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**Richland Voluntary Council on Aging, Inc.**

**Rayville, Louisiana**

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

Release Date **FEB 7 1999**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION**

**For the Year Ended June 30, 1998**

**SAUNDERS & ASSOCIATES  
Certified Public Accountants  
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RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

TABLE OF CONTENTS

June 30, 1998

	<u>Page</u>
Independent Auditor's Report .....	1
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined Balance Sheet - All Fund Types and Account Groups .....	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types .....	4
Combining Statement of Revenues, Expenditures and Changes In Fund Balance - Budget (GAAP) and Actual - General Fund Type .....	5
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP) and Actual - Special Revenue Funds .....	6
Notes to Financial Statements .....	7
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	17
SUPPLEMENTAL INFORMATION:	
Schedule of Federal Financial Assistance .....	19
Combining Balance Sheet - Special Revenue Funds .....	20
Combining Statement of Revenues, Expenditures and Changes In Fund Balances - Actual - General Fund .....	23
Combining Statement of Revenues, Expenditures and Changes In Fund Balance - Special Revenue Funds .....	24
Schedule of Program Expenditures-Budget Vs. Actual-Contracts And Grants Provided Through The Louisiana Governor's Office .....	27
Schedule of Priority Services - Title III, Part B Grant for Supportive Services. . . . .	30
Comparative Statement of General Fixed Assets and Changes In General Fixed Assets .....	31

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

TABLE OF CONTENTS

June 30, 1998

	<u>Page</u>
Status of Prior Audit Findings and Questioned Costs .....	32
Schedule of Findings and Questioned Costs .....	33
Management Letter .....	34

# Saunders & Associates

Certified Public Accountants

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Richland Voluntary Council on Aging, Inc.  
Rayville, Louisiana

We have audited the accompanying general-purpose financial statements of the Richland Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1998, as listed in the preceding table of contents. These general-purpose financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

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

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

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

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

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

In our opinion, except for the omission of the information discussed in the preceding paragraph, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the organization as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 1998 on our consideration of the organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the organization taken as a whole. The accompanying supplemental information, as listed in the preceding table of contents, is presented for purposes of additional analysis. This supplemental information is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Saunders & Associates*  
SAUNDERS & ASSOCIATES  
Certified Public Accountants

December 7, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	Governmental Fund Types		Account Groups		Total (Memorandum Only)	
	General Fund	Special Revenue Funds	General Fixed Assets	General Long-Term Debt	1998	1997
<b>ASSETS</b>						
Cash (Note 3)	\$ 24,251	\$ 70,407	\$ 0	\$ 0	\$ 94,658	\$ 83,541
Receivables (Note 4)	0	24,767	0	0	24,767	25,773
Prepaid Expenses	3,924	2,846	0	0	6,770	1,642
Vehicles	0	0	50,135	0	50,135	50,135
Furniture and Equipment	0	0	42,862	0	42,862	41,270
<b>TOTAL ASSETS</b>	<b>\$ 28,175</b>	<b>\$ 98,020</b>	<b>\$ 92,997</b>	<b>\$ 0</b>	<b>\$ 219,192</b>	<b>\$ 202,361</b>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 582	\$ 11,454	\$ 0	\$ 0	\$ 12,036	\$ 9,792
Accrued Payroll	0	2,810	0	0	2,810	2,291
Payroll Taxes Payable	(47)	242	0	0	195	215
Deferred Revenue	0	163	0	0	163	163
<b>Total Liabilities</b>	<b>535</b>	<b>14,669</b>	<b>0</b>	<b>0</b>	<b>15,204</b>	<b>12,461</b>
<b>Fund Equity:</b>						
Investment in General Fixed Assets	0	0	92,997	0	92,997	91,405
Fund Balances - Reserved for:						
Pre-Paid Expenses	3,824	2,846	0	0	6,670	0
Utilities Assistance	0	10,339	0	0	10,339	9,273
Unreserved and Undesignated	23,816	70,166	0	0	93,982	89,222
<b>Total Fund Equity</b>	<b>27,640</b>	<b>83,351</b>	<b>92,997</b>	<b>0</b>	<b>203,988</b>	<b>189,900</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 28,175</b>	<b>\$ 98,020</b>	<b>\$ 92,997</b>	<b>\$ 0</b>	<b>\$ 219,192</b>	<b>\$ 202,361</b>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
<u>REVENUES</u>				
Intergovernmental	\$ 11,779	\$ 238,787	\$ 250,566	\$ 242,897
Public Support	0	1,992	1,992	15,809
Miscellaneous	3,137	11,661	14,798	7,685
Interest	2,582	16,021	18,603	2,400
	<u>17,498</u>	<u>268,461</u>	<u>285,959</u>	<u>268,791</u>
 <u>EXPENDITURES</u>				
Current:				
Salaries	0	104,571	104,571	97,531
Fringe	165	9,412	9,577	8,913
Travel	0	13,129	13,129	12,077
Operating Services	0	58,450	58,450	59,243
Operating Supplies	176	6,399	6,575	6,988
Other Costs	0	76,524	76,524	74,559
Capital Outlay	0	3,711	3,711	10,226
Utility Assistance	0	926	926	1,186
	<u>341</u>	<u>273,122</u>	<u>273,463</u>	<u>270,723</u>
Excess of Revenues Over (Under)				
Expenditures	<u>17,157</u>	<u>(4,661)</u>	<u>12,496</u>	<u>(1,932)</u>
 <u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	1,068	44,001	45,069	43,917
Operating Transfers Out	<u>(12,847)</u>	<u>(32,222)</u>	<u>(45,069)</u>	<u>(43,917)</u>
Total Other Financing Sources (Uses)	<u>(11,779)</u>	<u>11,779</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues, and Other				
Sources Over Expenditures and Other Uses	5,378	7,118	12,496	(1,932)
Fund Balance, July 1, 1997	<u>23,462</u>	<u>75,033</u>	<u>98,495</u>	<u>100,427</u>
FUND BALANCE, JUNE 30, 1998	<u>\$ 28,840</u>	<u>\$ 82,151</u>	<u>\$ 110,991</u>	<u>\$ 98,495</u>

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



RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

GENERAL FUND TYPE

For the Year Ended June 30, 1998

	Budget	Actual	Actual Over (Under) Budget
<u>REVENUES</u>			
Intergovernmental	\$ 11,779	\$ 11,779	\$ 0
Public Support	0	0	0
Miscellaneous	0	1,938	1,938
Interest Income	0	2,582	2,582
	11,779	16,299	4,520
<u>EXPENDITURES</u>			
Current:			
Salaries	0	0	0
Fringe	0	0	0
Meals	0	0	0
Travel	0	0	0
Operating Services	0	0	0
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Outlay	0	175	(175)
Utility Assistance	0	0	0
	0	175	(175)
Total Expenditures	0	175	(175)
Excess of Revenues Over (Under) Expenditures	11,779	16,124	4,345
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	0	1,068	1,068
Operating Transfers Out	(11,779)	(12,847)	(1,068)
	(11,779)	(11,779)	0
Total Other Financing Sources (Uses)	(11,779)	(11,779)	0
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	\$ 0	4,345	\$ 4,345
Fund Balance, July 1, 1997		0	
FUND BALANCE, JUNE 30, 1998		\$ 4,345	

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

SPECIAL REVENUE FUNDS

For the Year Ended June 30, 1998

	Budget	Actual	Actual Over (Under) Budget
<u>REVENUES</u>			
Intergovernmental	\$ 253,777	\$ 238,787	\$ (14,990)
Public Support	11,051	13,653	2,602
Miscellaneous	4,055	17,221	13,166
	268,883	269,661	778
<u>EXPENDITURES</u>			
Current:			
Salaries	103,536	104,571	1,035
Fringe	9,986	9,412	(574)
Travel	12,250	13,129	879
Operating Services	60,370	58,450	(1,920)
Operating Supplies	6,400	6,399	(1)
Other Costs	84,475	76,524	(7,951)
Capital Outlay	3,645	3,711	66
Utility Assistance	0	926	926
	280,662	273,122	(7,540)
Excess of Revenues Over (Under) Expenditures	(11,779)	(3,461)	8,318
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	11,779	44,001	32,222
Operating Transfers Out	0	(32,222)	(32,222)
	11,779	11,779	0
Excess (Deficiency) Of Revenues, and Other Sources Over Expenditures and Other Uses	\$ 0	8,318	\$ 8,318
Fund Balance, July 1, 1997		75,033	
FUND BALANCE, JUNE 30, 1998		\$ 83,351	

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - In 1964, the State of Louisiana passed Act 456, which authorized the charter of voluntary councils on aging, for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. Richland Voluntary Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies, which may impose certain restrictions upon how the Council can use the money that they have provided.

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

The primary function of Richland Voluntary Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 9 voluntary members who serve one to three-year terms, governs the Council.

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

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Accounting - The accounts of Richland Voluntary Council on Aging, Inc. are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. The council on aging's revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

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

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

Local - Local funds are received from various local sources; such funds not being restricted to any special use.

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

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

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

Title III-B Supportive Services Fund - Title III-B funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Accounting, continued -

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.

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.

Title III C-2 Home Delivered Meals Fund - Title III C-2 funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to home-bound older persons.

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

Title III-D Fund - The III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-D funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Accounting, continued -

Utility Assistance Fund - The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on the aging to provide assistance to the elderly for the payment of their utility bills.

Title III-G Fund - The Title III-G Fund is used to account for the funds which are used to prevent abuse, neglect and exploitation of older individuals. Title III-G 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.

FEMA - The FEMA fund is used to account for the administration of a Disaster Assistance Program which purpose is to supplement food and shelter assistance to individuals who might currently be receiving assistance, as well as to assist those who are not receiving any. Funds are provided by the Federal Emergency Management Agency through the United Way which in turn passes through the funds to the parish council.

Title III-F Fund - Title III-F 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 of the Council. This program provides preventive health services.

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

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Basis of Accounting, Continued

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 liability is incurred, if measurable.

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

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

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

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

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

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

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

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

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.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budget Policy, continued -

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

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

Expenditures cannot legally exceed appropriations on an individual level.

Total Columns of Combined Statements - Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Compensated Absences - Employees of Richland Voluntary Council on Aging, Inc., earn from 12 to 21 days of annual leave each year with 10 days allowed to be carried over to the next calendar year, depending on their length of service and the employee's working status (full-time or part-time). Provided that funds are available, employees are compensated upon termination of employment for current-year accrued annual leave not to exceed 10 days. Employees earn up to 12 days of sick leave each year, and can carry over up to 60 days. Employees are not paid for accrued sick leave at termination. Although the employees' leave benefits have not been recognized and accrued at June 30, 1998, the amounts are not material to the financial statements.

Related Party Transactions - There were no related party transactions during the fiscal year.

NOTE 2: FUNDING POLICIES AND SOURCES OF FUNDS

The Council receives its monies through various methods of funding. U.S.D.A. cash-in-lieu of commodities funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food costs in Title III C-1 and C-2 programs. This program is funded under



RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 2: FUNDING POLICIES AND SOURCES OF FUNDS, CONTINUED

the units of service provided method. The Senior Center program and State Allocation (PCOA) funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, and D programs are funded based on actual operating costs incurred.

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

NOTE 3: CASH

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

Petty Cash	200
Payroll - checking	\$ 18
Operating - checking	78,376
CD	16,064
Cash in banks	<u>\$ 94,658</u>

All deposits were covered by federal depository insurance.

NOTE 4: RECEIVABLES

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

Misc.	\$ 0
III-B	3,377
C-1	4,032
C-2	7,916
Senior Center	1,882
Misc. Grant	375
III-D	171
USDA	6,169
III-F	<u>845</u>
Total	<u>\$ 24,767</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 5: IN-KIND CONTRIBUTIONS

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

The primary in-kind contributions consisted of free rent for the administrative office, and wages and fringe benefits for volunteer workers.

NOTE 6: BOARD OF DIRECTOR'S COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

NOTE 7: INCOME TAX STATUS

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

NOTE 8: LITIGATION AND CLAIMS

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

NOTE 9: FEDERAL AWARD PROGRAMS

The Council receives revenues from various federal and state grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is Management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 10: ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

NOTE 11: ESTIMATES

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

NOTE 12: INVENTORY

No inventory at June 30, 1998.

NOTE 13: PENSION PLAN

All employees of Richland Voluntary Council on Aging, Inc. are members of the Social Security System. In addition to the employee contribution withheld at 7.65 percent of gross salary, the council contributes an equal amount to the Social Security System.

NOTE 14: POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Richland Voluntary Council on Aging, Inc. had no retired employees at June 30, 1998.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 1998

NOTE 15: 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.

NOTE 16: RISK MANAGEMENT

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

NOTE 17: INTERFUND TRANSFERS

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

Funds Transferred Out						
Funds Transferred In	III D	Misc. Grant/ Senior Center	USDA	Supp. Sr. Center	General Fund	Total In
Title III B- Supportive Services	\$ 0	\$2,914	\$ 0	\$4,500	\$10,969	\$18,383
Title III-C-1	0	0	15,140	0	0	15,140
Title III-C-2	0	2,492	7,716	0	38	9,706
Title III-F	0	0	0	0	764	764
General Fund:						
Local	8	0	0	0	8	8
Transportation	0	0	0	0	0	-
 Total Out	 \$ 8	 \$ 5,406	 \$22,316	 \$4,500	 \$11,771	 \$44,001

# Saunders & Associates

Certified Public Accountants

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

Board of Directors  
Richland Voluntary Council on Aging, Inc.  
Rayville, Louisiana

We have audited the financial statements of Richland Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated December 7, 1998, which was qualified by Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures About Year 2000 Issues*. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

However, we noted certain other matters involving the internal control over financial reporting that we have reported to management of the organization in a separate letter dated December 7, 1998.

Page 2

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

*Saunders & Associates*  
SAUNDERS & ASSOCIATES  
Certified Public Accountant

December 7, 1998

SUPPLEMENTAL INFORMATION

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 1998

<u>Federal Grantor/Pass Through Grantor Name/Program Name</u>	<u>Federal CFDA Number</u>	<u>Program Or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>United States Department of Health and Human Services:</u>				
Passed Through the Louisiana Governor's Office of Elderly Affairs - Special Programs for the Aging:				
Title III-B Supportive Services	93.044	\$ 35,097	\$ 35,097	\$ 35,097
Title III C-1 Congregate Meals	93.045	37,794	37,794	37,794
Title III C-2 Home Delivered Meals	93.045	19,689	19,689	19,689
Title III-D In-Home Services	93.046	1,794	1,794	1,794
Title III-F Disease Prevention	93.043	<u>2,199</u>	<u>2,199</u>	<u>2,199</u>
Total United States Department of Health and Human Services		<u>96,573</u>	<u>96,573</u>	<u>96,573</u>
<u>United States Department of Agriculture:</u>				
Passed Through Louisiana Governor's Office of Elderly Affairs - Food Distribution Program - Cash-In-Lieu-Of Commodities				
	10.550	<u>19,232</u>	<u>19,232</u>	<u>19,232</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u>\$ 115,805</u>	<u>\$ 115,805</u>	<u>\$ 115,805</u>

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



RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

June 30, 1998

	<u>Title IIIB Supportive Services</u>	<u>Title III C-1 Congregate Meals</u>	<u>Title III C-2 Home Delivered Meals</u>	<u>Senior Center</u>
<u>ASSETS</u>				
Cash (Overdraft)	\$ (2,226)	\$ (571)	\$ (7)	\$ (2,615)
Receivables	3,377	4,032	7,916	1,882
Prepaid Expenses	<u>483</u>	<u>1,091</u>	<u>367</u>	<u>901</u>
TOTAL ASSETS	<u>\$ 1,634</u>	<u>\$ 4,552</u>	<u>\$ 8,276</u>	<u>\$ 168</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts Payable	\$ 250	\$ 3,942	\$ 7,236	\$ 26
Accrued Payroll	1,124	561	958	131
Payroll Taxes Payable	97	49	82	11
Deferred Revenue	<u>163</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>1,634</u>	<u>4,552</u>	<u>8,276</u>	<u>168</u>
Fund Balances:				
Reserved for:				
Utility Assistance	0	0	0	0
Unreserved and Undesignated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,634</u>	<u>\$ 4,552</u>	<u>\$ 8,276</u>	<u>\$ 168</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

June 30, 1998

	<u>Miscellaneous Grant</u>	<u>Title III-D In-Home Services</u>	<u>Title III-G Elder Abuse</u>	<u>Utilities Assistance</u>
<u>ASSETS</u>				
Cash (Overdraft)	\$ (375)	\$ (136)	\$ 0	\$ 10,339
Receivables	375	171	0	0
Prepaid Expenses	<u>0</u>	<u>4</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 0</u>	<u>\$ 39</u>	<u>\$ 0</u>	<u>\$ 10,339</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Payroll	0	36	0	0
Payroll Taxes Payable	0	3	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>39</u>	<u>0</u>	<u>0</u>
 Fund Balances:				
Reserved for:				
Utility Assistance	0	0	0	10,339
Unreserved and Undesignated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,339</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 0</u>	<u>\$ 39</u>	<u>\$ 0</u>	<u>\$ 10,339</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS

June 30, 1998

	<u>Title III-F</u>	<u>USDA</u>	<u>FEMA</u>	<u>Project Independ- ance</u>	<u>Total (Memo Only)</u>
<u>ASSETS</u>					
Cash (Overdraft)	\$ (965)	\$ 55,529	\$ 634	\$ 9,600	\$ 69,207
Receivables	845	6,169	0	0	24,767
Prepaid Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,846</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>(120)</u></b>	<b>\$ <u>61,698</u></b>	<b>\$ <u>634</u></b>	<b>\$ <u>9,600</u></b>	<b>\$ <u>96,820</u></b>
<u>LIABILITIES AND FUND EQUITY</u>					
Liabilities:					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,454
Accrued Payroll	0	0	0	0	2,810
Payroll Taxes Payable	0	0	0	0	242
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>163</u>
<b>Total Liabilities</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>14,669</u></b>
Fund Balances:					
Reserved for:					
Utility Assistance	0	0	0	0	10,339
Unreserved and Undesignated	<u>(120)</u>	<u>61,698</u>	<u>634</u>	<u>9,600</u>	<u>71,812</u>
<b>Total Fund Equity</b>	<b><u>(120)</u></b>	<b><u>61,698</u></b>	<b><u>634</u></b>	<b><u>9,600</u></b>	<b><u>82,151</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ <u>(120)</u></b>	<b>\$ <u>61,698</u></b>	<b>\$ <u>634</u></b>	<b>\$ <u>9,600</u></b>	<b>\$ <u>96,820</u></b>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	Programs of the General Fund		
	Local	PCOA (Act 735)	Total
<u>REVENUES</u>			
Intergovernmental	\$ 0	\$ 11,779	\$ 11,779
Public Support	0	0	0
Miscellaneous	1,937	0	1,937
Interest Income	2,582	0	2,582
	4,519	11,779	16,298
<u>EXPENDITURES</u>			
Current:			
Travel	0	0	0
Operating Services	165	0	165
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Outlay	176	0	176
Utility Assistance	0	0	0
	341	0	341
Excess of Revenues Over (Under) Expenditures	4,178	11,779	15,957
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	1,068	0	1,068
Operating Transfers Out	(1,068)	(11,779)	(12,847)
	0	(11,779)	(11,779)
Excess (Deficiency) Of Revenues and Other Sources Over Expenditures and Other Uses	4,178	0	4,178
Fund Balance, July 1, 1997	23,462	0	23,462
<b>FUND BALANCE, JUNE 30, 1998</b>	<b>\$ 27,640</b>	<b>\$ 0</b>	<b>\$ 27,640</b>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	<u>Title IIIB Supportive Services</u>	<u>Title III C-1 Congregate Meals</u>	<u>Title III C-2 Home Delivered Meals</u>	<u>Senior Center</u>
<b>REVENUES</b>				
Intergovernmental:				
Office of Elderly Affairs	\$ 41,291	\$ 49,291	\$ 96,765	\$ 23,010
Public Support:				
LA Association of Councils on Aging	0	0	0	0
Client Contributions	612	6,619	4,430	0
Miscellaneous	6,372	45	0	4
Total Revenues	<u>48,275</u>	<u>55,955</u>	<u>101,195</u>	<u>23,014</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	41,213	21,452	35,823	4,377
Fringe	3,747	1,892	3,192	413
Travel	2,540	196	10,321	0
Operating Services	16,878	17,854	10,523	12,213
Operating Supplies	2,097	2,015	1,677	605
Other Costs	0	27,481	49,043	0
Capital Outlay	183	205	322	0
Utility Assistance	0	0	0	0
Total Expenditures	<u>66,658</u>	<u>71,095</u>	<u>110,901</u>	<u>17,608</u>
Excess of Revenues Over (Under) Expenditures	<u>(18,383)</u>	<u>(15,140)</u>	<u>(9,706)</u>	<u>5,406</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	18,383	15,140	9,706	0
Operating Transfers Out	0	0	0	(5,406)
Total Other Financing Sources (Uses)	<u>18,383</u>	<u>15,140</u>	<u>9,706</u>	<u>(5,406)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	0	0	0
Fund Balance, July 1, 1997	0	0	0	0
Funds Returned to Funding Source	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE, JUNE 30, 1998</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	<u>Miscellaneous Grant</u>	<u>Title III-D In-Home Services</u>	<u>Title III-G Elder Abuse</u>	<u>Utilities Assistance</u>
<u>REVENUES</u>				
Intergovernmental:				
Office of Elderly Affairs	\$ 4,500	\$ 2,110	\$ 0	\$ 0
Public Support:				
LA Association of Councils on Aging	0	0	0	1,992
Client Contributions	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	<u>4,500</u>	<u>2,110</u>	<u>0</u>	<u>1,992</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	0	1,706	0	0
Fringe	0	168	0	0
Travel	0	72	0	0
Operating Services	0	161	344	0
Operating Supplies	0	5	0	0
Other Costs	0	0	0	0
Capital Outlay	0	6	0	0
Utility Assistance	0	0	0	926
Total Expenditures	<u>0</u>	<u>2,118</u>	<u>344</u>	<u>926</u>
Excess of Revenues Over (Under) Expenditures	<u>4,500</u>	<u>(8)</u>	<u>(344)</u>	<u>1,066</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	0	8	0	0
Operating Transfers Out	<u>(4,500)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(4,500)</u>	<u>8</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	0	0	(344)	1,066
Fund Balance, July 1, 1997	0	0	344	9,273
Funds Returned to Funding Source	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE, JUNE 30, 1998	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,339</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	<u>Title III-F</u>	<u>USDA</u>	<u>FEMA</u>	<u>Project Indepen- dence</u>	<u>Total (Memo Only)</u>
<u>REVENUES</u>					
Intergovernmental:					
Office of Elderly Affairs	\$ 2,588	\$ 19,232	\$ 0	\$ 0	\$ 238,787
Public Support:					
LA Association of Councils on Aging	0	0	0	0	1,992
Client Contributions	0	0	0	0	11,661
Miscellaneous	0	0	0	10,800	17,221
Total Revenues	<u>2,588</u>	<u>19,232</u>	<u>0</u>	<u>10,800</u>	<u>269,661</u>
<u>EXPENDITURES</u>					
Current:					
Salaries	0	0	0	0	104,571
Fringe	0	0	0	0	9,412
Travel	0	0	0	0	13,129
Operating Services	477	0	0	0	58,450
Operating Supplies	0	0	0	0	6,399
Other Costs	0	0	0	0	76,524
Capital Outlay	2,995	0	0	0	3,711
Utility Assistance	0	0	0	0	926
Total Expenditures	<u>3,472</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>273,122</u>
Excess of Revenues Over (Under) Expenditures	<u>(884)</u>	<u>19,232</u>	<u>0</u>	<u>10,800</u>	<u>(3,461)</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating Transfers In	764	0	0	0	44,001
Operating Transfers Out	0	(22,316)	0	0	(32,222)
Total Other Financing Sources (Uses)	<u>764</u>	<u>(22,316)</u>	<u>0</u>	<u>0</u>	<u>11,779</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(120)	(3,084)	0	10,800	8,318
Fund Balance, July 1, 1997	0	64,782	634	0	75,033
Funds Returned to Funding Source	0	0	0	0	0
<b>FUND BALANCE, JUNE 30, 1998</b>	<u>\$ (120)</u>	<u>\$ 61,698</u>	<u>\$ 634</u>	<u>\$ 10,800</u>	<u>\$ 83,351</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Budget</u>
<u>Title III-B Supportive Services</u>			
Salaries	\$ 40,008	\$ 41,213	\$ 1,205
Fringe Benefits	3,859	3,747	(112)
Travel	2,309	2,540	231
Operating Services	17,620	16,878	(742)
Operating Supplies	2,091	2,097	6
Other Costs	0	0	0
Capital Outlay	166	183	17
Subtotal	<u>66,053</u>	<u>66,658</u>	<u>605</u>
Transfer In From:			
Senior Center	(4,686)	(2,914)	1,772
Miscellaneous Grant	(4,500)	(4,500)	0
General Fund	(4,055)	0	4,055
PCOA	(10,969)	(10,969)	0
TOTAL TITLE III-B	<u>\$ 41,843</u>	<u>\$ 48,275</u>	<u>\$ 6,432</u>
 <u>Title III C-1 Congregate Meals</u>			
Salaries	\$ 21,455	\$ 21,452	\$ (3)
Fringe	2,070	1,892	(178)
Travel	179	196	17
Operating Services	18,063	17,854	(209)
Operating Supplies	2,035	2,015	(20)
Other Costs	29,975	27,481	(2,494)
Capital Outlay	186	205	19
Subtotal	<u>73,963</u>	<u>71,095</u>	<u>(2,868)</u>
Transfer In From:			
USDA	(18,671)	(15,140)	3,531
PCOA	0	0	0
TOTAL TITLE III C-1	<u>\$ 55,292</u>	<u>\$ 55,955</u>	<u>\$ 663</u>
 <u>Title III C-2 Home Delivered Meals</u>			
Salaries	\$ 36,055	\$ 35,823	\$ (232)
Fringe	3,478	3,192	(286)
Travel	9,697	10,321	624
Operating Services	11,124	10,523	(601)
Operating Supplies	1,669	1,677	(8)
Other Costs	54,500	49,043	(5,457)
Capital Outlay	293	322	29
Subtotal	<u>116,816</u>	<u>110,901</u>	<u>(5,915)</u>
Transfer In From:			
PCOA	0	(38)	38
Senior Center	0	(2,492)	(2,492)
USDA	(15,551)	(7,176)	8,375
TOTAL TITLE III C-2	<u>\$ 101,265</u>	<u>\$ 101,195</u>	<u>\$ (70)</u>

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



RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Budget</u>
<u>SENIOR CENTER</u>			
Salaries	\$ 4,311	\$ 4,377	\$ 66
Fringe	416	413	(3)
Travel	0	0	0
Operating Services	12,998	12,213	(785)
Operating Supplies	600	605	5
Other Costs	0	0	0
Capital Outlay	0	0	0
Subtotal	<u>18,325</u>	<u>17,608</u>	<u>(717)</u>
Transfer Out From:			
Title III B	<u>(4,686)</u>	<u>(2,914)</u>	<u>1,772</u>
TOTAL SENIOR CENTER	<u>\$ 13,639</u>	<u>\$ 14,694</u>	<u>\$ 1,055</u>
<u>TITLE III-D IN-HOME SERVICES</u>			
Salaries	\$ 1,706	\$ 1,706	\$ 0
Fringe Benefits	165	168	3
Travel	65	72	7
Operating Services	172	161	(11)
Operating Supplies	5	5	0
Other Costs	0	0	0
Capital Outlay	5	6	1
Subtotal	<u>2,118</u>	<u>2,118</u>	<u>0</u>
Transfer In From:			
PCOA	<u>(11)</u>	<u>(8)</u>	<u>3</u>
TOTAL TITLE III-D IN-HOME SERVICES	<u>\$ 2,107</u>	<u>\$ 2,110</u>	<u>\$ 3</u>
<u>MISCELLANEOUS GRANT</u>			
Operating Services	0	0	0
Operating Supplies	0	0	0
Capital Outlay	0	0	0
Subtotal	<u>0</u>	<u>0</u>	<u>0</u>
Transfer In From:			
Title III-B	<u>4,500</u>	<u>4,500</u>	<u>0</u>
TOTAL MISCELLANEOUS GRANT	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ 0</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES - BUDGET VS. ACTUAL - CONTRACTS

For the Year Ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Budget</u>
<u>TITLE III-F DECEASE PREVENTION</u>			
Salaries	\$ 0	\$ 0	\$ 0
Fringe	0	0	0
Travel	0	0	0
Operating Services	392	477	85
Operating Supplies	0	0	0
Other Costs	0	0	0
Capital Outlay	2,995	2,995	0
Subtotal	<u>3,387</u>	<u>3,472</u>	<u>85</u>
Transfer In To:			
PCOA	(799)	(764)	35
TOTAL TITLE III-F DESEASE PREVENTION	<u>\$ 2,588</u>	<u>\$ 2,708</u>	<u>\$ 120</u>
 <u>USDA</u>			
Transfer Out To:			
Title C-1	\$ 18,671	\$ (15,140)	\$ (33,811)
Title C-2	<u>15,551</u>	<u>(7,176)</u>	<u>(22,727)</u>
TOTAL USDA	<u>\$ 34,222</u>	<u>\$ (22,316)</u>	<u>\$ (56,538)</u>

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

Access (30%):	Assisted Transportation	\$ 0	
	Case Management	370	
	Transportation	26,733	
	Information and Assistance	0	
	Outreach	<u>673</u>	
	Total Access Expense	\$ <u>27,776</u>	67.26%
In-Home (15%):	Homemaker	30,425	
	Chore	0	
	Telephoning	0	
	Visiting	0	
	Adult/Daycare/Health	0	
	Personal Care	<u>0</u>	
	Total In-Home Expenses	30,425	<u>73.68%</u>
Legal (5%):	Legal Assistance	0	<u>0.00%</u>
	Non-Priority Services	<u>8,457</u>	
	Total Title III B - Supportive Services Expenditures	66,658	
Less:	Participant Contributions	(612)	
	Other Local Contributions	(6,372)	
	Transfers in	<u>(18,383)</u>	
	Original Grant Award Net of Transfers of Contract Allotments	\$ <u>41,291</u>	

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

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

For the Year Ended June 30, 1998

	<u>Balance June 30, 1997</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 1998</u>
<u>General Fixed Assets, At Cost:</u>				
Vehicles	\$ 41,270	\$ 3,885	\$ 2,293	\$ 42,862
Office Furniture and Equipment	<u>50,135</u>	<u>0</u>	<u>0</u>	<u>50,135</u>
<b>TOTAL GENERAL FIXED ASSETS AT COST</b>	<b><u>\$ 91,405</u></b>	<b><u>\$ 3,885</u></b>	<b><u>\$ 2,293</u></b>	<b><u>\$ 92,997</u></b>
 <u>Investment in General Fixed Assets:</u>				
Property Acquired Prior to July 1, 1985	\$ 0	\$ 0	\$ 0	\$ 0
Property Acquired After July 1, 1985				
With Funds From -				
Title III-D In-Home Services	0	0	0	0
General Fund	4,512	240	2,293	2,459
Title III C-1	4,357	0	0	4,357
Title III C-2	0	0	0	0
Title III-B Supportive Services	26,976	650	0	27,626
Senior Center	2,125	0	0	2,125
Miscellaneous Grant	3,685	0	0	3,685
Title III F	5,626	2,995	0	8,621
DOTD - Section 18	19,164	0	0	19,164
DOTD - Section 16	<u>24,960</u>	<u>0</u>	<u>0</u>	<u>24,960</u>
<b>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</b>	<b><u>\$ 91,405</u></b>	<b><u>\$ 3,885</u></b>	<b><u>\$ 2,293</u></b>	<b><u>\$ 92,997</u></b>

(1) We were unable to reconcile prior audit figures to the Council's inventory records. These adjustments have been made pursuant to supporting documentation obtained during the current audit.

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

June 30, 1998

There were no prior audit findings or questioned costs.

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

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 1998

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

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

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

***Richland Voluntary Council on Aging, Inc.  
Rayville, Louisiana***

***For the Year Ended June 30, 1998***

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

***December 7, 1998***

***SAUNDERS & ASSOCIATES  
Certified Public Accountants  
630 East 17th Street  
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Ada, Oklahoma 74820  
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# Saunders & Associates

Certified Public Accountants

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E-mail [www.sndrsgroup@chickasaw.com](mailto:www.sndrsgroup@chickasaw.com)

Board of Directors  
Richland Voluntary Council on Aging, Inc.  
Rayville, Louisiana

The accompanying Management Letter includes suggestions for improvement of accounting procedures and internal accounting controls that came to our attention as a result of our examination of the financial statements of the Richland Voluntary Council on Aging, Inc., Rayville, Louisiana, for the year ended June 30, 1998. The matters discussed herein were considered by us during our examination and do not modify the opinion expressed in our auditor's report dated December 7, 1998 on such financial statements.

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

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

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

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

Sincerely,

*Saunders & Associates*  
SAUNDERS & ASSOCIATES  
Certified Public Accountants

December 7, 1998



RICHLAND VOLUNTARY COUNCIL ON AGING, INC.  
Rayville, Louisiana

MANAGEMENT LETTER

June 30, 1998

1. SOFTWARE AND HARDWARE YEAR 2000 COMPLIANCE (Y2K)

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

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

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

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