

1124

OFFICIAL
FILE COPY

DO NOT SEND OUT

Keep necessary
copies from this
copy and PLACE
BACK IN FILE

BARING COUNCIL ON AGING, INC.
BAYT, LOUISIANA

AUDIT REPORT OF ALL FUNDS
YEAR ENDED
JUNE 30, 1987

ROLAND B. KRUMHAR
CERTIFIED PUBLIC ACCOUNTANT
ALEXANDRIA, LOUISIANA

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

Release Date MAR 24 1988

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS-OVERVIEW):	
Combined Balance Sheet - All Fund Types and Account Group	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Special Revenue Fund Type	5
Notes to Financial Statements	6
Schedule 1 - Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances - General Fund	21
Schedule 2 - Combining Statement of Program Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds	22
Schedule 3 - Statement of Expenditures - Budget and Actual	24
Schedule 4 - Comparative Statement of General Fixed Assets	28
Schedule 5 - Compensation to Board Members	29
Schedule 6 - Questioned Costs	30
Single Audit Section	32
Independent Auditor's Report on Internal Control Structure Based on Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	33
Independent Auditor's Report on the Internal Control Structure Used in Administering Federal Award Programs	35
Independent Auditor's Report on Compliance with Laws and Regulations Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	38

TABLE OF CONTENTS
(Continued)

	PAGE
Independent Auditor's Report on Compliance with the General Requirements Applicable to Federal Awards Programs	39
Independent Auditor's Report on Compliance with Specific Requirements Applicable to Nonmajor Program Transactions	40
Independent Auditor's Report on Schedule of Federal Awards	41
Schedule of Federal Financial Assistance	42



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
Post Office Box 10508 Alexandria, LA 71315

INDEPENDENT AUDITOR'S REPORT

November 24, 1997

To the Board of Directors
Sabine Council on Aging, Inc.
Bary, Louisiana

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

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Office of Management and Budget (OMB) Circular A-133, "Standards 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 financial statements are free of material misstatements. 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 the Sabine 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.

My audit was made for the purpose of forming an opinion on the general purpose financial statements of the Sabine Council on Aging, Inc. taken as a whole. The accompanying combining, and account group financial statements and schedules listed in the table of contents 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 my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



Roland D. Krosshaer
Certified Public Accountant

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

Baton Rouge Council on Aging, INC.
Baton Rouge, Louisiana
Fund No. 1987

With comparative totals for the year ended June 30, 1996

ASSETS	GOVERNMENTAL FUND TYPES		ACCOUNT GROUPS		TOTALS	
	GENERAL	SPECIAL	GENERAL	GENERAL	LONG-TERM DEBT	TOTALS
			LONG-TERM DEBT	OTHER ASSETS		
Cash	\$ 1,513	\$ -	\$ -	\$ -	\$ 1,513	\$ 1,513
Accounts receivable	-	-	-	-	-	422
Interest receivable	8,528	488	-	-	9,016	11,608
CONTRACTS RECEIVABLE	-	8,528	-	-	8,528	12,872
Furniture and equipment	-	-	-	148,977	148,977	148,803
Prepaid expenses	4,564	-	-	-	4,564	3,937
Amount to be provided by retirement of General Long-Term Debt	-	-	8,247	-	8,247	4,787
Amount to be provided by Capital Issues	-	-	4,288	-	4,288	-
Total assets	138,634	\$ 9,047	12,485	148,977	\$208,109	\$198,488
LIABILITIES						
Accounts payable	\$ 1,311	\$ -	\$ -	\$ -	\$ 1,311	\$ 2,145
Gift overdraft	-	-	-	-	-	8,782
NOTE payable	18,135	-	-	-	18,135	-
Interest payable	488	8,528	-	-	9,016	11,608
Deferred revenue	-	-	-	-	-	8,282
Compressed accounts	-	-	3,247	-	3,247	4,703
Capital Issues	-	-	8,288	-	8,288	-
Total liabilities	\$11,834	\$ 8,528	11,535	\$ -	\$ 28,645	\$ 28,818
FUND EQUITY						
Fund Equity:						
Fund balances:						
Unrestricted:						
Designated	\$ 2,880	\$ 488	\$ -	\$ -	\$ 3,368	\$ 5,334
Governmental in general fund assets	-	-	-	148,977	148,977	148,803
Total fund equity	\$ 2,880	\$ 488	\$ -	\$148,977	\$152,365	\$168,337
Total liabilities and fund equity	\$14,634	\$ 9,047	11,535	\$148,977	\$208,109	\$198,488

The accompanying notes are an integral part of this statement.

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

Saline Council on Aging, Inc.
Bry, Louisiana
For the year ended June 30, 1992
with comparative totals for the year ended June 30, 1991

	GENERAL	SPECIAL REVENUES	TOTALS	
			MEMBERSHIP CITY 1992	1991
REVENUES				
Intergovernmental	\$ 11,778	\$148,180	\$159,958	\$158,181
Miscellaneous	32,018	39,633	71,651	188,387
Total revenues	\$ 43,796	\$187,813	\$231,609	\$346,568
EXPENDITURES				
Salaries	\$ -	\$174,378	\$174,378	\$183,827
Fringe	-	38,538	38,538	18,730
Travel	128	7,478	7,606	7,888
Operating services	9,898	64,458	74,356	98,885
Operating supplies	61	18,803	18,864	13,448
Rents	-	70,427	70,427	68,848
Other costs	-	8,442	8,442	7,728
Capital outlay	-	9,173	9,173	28,828
Total expenditures	\$ 9,887	\$383,297	\$492,818	\$529,882
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 33,909	\$144,516	\$138,791	\$186,686
OTHER FINANCING SOURCES (USES)				
Operating transfers in	\$ -	\$ 78,417	\$ 78,417	\$ 40,818
Operating transfers out	(121,358)	(137,503)	(258,865)	(260,813)
total other sources (uses)	\$ (121,358)	\$ (59,086)	\$ (180,448)	\$ (219,995)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 2,441	\$ (14,570)	\$ (41,657)	\$ (33,309)
FUND BALANCE				
Beginning of year	189	5,189	5,378	\$ 2,117
Adjustments	-	-	-	(1,288)
end of year	\$ 189	\$ 5,189	\$ 5,378	\$ 8,334

The accompanying notes are an integral part of this statement.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET, COMB. BUDGET AND ACTUAL - SPECIAL REVENUE FUND-TRE**

Sinking Council on Aging, Inc.
Patty, Louisiana
Year Ended June 30, 1997

	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
REVENUES			
Intergovernmental	2051,281	2044,148	\$ (7,133)
Miscellaneous	<u>22,222</u>	<u>22,222</u>	<u>(7,222)</u>
Total revenues	2073,503	2066,370	7,133
EXPENDITURES			
Salaries	2174,842	2274,378	\$ 99,536
Fringe	23,219	20,320	2,899
Travel	1,284	1,877	(693)
Operating services	62,143	64,500	(2,357)
Operating supplies	12,908	12,822	86
Meals	64,482	72,427	(7,945)
Other costs	4,713	2,442	2,271
Capital outlay	<u>2,228</u>	<u>2,228</u>	<u>222</u>
Total expenditures	2356,229	2560,192	203,963
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	717,274	506,178	211,096
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ 27,975	\$ 28,422	\$ 447
Operating transfers out	<u>(28,222)</u>	<u>(27,322)</u>	<u>(900)</u>
Total other sources (uses)	2,222	2,222	2,222
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ -	\$ 14,640	\$ 14,640
FUND BALANCES			
Beginning of year	5,148	5,148	
Adjustments	<u>0</u>	<u>0</u>	
End of year	\$ 5,148	\$ 468	

The accompanying notes are an integral part of this statement.

NOTICE TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Houy, Louisiana
June 10, 1987

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1984, the State of Louisiana passed Act 486 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Sabine Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies which may impose certain restrictions upon how the Council can use the money that they have provided.

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

The primary function of the Sabine Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 11 voluntary members who serve three-year terms, governs the Council.

B. Presentation of Statements:

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

NOTES TO FINANCIAL STATEMENTS

State Council on Aging, Inc.
New Orleans, Louisiana
June 30, 1987
(Continued)

recognized as generally accepted accounting principles for state and local governments.

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; "Subsection VI - Annual Financial Reporting" of the accounting manual for the Louisiana Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

C. Fund Accounting:

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into three specific fund types and one broad fund category (account group).

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

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

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

NOTES TO FINANCIAL STATEMENTS

Saline Council on Aging, Inc.
Mary, Louisiana
June 30, 1997
(Continued)

Local

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

DOCA (Act 715)

DOCA (Act 715) 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 715" funds at its discretion.

- Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes.

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

Title III-F Fund

The Title III-F Fund is used to account for funds used for disease prevention and health promotion activities including (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need." Title III-F funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Hary, Louisiana
June 30, 1987
(Continued)

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 C-1 Congressional Meals Fund

The Title III C-1 Fund is used to account for funds which 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 segregated meals to the elderly in geographically located centers.

Title III C-2 Home Delivered Meals Fund

The Title III C-2 Fund is used to account for funds which 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 home-bound older persons.

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.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
 Mary, Louisiana
 June 30, 1997
 (Continued)

Title III B Ombudsman Fund

The Title III B Ombudsman Fund is used to account for funds used to provide long-term care residents (age 65 and older residing in long-term care facilities) a representative to ensure that such residents' rights are upheld, to resolve complaints by residents with the management of the long-term care facility, and to promote quality care at the facility. Title III B 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.

Title III B Fund

The Title III B 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 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.

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 Administrative 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.

NOTES TO FINANCIAL STATEMENTS

Council on Aging, Inc.
Baton Rouge, Louisiana
June 30, 1987
(Continued)

Title III B Supportive Services Fund

The Title III B Supportive Services Fund is used to account for funds which 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.

U.S.D.A. Fund

The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture 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 that United States food and commodities may be purchased to supplement these programs.

Energy Assistance Fund

The Energy 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 (LACCA) which in turn remits funds relating to energy to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

Miscellaneous Grant Fund

The Miscellaneous Grant Fund is funded by the Governor's Office of Elderly Affairs. This special purpose grant was made to fund additional program expenses relative to Senior Center operations.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Marr, Louisiana
June 30, 1987
(Continued)

Medicaid Programs Fund

The Medicaid Programs Fund is used to account for income derived from the processing of applications and transportation services under the Title XIX Medicaid Program as well as monies derived from the Elderly Waiver Fund, which is funded under an agreement with the Louisiana Department of Health and Hospitals. The Elderly Waiver Program provides for case management and home care for the elderly.

D. Account Groups:

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

General Fixed Assets

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

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations.

NOTES TO FINANCIAL STATEMENTS

senior Council on Aging, Inc.
Mary, Louisiana
June 30, 1997
(continued)

E. Basis of Accounting:

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

F. Transfers and Interfund loans:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. Budget Policy:

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

1. The Governor's Office of Elderly Affairs "GOEA" notifies the Council each year as to the funding levels for each program's grant award.
2. The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget before June 30 of the current year for the next year.

NOTES TO FINANCIAL STATEMENTS

State Council on Aging, Inc.
Hemp, Louisiana
June 30, 1987
(continued)

4. The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
 5. All budgetary appropriations lapse at the end of each fiscal year (June 30).
 6. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
 7. Budgeted amounts included in the accompanying financial statements include the original adopted budgeted amounts and any subsequent amendments.
 8. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
 9. The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under grants from this state agency.
 10. Expenditures cannot legally exceed appropriations at an individual fund level.
- H. Total Columns of Combined statements - overview

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

NOTES TO FINANCIAL STATEMENTS

Sehane Council on Aging, Inc.
Mary, Louisiana
June 30, 1997
(Continued)

I. Fixed Assets:

All fixed assets are stated at historical cost or estimated historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets. The Council has classified its fixed assets as follows:

	Balance
	<u>\$139,157</u>
Buildings	\$ 35,164
Vans	107,888
Furniture and Equipment	<u> 36,127</u>
Total	\$139,157

Donated assets represent \$19,100 of the above total.

J. Comparative Data:

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

NOTE 2. REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

Intergovernmental Grants

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

NOTES TO FINANCIAL STATEMENTS

Seaboard Council on Aging, Inc.
Mary, Louisiana
June 30, 1987
(continued)

Senior Center, State Allocation (Act 735), Title III B, Title III C-1, Title III C-2, Title III E, and Title III F funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. Audit funds are recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

W.M.A., Elderly Waiver, and Medicaid Reimbursement program funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenues at that time.

Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of the Title III B, Title III C-1, Title III C-2 and Title III E programs. Utility assistance funds are provided from public donations to the Energy Assistance Program sponsored by local utility companies. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

NOTE 3. CASH IN BANK

At June 30, 1988, the carrying amount of the Council's deposits was as follows:

Payroll - checking	\$ 3,827
Operating - checking	(5,516)
Cash on Hand	228
	<u>\$ 3,539</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

NOTES TO FINANCIAL STATEMENTS

Seniors Council on Aging, Inc.
Marr, Louisiana
June 30, 1997
(Continued)

The carrying amount of the Council's deposits with financial institutions is \$ 1,311 and the collected bank balance is \$12,889 at June 30, 1997. The bank balance is categorized as follows:

Amount insured by Federal deposit insurance (Category I)	\$12,693
Amount uncollateralized (collateralized fully by securities held by the pledging financial institutions or agent but not in the name of the Seniors Council on Aging, Inc. (Category III)	-
Total bank balance	<u>\$12,889</u>

Even though the pledged securities are considered uncollateralized (Category III) under the provisions of CASE Statement 3, Louisiana Revised Statute 10:1209 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4. CONTRACTS RECEIVABLE

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

Elderly Waiver USDA	\$ 3,500
	<u>8,000</u>
	\$ 8,000

NOTE 5. IN-KIND CONTRIBUTIONS

The Council received various in-kind contributions during the year. Senior center/meal-site facilities were furnished to the Council without charge for heat and/or utilities. Other in-kind contributions consisted of the time donated by volunteer workers at senior centers and meal sites, as well as free admittance to recreational and entertainment events provided by various businesses and individuals in the parish. Although these contributions have not been reported as revenues, the offsetting

NOTES TO FINANCIAL STATEMENTS

Arkiana Council on Aging, Inc.
Bary, Louisiana
June 30, 1997
(Continued)

expenses have not been incurred thereby producing no effect on the financial statements. The Council has elected to report \$18,798 as in-kind revenue in the Title III-B Services program. This represents the state matching portion of a van acquired during the year and included at the actual fair market value in the General Fixed Assets Account Group and as capital outlay in the Title III B fund.

NOTE 4. BOARD OF DIRECTORS' COMPENSATION

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

NOTE 5. INCOME TAX STATUS

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

NOTE 6. JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council at June 30, 1997. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

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

NOTE 7. FEDERALLY ASSISTED PROGRAMS

The Council participated in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act of 1984. 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.

NOTES TO FINANCIAL STATEMENTS

Sabine Council on Aging, Inc.
Bary, Louisiana
June 30, 1983
(Continued)

NOTE 10. ECONOMIC DEPENDENCY

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

NOTE 11. TRANSFERS

Operating transfers in and out are listed by fund for the year ended June 30, 1983:

	Operating Transfers In	Operating Transfers Out
General Fund	\$ -	\$11,318
Special Revenue Funds:		
Title III B Services	\$18,184	-
Title III B Ombudsman	500	-
Title III C-1	15,100	-
Title III C-2	39,810	-
Title III F	471	-
Title III D	683	-
Miscellaneous Grant	-	4,500
Title III B Administrative	141	-
Medicaid Programs	-	4,444
U.S.O.A.	-	21,941
Senior Center	-	24,126
Total special revenue funds	\$78,417	\$47,161
Total all funds	\$78,417	\$78,417

NOTE 12. INTERFUND LOANS

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its

NOTES TO FINANCIAL STATEMENTS

Madame Council on Aging, Inc.
Mary, Louisiana
June 30, 1997
(Continued)

General Fund money and then request reimbursement for the advanced costs under the grant program. A summary of these interfund loans at June 30, 1997, is as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ 8,332	\$ 482
Special Revenue Funds:		
U.S.D.A.	\$ -	\$ 8,896
Energy Assistance	482	-
Medicaid Programs	-	3,562
Total special revenue funds	\$ 482	\$ 8,332
Total all funds	\$ 9,047	\$ 9,047

NOTE 13. MEAL COSTS

Meal Costs in the Congregate Meals Program (Title III C-1) and Home-Delivered Meals Program (Title III C-2) consists of raw food and labor and non-edibles. For the year ended June 30, 1997, costs were as follows:

	Title III C-1	Title III C-2
Raw Food	\$28,156	\$14,594
Labor and Non-Edible	18,191	16,482
	\$79,348	\$71,081

NOTE 14. ADJUSTMENTS

During the year ended June 30, 1998, the Council refunded to the Governor's Office of Elderly Affairs \$204 (Title III B Caretaker), \$124 (Title III B), and \$908 (Title III B Administrative) for unearned prior year funds previously reported as fund balances in the Special Revenue Funds.

**COMBINED STATEMENT OF PROGRAM REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

GENERAL FUND

Baldwin Council on Aging, Inc.
Hart, Louisiana
Year Ended June 30, 1991

	GENERAL FUND		TOTAL
	LOCAL MEMBERSHIP	STATE OF LOUISIANA	
REVENUE			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ -	\$ 11,779	\$ 11,779
Other:			
Miscellaneous income	<u>22,826</u>	<u>-</u>	<u>22,826</u>
Total revenues	\$ 22,826	\$ 11,779	\$ 34,605
EXPENDITURES			
Travel	\$ 129	\$ -	\$ 129
Operating services	<u>9,699</u>	<u>-</u>	<u>9,699</u>
Operating supplies	<u>82</u>	<u>-</u>	<u>82</u>
Total expenditures	\$ 9,910	\$ -	\$ 9,910
CHANGE OF RECEIVABLES OVER PERIOD EXPENDITURES	\$ 12,916	\$ 11,779	\$ 24,695
OTHER FINANCING SOURCES (USES)			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	<u>(18,521)</u>	<u>(111,779)</u>	<u>(130,300)</u>
TOTAL OTHER SOURCES (USES)	\$ (18,521)	\$ (111,779)	\$ (130,300)
CHANGE OF RECEIVABLES AND OTHER SOURCES OVER PERIOD, EXPENDITURES AND OTHER USE	\$ 3,415	\$ -	\$ 3,415
FUND BALANCE			
Beginning of year	<u>182</u>	<u>-</u>	<u>182</u>
End of year	\$ 3,415	\$ -	\$ 3,415

The accompanying notes are an integral part of this statement.

COMBINED STATEMENT OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

REGULAR BUSINESS FUNDS

Saline Sewell an Agency, Inc.
 Day, Louisiana
 Year Ended June 30, 1997

	TOTAL REVENUE	TOTAL EXPENSES	TOTAL CHANGES	TOTAL FUND BALANCE	TOTAL FUND BALANCE	TOTAL FUND BALANCE
REVENUES						
Subgovernmental						
Sewell's Office of						
Elderly Affairs						
(Net)	\$ 1,169	\$ 89,080	\$ 26,184	\$ 4,874	\$ -	\$ -
Client contributions	-	11,720	-	-	1,720	-
Administrative income	-	1,451	1,451	1,451	-	1,451
Total revenues	<u>\$ 1,169</u>	<u>\$ 90,531</u>	<u>\$ 27,635</u>	<u>\$ 6,325</u>	<u>\$ 1,720</u>	<u>\$ 1,720</u>
EXPENDITURES						
Salaries	\$ 1,026	\$ 25,490	\$ 15,119	\$ -	\$ 3,690	\$ 3,690
Printing	24	2,823	2,829	-	229	4,000
Traavel	47	456	456	-	448	863
Operating services	190	1,243	50,149	-	332	4,488
Operating supplies	-	32	1,850	-	51	121
Real estate	-	29,248	21,282	-	-	-
Other costs	422	-	315	-	20	209
Capital outlay	14	10	89	-	24	481
Total expenditures	<u>\$ 1,703</u>	<u>\$ 29,228</u>	<u>\$ 22,548</u>	<u>\$ 2,401</u>	<u>\$ 2,932</u>	<u>\$ 22,025</u>
CHANGE OF FUND BALANCE						
Increase	\$ 1,431	\$ -	\$ 27,635	\$ 26,184	\$ 1,431	\$ 2,808
Decrease	\$ 431	\$ 15,165	\$ 18,850	\$ -	\$ 505	\$ -
Total other income	\$ -	\$ -	\$ 29,248	\$ -	\$ -	\$ 4,841
Total	<u>\$ 431</u>	<u>\$ -</u>	<u>\$ 22,813</u>	<u>\$ 26,184</u>	<u>\$ 505</u>	<u>\$ 4,841</u>
STATE OF REVENUES AND OTHER SOURCES OVER FUNDAL EXPENDITURES AND OTHER USES						
Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,600
Decrease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,024
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
END OF YEAR						
Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Decrease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Seaside Council on Aging, Inc.
 Mary, Louisiana
 Year Ended June 30, 1987

	BUDGET REQUIREMENTS	ACTUAL EXPENDITURES	VARIANCE FAVORABLE UNFAVORABLE
LOCAL - BUDGETED			
TITULI	NO BUDGET REQUIRED	\$ 120	\$ (120)
Operating services	00	9,999	(9,999)
Operating supplies	REQUIRED	00	000
Transfer - Title III C-2		6,000	(6,000)
Title III B Services		3,000	(3,000)
Total	\$ -	\$ 10,000	\$10,000
STATE OF LOUISIANA - ACT 718			
Other costs			
Title AAA	\$ 1,000	-	\$ 1,000
Title III B Services	1	100	(100)
Title III C-2	6,000	3,000	4,000
Title III C-3	2,000	8,000	(6,000)
Title III D	000	000	000
Title III F	10	001	(010)
Title III B Subsidies	000	000	000
Total	\$ 10,010	\$ 10,100	\$ -
TITLE IIIA			
Utilities	\$ 1,000	\$ 1,000	\$ -
Fringes	001	00	000
Travel	00	00	000
Operating services	100	000	000
Operating supplies	00	00	000
Other costs	000	000	000
Capital outlay	00	00	000
Total	\$ 2,100	\$ 2,100	\$ -
AMT ALLOTMENT			
Operating services	\$ 1,000	\$ 1,000	\$ -
Total	\$ 1,000	\$ 1,000	\$ -
TITLE III C-1			
Salaries	\$ 20,000	\$ 20,000	\$ -
Fringes	3,000	3,000	000
Travel	000	000	000
Operating services	000	000	000
Operating supplies	000	000	000
Books	000	000	000
Other costs	20,000	20,000	(2,000)
Capital outlay	-	000	(000)
Total	\$ 20,000	\$ 20,000	\$ (2,000)

SCHEDULE 3
(Continued)

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Seboine Council on Aging, Inc.
Hemp, Louisiana
Year Ended June 30, 1997

	BUDGETED EXPENDITURES	ACTUAL EXPENDITURES	VARIANCE FAVORABLE (UNFAVORABLE)
TITLE III C-2			
Salaries	\$ 29,940	\$ 29,210	\$ (730)
Fringes	3,233	3,470	237
Travel	433	466	(33)
Operating services	9,475	10,549	1074
Operating supplies	2,418	2,001	(417)
Books	30,945	31,081	(86)
Other costs	-	318	318
Capital outlay	-----	-----	-----
Total	\$ 72,182	\$ 73,746	\$ (1,564)
TITLE III C-3			
Transfers to Title III B	\$ 26,196	\$ 26,196	\$ -
TITLE III B COMMISSION			
Salaries	\$ 4,038	\$ 4,038	\$ -
Fringes	438	418	20
TRAVEL	189	448	(259)
Operating services	188	372	(184)
Operating supplies	45	51	(6)
Other costs	22	22	-
Capital outlay	82	82	-
Total	\$ 5,202	\$ 5,407	\$ (205)
TITLE III B IS-HOME SERVICES			
Salaries	\$ 1,222	\$ 1,224	\$ (2)
Fringes	148	139	9
TRAVEL	75	75	-
Operating services	6,871	6,201	(670)
Operating supplies	63	114	(51)
Other costs	42	42	-
Capital outlay	122	122	-
Total	\$ 9,565	\$ 9,518	\$ (47)

SCHEDULE 3
 (Continued)

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Saline Council, St. Agnes, Inc.
 Natchitoches, Louisiana
 Year Ended June 30, 1977

	RECEIVED EXPENDITURES	ACTUAL EXPENDITURES	UNASSIGNED PAYABLES (UNRECORDED)
REGULAR PROGRAM			
Salaries	\$ 40,800	\$ 40,800	\$ 000
Fringe	8,447	4,076	1,377
Travel	769	663	000
Operating services	2,800	4,408	000
Operating supplies	630	727	000
Other costs	219	229	000
Deprecial outlay	674	647	00
Transfer to Title III B Services	0	0	0
Total	\$ 56,339	\$ 54,391	\$ 13,077
TITLE III B ADMINISTRATION			
Salaries	\$ 7,100	\$ 7,100	\$ 000
Fringe	600	600	00
Travel	200	200	0
Operating services	8,804	8,808	000
Operating supplies	717	608	000
Other costs	300	200	000
Deprecial outlay	1,020	1,021	0
Total	\$ 19,321	\$ 19,399	\$ 000
TITLE III B SUPPORTIVE SERVICES			
Salaries	\$ 68,300	\$ 68,681	\$ 000
Fringe	8,328	8,681	000
Travel	5,188	5,083	000
Operating services	28,000	28,388	000
Operating supplies	8,300	10,300	000
Other costs	3,400	300	000
Deprecial outlay	1,800	1,800	00
Total	\$124,216	\$124,133	\$ 000
REGS			
Transfers to Title III C-1	\$ 13,300	\$ 13,300	\$ 000
Transfers to Title III C-2	14,300	8,000	000
Total	\$ 27,600	\$ 21,300	\$ 000
GRANT ASSISTANCE			
Operating supplies	\$ 0	\$ 400	\$ 000

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL

Sebring Council on Aging, Inc.
 Manv, Louisiana
 Year Ended June 30, 1987

	<u>BUDGETED EXPENDITURES</u>	<u>ACTUAL EXPENDITURES</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
Transfers to Title III B Services	\$ 4,900 *****	\$ 4,880 *****	\$ - *****

The accompanying notes are an integral part of this statement.

SCHEDULE 4

COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS

Sabine Council on Aging, Inc.
 Many, Louisiana
 Fiscal Year Ended June 30, 1987
 (With Comparative 1986)

	Balance June 30, 1986	Additions	Deletions	Balance June 30, 1987
General fixed assets, as cost:				
Vans	\$107,684	\$ -	\$ -	\$107,684
Furniture and equipment	38,993	9,574	-	48,567
Building	25,164	-	-	25,164
Total general fixed assets	\$171,841	\$ 9,574	\$ -	\$181,415
Investment in general fixed assets:				
Property acquired from:				
Medicaid Programs	\$ -	\$ 647	\$ -	\$ 647
Title III B Ombudsmen	-	88	-	88
Title III F	-	34	-	34
Title III C-1	3,023	890	-	3,913
Title III C-2	3,993	890	-	4,883
Senior Center	23,937	-	-	23,937
FOIA (Act 728)	19,438	-	-	19,438
General Funds	18,544	-	-	18,544
Title III G	929	-	-	929
Title III B Supportive measures	47,843	3,493	-	51,336
All Funds	19,250	-	-	19,250
All Funds	11,339	-	-	11,339
Title III B Admin.	-	1,931	-	1,931
Title III D	-	138	-	138
Total investment in general fixed assets	\$143,893	\$ 6,174	\$ -	\$150,067

The accompanying notes are an integral part of this statement.

SCHEDULE B

COMPENSATION TO BOARD MEMBERS

Sabine Council on Aging, Inc.
Mary, Louisiana
Year Ended June 30, 1997

During the year covered by my examination, the only payments made to or on behalf of board members were travel expenses incurred on Council business.

SCHEDULE B

QUESTIONED COSTS

Bossier Council on Aging, Inc.
 Bossier, Louisiana
 Year Ended June 30, 1987

1. TRAVEL:

The Council paid travel expenses (covering meals) to employees that were not allowable under state travel regulations and charged these payments to the various programs.

<u>CHK</u>	<u>DATE</u>	<u>NAME</u>	<u>QUESTIONED AMOUNT</u>
12127	02/20/87	BARBARA BERTT	\$ 18.00
12128	02/20/87	BOBBI BERTT/STOVEN	18.00
12212	03/17/87	BETTY BRALL	12.00
1287	06/22/87	DELORE ROBERTS	13.00
TOTAL TRAVEL			\$ 61.00

REASON - State regulations require an overnight stay so travel in excess of 12 hours.

RECOMMENDATION:

Payments charged to the various programs should comply with current state travel regulations. Any payment that does not comply may be paid from the General Fund only after formal approval for the Board of Directors if deemed appropriate by the Board.

2. UTILITIES:

The Council paid a utility bill covering two months. No supporting documentation could be located to support the missing April utility bill. Additionally, there was a 12.08 late payment fee covering the prior month bill of \$18.01. Late payment fees are unallowable costs.

<u>CHK</u>	<u>DATE</u>	<u>NAME</u>	<u>QUESTIONED AMOUNT</u>
12348	05/11/87	TOMM OR CAR	\$ 21.87

REASON - Missing invoice and late fees.

RECOMMENDATION:

All payments should be supported by the invoice. Late payment fees should be charged to the General Fund if necessary.

3. MEALS:

The Council paid for meals in excess of state rates and charged the entire amount to the various programs.

OFF
1233

DATE
06/22/87

NAME
MAYHEW

DEBITED
AMOUNT
5 8.00

REMARK - The amount charged (\$13.00) exceeded the \$24.00 allowance for two people.

RECOMMENDATION:

Payments should be limited to the maximum CCLE rates. Amounts in excess of such rates may be paid from the Special Fund only after Board approval.



Roland D. Kraushaar
Certified Public Accountant

1405 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
MADE IN ACCORDANCE WITH THE PROVISIONS OF THE FEDERAL SECURITIES LAWS
IN ACCORDANCE WITH SECTION 201 OF THE SECURITIES

November 15, 1997

To the Board of Directors
Lafitte Council on Aging, Inc.
Bogalusa, Louisiana

I have audited the general purpose financial statements of the Lafitte Council on Aging, Inc., Bogalusa, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated November 15, 1997.

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 the Office of Management and Budget (OMB) Circular A-251, "Standards of Budget, Local Governments, and Non-Profit Organizations." These standards and OMB Circular A-251 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Lafitte Council on Aging, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, evaluation and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the objectives of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the Lafitte Council on Aging, Inc. for the year ended June 30, 1997, I obtained an understanding of the internal control structure, with respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not

reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

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



RONALD E. KRASCHNER
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

**DEFINING INTERNAL CONTROL AS AN INTERNAL
CONTROL STRUCTURE UNDER THE MODERNIZING
FINANCIAL REPORTING ACT**

November 25, 1987

To the Board of Directors
Sabine Council on Aging, Inc.
Nash, Louisiana

I have audited the general purpose financial statements of the Sabine Council on Aging, Inc. for the year ended June 30, 1987, and have issued my report thereon dated November 25, 1987.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States; and Division of Management and Budget (DMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." These standards and DMB 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.

In planning and performing my audit of the Sabine Council on Aging, Inc. for the year ended June 30, 1987, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with DMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to Federal programs. I have addressed policies and procedures relevant to my audit of the financial statements in a separate report dated November 25, 1987.

The management of the Sabine Council on Aging, Inc. is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility estimates and judgments by management are required to assess the expected benefits and reduced costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization, and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that Federal awards are received in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control structure policies and procedures used in administering Federal Wards in the following categories:

ACCOUNTING APPLICATIONS

Cash
Support, Revenues and Receivables
Expenses for Goods and Services and Accounts Payable
Payroll and Related Liabilities
Inventory
Property and Equipment
Fund Balances

GENERAL AND SPECIFIC ADMINISTRATIVE CONTROLS USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

General:	Specific:
Political activity	Type of Service
Civil Rights	Cost Allocation
Case Management	Matching Levels
Federal Financial Reports	Monitoring of
Drug-Free Workplace	Subrecipients
Allowable Costs/Cost Principles	Eligibility
Administrative Requirements	Reporting
Date-Block Not	

For all of the internal control categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

During the year ended June 30, 1987, the White Council on Aging, Inc. had no major Federal wards and expended 30% of its total Federal wards under the following non-major programs:

Title III F	Title III B Services
Title III C-1	Title III B Administration
Title III C-2	USDA
Title III D	Medicaid Program

I performed tests of controls, as required by OMB Circular A-120, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I have considered relevant to preventing or detecting material noncompliance with specified requirements, general requirements, and requirements concerning claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned major program. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering Federal wards would not necessarily discuss all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations is undetected that would be material to a Federal program having indirect pay cover and not be detected within a timely period by employees in the normal course of performing their assigned functions. I stated no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the audit committee, management, the Louisiana Governor's Office of Energy Affairs, and the Legislative Auditor of the State of Louisiana. Moreover, this report is a matter of public record, and its distribution is not limited.



Richard E. Schweitzer
Senior Audit Public ACCOUNTANT



Roland D. Kraushaar
Certified Public Accountant

1405 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAW AND REGULATIONS BASED ON AN SCOPE OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENTAL AUDITING STANDARDS

November 25, 1997

To the Board of Directors
Nadine Council on Aging, Inc.
Mossy, Louisiana

I have audited the general purpose financial statements of the Nadine Council on Aging, Inc. as of and for the year ended June 30, 1997, and have issued my report thereon dated November 25, 1997.

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 the Office of Management and Budget (OMB) Circular A-122, "Nadine of States, Local Governments, and Non-Profit Organizations." These standards, and OMB Circular A-122, require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements.

Compliance with laws, regulations, contracts, and grants applicable to the Nadine Council on Aging, Inc. is the responsibility of the Council's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, I performed tests of the Council's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Governmental Auditing Standards.

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



Roland D. Kraushaar
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
 Post Office Box 12538 Alexandria, LA 71315

DEPENDENT PROVIDOR'S REPORT
ON COMPLIANCE WITH THE FEDERAL AIDING PROGRAMS APPLICABLE
TO THE STATE OF LOUISIANA

November 20, 1997

To the Board of Directors
 Sabine Council on Aging, Inc.
 Bayou, Louisiana

I have audited the general purpose financial statements of the SABINE Council on Aging, Inc. as of and for the year ended June 30, 1997, and have issued my report thereon dated November 20, 1997.

I have applied procedures to test the Sabine Council on Aging, Inc.'s compliance with the following requirements applicable to the federal aiding programs, which are identified in the accompanying schedule of Federal Awards, for the year ended June 30, 1997:

Political Activity	Civil Rights
Alcoholic Beverage Penalties	Cash Management
Congressional Hearings Act	Administrative Requirements

My procedures were limited to the applicable procedures described in the office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments." My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Sabine Council on Aging, Inc.'s compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items listed, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the Sabine Council on Aging, Inc. had not complied, in all material respects, with these requirements.

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

Roland D. Kraushaar
 Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1406 Texas Avenue Alexandria, LA 71301
Post Office Box 12538 Alexandria, LA 71315

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO
NON-PROFIT ORGANIZATIONS

November 26, 1997

To the Board of Directors
Sabine Council on Aging, Inc.
Baton Rouge, Louisiana

I have audited the general purpose financial statements of the Sabine Council on Aging, Inc. as of and for the year ended June 30, 1997, and have issued my report thereon dated November 26, 1997.

In connection with my audit of the general purpose financial statements of the Sabine Council on Aging, Inc., and with my consideration of the internal control structure used to administer Federal awards, as required by Office of Management and Budget Circular 5-113, "Audits of States, Local Governments, and Non-Profit Organizations," I selected certain transactions applicable to certain non-major programs for the year ended June 30, 1997. As required by Circular 5-113, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or prohibited as well as eligibility that are applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Sabine Council on Aging, Inc.'s compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of non-compliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the Sabine Council on Aging, Inc. had not complied in all material respects with these requirements. Also the results of my procedures did not disclose any immaterial instances of non-compliance with these requirements.

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

ROLAND D. KRAUSHAAR
Certified Public Accountant



Roland D. Kraushaar
Certified Public Accountant

1408 Texas Avenue Alexandria, LA 71301
Post Office Box 12536 Alexandria, LA 71312

**INDEPENDENT AUDITOR'S REPORT ON
SCHEDULE OF FINANCIAL STATEMENTS**

November 25, 1997

To the Board of Directors
Bakim Council on Aging, Inc.
Bany, Louisiana

I have audited the general purpose financial statements of the Bakim Council on Aging, Inc. for the year ended June 30, 1997, and have issued my report thereon dated November 25, 1997. These general purpose financial statements are the responsibility of 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: GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States, and the provisions of Code of Management and Budget Circular 4-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular 4-133 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was made for the purpose of forming an opinion on the general purpose financial statements of the Bakim Council on Aging, Inc. taken as a whole. The accompanying Schedule of Federal Funds is presented for purposes of 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.

Roland D. Kraushaar
Certified Public Accountant

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Elders Council on Aging, Inc.
 6417, Louisiana
 Year Ended June 30, 1997

FEDERAL AGENCY/CFDA NUMBER GRANT/PROGRAM TITLE	FEDERAL PROGRAM		REVENUE	EXPENDITURES
	OFFER NUMBER	OR AWARD		
	NUMBER	AMOUNT	RECORDED	EXPENDITURES
Department of Health & Human Services				
Passed through Louisiana Governor's Office of Elderly Affairs				
Special Programs for the Aging:				
Title III B (Area Agency Administration)	93-033	\$12,171	\$12,171	\$12,171
Title III B (Supportive Services)	93-033	\$7,109	\$7,109	\$7,109
Title III C-1 (Companions Meals)	93-033	\$4,876	\$4,876	\$4,876
Title III C-2 (Home Delivered Meals)	93-033	\$8,000	\$8,000	\$8,000
Title III B (In-home Services)	93-041	1,940	1,940	1,940
Title III F (Fall, Elderly)	93-040	2,700	2,700	2,700
Passed through Louisiana Department of Health and Hospitals				
Title XIX Medicaid	19-714	\$84,443	\$84,443	\$84,443
Department of Paritycare				
Passed through Louisiana Governor's Office of Elderly Affairs				
MEDA - Cash in lieu of commodities	19-072	\$29,944	\$29,944	\$29,944