

Note 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Cash and cash equivalents consist of the following:

Cash	\$ 575
Interest bearing checking accounts	886,158
Saving accounts	4,455
Money market accounts	<u>3,100</u>
Total	<u>\$894,288</u>

Investments consist of certificates of deposit and were adequately secured at June 30, 1997.

Note 4 - CONTRACTS RECEIVABLE

Contracts receivable at June 30, 1997 consisted of reimbursements for expenses incurred under the following programs:

JTPA	\$ 5,689
Cash-in-Lieu of Commodities	36,675
Title III-B	36,074
Title III-D	1,333
Title III-F	<u>5,035</u>
Total	<u>\$84,806</u>

Note 5 - LEASEHOLD IMPROVEMENTS

Improvements made to the offices of the Jefferson Council on Aging, Inc. are being amortized on the straight-line method over the life of the lease (five years), and are included in operating services. For the year ended June 30, 1997, amortization expense totaled \$1,753. The original cost of the improvements totaled \$8,328.

Note 6 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, <u>1996</u>	<u>Additions</u>	<u>Retirements</u>	Balance June 30, <u>1997</u>
Furniture and equipment	\$225,512	\$9,333	\$31,651	\$203,194
Vans and auto	<u>158,340</u>	<u>-</u>	<u>8,239</u>	<u>150,101</u>
Totals	<u>\$383,852</u>	<u>\$9,333</u>	<u>\$39,890</u>	<u>\$353,295</u>

Note 7 - ADVANCES FROM AND REFUNDS DUE FUNDING AGENCIES

This account represents funds received which have not yet been distributed for the purposes designated. The gross revenues for the funds have been presented net of these advances. This account at June 30, 1997 consisted of \$16,922 relating to Title V.

Note 8 - FUND BALANCE RESERVED - ENDOWMENT

This represents funds that are subject to restrictions of the donor and/or board of directors requiring in perpetuity that the principal be invested and the income only be used.

Note 9 - COMMUNITY COMMITTEES ON AGING

The nine Community Committees on Aging within Jefferson Parish are chartered under the authority of the Jefferson Council on Aging, Inc. Primarily because of this, they are considered to be included in the reporting entity of Jefferson Council on Aging, Inc. Fund balances for these committees totaled \$230,689 and \$220,997 at June 30, 1997 and 1996, respectively. There is no General Fixed Asset Account Group presented for the Community Committees on Aging because it is not material.

Note 10 - IN-KIND CONTRIBUTIONS

The Jefferson Council on Aging, Inc. received in-kind contributions during the year in the nature of contributed facilities. Contributed facilities were recorded at the estimated rental value of the facilities and presented in this report as revenue. Related expenses, equal to the in-kind revenues, have also been presented, thereby producing no effect on excess of revenues over expenditures. Estimated rental value for the years ended June 30, 1997 and 1996 totaled \$551,704 and \$551,704, respectively.

Donated personal services of volunteers are recorded as revenues and expenditures at estimated fair values based upon valuation rates and job classifications developed by the Council. These donated personal services totaled \$485,070 for the year ended June 30, 1997. The Council also receives donated services in connection with the administration of the Senior Health Insurance Information Program (SHIIP). For the year ended June 30, 1997, the Council was unable to determine the value of these services and accordingly, are not included in the general-purpose financial statements. As discussed in Note 18 at July 1, 1996 the Council changed its policy regarding recording the value of donated personal services, therefore, there were no amounts recorded for personal services for the year ended June 30, 1996.

For the year ended June 30, 1997 in-kind revenues and expenditures were recorded by funds as follows:

	<u>Fair Value of Rent</u>	<u>Donated Services Volunteers</u>	<u>Totals</u>
Ombudsman	\$ -	\$ 44,920	\$ 44,920
Senior Center	397,914	375,150	773,064
Title III C-1	123,031	-	123,031
Title III C-2	<u>30,759</u>	<u>65,000</u>	<u>95,759</u>
Totals	<u>\$551,704</u>	<u>\$485,070</u>	<u>\$1,036,774</u>

In-kind contributions were not included in the program budgets for the year ended June 30, 1997. Because the amounts do not represent actual cash transactions, the comparison of budget to actual figures presented in Exhibit E are presented in such a way that the in-kind contributions do not affect the variances.

Note 11 - 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>	<u>Amount</u>
SHIIP	Local	\$ 4,526
Local	Fundraising	4,199
Transportation	Local	95,326
Local	Act 735	53,553
Local	Commodities	1,313
JTPA	Local	28,871
Ombudsman	Local	6,950
Senior Center	Local	3
Senior Center	Miscellaneous Programs	71,268
Heating Help	Local	1
Title III C-2	Miscellaneous Programs	103,500
Title III C - 1	Cash-in-lieu of commodities	67,978
Title III C - 2	Cash-in-lieu of commodities	38,068
Title III - B Administration	Local	6,853
Title III - B Supporting Services	Local	1,094
Title III - D Home Services	Local	95
Title III - F	Local	<u>169</u>
	Total	<u>\$483,767</u>

Note 12 - OPERATING LEASES

The Jefferson Council on Aging, Inc. leases its office space from the Jefferson Parish Council under a five-year lease with an option to renew for an additional five years. The monthly rent of \$5,153 is fixed for the five years of the lease and for the option period. The total rent expense paid under this lease for the year ended June 30, 1997 was \$61,830. As of June 30, 1997, the Council had eight months remaining on this lease with total payments of \$41,220. The Council has expressed its' intention to renew this lease for an additional five years by exercising the previously discussed option.

Note 13 - INCOME TAX STATUS

The Council, a nonprofit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Note 14 - GRANT TO JEFFERSON PARISH

As discussed in Note 2A, the Council received \$130,000 for the construction of a senior center facility. In June 1997, the Council entered into an agreement with Jefferson Parish (the Parish) in which the Council remitted \$130,000 to the Parish to be held in escrow until sufficient monies are accumulated to construct the new senior center facility. The Council also agreed to endeavor to acquire additional funds to allow for the construction of the new senior center facility. When sufficient funds are accumulated for construction of the new senior center facility the responsibility will be with the Parish to ensure that said senior center facility is built.

Note 15 - JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council at June 30, 1997.

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

Note 16 - FEDERALLY ASSISTED PROGRAMS

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

Note 16 - FEDERALLY ASSISTED PROGRAMS (Continued)

In accordance with the Single Audit Act Amendments of 1996 and the Office of Management and Budget Circular A-133, a schedule of expenditures of federal awards is presented.

Note 17 - 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 levels 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 18 - CHANGE IN ACCOUNTING POLICY

At July 1, 1996, the Council began recording the value of donated personal services of volunteers as discussed in Note 10. In prior years the Council did not have information available to value and record the donated personal services of volunteers. This change in accounting policy had no effect on the excess of revenues over expenditures for the year ended June 30, 1997 and 1996.

COMBINING BALANCE SHEET - GENERAL FUNDS

Jefferson Council on Aging, Inc.

June 30, 1997

	SHIIP	Fund Raising	Transportation	Local	Community Committees	PCOA (Act 735)	Total
Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 775,140	\$ 53,974	\$ -	\$ 829,114
Investments	-	-	-	51,800	176,715	-	228,515
Contracts receivable	-	-	-	84,806	-	-	84,806
Accounts receivable	-	-	-	6,231	-	-	6,231
Leasehold improvements (net of amortization of \$7,159)	-	-	-	1,169	-	-	1,169
Prepaid insurance	-	-	-	97	-	-	97
Total assets	\$ -	\$ -	\$ -	\$ 919,243	\$ 230,689	\$ -	\$1,149,932
Liabilities and Fund Equity							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 128,158	\$ -	\$ -	\$ 128,158
Accrued salaries	-	-	-	39,776	-	-	39,776
Accrued leave	-	-	-	11,879	-	-	11,879
Payroll taxes payable	-	-	-	3,696	-	-	3,696
Total liabilities	-	-	-	183,509	-	-	183,509
Fund Equity							
Fund balances							
Reserved	-	-	-	65,448	-	-	65,448
Unreserved:							
Designated	-	-	-	-	230,689	-	230,689
Undesignated	-	-	-	670,286	-	-	670,286
Total fund equity	-	-	-	735,734	230,689	-	966,423
Total liabilities and fund equity	\$ -	\$ -	\$ -	\$ 919,243	\$ 230,689	\$ -	\$1,149,932

**COMBINING STATEMENT OF PROGRAM REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUNDS**

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

	SHHP	Fund Raising	Transpor- tation	Local	Community Committees	PCOA (Act 735)	Total
Revenues							
Intergovernmental:							
Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,893	\$ 58,893
Local governments	-	-	-	259,577	-	-	259,577
Interest income	-	3,599	-	32,447	10,796	-	46,842
Public support:							
Client contributions	-	-	-	1,136	22,322	-	23,458
Donations	-	200	-	-	-	-	200
Donations to endowment fund	-	476	-	-	-	-	476
Miscellaneous:							
Program	-	-	64,995	-	-	-	64,995
Other	-	-	-	9,187	39,792	-	48,979
Total revenues	-	4,275	64,995	302,347	72,910	58,893	503,420
Expenditures							
Current:							
Salaries	71	-	56,331	55,317	-	823	112,542
Fringe	16	-	7,460	12,016	-	186	19,678
Travel	-	-	69	919	-	243	1,231
Operating services	4,102	76	81,255	12,180	27,268	3,123	128,004
Operating supplies	284	-	113	485	34,243	720	35,845
Other costs	53	-	15,093	18,062	-	245	33,453
Capital outlay	-	-	-	6,976	1,707	-	8,683
Total expenditures	4,526	76	160,321	105,955	63,218	5,340	339,436
Excess (Deficiency) of Revenues Over Expenditures	(4,526)	4,199	(95,326)	196,392	9,692	53,553	163,984
Other Financing Sources (Uses)							
Operating transfers in	4,526	-	95,326	59,065	-	-	158,917
Operating transfers out	-	(4,199)	-	(143,890)	-	(53,553)	(201,642)
Excess of Revenues and Other Sources Over Expenditures and Other Uses	-	-	-	111,567	9,692	-	121,259
Fund Balances							
Beginning of year	-	-	-	624,167	220,997	-	845,164
End of year	\$ -	\$ -	\$ -	\$ 735,734	\$ 230,689	\$ -	\$ 966,423

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
COMMUNITY COMMITTEES ON AGING**

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

	<u>Marrero</u>	<u>Gretna</u>	<u>Kenner</u>	<u>Grand Isle</u>	<u>Westwego</u>	<u>Metairie</u>	<u>Lafitte</u>	<u>7th Ward</u>	<u>Harahan</u>	<u>Total</u>
Revenues										
Interest income	\$ 1,057	\$ 170	\$ -	\$ 2	\$ 4,056	\$ 2,146	\$ -	\$ 2,274	\$ 1,091	\$ 10,796
Public support										
Client contributions	7,659	1,854	1,033	403	3,255	975	-	3,626	3,517	22,322
Miscellaneous										
Other	7,693	2,877	3,771	2,712	3,427	5,586	50	2,156	11,520	39,792
Total revenues	16,409	4,901	4,804	3,117	10,738	8,707	50	8,056	16,128	72,910
Expenditures										
Current:										
Operating services	5,858	1,772	140	1,349	2,518	1,926	-	3,158	10,547	27,268
Operating supplies	7,357	1,732	5,118	2,408	3,240	3,231	158	3,008	7,991	34,243
Capital outlay	-	-	-	-	1,707	-	-	-	-	1,707
Total expenditures	13,215	3,504	5,258	3,757	7,465	5,157	158	6,166	18,538	63,218
Excess (Deficiency) of										
Revenues Over Expenditures	3,194	1,397	(454)	(640)	3,273	3,550	(108)	1,890	(2,410)	9,692
Fund Balance										
Beginning of year	26,917	6,894	5,027	1,840	80,069	40,596	687	23,755	35,212	220,997
End of year	\$ 30,111	\$ 8,291	\$ 4,573	\$ 1,200	\$ 83,342	\$ 44,146	\$ 579	\$ 25,645	\$ 32,802	\$ 230,689



Cash-In-Lieu of Commodities	Audit Fund	Title III-B Area Agency Admin.	Title III-B Supportive Services	Title III C-1	Title III C-2	Title III-D In-Home Services	Title III-F	Title V	Total
\$ 144,902	\$ 9,389	\$ 71,573	\$ 396,574	\$ 151,288	\$ 321,102	\$ 7,993	\$ 24,346	\$ 211,819	\$1,929,287
-	-	-	-	-	-	-	-	-	12,362
-	-	-	-	-	-	-	-	-	39,208
-	-	-	-	-	-	-	-	-	187
-	-	-	-	-	-	-	-	-	77,205
-	-	-	1,055	28,292	66,027	30	-	-	95,401
-	-	-	-	-	4,940	-	-	-	4,940
-	-	-	-	123,031	95,759	-	-	-	1,036,774
144,902	9,389	71,573	397,629	302,611	487,828	8,023	24,346	211,819	3,195,367
-	-	40,667	88,824	68,462	70,788	-	36	172,306	692,519
-	-	8,999	17,270	10,103	10,487	-	8	16,959	111,724
-	-	-	-	133,136	370,340	-	-	-	503,476
-	-	95	4,499	511	43,261	-	41	523	53,380
-	9,389	15,928	21,002	13,409	13,087	-	21	11,185	149,510
-	-	651	2,406	2,336	5,017	-	-	872	14,023
-	-	12,086	264,722	19,601	20,657	8,118	24,409	9,974	429,785
-	-	-	-	-	-	-	-	-	130,000
-	-	-	-	-	-	-	-	-	650
-	-	-	-	-	-	-	-	-	81,844
-	-	-	-	123,031	95,759	-	-	-	1,036,774
-	9,389	78,426	398,723	370,589	629,396	8,118	24,515	211,819	3,203,685
144,902	-	(6,853)	(1,094)	(67,978)	(141,568)	(95)	(169)	-	(8,318)
-	-	6,853	1,094	67,978	141,568	95	169	-	324,850
(106,044)	-	-	-	-	-	-	-	-	(282,125)
38,858	-	-	-	-	-	-	-	-	34,407
9,117	-	-	-	-	-	-	-	-	13,845
\$ 47,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,252

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Financial Report

Jefferson Council on Aging, Inc.

Metairie, Louisiana

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 **NOV 05 1997**

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TABLE OF CONTENTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Jefferson Council on Aging, Inc.

June 30, 1997

	<u>Exhibits</u>	<u>Page</u>
Independent Auditor's Report		1 - 2
General-Purpose Financial Statements		
Combined Balance Sheet - All Fund Types and Account Group	A	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	B	4
Combined Statement of Changes in Fund Balances	C	5
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General Fund Type	D	6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Special Revenue Fund Type	E	7
Notes to Financial Statements	F	8 - 23

TABLE OF CONTENTS (Continued)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Jefferson Council on Aging, Inc.

June 30, 1997

	<u>Schedules</u>	<u>Page</u>
Supplementary Financial Information		
Combining Balance Sheet - General Funds	1	24
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances - General Funds	2	25
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Community Committees on Aging	3	26
Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds	4	27 - 28
Statement of Expenditures - Budget and Actual - General Funds	5	29 - 30
Statement of Expenditures - Budget and Actual - Special Revenue Funds	6	31 - 34
Comparative Statement of General Fixed Assets and Changes in General Fixed Assets	7	35
Compensation To Board Members	8	36
Findings and Questioned Costs	9	37
Summary Schedule of Prior Audit Findings	10	38 - 39
Exit Conference	11	40

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND
ACTUAL - SPECIAL REVENUE FUND TYPE**

Jefferson Council On Aging, Inc.

For the year ended June 30, 1997

	Budget	Actual	Variance- Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 2,066,363	\$ 1,980,857	\$ (85,506)
Interest income	200	187	(13)
Public support	166,786	172,609	5,823
Miscellaneous	4,940	4,940	-
In-kind contributions	1,036,774	1,036,774	-
Total revenues	3,275,063	3,195,367	(79,696)
Expenditures			
Current:			
Salaries	759,868	692,519	67,349
Fringe	113,518	111,724	1,794
Meals	504,689	503,476	1,213
Travel	58,820	53,380	5,440
Operating services	187,276	149,510	37,766
Operating supplies	9,991	14,023	(4,032)
Other cost	420,036	429,785	(9,749)
Grant to Jefferson Parish	130,000	130,000	-
Capital outlay	20,000	650	19,350
Utility assistance	85,928	81,844	4,084
In-kind contributions	1,036,774	1,036,774	-
Total expenditures	3,326,900	3,203,685	123,215
Deficiency of Revenues Over Expenditures	(51,837)	(8,318)	43,519
Other Financing Sources			
Transfers for cost absorbed by JCOA operating transfers in	49,652	42,725	(6,927)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	\$ (2,185)	34,407	\$ 36,592
Fund Balances			
Beginning of year		13,845	
End of year		\$ 48,252	

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Jefferson Council On Aging, Inc.**

June 30, 1997

Note 1 - BACKGROUND OF ORGANIZATION

The Jefferson Council On Aging, Inc. is a quasi-public, nonprofit organization incorporated in the State of Louisiana on September 10, 1971.

The purpose of the Council shall be to serve the senior citizens of the Parish of Jefferson, such as to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health and other conditions affecting the aging people in the Parish; to keep abreast of the latest developments in these fields of activity throughout the Parish, the State and Nation; to conduct public meetings; to make recommendations to proper authorities for needed improvements and additional resources to promote the well being of aging people; to implement the recommendations, and to assist and cooperate with Departments of the State, Parish and Municipal governments and with other organizations serving the aging people; to develop, implement and provide services and programs for the aging to be conducted within the Parish; to administer, conduct and provide services, activities, programs, and financing for the above stipulated purposes.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The financial statements of the Jefferson Council On Aging, Inc. have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. These statements have also incorporated any applicable requirements set forth by OMB Circular A-133, Audits of States Local Governmental Units and Non-Profit Organizations and the industry audit guide issued by the American Institute of Certified Public Accountants. The more significant of the Council's accounting policies are described below.

A. Fund Accounting

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

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the Council are classified as governmental funds. Governmental funds account for the Council's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term debt. The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

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

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.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

The following programs comprise the Council's General Fund:

SHIIP - (Senior Health Insurance Information Program) - This fund is used to account for the expenditures associated with the Council's sponsorship of the SHIIP.

Fund Raising - This fund is used to account for the fund raising efforts of the Council.

Transportation - These are funds used to operate the transportation program which provides nutrition and social rides to program participants. The deficits incurred in this program are absorbed by the Council's discretionary funds.

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

Community Committees - Community Committee funds are the funds of the nine Community Committees on Aging as described in Note 9. These funds are general funds designated for the Community Committees on Aging. These funds were generated by the Community Committees on Aging.

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

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

JTPA Fund - This Fund is used to account for the payment and reimbursement of expenses incurred in the operation of the Job Training Partnership Act. Included in these expenses are reimbursements of salaries paid by employers for program participants whose salaries are being supplemented by funds provided through this act.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

Ombudsman - Ombudsman 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. This program provides advocacy services for nursing home residents.

Senior Center Fund - Senior Center Funds are appropriated by the Louisiana Legislator 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.

Utility Assistance Fund (Helping Hands and Heating Help) - 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 Jefferson Parish to the Council so that it can provide assistance to the elderly and disabled for the payment of their utility bills.

Miscellaneous Programs - The Miscellaneous Programs Fund is used to account for the administration and expenditure of funds provided by the State of Louisiana to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. For the year ended June 30, 1997, these funds included \$130,000 for the construction of a senior center facility, \$103,500 for Title III C-2 home delivered meals and \$71,268 for senior center funding. There was no miscellaneous program funding for the year ended June 30, 1996.

U.S.D.A. Fund (Cash-in-Lieu of Commodities) - 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 to 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

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

U.S.D.A. Fund (Cash-in-Lieu of Commodities) (Continued) - that United States food and commodities may be purchased to supplement these programs.

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.

Title III-B Administration Fund - The Title III-B Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-B administration 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 pay for administrative costs associated with the Title III and Senior Center programs.

Title III-B Supportive Services Fund - Title III-B 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. This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.

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 to 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 homebound older persons.

Note 2 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

A. Fund Accounting (Continued)

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 to the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III-F Fund - The Title III-F Fund is used to account for the funds which are used to provide disease prevention and health promotion services to the elderly of Jefferson Parish.

Title V - This fund is used to account for the payment and reimbursement of expenses incurred in the operation of the Title V program. Included in these expenses are salaries paid for program participants whose salaries are being supplemented by funds provided through this program.

B. Account Groups

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "fund":

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

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

D. Combination

The combined financial statements include the accounts of the Jefferson Council on Aging, Inc. and the nine Community Committees on Aging within Jefferson Parish. See Note 9.

E. 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.

F. Investments

Investments are stated at cost.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property and Equipment

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The basis of valuation for assets acquired prior to July 1, 1980 consist of \$19,411 at cost and \$11,350 at an estimated value. Assets acquired after June 30, 1980 are maintained on a basis of original cost except for donated assets in the amount of \$500, which are recorded at estimated market value. No depreciation is computed or recorded thereon.

H. 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. The Council has not eliminated "due from" and "due to" balances on its June 30, 1997 financial statements, if applicable.

I. Funding Policies

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 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. Jefferson Parish Council and other local governments also provided funds to the Council. JTPA funds were provided to reimburse the Council for payroll expenses incurred by employers participating in this program. Utility assistance funds are also provided by the Louisiana Association of Councils on Aging to the Council under the Helping Hands and Heating Help programs.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Total Columns of Combined Statements - Overview

Total columns of 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.

K. Comparative Data

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

L. Related Party Transactions

There were no related party transactions during the fiscal year.

M. Annual and Sick Leave

For governmental fund types, all of the Council's liability for accumulated unpaid vacation has been recorded in the general fund because the Council expects to liquidate the liability with expendable available resources. The Council's sick leave policy does not provide for the vesting of sick leave.

N. Budget Policy

Budgets for the various programs are prepared by the Council's Administrative Director and approved by the Council's Board of Directors and the grantor of the funds for each respective program. Appropriations from the Governor's Office of Elderly Affairs lapse at year end (June 30). The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Budget Policy (Continued)

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 contracts from this agency.

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

Budgets for the general funds are prepared by the Finance Director and are approved by the Council's Board of Directors.

Community Committee revenues and expenditures are not budgeted. In the general-purpose financial statements, the budget for this program was set equal to actual as to not distort variances.

Note 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS

State statutes authorize the Council to invest in United States bonds, treasury notes, or certificates, 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 is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. The Council, however, has obtained collateralization for cash at financial institutions which is in excess of the FDIC insurance.

At June 30, 1997, the carrying amount of the Council's cash and cash equivalents were \$894,288 and the bank balances were \$901,462. All bank balances were covered by federal depository insurance or by collateral held by the Council's agent in the Council's name.

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUNDS**

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
SHIIP			
Salaries	\$ 51	\$ 71	\$ (20)
Fringe	12	16	(4)
Operating services	4,119	4,102	17
Operating supplies	298	284	14
Other cost	48	53	(5)
	<u>4,528</u>	<u>4,526</u>	2
Fund Raising			
Operating services	70	76	(6)
Transportation			
Salaries	56,220	56,331	(111)
Fringe	8,047	7,460	587
Travel	120	69	51
Operating services	80,544	81,255	(711)
Operating supplies	150	113	37
Other cost	16,040	15,093	947
	<u>161,121</u>	<u>160,321</u>	800
Local			
Salaries	44,099	55,317	(11,218)
Fringe	10,113	12,016	(1,903)
Travel	606	919	(313)
Operating services	11,167	12,180	(1,013)
Operating supplies	1,079	485	594
Other cost	15,715	18,062	(2,347)
Capital outlay	-	6,976	(6,976)
	<u>82,779</u>	<u>105,955</u>	(23,176)

**Schedule 5
(Continued)**

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	Variance - Favorable (Unfavorable)
Community Committees			
Operating services	27,268	27,268	-
Operating supplies	34,243	34,243	-
In-kind contributions	1,707	1,707	-
	<u>63,218</u>	<u>63,218</u>	-
PCOA - (Act 735)			
Salaries	825	823	2
Fringe	195	186	9
Travel	1,624	243	1,381
Operating services	2,417	3,123	(706)
Operating supplies	600	720	(120)
Other cost	261	245	16
	<u>5,922</u>	<u>5,340</u>	582
Totals	<u>\$ 317,638</u>	<u>\$ 339,436</u>	\$ (21,798)

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUNDS**

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance - Favorable (Unfavorable)</u>
JTPA			
Salaries	\$ 57,996	\$ 33,046	\$ 24,950
Fringe	7,935	5,706	2,229
Travel	4,949	891	4,058
Operating services	32,184	11,305	20,879
Operating supplies	1,180	915	265
Other cost	16,541	15,566	975
Capital outlay	20,000	650	19,350
	<u>140,785</u>	<u>68,079</u>	<u>72,706</u>
Ombudsman			
Salaries	18,236	19,832	(1,596)
Fringe	4,145	4,465	(320)
Travel	1,613	2,279	(666)
Operating services	3,419	3,230	189
Operating supplies	220	361	(141)
Other cost	5,372	5,975	(603)
In-kind contributions	44,920	44,920	-
	<u>77,925</u>	<u>81,062</u>	<u>(3,137)</u>
Senior Center			
Salaries	197,600	195,146	2,454
Fringe	34,787	36,977	(2,190)
Travel	1,781	1,253	528
Operating services	45,679	45,393	286
Operating supplies	593	1,179	(586)
Other cost	47,613	47,664	(51)
In-kind contributions	773,064	773,064	-
	<u>1,101,117</u>	<u>1,100,676</u>	<u>441</u>

**Schedule 6
(Continued)**

	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	Variance - Favorable (Unfavorable)
Helping Hands			
Utility assistance	57,828	52,740	5,088
Heating Help			
Utilities assistance	28,100	29,104	(1,004)
Commodities			
Salaries	3,718	3,412	306
Fringe	858	750	108
Travel	39	27	12
Operating services	5,386	5,561	(175)
Operating supplies	307	286	21
Other cost	1,174	1,013	161
	<u>11,482</u>	<u>11,049</u>	433
Miscellaneous Programs			
Grant to Jefferson Parish	130,000	130,000	-
Audit Fund			
Operating services	9,389	9,389	-
Title III B - Area Agency Administration			
Salaries	42,831	40,667	2,164
Fringe	7,505	8,999	(1,494)
Travel	200	95	105
Operating services	16,759	15,928	831
Operating supplies	544	651	(107)
Other cost	12,081	12,086	(5)
	<u>79,920</u>	<u>78,426</u>	1,494

**Schedule 6
(Continued)**

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
Title III B -			
Supportive Services			
Salaries	94,002	88,824	5,178
Fringe	17,641	17,270	371
Travel	3,655	4,499	(844)
Operating services	22,944	21,002	1,942
Operating supplies	2,408	2,406	2
Other cost	256,329	264,722	(8,393)
	396,979	398,723	(1,744)
Title III C-1			
Salaries	68,016	68,462	(446)
Fringe	10,354	10,103	251
Meals:			
Raw food	74,000	73,684	316
Labor and non-edibles	60,213	59,452	761
Travel	772	511	261
Operating services	16,471	13,409	3,062
Operating supplies	1,930	2,336	(406)
Other cost	18,808	19,601	(793)
In-kind contributions	123,031	123,031	-
	373,595	370,589	3,006
Title III C-2			
Salaries	68,091	70,788	(2,697)
Fringe	10,716	10,487	229
Meals:			
Raw food	201,700	201,438	262
Labor and non-edibles	168,776	168,902	(126)
Travel	40,915	43,261	(2,346)
Operating services	16,954	13,087	3,867
Operating supplies	2,169	5,017	(2,848)
Other cost	18,913	20,657	(1,744)
In-kind contributions	95,759	95,759	-
	623,993	629,396	(5,403)

**Schedule 6
(Continued)**

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
Title III-D In-Home Services			
Other cost	7,993	8,118	(125)
Title III-F			
Salaries	-	36	(36)
Fringe	-	8	(8)
Travel	-	41	(41)
Operating services	-	21	(21)
Other cost	24,346	24,409	(63)
	24,346	24,515	(169)
Title V			
Salaries	209,378	172,306	37,072
Fringe	19,577	16,959	2,618
Travel	4,896	523	4,373
Operating services	16,691	11,185	5,506
Operating supplies	640	872	(232)
Other cost	12,266	9,974	2,292
	263,448	211,819	51,629
Totals	\$3,326,900	\$3,203,685	\$ 123,215

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

Jefferson Council On Aging, Inc.

For the years ended June 30, 1997 and 1996

	Balance July 1, 1996	Additions	Deletions	Balance June 30, 1997
General Fixed Assets, at Cost or Estimated Value				
Furniture and equipment	\$ 225,512	\$ 9,333	\$ 31,651	\$ 203,194
Vans and auto	158,340	-	8,239	150,101
 Total general fixed assets	 \$ 383,852	 \$ 9,333	 \$ 39,890	 \$ 353,295
 Investment in General Fixed Assets				
Property acquired prior to 7/1/80 *	\$ 30,761	\$ -	\$ -	\$ 30,761
 Property acquired after 7/1/80 from -				
General Fund	181,230	1,707	31,651	151,286
JTPA	5,254	650	-	5,904
Title III B-SS	3,457	-	-	3,457
Senior Center	3,991	-	-	3,991
Act 735	2,248	-	-	2,248
Title III-F	3,786	-	-	3,786
Title V	123	-	-	123
Local Funds	153,002	6,976	8,239	151,739
 Total investment in general fixed assets	 \$ 383,852	 \$ 9,333	 \$ 39,890	 \$ 353,295

* Records reflecting source from which assets were acquired were not maintained prior to 7/1/80.

COMPENSATION TO BOARD MEMBERS

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

No members of the Board of Directors of Jefferson Council on Aging, Inc. received compensation for their services during the year ended June 30, 1997.

FINDINGS AND QUESTIONED COSTS**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1997

A. Summary of Audit Results

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

Title III B - Supporting Services	93.044
Title III B - Area Aging Administration	93.044
Ombudsman	93.044
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Jefferson Council on Aging, Inc. was determined to be a low-risk auditee.

B. Findings - Financial Statement Audit

There were no findings disclosed during the audit of the general-purpose financial statements.

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

There were no findings or questioned cost disclosed during the year.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

Department of Health and Human Services

1996 Finding No. 1: Title III B Administration

Condition: Documentation for the updating of one participant's needs assessment form could not be located.

Recommendation: All participants should be reassessed annually and this process documented in the files.

Current Status: The recommendation was adopted in October 1996. No similar findings were noted in the 1997 audit.

1996 Finding No. 2: Title III C-1 and C-2

Condition: Documentation for the updating of one participant's doctor certificate could not be located.

Recommendation: All participant's doctor certificates should be updated annually.

Current Status: The recommendation was adopted in October 1996. No similar findings were noted in the 1997 audit.

Department of Labor

1996 Finding No. 3: Title V

Condition: Payroll expenditure allocation percentages were incorrectly applied to the program causing \$425 less being charged to the program.

Recommendation: All allocation percentages being used should be reviewed to determine that the proper percentages are being applied.

Current Status: For the year ended June 30, 1997, the Council began charging salaries directly to programs in which employees worked as documented by their time sheets. No similar findings, were noted in the 1997 audit.

TABLE OF CONTENTS (Continued)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Jefferson Council on Aging, Inc.

June 30, 1997

	<u>Page</u>
Single Audit Section	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General-Purpose Financial Statements Performed in Accordance with Government Auditing Standards	41 - 42
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	43 - 44
Schedule of Expenditures of Federal Awards	45
Notes to Schedule of Expenditures of Federal Awards	46



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

The Members of the Board of Directors,
Jefferson Council on Aging, Inc.

We have audited the accompanying general-purpose financial statements of the Jefferson Council on Aging, Inc. (the Council) as of and for the year ended June 30, 1997 as listed in the table of contents. These general-purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson 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, we have also issued our report dated August 5, 1997 on our consideration of Jefferson Council on Aging Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of Jefferson Council on Aging, Inc. taken as a whole. The accompanying schedules as listed in the table of contents including the combining and individual fund and account group financial statements, and schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

As discussed in Note 18 to the financial statements, the Council changed its policy for accounting and reporting on donated personal services of volunteers.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Metairie, La.,
August 5, 1997.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP

Jefferson Council on Aging, Inc.

June 30, 1997

With comparative totals at June 30, 1996

	Governmental Fund Types		Account Group	Totals	
	General	Special Revenue	General Fixed Assets	(Memorandum Only) 1997	1996
Assets					
Cash and cash equivalents	\$ 829,114	\$ 65,174	\$ -	\$ 894,288	\$ 728,047
Investments	228,515	-	-	228,515	216,799
Contracts receivable	84,806	-	-	84,806	45,815
Accounts receivable	6,231	-	-	6,231	4,875
Fixed assets	-	-	353,295	353,295	383,852
Leasehold improvements (net of amortization of \$7,159)	1,169	-	-	1,169	2,922
Prepaid insurance	97	-	-	97	1,369
Total assets	\$ 1,149,932	\$ 65,174	\$ 353,295	\$ 1,568,401	\$ 1,383,679
Liabilities and Fund Equity					
Liabilities					
Accounts payable	\$ 128,158	\$ -		\$ 128,158	\$ 81,528
Accrued salaries	39,776	-		39,776	35,174
Accrued annual leave	11,879	-		11,879	11,178
Payroll taxes payable	3,696	-		3,696	1,506
Advances from and refunds due funding sources	-	16,922		16,922	11,432
Total liabilities	183,509	16,922		200,431	140,818
Fund Equity					
Investment in general fixed assets	-	-	\$ 353,295	353,295	383,852
Fund balances:					
Reserved	65,448	48,252		113,700	78,318
Unreserved:					
Designated - Community Committees on Aging	230,689	-	-	230,689	220,997
Undesignated	670,286	-	-	670,286	559,694
Total fund balances	966,423	48,252	-	1,014,675	859,009
Total fund equity	966,423	48,252	353,295	1,367,970	1,242,861
Total liabilities and fund equity	\$ 1,149,932	\$ 65,174	\$ 353,295	\$ 1,568,401	\$ 1,383,679

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES**

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997
With comparative totals for the year ended June 30, 1996

	General	Special Revenue	Totals (Memorandum Only)	
			1997	1996
Revenues				
Intergovernmental	\$ 318,470	\$1,980,857	\$2,299,327	\$2,038,456
Interest income	46,842	187	47,029	21,685
Public support	24,134	172,609	196,743	210,217
Miscellaneous	113,974	4,940	118,914	124,563
In-kind contributions	-	1,036,774	1,036,774	551,704
Total revenues	503,420	3,195,367	3,698,787	2,946,625
Expenditures				
Current:				
Salaries	112,542	692,519	805,061	818,772
Fringe	19,678	111,724	131,402	129,014
Meals	-	503,476	503,476	477,216
Travel	1,231	53,380	54,611	48,161
Operating services	128,004	149,510	277,514	293,745
Operating supplies	35,845	14,023	49,868	44,479
Other costs	33,453	429,785	463,238	421,050
Grant to Jefferson Parish	-	130,000	130,000	-
Capital outlay	8,683	650	9,333	12,226
Utility assistance	-	81,844	81,844	98,757
In-kind contributions	-	1,036,774	1,036,774	551,704
Total expenditures	339,436	3,203,685	3,543,121	2,895,124
Excess (Deficiency) of Revenues Over Expenditures	163,984	(8,318)	155,666	51,501
Other Financing Sources (Uses)				
Transfers for cost absorbed by JCOA:				
Operating transfers in	158,917	324,850	483,767	384,818
Operating transfers out	(201,642)	(282,125)	(483,767)	(384,818)
Excess of Revenues and Other Sources Over Expenditures and Other Uses	121,259	34,407	155,666	51,501
Fund Balances				
Beginning of year	845,164	13,845	859,009	807,508
End of year	\$ 966,423	\$ 48,252	\$1,014,675	\$ 859,009

See notes to financial statements.

COMBINED STATEMENT OF CHANGES IN FUND BALANCES

Jefferson Council On Aging, Inc.

For the year ended June 30, 1997

	General Fund					Special Revenue Funds Reserved	Total All Funds
	Reserved	Unreserved		Total			
	Noncurrent Assets	Endowment	Total Reserved	Designated - Community Committees	Undesignated		
July 1, 1996	\$ 4,291	\$ 60,182	\$ 64,473	\$ 220,997	\$ 559,694	\$ 845,164	\$ 859,009
Excess of revenues and other sources over expenditures and other uses	-	-	-	9,692	111,567	121,259	155,666
Increase (decrease) of reserves for nonmonetary assets	(3,025)	-	(3,025)	-	3,025	-	-
Increase (decrease) of reserves for endowment	-	4,000	4,000	-	(4,000)	-	-
June 30, 1997	\$ 1,266	\$ 64,182	\$ 65,448	\$ 230,689	\$ 670,286	\$ 966,423	\$ 1,014,675

See notes to financial statements.

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

Jefferson Council On Aging, Inc.

For the year ended June 30, 1997

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 318,470	\$ 318,470	\$ -
Interest income	42,256	46,842	4,586
Public support	27,856	24,134	(3,722)
Miscellaneous	112,552	113,974	1,422
Total revenues	<u>501,134</u>	<u>503,420</u>	2,286
Expenditures			
Current:			
Salaries	101,195	112,542	(11,347)
Fringe	18,367	19,678	(1,311)
Travel	2,350	1,231	1,119
Operating services	125,585	128,004	(2,419)
Operating supplies	36,370	35,845	525
Other cost	32,064	33,453	(1,389)
Capital outlay	1,707	8,683	(6,976)
Total expenditures	<u>317,638</u>	<u>339,436</u>	(21,798)
Excess of Revenues Over Expenditures	183,496	163,984	(19,512)
Other Financing Uses			
Net transfers for cost absorbed by JCOA operating transfers out	<u>(49,652)</u>	<u>(42,725)</u>	6,927
Excess of Revenues Over Expenditures and Other Uses	<u>\$ 133,844</u>	121,259	<u>\$ (12,585)</u>
Fund Balances			
Beginning of year		<u>845,164</u>	
End of year		<u>\$ 966,423</u>	
See notes to financial statements.			

EXIT CONFERENCE

Jefferson Council on Aging, Inc.

For the year ended June 30, 1997

On September 25, 1997, Warren Hogan and Tim Legendre from Bourgeois Bennett, L.L.C., Certified Public Accountants, met with Robert E. Pearson, Administrative Director, Frank Forte, Finance Director, Victor Baker, Treasurer and finance committee members Evelyn Hebert, Joseph Carroll, Gerry Gelpi and Chris Ullo.

The current year's financial report was presented and various items contained within the report were discussed in detail. The management letter dated August 5, 1997 was also discussed.

The Council was asked to review the information in the Findings and Questioned Costs (Schedule 9).



Bourgeois Bennett

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

To the Members of the Board of Directors,
Jefferson Council on Aging, Inc.

We have audited the general-purpose financial statements of the Jefferson Council on Aging, Inc. (the Council), as of and for the year ended June 30, 1997, and have issued our report thereon dated August 5, 1997. 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 Council's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of 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 Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. 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 general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Metairie, La.,
August 5, 1997.



Bourgeois Bennett

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Members of the Board of Directors,
Jefferson Council on Aging, Inc.

Compliance

We have audited the compliance of the Jefferson Council on Aging, Inc. (the Council), 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. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

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

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Metairie, La.,
August 5, 1997.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Jefferson Council On Aging, Inc.

For the year ended June 30, 1997

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through, Grantors' Number	Federal Expenditure
Department of Labor:			
Passed Through the Louisiana Department of Labor			
JTPA Title II	17.250	111-96-03-175-3132-20	\$ 39,208
Passed Through the Louisiana Governor's Office of Elderly Affairs:			
Title V	17.235	133-70072	191,761
Total Dept. of Labor			230,969
Department of Agriculture			
Direct Programs:			
USDA (Commodities)	10.550	N/A	12,362
Passed Through the Louisiana Governor's Office of Elderly Affairs:			
USDA (cash-in-Lieu)	10.570	133-510906	96,927
USDA (cash-in-Lieu)	10.570	133-6094	9,117
			106,044
Total Dept. of Agriculture			118,406
Department of Health and Human Services:			
Passed Through the Louisiana Governor's Office of Elderly Affairs:			
Title III B - Support Services	93.044	133-700125	258,942
Title III B - Area Agency Admin. Ombudsman	93.044	133-700125	53,680
Title III C-1 - Congregate Meals	93.044	133-700125	24,819
Title III C-2 - Home Delivered Meals	93.045	133-700125	138,553
Title III C-2 - Home Delivered Meals	93.045	133-700125	76,282
Title III D - In Home Services	93.046	133-700125	6,794
Title III F - Disease Prevention and Health Promotion	93.046	133-700125	24,346
Total Dept. of Health and Human Services			583,416
Total			\$ 932,791

**NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

Jefferson Council on Aging, Inc.

June 30, 1997

Note 1 - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133, SINGLE AUDIT ACT AMENDMENTS OF 1996

All Federal grant awards of the Jefferson Council on Aging, Inc. are included in the scope of the OMB Circular A-133, Single Audit Act Amendments of 1996. The United States Department of Health and Human Services is the oversight agency for the single audit.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting.



Bourgeois Bennett

RECEIVED
LEGISLATIVE AUDITOR
97 OCT 21 AM 10:57

August 5, 1997

To the Members of the Board of Directors
Jefferson Council on Aging, Inc.

In fulfilling our responsibility as auditors for the Jefferson Council on Aging, Inc. (the Council) for the year ended June 30, 1997, we are required to communicate to the oversight body certain matters related to the conduct of our audit.

For the council, this oversight body is the Board of Directors. We offer the following information to you.

1. Auditor's Responsibility Under Generally Accepted Auditing Standards and Government Auditing Standards

Our audit was conducted 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 which require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatements.

As required, a separate letter has been issued on compliance and on internal control over financial reporting.

We have complied with the requirements of the Single Audit Act Amendments of 1996 and OMB Circular A-133.

2. Significant Accounting Policies

Significant accounting policies are described in Note 2 to the general purpose financial statements. For the year ended June 30, 1997, the Council began recording and reporting the value of donated personal services of volunteers. In prior years the Council did not have information available to value and record the donated personal services of volunteers. No other new accounting policies were adopted nor were any required to be adopted for the year ended June 30, 1997.

To the Members of the Board of Directors
Jefferson Council on Aging, Inc.
August 5, 1997
Page 2

3. Accounting Estimates

Accounting estimates based on management's judgment are an integral part of financial statements. The most significant estimate in the Council's financial statements related to the collection of contracts receivable. We concluded that this estimate is reasonable.

4. Significant Audit Adjustments

There were four audit adjustments made for the year ended June 30, 1997. All were considered to be accounting adjustments and reclassification entries.

5. Other Matters

The management and staff were very cooperative during our audit; they responded to our questions and assisted us as requested. We had no disagreements with them concerning the scope of our audit, the accounting treatment of any of the Council's transactions, or disclosures required in the general-purpose financial statements. Nothing came to our attention indicating that management had consulted with any other accountants about auditing or accounting matters.

Recommendations

Community Committee Fixed Assets

For the year ended June 30, 1997, the Council failed to properly update its fixed assets listing for fixed assets acquired by the community committees. It is our understanding that the Council began recording the fixed assets purchased by community committees in the general fixed asset account group of the Council in 1995. Due to the insignificance of these amounts the Council should determine if this policy should be changed to not recording these amounts in the general fixed asset account group of the Council.

To the Members of the Board of Directors
Jefferson Council on Aging, Inc.
August 5, 1997
Page 3

This report is intended for the information of the finance committee, use of the Board of Directors of the Jefferson Council on Aging, Inc., the Council's management, and others within the organization and should not be used for any other purpose.

We appreciate the cooperation and assistance given to us during our audit. We will be pleased to answer any questions you may have.

Sincerely,

A handwritten signature in cursive script, appearing to read "Warren Hagan". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

For the Firm.

WRH/df

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