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<p>Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or treasurer, clerk and other appropriate public officials. This report is available for public inspection at the state house office of the legislator/fund-keeper, where appropriate, at the office of the parish clerk of court, or Release Date: <u>8/12/98</u></p>	
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hennepin Council on Aging, Inc.
Hennepin City, Louisiana

We have audited the accompanying general purpose financial statements of the Hennepin Council on Aging, Inc., 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, *Government Auditing Standards*, issued by the Comptroller General of the United States. These 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 statements 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 Hennepin 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 a report dated September 2, 1998, on our examination of the Hennepin Council on Aging, Inc.'s internal control structure and a report dated September 2, 1998, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Hennepin Council on Aging, Inc. taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. 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 stated in all material respects in relation to the general purpose financial statements taken as a whole.

Smith, Dwyer, Robinson & Co., P.C.
Certified Public Accountants

September 2, 1998

BOSSER-COUNCIL ON AGING, INC.

Combined Balance Sheet - All Fund Types and Account Groups
June 30, 1998

	Fund Types		Account Groups		
	General	Special Accounts	General Fund Assets	General Lim- ited Fdbs	Total Assets/Liabilities - Debt
ASSETS					
Cash	\$ 81,584	\$ -	\$ -	\$ -	\$ 81,584
Accounts receivable		11,791	-	-	11,791
Accounts receivable - other funds	298	18,021	-	-	18,319
Prepaid expenses	269	-	-	-	269
Fund assets	-	-	179,411	-	179,411
Accounts to be provided for maintenance of general temporary debt	-	-	-	13,436	13,436
Deposits	528	-	-	-	528
TOTAL ASSETS	<u>\$ 82,679</u>	<u>\$ 30,812</u>	<u>\$ 179,411</u>	<u>\$ 13,436</u>	<u>\$ 306,338</u>
LIABILITIES					
Accounts payable	\$ 599	\$ 1,791	\$ -	\$ -	\$ 2,390
Accounts payable - other funds	28,122	228	-	-	28,350
Deferred revenue	-	-	-	-	-
Long-term debt	-	-	-	-	-
Accumulated unpaid vacation	-	-	-	13,556	13,556
Note payable	-	-	-	-	-
Total Liabilities	<u>\$ 28,721</u>	<u>\$ 2,019</u>	<u>\$ -</u>	<u>\$ 13,556</u>	<u>\$ 44,296</u>
FUND EQUITY					
Fund balances:					
Unreserved	81,584	80,821	-	-	162,405
Reserves in general fund assets	-	-	179,411	-	179,411
Total fund equity	<u>81,584</u>	<u>80,821</u>	<u>179,411</u>	<u>-</u>	<u>341,816</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 81,044</u>	<u>\$ 4,840</u>	<u>\$ 179,411</u>	<u>\$ 13,556</u>	<u>\$ 309,851</u>

The accompanying notes are an integral part of these financial statements.

BOSSIER COUNCIL ON AGING, INC.

Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balances
All Governmental Fund Types
June 30, 1998

	General	Special Revenue	Total (Incomparable Data)
REVENUES			
Intergovernmental	\$ 112,876	\$ 716,517	\$ 829,393
Interest income	1,648	-	1,648
Participations and program income	-	64,784	64,783
Other miscellaneous	85,156	17,885	103,041
Total revenues	<u>284,676</u>	<u>809,206</u>	<u>1,093,882</u>
EXPENDITURES			
Salaries	58,303	705,496	763,799
Fringe benefits	2,627	26,183	28,810
Travel	2,190	16,984	19,174
Operating services	52,418	58,760	111,178
Operating supplies	28,984	32,473	61,457
Meals - Banquets	-	69,858	69,858
Necessities	-	52,792	52,792
Capital outlay	-	-	-
Total expenditures	<u>184,522</u>	<u>851,873</u>	<u>1,036,395</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>100,154</u>	<u>(241,667)</u>	<u>(141,513)</u>
Other Financing Sources (Uses)			
Operating transfers in	-	184,795	184,795
Operating transfers out	<u>(116,252)</u>	<u>(62,812)</u>	<u>(179,064)</u>
Total other financing sources (uses)	<u>(116,252)</u>	<u>121,983</u>	<u>(94,269)</u>
Deficiency of Revenues and Other Sources Over Expenditures and Other Uses	<u>(15,441)</u>	<u>13,146</u>	<u>(2,295)</u>
FUND BALANCES			
Beginning of year	23,861	35,477	59,338
Adjustments	-	-	-
End of year	<u>\$ 23,861</u>	<u>\$ 35,477</u>	<u>\$ 59,338</u>

BOSSIER COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 Budget (GLAP Basis) and Actual - Special Revenues Fund Type
 June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 371,640	\$ 376,337	\$ (4,703)
Participant and program income	29,400	61,780	32,380
Miscellaneous	-	17,855	17,855
Total revenues	<u>401,040</u>	<u>455,972</u>	<u>54,932</u>
EX EXPENDITURES			
Salaries	275,367	303,476	(28,109)
Fringe benefits	23,495	26,118	(2,623)
Taxes	15,679	16,594	(815)
Operating services	80,727	78,760	(1,967)
Operating supplies	21,985	26,473	(4,488)
Materials	79,036	69,094	9,942
Other costs	20,736	21,792	956
Capital outlay	2,000	-	2,000
Total expenditures	<u>529,822</u>	<u>527,827</u>	<u>1,995</u>
Deficiency of Revenues Over Expenditures	<u>(88,782)</u>	<u>(71,855)</u>	<u>16,927</u>
Other Financing Sources (Uses)			
Operating transfers in	110,655	104,795	5,860
Operating transfers out	<u>(20,730)</u>	<u>(27,612)</u>	<u>6,882</u>
Total other financing sources (uses)	<u>89,925</u>	<u>77,183</u>	<u>12,742</u>
Deficiency of Revenues and Other Sources Over Expenditures and Other Uses	-	(5,346)	(5,346)
FUND BALANCES			
Beginning of year	55,477	35,477	-
Adjustments	-	-	-
End of year	<u>\$ 55,477</u>	<u>\$ 35,477</u>	<u>\$ 20,000</u>

HOUSHER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1988

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1964, the State of Louisiana passed Act 436 which authorized the creation of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Housher Council on Aging, Inc. is a non-profit corporation which complies with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies which may impose certain restrictions upon how the Council can use the money that they have provided.

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

The primary function of the Housher Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 15 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 government entities. In November of 1984, the GASB issued a modification of governmental accounting and financial reporting standards. This modification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. The statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governments Data*, the industry audit guide issued by the American Institute of Certified Public Accountants, "Subsection 91 - Annual Financial Reporting," of the accounting manual for the Louisiana Governor's Office of Elderly Affairs (contractor, Inc.), the Louisiana Government Audit Guide.

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures, or expenses, as appropriate. Revenues are allocated to and accounted for in 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 are grouped, in the financial statements in this report, into three primary fund types and are listed fund category (account group):

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1998

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

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

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

Local

Local funds are received from various local sources; such funds are being restricted to one special use:

FOCAL (Act 715)

FOCAL (Act 715) funds are appropriated to the Governor's Office of Elderly Affairs by the Louisiana Legislature for assistance to the Council on Aging. The Council may use these "Act 715" funds at its discretion.

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

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

Title III-B Administration Fund

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

Title III-B Supportive Services Fund

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

Title III-C-1 Community Meals Fund

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

Title III-C-2 Delivered Meals Fund

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

HOISHER CONSULTING ON AGING, INC.

Notes to Financial Statements

June 30, 1999

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

Title III-D Fund

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

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including: (1) equipment and materials for use to weigh people, observational water tests, and exercise equipment; (2) home injury control; (3) medication management; (4) mental health; (5) and other assessments/counseling, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need." Title III-F funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council.

Miscellaneous Grant Fund

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

Senior Center Fund

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

FEMA Fund

The FEMA Fund is used to account for the administration of a Disaster Assistance Program, the purpose of which is to supplement food and shelter assistance to individuals who might be unable to currently be receiving assistance. FEMA funds are provided by the Federal Emergency Management Agency to the United Way which "passes through" the funds to the Council.

U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program maintains the service provided on a per capita basis for each cooperative and home-delivered meal served to its eligible participants.

Bank Fund

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

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1993

L. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting (Continued)

Helping Hands (Medical Welfare Fund)

The Helping Hands (Medical Welfare Fund) is used to account for income derived from the processing of applications under the Title XIX Medical Programs and the Personal Care Assistant Program.

D. Account Groups

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

Fixed Fund Assets

The fixed assets (capital assets) used in governmental fund type operations of the Bossier Council on Aging, Inc. are accounted for separately in the General Fund Assets Account Grouped as recorded expenditures in the government fund types when purchased.

General Long-Term Debt

Long-term liabilities reported to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of results of operations.

E. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only the most critical and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases, decreases and other financing sources and decreases, expenditures and other uses to net current assets.

Governmental funds are maintained and furnished on the modified accrual accounting system; 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.

F. Transfers and Interfund Loans

Advances between funds which are reclassified into expenditures 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.

BOSSIER COLLEGE OF ACING, INC.

Notes to Financial Statements
June 30, 1998

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budget Policy:

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

1. The Governor's Office of Elderly Affairs "GOEA" notifies the Council each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before the end 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.
7. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and any subsequent amendments.
8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
9. The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
10. Expenditures cannot legally exceed appropriations on an individual fund level.

H. Total Columns of Combined Statements - Overview:

Total columns on the combined statements - overview are captioned "non-audited 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, changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidated. Interfund eliminations have not been made in the aggregation of this data.

I. Fixed Assets:

All fixed assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Depreciated fixed assets are stated at their estimated fair market value on the date demanded. No depreciation has been provided on general fixed assets.

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1998

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Fixed Assets (Continued):

	Balance Sheet
Building and improvements	\$ 915
Vehicles	135,177
Furniture and equipment	98,111
Total	<u>\$ 174,113</u>

Depreciated assets represent \$20,185 of the above total.

J. Comparative Data:

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

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

Intergovernmental Grants:

Intergovernmental grant revenues are recorded in governmental funds as revenues in the accounting period when they become nonexplicable to accrue, that is, measurable and available (modified accrual basis).

Senior Center, State Allocations (Act 733), Title II-B, C-1, C-2, and D-funds are received as a monthly allotment of the total grant in advance of the actual expenditures, but are not explicable to accrue as revenues until the actual expenditures are made. Adult day care are recognized as revenues once the related costs have been incurred, and the grant reimbursement is measurable and available. USDA programs funds are earned and become explicable to accrue based upon the number of units of service provided to program participants and are recorded as revenues as that time.

Public Support and Miscellaneous Revenues

The Council encourages and actively solicits contributions from clients to help offset the costs of the Title II-B, C-1, C-2 and D programs. In addition, the Bossier Police Bay and the City of Bossier also provide funds to the Council. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict, therefore, they are not explicable to accrue and are recorded as revenues in the period received.

3. CASH IN BANK

At June 30, 1998, the carrying amount of the Council's deposit was as follows:

	1998
Cash on hand	415
FEMA account	12,050
Payroll - checking	600
Operating - checking	8,190
Certificate of deposit	98,113
Total	<u>\$ 119,368</u>

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1998

3. CASH ON HAND (Continued)

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

The carrying amount of the Council's deposits with financial institutions is \$58,814 and the collected bank balance is \$85,811 at June 30, 1998. The bank balance is categorized as follows:

	1998
Amount insured by Federal deposit insurance (Category I)	\$ 85,811
Amount uncollateralized/collateralized fully by securities held by the pledging financial institutions or agent but not in the name of the Bossier Council on Aging, Inc. (Category III)	-
Total bank balance	\$ 85,811

Even though the pledged securities are considered uncollateralized (Category III) under the provisions of GASB Statement 3, Louisiana Revised Statute 18:1279 imposes a statutory requirement on the custodial bank to advise and call the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

4. GRANTS RECEIVABLE:

Grants receivable at June 30, 1998, consists of reimbursements for expenses incurred under the following program:

	1998
TW-10-B Transportation	\$ 236
USDA	5,796
Helping Hands - Medicaid	897
Helping Hands - P.C.A. billings	6,882
	\$ 13,811

5. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. Services rendered into facilities were provided to the Council without charge for some smaller activities. Other in-kind contributions consisted of the time donated by volunteer members of service centers and organizations, as well as free admission to recreational and entertainment events provided by various businesses and individuals in the parish. Although these contributions have not been reported as revenues, the offsetting expenses have not been incurred thereby producing no effect on the financial statements.

6. BOARD OF DIRECTORS' COMPENSATION

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

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1998

7. INTERMEDIATE TAX STATUS

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

8. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council as June 30, 1998. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance. The Council receives revenue from various Federal and State grant programs which are subject to final review and approval as to allow ability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

9. FEDERALLY ASSISTED PROGRAMS

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

10. FUNDING DEPENDENCY

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments.

If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

BOSSIER COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1998

11. TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 1998:

	Operating Transfers In	Operating Transfers Out
Local	\$ -	\$ 84,000
Gov-TSO	-	11,876
Total General Funds	-	<u>115,876</u>
Title III-B Services	188,713	-
Title III-B Administration	188	-
Title III-C-1	908	-
Title III-C-2	74,588	-
Title III-D	3,241	-
Title III-F	516	-
Miscellaneous Grant	-	4,800
Senior Center	-	12,403
U.S.D.A.	-	18,779
Audit Adjustment	-	2,111
Helping Hands	685	-
Total Special Revenue Funds	<u>189,795</u>	<u>62,813</u>
Total All Funds	<u>\$ 189,795</u>	<u>\$ 188,710</u>

12. INTERFUND LOANS

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay the costs using its General Fund money and then request reimbursement for the advanced costs under the grant programs. A summary of these interfund loans as June 30, 1998, is as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ 235	\$ 38,121
Special Revenue Funds:		
U.S.D.A.	6,111	-
Title III-F	1,795	-
Helping Hands	18,604	-
FEMA	12,050	-
Title III-B	-	728
Total Special Revenue Funds	<u>38,111</u>	<u>728</u>
Total All Funds	<u>\$ 38,152</u>	<u>\$ 39,121</u>

DESKER COUNCIL ON AGING, INC.

Notes to Financial Statements

June 30, 1998

13. OPERATING LEASES

At June 30, 1998, the Council was obligated under month to month operating leases for office space and equipment. The Council leases its office space for 1,000 per month and copy machines for \$174 per month. Total rent expense for operating leases was \$4,677 for the year ending June 30, 1998.

SUPPLEMENTARY FINANCIAL INFORMATION

BOSSIER COUNCIL ON AGING, INC.

Statement of Program Revenues, Expenditures,
and Changes in Fund Balances - Current Fund
For the Years Ended June 30, 1998

	Local (Unrestricted)	PCTA Ag. 515	Total
REVENUES			
Incorporated			
Office of Elderly Affairs	\$ -	\$ 11,876	\$ 11,876
Local government	110,000	-	110,000
Other			
Interest	1,644	-	1,644
Miscellaneous	85,524	-	85,524
Total revenues	197,168	11,876	210,044
EXPENDITURES			
Salaries	30,300	-	30,300
Rent	-	-	-
Fringe/benefits	3,627	-	3,627
Telephone	-	-	-
Traavel	2,181	-	2,181
Operating supplies	52,418	-	52,418
Operating supplies	20,794	-	20,794
Capital outlay	-	-	-
Total expenditures	109,320	-	109,320
DEFICIT OF REVENUES OVER EXPENDITURES	88,688	11,876	100,564
OTHER FINANCING USES			
Operating transfers out	(84,380)	(12,876)	(100,564)
Total other financing uses	(84,380)	(12,876)	(100,564)
DEFICIT OF REVENUES OVER EXPENDITURES AND OTHER USES	(15,411)	-	(15,411)
FUND BALANCES			
Beginning of year	27,891	-	27,891
End of year	\$ 12,480	\$ -	\$ 12,480

ROSSIER COUNCIL ON AGING, INC.

Combining Statement of Program Revenues and Expenditures
Special Revenue Funds
Year Ended June 30, 1998

	<u>Title 18 - B</u>				
	<u>Administration</u>	<u>Services</u>	<u>Title 18-C-1</u>	<u>Title 18-C-2</u>	<u>Title 18-D</u>
REVENUES					
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 15,177	\$ 83,165	\$ 67,781	\$ 103,717	\$ 3,608
Participant and program income	-	18,329	11,196	17,265	-
Others revenue	-	151	124	-	-
Total revenues	<u>15,177</u>	<u>101,645</u>	<u>79,099</u>	<u>121,032</u>	<u>3,608</u>
EXPENDITURES					
Salaries	65,571	158,943	88,826	119,791	9,857
Fringe benefits	1,627	11,217	3,199	6,086	218
Taxes	629	5,548	980	8,355	188
Operating services	3,928	31,233	4,583	13,305	885
Operating supplies	793	13,445	126	6,492	30
Medical (non-fund)	-	-	19,088	30,690	-
Non-edible	-	-	12,795	36,993	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>72,528</u>	<u>320,386</u>	<u>129,607</u>	<u>195,612</u>	<u>11,268</u>
DEFICITARY OR EXCESS OF REVENUES OVER EXPENDITURES	<u>(57,351)</u>	<u>(218,741)</u>	<u>(50,508)</u>	<u>(74,580)</u>	<u>(7,660)</u>
OTHER FINANCING SOURCES (DUES)					
Operating transfer in	168	(80,791)	916	74,168	1,247
Operating transfer out	-	-	-	-	-
Total other financing sources (uses)	<u>168</u>	<u>(80,791)</u>	<u>916</u>	<u>74,168</u>	<u>1,247</u>
DEFICITARY OR EXCESS OVER OTHER FINANCING SOURCES AND OTHER SOURCES (DUES)	<u>(57,183)</u>	<u>(199,950)</u>	<u>(51,426)</u>	<u>(74,412)</u>	<u>(8,413)</u>
FINANCIAL POSITION					
Beginning of year	-	(7,889)	-	-	-
Adjustments	-	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ (7,889)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Title III</u>	<u>Spicer Center</u>	<u>HMMA</u>	<u>U.S.D.A.</u>	<u>Amis</u>	<u>Helping Hands</u>	<u>Minor Business Grants</u>	<u>Totals</u>
\$ 3,510	\$ 48,983	\$ -	\$ 25,734	\$ 2,171	\$ -	\$ 4,580	\$ 179,817
-	-	-	-	-	22,826	-	62,740
-	-	17,580	-	-	-	-	17,580
<u>3,510</u>	<u>48,983</u>	<u>17,580</u>	<u>25,734</u>	<u>2,171</u>	<u>22,826</u>	<u>4,580</u>	<u>458,337</u>
-	23,811	-	-	-	14,403	-	38,214
-	2,947	-	-	-	1,240	-	29,119
-	-	-	-	-	631	-	16,308
1,199	700	-	-	-	387	-	58,769
1,669	-	8,248	-	-	-	-	58,473
-	-	-	-	-	-	-	69,904
-	-	-	-	-	-	-	52,792
-	-	-	-	-	-	-	-
<u>3,608</u>	<u>26,500</u>	<u>8,248</u>	<u>-</u>	<u>-</u>	<u>16,623</u>	<u>-</u>	<u>207,839</u>
<u>851</u>	<u>21,497</u>	<u>9,331</u>	<u>25,734</u>	<u>2,171</u>	<u>9,192</u>	<u>4,580</u>	<u>189,610</u>
536	-	-	-	-	699	-	184,793
-	(12,629)	-	(18,779)	(1,011)	-	(4,580)	(37,019)
<u>536</u>	<u>(12,629)</u>	<u>-</u>	<u>(18,779)</u>	<u>(1,011)</u>	<u>699</u>	<u>(4,580)</u>	<u>(18,602)</u>
1,368	-	9,311	(9,419)	-	6,888	-	11,746
(1,588)	-	2,711	18,332	-	18,979	-	31,621
-	-	-	-	-	-	-	-
<u>1,368</u>	<u>-</u>	<u>12,022</u>	<u>(9,419)</u>	<u>-</u>	<u>25,867</u>	<u>-</u>	<u>43,367</u>

BOSSIER COUNCIL ON AGING, INC.

Statement of Expenditures - Budget and Actual
Year Ended June 30, 1998

	Budgeted Expenditures	Actual Expenditures	Favorable (Unfavorable) Variance
LOCAL FUNDS			
Salaries	\$	\$ 30,383	\$ (30,383)
Fringe benefits	190	2,627	(2,437)
Travel	BUDGET	2,091	(2,191)
Operating services	ADOPTED	31,448	(31,448)
Operating supplies	-	30,094	(30,094)
Capital outlay	-	-	-
Transfer out	-	250,836	(250,836)
Totals	-	312,639	(312,639)
STATE OF LA-ACT 155			
Transfer out	12,876	12,876	-
Totals	12,876	12,876	-
TITLE 18-B - AREA AGENCY ADMINISTRATION			
Salaries	16,611	16,570	2,040
Fringe benefits	1,454	1,427	127
Travel	1,094	621	473
Operating services	3,154	3,926	(2,672)
Operating supplies	324	753	(429)
Other costs	381	-	381
Totals	24,128	24,287	(159)
TITLE 18-D - SUPPORTIVE SERVICES			
Salaries	124,743	130,945	(6,202)
Fringe benefits	30,983	11,217	19,766
Travel	2,723	5,948	(3,225)
Operating services	27,883	31,212	(3,329)
Operating supplies	13,497	15,416	(1,919)
Other costs	336	-	336
Capital outlay	-	-	-
Totals	179,688	192,538	(12,850)

BOSHER COUNCIL ON AGING, INC.

Statement of Expenditures - Budget and Actual
Year ended June 30, 1998

	Budgeted Expenditures	Actual Expenditures	Favorable (Unfavorable) Variance
TITLE III C - COMMUNITY PROGRAMS			
Salaries	\$ 43,190	\$ 39,836	\$ 3,354
Fringe benefits	1,604	1,799	205
Travel	1,008	551	457
Operating services	3,973	4,583	(1,610)
Operating supplies	178	120	48
Meal costs	10,466	21,881	3,503
Other costs	162	-	162
Totals	<u>64,579</u>	<u>71,680</u>	<u>4,808</u>
TITLE III D - HOME DELIVERED PROGRAMS			
Salaries	61,711	65,751	(7,040)
Fringe benefits	5,308	6,080	772
Travel	18,180	8,421	9,759
Operating services	18,483	19,815	(3,456)
Operating supplies	6,693	6,442	251
Meal costs	88,580	88,889	7,613
Other costs	311	-	311
Totals	<u>199,266</u>	<u>203,499</u>	<u>11,203</u>
TITLE III E - HOME SERVICES			
Salaries	13,548	9,367	4,181
Fringe benefits	1,138	778	360
Travel	294	118	176
Operating services	312	388	74
Operating supplies	10	30	20
Other costs	38	-	38
Totals	<u>18,630</u>	<u>10,881</u>	<u>7,749</u>
TITLE III F			
Operating services	1,200	1,199	1
Operating supplies	1,360	1,889	529
Capital outlay	2,000	-	2,000
Totals	<u>4,560</u>	<u>3,088</u>	<u>1,472</u>

BOSSIER COUNCIL ON AGING, INC.

Statement of Expenditures - Budget and Actual
Year Ended June 30, 1998

	Budgeted Expenditures	Actual Expenditures	Variances (Underexpend)
SENIOR CENTER			
Salaries	\$ 66,592	\$ 15,814	\$ (50,778)
Fringe benefits	1,596	2,647	1,051
Operating services	1,284	702	1,582
Transfers: Title III-B	28,738	12,402	16,336
Totals	98,210	31,565	66,645
FEMA			
Operating supplies	NO BUDGET	8,148	(8,148)
Capital outlay	ABSORBED	-	-
Totals	-	8,148	(8,148)
U.S.D.A.			
Transfer to effect new food stamp	40,835	38,772	2,063
AUDIT			
Operating services	2,131	2,131	-
THE FINE HANDED (BRIEFING WAIVERS)			
Salaries	NO	14,495	(14,495)
Fringe benefits	BUDGET	1,248	(1,248)
Totals	ABSORBED	601	(601)
Operating services	-	183	(183)
Totals	-	18,326	(18,326)
MISCELLANEOUS GRANT			
Transfer in	4,500	4,500	-
TOTAL EXPENDITURES	\$ 112,950	\$ 87,117	\$ 25,833

BOSSIER COUNCIL ON AGING, INC.

**Compensation to Board Members
Year Ended June 30, 1998**

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

BOISIEE COUNCIL ON AGING, INC.

Price Audit Findings
Year Ended June 30, 1998

The June 30, 1997 audit report disclosed one item of questioned cost or findings. The Council has taken the following steps to address these findings:

FINDING 1: Expense items were not properly allocated in accordance with the budget.

CORRECTIVE ACTION: Management reviewed expense allocations with bookkeeping.

BOSSIER COUNCIL ON AGING, INC.

Exit Conference
Year Ended June 30, 1998

A preliminary exit-conference was held September 23, 1998, to discuss the findings of this report. Those individuals included:

Daryl Blumengarten
Barbara Lamb
Tom Cooper
Mike L. Kalamonick, CPA
L. Darvin Stacy

Executive Director
(Bookkeeper)
(Bookkeeper)
Auditor
Auditor

BASSIER COUNCIL ON AGING, INC.

Comparative Statement of General Fixed Assets
Year Ended June 30, 1998

	Balance June 30, 1997	Additions	Deletions	Balance June 30, 1998
General Fixed assets at cost:				
Buildings & improvements	\$ 915	\$ -	\$ -	\$ 915
Vehicles	111,000	17,624	-	128,624
Furniture and equipment	79,615	-	798	78,817
Total	<u>\$ 199,530</u>	<u>\$ 17,624</u>	<u>\$ 798</u>	<u>\$ 216,356</u>
Investments in general fixed assets:				
Property acquired from:				
Title III B - A-A-A	\$ 1,971	\$ -	\$ 55	\$ 1,916
Title III B - B-B	9,990	-	79	9,911
Title III C-1	400	-	50	350
Title III C-2	500	-	79	421
Title III D	3	-	-	3
Title III G	2,760	-	-	2,760
Senior Center	6,793	-	50	6,743
Title III F	3,100	-	-	3,100
Other	6,789	-	-	6,789
Total	<u>122,196</u>	<u>17,624</u>	<u>-</u>	<u>139,820</u>
Total	<u>\$ 321,726</u>	<u>\$ 17,624</u>	<u>\$ 798</u>	<u>\$ 356,176</u>

OTHER REPORT SECTION

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

To the Board of Directors
Dorsey Council on Aging, Inc.
Bossier City, Louisiana

We have audited the general purpose financial statements of the Dorsey Council on Aging, Inc., Bossier City, Louisiana as of and for the year ended June 30, 1998, and have issued our report thereon dated September 2, 1998.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. These 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.

The management of Dorsey Council on Aging, Inc., Bossier City, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, cutances 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 in general. The preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities, may nevertheless occur and not be detected. Also, preparation of any evaluation of the structure in future periods is subject to the risk that procedures may become obsolete because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Dorsey Council on Aging, Inc. for the year ended June 30, 1998, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of internal 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 such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being 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 structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving internal control structures and its operation that we have reported to the management of the Pioneer Council on Aging, Inc., Denair City, Louisiana, in a separate letter dated September 2, 1978.

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

Smith, Hugh, Robinson & Co.
Certified Public Accountants

September 2, 1978

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

Board of Directors
Booner Council on Aging, Inc.
Bossier City, Louisiana

We have audited the year of purpose financial statements of Booner Council on Aging, Inc., as of and for the year ended June 30, 1998, and have issued our report thereon dated September 2, 1998.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Booner Council on Aging, Inc., is the responsibility of the Council's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Council's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements 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 Government Auditing Standards.

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


David Hugh Robinson, CPA
Certified Public Accountant

September 2, 1998



SMITH PUGH RUBINOWITZ, L.L.P., CERTIFIED PUBLIC ACCOUNTANTS

800 NATIONAL STREET, SUITE 2000, NEW ORLEANS, LOUISIANA 70112-3000 • TELEPHONE: (504) 582-7100 • FACSIMILE: (504) 582-7101
801 PEARL AND ROSE STREETS, SUITE 2000, NEW ORLEANS, LOUISIANA 70112-3000 • TELEPHONE: (504) 740-4000 • FAX: (504) 740-4000

September 13, 1998

To The Board of Directors
Bossier Council on Aging, Inc.
Bossier City, Louisiana

In planning and performing our audit of the general purpose financial statements of the Bossier Council on Aging, Inc., for the year ended June 30, 1998, we considered the Council's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our reports dated September 2, 1998, on the general purpose financial statements of the Bossier Council on Aging, Inc.

Allocating Expenses

During our audit we noted that health insurance expense and state unemployment taxes were not allocated to the appropriate funds in accordance with the budget.

We recommend that management review the budget allocations each quarter as a minimum and ensure the accounting department is aware of how appropriate funds should be allocated.

Accrued Vacation Leave

During our audit we noted one employee who had exceeded the maximum number of accrued vacation hours per the Council's policy manual. Excess hours were found on the state employee in FY97 audit, but the excess hours were not taken, nor were they forfeited following the employee's anniversary date as the policy manual states.

We recommend that management take the appropriate measures in order for the employee to comply with the Council's policy manual.

Budget

During our audit we noted that the 81-D and 81-F funds exceeded the 10% variance of budgeted to actual expenses.

We recommend that management review the allocations of expenses quarterly to ensure that the actual expenses are within the accepted 10% tolerance per GAMA policy. If necessary, the budget will need to be amended.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Council officials, and we will be pleased to discuss these in further detail at your convenience.

Sincerely,

Smith Pugh Rubinowitz LLP
Certified Public Accountants



A Bright Adventure

P.O. Box 1000

Denver, CO, Louisiana 71371-3608

September 28, 1998
10:00 AM - 11:00 AM

David H. Anderson
Executive Director

OFFICERS

Gene H. Nally

President

September 28, 1998

Ken Allmann

Vice President

Louisiana Legislative Auditor

Clayton Stone

Vice President

P.O. Box 93347

Denver, Colorado, Louisiana 70004-5097

Mary Wainwright

Secretary

Daniel G. Kyle, CPA, CFE

Bob Williams

Treasurer

Dear Sir:

James Conway

FOR EMPLOYEES

CHAIRMAN DISTRICT

MARY HENRY

DEBRA HARRIS

PAULA JONES

LILLIAN BROWN

MAAR PATE

ROBERT BROWN

IRVING BROWN

Our response to the management letter of our auditing firm, Smith Pugh Rubinowitz, L.L.P., is as follows:

Allocating Expenses:

Management will meet with our auditing firm and bookkeeping personnel in order to discuss methods on how these allocations should be handled without discrepancy.

Annual Vacation Letters:

Management will meet with the individual involved with excess annual vacation leave and discuss the options necessary to comply with the Council's policy manual. We propose that she take the vacation time before her anniversary date so as not to forfeit any benefits deserved.

Budget:

Management will review the variance of the budget to actual expenditures (per GAMA guidelines). All efforts will be made to ensure that the Council is in compliance with GAMA guidelines in the future.

Sincerely,

David H. Anderson
Executive Director

Boatmen Council on Aging, Inc. - Area Agency on Aging

(318) 761-6388 FAX (338) 741-7400