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BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

ARCADIA, LOUISIANA

STANDARD
TIME

FINANCIAL STATEMENTS

June 30, 1997

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 2 25 98

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the accompanying general purpose financial statements of Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1997. These general purpose financial statements are the responsibility of Bienville Voluntary Council on Aging, Inc., management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Bienville Voluntary Council on Aging, Inc. as of June 30, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated November 6, 1997 on my consideration of Bienville Voluntary Council on Aging, Inc.'s internal control structure and a report dated November 6, 1997 on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The statements and schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Bienville Voluntary Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation the general purpose financial statements taken as a whole.

Melinda S. Milligan

Certified Public Accountant
November 6, 1997

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Combined Balance Sheet - All Fund Types and Account Group
June 30, 1997

	Governmental Fund Types		Account Group	Totals
	General	Special Revenue	General Fixed Assets	(Memorandum Only)
<u>ASSETS</u>				
Cash and cash equivalents	\$ 44,738	\$ 247	\$ -	\$ 44,985
Contracts receivable	27,605	31,023	-	58,628
Grant receivable	10,160	-	-	10,160
Investments	96,706	-	-	96,706
Prepaid expenses	75	-	-	75
Deposit on vans	24,529	-	-	24,529
Due from other funds	9,770	-	-	9,770
General fixed assets	-	-	332,828	332,828
Total assets	<u>\$213,583</u>	<u>\$ 31,270</u>	<u>\$ 332,828</u>	<u>\$ 577,681</u>
<u>LIABILITIES AND FUND EQUITY</u>				
<u>LIABILITIES:</u>				
Accounts payable	\$ 441	\$ 21,253	\$ -	\$ 21,694
Due to other funds	-	9,770	-	9,770
Total liabilities	<u>441</u>	<u>31,023</u>	<u>-</u>	<u>31,464</u>
<u>FUND EQUITY:</u>				
Investments in general fixed assets	-	-	332,828	332,828
Fund balance:				
Reserved for prepaid expenses	75	-	-	75
Reserved for van deposits	24,529	-	-	24,529
Reserved for utility assistance	-	247	-	247
Unreserved - undesignated	188,538	-	-	188,538
Total fund equity	<u>213,142</u>	<u>247</u>	<u>332,828</u>	<u>546,217</u>
Total liabilities and fund equity	<u>\$213,583</u>	<u>\$ 31,270</u>	<u>\$ 332,828</u>	<u>\$ 577,681</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 All Governmental Fund Types
For the Year Ended June 30, 1997

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
REVENUES:			
Intergovernmental	\$ 198,580	\$ 464,593	\$ 663,173
Public support	8,514	67,235	75,749
Miscellaneous	<u>20,660</u>	<u>-</u>	<u>20,660</u>
Total revenues	<u>227,754</u>	<u>531,828</u>	<u>759,582</u>
EXPENDITURES:			
Salaries	64,278	254,064	318,342
Fringe	5,636	31,644	37,280
Meals	-	119,600	119,600
Travel	289	29,060	29,349
Operating services	8,001	112,946	120,947
Operating supplies	561	45,125	45,686
Other costs	-	19,281	19,281
Capital outlay	19,363	93,040	112,403
Utility assistance	<u>-</u>	<u>2,040</u>	<u>2,040</u>
Total expenditures	<u>98,128</u>	<u>706,800</u>	<u>804,928</u>
Excess (deficiency) of revenues over expenditures	129,626	(174,972)	(45,346)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	374,347	374,347
Operating transfers out	<u>(174,490)</u>	<u>(199,857)</u>	<u>(374,347)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(44,864)	(482)	(45,346)
FUND BALANCE:			
Beginning of year	<u>258,006</u>	<u>729</u>	<u>258,735</u>
End of year	<u>\$ 213,142</u>	<u>\$ 247</u>	<u>\$ 213,389</u>

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the Year Ended June 30, 1997

	Variance Favorable (Unfavorable)	Budget	Actual
<u>REVENUES:</u>			
Intergovernmental	\$ 87,589	\$ 110,991	\$ 198,580
Public support	8,514	-	8,514
Miscellaneous	20,660	-	20,660
Total revenues	<u>116,763</u>	<u>110,991</u>	<u>227,754</u>
<u>EXPENDITURES:</u>			
Salaries	(64,278)	-	64,278
Fringe	(5,636)	-	5,636
Travel	(289)	-	289
Operating services	(8,001)	-	8,001
Operating supplies	(561)	-	561
Other costs	-	-	-
Capital outlay	(19,363)	-	19,363
Total expenditures	<u>(98,128)</u>	<u>-</u>	<u>98,128</u>
Excess (deficiency) of revenues over expenditures	18,635	110,991	129,626
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	-	-	-
Operating transfers out	(63,499)	(110,991)	(174,490)
Excess of revenues and other sources over expenditures and other uses	(44,864)	-	(44,864)
<u>FUND BALANCE:</u>			
Beginning of year	-	258,006	258,006
End of year	<u>\$(44,864)</u>	<u>\$ 258,006</u>	<u>\$ 213,142</u>

The accompanying notes are an integral part of this statement.

BIENVILLE COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual - Special Revenue Funds
 For the Year Ended June 30, 1997

	Variance Favorable Unfavorable)	Budget	Actual
REVENUES:			
Intergovernmental	\$ 31,315	\$ 433,278	\$ 464,593
Public Support	11,408	55,827	67,235
Total revenues	42,723	489,105	531,828
EXPENDITURES:			
Salaries	2,438	256,502	254,064
Fringe	(9,199)	22,445	31,644
Meals	(1,205)	118,395	119,600
Travel	(751)	28,309	29,060
Operating service	(11,982)	100,964	112,946
Operating supplies	(1,473)	43,652	45,125
Other costs	8,737	28,018	19,281
Capital outlay	(91,229)	1,811	93,040
Utility assistance	(2,040)	-	2,040
Total expenditures	(106,704)	600,096	706,800
Excess (deficiency) of revenues over expenditures	(63,981)	(110,991)	(174,972)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	27,312	347,035	374,347
Operating transfers out	36,187	(236,044)	(199,857)
Excess of revenues and other sources over expenditures and other uses	(482)	-	(482)
FUND BALANCE:			
Beginning of year	-	729	729
End of year	\$(482)	\$ 729	\$ 247

The accompanying notes are an integral part of this statement.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds, 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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Council are financed. The acquisition, use, and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. 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; such funds not being restricted to any special use.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Local (Continued)

The Council's program participants also generate revenues through a variety of fund raising activities that are not sponsored by any particular grant award. Revenues and expenses relating to these activities are accounted for as part of the General Fund's local program.

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:

Section 18

Section 18 funds are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to rural residents within Bienville Parish. The transportation portion of in-kind contributions is an allowed cost for purposes of requesting reimbursement under this program. Because money received under this program is for reimbursement of costs previously incurred, the Council can use these funds for discretionary purposes.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Title III-B Administration 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, legal assistance, and transportation for the elderly.

Senior Center Fund

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

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program fund 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 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.

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 Louisiana Association of Councils on Aging (LACOA) which in turn remits funds relating to Bienville Council on Aging, Inc. to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

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.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Types (Continued)

Title III, Part F

The III, Part F fund is used to account for funds which are used for disease prevention and health promotion activities.

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 account group is not a "fund".

General Fixed Assets

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

E. Basis of Accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. 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. All grant revenue is considered susceptible to accrual. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

F. Transfers:

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 accounted for through the various due from and due to accounts.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budget Policy:

Budgets for the various programs are prepared by the Council's Executive Director and approved by grantor of the funds for each respective program. The budgets are prepared on a basis consistent with generally accepted accounting principles.

Actual amounts are compared to budgeted amounts periodically during the 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 grantor agency for funds received from that agency.

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

H. Compensated Absence:

No liability is recorded for nonvesting accumulated rights to receive vacation or sick pay benefits.

I. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Accordingly, they are said to present a summary of resources and uses of "available spendable resources" during a period. Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets.

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Fixed Assets: (Continued)

All fixed assets are valued at historical cost. Donated fixed assets are stated at their estimated fair market value on the date donated.

J. Cash and Cash Equivalents:

The Council's policy is to include short-term interest bearing deposits with cash in the financial statements.

K. Investments:

Investments consist of certificates of deposit which are stated at cost, which approximates market.

L. Total Columns on Combined Statements -- Overview:

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

2. FUNDING POLICIES AND SOURCES OF FUNDS

The Council receives its monies through various methods of funding. U.S.D.A. cash in-lieu of commodities funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food costs in Title III C-1 and C-2 programs. This program is funded under the units of services 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 expenditures. The Title III-B, C-1, C-2, D and F 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 Councils on Aging to the Council under the Helping Hands and Energy Programs. Section 18 Funds are

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

2. FUNDING POLICIES AND SOURCES OF FUNDS (Continued)

provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to residents within Bienville Parish.

3. BOARD OF DIRECTORS COMPENSATION

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

4. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. In-kind contributions consisted primarily of the time donated by volunteer workers at senior centers and meal sites. Although these contributions have not been reported as revenues, no offsetting expenses have been incurred thereby producing no effect on the financial statements.

5. CONTRACTS RECEIVABLE

Contracts receivable at June 30, 1997, are as follows:

USDA	\$	8,721
Section 18		21,542
Title 19		15,115
Other Miscellaneous		760
Other Local		<u>12,490</u>
Total	\$	<u>58,628</u>

6. CHANGES IN FIXED ASSETS

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

	Balance July 1, <u>1996</u>	Additions	Retirements	Balance June 30, <u>1997</u>
Building Improvements	\$ 2,150	\$ -	\$ -	\$ 2,150
Furniture and Equipment	<u>341,644</u>	<u>112,403</u>	<u>123,369</u>	<u>330,678</u>
Totals	<u>\$343,794</u>	<u>\$ 112,403</u>	<u>\$ 123,369</u>	<u>\$332,828</u>

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements
June 30, 1997

7. DEPOSITS WITH FINANCIAL INSTITUTIONS

At June 30, 1997, the carrying amount of the Council's deposits was \$141,691 and the bank's balance was \$224,890. State statutes authorize the Council to invest in United States bonds, treasury notes, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana. The Council's primary purpose for investing is to earn interest income on money that has been determined to be in excess of immediate cash requirements. The Council's deposits are categorized below to give an indication of the level of risk assumed by the Council at year end.

	<u>Bank Balance</u>
Category 1 Deposits insured or collateralized with securities held by the Council or by its agent in the Council's name	\$ -
Category 2 Deposits collateralized with securities held by the pledging financial institution or agent in the Council's name	-
Category 3 Deposits that are uncollateralized	<u>3,310</u>
Total	<u>\$ 3,310</u>

8. INCOME TAX STATUS

Bienville Council on Aging, Inc. is an organization exempt from tax under Internal Revenue Code Section 501(c)(3). Accordingly, the financial statements contain no provision for income taxes.

9. 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.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to Financial Statements

June 30, 1997

10. INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 1997:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 174,490
Special Revenue Funds:		
Title III C-1	16,406	-
Title III C-2	26,323	-
Title III B Administration	1,207	-
Title III B Supportive Services	298,932	-
Title III F Health Promotion	272	-
Title III D In-Home Services	3,838	-
Senior Center	-	13,827
Section 18	27,369	148,188
USDA	-	33,342
Miscellaneous Grant	-	4,500
Total - Special Revenue Funds	<u>374,347</u>	<u>199,857</u>
Total - All Funds	<u>\$ 374,347</u>	<u>\$ 374,347</u>

11. GRANTS RECEIVABLE

Grants receivable at June 30, 1997 represent amounts due for a Rural Development Grant for renovations at the Senior Centers and is fully collectible.

Schedule 1

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Statement of Program Revenues, Expenditures and Changes in Fund Balance -
General Fund
For the Year Ended June 30, 1997

	<u>Local</u>	<u>PCOA (ACT 735)</u>	<u>Totals</u>
<u>REVENUES:</u>			
Intergovernmental:			
Office of Elderly Affairs	\$ -	\$ 11,779	\$ 11,779
Louisiana Department of:			
Transportation and			
Development	111,645	-	111,645
Health and Hospitals	44,040	-	44,040
Social Services	12,000	-	12,000
Rural Development	19,116	-	19,116
Public support - donations	8,514	-	8,514
Miscellaneous	20,660	-	20,660
Total revenues	215,975	11,779	227,754
<u>EXPENDITURES</u>			
Salaries	64,278	-	64,278
Fringe	5,636	-	5,636
Travel	289	-	289
Operating services	8,001	-	8,001
Operating supplies	561	-	561
Other costs	-	-	-
Capital outlay	19,363	-	19,363
Total expenditures	98,128	-	98,128
Excess of revenues over expenditures	117,847	11,779	129,626
<u>OTHER FINANCING SOURCES (USES):</u>			
Operating transfers in	-	-	-
Operating transfers out	(162,711)	(11,779)	(174,490)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(44,864)	-	(44,864)
<u>FUND BALANCE:</u>			
Beginning of year	258,006	-	258,006
End of year	\$ 213,142	\$ -	\$ 213,142

Title III-F Health Promotion	USDA	Title III-D In Home Services	Section 18	Ombudsman	Utility Assistance Fund	Miscellaneous Grant	Total
\$ 2,448	\$ 33,342	\$ 1,655	\$ -	\$ 4,339	\$ -	\$ 4,500	\$ 266,535
-	-	-	198,058	-	-	-	198,058
-	-	-	-	-	1,558	-	1,558
60	-	725	13,991	-	-	-	65,677
2,508	33,342	2,380	212,049	4,339	1,558	4,500	531,828
-	-	4,417	-	596	-	-	254,064
-	-	421	-	73	-	-	31,644
-	-	-	-	-	-	-	119,600
-	-	844	-	1,916	-	-	29,060
-	-	524	-	171	-	-	112,946
-	-	5	-	69	-	-	45,125
970	-	7	-	1,514	-	-	19,281
-	-	-	-	-	2,040	-	2,040
1,810	-	-	91,230	-	-	-	93,040
2,780	-	6,218	91,230	4,339	2,040	-	706,800
(272)	33,342	(3,838)	120,819	(-)	(482)	4,500	(174,972)
272	-	3,838	27,369	-	-	-	374,347
-	(33,342)	-	(148,188)	-	-	(4,500)	(199,857)
-	-	-	-	-	(482)	-	(482)
-	-	-	-	-	729	-	729
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247	\$ -	\$ 247

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
 General and Special Revenue Funds
 For the Year Ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>LOCAL:</u>			
Salaries	\$ --	\$ 64,278	\$(64,278)
Fringe	--	5,636	(5,636)
Meals	--	-	-
Travel	--	289	(289)
Operating services	--	8,001	(8,001)
Operating supplies	--	561	(561)
Other costs	--	-	-
Capital outlay	--	19,363	(19,363)
Transfers to other funds:			
Title III C-1	--	1,897	(1,897)
Title III C-2	8,183	7,490	693
Title III F	402	272	130
Ombudsman	100	-	100
Title III D	1,220	3,838	(2,618)
Title III B Administration	-	1,207	(1,207)
Section 18	-	27,369	(27,369)
Title III B			
Supportive Services	<u>99,212</u>	<u>120,638</u>	<u>(21,426)</u>
Totals	<u>\$ 109,117</u>	<u>\$ 260,839</u>	<u>\$(151,722)</u>
<u>SECTION 18:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	-	-	-
Capital outlay	-	91,230	(91,230)
Transfers to other funds:			
Title III B			
Supportive Services	<u>184,789</u>	<u>148,188</u>	<u>36,601</u>
Totals	<u>\$ 184,789</u>	<u>\$ 239,418</u>	<u>\$(54,629)</u>
<u>PCOA (ACT 735):</u>			
Salaries	\$ --	\$ -	\$ -
Fringe	--	-	-
Meals	--	-	-
Travel	--	-	-
Operating services	--	-	-
Operating supplies	--	-	-

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1997

	Budget	Actual	Variance - Favorable (Unfavorable)
<u>PCOA (ACT 735): (Continued)</u>			
Transfers to other funds:			
Title III B-			
Administrative	\$ -	\$ -	\$ -
Title III-B-Supportive Services	11,779	11,779	-
Totals	\$ 11,779	\$ 11,779	\$ -
 <u>TITLE III C-1:</u>			
Salaries	17,662	16,815	847
Fringe	1,525	3,681	(2,156)
Meals:			
Raw food	31,162	32,216	(1,054)
Non-edibles	24,484	24,858	(374)
Travel	1,154	1,022	132
Operating services	3,515	3,351	164
Operating supplies	151	194	(43)
Other costs	213	240	(27)
Totals	\$ 79,866	\$ 82,377	\$(2,511)
 <u>SENIOR CENTER:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	-	6,701	(6,701)
Operating supplies	-	547	(547)
Other costs	6,714	-	6,714
Transfers to other funds:			
Title III B			
Supportive Services	14,361	13,827	534
Totals	\$ 21,075	\$ 21,075	\$ -
 <u>C-2:</u>			
Salaries	\$ 11,044	\$ 9,864	\$ 1,180
Fringe	979	1,606	(627)
Meals:			
Raw food	33,257	33,378	(121)
Non-edibles	29,492	29,148	344
Travel	16,151	16,400	(249)
Operating services	3,528	3,604	(76)
Operating supplies	204	464	(260)
Other costs	12,904	12,634	270
Totals	\$ 107,559	\$ 107,098	\$(461)

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1997

	Budget	Expenditures	Variance - Favorable (Unfavorable)
<u>IN-HOME SERVICES:</u>			
Salaries	\$ 2,466	\$ 4,417	\$(1,951)
Fringe	206	421	(215)
Travel	350	844	(494)
Operating services	563	524	39
Operating supplies	7	5	2
Other costs	9	7	2
Capital outlay	-	-	-
Totals	\$ 3,601	\$ 6,218	\$(2,617)
<u>OMBUDSMAN:</u>			
Salaries	\$ 753	\$ 596	\$ 157
Fringe	64	73	(9)
Travel	1,613	2,011	(398)
Operating services	126	171	(45)
Operating supplies	8	69	(61)
Other costs	1,451	1,514	(63)
Capital outlay	-	-	-
Totals	\$ 4,015	\$ 4,434	\$(419)
<u>TITLE III-B ADMINISTRATION:</u>			
Salaries	\$ 9,380	\$ 9,952	\$(572)
Fringe	836	1,034	(198)
Travel	988	1,146	(158)
Operating services	3,161	3,402	(241)
Operating supplies	191	204	(13)
Other costs	268	292	(24)
Capital outlay	-	-	-
Totals	\$ 14,824	\$ 16,030	\$(1,206)
<u>TITLE III-B SUPPORTIVE SERVICES:</u>			
Salaries	\$ 221,197	\$ 212,420	\$ 8,777
Fringe	18,832	24,829	(5,997)
Travel	8,053	7,732	321
Operating services	88,518	93,637	(5,119)
Operating supplies	43,091	43,642	(551)
Other costs	3,573	3,624	(51)
Capital outlay	-	-	-
Totals	\$ 383,264	\$ 385,884	\$(2,620)

(Continued)

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Schedule of Expenditures - Budget (GAAP Basis) and Actual -
General and Special Revenue Funds
For the Year Ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>AUDIT:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Meals	-	-	-
Travel	-	-	-
Operating services	1,556	1,556	-
Operating supplies	-	-	-
Totals	<u>\$ 1,555</u>	<u>\$ 1,555</u>	<u>\$ -</u>
<u>USDA</u>			
Transfer to Title III C-1	\$ 14,096	\$ 14,509	\$(413)
Transfers to Title III C-2	18,298	18,833	(535)
Totals	<u>\$ 32,394</u>	<u>\$ 33,342</u>	<u>\$(948)</u>
<u>HEALTH PROMOTION:</u>			
Salaries	\$ -	\$ -	\$ -
Fringe	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	1,040	970	70
Capital outlay	1,810	1,810	-
Totals	<u>\$ 2,850</u>	<u>\$ 2,780</u>	<u>\$ 70</u>
<u>MISCELLANEOUS GRANT:</u>			
Transfers to other funds:			
Title III B			
Supportive Services	<u>\$ 4,500</u>	<u>\$ 4,500</u>	<u>\$ -</u>
<u>UTILITY ASSISTANCE:</u>			
Utility assistance	<u>\$ 1,847</u>	<u>\$ 2,040</u>	<u>\$(193)</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Statement of General Fixed Assets
 And Changes in General Fixed Assets
For the Year Ended June 30, 1997

	Balance June 30, 1996	Net Additions (Deletions)	Balance June 30, 1997
General Fixed Assets, at Cost:			
Building Improvements	\$ 2,150	\$ -	\$ 2,150
Furniture and equipment	<u>341,644</u>	<u>(10,966)</u>	<u>330,678</u>
Totals	<u>\$ 343,794</u>	<u>\$(10,966)</u>	<u>\$ 332,828</u>
Investment in General Fixed Assets:			
Title XIX	\$ 37,204	\$(4,500)	\$ 32,704
Title III C-1	6,510	(285)	6,225
Title III C-2	1,766	-	1,766
Senior Center	3,000	(650)	2,350
Title III B Administrative	63	(43)	20
Title III B Support services	3,311	(578)	2,733
Title III F	4,142	(180)	3,962
Title III D In Home services	1	1,810	1,811
Miscellaneous Grant	4,165	(333)	3,832
Section 18	83,094	(25,015)	58,079
Section 16	150,445	-	150,445
Local	<u>50,093</u>	<u>18,808</u>	<u>68,901</u>
Totals	<u>\$ 343,794</u>	<u>\$(10,966)</u>	<u>\$ 332,828</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Per Diem Paid to Board Members
For the Year Ended June 30, 1997

Clemmie Woodfork	\$	8.84
P F Eaton		25.48
Thelma Cage		177.32
Rebecca Rhodes		8.84
Charles Matthews		101.40
Z D Neachum		504.32
JoAnn Bess		73.32
Ava C Nolte		68.64
William M Hays		199.68
Mary Lee		133.80
Clarence Mamon		49.92
Fisher Harris		5.72
Sally Gray		92.56
Earnestine Martin		36.40
Roy Perkins		13.00
Peggy Choate		<u>85.80</u>
Total		<u>\$ 1,585.04</u>

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Corrective Action Taken on Prior Year Findings
June 30, 1997

Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic and space limitations.
Recommendation:	No action is recommended.
Management's Response:	We concur with the finding.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Exit Conference
June 30, 1997

The exit conference was held November 6, 1997. Those in attendance were Marsha Millican, CPA, and Elton Lamkin, Executive Director of the Council.

I reported to him that I discovered the findings reported on pages 33, 34, and 35. The director received my finding favorably.

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

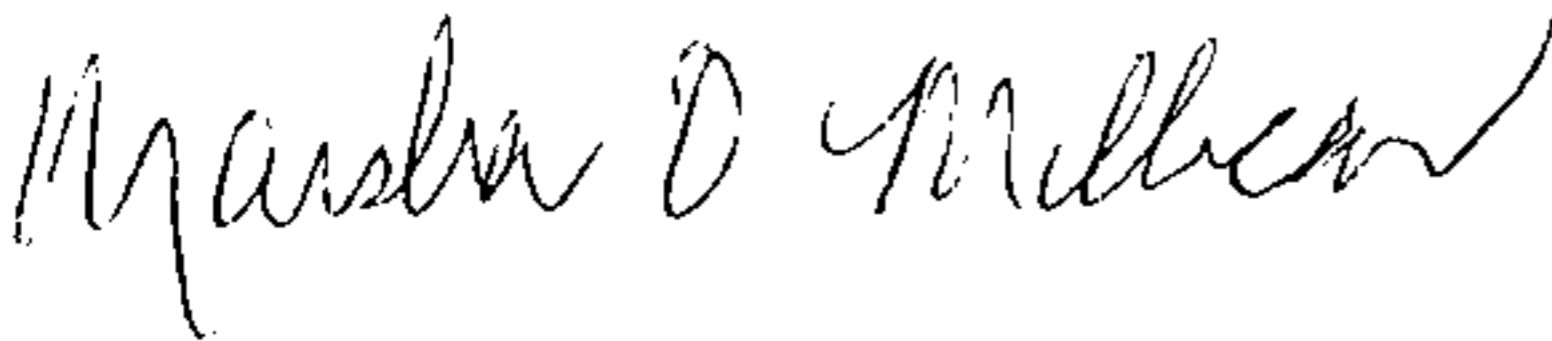
INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF FEDERAL FINANCIAL AWARDS

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., as of and for the year ended June 30, 1997, and have issued my report thereon dated November 6, 1997. These general purpose financial statements are the responsibility of the management of Bienville Council on Aging, Inc. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of Bienville Voluntary Council on Aging, Inc., taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Certified Public Accountant
November 6, 1997

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.Schedule of Federal Awards
For the Year Ended June 30, 1997

<u>Federal 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, Part C-1 congregate meals	93.045	\$ 28,693	\$ 28,693	\$ 28,693
Title III, Part C-2 home delivered meals	93.045	15,797	15,797	15,797
Title III, Part B Area Agency Administrative	93.044	11,117	11,117	11,117
Title III, Part B supportive services	93.044	54,153	54,153	54,153
Title III, In-home services	93.046	1,407	1,407	1,407
Title III F Health Promotion	93.043	2,448	2,448	2,448
Title III-A, Long-term Care Ombudsman	93.043	3,915	3,915	3,915
<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	41,910	33,342	33,342
<u>Department of Transportation</u>				
Passed through Louisiana Department of Transportation:				
Title 49 CFR 5311 Operating Assistance *	20.509	184,789	134,197	134,197
Capital Assistance	20.509	63,861	63,861	63,861
Totals			\$ 244,467	\$ 244,467

* Denotes major program.

BIENVILLE VOLUNTARY COUNCIL ON AGING, INC.

Notes to the Schedule of Federal Awards
June 30, 1997

1. General:

The accompanying Schedule of Federal Awards presents the activity of all federal award programs of Bienville Council on Aging, Inc.

2. Basis of Accounting:

The accompanying Schedule of Federal Financial Assistance is presented using the modified accrual basis of accounting, which is described in Note 1 to the general purpose financial statements.

3. Relationship to General Purpose Financial Statements:

Federal Financial Award revenues are reported in the general purpose financial statements as follows:

	<u>Intergovernmental</u>
Federal Awards	\$ 348,930
State Awards	<u>314,243</u>
Total	<u>\$ 663,173</u>

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT OF 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
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

I have audited the financial statements of Bienville Voluntary Council on Aging, Inc. as of and for the year ended June 30, 1997, and have issued my report thereon dated November 6, 1997. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Compliance

As part of obtaining reasonable assurance about whether Bienville Voluntary Council on Aging, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items #1, #2, #3, and #4.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Bienville Voluntary Council on Aging, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted a certain matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Bienville Voluntary Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item #5.

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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider item #5 to be a material weakness.

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

Manda P. Miller

Certified Public Accountant
November 6, 1997

BIENVILLE COUNCIL ON AGING, INC

Schedule of Findings and Questioned Costs

June 30, 1997

<u>Finding/ Noncompliance</u>	<u>Questioned Costs</u>
<p>#1 Criteria: The Council paid bonuses of \$44,440 to employees in violation of Article 7, Section 14.</p> <p> Cause: Management was not aware that Article 7, Section 14 prohibits the paying of bonuses to employees.</p> <p> Recommendation: The Council should comply with the regulations of Article 7, Section 14.</p> <p> Management's Response: We will comply with the regulations of Article 7, Section 14.</p>	<p>-0-</p>
<p>#2 Criteria: R.S. 38:2212 requires that all public works which exceed \$50,000 shall be advertised and let by contract to the lowest responsible bidder. The Senior Center renovation project exceeded \$50,000. The Council did not advertise for bids as required by R.S. 38:2212.</p> <p> Cause: Management was acting as the Council's own contractor in an effort to minimize costs. Management did not realize that this was a violation of R.S. 38:2212.</p> <p> Recommendation: The Council should comply with the requirements of R.S. 38:2212.</p>	<p>-0-</p>

(Continued)

BIENVILLE COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs (Continued)

June 30, 1997

Management's
Response: We will comply with the
requirements of R.S. 38:2212.

#3 Criteria: R.S. 33:2955 requires that
monies invested in financial
institutions shall not exceed
at any time the amount insured
by the FDIC unless the uninsured
portion is collateralized by the
pledge of securities. Deposits
in excess of \$100,000 must be
collateralized by pledges of
securities as provided for in
R.S. 39:1221. The Council had
deposits of \$3,310 in financial
institutions that were in
excess of FDIC insurance. No
securities were pledged to
collateralize these deposits. -0-

Cause: Management was not aware
that there were funds on
deposit that were not
collateralized.

Recommendation: All funds in excess of
FDIC insurance should be
collateralized by securities.

Management's
Response: We will advise our depository
banks to pledge securities to
collateralize Council deposits
in excess of FDIC insurance.

#4 Criteria: The Internal Revenue Service
requires that Form 1099 be
filed when contract labor
paid to an individual exceeds
\$600. The Council paid contract
labor in excess of \$600 and did
not file the required Form 1099s. -0-

(Continued)

BIENVILLE COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs (Continued)

June 30, 1997

Cause: Management was not aware that the Council was required to file Form 1099 for these individuals.

Recommendation: The Council should comply with Internal Revenue Service requirements for filing Form 1099.

Management's Response: We will comply with the Internal Revenue Service requirements for filing Form 1099.

#5 Criteria: The segregation of duties is inadequate to provide effective internal control. -0-

Cause: The condition is due to economic and space limitations.

Recommendation: No action is recommended.

Management's Response: We concur with the finding.

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Bienville Voluntary Council on Aging, Inc.
Arcadia, Louisiana

Compliance

I have audited the compliance of Bienville Voluntary 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, 1997. Bienville Voluntary Council on Aging, Inc.'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 requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Bienville Voluntary Council on Aging, Inc.'s management. My responsibility is to express an opinion on Bienville Voluntary Council on Aging, Inc.'s compliance based on my audit.

I conducted my 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 I 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 Bienville Voluntary Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Bienville Voluntary Council on Aging, Inc.'s compliance with those requirements.

In my opinion, Bienville Voluntary 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, 1997.

Internal Control Over Compliance

The management of Bienville Voluntary 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 my audit, I considered Bienville Voluntary Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

I noted a certain matter involving the internal control over compliance and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, could adversely affect Bienville Voluntary Council on Aging, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the schedule of findings and questioned costs as item # 5.

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. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe the reportable condition # 5 as described in the schedule of findings and questioned costs is a material weakness.

This report is intended for the information of management the Board of Directors, and applicable federal and state cognizant agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant
November 6, 1997