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**IBERIA PARISH VOLUNTARY  
COUNCIL ON AGING, INC.**

Financial Report

Year Ended June 30, 1999

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 DEC 22 1999

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(A Corporation of Certified Public Accountants)

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## Independent Auditor's Report

The Board of Directors  
Iberia Parish Voluntary Council on Aging, Inc.  
New Iberia, Louisiana

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We have audited the accompanying general purpose financial statements of the Iberia Parish Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to 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.

Governmental Accounting Standards Board Technical Bulletin 98-1, disclosures about Year 2000 Issues, requires disclosures of certain matters regarding the Year 2000 issue 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 equipment year 2000 compliant;
- A general description of the Year 2000 issue, including a description of the stages of work in process 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.

Member of:

American Institute of  
Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

Iberia Parish Voluntary Council on Aging, Inc. has omitted such disclosures. We do not provide assurance that Iberia Parish Voluntary Council on Aging, Inc. is or will be year 2000 ready, the Council's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Council 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 Iberia Parish Voluntary Council on Aging, Inc. as of June 30, 1999, 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 September 16, 1999 on our consideration of the Iberia Parish Voluntary Council on Aging, Inc.'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 Iberia Parish Voluntary Council on Aging, Inc. taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Iberia Parish Voluntary Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Dannall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Lafayette, Louisiana

September 16, 1999

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.  
 Combined Balance Sheet - All Fund Types and Account Groups  
 June 30, 1999

	Governmental Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue	General Fixed Assets	General Long-term Debt	
<b>ASSETS</b>					
Cash	\$ 91,822	\$ 20,408	\$ -	\$ -	\$ 112,230
Accounts receivable	7,505	-	-	-	7,505
Prepaid expenditures	2,166	-	-	-	2,166
Deposits	7,000	-	-	-	7,000
Due from other funds	-	5,000	-	-	5,000
Fixed assets	-	-	136,449	-	136,449
Amount to be provided for retirement of general long-term debt	-	-	-	8,782	8,782
Total assets	<u>\$ 108,493</u>	<u>\$ 25,408</u>	<u>\$ 136,449</u>	<u>\$ 8,782</u>	<u>\$ 279,132</u>
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities:					
Due to other funds	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Accrued payroll and related benefits payable	-	140	-	-	140
Accumulated unpaid compensated absences	-	-	-	8,782	8,782
Total liabilities	<u>5,000</u>	<u>140</u>	<u>-</u>	<u>8,782</u>	<u>13,922</u>
Fund Equity:					
Investment in fixed assets	-	-	136,449	-	136,449
Fund balances -					
Unreserved - undesignated	87,402	25,268	-	-	112,670
Reserved	<u>16,091</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,091</u>
Total fund balances	<u>103,493</u>	<u>25,268</u>	<u>-</u>	<u>-</u>	<u>128,761</u>
Total fund equity	<u>103,493</u>	<u>25,268</u>	<u>136,449</u>	<u>-</u>	<u>265,210</u>
Total liabilities and fund equity	<u>\$ 108,493</u>	<u>\$ 25,408</u>	<u>\$ 136,449</u>	<u>\$ 8,782</u>	<u>\$ 279,132</u>

The accompanying notes are an integral part of this statement.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.  
 Combined Statement of Revenues, Expenditures, and  
 Changes in Fund Balances - All Governmental Fund Types  
 Year Ended June 30, 1999

	General	Special Revenue	Total (Memorandum Only)
<b>Revenues:</b>			
Intergovernmental	\$ 76,163	\$ 291,315	\$ 367,478
Program	-	59,481	59,481
Local and miscellaneous	67,500	3,725	71,225
In-kind	-	5,364	5,364
Total revenues	143,663	359,885	503,548
<b>Expenditures:</b>			
Current -			
Salaries	38,205	257,144	295,349
Fringe	2,966	26,674	29,640
Travel	551	29,658	30,209
Operating services	6,361	38,254	44,615
Operating supplies	5,810	15,165	20,975
Other costs	10,654	4,590	15,244
Capital outlay	2,828	36,454	39,282
In-kind	-	5,364	5,364
Total expenditures	67,375	413,303	480,678
Excess (deficiency) of revenues over expenditures	76,288	(53,418)	22,870
<b>Other financing sources (uses):</b>			
Operating transfers in	769	116,465	117,234
Operating transfers out	(55,835)	(61,399)	(117,234)
Total other financing sources (uses)	(55,066)	55,066	-
Excess of revenues and other sources over expenditures and other uses	21,222	1,648	22,870
Fund balances, beginning of year	82,271	23,620	105,891
Fund balances, end of year	\$ 103,493	\$ 25,268	\$ 128,761

The accompanying notes are an integral part of this statement.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances - Budget (GAAP Basis) and Actual - All Governmental Fund Types  
 Year Ended June 30, 1999

	General Fund			Special Revenue Funds		
	Budgeted	Actual	Variance - Favorable (Unfavorable)	Budgeted	Actual	Variance - Favorable (Unfavorable)
<b>Revenues:</b>						
Intergovernmental	\$ 76,163	\$ 76,163	\$ -	\$ 278,410	\$ 291,315	\$ 12,905
Program	-	-	-	72,857	59,481	(13,376)
Local and miscellaneous	70,587	67,500	(3,087)	2,844	3,725	881
In-kind	-	-	-	5,278	5,364	86
Total revenues	<u>146,750</u>	<u>143,663</u>	<u>(3,087)</u>	<u>359,389</u>	<u>359,885</u>	<u>496</u>
<b>Expenditures:</b>						
Current -						
Salaries	38,205	38,205	-	256,467	257,144	(677)
Fringe	2,967	2,966	1	27,045	26,674	371
Travel	632	551	81	27,089	29,658	(2,569)
Operating services	10,810	6,361	4,449	42,136	38,254	3,882
Operating supplies	1,052	5,810	(4,758)	16,543	15,165	1,378
Other costs	24,281	10,654	13,627	4,690	4,590	100
Capital outlay	2,449	2,828	(379)	30,411	36,454	(6,043)
In-kind	-	-	-	5,278	5,364	(86)
Total expenditures	<u>80,396</u>	<u>67,375</u>	<u>13,021</u>	<u>409,659</u>	<u>413,303</u>	<u>(3,644)</u>
Excess (deficiency) of revenues over expenditures	<u>66,354</u>	<u>76,288</u>	<u>9,934</u>	<u>(50,270)</u>	<u>(53,418)</u>	<u>(3,148)</u>
<b>Other financing sources (uses):</b>						
Operating transfers in	-	769	769	115,900	116,465	565
Operating transfers out	<u>(55,270)</u>	<u>(55,835)</u>	<u>(565)</u>	<u>(60,630)</u>	<u>(61,399)</u>	<u>(769)</u>
Total other financing sources (uses)	<u>(55,270)</u>	<u>(55,066)</u>	<u>204</u>	<u>55,270</u>	<u>55,066</u>	<u>(204)</u>
Excess of revenues and other sources over expenditures and other uses	11,084	21,222	10,138	5,000	1,648	(3,352)
Fund balances, beginning of year	<u>82,271</u>	<u>82,271</u>	<u>-</u>	<u>23,620</u>	<u>23,620</u>	<u>-</u>
Fund balances, end of year	<u>\$ 93,355</u>	<u>\$ 103,493</u>	<u>\$ 10,138</u>	<u>\$ 28,620</u>	<u>\$ 25,268</u>	<u>\$ (3,352)</u>

The accompanying notes are an integral part of this statement.



# IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

## Notes to Financial Statements

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial Reporting Entity

Act 456 of 1964 authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. Each Council is a non-profit, quasi-public corporation which must comply with policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenue. The Council also receives revenue from other federal, state, and local government agencies which may impose some additional requirements.

The primary function of the Council on Aging 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. Some of the services provided by the Council include congregate and home delivered meals, nutritional education, information and referral services, legal assistance, homemaker services, discount services, material aid, outreach, operating senior centers, and transportation. A Board of Directors, consisting of 14 voluntary members who serve three-year terms, governs the Council.

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

This report includes all funds and account groups which are controlled by or dependent on the Iberia Parish Voluntary Council on Aging, Inc. Control by or dependence on the Council was determined on the basis of budget adoption, appointment of governing body, and other general oversight responsibility.

#### Presentation of Statements

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

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

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

The Council uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain functions or activities.

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. Resources are allocated to and accounted for in individual funds based upon the purpose 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 two generic fund types and two broad fund categories (account groups).

Governmental Fund Types

Governmental funds are used to account for all or most of the Council's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

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

General Fund

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

In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the Council's General Fund:

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Local

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

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 the "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.*

Medicaid

This is a program where the Council acts as a coordinator of services for people who are home-bound and in need of services similar to those provided in a nursing home. Rather than have the person sent to a nursing home, the Council coordinates necessary services and is paid a fee by Medicaid through the Department of Health and Hospitals (DHH) for performing the case management function. Any funds remaining after applying direct costs to operate this program are available for discretionary use by management.

Special Revenue Funds

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

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

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services, legal assistance, and outreach for people age 60 and older.

Title III C-1 Congregate Meals Fund

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, which "passes through" the funds to the Council. This fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 1998 to June 30, 1999, the Council served about 23,337 congregate meals.

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. This fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 1998 to June 30, 1999, the Council served about 67,579 home delivered meals.

Title III-D Fund

The Title III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-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.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities or services, such as; (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, and (5) nutrition (assessment/screening, counseling, and education). The 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 in turn "passes through" the funds to the Council.

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 in turn "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. The Council operates four senior centers in Iberia Parish, Louisiana.

Title III-B-Ombudsman Fund

The Ombudsman Fund is used to account for funds used to provide people age 60 and older residing in long-term care facilities a representative to ensure that such residents' rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility. Ombudsman 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.

Miscellaneous Grant

The Miscellaneous Grant Fund is used to account for funds provided by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. The funds are used to supplement the other programs operated by the Council.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retired and Senior Volunteer Program (RSVP)

The Retired and Senior Volunteer Program Fund is used to account for federal funds which are provided directly by the Corporation for National and Community Service and state funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for expenses incurred by low-income senior citizens, age 55 and over, who have volunteered their time to assist non-profit and government entities in the parish.

United Way Fund

This fund reports assistance received from the community's regular United Appeals Activity. The funds are received upon application to the United Way Agency and are subject to monitoring by that Agency.

Section 5310

This fund is used to account for the acquisition of vehicles purchased in part with federal funds under this capital assistance program. The Louisiana Department of Transportation and Development coordinates the receipt and disbursement of these funds and the required matching funds from the Council. One vehicle was acquired under this program during the current fiscal year.

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

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

General Long-Term Debt

Long-term liabilities expected 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 financial position and is not involved with measurement of results of operations.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing 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 susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year end. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for principal and interest on long-term debt which are recorded when due.

Transfers and Interfund Loans

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables and payables.

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 Council may also obtain grants from agencies other than GOEA and the Council considers the potential revenues to be earned under those grants.

Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.

The Executive Director prepares a proposed budget based on the expected funding levels and then submits the budget to the Board of Directors for approval.

The Board of Directors reviews and adopts the budget before May 31 of the current year for the next year.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget Policy

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). Occasionally, the Council will receive a special project grant which may operate on a period different from the Council's normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.

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

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control 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. As a part of this grant award, GOEA requires the Council to amend its budget in cases where actual costs for a particular cost category exceeded the budgeted amount by more than ten percent. Otherwise, the excess costs could be labeled as unauthorized expenditures.

Expenditures cannot legally exceed appropriations at the individual fund level.

The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

Total Columns on Combined Statements - Overview

Total columns on the combined statements - overview 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.



IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets, Including Property Leased under Capital Leases

Assets which cost at least \$250 and which have an estimated useful life of greater than one year are capitalized as 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.

Compensated Absences

The Council's policy allows full time employees to carry forward all unused sick leave and annual leave beyond the fiscal year end. However, upon termination of employment, full-time employees are compensated for a maximum number of unused annual leave days, between 12 and 24.75, depending on their years of service. Employees received no compensation for unused sick leave. Full-time employees earn between 8 and 16.5 hours of sick leave and annual leave per month, also depending on their years of service. The liability for accumulated unpaid compensated absences has been recorded, is included in the General Long-Term Debt account group.

Related Party Transactions

There were no related party transactions noted during the fiscal year.

Restricted Assets

Restricted assets represent assets which have been primarily acquired through donations whereby the donor has placed a restriction on how the donation can be used by the Council (i.e., utility assistance funds). Restricted assets are offset by a corresponding reservation of the Council's fund balance.

Reservation and Designations of Fund Balances

The Council "reserves" portions of its fund balance that are not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

Prepaid Expenditures

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 expenditures recorded in these funds to reflect the amount of fund balance not currently available for expenditure.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of 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 may differ from those estimates.

NOTE 2 REVENUE RECOGNITION – INTERGOVERNMENTAL, PROGRAM SERVICE FEES, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

Intergovernmental

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). Intergovernmental grants do not allow the Council to recognize revenue under the grant award until actual costs are incurred or units of service are provided.

Program Service Fees

Program service fees are recognized when the Council provides the service that entitles the Council to charge the recipient for the services received. The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, C-2 and D programs.

Public Support and Miscellaneous Revenues

Utility assistance funds are provided from public donations via utility company programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS

The Council maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds other than those required to maintain separate accounts. The purpose of the consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end.

Under state law, the Council may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS

The Council may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1999, the Council has cash and interest-bearing deposits (book balances) totaling \$112,230.

Bank Balance	\$ 140,788
Federal deposit insurance	<u>110,623</u>
Unsecured deposits at June 30, 1999	<u>\$ (30,165)</u>

Deposit balances (bank balances) at June 30, 1999, totaled \$140,788 and are secured as follows: GASB Statement 3 categorizes the credit risk of the federally insured portion of the deposits as Category 1 because they are fully insured. The unsecured portion of the deposits is categorized by GASB Statement 3 as Category 3. Category 3 included uninsured and uncollateralized deposits.

NOTE 4 CHANGES IN GENERAL FIXED ASSETS

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Furnitures & fixtures	\$ 71,945	\$ 5,829	\$ -	\$ 77,774
Vehicles	<u>25,222</u>	<u>33,453</u>	<u>-</u>	<u>58,675</u>
Total general fixed assets	<u>\$ 97,167</u>	<u>\$ 39,282</u>	<u>\$ -</u>	<u>\$ 136,449</u>

NOTE 5 IN-KIND DONATIONS

The Council received various in-kind contributions during the year which have been valued at their estimated fair market value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income. The Council received additional support through services contributed by volunteers that does not meet the criteria for recognition under generally accepted accounting principles because the Council would not hire additional paid employees to perform these services if volunteers were not available.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 6 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-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 taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax.

NOTE 8 CHANGES IN LONG-TERM DEBT

Long-term liabilities that will be financed from governmental funds are accounted for in the general long-term debt group of accounts. The following is a summary of changes in the general long-term debt account group.

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
Accrued compensated absences	<u>\$ 9,302</u>	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ 8,782</u>

Accrued compensated absences are expected to be paid during the fiscal year ending June 30, 1999.

NOTE 9 JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council at June 30, 1999. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

NOTE 10 FEDERAL AWARD PROGRAMS

The Council receives revenues from various Federal and State grant programs which are subject to final review and approval as to allowability of expenditures by the respective 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.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 11 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 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 12 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 13 INTERFUND LOANS

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 5,000
Special Revenue Funds:		
United Way	<u>5,000</u>	<u>-</u>
	<u>\$ 5,000</u>	<u>\$ 5,000</u>

NOTE 14 INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for 1999:

	<u>Funds transferring out:</u>	
	<u>General</u>	<u>Senior Center</u>
Funds transferring in:		
Title III C-1	\$ 36,124	\$ -
Title III C-2	5,870	-
Title III B	4,625	44,630
Title III D	97	-
Title III F	14	-
Ombudsman	2,414	-
General	-	769
Section 5310	<u>6,691</u>	<u>-</u>
	<u>\$ 55,835</u>	<u>\$ 45,399</u>

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 14 INTERFUND TRANSFERS (CONTINUED)

Operating transfers in and out are listed by fund for 1999:

	Funds transferring out:		Total
	Miscellaneous Grant	United Way	
Funds transferring in:			
Title III C-1	\$ -	\$ -	\$ 36,124
Title III C-2	-	-	5,870
Title III B	4,500	11,500	65,255
Title III D	-	-	97
Title III F	-	-	14
Ombudsman	-	-	2,414
General	-	-	769
Section 5310	-	-	6,691
	<u>\$ 4,500</u>	<u>\$ 11,500</u>	<u>\$ 117,234</u>

NOTE 15 PROGRAM YEAR-ENDS

All of the operating programs have a June 30 year end, coinciding with the fiscal year of the Council, except for the Retired Senior Volunteer Program which is not funded through the Area Agency and has a September 30 year-end. However, these statements do reflect twelve months activity for this program for the year ended June 30, 1999.

NOTE 16 RESERVED FUND BALANCE

The Council receives funding from various utility companies for the restricted purpose of alleviating hardship conditions related to the payment of utility bills for elderly individuals. Funds available at year-end for this purpose have been reserved accordingly. The following summary outlines the activity by fund source for the year ended June 30, 1999:

	Balance July 1, 1998	Revenue July 1, 1998 - June 30, 1999	Disbursements July 1, 1998 - June 30, 1999	Balance June 30, 1999
Entergy	\$ 497	\$ 1,740	\$ 2,130	\$ 107
Entex	355	1,119	1,131	343
Central LA. Electric Co. (LACOA)	<u>382</u>	<u>1,622</u>	<u>1,789</u>	<u>215</u>
	<u>\$ 1,234</u>	<u>\$ 4,481</u>	<u>\$ 5,050</u>	<u>\$ 665</u>

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

NOTE 16 RESERVED FUND BALANCE

The Council has other assets which are restricted in their application by virtue of the donor's intention or commitments already entered into by the Council. These amounts are also reported as reserved fund balance. Other restricted assets arise because of gifts solicited and collected for the specific facility for the Council. Other assets, like the utility assistance above, are restricted by the terms and nature of the grant. Finally, some assets represent "deposits" pledged to confirm the Council's intentions with respect to certain projects. Related accumulated income is included in some of the restricted balances. Details on the reserved balances are set out below:

Utility Assistance (Terms of grant)	\$ 665
Miles for meals	13,260
Prepaid expenditures	<u>2,166</u>
Total reserved fund balance	<u>\$16,091</u>

NOTE 17 EXCESS EXPENDITURES OVER APPROPRIATIONS

At year-end, the Council has several funds whose expenditures exceeded appropriations. The individual funds and the amount of the excess expenditures are:

Section 5310	<u>\$4,521</u>
Retired Senior Volunteer Program	<u>\$6,059</u>

NOTE 18 CONCENTRATION OF CREDIT RISK

The Council maintains its operating funds in one financial institution. Cash in these accounts at times exceeded \$100,000. The accounts are secured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. State law requires public funds on deposit in excess of FDIC limits be secured by the pledge of securities from the financial institution's investment portfolio. At June 30, 1999, the Council had funds on deposit in excess of the federally insured limit and not secured by the pledge of securities by the financial institution.

**SUPPLEMENTAL INFORMATION**



**SCHEDULES OF INDIVIDUAL FUNDS**

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Statement of Program Revenues, Expenditures, and  
Changes in Fund Balance - General Fund  
Year Ended June 30, 1999

	Local	PCOA Act 735	Personal Care Attendant	Total
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 21,779	\$ 54,384	\$ 76,163
Local and miscellaneous -				
Iberia Parish Council	17,967	-	-	17,967
City of New Iberia	7,500	-	-	7,500
City of Jeanerette	500	-	-	500
Interest income	1,509	-	-	1,509
Fund raising	13,151	-	-	13,151
Utility assistance	4,481	-	-	4,481
PMS Revenue	2,988	-	-	2,988
Miscellaneous	5,592	-	-	5,592
Donations	7,685	-	-	7,685
United Way	2,080	-	-	2,080
Senior Center trips	1,660	-	-	1,660
Miles for meals	2,297	-	-	2,297
Wellness card	90	-	-	90
Total revenues	<u>67,500</u>	<u>21,779</u>	<u>54,384</u>	<u>143,663</u>
<b>Expenditures:</b>				
Current -				
Salaries	-	-	38,205	38,205
Fringe	-	-	2,966	2,966
Travel	319	-	232	551
Operating services	4,542	-	1,819	6,361
Operating supplies	5,358	-	452	5,810
Other costs	10,654	-	-	10,654
Capital outlay	479	-	2,349	2,828
Total expenditures	<u>21,352</u>	<u>-</u>	<u>46,023</u>	<u>67,375</u>
Excess of revenues over expenditures	<u>46,148</u>	<u>21,779</u>	<u>8,361</u>	<u>76,288</u>
<b>Other financing sources (uses):</b>				
Operating transfers in	769	-	-	769
Operating transfers out	(34,056)	(21,779)	-	(55,835)
Total other financing sources (uses)	<u>(33,287)</u>	<u>(21,779)</u>	<u>-</u>	<u>(55,066)</u>
Excess of revenues and other sources over expenditures and other uses	12,861	-	8,361	21,222
Fund balances, beginning of year	<u>74,356</u>	<u>-</u>	<u>7,915</u>	<u>82,271</u>
Fund balances, end of year	<u>\$ 87,217</u>	<u>\$ -</u>	<u>\$ 16,276</u>	<u>\$ 103,493</u>

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Special Revenue Funds  
Year Ended June 30, 1999

	Title III-B	Title III-C-1	Title III-C-2	Title III-D	Title III-F
<b>Revenues:</b>					
Intergovernmental	\$ 65,711	\$ 21,865	\$ 42,130	\$ 2,478	\$ 3,948
Program	1,222	21,952	36,307	-	-
Local and miscellaneous	-	-	107	-	-
In-kind	-	-	-	-	-
Total revenues	<u>66,933</u>	<u>43,817</u>	<u>78,544</u>	<u>2,478</u>	<u>3,948</u>
<b>Expenditures:</b>					
Current -					
Salaries	96,394	58,117	59,540	1,171	882
Fringe	10,040	6,050	6,203	123	92
Travel	3,000	1,440	14,763	1,011	26
Operating services	14,846	11,464	7,105	238	516
Operating supplies	10,564	1,862	1,964	32	44
Other costs	2,472	1,008	-	-	1,110
Capital outlay	-	-	-	-	1,292
In-kind	-	-	-	-	-
Total expenditures	<u>137,316</u>	<u>79,941</u>	<u>89,575</u>	<u>2,575</u>	<u>3,962</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(70,383)</u>	<u>(36,124)</u>	<u>(11,031)</u>	<u>(97)</u>	<u>(14)</u>
<b>Other financing sources (uses):</b>					
Operating transfers in	65,255	36,124	5,870	97	14
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>65,255</u>	<u>36,124</u>	<u>5,870</u>	<u>97</u>	<u>14</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(5,128)	-	(5,161)	-	-
Fund balances, beginning of year	<u>5,128</u>	<u>-</u>	<u>5,161</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Senior Center</u>	<u>Ombudsman</u>	<u>Miscellaneous Grant</u>	<u>Retired Senior Volunteer Program</u>	<u>United Way</u>	<u>Section 5310</u>	<u>Total</u>
\$ 44,630	\$ 7,225	\$ 4,500	\$ 55,566	\$ 16,500	\$ 26,762	\$ 291,315
-	-	-	-	-	-	59,481
-	-	-	3,618	-	-	3,725
-	-	-	5,364	-	-	5,364
<u>44,630</u>	<u>7,225</u>	<u>4,500</u>	<u>64,548</u>	<u>16,500</u>	<u>26,762</u>	<u>359,885</u>
-	7,194	-	33,846	-	-	257,144
-	753	-	3,413	-	-	26,674
-	827	-	8,591	-	-	29,658
-	764	-	3,321	-	-	38,254
-	101	-	598	-	-	15,165
-	-	-	-	-	-	4,590
-	-	-	1,709	-	33,453	36,454
-	-	-	5,364	-	-	5,364
-	<u>9,639</u>	-	<u>56,842</u>	-	<u>33,453</u>	<u>413,303</u>
<u>44,630</u>	<u>(2,414)</u>	<u>4,500</u>	<u>7,706</u>	<u>16,500</u>	<u>(6,691)</u>	<u>(53,418)</u>
-	2,414	-	-	-	6,691	116,465
<u>(45,399)</u>	-	<u>(4,500)</u>	-	<u>(11,500)</u>	-	<u>(61,399)</u>
<u>(45,399)</u>	<u>2,414</u>	<u>(4,500)</u>	-	<u>(11,500)</u>	<u>6,691</u>	<u>55,066</u>
(769)	-	-	7,706	5,000	-	1,648
<u>769</u>	-	-	<u>12,562</u>	-	-	<u>23,620</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,268</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 25,268</u>

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (GAAP Basis) and Actual -  
All Special Revenue Funds  
Year Ended June 30, 1999

	<u>Budgeted</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<b>Title III-B</b>			
Salaries	\$ 96,865	\$ 96,394	\$ 471
Fringe	10,160	10,040	120
Travel	3,830	3,000	830
Operating services	16,556	14,846	1,710
Operating supplies	11,868	10,564	1,304
Other costs	<u>1,872</u>	<u>2,472</u>	<u>(600)</u>
	<u>\$ 141,151</u>	<u>\$ 137,316</u>	<u>\$ 3,835</u>
<b>Title III C-1</b>			
Salaries	\$ 58,386	\$ 58,117	\$ 269
Fringe	6,122	6,050	72
Travel	1,687	1,440	247
Operating services	12,150	11,464	686
Operating supplies	1,902	1,862	40
Other costs	<u>1,008</u>	<u>1,008</u>	<u>-</u>
	<u>\$ 81,255</u>	<u>\$ 79,941</u>	<u>\$ 1,314</u>
<b>Title III C-2</b>			
Salaries	\$ 59,842	\$ 59,540	\$ 302
Fringe	6,279	6,203	76
Travel	14,782	14,763	19
Operating services	7,819	7,105	714
Operating supplies	<u>2,009</u>	<u>1,964</u>	<u>45</u>
	<u>\$ 90,731</u>	<u>\$ 89,575</u>	<u>\$ 1,156</u>
<b>Title III-D</b>			
Salaries	\$ 1,181	\$ 1,171	\$ 10
Fringe	124	123	1
Travel	1,434	1,011	423
Operating services	262	238	24
Operating supplies	<u>34</u>	<u>32</u>	<u>2</u>
	<u>\$ 3,035</u>	<u>\$ 2,575</u>	<u>\$ 460</u>

(Continued)

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (GAAP Basis) and Actual -  
All Special Revenue Funds (Continued)  
Year Ended June 30, 1999

	<u>Budgeted</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<b>Title III-F</b>			
Salaries	\$ 895	\$ 882	\$ 13
Fringe	95	92	3
Travel	32	26	6
Operating services	347	516	(169)
Operating supplies	45	44	1
Other costs	1,810	1,110	700
Capital outlay	<u>800</u>	<u>1,292</u>	<u>(492)</u>
	<u>\$ 4,024</u>	<u>\$ 3,962</u>	<u>\$ 62</u>
<b>Ombudsman</b>			
Salaries	\$ 7,230	\$ 7,194	\$ 36
Fringe	757	753	4
Travel	811	827	(16)
Operating services	840	764	76
Operating supplies	<u>110</u>	<u>101</u>	<u>9</u>
	<u>\$ 9,748</u>	<u>\$ 9,639</u>	<u>\$ 109</u>
<b>Retired Senior Volunteer Program</b>			
Salaries	\$ 32,068	\$ 33,846	\$ (1,778)
Fringe	3,508	3,413	95
Travel	4,513	8,591	(4,078)
Operating services	4,162	3,321	841
Operating supplies	575	598	(23)
Capital outlay	679	1,709	(1,030)
In-kind	<u>5,278</u>	<u>5,364</u>	<u>(86)</u>
	<u>\$ 50,783</u>	<u>\$ 56,842</u>	<u>\$ (6,059)</u>
<b>Section 5310</b>			
Capital outlay	<u>\$ 28,932</u>	<u>\$ 33,453</u>	<u>\$ (4,521)</u>

**INTERNAL CONTROL AND COMPLIANCE**



# Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

## Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards

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The Board of Directors  
Iberia Parish Voluntary Council  
on Aging, Inc.  
New Iberia, Louisiana

We have audited the general purpose financial statements of the Iberia Parish Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1999, and have issued our report thereon dated September 16, 1999, which was qualified due to the omission of the year 2000 disclosures that are required by 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 Iberia Parish Voluntary Council on Aging, Inc.'s general purpose 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 general purpose 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 an instance of noncompliance that is required to be reported under Government Auditing Standards, and is described in the accompanying schedule of findings and questioned costs as item 99-3.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Iberia Parish Voluntary Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to

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Certified Public Accountants



significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the Iberia Parish Voluntary Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as item 99-1 and 99-2.

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 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. Our consideration of the internal control structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above as 99-1 and 99-2 to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, Management, others within the Organization and federal awarding agencies and is not intended to be and should not be used by anyone other than those specified parties.

*Dannall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Lafayette, Louisiana  
September 16, 1999

**OTHER SUPPLEMENTARY INFORMATION**

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Changes in General Fixed Assets  
Year Ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
<b>General fixed assets, at cost:</b>				
Furnitures & fixtures	\$ 71,945	\$ 5,829	\$ -	\$ 77,774
Vehicles	<u>25,222</u>	<u>33,453</u>	<u>-</u>	<u>58,675</u>
<b>Total general fixed assets</b>	<b><u>\$ 97,167</u></b>	<b><u>\$ 39,282</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 136,449</u></b>
<b>Investments in general fixed assets:</b>				
Title III B	\$ 2,339	\$ -	\$ -	\$ 2,339
Title III C-1	2,184	-	-	2,184
Title III C-2	1,196	-	-	1,196
Senior Center	13,727	-	-	13,727
PCOA	1,516	-	-	1,516
Retired Senior Volunteer Program	215	1,709	-	1,924
Local	58,586	479	-	59,065
Ombudsman	27	-	-	27
Title III-D	16	-	-	16
Hurricane Relief	7,745	-	-	7,745
Title III-F	7,976	1,292	-	9,268
Donations	1,640	-	-	1,640
Section 5310	-	33,453	-	33,453
Medicaid - PCA	<u>-</u>	<u>2,349</u>	<u>-</u>	<u>2,349</u>
<b>Total investments in general fixed assets</b>	<b><u>\$ 97,167</u></b>	<b><u>\$ 39,282</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 136,449</u></b>

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Disbursements to Board Members  
Year Ended June 30, 1999

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

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Summary Schedule of Prior Year Findings  
Year Ended June 30, 1999

- 98-1 Finding: Inadequate Segregation of Accounting Functions  
Status: This finding is unresolved. See current year finding 99-1.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs  
Year Ended June 30, 1999

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

A qualified opinion has been issued on Iberia Parish Voluntary Council on Aging, Inc.'s financial statements as of and for the year ended June 30, 1999. The qualification results from the omission of disclosures required by Governmental Accounting Standards Board Technical Bulletin 98-1, "Disclosures about Year 2000 Issues".

Reportable Condition – Financial Reporting

Two reportable conditions in internal control over financial reporting were disclosed during the audit of the financial statements and are shown as items 99-1 and 99-2 in Part 2. Both are considered material weaknesses.

Material Noncompliance – Financial Reporting

There was one material instance of noncompliance noted during the audit and is reported as item 99-3 in Part 2.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 1999.

Part 2: Findings Relating to an Audit in Accordance with Governmental Auditing Standards

99-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Council did not have adequate segregation of functions within the accounting system.

Recommendation:

Based upon the size of the operation and the cost benefit of additional personnel it may not be feasible to achieve complete segregation of duties.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs  
Year Ended June 30, 1999

99-2 Concentration of Credit Risk

Finding:

The Council has funds on deposit with a financial institution in excess of the federally insured limit and the financial institution has not pledged adequate securities to properly secure the deposits.

Recommendation:

The Council should require the financial institution to pledge securities from its investment portfolio in amount sufficient to secure council deposits in excess of the federal deposit insurance limit.

99-3 Violation of LA R.S. 39:1225

Finding:

The Council did not have the financial institution pledge securities from its investment portfolio to secure funds on deposit in excess of federal deposit insurance limits.

Recommendation:

The Council should require the financial institution to pledge securities in an amount sufficient to secure Council funds on deposit.

Part 3: Findings and Questioned Costs Relating to Federal Programs

At June 30, 1999, Iberia Parish Voluntary Council on Aging, Inc. did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

IBERIA PARISH VOLUNTARY COUNCIL ON AGING, INC.  
Management's Corrective Action Plan For Current Year Findings  
Year Ended June 30, 1999

Response to Finding 99-1:

No response is considered necessary.

Response to Finding 99-2:

The Council is in the process of formulating an agreement with Iberia Bank, whereby, securities will be pledged on the Council's behalf when considered necessary.

Response to Finding 99-3:

See response to finding 99-2 above.