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CADDO COUNCIL ON AGING, INC.

SHREVEPORT, LOUISIANA

JUNE 30, 1998

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

Release Date JAN 7 3 1999

CADDO COUNCIL ON AGING, INC.

SHREVEPORT, LOUISIANA

TABLE OF CONTENTS

AUDITED FINANCIAL STATEMENTS

	<u>Page</u>
Independent Auditor's Report	1
General Purpose Financial Statements:	
Combined Balance Sheet-All Fund Types and Account Groups	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balance-All Governmental Fund Types	3-4
Combined Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual-General Fund Type	5
Combined Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual-Special Revenue Fund Type	6
Notes to Financial Statements	7-18

SUPPLEMENTARY FINANCIAL INFORMATION

Independent Auditor's Report on Supplementary Financial Information	19
Combined Statement of Program Revenues, Expenditures and Changes in Fund Balance-General Funds	20
Combined Statement of Program Revenues, Expenditures and Changes in Fund Balance-Special Revenue Funds	21-22
Schedule of Expenditures-Budget and Actual	23-26
Statement of Changes in General Fixed Assets	27
Schedule of Priority Services	28
Schedule of Federal Financial Assistance	29

CADDO COUNCIL ON AGING, INC.

SHREVEPORT, LOUISIANA

TABLE OF CONTENTS

OTHER REPORTS

	<u>Page</u>
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	30
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	31-32
Schedule of Findings and Questioned Costs	33
Summary Schedule of Prior Audit Findings	34

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September 2, 1998

Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

Independent Auditor's Report

We have audited the accompanying general-purpose financial statements of Caddo Council on Aging, Inc., as of and for the year ended June 30, 1998. These general-purpose financial statements are the responsibility of the management of Caddo Council on Aging, Inc. 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.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Caddo Council on Aging, Inc., as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 2, 1998 on our consideration of Caddo Council on Aging's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Heard, McElroy & Vestal, LLP*

<u>Account Groups</u>		<u>Totals</u> <u>(Memorandum Only)</u>	
<u>General</u> <u>Fixed</u> <u>Assets</u>	<u>General</u> <u>Long-Term</u> <u>Debt</u>	<u>1998</u>	<u>1997</u>
-	-	223,442	200,883
-	-	258	2,798
-	-	98,010	105,520
-	-	10,601	19,057
-	-	74,288	88,363
366,106	-	366,106	318,879
<u>-</u>	<u>20,660</u>	<u>20,660</u>	<u>20,096</u>
<u>366,106</u>	<u>20,660</u>	<u>793,365</u>	<u>755,596</u>
-	-	26,028	7,602
-	-	10,601	19,057
-	-	3,389	14,898
<u>-</u>	<u>20,660</u>	<u>20,660</u>	<u>20,096</u>
-	20,660	60,678	61,653
-	-	201,218	244,677
-	-	165,363	130,387
<u>366,106</u>	<u>-</u>	<u>366,106</u>	<u>318,879</u>
<u>366,106</u>	<u>-</u>	<u>732,687</u>	<u>693,943</u>
<u>366,106</u>	<u>20,660</u>	<u>793,365</u>	<u>755,596</u>

CADDO COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE-ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED JUNE 30, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
<u>Revenues</u>				
Intergovernmental:				
Office of Elderly Affairs	52,121	1,315,754	1,367,875	1,309,520
Action Agency	-	311,265	311,265	293,525
Community Development				
Block Grant	-	117,751	117,751	114,088
Caddo Parish	50,000	-	50,000	45,000
City of Shreveport	50,000	-	50,000	50,000
UMTA	32,498	-	32,498	-
Public support:				
United Way	-	13,513	13,513	13,170
Donations	-	10,485	10,485	57,027
Interest income	10,509	1,718	12,227	11,088
Participant and program income	-	146,400	146,400	110,475
Fund raising revenues	-	8,244	8,244	22,930
Match funds (in-kind)	630	12,765	13,395	24,137
Other revenues	3,738	60,381	64,119	53,129
Total revenues	<u>199,496</u>	<u>1,998,276</u>	<u>2,197,772</u>	<u>2,104,089</u>
<u>Expenditures</u>				
Current:				
Salaries	21,018	872,783	893,801	851,914
Fringe benefits	2,371	100,938	103,309	98,662
Travel	678	93,336	94,014	88,716
Operating services	9,126	200,605	209,731	204,051
Operating supplies	1,227	40,558	41,785	36,083
Stipends	-	194,801	194,801	164,346
Meals	-	450,882	450,882	416,316
Other costs	2,987	139,726	142,713	129,355
Capital outlay	57,226	17,993	75,219	26,728
Total expenditures	<u>94,633</u>	<u>2,111,622</u>	<u>2,206,255</u>	<u>2,016,171</u>
<u>Excess (deficiency) of revenues over expenditures</u>	104,863	(113,346)	(8,483)	87,918
<u>Other financing sources (uses)</u>				
Operating transfers in-Note 12	64,455	364,764	429,219	362,482
Operating transfers out-Note 12	<u>(133,396)</u>	<u>(295,823)</u>	<u>(429,219)</u>	<u>(362,482)</u>

The accompanying notes are an integral part of this statement.

CADDO COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE-ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED JUNE 30, 1998

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
<u>Excess (deficiency) of revenues and other sources over expenditures and other uses</u>	35,922	(44,405)	(8,483)	87,918
<u>Fund balance</u>				
Beginning of year	<u>203,729</u>	<u>171,335</u>	<u>375,064</u>	<u>287,146</u>
End of year	<u>239,651</u>	<u>126,930</u>	<u>366,581</u>	<u>375,064</u>

The accompanying notes are an integral part of this statement.

CADDO COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE-BUDGET (GAAP BASIS) AND ACTUAL-GENERAL FUND TYPE

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Intergovernmental:			
Office of Elderly Affairs	52,121	52,121	-
Caddo Parish	20,000	50,000	30,000
City of Shreveport	50,000	50,000	-
UMTA Grant	32,498	32,498	-
Interest income	8,976	10,509	1,533
Match funds (in-kind)	-	630	630
Other revenues	2,256	3,738	1,482
Community Foundation	9,900	-	(9,900)
Donations	<u>33,885</u>	<u>-</u>	<u>(33,885)</u>
Total revenues	209,636	199,496	(10,140)
 <u>Expenditures</u>			
Current:			
Salaries	21,305	21,018	287
Fringe benefits	2,643	2,371	272
Travel	90	678	(588)
Operating services	9,390	9,126	264
Operating supplies	1,271	1,227	44
Other costs	2,369	2,987	(618)
Capital outlay	<u>55,537</u>	<u>57,226</u>	<u>(1,689)</u>
Total expenditures	<u>92,605</u>	<u>94,633</u>	<u>(2,028)</u>
 <u>Excess of revenues over expenditures</u>	 117,031	 104,863	 (12,168)
 <u>Other financing sources (uses)</u>			
Operating transfers in	-	64,455	64,455
Operating transfers out	<u>(117,031)</u>	<u>(133,396)</u>	<u>(16,365)</u>
 <u>Excess of revenues and other sources over     expenditures and other uses</u>	 <u>-</u>	 35,922	 <u>35,922</u>
 <u>Fund balance</u>			
Beginning of year		<u>203,729</u>	
End of year		<u>239,651</u>	

The accompanying notes are an integral part of this statement.



CADDO COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE-BUDGET (GAAP BASIS) AND ACTUAL-SPECIAL REVENUE FUND TYPE

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Intergovernmental:			
Office of Elderly Affairs	1,369,374	1,315,754	(53,620)
Action Agency	470,167	311,265	(158,902)
Community Development Block Grant	121,591	117,751	(3,840)
Public support:			
United Way	13,469	13,513	44
Donations	6,173	10,485	4,312
Interest income	2,678	1,718	(960)
Participant and program income	78,510	146,400	67,890
Fund raising revenues	11,059	8,244	(2,815)
Match funds (in-kind)	18,536	12,765	(5,771)
Other revenues	<u>49,160</u>	<u>60,381</u>	<u>11,221</u>
Total revenues	2,140,717	1,998,276	(142,441)
<u>Expenditures</u>			
Current:			
Salaries	897,488	872,783	24,705
Fringe benefits	105,733	100,938	4,795
Travel	96,464	93,719	2,745
Operating services	206,655	200,605	6,050
Operating supplies	43,315	40,558	2,757
Stipends	281,604	194,801	86,803
Meals	449,719	450,882	(1,163)
Other costs	188,296	139,343	48,953
Capital outlay	<u>16,098</u>	<u>17,993</u>	<u>(1,895)</u>
Total expenditures	<u>2,285,372</u>	<u>2,111,622</u>	<u>173,750</u>
<u>Excess (deficiency of revenues over (under) expenditures</u>	(144,655)	(113,346)	31,309
<u>Other financing sources (uses)</u>			
Operating transfers in	343,471	364,764	21,293
Operating transfers out	<u>(263,057)</u>	<u>(295,823)</u>	<u>(32,766)</u>
<u>Excess (deficiency) of revenues and other sources over expenditures and other uses</u>	<u>(64,241)</u>	(44,405)	<u>19,836</u>
<u>Fund balance</u>			
Beginning of year		<u>171,335</u>	
End of year		<u>126,930</u>	

The accompanying notes are an integral part of this statement.

CADDO COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1998

1. 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 in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Caddo Council on Aging, Inc. is a quasi-governmental entity which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies which may impose certain restrictions upon how the Council can use the money that they have provided.

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

The primary function of the Caddo Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 21 voluntary members who serve three-year terms, governs the Council.

b. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local 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.

1. Summary of Significant Accounting Policies (Continued)

c. Fund Accounting:

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate. 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: general funds and special revenue funds, and two fund categories or account groups: the General Fixed Assets Account Group and the General Long-Term Debt Account Group.

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

- General Fund

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

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

Local

Local funds are received from various local sources. During the fiscal year, the City of Shreveport provided \$50,000, and Caddo Parish provided \$50,000. All funds are provided to help the Council finance its operations and all proceeds from these funds can be used by the Council at its discretion. In addition, the Louisiana Department of Transportation and Development provided, as its share, new vans with a cost of \$32,498.

The Council's program participants also generate revenues through certain fundraising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as part of the Special Revenue Fund's local program. Local funds may be used as transfers to Special Revenue Funds to supplement those programs.

PCOA (Act 735)

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

- Special Revenue Funds

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

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

## 1. Summary of Significant Accounting Policies (Continued)

- 1) Title III-C Area Agency Administration Fund  
The Title III-C Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-C administrative funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.
  
- 2) Title III-B Supportive Services Fund  
Title III-B funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council.  
  
This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.
  
- 3) Title III C-1 Congregate Meals Fund  
Title III C-1 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.
  
- 4) Title III C-2 Home Delivered Meals Fund  
Title III C-2 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to home-bound older persons.
  
- 5) Title III-D Fund  
The III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-D funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.
  
- 6) Title III-B Ombudsman Fund  
The Ombudsman funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides a liaison between the resident, the family and the nursing home. The objective of the program is to protect the resident's rights.

1. Summary of Significant Accounting Policies (Continued)

7) Title III-F Frail Elderly Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (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.

8) U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

9) Senior Center Fund

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

10) Audit Fund

The 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 for the cost of having an annual audit of the Council's financial statements.

11) Retired Senior Volunteer Program (RSVP)

The RSVP Fund accounts for the administration of RSVP grants that provide a variety of opportunities for retired persons, age 60 and over, to serve their community through significant volunteer service.

1. Summary of Significant Accounting Policies (Continued)

12) Foster Grandparents Program (FGP)

The FGP Fund accounts for the administration of grants to a) provide part-time volunteer service opportunities for low-income people age 60 and over and, b) give supportive person-to-person service in health, education, welfare and related settings to help alleviate the physical, mental and emotional problems of infants, children or youth having special or exceptional needs.

13) Local and Miscellaneous (Designated) Funds

Local and miscellaneous (designated) funds include the Meals on Wheels Fund, the Pioneer Medical Services Fund, and the Medicaid Waivered Services Fund. These funds are used to provide a variety of services for program participants.

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 Caddo Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the government 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.

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 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 available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

## 1. Summary of Significant Accounting Policies (Continued)

### 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.

### g. 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) and other funding agencies notify the Council each year as to the funding levels for each program's grant award.
- The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.
- The adopted budget is forwarded to the Governor's Office of Elderly Affairs or other appropriate funding agency for final approval.
- Most budgetary appropriations lapse at the end of each fiscal year (June 30).
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- 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 respective funding agency for funds received under grants from each agency.

### h. Total Columns of 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.

1. Summary of Significant Accounting Policies (Continued)

i. Fixed Assets:

Fixed assets used in general or special revenue fund type operations (general fixed assets) are accounted for in the General Fixed Asset Account Group, and are recorded as expenditures (capital outlay) in the various funds when purchased.

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.

j. Comparative Data:

Comparative data for the prior year has 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 has not been presented in each of the statements since their inclusion would make the statement unduly complex and difficult to read.

k. Annual and Sick Leave:

For governmental fund types, the Council's liability for accumulated unpaid vacation has been recorded in the general long-term debt group of accounts. These amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave.

l. Related Party Transactions:

No significant related party transactions were noted during the fiscal year.

m. 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. Restricted assets are offset by a corresponding reservation of the Council's fund balance.

n. Reservation 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.

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. Prepaid expenses include advance payments for insurance premiums and downpayments on the purchase of new vans. Fund balance has been reserved for the prepaid expenses to reflect the amount of fund balance not currently available for expenditure.



1. Summary of Significant Accounting Policies (Continued)

p. 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 these estimates.

2. Revenue Recognition-Intergovernmental Grants, Public Support, and Miscellaneous Revenues

Intergovernmental Grants

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

Senior Center, State Allocation (Act 735), Titles III B, C-1, C-2, D, G, Ombudsman, Foster Grandparent's Program and R.S.V.P. funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. Audit funds are also recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

U.S.D.A. program funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenues at that time.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of various programs. The City of Shreveport, Caddo Parish, and the United Way provide funds to the Council. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center 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.

3. Cash in Bank

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

Petty cash	175
Payroll-checking	2,224
Operating-checking	52,030
Interest bearing accounts	<u>169,013</u>
Cash on deposits in banks	<u>223,442</u>

All of these deposits were covered by federal deposit insurance.

4. Contracts Receivable

Contracts receivable at June 30, 1998, consisted of reimbursements for expenses incurred under the following programs:

4. Contracts Receivable (Continued)

<u>Program</u>	<u>Fund</u>	<u>Amount</u>
Title III-B Supportive Services, Other	Special Revenue	135
Community Development Block Grant	Special Revenue	58,298
Medicaid Waiver	Special Revenue	17,362
U.S.D.A., GOEA	Special Revenue	19,488
Other	Special Revenue	<u>2,727</u>
		<u>98,010</u>

5. In-Kind Contributions

In addition to in-kind revenues presented in this report, the Council received \$28,713 in various in-kind contributions during the year which have been valued at their estimated fair market value.

In-kind contributions consisted of the following:

<u>Fund</u>		
Title III-B Supportive Services:		
Wages and fringe benefits for subsidized workers		1,064
Title C-1: Free rent for the senior centers and subsidized workers		14,666
Title C-2 subsidized workers		266
Foster Grandparents: Volunteer labor (professional)		11,690
Senior Center		532
Title III-F: Volunteer labor (professional)		<u>495</u>
Total		<u>28,713</u>

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.

7. Lease Commitments

The Council leases its main office building at 4015 and 4019 Greenwood Road, Shreveport, Louisiana. The terms of this lease require monthly payments of \$1,800, which includes \$500 a month as payment for 4019 Greenwood Road. This lease expires February 21, 2001. The Council is responsible for normal repairs and maintenance, and the lessor pays for insurance on the building itself.

The Council also leases the Senior Center building located at 3717 and 3719 Lakeshore Drive in Shreveport. This lease currently runs for a five year term to April 30, 1999, and requires a monthly rent of \$1,700. However, the lease agreement specifically provides for an annual renewal predicated on and subject to future funding of the Council.

Future minimum lease payments for the next five years ending June 30, and in the aggregate, are as follows:

1999	21,600
2000	21,600
2001	14,400
2002	-
2003	<u>-</u>

Total

57,600

8. Income Tax Status

The Council is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

9. Judgements, Claims, and Similar Contingencies

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

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.

10. Federally Assisted Programs

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act, as amended in 1996. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs.

In accordance with the Single Audit Act, as amended in 1996, and the Office of Management and Budget Circular A-133 (revised), a schedule of federal financial assistance is presented in the supplementary financial information portion of this report.

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.

12. Interfund Transfers

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

Funds <u>Transferred In</u>	<u>Funds Transferred Out</u>								<u>Total In</u>
	<u>PCOA</u>	<u>USDA</u>	<u>Senior Center</u>	<u>Senior Center Special</u>	<u>RSVP Special</u>	<u>FGP Special</u>	<u>Local</u>	<u>Restricted</u>	
Area Agency Administration	12,688	-	-	-	-	-	-	-	12,688
Supportive Services	39,433	-	129,595	-	-	-	45,506	-	214,534
Congregated Meals	-	44,955	-	-	-	-	-	-	44,955
Home-Delivered Meals	-	54,861	-	-	-	-	5,000	600	60,461
Frail, Elderly	-	-	-	-	-	-	10,987	-	10,987
Ombudsman	-	-	-	-	-	-	302	-	302
Medicaid	-	-	-	-	-	-	19,199	-	19,199
United Way	-	-	-	-	-	-	281	-	281
RSVP	-	-	-	-	1,346	-	-	-	1,346
FGP	-	-	-	-	-	11	-	-	11
Local	-	-	-	50,527	-	-	-	13,928	64,455

Total Out	<u>52,121</u>	<u>99,816</u>	<u>129,595</u>	<u>50,527</u>	<u>1,346</u>	<u>11</u>	<u>81,275</u>	<u>14,528</u>	<u>429,219</u>
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13. Interfund Loans

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

	<u>Due From (To)</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
General Fund	-	10,601
Special Revenue Fund:		
U.S.D.A.	9,008	-
ACTION-RSVP Grant	1,709	-
ACTION-FGP Grant	17,796	-
Title III-B Ombudsman	325	-
Title III C-1 Administration	147	-
Title III-B Supportive Services	1,872	-
Title III C-1 Congregate Meals	4,247	-
Title III C-2 Home Delivered Meals	(47,543)	-
Title III-D Homebound Services	106	-
Title III-F Frail Elderly Services	908	-
Senior Center	446	-
Medicaid	(17,075)	-
PMS	5,537	-
Senior Center Special	(774)	-
Restricted	34,025	-
Local and other	<u>(133)</u>	<u>-</u>
Total Special Revenue funds	<u>10,601</u>	<u>-</u>
Total all funds	<u>10,601</u>	<u>10,601</u>

14. Fixed Assets

A summary of changes in general fixed assets is as follows:

	<u>Balance</u> <u>6-30-97</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-98</u>
General fixed assets, at cost:				
Furniture and equipment	94,982	28,794	5,767	118,009
Vehicles	219,805	46,425	22,225	244,005
Leasehold improvements	<u>4,092</u>	<u>-</u>	<u>-</u>	<u>4,092</u>
Total general fixed assets	<u>318,879</u>	<u>75,219</u>	<u>27,992</u>	<u>366,106</u>

15. Changes in Long-Term Debt

The following is a summary of transactions relating to the Council's long-term debt during the year.

	<u>Balance</u> <u>6-30-97</u>	<u>Additions</u>	<u>Balance</u> <u>6-30-98</u>
Accumulated unpaid vacation	<u>20,096</u>	<u>564</u>	<u>20,660</u>

16. Risk Management

The Council is exposed to various risks of loss related to torts; theft 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.

SUPPLEMENTARY FINANCIAL INFORMATION

September 2, 1998

Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

Independent Auditor's Report on Supplementary Financial Information

We have audited the general-purpose financial statements of Caddo Council on Aging, Inc., as of and for the year ended June 30, 1998, and have issued our report thereon dated September 2, 1998. These general-purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of Caddo Council on Aging, Inc., taken as a whole. The accompanying supplementary financial information (Pages 20 through 28) is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

*Heard, McElroy & Vestal LLP*

CADDO COUNCIL ON AGING, INC.

COMBINED STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE-GENERAL FUNDS

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Local (Unreserved)</u>	<u>State Funds Act 735</u>	<u>Total</u>
<u>Revenues</u>			
Intergovernmental:			
Office of Elderly Affairs	-	52,121	52,121
Action Agency	-	-	-
Caddo Parish	50,000	-	50,000
City of Shreveport	50,000	-	50,000
UMTA Grant	32,498	-	32,498
Interest income	10,509	-	10,509
Match funds (in-kind)	630	-	630
Other revenues	<u>3,738</u>	<u>-</u>	<u>3,738</u>
Total revenues	147,375	52,121	199,496
<u>Expenditures</u>			
Current:			
Salaries	21,018	-	21,018
Fringe benefits	2,371	-	2,371
Travel	678	-	678
Operating services	9,126	-	9,126
Operating supplies	1,227	-	1,227
Other costs	2,987	-	2,987
Capital outlay	<u>57,226</u>	<u>-</u>	<u>57,226</u>
Total expenditures	<u>94,633</u>	<u>-</u>	<u>94,633</u>
<u>Excess of revenues over expenditures</u>	52,742	52,121	104,863
<u>Other financing sources (uses)</u>			
Operating transfers in	64,455	-	64,455
Operating transfers out	<u>(81,275)</u>	<u>(52,121)</u>	<u>(133,396)</u>
<u>Excess of revenues and other sources over expenditures and other uses</u>	35,922	-	35,922
<u>Fund balance</u>			
Beginning of year	<u>203,729</u>	<u>-</u>	<u>203,729</u>
End of year	<u>239,651</u>	<u>-</u>	<u>239,651</u>



<u>Title III-A Ombudsman</u>	<u>Title III F</u>	<u>U.S.D.A.</u>	<u>Senior Center</u>	<u>Audit Fund</u>
35,404	12,921	118,908	176,902	8,180
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	495	-	-	-
-	-	-	-	-
<u>35,404</u>	<u>13,416</u>	<u>118,908</u>	<u>176,902</u>	<u>8,180</u>
25,931	1,672	-	17,381	-
2,474	180	-	2,175	-
3,556	3	-	-	-
2,286	1,717	-	26,544	8,180
786	121	-	1,207	-
-	-	-	-	-
-	-	-	-	-
673	5,723	-	-	-
-	4,000	-	-	-
<u>35,706</u>	<u>13,416</u>	<u>-</u>	<u>47,307</u>	<u>8,180</u>
(302)	-	118,908	129,595	-
302	-	-	-	-
<u>-</u>	<u>-</u>	<u>(99,816)</u>	<u>(129,595)</u>	<u>-</u>
-	-	19,092	-	-
-	-	9,406	-	-
<u>-</u>	<u>-</u>	<u>28,498</u>	<u>-</u>	<u>-</u>

CADDO COUNCIL ON AGING, INC.

COMBINED STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCE-SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Action RSVP Grant</u>	<u>Action Foster Grandparents</u>	<u>Local &amp; Other</u>	<u>Total</u>
<u>Revenues</u>				
Intergovernmental:				
Office of Elderly Affairs	19,595	26,068	-	1,315,754
Action Agency	46,752	264,513	-	311,265
Community Development Block Grant	-	-	-	117,751
Public support:				
United Way	-	-	13,513	13,513
Donations	-	-	10,435	10,485
Interest income	-	-	1,718	1,718
Participant and program income	-	-	95,198	146,400
Fund raising revenues	-	-	8,244	8,244
Match funds (in-kind)	580	11,690	-	12,765
Other revenues	100	-	56,582	60,381
Total revenues	<u>67,027</u>	<u>302,271</u>	<u>185,690</u>	<u>1,998,276</u>
<u>Expenditures</u>				
Current:				
Salaries	43,732	43,591	76,662	872,783
Fringe benefits	4,335	4,133	10,370	100,938
Travel	1,642	4,048	5,695	93,336
Operating services	4,624	9,565	15,012	200,605
Operating supplies	513	854	3,989	40,558
Stipends	-	194,760	41	194,801
Meals	-	-	19,011	450,882
Other costs	13,527	44,556	58,257	139,726
Capital outlay	-	-	13,993	17,993
Total expenditures	<u>68,373</u>	<u>301,507</u>	<u>203,030</u>	<u>2,111,622</u>
<u>Excess of revenues over (under) expenditures</u>	(1,346)	764	(17,340)	(113,346)
<u>Other financing sources (uses)</u>				
Operating transfers in	1,346	11	19,480	364,764
Operating transfers out	-	-	(66,412)	(295,823)
<u>Excess of revenues and other sources over expenditures and other uses</u>	-	775	(64,272)	(44,405)
<u>Fund balance</u>				
Beginning of year	-	16,447	145,482	171,335
End of year	<u>-</u>	<u>17,222</u>	<u>81,210</u>	<u>126,930</u>

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	Budgeted Over (Under) Actual <u>Expenditures</u>
<u>State of Louisiana-Act 735</u>			
Transfers to other funds:			
Title III B-Administration	12,568	12,688	100
Title III B-Supportive Services	<u>39,553</u>	<u>39,433</u>	<u>(100)</u>
Totals	<u>52,121</u>	<u>52,121</u>	<u>-</u>
<u>Local Fund</u>			
Salaries	21,305	21,018	287
Fringe benefits	2,643	2,371	272
Travel	90	678	(588)
Operating services	9,390	9,126	264
Operating supplies	1,271	1,227	44
Other costs	2,369	2,987	(618)
Capital outlay	55,537	57,226	(1,689)
Transfers to other funds:			
Ombudsman	-	302	(302)
Medicaid Waiver	-	19,199	(19,199)
United Way Meals	-	281	(281)
Title III C-2-Home Delivered Meals	5,000	5,000	-
Title III D-In-Home Services	12,567	10,987	1,580
Title III B	<u>47,343</u>	<u>45,506</u>	<u>1,837</u>
Totals	<u>157,515</u>	<u>175,908</u>	<u>(18,393)</u>
<u>Title III C-1 Area Agency Administration</u>			
Salaries	65,822	66,412	(590)
Fringe benefits	6,246	6,217	29
Travel	1,741	1,275	466
Operating services	8,237	8,065	172
Operating supplies	946	732	214
Other costs	<u>2,372</u>	<u>2,783</u>	<u>(411)</u>
Totals	<u>85,364</u>	<u>85,484</u>	<u>(120)</u>
<u>Title III-B Supportive Services</u>			
Salaries	349,510	349,742	(232)
Fringe benefits	48,995	47,364	1,631
Travel	11,764	13,152	(1,388)
Operating services	88,394	91,158	(2,764)
Operating supplies	23,298	21,909	1,389
Other costs	<u>12,438</u>	<u>12,453</u>	<u>(15)</u>
Totals	<u>534,399</u>	<u>535,778</u>	<u>(1,379)</u>

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Budgeted Over (Under) Actual Expenditures</u>
<u>Title III C-1 Congregate Meals</u>			
Salaries	97,411	97,757	(346)
Fringe benefits	8,849	8,726	123
Travel	631	935	(304)
Operating services	14,577	15,290	(713)
Operating supplies	4,258	4,732	(474)
Meals	135,641	140,127	(4,486)
Other costs	448	532	(84)
Totals	<u>261,815</u>	<u>268,099</u>	<u>(6,284)</u>
<u>Title III C-2 Home Delivered Meals</u>			
Salaries	132,873	133,904	(1,031)
Fringe benefits	12,647	12,612	35
Travel	61,371	60,964	407
Operating services	16,617	17,468	(851)
Operating supplies	5,704	5,203	501
Meals	296,637	291,744	4,893
Other costs	947	1,143	(196)
Totals	<u>526,796</u>	<u>523,038</u>	<u>3,758</u>
<u>Title III-D Homebound Services</u>			
Salaries	17,607	15,999	1,608
Fringe benefits	2,633	2,352	281
Travel	1,987	2,066	(79)
Operating services	696	696	-
Operating supplies	278	512	(234)
Other costs	85	79	6
Totals	<u>23,286</u>	<u>21,704</u>	<u>1,582</u>
<u>Title III-A Ombudsman</u>			
Salaries	25,805	25,931	(126)
Fringe benefits	2,503	2,474	29
Travel	3,772	3,939	(167)
Operating services	2,132	2,286	(154)
Operating supplies	541	786	(245)
Other costs	650	290	360
Totals	<u>35,403</u>	<u>35,706</u>	<u>(303)</u>

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Budgeted Over (Under) Actual Expenditures</u>
<u>Title III-F Frail Elderly Services</u>			
Salaries	1,665	1,672	(7)
Fringe benefits	183	180	3
Travel	8	3	5
Operating services	1,745	1,717	28
Operating supplies	112	121	(9)
Other costs	5,209	5,723	(514)
Capital outlay	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Totals	<u>12,922</u>	<u>13,416</u>	<u>(494)</u>
 <u>USDA Cash in Lieu of Commodity</u>			
Transfers to other funds:			
Title III C-1-Congregate Meals	40,582	44,955	(4,373)
Title III C-2-Home Delivered Meals	<u>78,942</u>	<u>54,861</u>	<u>24,081</u>
	<u>119,524</u>	<u>99,816</u>	<u>19,708</u>
 <u>Senior Center Services</u>			
Salaries	17,381	17,381	-
Fringe benefits	2,254	2,175	79
Operating services	26,778	26,544	234
Operating supplies	1,020	1,207	(187)
Transfer to Title III B-Supportive Services	<u>129,469</u>	<u>129,595</u>	<u>(126)</u>
Totals	<u>176,902</u>	<u>176,902</u>	<u>-</u>
 <u>Audit Fund</u>			
Operating services	<u>8,182</u>	<u>8,180</u>	<u>2</u>
 <u>Action RSVP Grant</u>			
Salaries	44,786	43,732	1,054
Fringe benefits	4,214	4,335	(121)
Travel	2,932	1,642	1,290
Operating services	4,914	4,624	290
Operating supplies	443	513	(70)
Other costs	<u>11,688</u>	<u>13,527</u>	<u>(1,839)</u>
Totals	<u>68,977</u>	<u>68,373</u>	<u>604</u>

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	<u>Budgeted</u> <u>Over (Under)</u> <u>Actual</u> <u>Expenditures</u>
<u>Foster Grandparents Program</u>			
Salaries	66,193	43,591	22,602
Fringe benefits	6,545	4,133	2,412
Travel	7,303	4,048	3,255
Operating services	18,015	9,565	8,450
Operating supplies	1,642	854	788
Stipends	281,604	194,760	86,844
Other costs	<u>101,953</u>	<u>44,556</u>	<u>57,397</u>
Totals	<u>483,255</u>	<u>301,507</u>	<u>181,748</u>
<u>Local and Other</u>			
Salaries	78,435	76,662	1,773
Fringe benefits	10,664	10,370	294
Travel	4,955	5,695	(740)
Operating services	16,368	15,012	1,356
Operating supplies	5,073	3,989	1,084
Stipends	-	41	(41)
Meals	17,441	19,011	(1,570)
Other costs	52,506	58,257	(5,751)
Capital outlay	12,098	13,993	(1,895)
Transfers to other funds:			
Title III C-2-Home Delivered Meals	12,930	600	12,330
ACTION-FGP	11	11	-
ACTION-RSVP	1,123	1,346	(223)
Local	<u>-</u>	<u>16,461</u>	<u>(16,461)</u>
Totals	<u>211,604</u>	<u>221,448</u>	<u>(9,844)</u>

CADDO COUNCIL ON AGING, INC.

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

FOR THE YEAR ENDED JUNE 30, 1998

	<u>Balance</u> <u>6-30-97</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-98</u>
General fixed assets, at cost:				
Furniture and equipment	94,982	28,794	5,767	118,009
Vehicles	219,805	46,425	22,225	244,005
Leasehold improvements	<u>4,092</u>	<u>-</u>	<u>-</u>	<u>4,092</u>
Total general fixed assets	<u>318,879</u>	<u>75,219</u>	<u>27,992</u>	<u>366,106</u>
Investment in general fixed assets:				
Leasehold improvements acquired prior to July 1, 1987*	4,092	-	-	4,092
Property acquired with funds from:				
Local funds (unreserved)	217,838	35,754	24,284	229,308
Act 735 funds	20,529	-	3,708	16,821
UMTA funds	33,647	32,497	-	66,144
Title III C-1 and C-2	933	-	-	933
Title III-B Supportive Services	2,228	-	-	2,228
Title III-F Frail Elderly	5,710	4,000	-	9,710
Senior Center	5,064	-	-	5,064
RSVP Grant funds	2,856	-	-	2,856
Job Training Partnership Act funds	1,464	-	-	1,464
Senior Center Special	6,347	-	-	6,347
RSVP Special	-	1,484	-	1,484
FGP Special	-	1,484	-	1,484
Donated assets	<u>18,171</u>	<u>-</u>	<u>-</u>	<u>18,171</u>
Total investment in general fixed assets	<u>318,879</u>	<u>75,219</u>	<u>27,992</u>	<u>366,106</u>

\*Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1987.

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF PRIORITY SERVICES

TITLE III, PART B - GRANT FOR SUPPORTIVE SERVICES

FOR THE YEAR ENDED JUNE 30, 1998

			<u>% of GOEA Grant</u>
Access (30%):	Assisted Transportation	-	
	Case Management	26,726	
	Transportation	280,802	
	Information & assistance	28,233	
	Outreach	<u>1,656</u>	
	Total access expenses	<u>337,417</u>	155.49%
In-Home (15%):	Homemaker	121,730	
	Chore	-	
	Telephoning	16,563	
	Visiting	-	
	Adult/Daycare/Health	-	
	Personal Care	<u>-</u>	
	Total in-home expenses	138,293	<u>63.73%</u>
Legal (5%):	Legal assistance	10,850	<u>5.00%</u>
Non-priority services		<u>49,218</u>	
Total Title IIIB - Supportive services expenditures		535,778	
Less: Participant Contributions		(6,222)	
Other public support		(48,792)	
Transfers in		<u>(169,028)</u>	
Title IIIB - Supportive services grant		311,736	
Less: Transfers of contract allotments		-	
State homemaker		(33,110)	
State transportation		<u>(61,626)</u>	
Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments		<u>217,000</u>	



CADDO COUNCIL ON AGING, INC.

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 1998

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>Department of Health and Human Services</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs:				
Special Programs for the Aging:				
Title III B-Ombudsman*	93.044	30,659	30,659	30,659
Title III B-Supportive Services*	93.044	184,450	<u>184,450</u>	<u>184,450</u>
			215,109	215,109
Title III C-1-Area Agency Administration*	93.045	54,597	54,597	54,597
Title III C-1-Congregate Meals*	93.045	188,688	188,688	188,688
Title III C-2-Home Delivered Meals*	93.045	98,300	<u>98,300</u>	<u>98,300</u>
			341,585	341,585
Title III D-In-Home Services*	93.046	8,956	8,956	8,956
Title III F-Frail and Elderly Assistance*	93.043	10,984	<u>10,984</u>	<u>10,984</u>
Total major program			576,634	576,634
<u>Department of Agriculture</u>				
Passed through the Louisiana Governor's Office of Elderly Affairs:				
U.S.D.A. - Cash in Lieu of Commodities	10.570	147,106	118,908	118,908
<u>Corporation for National and Community Service</u>				
Direct program:				
Retired Senior Volunteer Program (RSVP)	94.002	46,752	46,752	46,752
Foster Grandparents Program (FGP) (1997)	94.011	244,741	125,769	125,769
Foster Grandparents Program (FGP) (1998)	94.011	297,646	<u>138,744</u>	<u>138,744</u>
			264,513	264,513
<u>Department of Housing and Urban Development</u>				
Passed through the City of Shreveport:				
Community Development Block Grant (1998)	14.218	122,864	58,298	58,298
Community Development Block Grant (1997)	14.218	121,591	<u>59,453</u>	<u>59,453</u>
			<u>117,751</u>	<u>117,751</u>
Totals			<u>1,124,558</u>	<u>1,124,558</u>

\*Major program

OTHER REPORTS

September 2, 1998

Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

Report on Compliance and on Internal Control Over Financial Reporting  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards*

We have audited the financial statements of Caddo Council on Aging, Inc., as of and for the year ended June 30, 1998, and have issued our report thereon dated September 2, 1998. We conducted our audit in accordance with generally accepted auditing standards 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 Caddo Council on Aging's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Caddo Council on Aging's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amount that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

September 2, 1998

Board of Directors  
Caddo Council on Aging, Inc.  
Shreveport, Louisiana

Report on Compliance with Requirements Applicable to Each  
Major Program and Internal Control Over Compliance in  
Accordance with OMB Circular A-133

Compliance

We have audited the compliance of Caddo Council on Aging, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1998. Caddo Council on Aging's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Caddo Council on Aging's management. Our responsibility is to express an opinion on Caddo Council on Aging's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Caddo Council on Aging's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Caddo Council on Aging's compliance with those requirements.

In our opinion, Caddo Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

Internal Control Over Compliance

The management of Caddo Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Caddo Council on Aging's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control 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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

*Heard, McElroy & Vestal, LLP*

CADDO COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 1998

**A. Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Caddo Council on Aging, Inc.
2. No reportable conditions relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of Caddo Council on Aging, Inc. were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award program is reported.
5. The auditor's report on compliance for the major federal award programs for Caddo Council on Aging, Inc. expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Caddo Council on Aging, Inc.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA No.</u>
Title III B-Ombudsman	93.044
Title III B-Supportive Services	93.044
Title III C-1 Area Agency Administration	93.045
Title III C-1 Congregate Meals	93.045
Title III C-2 Home Delivered Meals	93.045
Title III D-In Home Services	93.046
Title III F-Frail and Elderly Assistance	93.043

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Caddo Council on Aging, Inc. was determined to be a low-risk auditee.

**B. Findings - Financial Statement Audit**

None

**C. Findings and Questioned Costs - Major Federal Award Programs**

None

CADDO COUNCIL ON AGING, INC.  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1998

There are no findings and questioned costs relative to federal awards from prior years.