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RAPIDES SENIOR CITIZENS CENTER, INC.  
Pineville, Louisiana

FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORTS

June 30, 1998

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

Release Date JAN 13 1999

**RAPIDES SENIOR CITIZENS CENTER, INC.  
PINEVILLE, LOUISIANA**

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

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MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS



MEMBER  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

### INDEPENDENT AUDITORS' REPORT

Board of Directors  
Rapides Senior Citizens Center, Inc.  
Marksville, Louisiana

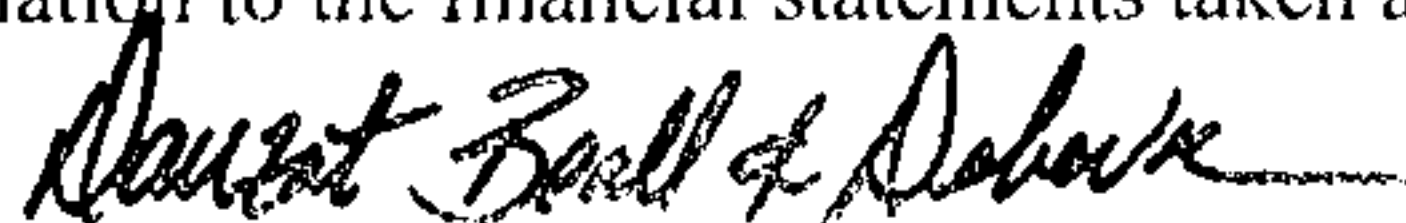
We have audited the accompanying financial statements of Rapides Senior Citizens Center, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 1998. These financial statements are the responsibility of the **Center's** management. Our responsibility is to express an opinion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

We conducted our audit in accordance with generally accepted auditing standards 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 financial statements referred to above present fairly, in all material respects, the financial position of Rapides Senior Citizens Center, Inc., as of June 30, 1998, and the changes in its net assets and its cash flows 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 December 8, 1998, on our consideration of the **Center'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 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 financial statements of the Rapides Senior Citizens Center, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Certified Public Accountants

December 8, 1998

**RAPIDES SENIOR CITIZENS CENTER, INC.  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 1998**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 136,416
Accounts receivable	<u>9,670</u>
Total Current Assets	<u>146,086</u>

**PROPERTY AND EQUIPMENT**

Furniture and equipment	84,022
Less: Accumulated depreciation	<u>(51,770)</u>
Net Property and Equipment	<u>32,252</u>

**TOTAL ASSETS**

\$ 178,338

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Bank overdraft	\$ 5,326
Accounts payable	6,753
Payroll taxes payable	891
Accrued wages payable	100
Compensated absences payable	<u>6,293</u>
Total Current Liabilities	19,363

**NET ASSETS - UNRESTRICTED**

158,975

**TOTAL LIABILITIES AND NET ASSETS**

\$ 178,338

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

**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 1998**

	UNRESTRICTED				
	GENERAL UNRESTRICTED	SENIOR CENTER	TITLE III C-1	SUPPLEMENTAL SENIOR CENTER TOTAL	
<b>SUPPORT AND REVENUE</b>					
Support					
Cenla Area Agency on Aging, Inc.	\$ —	\$ 88,151	\$13,266	\$ 4,500	\$ 105,917
Rapides Parish Police Jury	135,326				135,326
Program contributions	<u>2,207</u>	<u>21</u>	<u>55,858</u>	<u>—</u>	<u>58,086</u>
Total Support	<u>137,533</u>	<u>88,172</u>	<u>69,124</u>	<u>4,500</u>	<u>299,329</u>
Revenue					
Interest income	1,693				1,693
Other	<u>30,982</u>				<u>30,982</u>
Total Revenue	<u>32,675</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>32,675</u>
Total Support and Revenue	<u>170,208</u>	<u>88,172</u>	<u>69,124</u>	<u>4,500</u>	<u>332,004</u>
<b>EXPENSES AND LOSSES</b>					
Salaries	15,694	167,845	18,663	3,920	206,122
Fringe	1,440	15,381	1,709	359	18,889
Travel	2,009	13,461	3,851	137	19,458
Operating services	26,255	57,640	8,021	1,378	93,294
Operating supplies	9,804	11,714	1,417	180	23,115
Depreciation	10,153				10,153
Other expenses	<u>6,951</u>	<u>943</u>	<u>178</u>	<u>23</u>	<u>8,095</u>
Total Expenses	72,306	266,984	33,839	5,997	379,126
Loss on sale of real property	<u>52,212</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>52,212</u>
Total Expenses and Losses	<u>124,518</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>431,338</u>
<b>CHANGE IN NET ASSETS</b>	45,690	(178,812)	35,285	(1,497)	(99,334)
<b>NET ASSETS, BEGINNING OF YEAR</b>	239,313	—	—	—	239,313
Transfers in	35,285	178,812	—	4,057	218,154
Transfers out	(180,309)	—	(35,285)	(2,560)	(218,154)
Prior period adjustments	18,996	—	—	—	18,996
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 158,975</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 158,975</u>

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

**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 1998**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ (99,334)
Adjustments to reconcile change in net assets to net cash provided by operations:	
Depreciation	10,153
Loss on sale of property	52,212
Changes in operating assets and liabilities:	
Accounts receivable	(945)
Accounts payable	(11,037)
Payroll taxes payable	891
Compensated absences payable	395
Bank overdraft	<u>5,326</u>
	<u>56,995</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

<i>Proceeds from sale of building and land</i>	81,555
Purchase of furniture and equipment	<u>(4,261)</u>
	<u>72,294</u>

NET INCREASE IN CASH 34,955

CASH, BEGINNING OF YEAR	102,697
Prior period adjustment to correct cash	<u>(1,236)</u>

CASH, END OF YEAR \$ 136,416

**ADDITIONAL REQUIRED DISCLOSURES:**

1. The Center considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. Interest paid during the year was \$2,270.
3. No income taxes were paid during the year.
4. There were no material noncash investing or financing activities during the year that affected recognized assets and liabilities.

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



**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1      NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

The Rapides senior Citizens **Center** was created in 1973 and has grown into 13 sites located throughout Rapides Parish. The **Center** services the needs of the elderly by being a community focal point on aging. The elderly residents of the parish participate in activities that enhance their dignity, support their independence, and encourage their involvement in their community. The **Center** serves as an advocate for the senior citizens of Rapides Parish by identifying gaps in services and seeking to make needed services more accessible and acceptable to the elderly. Services include sponsoring Olympic games for the elderly, providing congregate nutritional meals, and providing recreational activities such as exercise programs as well as arts and crafts. Volunteers are very important to the **Center** and are utilized to the fullest extent possible.

The corporation is organized on a non-stock basis under the authority of the provisions of Louisiana law, particularly LA R.S. of 1950, Title 12, Section 201-269, as amended.

The financial statements are presented in conformity with the provisions of Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under those provisions, net assets and revenues, gains, and losses are classified based on the existence of absence of donor-imposed restrictions as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the **Center** pursuant to those stipulations or that expire by the passage of time.
- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the **Center**.



**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

**NOTE 1      NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**  
**(Continued)**

All of the **Center's** net assets were considered unrestricted for the fiscal year ended June 30, 1998. It is the **Center's** policy to report donor-restricted revenues whose restrictions are met in the same reporting period as unrestricted support and revenues.

**Basis of Accounting**

The financial statements of the **Center** have been prepared on the accrual basis.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Accounts Receivable**

Accounts receivable are charged to expense when they become uncollectible. In the opinion of management, all accounts receivable at June 30, 1998, were collectible, and an allowance for doubtful accounts was not considered necessary.

**Contributed Services**

The **Center** receives contributed services from its board members and from numerous community individuals who assist in various programs. No amounts have been reflected in the financial statements for donated services. The **Center** pays for most services requiring specific requiring specific expertise.

**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

**Property and Equipment**

All purchased fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

Depreciation is provided in the financial statements over estimated useful lives on a straight-line basis. The following estimated useful lives are generally used:

Buildings	40 years
Furniture and equipment	5 to 15 years

Expenses for additions, major renewals, and betterments are capitalized and expenses for maintenance and repairs are charged to operations as incurred.

**Income Taxes**

The Organization qualifies as an exempt organization under Section 501 (C) (3) of the Internal Revenue Code as is treated as a publicly supported organization not classified as a private foundation.

**NOTE 2 FUNDING POLICIES AND SOURCES OF FUNDS**

The **Center** receives its monies through various methods of funding. Senior **Center** funds are received based on a predetermined unit cost up to one twelfth of the grant amount per month. Revenues are not recognized until actual units are performed.

The **Center** receives ad valorem taxes collected by the Rapides Parish Police Jury specifically designated for the elderly in the Parish. The **Center** also encourages and receives contributions from clients to help offset the costs of programs.

Senior Center Program - The Senior **Center** Program is used to account for the administration of Senior **Center** Program funds appropriated by the Louisiana Legislature through the Governor's Office of Elderly Affairs, to the Cenla Area Agency on Aging, which funds the **Center** on a predetermined unit cost reimbursement basis up to the contract amount.

**RAPIDES SENIOR CITIZENS CENTER, INC.  
JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS  
(Continued)**

**NOTE 2 FUNDING POLICIES AND SOURCES OF FUNDS (Continued)**

Title III - C-1 Congregate Meals Program - Title III - C-1 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, to the Cenla Area Agency on Aging, who funds the **Center** on a predetermined unit cost reimbursement basis up to the contract amount.

**NOTE 3 ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 1998, consist of reimbursements for services provided under the following programs:

Senior Center	\$ 7,603
Supplement Senior Center	375
Title III - C-1	1,184
Other	<u>508</u>
Total	<u>\$ 9,670</u>

**NOTE 4 PROPERTY AND EQUIPMENT**

A summary of changes in property and equipment and accumulated depreciation at June 30, 1998, follows:

	<u>Balance</u> <u>6/30/97</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/98</u>
Buildings and improvements	\$ 69,107	\$ —	\$ (69,107)	\$ —
Furniture and equipment	59,529	25,549	(1,056)	84,022
Land and improvements	<u>77,123</u>	<u>—</u>	<u>(77,123)</u>	<u>—</u>
	205,759	25,549	(147,286)	84,022
Less-Accumulated Depreciation	<u>(54,080)</u>	<u>(10,153)</u>	<u>12,463</u>	<u>(51,770)</u>
Net	<u>\$ 151,679</u>	<u>\$ 15,396</u>	<u>\$ (134,823)</u>	<u>\$ 32,252</u>

**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

**NOTE 4      PROPERTY AND EQUIPMENT (Continued)**

Depreciation on property and equipment totaled \$10,153 for the current year.

**NOTE 5      COMPENSATED ABSENCES**

*Accrued annual leave as of June 30, 1998, was estimated to be \$6,293. Employees earn annual leave at varying rates per month based on years of service. The maximum amount of annual leave an employee may accumulate is based on two years, varying according to the current length of service. Any leave balance in excess is reduced without compensation at the end of each June 30th.*

Sick pay benefits are earned at the rate of one day per month. These benefits accrue and accumulate to a maximum of 120 days. However, these are non-vesting accumulating benefits and, therefore, the liability is not recorded in the financial statements.

**NOTE 6      COLLATERALIZATION OF BANK DEPOSITS**

The total amount of deposits in financial institutions at June 30, 1998, was \$136,011. This amount was insured against loss by the Federal Deposit Insurance Corporation (FDIC).

**NOTE 7      PROPERTY TAX FOR THE ELDERLY**

The voters of Rapides Parish approved a 1 mill, 10 year, property tax for the elderly of the Parish on November 4, 1986, to be collected and distributed by the Rapides Parish Police Jury. The Police Jury divides these taxes between four Rapides Parish agencies which provide services to the elderly, one of them being the Rapides Senior Citizens Center, Inc. The due date for payment of the taxes is December 31, of each year, and they become delinquent on that day. Therefore, the Rapides Senior Citizens Center, Inc., receives the majority of the taxes in March following the year of assessment. The portion distributed to Rapides Senior Citizens Center, Inc., is \$37.2881% of all taxes collected.

**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

**NOTE 7      PROPERTY TAX FOR THE ELDERLY (Continued)**

The year 1987 was the initial assessment year; therefore, the first tax was received by the **Center** in January, 1988. This property tax was recently voted on again, and was approved at the same millage for another ten years.

**NOTE 8      JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

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

The **Center** receives support from various Federal and State grant programs which are subject to final review and approval as to allowableness 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 **Center**. 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 **Center's** financial position.

**NOTE 9      CONCENTRATIONS OF REVENUE**

The **Center** receives the majority of its revenue from contracts with Cenla Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of the funds contracted by Cenla Area Agency on Aging, Inc. could be reduced significantly, resulting in an adverse impact on the **Center's** operations. Management is not aware of any actions that would adversely affect the amount of funds the **Center** will receive in the next fiscal year.



**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**JUNE 30, 1998**

**NOTES TO FINANCIAL STATEMENTS**  
**(Continued)**

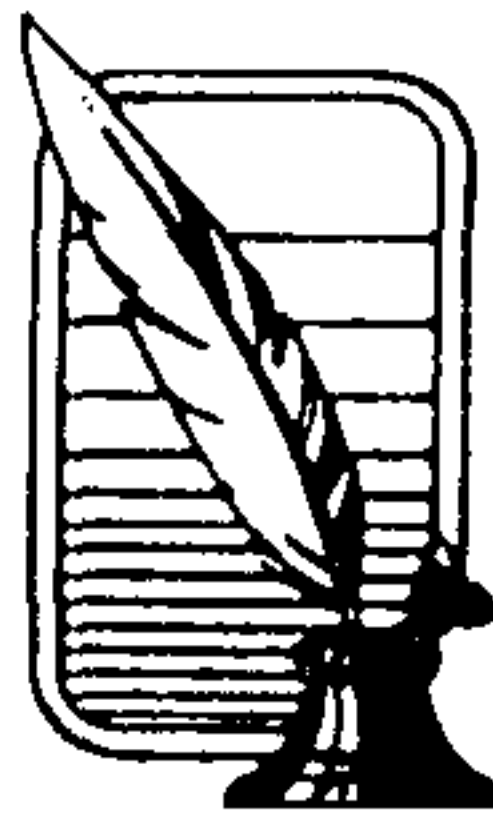
**NOTE 10     PRIOR PERIOD ADJUSTMENTS**

During the audit of the current period financial statements, certain errors were discovered that resulted in an understatement of assets and net assets at June 30, 1997. The net assets of the Rapides Senior Citizens Center, Inc. reflects the following adjustments:

Furniture and Fixtures were understated because of an in-kind contribution by the Louisiana Dept. of Transportation and Development for the purchase of a van	\$21,287
The general fund's cash account was overstated because the Craft fund's bank account was not reconciled	(1,235)
Furniture and Fixtures were overstated due to prior recording errors on the depreciation schedule	<u>(1,056)</u>
Net adjustment to Net Assets	<u>\$18,996</u>



**OTHER REPORT REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS***



MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## 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  
Rapides Senior Citizens Center, Inc.

We have audited the general purpose financial statements of Rapides Senior Citizens Center, Inc. (a non-profit organization) as of and for the year ended June 30, 1998, and have issued our report thereon dated December 8, 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 **Center'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 **Center'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 operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and State of Louisiana Governor's Office of Elderly Affairs and Cenla Area Agency on Aging, Inc. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants  
December 8, 1998

**RAPIDES SENIOR CITIZENS CENTER, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 1998**

We have audited the financial statements of Rapides Senior Citizens Center, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated December 8, 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 1 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.

**RAPIDES SENIOR CITIZENS CENTER, INC.  
SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended June 30, 1998**

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENTS**

There were no Internal Control or Compliance findings.