | | | |
| Title 18-B | \$ 2,644 | \$ 2,644 | \$ 0 |
| Title 18-C-2 | 6,300 | 6,300 | 0 |
| General fund | 1,658 | 1,658 | 0 |
| Totals | <u>\$ 10,602</u> | <u>\$ 10,602</u> | <u>\$ 0</u> |

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Cottica, Louisiana

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS
For the Year Ended June 30, 1998

| | Balance June 30, 1997 | Additions | Deletions | Balance June 30, 1998 |
|---|-----------------------------|-----------------|-----------------|-----------------------------|
| GENERAL FIXED ASSETS, AT COST | | | | |
| Furniture & equipment: | \$ 11,532 | \$ 1,818 | \$ 1,128 | \$ 12,222 |
| Total General Fixed Assets | <u>\$ 11,532</u> | <u>\$ 1,818</u> | <u>\$ 1,128</u> | <u>\$ 12,222</u> |
| INVESTMENT IN GENERAL FIXED ASSETS | | | | |
| Title B1-B | \$ 378 | \$ 306 | | \$ 684 |
| Title B1-C-1 | 649 | 27 | | 676 |
| Title B1-C-2 | 649 | 27 | | 676 |
| Senior Center | 1,558 | | | 1,558 |
| Title B1-D | 283 | | | 283 |
| General | <u>17,517</u> | <u>1,660</u> | <u>\$ 1,128</u> | <u>\$19,049</u> |
| Total Investment in General Fixed Assets | <u>\$ 17,517</u> | <u>\$ 1,660</u> | <u>\$ 1,128</u> | <u>\$ 19,049</u> |

The accompanying notes are an integral part of this statement.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**



DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

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

Board of Directors
Grand Council on Aging, Inc.

We have audited the general purpose financial statements of Grand Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 1998, and have issued our report thereon dated October 13, 1998. We conducted our 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 Council's financial statements are free of material misstatement, we 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 those provisions is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and federal receiving agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants

October 13, 1998

GRANT COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1998

We have audited the financial statements of Grant Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated October 13, 1998. We conducted our 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. Our audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements:

Internal control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Non-Compliance Material to Financial Statements Yes No

Section II Financial Statement Findings

There were no Financial Statement Findings or questioned costs.

GRANT COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 1998

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

There were no Internal Control or Compliance findings.