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EAST FELICIANA COUNCIL ON AGING, INC.
GENERAL PURPOSE FINANCIAL STATEMENTS
CLINTON, LOUISIANA
YEAR ENDED JUNE 30, 1998

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

Release Date OCT 28 1998

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AMERICAN INSTITUTE CPAs
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INDEPENDENT AUDITOR'S REPORT

September 15, 1998

To the Board of Directors
East Feliciana Council on Aging
Clinton, Louisiana

I have audited the accompanying general purpose financial statements of the East Feliciana Council on Aging, Inc. as of June 30, 1998, and the year then ended. These financial statements are the responsibility of the East Feliciana Council on Aging's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial audits contained in the Government Audit Standards, issued by the Comptroller General of the United States. Those standards require that I 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 financial statement presentation. I believe that my audit provided a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above presented fairly, in all material respects, the financial position of the East Feliciana Council on Aging as of June 30, 1998, and the results of its operations for the year ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated September 15, 1998, on our consideration of East Feliciana Council On Aging, Inc. internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants.

My audit was made for the purpose of forming an opinion on the financial statements of East Feliciana Council On Aging, Inc. taken as a whole. The accompanying combining financial schedules, schedules and schedule of expenditures of federal awards listed in the Table of Contents are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1998

(With Comparative Totals as of June 30, 1997)

	<u>GOVERNMENTAL</u> <u>FUND TYPE</u>		<u>ACCOUNT GROUPS</u>		<u>TOTALS</u>	
	<u>GENERAL</u>	<u>SPECIAL</u> <u>REVENUE</u>	<u>GENERAL</u> <u>FIXED</u> <u>ASSETS</u>	<u>GENERAL</u> <u>LONG-TERM</u> <u>OBLIGATIONS</u>	<u>(MEMORANDUM ONLY)</u>	
					<u>1998</u>	<u>1997</u>
<u>ASSETS AND OTHER DEBITS</u>						
ASSETS:						
Cash	\$22,275	\$-0-	-0-	-0-	\$22,275	\$15,982
Grant Receivable	-0-	4,736	-0-	-0-	4,736	21,644
Accounts Receivable	140	-0-	-0-	-0-	140	986
Due From Other Funds	7,952	-0-	-0-	-0-	7,952	3,640
Prepaid Expenses	-0-	4,091	-0-	-0-	4,091	3,729
Fixed Assets	-0-	-0-	\$92,384	-0-	92,384	89,306
OTHER DEBITS:						
Amount To Be Provided To Retire Long-Term Debt	-0-	-0-	-0-	\$6,340	6,340	5,890
TOTAL ASSETS	30,367	8,827	92,384	6,340	137,918	141,177
<u>LIABILITIES, FUND EQUITY AND OTHER CREDITS</u>						
<u>LIABILITIES:</u>						
Accounts Payable	-0-	\$-0-	-0-	-0-	\$-0-	-0-
Employment Taxes	-0-	1	-0-	-0-	1	
Due To Other Funds	-0-	7,952	-0-	-0-	7,952	3,640
Compensated Absences	-0-	-0-	-0-	\$6,340	6,340	5,890
TOTAL LIABILITIES	-0-	7,953	-0-	6,340	14,293	9,530
<u>FUND EQUITY AND OTHER CREDITS:</u>						
FUND BALANCES:						
Reserved For:						
Utility Assistance	-0-	874	-0-	-0-	874	1,723
Unreserved-Undesignated	30,367	-0-	-0-	-0-	30,367	40,618
INVESTMENT IN GENERAL						
FIXED ASSETS	-0-	-0-	92,384	-0-	92,384	89,306
TOTAL FUND EQUITY	30,367	874	92,384	-0-	123,625	131,647
<u>TOTAL LIABILITIES, FUND</u> <u>EQUITY & OTHER CREDITS</u>	30,367	8,827	92,384	6,340	137,918	141,177

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1998

(With Comparative Totals For the Year Ended June 30, 1997)

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTALS (MEMORANDUM ONLY)</u>	
			<u>1998</u>	<u>1997</u>
<u>REVENUES:</u>				
INTERGOVERNMENTAL	\$51,713	\$128,173	\$179,886	\$166,995
PUBLIC SUPPORT	-0-	6,814	6,814	5,366
INTEREST	710	-0-	710	435
MISCELLANEOUS	-0-	-0-	-0-	14
IN-KIND CONTRIBUTIONS	17,251	18,878	36,129	20,808
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	69,674	153,865	223,539	193,618
<u>EXPENDITURES</u>				
CURRENT				
HEALTH AND WELFARE				
SALARIES	-0-	111,736	111,736	89,541
FRINGE BENEFITS	1,451	18,021	19,472	11,588
TRAVEL	273	3,659	3,932	2,464
OPERATING SERVICES	479	28,816	29,295	28,826
OPERATING SUPPLIES	-0-	11,969	11,969	7,970
OTHER	760	3,534	4,294	4,358
MEALS	-0-	-0-	-0-	851
CAPITAL OUTLAY	14,134	1,184	15,318	709
UTILITY ASSISTANCE	-0-	2,495	2,495	2,688
IN-KIND EXPENDITURES	17,251	18,878	36,129	20,808
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	34,348	200,292	234,640	169,803
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<hr/>	<hr/>	<hr/>	<hr/>
	35,326	(46,427)	(11,101)	23,815
<u>OTHER FINANCIAL SOURCES (USES)</u>				
Sale of Fixed Assets	-0-	-0-	-0-	300
Transfers In	2,000	72,901	74,901	65,575
Transfers Out	(47,578)	(27,323)	(74,901)	(65,575)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL OTHER FINANCIAL SOURCES (USES)	(45,578)	45,578	-0-	300
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES				
	<hr/>	<hr/>	<hr/>	<hr/>
	(10,252)	(849)	(11,101)	24,115
FUND BALANCE, JULY 1				
	<hr/>	<hr/>	<hr/>	<hr/>
	40,618	1,723	42,341	18,226
FUND BALANCE, JUNE 30				
	<hr/>	<hr/>	<hr/>	<hr/>
	30,366	874	31,240	42,341
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES:</u>			
INTERGOVERNMENTAL	\$51,713	\$51,713	\$-0-
PUBLIC SUPPORT	-0-	-0-	-0-
INTEREST	-0-	710	710
IN-KIND	-0-	17,251	17,251
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	51,713	69,674	17,961
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
CURRENT			
HEALTH AND WELFARE			
SALARIES	-0-	-0-	-0-
FRINGE	-0-	1,451	(1,451)
TRAVEL	-0-	273	(273)
OPERATING SERVICES	-0-	479	(479)
OPERATING SUPPLIES	-0-	-0-	-0-
OTHER	-0-	760	(760)
MEALS	-0-	-0-	-0-
CAPITAL OUTLAY	9,000	14,134	(5,134)
UTILITY ASSISTANCE	-0-	-0-	-0-
DEBT SERVICE	-0-	-0-	-0-
IN-KIND EXPENDITURES	-0-	17,251	(17,251)
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	9,000	34,348	(25,348)
	<hr/>	<hr/>	<hr/>
EXCESS OF REVENUES OVER EXPENDITURES	42,713	35,326	(7,387)
	<hr/>	<hr/>	<hr/>
<u>OTHER FINANCIAL SOURCES (USES)</u>			
TRANSFERS IN	-0-	2,000	2,000
TRANSFERS OUT	(42,713)	(47,578)	(4,865)
	<hr/>	<hr/>	<hr/>
TOTAL FINANCIAL SOURCES (USES)	(42,713)	(45,578)	(2,865)
	<hr/>	<hr/>	<hr/>
<u>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>			
	-0-	(10,252)	(10,252)
	<hr/>	<hr/>	<hr/>
FUND BALANCE, JULY 1	40,618	40,618	-0-
	<hr/>	<hr/>	<hr/>
FUND BALANCE, JUNE 30	40,618	30,366	(10,252)
	<hr/>	<hr/>	<hr/>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES:</u>			
INTERGOVERNMENTAL	\$132,556	\$128,173	\$(4,383)
PUBLIC SUPPORT	11,495	6,814	(4,681)
MISCELLANEOUS	4,000	-0-	(4,000)
IN-KIND	-0-	18,878	18,878
	148,051	153,865	5,814
<u>EXPENDITURES</u>			
CURRENT			
HEALTH AND WELFARE			
SALARIES	112,994	111,736	1,258
FRINGE	20,346	18,021	2,325
TRAVEL	4,200	3,659	541
OPERATING SERVICES	35,048	28,816	6,232
OPERATING SUPPLIES	11,900	11,969	(69)
OTHER	4,650	3,534	1,116
MEALS	-0-	-0-	-0-
CAPITAL OUTLAY	1,630	1,184	446
UTILITY ASSISTANCE	-0-	2,495	(2,495)
IN-KIND EXPENDITURES	-0-	18,878	(18,878)
	190,768	200,292	(9,524)
EXCESS OF REVENUES OVER EXPENDITURES	(42,717)	(46,427)	(3,710)
<u>OTHER FINANCIAL SOURCES (USES)</u>			
TRANSFERS IN	42,713	72,901	30,188
TRANSFERS OUT	-0-	(27,323)	(27,323)
	42,713	45,578	2,865
<u>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>	(4)	(849)	845
FUND BALANCE, JULY 1		1,723	
FUND BALANCE, JUNE 30		874	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people of their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The East Feliciana Council on Aging (Council) is a non-profit quasi-public 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 the most of its revenues. Other entities that provide the Council with federal, state, and local funds 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 fifteen 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 which are related to it. Therefore, the Council has presented its financial statements as a separate special-purpose government.

B. PRESENTATION OF STATEMENTS:

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

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.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. 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 accounts 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, fund equity, revenues and expenditures. Resources 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 various funds are grouped, in the financial statements in this report, into two generic fund types and two broad fund categories (account groups).

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 the 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 types of programs comprise the Council's General Fund:

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers, (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General Fund. Expenses incurred which are not chargeable to specific programs are recorded as "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged 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 these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

Local Transportation

The Council also provides transportation services to local agencies for a fee. These program service fees and their related costs are accounted for within the "local Transportation" program of the General Fund.

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 specific purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

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

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Title III-C-1 Funds are used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year the Council served about 11,125 congregate meals.

Title III-C-2 Home Delivered Meals Funds are used to account for funds which provide nutritional, home delivered meals to home-bound older persons. During the fiscal year the Council served about 13,220 home delivered meals.

Title III-D Funds are used to provide in-home services to frail older individuals, including in-home supporting 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-F Funds are 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 larger number of older individuals who have the greatest economic and social need."

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 at which older persons receive support services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates **one** senior center and **one** satellite meal center in the parish.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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 Council or to the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to East Feliciana to the Council. These funds are used to provide assistance to the elderly for the payment of their utility bills.

Medicaid Waiver Funds are provide by the United States Department of Health & Human Services to the Louisiana Department of Hospitals, which "passes through" the funds to the Council on Aging. These funds are used to provide in-home services to frail older individuals, including in-home supporting services for older individuals so that expensive nursing home stays are not required.

JTPA Funds is used to account for funds which are used to encourage the re-entry of seniors, age 55 or over, into the job market. Funds are expended to pay a subsidy, for a predetermined training period, to employers in the private sector who hire eligible seniors. Funds for this program are provided by the United States Department of Labor, throug the Louisiana Department of Labor, which in turn "passes through" the funds to the council.

Police Jury Fund is used to account for the funds provided by the East Feliciana Parish Police Jury for elderly recreation, meals to the home bound and capital outlay.

D. ACCOUNT GROUPS:

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds 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 Council are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the government fund types when purchased.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

GENERAL LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligation account group. The general long-term obligations group shows only the measurement of financial position and is not involved with measurement of results of operations. Principal and interest payments on long-term liabilities (bank loans and capital lease obligations) are accounted for in the Special Revenue Funds because the Council intends to use these resources to pay them and no legal mandate exists to establish a debt service fund.

E. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for the following:

- (1) Principal and interest on long-term debt are recorded when due, and
- (2) Claims and judgement and compensated absences are recorded as expenditures when paid with expendable available financial resources.

F. 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/payables.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

G. BUDGETS

The Council used the following procedures to derive in the budgetary data which has been presented 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 prepare 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 June 30 of the current year for the next year.

The adopted budget is forwarded to the GOEA 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 a modified accrual basis, consistent with the basis of accounting, for comparability of budgetary and actual revenues and expenditures.

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

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

The Council may transfer funds between line items as often as required but must obtain prior approval from the GOEA for funds received under grants from this state agency. As a part of this grant awards, 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 10%. Otherwise, the excess costs could be labeled as unauthorized expenditures.

Expenditures cannot legally exceed appropriations on an 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.

Amounts were not budgeted for revenues and expenditures for Utility Assistance Fund because they were not legally required and the amount of revenue to be received under this program could not be determined.

H. COMPARATIVE DATA

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

I. TOTAL COLUMN ON COMBINED STATEMENTS

Total Column on the Combined Statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

J. FIXED ASSETS

Assets which cost at least \$250 and which have an estimated useful life of greater than 1 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.

K. COMPENSATED ABSENCES:

For government fund types, the Council's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. The liabilities has been determined using the number of vested vacation hours for each employee multiplied by the employee's current wage rate at the end of the year. An amount is added to this total for social security and Medicare taxes. Accrued vacation benefits will be paid from future years' resources and will be recorded as fund expenditures in the various governmental funds in the year which they are paid or becomes due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave where payment would have to be made to a terminated employee for any unused portion.

L. RELATED PARTY TRANSACTIONS

There were not any related party transactions during the fiscal year

M. RESTRICTED ASSETS:

Restricted assets represent assets which have been primary 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.

N. RESERVATION AND DESIGNATIONS OF FUND BALANCES:

The Council can "reserve" 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.

Designated allocations of fund balances result when the Council's management intends to expend certain resources in a designated manner.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O. 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 expenditure. At year end, there were \$4,091 in prepaid expenses.

P. MANAGEMENT'S 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 Grants

Intergovernmental grant revenue 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 provided the service that entitles the Council to charge the recipient for the services received.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help off-set the costs of Title III-B, C-1, C-2 and D programs. Utility assistance funds are provided from public donations to the Project Care Program sponsored by Gulf States Utilities. In addition, various fund raisers are held during the year to obtain funds to off-set costs of general operations and senior center activities. The timing and amounts of the receipt 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.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 3 - CASH AND CASH EQUIVALENTS

The Council maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. Also, the Council has a \$15,000 certificats of depoit. At year end the balance of the Council's cash accounts were \$22,275. The related bank balance (collected deposits) at that date was \$33,570. All of the deposits were covered by federal depository insurance. GASB Statement 3 categorizes the credit risk of these deposits as category 1 because they are fully insured.

NOTE 4 - RECEIVABLES

Grants receivable at year end consist of reimbursements for expenses incurred under the following programs:

<u>PROGRAM</u>	<u>FUND</u>	<u>FUNDING AGENCY</u>	<u>AMOUNT</u>
Title III-B	Special Revenue	GOEA	\$1,732
Title III-C-2	Special Revenue	GOEA	2,154
Title III-F	Special Revenue	GOEA	282
Project Care	Special Revenue	Entergy	180
Medicaid	Special Revenue	DHH	388
Total Grant Receivables			4,736

Receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>BALANCE</u> <u>7-1-97</u>	<u>ADDITIONS</u>	<u>ADJUSTMENTS</u> <u>AND</u> <u>DELETIONS</u>	<u>BALANCE</u> <u>6-30-98</u>
Equipment	\$16,090	\$1,364	\$-0-	\$17,454
Vehicles	73,216	-0-	+1,714	74,930
	<u>89,306</u>	<u>1,364</u>	<u>+1,714</u>	<u>92,384</u>

NOTE 6. CHANGES IN GENERAL 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.

	<u>BALANCE</u> <u>7-1-97</u>	<u>PRINCIPAL</u> <u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>6-30-98</u>
Notes Payable	\$5,890	\$450	\$-0-	\$6,340

NOTE 7. LEASES

In 1993, the Council renewed a lease a building lease that houses one of the Council's office and senior center in Clinton, Louisiana. The terms of this lease require monthly payments of \$100 for five years as long as the Council shares space with the pre-school. If the pre-school moves out, the rent will be \$200. The lease expired February 1, 1998, and has not been renewed.

NOTE 8 - INCOME TAXES

The Council, a not-for-profit corporation, is exempt from federal income taxation 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.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 9. PENSION PLAN

The East Feliciana Council on Aging, Inc. does not have a formal pension plan, but as added compensation, funded \$7,982 into employees IRA plans who had been with the Council for three years.

NOTE 10. POST-RETIREMENT BENEFITS

The East Feliciana Council on Aging, Inc. does not offer any post-retirement benefits to its employees.

NOTE 11. IN-KIND DONATIONS

The Council received \$36,129 in 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. A summary of the in-kind contributions and their respective assigned values is as follows:

Senior Center and Satelite Meal Site	\$36,126
--------------------------------------	----------

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.

NOTE 12. 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.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 13. JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES

As of June 30, 1998, the Council has received a Citation and Petition for Damages filed in the 20th Judicial District Court. Although the suits are still pending, the Council denies any liability and is actively defending its position through its liability insurance carrier. While the ultimate outcome of the above matters cannot be predicted at this time, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Council. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

No claims were paid-out or litigation costs incurred during the year ended June 30, 1998.

NOTE 14 - 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, Capital Area Agency on Aging and Department of Transportation. 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 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 15 - 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 coverages.

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

NOTE 16 - INTERFUND TRANSFERS

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

FUNDS TRANSFERRED OUT	FUNDS TRANSFERRED IN						TOTAL OUT
	TRANS- PORTATION	TITLE III B	TITLE IIIC1	TITLE IIIC2	TITLE III D	TITLE III F	
Police Jury	\$2,000	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$2,000
Senior Center	-0-	10,612	5,708	-0-	-0-	-0-	16,320
PCAO	-0-	11,779	-0-	-0-	-0-	-0-	11,779
J T P A	-0-	1,405	-0-	-0-	-0-	-0-	1,405
Medicaid	-0-	7,466	-0-	-0-	-0-	-0-	7,466
S C Bell	-0-	132	-0-	-0-	-0-	-0-	132
Transportation	-0-	8,030	-0-	3,210	3,038	1,036	15,314
Local	-0-	20,485	-0-	-0-	-0-	-0-	20,485
Total In	2,000	59,909	5,708	3,210	3,038	1,036	74,901

SUPPLEMENTARY INFORMATION

EAST FELICIANA COUNCIL ON AGING, INC.
 CLINTON, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
 GENERAL FUND
 YEAR ENDED JUNE 30, 1998

	LOCAL	PCOA ACT 735	TRANS- PORTATION	TOTAL
REVENUES:				
INTERGOVERNMENTAL				
GOVERNORS OFFICE ELDERLY AFFAIRS	\$0	\$11,779	\$0	\$11,779
DEPARTMENT OF TRANSPORTATION	0	0	\$39,934	39,934
OFFICE FAMILY SUPPORT	0	0	0	0
TOTAL INTERGOVERNMENTAL	0	11,779	39,934	51,713
PUBLIC SUPPORT-DONATIONS	0	0	0	0
INTEREST INCOME	710	0	0	710
MISCELLANEOUS	0	0	0	0
IN-KIND CONTRIBUTIONS	0	0	17,251	17,251
TOTAL REVENUES	710	11,779	57,185	69,674
EXPENDITURES:				
CURRENT				
HEALTH AND WELFARE				
SALARIES	0	0	0	0
FRINGE	155	0	1,296	1,451
TRAVEL	62	0	211	273
OPERATING SERVICE	460	0	19	479
OPERATING SUPPLIES	0	0	0	0
OTHER COST	412	0	348	760
MEALS	0	0	0	0
CAPITAL OUTLAY	0	0	14,134	14,134
UTILITY ASSISTANCE	0	0	0	0
DEBT SERVICE	0	0	0	0
IN-KIND EXPENDITURES	0	0	17,251	17,251
TOTAL EXPENDITURES	1,089	0	33,259	34,348
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(379)	11,779	23,926	35,326
OTHER FINANCIAL SOURCES (USES):				
TRANSFERS IN	0	0	2,000	2,000
TRANSFERS OUT	(20,485)	(11,779)	(15,314)	(47,578)
TOTAL OTHER FINANCIAL SOURCES (USES)	(20,485)	(11,779)	(13,314)	(45,578)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(20,864)	0	10,612	(10,252)
FUND BALANCES, JULY 1	40,618	0	0	40,618
FUND BALANCES, JUNE 30	19,754	0	10,612	30,366

EAST FELICIANA COUNCIL ON AGING, INC.
 CLINTON, LOUISIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
 SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 1998

	TITLE III-B	TITLE III-C-1	TITLE III-C-2	TITLE III-D	TITLE III-F	SENIOR CENTER	UTILITY ASSIST	AUDIT	SOUTH CENTRAL BELL	MEDICAID	JTPA	POLICE JURY	TOTAL
REVENUES:													
INTERGOVERNMENTAL													
CAPITAL AREA AGENCY ON AGING	\$46,532	\$13,630	\$33,277	\$1,466	\$1,316	\$18,530	\$1,778	\$772	\$0	\$0	\$0	\$0	\$117,301
EAST FELICIANA PARISH POLICE JURY	0	0	0	0	0	0	0	0	0	0	0	2,000	2,000
DEPARTMENT OF HEALTH & HOSPITALS	0	0	0	0	0	0	0	0	\$0	\$7,467	0	0	7,467
TANGIPHOA PARISH SCHOOL BOARD	0	0	0	0	0	0	0	0	0	0	1,405	0	1,405
TOTAL INTERGOVERNMENTAL	46,532	13,630	33,277	1,466	1,316	18,530	1,778	772	0	7,467	1,405	2,000	128,173
PUBLIC SUPPORT-DONATIONS	3,023	2,261	1,530	0	0	0	0	0	0	0	0	0	6,814
INTEREST INCOME	0	0	0	0	0	0	0	0	0	0	0	0	0
IN-KIND CONTRIBUTIONS	8,602	6,437	1,339	0	2,500	0	0	0	0	0	0	0	18,278
TOTAL REVENUES	58,157	22,328	36,146	1,466	3,816	18,530	1,778	772	0	7,467	1,405	2,000	153,865
EXPENDITURES:													
CURRENT													
HEALTH AND WELFARE													
SALARIES	71,137	16,016	19,023	3,660	1,900	0	0	0	0	0	0	0	111,736
FRINGE	11,302	3,024	3,119	389	187	0	0	0	0	0	0	0	18,021
TRAVEL	3,300	442	809	80	28	0	0	0	0	0	0	0	3,659
OPERATING SERVICE	16,448	1,147	8,816	205	164	2,036	0	0	0	0	0	0	28,816
OPERATING SUPPLIES	6,067	461	5,331	80	30	0	0	0	0	0	0	0	11,959
OTHER COST	1,488	348	638	70	43	175	0	772	0	0	0	0	3,534
MEALS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPITAL OUTLAY	722	161	281	20	0	0	0	0	0	0	0	0	1,184
UTILITY ASSISTANCE	0	0	0	0	0	0	2,495	0	0	0	0	0	2,495
DEBT SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
IN-KIND EXPENDITURES	8,602	6,437	1,339	0	2,500	0	0	0	0	0	0	0	18,878
TOTAL EXPENDITURES	118,066	28,036	39,356	4,504	4,852	2,211	2,495	772	0	0	0	0	200,292
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(59,909)	(5,708)	(3,210)	(3,038)	(1,036)	16,319	(717)	0	0	7,467	1,405	2,000	(46,427)
OTHER FINANCIAL SOURCES (USES):													
TRANSFERS IN	59,909	5,708	3,210	3,038	1,036	0	0	0	0	0	0	0	72,901
TRANSFERS OUT	0	0	0	0	0	(16,319)	0	0	(132)	(7,467)	(1,405)	(2,000)	(27,323)
TOTAL OTHER FINANCIAL SOURCES (USES)	59,909	5,708	3,210	3,038	1,036	(16,319)	0	0	(132)	(7,467)	(1,405)	(2,000)	45,578
EXCESS (DEFICIENCY) OF REVENUE AND AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	0	0	0	0	0	(717)	0	(132)	0	0	0	(849)
FUND BALANCES, JULY 1	0	0	0	0	0	0	1,591	0	132	0	0	0	1,723
FUND BALANCES, JUNE 30	0	0	0	0	0	0	874	0	0	0	0	0	874

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS AND GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S OFFICE ELDERLY AFFAIRS
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>PCOA (ACT 735)</u>			
Transfers to Title III B	\$11,779	\$11,779	-0-
<u>TITLE III B</u>			
SALARIES	\$79,372	\$71,137	\$8,235
FRINGE	13,658	11,302	2,356
TRAVEL	2,546	2,300	246
OPERATING SERVICES	14,613	16,448	(1,835)
OPERATING SUPPLIES	4,436	6,067	(1,631)
OTHER	3,068	1,488	1,580
CAPITAL OUTLAY	1,037	722	315
	<hr/>	<hr/>	<hr/>
TOTALS	118,730	109,464	9,266
<u>TITLE III C 1</u>			
SALARIES	14,260	16,016	(1,756)
FRINGE	3,064	3,024	40
TRAVEL	653	442	211
OPERATING SERVICES	4,458	1,147	3,311
OPERATING SUPPLIES	2,543	461	2,082
OTHER	602	348	254
CAPITAL OUTLAY	225	161	64
	<hr/>	<hr/>	<hr/>
TOTALS	25,805	21,599	4,206
<u>TITLE III C 2</u>			
SALARIES	16,175	19,023	(2,848)
FRINGE	3,152	3,119	33
TRAVEL	865	809	56
OPERATING SERVICES	10,017	8,816	1,201
OPERATING SUPPLIES	4,312	5,331	(1,019)
OTHER	831	638	193
CAPITAL OUTLSY	312	281	31
	<hr/>	<hr/>	<hr/>
TOTALS	35,664	38,017	(2,353)

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS AND GRANTS PROVIDED THROUGH THE LOUISIANA GOVERNOR'S OFFICE ELDERLY AFFAIRS
YEAR ENDED JUNE 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>TITLE III D</u>			
SALARIES	\$1,747	\$3,660	(\$1,913)
FRINGE	286	389	(103)
TRAVEL	89	80	9
OPERATING SERVICES	1,834	205	1,629
OPERATING SUPPLIES	71	80	(9)
OTHER	97	70	27
CAPITAL OUTLAY	36	20	16
TOTALS	4,160	4,504	(344)
 <u>TITLE III F</u>			
SALARIES	1,437	1,900	(463)
FRINGE	187	187	-0-
TRAVEL	47	28	19
OPERATING SERVICES	125	164	(39)
OPERATING SUPPLIES	338	30	308
OTHER	52	43	9
CAPITAL OUTLAY	19	-0-	19
TOTALS	2,205	2,352	(147)
 <u>SENIOR CENTER</u>			
OPERATING SRVICES	4,000	-0-	4,000
OPERATING SUPPLIES	200	-0-	200
TRANSFERS TO TITLE III B	8,622	10,612	(1,990)
TRANSFERS TO TITLE III C 1	5,708	5,708	-0-
TOTALS	18,530	16,320	2,210
 <u>AUDIT</u>			
OTHER COST	772	772	-0-

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
SCHEDULE OF PRIORITY SERVICES
TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES
YEAR ENDED JUNE 30, 1998

Access (30%):	Assisted Transportation	\$-0-		
	Transportation	\$57,876		
	Outreach	972		
	Information & Assistance	1,644		
	Case Assessment	807		
		<hr/>		
	Total		\$61,299	<u>232.22%</u>
In-Home (15%):	Homemaker	4,348		
	Material Aid	971		
	Utility	1,576		
	Recreation	3,464		
		<hr/>		
	Total		10,359	<u>39.24%</u>
Legal (5%)	Legal Assistance		-0-	<u>0.00%</u>
Non-priority Services			<hr/> 46,408	
Total Title III B - Support Services Expenditures			118,066	
Less: Participant Contributions			(3,023)	
Other Public Support			(8,602)	
Transfers In			<hr/> (59,909)	
Title IIIB - Supportive Services Grant			46,532	
Less: Transfers of Contract allotment			-0-	
State Homemaker			-0-	
State Transportation			<hr/> (20,136)	
Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments.				<hr/> <u>26,396</u>

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS AND CHANGES IN
GENERAL FIXED ASSETS
YEAR ENDED JUNE 30, 1998

	<u>BALANCE</u> <u>JULY 1,</u> <u>1997</u>	<u>ADDITIONS</u>	<u>ADJUSTMENTS</u> <u>AND</u> <u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30,</u> <u>1998</u>
GENERAL FIXED ASSETS				
Equipment	\$16,090	\$1,364	\$-0-	\$17,454
Vehicles	73,216	-0-	+1,714	74,930
	<hr/>	<hr/>	<hr/>	<hr/>
Total	89,306	1,364	+1,714	92,384
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
 INVESTMENT IN GENERAL FIXED ASSETS:				
Title III-B	\$3,243	\$722	+\$109	\$4,074
Title III-C-1	3,091	161	+17	3,269
Title III-C-2	3,162	281	+37	3,480
Title III-D	8	20	+13	41
Title III-F	668	-0-	+4	672
Senior Center	4,176	-0-	-0-	4,176
Miscellaneous	1,592	-0-	-0-	1,592
FTA	73,216	180	+1,534	74,930
Bell South	150	-0-	-0-	150
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	89,306	1,364	+1,714	92,384
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 1998

<u>PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>FEDERAL REVENUE RECOGNIZED</u>	<u>TOTAL EXPENDITURES</u>
<u>DEPARTMENT OF HEALTH & HUMAN SERVICES</u>				
PASSED THROUGH:				
GOVERNOR'S OFFICE ELDERLY AFFAIRS				
TITLE III-B	93.044	\$22 437	\$22 437	\$22 437
TITLE III-C-1	93.045	13 179	13 179	13 179
TITLE III-D	93.046	1 246	1 246	1 246
TITLE III-F	93.043	1 119	1 119	1 119
		<u>37 981</u>	<u>37 981</u>	<u>37 981</u>
 PASSED THROUGH:				
DEPARTMENT OF HEALTH & HOSPITALS				
MEDICAID	93.778	<u>7 467</u>	<u>7 467</u>	<u>7 467</u>
 PASSED THROUGH:				
LA DEPARTMENT OF COMMUNITY SERVICES				
JOBS	90.021	<u>1 405</u>	<u>1 405</u>	<u>1 405</u>
Total Department Health & Human		<u>46 853</u>	<u>46 853</u>	<u>46 853</u>
 <u>DEPARTMENT OF TRANSPORTATION</u>				
PASSED THROUGH:				
LA DEPARTMENT OF TRANSPORTATION & DEVELOPMENT				
FTA #741-19-0104	20.509	<u>39 934</u>	<u>39 934</u>	<u>39 934</u>
Total Federal Grants		<u><u>86 787</u></u>	<u><u>86 787</u></u>	<u><u>86 787</u></u>

Donald C. DeVille

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MEMBER:
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LOUISIANA SOCIETY CPAs

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

September 15, 1998

To the Board of Directors
East Feliciana Council on Aging
Clinton, Louisiana

I have audited the financial statements of the East Feliciana Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued my report thereon dated September 15, 1998. I conducted my 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.

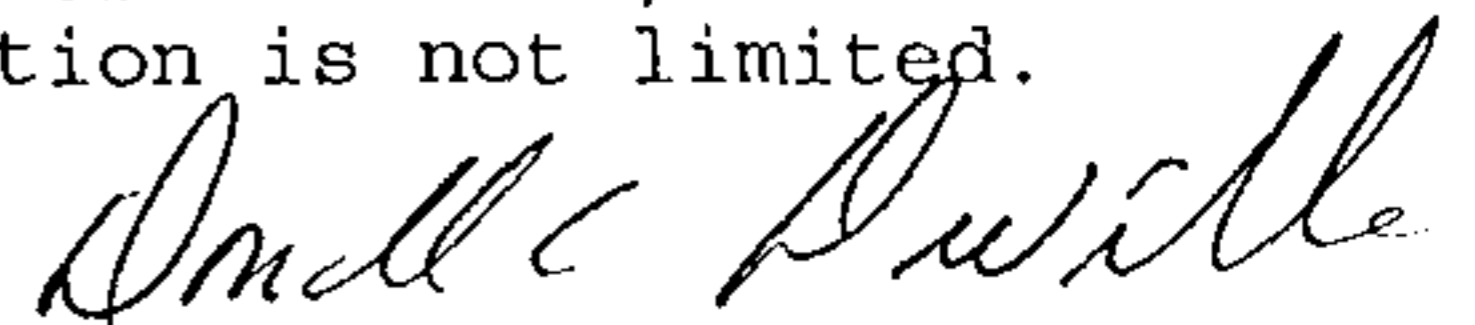
COMPLIANCE

As part of obtaining reasonable assurance about whether Council's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of non-compliance that are required to be reported under Government Auditing Standards which is described in the accompanying Schedule of Findings.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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



EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
SCHEDULE OF PRIOR YEARS FINDINGS
JUNE 30, 1998

* * *

NONE

* * *

EAST FELICIANA COUNCIL ON AGING, INC.
CLINTON, LOUISIANA
SCHEDULE OF FINDINGS
JUNE 30, 1998

Compliance Finding

Reportable Condition: My test revealed one instance where the Council \$16 in sales taxes.

Criteria: Louisiana Revised Statutes 47:301(8)(c) exempts the Council from sales and use taxes.

Cause: The council stated that most of their vendors know that they are tax exempt but this was one that was rarely used.

Effect: The Council overpaid the invoice by \$16.

Recommendation: I recommend that the Council submit it sales tax exemption certificate to all vendor who charge them sales taxes.

* * *

**East Feliciana Council on Aging
P.O. Box 986
Clinton, La. 70722**

Donald Devill
Certified Public Accountant
18002 Inverness Ave.
Baton Rouge, La. 70810

Corrective Action Plan
RE: Exempt for Sales Tax

1. The Secretary and the bookkeeper will check all invoices sent to us for payment to make sure that there are no sales tax charges.
2. The Secretary will return all invoices sent to us with sales tax included to the vendor for correction.
3. Letters stating that the East Feliciana Council on Aging is tax exempt will be sent to each of the vendors for the second time.

Please contact this office if you need further information.

Sincerely,
Elsie Smith