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East Carroll Voluntary Council on Aging, Inc.

Lake Providence, Louisiana

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.

FEB 17 1999

Release Date _____
**REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

For the Year Ended June 30, 1998

SAUNDERS & ASSOCIATES
Certified Public Accountants
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EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

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Lake Providence, Louisiana

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Saunders & Associates

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
East Carroll Voluntary Council on Aging, Inc.
Lake Providence, Louisiana

We have audited the accompanying general-purpose financial statements of the East Carroll Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1998, as listed in the preceding table of contents. These general-purpose financial statements are the responsibility of the organization'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 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures About Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issues in order for financial statements to be prepared in conformity with generally accepted accounting principles. Such required disclosures include:

any significant amount of resources committed to make computer systems and other electronic year 2000-compliant

a general description of the year 2000 issue, including a description of the stages of work in progress or completed as of the end of the reporting period to make computer systems and other electronic equipment critical to conducting operations year 2000-compliant; and

the additional stages of work necessary for making the computer systems and other electronic equipment year 2000-compliant.

East Carroll Voluntary Council on Aging, Inc. has omitted such disclosures. We do not provide assurance that the organization is or will be year 2000 ready, that the organization's year 2000 remediation efforts will be successful in whole or in part, or that the parties with which the organization does business will be year 2000 ready.

In our opinion, except for the omission of the information discussed in the preceding paragraph, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the organization 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 December 8, 1998 on our consideration of the organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the organization taken as a whole. The accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis. This supplemental information 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 basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Saunders & Associates
SAUNDERS & ASSOCIATES
Certified Public Accountants

December 8, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS
With Comparative Totals For The Year Ended June 30, 1997

June 30, 1998

	<u>Governmental Fund Types</u>		<u>Account Groups</u>	
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>
<u>ASSETS</u>				
Cash and Investments (Note 3)	\$ 263,669	\$ 32,841	\$ 0	\$ 0
Receivables (Note 4)	3,155	4,095	0	0
Prepaid Expenses	0	2,984	0	0
Land and Buildings	0	0	69,548	0
Vehicles	0	0	64,793	0
Furniture and Equipment	0	0	17,398	0
Amount to be Provided For Retirement of General Long-Term Debt	0	0	0	0
TOTAL ASSETS	\$ 266,824	\$ 39,920	\$ 151,739	\$ 0
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts Payable (Note 14)	\$ 22,285	\$ 10,378	\$ 0	\$ 0
Accrued Payroll Taxes	0	0	0	0
Payroll Taxes Payable	485	0	0	0
Total Liabilities	22,770	10,378	0	0
Fund Equity:				
Investment in General Fixed Assets	0	0	151,739	0
Fund Balances - Reserved for:				
Prepaid Expenses	0	2,984	0	0
Utilities Assistance	0	4,330	0	0
Unreserved and Undesignated	244,054	22,228	0	0
Total Fund Equity	244,054	29,542	151,739	0
TOTAL LIABILITIES AND FUND EQUITY	\$ 266,824	\$ 39,920	\$ 151,739	\$ 0

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS
With Comparative Totals For The Year Ended June 30, 1997

June 30, 1998

	Totals (Memorandum Only)	
	1998	1997
<u>ASSETS</u>		
Cash and Investments (Note 3)	\$ 296,510	\$ 246,284
Receivables (Note 4)	7,250	9,945
Prepaid Expenses	2,984	2,650
Land and Buildings	69,548	67,417
Vehicles	64,793	23,398
Furniture and Equipment	17,398	63,050
Amount to be Provided For Retirement of General Long-Term Debt	0	0
TOTAL ASSETS	\$ 458,483	\$ 412,744
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts Payable (Note 14)	\$ 32,663	\$ 32,591
Accrued Payroll Taxes	0	3,350
Payroll Taxes Payable	485	634
Total Liabilities	33,148	36,575
Fund Equity:		
Investment in General Fixed Assets	151,739	153,865
Fund Balances - Reserved for:		
Prepaid Expenses	2,984	0
Utilities Assistance	4,330	3,786
Unreserved and Undesignated	266,282	218,518
Total Fund Equity	425,335	376,169
TOTAL LIABILITIES AND FUND EQUITY	\$ 458,483	\$ 412,744

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
With Comparative Totals For The Year Ended June 30, 1997

For the Year Ended June 30, 1998

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
<u>REVENUES</u>				
Intergovernmental	\$ 11,779	\$ 180,549	\$ 192,328	\$ 188,548
Public Support	22,339	16,644	38,983	44,499
Miscellaneous	47,002	0	47,002	39,724
Interest Income	13,397	0	13,397	8,582
	<u>94,517</u>	<u>197,193</u>	<u>291,710</u>	<u>281,353</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	0	95,524	95,524	92,032
Fringe	0	7,507	7,507	7,254
Travel	0	3,151	3,151	3,796
Operating Services	0	38,943	38,943	30,843
Operating Supplies	0	6,455	6,455	6,343
Other Costs	9,676	74,483	84,159	85,790
Capital Outlay	0	3,873	3,873	8,100
Utility Assistance	0	806	806	1,671
	<u>9,676</u>	<u>230,742</u>	<u>240,418</u>	<u>235,829</u>
Excess of Revenues Over (Under) Expenditures	<u>84,841</u>	<u>(33,549)</u>	<u>51,292</u>	<u>45,524</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	35	67,449	67,484	64,475
Operating Transfers Out	<u>(30,780)</u>	<u>(36,704)</u>	<u>(67,484)</u>	<u>(64,475)</u>
Total Other Financing Sources (Uses)	<u>(30,745)</u>	<u>30,745</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	54,096	(2,804)	51,292	45,524
Fund Balance, Beginning of Year	189,958	32,346	222,304	176,780
Prior Period Adjustment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE, END OF YEAR	<u>\$ 244,054</u>	<u>\$ 29,542</u>	<u>\$ 273,596</u>	<u>\$ 222,304</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP) AND ACTUAL -

GENERAL FUND TYPE

For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
Intergovernmental	\$ 11,779	\$ 11,779	\$ 0
Public Support	0	22,339	22,339
Miscellaneous	0	47,002	47,002
Interest Income	0	13,397	13,397
	11,779	94,517	82,738
<u>EXPENDITURES</u>			
Current:			
Salaries	0	0	0
Fringe	0	0	0
Meals	0	0	0
Travel	0	0	0
Operating Services	0	0	0
Operating Supplies	0	0	0
Other Costs	0	9,676	(9,676)
Capital Outlay	0	0	0
Utility Assistance	0	0	0
	0	9,676	(9,676)
Excess of Revenues Over (Under) Expenditures	11,779	84,841	73,062
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	0	35	35
Operating Transfers Out	(11,779)	(30,780)	(19,001)
	(11,779)	(30,745)	(18,966)
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	54,096	\$ 54,096
Fund Balance, Beginning of Year		189,958	
FUND BALANCE, END OF YEAR		\$ 244,054	

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP) AND ACTUAL

SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Intergovernmental	\$ 187,534	\$ 180,549	\$ (6,985)
Public Support	39,073	16,644	(22,429)
Miscellaneous	0	0	0
Interest Income	0	0	0
Total Revenue	<u>226,607</u>	<u>197,193</u>	<u>(29,414)</u>
<u>EXPENDITURES</u>			
Current:			
Salaries	95,615	95,524	91
Fringe	7,601	7,507	94
Travel	3,500	3,151	349
Operating Services	42,828	38,943	3,885
Operating Supplies	6,726	6,455	271
Other Costs	80,335	74,483	5,852
Capital Outlay	1,781	3,873	(2,092)
Utility Assistance	0	806	(806)
Total Expenditures	<u>238,386</u>	<u>230,742</u>	<u>7,644</u>
Excess of Revenues Over (Under) Expenditures	<u>(11,779)</u>	<u>(33,549)</u>	<u>(21,770)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	11,779	67,449	55,670
Operating Transfers Out	0	(36,704)	(36,704)
Total Other Financing Sources (Uses)	<u>11,779</u>	<u>30,745</u>	<u>18,966</u>
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ 0</u>	<u>(2,804)</u>	<u>\$ (2,804)</u>
Fund Balance, Beginning of Year		<u>32,346</u>	
FUND BALANCE, END OF YEAR		<u>\$ 29,542</u>	

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The East Carroll Voluntary 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 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 East Carroll Voluntary 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.

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 codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by "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.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Accounting - The accounts of the Council are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. The Council's revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds 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 not being restricted to any special use.

PCOA (Act 735) - PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

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

Title III-B Supportive Services Fund - Title III-B funds are provided by the United States Department of Health and Human Services through 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.

Senior Center Fund - The Senior Center Fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Senior Center Fund, continued - 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.

Title III C-1 Congregate Meals Fund - Title III C-1 funds are provided by the United State 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 congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund - Title III C-2 funds are provided by the United States Department of Health and Human Services through 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.

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 through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

Title III-D Fund - The 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 through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III-F Fund - 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 in turn "passes through" the funds to the Council. This program provides preventive health services.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Supplemental Senior Center Fund: The Louisiana Legislature appropriated additional money for various Councils on Aging through the state to be used to supplement the primary state grant for senior centers. East Carroll Voluntary Council on Aging, Inc. was one of the parish councils to receive a supplemental grant. These funds are 'passed through' the Governor's Office of Elderly Affairs.

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 remit the funds to the parish Councils on the Aging to provide assistance to the elderly for the payment of their utility bills.

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

General Fixed Assets and Long-Term Debt - All fixed assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Principal and interest payments on long-term liabilities are accounted for in the general fund because the Council intends to use general fund revenues to pay them.

Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental 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 financial 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 liability is incurred, if measurable.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Encumbrances - Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not used by the East Carroll Voluntary Council on Aging, Inc., in its accounting practices.

Other Financing Sources (Uses) - Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). Transfers between funds are recognized at the time of transfers.

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

The Governor's Office of Elderly Affairs "GOEA" notifies the Council each year as to the funding levels for each program's grant award.

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.

The Board of Directors reviews and adopts the budget before June 30th of the current year for the next year.

The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.

All budgetary appropriations lapse at the end of each fiscal year (June 30).

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Council may transfer funds between line items as often as required, but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

Amounts were not budgeted for revenues and expenses for the utility assistance fund because they were not legally required and the amount of revenues to be received under this program could not be determined.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

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

Long-Term Liabilities - Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Principal and interest payments on long-term liabilities are accounted for in the general fund because the Council intends to use general fund revenues to pay them.

Compensated Absences - Employees of the East Carroll Voluntary Council on Aging, Inc., earn from 10 to 20 days of annual leave each year with 5 days allowed to be carried over to next year, depending on their length of service and the employee's working status (full-time or part-time). Provided that funds are available, employees are compensated upon termination of employment for current-year accrued annual leave. Employees earn up to 12 days of sick leave each year, and can accumulate up to 45 days, depending upon whether the employee is on a part-time or full-time status. Employees are not paid for accrued sick leave at termination. No accrual has been made. Management does not feel any amount would be material to the financial statements.

NOTE 2: FUNDING POLICIES AND SOURCES OF FUNDS

The Council receives its monies through various methods of funding. U.S.D.A. cash-in-lieu of commodities funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food costs in Title III C-1 and C-2 programs. This program is funded under the units of service provided method. The Senior Center program and State Allocation (PCOA) funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, D, and F programs are funded based on actual operating costs incurred.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 2: FUNDING POLICIES AND SOURCES OF FUNDS

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Council on Aging to the Council under the Helping Hands, and Heating Help Energy programs. All of the above mentioned funds, including any other miscellaneous income, are recorded as revenue when the cash is received because the Council cannot predict the timing and amount of receipt.

NOTE 3: CASH

At June 30, 1998, the carrying amount of the Council's deposits were as follows:

Payroll - Checking	\$ 454
Operating - Checking	146,137
CD #403919 - Hibernia National Bank	30,832
CD #360987 - Hibernia National Bank	26,557
CD #360988 - Hibernia National Bank	92,530
Cash on deposit in banks	<u>\$ 296,510</u>

Deposits were covered by federal deposit insurance \$200,000 and respective bank collateral pledges of \$96,510.

NOTE 4: RECEIVABLES - SPECIAL REVENUE

Grant Receivables at June 30, 1998, consisted of reimbursements for expenses incurred under the following program:

<u>Program</u>	<u>Amount</u>
III - F	\$ 584
U.S.D.A.	3,510
Medicaid PCA	2,553
Medicaid application	603
	<u>\$ 7,250</u>

NOTE 5: IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. These in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 5: IN-KIND CONTRIBUTIONS

The primary in-kind contributions consisted of free rent and utilities for the senior center and meal sites, and wages and fringe benefits for volunteer workers.

NOTE 6: BOARD OF DIRECTOR'S 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-town travel expenses incurred in accordance with the Council's regular personnel policy.

NOTE 7: INCOME TAX STATUS

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

NOTE 8: LITIGATION AND CLAIMS

There was no litigation pending against the Council at June 30, 1998, nor is the Council aware of any unasserted claims.

NOTE 9: 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 grantor agencies. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, 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.

NOTE 10: ECONOMIC 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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 10: ECONOMIC DEPENDENCY

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.

NOTE 11: PENSION PLAN

All employees of the Council are members of the Social Security System. In addition to the employee contribution withheld at 7.65 per cent of gross salary, the Council contributes an equal amount to the Social Security System.

NOTE 12: POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Council has no retired employees at June 30, 1998.

NOTE 13: INVENTORY

No inventory at June 30, 1998.

NOTE 14: MEDICAID REVENUE RECLASSIFIED

The Council has reclassified Medicaid revenue as accounts payable, as a result of the Council's duplicate billing, at the request of UNISIS Corporation. According to UNISIS, the original billing was coded incorrectly, as a result, the Council was asked to rebill under the correct code. Both billings were paid. The \$22,124 represents trade accounts payable of \$74 and \$22,050 which is the amount of the duplicate billing.

NOTE 15: ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

NOTES TO FINANCIAL STATEMENTS

June 30, 1998

NOTE 16: INTERFUND TRANSFERS

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

Funds Transferred In	<u>III B</u>	<u>C-2</u>	<u>Senior Center</u>	<u>USDA</u>	<u>Supple. Senior Center</u>	<u>General Fund</u>	<u>Total In</u>
Title III B- Supportive Services	\$ 0	\$ 0	\$12,582	\$ 0	\$4,500	\$30,779	\$47,861
Title III C-1	0	1,494	0	17,002	0	0	18,496
Title III C-2	0	0	0	1,092	0	0	1,092
Title III D	0	0	0	0	0	0	0
General Fund:							
Local	35	0	0	0	0	0	35
Transportation	0	0	0	0	0	0	0
 Total Out	 \$ 35	 \$1,494	 \$12,582	 \$18,094	 \$4,500	 \$30,779	 \$67,484

NOTE 17: RELATED PARTY TRANSACTIONS

There were not any related party transactions during the fiscal year.

NOTE 18: RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

NOTE 19: PREPAID EXPENSES

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

Saunders & Associates

Certified Public Accountants

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INDEPENDENT AUDITOR'S 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
East Carroll Voluntary Council on Aging, Inc.
Lake Providence, Louisiana

We have audited the financial statements of East Carroll Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated December 8, 1998, which was qualified due to the omission of the year 2000 disclosures that are required by the Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures About Year 2000 Issues*. 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 organization'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 was not an objective of our audit and, 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the organization'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.

However, we noted certain other matters involving the internal control over financial reporting that we have reported to management of the organization in a separate letter dated December 8, 1998.

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

Saunders + Associates
SAUNDERS & ASSOCIATES
Certified Public Accountant

December 8, 1998

SUPPLEMENTAL INFORMATION

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 1998

<u>Federal Grantor/Pass Through Grantor Name/Program Name</u>	<u>Federal CFDA Number</u>	<u>Program Or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>United States Department of Health and Human Services:</u>				
Passed Through the Louisiana Governor's Office of Elderly Affairs - Special Programs for the Aging:				
Title III-B Supportive Services	93.044	\$ 24,154	\$ 24,154	\$ 24,154
Title III C-1 Congregate Meals	93.045	26,011	26,011	26,011
Title III C-2 Home Delivered Meals	93.045	13,551	13,551	13,551
Title III-D In-Home Services	93.046	1,235	1,235	1,235
Title III-F Disease Prevention	93.043	<u>1,514</u>	<u>1,514</u>	<u>1,514</u>
Total United States Department of Health and Human Services		<u>66,465</u>	<u>66,465</u>	<u>66,465</u>
<u>United States Department of Agriculture:</u>				
Passed Through Louisiana Governor's Office of Elderly Affairs - Food Distribution Program - Cash-In-Lieu-Of Commodities				
	10.550	<u>14,743</u>	<u>14,743</u>	<u>14,743</u>
TOTAL FEDERAL AWARDS		<u>\$ 81,208</u>	<u>\$ 81,208</u>	<u>\$ 81,208</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

June 30, 1998

	<u>Title III B Supportive Services</u>	<u>Title III C-1 Congregate Meals</u>	<u>Title III C-2 Home Delivered Meals</u>	<u>Senior Center</u>	<u>Title III D In-Home Services</u>
ASSETS					
Cash	\$ (307)	\$ 3,919	\$ 4,388	\$ 0	\$ (10)
Receivables	0	0	0	0	0
Prepaid Expenses	809	721	740	0	14
Land and Buildings	0	0	0	0	0
Vehicles	0	0	0	0	0
Furniture and Equipment	0	0	0	0	0
Amount to be Provided for Long-Term Debt	0	0	0	0	0
TOTAL ASSETS	\$ <u>502</u>	\$ <u>4,640</u>	\$ <u>5,128</u>	\$ <u>0</u>	\$ <u>4</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts Payable	\$ 502	\$ 4,640	\$ 5,128	\$ 0	\$ 4
Accrued Payroll	0	0	0	0	0
Payroll Taxes Payable	0	0	0	0	0
Total Liabilities	<u>502</u>	<u>4,640</u>	<u>5,128</u>	<u>0</u>	<u>4</u>
Fund Equity:					
Investment in General Fixed Assets	0	0	0	0	0
Fund Balances:					
Reserved for:					
Utility Assistance	0	0	0	0	0
Unreserved:					
Undesignated	0	0	0	0	0
Designated	0	0	0	0	0
Total Fund Equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND FUND EQUITY	\$ <u>502</u>	\$ <u>4,640</u>	\$ <u>5,128</u>	\$ <u>0</u>	\$ <u>4</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

June 30, 1998

	<u>Title III F Disease Prevention</u>	<u>Utilities Assistance</u>	<u>USDA</u>	<u>Total (Memo Only)</u>
<u>ASSETS</u>				
Cash (Overdraft)	\$ (1,180)	\$ 4,330	\$ 21,701	\$ 32,841
Receivables	584	0	3,511	4,095
Prepaid Expenses	700	0	0	2,984
Land and Buildings	0	0	0	0
Vehicles	0	0	0	0
Furniture and Equipment	0	0	0	0
Amount to be Provided for Long-Term Debt	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 104</u>	<u>\$ 4,330</u>	<u>\$ 25,212</u>	<u>\$ 39,920</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts Payable	\$ 104	\$ 0	\$ 0	\$ 10,378
Accrued Payroll	0	0	0	0
Payroll Taxes Payable	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>104</u>	<u>0</u>	<u>0</u>	<u>10,378</u>
Fund Equity:				
Investment in General Fixed Assets	0	0	0	0
Fund Balances:				
Reserved for:				
Utility Assistance	0	4,330	0	4,330
Unreserved:				
Undesignated	0	0	25,212	25,212
Designated	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Equity	<u>0</u>	<u>4,330</u>	<u>25,212</u>	<u>29,542</u>
TOTAL LIABILITIES AND FUND FUND EQUITY	<u>\$ 104</u>	<u>\$ 4,330</u>	<u>\$ 25,212</u>	<u>\$ 39,920</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ACTUAL - GENERAL FUND

For the Year Ended June 30, 1998

	Programs of the General Fund		
	Local	PCOA (Act 735)	Total
<u>REVENUES</u>			
Intergovernmental	\$ 0	\$ 11,779	\$ 11,779
Public Support	22,339	0	22,339
Miscellaneous	47,002	0	47,002
Interest Income	13,397	0	13,397
	<u>82,738</u>	<u>11,779</u>	<u>94,517</u>
<u>EXPENDITURES</u>			
Current:			
Salaries	0	0	0
Fringe	0	0	0
Meals	0	0	0
Travel	0	0	0
Operating Services	0	0	0
Operating Supplies	0	0	0
Other Costs	9,676	0	9,676
Capital Outlay	0	0	0
Utility Assistance	0	0	0
	<u>9,676</u>	<u>0</u>	<u>9,676</u>
Excess of Revenues Over (Under) Expenditures	<u>73,062</u>	<u>11,779</u>	<u>84,841</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	35	0	35
Operating Transfers Out	(19,001)	(11,779)	(30,780)
	<u>(18,966)</u>	<u>(11,779)</u>	<u>(30,745)</u>
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	54,096	0	54,096
Fund Balance, Beginning of Year	<u>189,958</u>	<u>0</u>	<u>189,958</u>
FUND BALANCE, END OF YEAR	<u>\$ 244,054</u>	<u>\$ 0</u>	<u>\$ 244,054</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - SPECIAL REVENUE FUND

For the Year Ended June 30, 1998

	<u>Title III B Supportive Services</u>	<u>Title III C-1 Congregate Meals</u>	<u>Title III C-2 Home Delivered Meals</u>	<u>Senior Center</u>
<u>REVENUES</u>				
Intergovernmental:				
Office of Elderly Affairs	\$ 28,417	\$ 49,900	\$ 61,224	\$ 18,530
LA Association of Councils on Aging	0	0	0	0
Client Contributions	800	5,992	8,502	0
Total Revenues	<u>29,217</u>	<u>55,892</u>	<u>69,726</u>	<u>18,530</u>
 <u>EXPENDITURES</u>				
Current:				
Salaries	37,900	27,579	23,824	4,955
Fringe	2,989	2,166	1,869	393
Travel	985	939	1,208	0
Operating Services	14,164	10,399	12,067	600
Operating Supplies	2,302	2,016	2,121	0
Other Costs	17,332	30,065	26,980	0
Capital Outlay	1,371	1,223	1,255	0
Utility Assistance	0	0	0	0
Total Expenditures	<u>77,043</u>	<u>74,387</u>	<u>69,324</u>	<u>5,948</u>
Excess of Revenues Over (Under) Expenditures	<u>(47,826)</u>	<u>(18,495)</u>	<u>402</u>	<u>12,582</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	47,862	18,495	1,092	0
Operating Transfers Out	(36)	0	(1,494)	(12,582)
Total Other Financing Sources (Uses)	<u>47,826</u>	<u>18,495</u>	<u>(402)</u>	<u>(12,582)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	0	0	0
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - SPECIAL REVENUE FUND

For the Year Ended June 30, 1998

	<u>Misc. Grant</u>	<u>Title III F Disease Prevention</u>	<u>Title III D In-Home Services</u>	<u>Utilities Assistance Fund</u>
<u>REVENUES</u>				
Intergovernmental:				
Office of Elderly Affairs	\$ 4,500	\$ 1,781	\$ 1,453	\$ 0
LA Association of Councils on Aging	0	0	0	1,350
Client Contributions	0	0	0	0
	<u>4,500</u>	<u>1,781</u>	<u>1,453</u>	<u>1,350</u>
Total Revenues				
 <u>EXPENDITURES</u>				
Current:				
Salaries	0	111	1,155	0
Fringe	0	0	90	0
Travel	0	0	19	0
Operating Services	0	1,566	147	0
Operating Supplies	0	0	16	0
Other Costs	0	104	2	0
Capital Outlay	0	0	24	0
Utility Assistance	0	0	0	806
	<u>0</u>	<u>1,781</u>	<u>1,453</u>	<u>806</u>
Total Expenditures				
Excess of Revenues Over (Under) Expenditures	<u>4,500</u>	<u>0</u>	<u>0</u>	<u>544</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	<u>(4,500)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(4,500)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	0	0	544
Fund Balance, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,786</u>
FUND BALANCE, END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,330</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - SPECIAL REVENUE FUND

For the Year Ended June 30, 1998

	<u>USDA</u>	<u>Total (Memo Only)</u>
<u>REVENUES</u>		
Intergovernmental:		
Office of Elderly Affairs	\$ 14,744	\$ 180,549
LA Association of Councils on Aging	0	1,350
Client Contributions	0	15,294
	<u>14,744</u>	<u>197,193</u>
<u>EXPENDITURES</u>		
Current:		
Salaries	0	95,524
Fringe	0	7,507
Travel	0	3,151
Operating Services	0	38,943
Operating Supplies	0	6,455
Other Costs	0	74,483
Capital Outlay	0	3,873
Utility Assistance	0	806
	<u>0</u>	<u>230,742</u>
Excess of Revenues Over (Under) Expenditures	<u>14,744</u>	<u>(33,549)</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Operating Transfers In	0	67,449
Operating Transfers Out	<u>(18,092)</u>	<u>(36,704)</u>
	<u>(18,092)</u>	<u>30,745</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(3,348)	(2,804)
Fund Balance, Beginning of Year	<u>28,560</u>	<u>32,346</u>
FUND BALANCE, END OF YEAR	<u>\$ 25,212</u>	<u>\$ 29,542</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS
AND GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S
OFFICE OF ELDERLY AFFAIRS (GOEA)

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Title III-B Supportive Services</u>			
Salaries	\$ 38,238	\$ 37,900	\$ 338
Fringe Benefits	3,039	2,989	50
Travel	1,062	985	77
Operating Services	16,573	14,164	2,409
Operating Supplies	2,780	2,302	478
Other Costs	20,191	17,332	2,859
Capital Outlay	0	1,371	(1,371)
Subtotal	<u>81,883</u>	<u>77,043</u>	<u>4,840</u>
Transfer In From:			
Senior Center	(13,220)	(12,582)	(638)
Miscellaneous Grant	(4,500)	(4,500)	0
General Fund	(23,224)	(19,000)	(4,224)
PCOA	(11,779)	(11,779)	0
TOTAL TITLE III-B	<u>\$ 29,160</u>	<u>\$ 29,182</u>	<u>\$ (22)</u>
 <u>Title III C-1 Congregate Meals</u>			
Salaries	\$ 27,534	\$ 27,579	\$ (45)
Fringe	2,189	2,166	23
Travel	1,018	939	79
Operating Services	11,485	10,399	1,086
Operating Supplies	2,047	2,016	31
Other Costs	28,769	30,065	(1,296)
Capital Outlay	0	1,223	(1,223)
Subtotal	<u>73,042</u>	<u>74,387</u>	<u>(1,345)</u>
Transfer In From:			
C-2	0	(1,494)	1,494
USDA	(16,836)	(17,002)	166
TOTAL TITLE III C-1	<u>\$ 56,206</u>	<u>\$ 55,891</u>	<u>\$ 315</u>
 <u>Title III C-2 Home Delivered Meals</u>			
Salaries	\$ 23,764	\$ 23,824	\$ (60)
Fringe	1,890	1,869	21
Travel	1,401	1,208	193
Operating Services	14,594	12,067	2,527
Operating Supplies	1,888	2,121	(233)
Other Costs	31,373	26,980	4,393
Capital Outlay	0	1,255	(1,255)
Subtotal	<u>74,910</u>	<u>69,324</u>	<u>5,586</u>
Transfer Out From:			
C-1	0	1,494	(1,494)
Transfer In From:			
USDA	(4,893)	(1,092)	(3,801)
General Fund	0	0	0
TOTAL TITLE III C-2	<u>\$ 70,017</u>	<u>\$ 69,726</u>	<u>\$ 291</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS
AND GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S
OFFICE OF ELDERLY AFFAIRS (GOEA)

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Senior Center</u>			
Salaries	\$ 4,919	\$ 4,955	\$ (36)
Fringe	391	393	(2)
Travel	0	0	0
Operating Services	0	600	(600)
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Outlay	0	0	0
Subtotal	<u>5,310</u>	<u>5,948</u>	<u>(638)</u>
Transfer Out From:			
Title III B	13,220	12,582	638
TOTAL SENIOR CENTER	<u>\$ 18,530</u>	<u>\$ 18,530</u>	<u>\$ 0</u>
 <u>Title III-D In-Home Services</u>			
Salaries	\$ 1,160	\$ 1,155	\$ 5
Fringe Benefits	92	90	2
Travel	19	19	0
Operating Services	176	147	29
Operating Supplies	11	16	(5)
Other Costs	2	2	0
Capital Outlay	0	24	(24)
Utility Assistance	0	0	0
Subtotal	<u>1,460</u>	<u>1,453</u>	<u>7</u>
Transfer In From:			
PCOA	0	0	0
TOTAL TITLE III-D IN-HOME SERVICES	<u>\$ 1,460</u>	<u>\$ 1,453</u>	<u>\$ 7</u>
 <u>Title III-F Disease Prevention</u>			
Salaries	\$ 0	\$ 111	\$ (111)
Fringe	0	0	0
Travel	0	0	0
Operating Services	0	1,566	(1,566)
Operating Supplies	0	0	0
Other Costs	0	104	(104)
Capital Outlay	1,781	0	1,781
Subtotal	<u>1,781</u>	<u>1,781</u>	<u>0</u>
Transfer In From:			
General Fund	0	0	0
TOTAL TITLE III-F DISEASE PREVENTION	<u>\$ 1,781</u>	<u>\$ 1,781</u>	<u>\$ 0</u>

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS
AND GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S
OFFICE OF ELDERLY AFFAIRS (GOEA)

For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Miscellaneous Grant</u>			
Salaries	\$ 0	\$ 0	\$ 0
Fringe	0	0	0
Travel	0	0	0
Operating Services	0	0	0
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Outlay	0	0	0
Subtotal	0	0	0
Transfer Out To:			
Title III B	4,500	4,500	0
TOTAL MISCELLANEOUS GRANT	\$ 4,500	\$ 4,500	\$ 0
 <u>USDA</u>			
Transfer Out To:			
Title C-1	\$ 16,836	\$ 17,002	\$ (166)
Title C-2	4,893	1,092	3,801
TOTAL USDA	\$ 21,729	\$ 18,094	\$ 3,635

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

SCHEDULE OF PRIORITY SERVICES -
TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES

For the Year Ended June 30, 1998

Access (30%):	Assisted Transportation	\$ 4,300	
	Case Management	799	
	Transportation	24,803	
	Information and Assistance	1,414	
	Outreach	<u>250</u>	
	Total Access Expense	\$ <u>31,566</u>	111.08%
In-Home (15%):	Homemaker	12,421	
	Chore	0	
	Telephoning	0	
	Visiting	0	
	Adult/Daycare/Health	0	
	Personal Care	<u>28,824</u>	
	Total In-Home Expenses	41,245	<u>145.14%</u>
Legal (5%):	Legal Assistance	0	<u>0.00%</u>
Non-Priority Services		<u>4,231</u>	
Total Title III B - Supportive Services Expenditures		77,042	
Less: Participant Contributions		-800	
Other Local Funds		-18,964	
Transfer In		<u>-28,861</u>	
Original Grant Award Net of Additional State Homemaker and Transportation Funds And Transfers of Contract Allotments		\$ <u>28,417</u>	

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

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

For the Year Ended June 30, 1998

	<u>Balance June 30, 1997</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1998</u>
<u>General Fixed Assets, At Cost:</u>				
Land and Buildings	\$ 67,417	\$ 2,131	\$ 0	\$ 69,548
Vehicles	63,050	1,743	0	64,793
Office Furniture and Equipment	<u>23,398</u>	<u>0</u>	<u>6,000</u>	<u>17,398</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 153,865</u>	<u>\$ 3,874</u>	<u>\$ 6,000</u>	<u>\$ 151,739</u>
<u>Investment in General Fixed Assets:</u>				
Property Acquired Prior to July 1, 1985**	\$ 19,835	\$ 0	\$ 6,000	\$ 13,835
Property Acquired After July 1, 1985				
With Funds From -				
Title III-D In-Home Services	566	23	0	589
General Fund	8,668	0	0	8,668
Title III C-1	52,514	1,222	0	53,736
Title III C-2	29,673	1,254	0	30,927
Title III-B Supportive Services	19,172	1,375	0	20,547
Title III-F Disease Prevention	5,464	0	0	5,464
Senior Olympic Fund Raisers	136	0	0	136
Senior Center	12,422	0	0	12,422
Miscellaneous Grant	4,426	0	0	4,426
In-Kind Donations	<u>989</u>	<u>0</u>	<u>0</u>	<u>989</u>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$ 153,865</u>	<u>\$ 3,874</u>	<u>\$ 6,000</u>	<u>\$ 151,739</u>

*** There is a \$5.00 difference between this schedule and the Inventory Schedule due to rounding.

** Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1985.

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

STATUS OF PRIOR YEAR AUDIT FINDINGS

June 30, 1998

There were no findings or questioned costs in the prior audit period.

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

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 1998

There were no findings or questioned costs during this audit period.

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

***Memorandum of Suggestions on Accounting
Procedures and System of Internal Controls***

***East Carroll Voluntary Council on Aging, Inc.
Lake Providence, Louisiana***

For the Year Ended June 30, 1998

***Contact Person
G. B. SAUNDERS***

December 8, 1998

***SAUNDERS & ASSOCIATES
Certified Public Accountants
630 East 17th Street
P. O. Box 1406
Ada, Oklahoma 74820
(580) 436-5330
FAX: (580) 332-2272***

Saunders & Associates

Certified Public Accountants

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E-mail www.sndrsgrp@chickasaw.com

Board of Directors
East Carroll Voluntary Council on Aging, Inc.
Lake Providence, Louisiana

The accompanying Management Letter includes suggestions for improvement of accounting procedures and internal accounting controls that came to our attention as a result of our examination of the financial statements of the East Carroll Voluntary Council on Aging, Inc., Lake Providence, Louisiana, for the year ended June 30, 1998. The matters discussed herein were considered by us during our examination and do not modify the opinion expressed in our auditor's report dated December 8, 1998 on such financial statements.

In accordance with generally accepted auditing standards we made a review of the East Carroll Voluntary Council on Aging, Inc.'s system of internal accounting controls for the purpose of providing a basis for reliance thereon, in determining the nature, timing and extent of substantive testing of the June 30, 1998 financial statements. While certain matters that came to our attention during the review are presented in the accompanying Management Letter for the consideration of the Board, our review did not encompass all control procedures and techniques and was not designed for the purpose of making detailed recommendations.

The accompanying Management Letter also includes comments and suggestions with respect to other financial and administrative matters that came to our attention during the course of our examination. These matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving accounting control and other financial and administrative practices and procedures.

This Management Letter is intended solely for the benefit of management and the board of directors, and is not to be used for any other purpose.

We wish to express our appreciation for the courtesies and cooperation extended to our representatives during the course of their work. We would be pleased to discuss these suggestions and comments in greater detail or otherwise assist in their implementation.

Sincerely,


SAUNDERS & ASSOCIATES
Certified Public Accountants

December 8, 1998

EAST CARROLL VOLUNTARY COUNCIL ON AGING, INC.
Lake Providence, Louisiana

MANAGEMENT LETTER

June 30, 1998

1. SOFTWARE AND HARDWARE YEAR 2000 COMPLIANCE (Y2K)

Criteria: It is your responsibility to safeguard your assets and account for and document your financial and programmatic activities and produce accurate and timely financial statements and programmatic reports.

Condition: It appears that East Carroll Voluntary Council on Aging, Inc. has discussed the Y2K compliance issues within management, however, during our examination we could not confirm that you had addressed all of your systems for Y2K compliance or developed a contingency plan.

Cause/Effect: Should you have any systems fail due to Y2K's non-compliance, you could potentially lose the ability to produce timely and accurate programmatic and financial information as well as lose control over your assets.

Recommendation: SAUNDERS & ASSOCIATES strongly recommends that East Carroll Voluntary Council on Aging, Inc. review all software programs and hardware to ensure that they are Y2K compliant. Priorities should be placed on account systems and any other system that utilizes dates or are date sensitive. You should especially ensure any data base you control or have access to is Y2K compliant. You should also assess the effect of Y2K on major grantors, vendors, service providers, bankers and other third-party organizations, and how non-compliance could possibly effect you. You should consider developing a Y2K contingency plan.