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ACADIA COUNCIL ON AGING, INC.

Financial Report

Year Ended June 30, 1987

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

Release Date FEB 2 1 1988

TABLE OF CONTENTS

	Page No.
Independent Auditor's Report	1-3
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Combined balance sheet - all fund types and account groups	4
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	5
Combined statement of revenues, expenditures, and changes in fund balances - budget (GAAP Basis) and actual - budgeted special revenue funds	6
Notes to financial statements	7-22
SUPPLEMENTAL INFORMATION	
SCHEDULES OF INDIVIDUAL FUNDS	
Statement of revenues, expenditures, and changes in fund balance - general fund	23-24
Combining statement of revenues, expenditures, and changes in fund balances - all special revenue funds	27-28
Statement of expenditures - budget (GAAP Basis) and actual - special revenue funds	28-30
INTERNAL CONTROL, COMPLIANCE AND OTHER GRANT INFORMATION	
Independent Auditor's 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	31-35
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	36-38
Schedule of Expenditures of Federal awards	37
Schedule of Corrective Action Taken on Prior Year Findings	38
Schedule of Findings and Questioned Costs	39-44
Corrective Action Plan	45

	Page
	<u>No.</u>
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Charges to General Fixed Assets	43
Schedule of Disbursements to Board Members	48
Ex: Conference	49



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Independent Auditor's Report

The Board of Directors
Acadia Council on Aging, Inc.
Crosby, Louisiana

We have audited the accompanying general purpose financial statements of the Acadia Council on Aging, Inc., 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, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular 4-113, "Audits of States, Local Governments, and Non-Profit Organizations". These standards and OMB Circular 4-113 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 statements 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 Acadia 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 October 14, 1997, on our consideration of the Acadia 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 the Audette Council on Aging, Inc. taken as a whole. The accompanying 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", and the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Darnall, Sikes & Frederick

a Corporation of Certified Public Accountants

Burden, Louisiana
October 14, 1987

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

WALSH SOURCE, INC. ASSET, INC.

Consolidated Balance Sheet - All Fund Types and Member Groups
June 30, 1997

	Governmental Fund Types		Account System		Total Memoranda Only
	General	Special Revenue	General Fund	Long Term Debt	
ASSETS					
Cash	\$ 44,427	\$ 2,747	\$ -	\$ -	\$ 47,174
Restricted cash	5,000	-	-	-	5,000
Certificates of deposit	8,500	-	-	-	8,500
Due from other funds	2,417	108,808	-	-	111,225
Accounts receivable	76,448	-	-	-	76,448
Prepaid expenditures	76,448	-	-	-	76,448
Fund assets	-	-	466,376	-	466,376
Amount to be provided for retirement of general long-term debt	-	-	-	100,000	100,000
Total assets	\$194,630	\$111,555	\$466,376	\$100,000	\$752,561
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Due to other funds	100,000	3,000	-	-	103,000
Accrued payroll and related benefits payable	3,000	-	-	-	3,000
Long-term debt - bonds payable	-	-	-	90,000	90,000
Accrued interest payable on bonds	-	-	-	10,000	10,000
Total liabilities	113,000	3,000	-	100,000	216,000
Fund Reserves					
Investment in fund assets	-	-	466,376	-	466,376
Fund balances -					
Unassigned - unexpended	(10,000)	115,555	-	-	105,555
Reserved for prepaid expenditures	16,448	-	-	-	16,448
Reserved for future expenditures	3,000	-	-	-	3,000
Reserved for payment of utility bills	-	2,747	-	-	2,747
Total fund balances	9,448	118,302	-	-	127,750
Total fund equity	9,448	118,302	466,376	-	594,126
Total liabilities and fund equity	\$212,448	\$221,357	\$466,376	\$100,000	\$700,181

The accompanying notes are an integral part of this statement.

ROADIA COUNCIL ON ACING, INC.

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - All Governmental Fund Types
Year Ended June 30, 1993

	General	Special Revenue	Total (Memorandum Only)
Revenues:			
Intergovernmental	\$ -	\$ 583,048	\$ 583,048
Program	-	50,294	50,294
Local and miscellaneous	<u>182,598</u>	<u>29,268</u>	<u>211,866</u>
Total revenues	<u>182,598</u>	<u>662,610</u>	<u>845,208</u>
Expenditures:			
Current -			
Salaries	-	344,175	344,175
Prints	973	23,882	24,855
Travel	4,325	38,644	42,969
Operating services	8,585	173,794	182,379
Operating supplies	2,228	28,008	30,236
Other costs	<u>123,293</u>	<u>188</u>	<u>123,481</u>
Capital outlay	-	51,645	51,645
Debt service -			
Principal	25,809	-	25,809
Interest	<u>16,303</u>	<u>-</u>	<u>16,303</u>
Total expenditures	<u>183,138</u>	<u>608,502</u>	<u>791,640</u>
Excess of revenues over expenditures	<u>9,460</u>	<u>18,502</u>	<u>27,962</u>
Other financing sources (uses):			
Proceeds from loans	11,000	-	11,000
Operating transfers in	7,474	109,128	116,602
Operating transfers out	<u>143,280</u>	<u>(182,375)</u>	<u>(39,095)</u>
Total other financing sources (uses)	<u>15,194</u>	<u>26,753</u>	<u>41,947</u>
Excess of revenues and other sources over expenditures and other uses	<u>24,654</u>	<u>45,255</u>	<u>69,909</u>
Fund balances:			
Beginning of year	<u>26,013</u>	<u>68,373</u>	<u>94,386</u>
End of year	<u>\$ 50,667</u>	<u>\$ 113,628</u>	<u>\$ 164,295</u>

The accompanying notes are an integral part of this statement.

AGRIAN COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual -
Budgeted Special Revenue Funds
Year Ended June 30, 1990

	Budgeted	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 264,032	\$ 264,032	\$ -
Program	48,425	55,394	14,819
Local and miscellaneous	-	181	181
Total revenues	<u>304,457</u>	<u>319,607</u>	<u>15,150</u>
Expenditures:			
Current -			
Salaries	321,165	323,316	(2,149)
Fringe	26,813	31,373	(4,560)
Travel	27,458	29,846	(2,388)
Operating services	127,873	156,838	(28,965)
Operating supplies	38,390	45,313	(7,923)
Other costs	7,400	138	7,262
Capital outlay	21,566	21,323	243
Total expenditures	<u>589,320</u>	<u>538,837</u>	<u>50,483</u>
Deficiency of revenues over expenditures	<u>(284,863)</u>	<u>(219,230)</u>	<u>65,633</u>
Other financing sources (uses):			
Operating transfer in	318,871	318,085	(786)
Operating transfer out	(28,638)	(23,185)	5,453
Total other financing sources (uses)	<u>290,233</u>	<u>294,900</u>	<u>(4,667)</u>
Excess of revenues and other sources over expenditures and other uses	-	(18)	(98)
Fund balances:			
Beginning of year	<u>18,026</u>	<u>18,026</u>	-
End of year	<u>\$ 14,038</u>	<u>\$ 13,938</u>	<u>\$ 980</u>

The accompanying notes are an integral part of this statement.

ACADEMY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

A. Preparation of Statements

In April, 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 modification of governmental accounting and financial reporting standards. This modification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

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

B. Organization

Act 484 of 1984, authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. Each council is a non-profit corporation which must comply with policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenue. 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 statement as a separate special-purpose government.

The primary function of the Council on Aging 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. Each

AGARIA COUNCIL ON AGING, INC.

Notes to Financial Statements

Page 1 Summary of Significant Accounting Policies (Continued)

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 13 members who serve three-year terms, governs the Council.

C. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Agaria Council on Aging, Inc. Control by or dependent on the Council was determined on the basis of budget adoption, appointment of governing body, and other general oversight responsibility.

D. Fund Accounting

The accounts of the Council are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Council are financed. The acquisition, use, and balance of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the Council's governmental fund types:

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 sources from which they are derived.

MOBILE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

The following fund comprises the Council's General Fund:

Local

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

Special Revenue Funds

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-B Supportive Services Fund

Title III-B funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides meals 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 through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

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

AGENCY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

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

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.

ACADIA COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Ombudsman Fund

The Ombudsman Program was established to investigate and resolve complaints of any relevant nature on behalf of individuals, especially aged individuals who are residents of long-term care facilities. Ombudsman Funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

Miscellaneous Grant

The Miscellaneous Grant Fund is used to account for funds provided by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. The funds are used to supplement the other programs operated by the Council.

FICA (net 30)

FICA (net 30) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for disbursement to the Council on Aging. These funds are accounted for in a separate special revenue fund to facilitate tracking of this resource and to ensure its utilization in the budget period. The funds are unrestricted in application and are transferred from this Special Revenue Fund for appropriate application in the General Fund and other Special Revenue Funds.

FERA Fund

The FERA Fund is used to account for the administration of a Disaster Assistance Program whose purpose is to supplement food and shelter assistance to individuals who might currently be receiving assistance, as well as to assist those who are not receiving any.

ACADIA COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Energy Fund

The Energy Fund is used to account for the administration of programs that are sponsored by the Central Louisiana Electric Company, a local utility company. The company collects contributions from service customers and remits the funds to the Louisiana Association of Economic on Aging (LAEOA) which in turn remits funds relating to Acadia Parish to the Council so that it can provide assistance to the elderly for the payment of their utility bills.

Project Care

The Project Care Fund is used to account for the administration of programs that are sponsored by Entergy, a local utility company. The Company collects contributions from service customers and remits the funds to the Cajun Area Agency on Aging, Inc., which in turn remits funds relating to the Council so it can provide assistance to the elderly for the payment of their utility bills.

Bookkeeping Fund

This fund reports the activity of a bookkeeping service operating by the Council.

Section 5311

Section 5311 funds are provided by the United States Department of Transportation through the Louisiana Department of Transportation and Development. Funds received by the Council are based on actual operating costs of providing transportation services to rural residents within the parish. Because money received under this program is for reimbursement of costs previously incurred, the Council can use these funds for discretionary purposes.

Project Independence

The Project Independence Fund is used to account for revenue received from the Department of Social Services to provide transportation to the underprivileged individuals of the parish.

AGACIA COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Trusts

This program is used to account for funds which are used to provide personal care attendant services that will meet the needs of those diverted or deinstitutionalized beneficiaries whose disabilities preclude the acquisition of certain independent living skills related to the activities of daily living.

Account Groups

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

General Fixed Assets

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

General Long-Term Debt

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

E. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

ACADIA COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

The governmental fund types (General and Special Revenue Funds) use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual, i.e., when they become measurable and available. Intergovernmental revenues are considered susceptible to accrual. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting, when the related fund 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 and payables.

G. Budget Policy

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

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

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

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

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

All budgetary appropriations lapse at the end of each fiscal year.

The budget is prepared on the modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

AGENCY COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

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

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

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

Expenditures cannot legally exceed appropriations at the individual fund level.

B. Total Columns on Combined Statements - Overview

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

1. Fixed Assets

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) should be accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

SCADIA COUNCIL ON Aging, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. The estimated amounts of fixed assets are immaterial to these financial statements. Donated fixed assets are stated at their estimated fair market value on the date donated.

3. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term debt account group.

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-Term Debt Group.

4. Annual and Sick Leave

The Council's policy allows full time employees to carryforward 15 days of unused annual leave and 15 days of unused sick leave beyond the fiscal year-end. An employee may be paid for 15 days of unused annual leave and no days of unused sick leave upon separation. The liability for accumulated annual leave has been recorded in the General Long-Term Debt Account Group.

Note 2 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 3 Income Tax Status

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

AGADIA COUNCIL ON ASINS, INC.

Notes to Financial Statements

Note 4 Cash and Interest-Bearing Deposits

Under state law, the Council may deposit funds within a federal agency bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Council may invest in certificates and time deposits of state banks organized under Louisiana laws and national banks having principal offices in Louisiana. As June 30, 1990, the Council has cash and interest-bearing deposits (bank balances) totaling \$41,813.

Demand deposits	\$33,893
Time deposits	<u>8,320</u>
Total	<u>\$41,813</u>

Deposit balances (bank balances) at June 30, 1990, totaled \$93,605 and are fully secured by federal deposit insurance.

Note 5 Restricted Cash

Restricted cash consists of cash investments whose use is limited by a rate agreement. In accordance with the rate agreement, the Council shall deposit \$154 each month into a separate bank account. Once the Council accumulates \$22,174 in the account, the monthly deposits may be suspended. The purpose of this is to help prevent default on the payment of the rate.

Note 6 Operating Transfers In, Out

	Funds transferring out:				
	General	Section Center	art. 735	PERA	Section 5301
Funds trans-					
ferring in:					
Title III-B	\$33,342	\$36,876	\$ 2,500	\$ 1,840	\$79,558
Title III-C-1	358	-	578	4,870	-
Title III-C-2	844	-	4,106	-	-
Title III-b	-	-	836	-	-
Subchapter	-	-	3,339	-	-
General	-	-	-	7,474	-
Section 5313	<u>9,123</u>	-	-	-	-
	<u>\$43,267</u>	<u>\$36,876</u>	<u>\$11,779</u>	<u>\$12,314</u>	<u>\$79,558</u>

AGRI-CULTURAL COMMISSION, INC.

Notes to Financial Statements

Note 5 Operating Transfers In, Out (Continued)

	Funds Transferring out:			Total
	Project Independence	Miscellaneous Grants	Title XIX	
Funds Transferring In:				
Out:				
Title III-B	\$81,500	\$4,500	\$48,938	\$134,938
Title III-C-1	-	-	-	5,881
Title III-C-2	-	-	-	4,750
Title III-D	-	-	-	870
Subtotal	-	-	-	3,550
General	-	-	-	2,474
Section 501	-	-	-	8,323
	<u>\$81,500</u>	<u>\$4,500</u>	<u>\$48,938</u>	<u>\$134,447</u>

Note 7 Interfund Receivables, Payables

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,457	\$18,796
Special Revenue Funds		
Bookkeeping	-	2,457
Project Care	1,582	-
Energy	200	-
Senior Center	13,816	-
Project Independence	26,000	-
Title XIX	1,573	-
Section 501	<u>75,803</u>	<u>-</u>
	<u>\$120,853</u>	<u>\$18,796</u>

Note 8 Reserved Fund Balances

The Council receives funding from various utility companies for the restricted purpose of alleviating hardship conditions related to the payment of utility bills for elderly individuals. Funds available at year-end for this purpose have been reserved accordingly. The following summary outlines the activity by fund source for the year ended June 30, 1997:

ACERIS COUNCIL OF ACING, INC.

Notes to Financial Statements

Note 8 Returned Fund Balance (Continued)

	Balance July 1, 1994	Revenue July 1, 1994 - June 30, 1995	Disbursements July 1, 1994 - June 30, 1995	Balance June 30, 1995
Ecology (Project Care)	\$2,863	\$1,773	\$5,255	\$2,381
Central LA. Electric Co. (Energy Fund)	549	555	182	231
	<u>\$3,412</u>	<u>\$2,328</u>	<u>\$5,437</u>	<u>\$2,788</u>

Note 9 Judgments, Claims, and Similar Contingencies

There is no litigation pending against the Council at June 30, 1995. Furthermore, the Council's management believes that any potential lawsuits would be adequately covered by insurance.

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

Note 10 Changes in Long-Term Debt

	Balance June 30, 1994	Additions	Deletions	Balance June 30, 1995
Notes payable	\$382,250	\$11,825	\$29,934	\$364,141
Accrued annual leave	12,343	-	1,821	10,522
	<u>\$394,593</u>	<u>\$11,825</u>	<u>\$31,755</u>	<u>\$374,663</u>

AGORA COUNSEL ON AGING, INC.

Notes to Financial Statements

Note 10 Changes in Long-Term Debt (Continued)

	Original Principal
Note payable FHM, original amount of \$344,800, payable in 360 monthly installments of \$1,648, including interest at 14 per annum, secured by the office building	\$327,449
Capital lease payable Innes Leasing Corporation, original amount of \$21,870, payable in 36 monthly installments of \$718, including interest at 12.54 per annum, with a security deposit of \$404 and a downpayment of \$1,250, secured by equipment	8,439
Note payable Bank of Commerce, original amount of \$27,884, payable in 36 monthly installments of \$1,493, including interest at 84 per annum, secured by vehicle	1,450
Note payable Bank of Commerce, original amount of \$8,000, due June 30, 1988, plus accrued interest at 7.054 per annum, secured by certificate of deposit	8,200
Note payable Bank of Commerce, original amount of \$4,000, due April 30, 1988, plus accrued interest at 7.054 per annum, secured by certificate of deposit	4,200
Accrued annual lease is expected to be paid during fiscal year ended June 30, 1988	<u>21,250</u>
	<u>\$458,658</u>

The annual requirements to amortize all debt outstanding at June 30, 1987, including interest payments of \$370,000, are as follows:

Year Ending <u>June 30</u>	
1988	\$ 48,345
1989	78,087
1990	74,618
1991	52,176
1992	25,174
1993 and thereafter	<u>426,918</u>
	<u>\$875,318</u>

AGRICULTURE COUNCIL OF AGERS, INC.

Notes to Financial Statements

Note 11 Economic Dependency

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

Note 12 Budget Presentation

Budgets are not presented for the General Fund, FEMA Fund, Energy Fund, Project Care Fund, Bookkeeping Fund, Section 5311 Fund, Project Independence Fund and Title XX Fund, because budgets were not adopted for these funds.

The following is a schedule reconciling all special revenue funds to special revenue funds in which budgets were adopted:

	Budgeted Special Revenue Funds	Special Revenue Funds not Budgeted	All Special Revenue Funds
Total revenue	\$129,401	\$ 368,881	\$498,282
Total expenditures	<u>536,401</u>	<u>73,826</u>	<u>610,227</u>
Total other financing sources (uses)	<u>238,920</u>	<u>(271,250)</u>	<u>67,670</u>
Excess of revenues and other sources over expenditures and other uses	(96)	34,981	34,985
Fund balances beginning of year	<u>24,826</u>	<u>30,220</u>	<u>55,046</u>
End of year	<u>\$ 24,730</u>	<u>\$ 384,751</u>	<u>\$409,481</u>

AGASSIS COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 12 Fund Deficits

In the current year, Bookkeeping (a Special Revenue Fund) has a fund deficit. This deficit will be eliminated in future years through increased funding from the general fund.

Note 16 Excess Expenditures

The following funds had an excess of expenditures over appropriations for the year ended June 30, 1997:

	<u>Budget</u>	<u>Actual</u>	<u>Excess of Actual over Budget</u>
Title III 4-1	\$48,549	\$50,519	\$1,970
Subtotal	\$ 9,768	\$10,500	\$ 732

Note 17 Unrelated Business Income

The Council operates an activity which was determined for the year ended June 30, 1997, to be an activity "unrelated to the Council's tax exempt purpose" as that term is used in IRS regulations. The income of that activity (Bookkeeping Fund, a Special Revenue Fund) is, therefore, considered to be "unrelated business income" and is subject to federal taxes. The expenses reported in these financial statements comply with the accounting prescribed by the Governor's Office of Elderly Affairs.

The Form 990T required by the IRS requires different accounting treatment, specifically with respect to "capital outlay expenditures" which are tax reporting must be capitalized and depreciated rather than totally expensed. The Council did not incur capital outlay expense in this reporting year.

SUPPLEMENTAL INFORMATION

SCHEDULE OF INDIVIDUAL FORMS

SEASDA COUNCIL ON ARTS, INC.

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

Local and miscellaneous:	
Interest	\$ 2,178
FRE Union	
Donations	1,424
Hayday activities	2,378
Trips	7,800
Texas Home concessions	8,647
Lodging ticket sales	588
Miscellaneous	2,540
Stage revenue	550,880
Sales for meals	3,388
Benefit income	<u>2,360</u>
Total revenues	<u>182,628</u>
Expenditures:	
Current -	
Fringe	575
Travel	4,320
Operating services	8,585
Operating supplies	2,358
Other costs	980
Charitable games -	
Salaries	6,760
Fringe	528
Contract labor	4,700
Winnings paid	72,598
Rent	18,708
Supplies	15,870
Other	8,000
Capital outlay	
Debt service -	
Principal	25,800
Interest	<u>18,385</u>
Total expenditures	<u>182,328</u>
Excess of revenues over expenditures	<u>300</u>

(Continued)

ACADEIA COUNCIL ON ACIDS, 1997

Statement of Revenue Expenditures and Changes in Fund Balance -
General Fund (Continued)
Year Ended June 30, 1997

Other financing sources (uses):	
Proceeds from loans	\$ 11,801
Operating transfers in	7,406
Operating transfers out	<u>(43,788)</u>
Total other financing sources (uses)	<u>(24,581)</u>
Deficiency of revenues and other sources over expenditures and other uses	(23,609)
Fund balance:	
Beginning of year	<u>18,873</u>
End of year	<u>\$ 15,264</u>

WATER BOARD OF ALBANY, N.Y.

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances -
 BY FUNDAL ACCOUNTS
 Year 1966 and 1967

	1966	1966	1966	1966	1966	1967	Change
	1966	1966	1966	1966	1966	1967	1967
Revenues							
Inter-governmental	\$ 18,000	148,000	946,000	62,000	11,000	\$ 17,000	14,000
Program	20,000	1,400	20,000	-	-	-	-
Local and other sources	700	-	-	-	-	-	-
Total revenues	<u>19,700</u>	<u>149,400</u>	<u>966,000</u>	<u>62,000</u>	<u>11,000</u>	<u>17,000</u>	<u>14,000</u>
Expenditures							
Current :							
Salaries	214,700	22,470	24,470	1,014	220	70	1,470
Trings	20,114	3,420	3,390	30	10	100	100
Taxes	7,224	1,500	10,700	420	7	-	1,211
Contracting services	100,000	10,000	11,700	477	207	1,700	1,100
Operating supplies	10,447	1,700	1,600	79	10	10	100
Other costs	100	-	-	-	-	-	-
Capital outlay	10,000	-	-	-	1,000	-	-
Total expenditures	<u>352,585</u>	<u>38,190</u>	<u>50,860</u>	<u>1,530</u>	<u>1,247</u>	<u>1,880</u>	<u>10,000</u>
Excess (deficiency) of revenues over expenditures	<u>117,115</u>	<u>111,210</u>	<u>45,140</u>	<u>60,470</u>	<u>9,753</u>	<u>15,120</u>	<u>11,000</u>
Other financing sources (uses)							
Operating transfers in	100,000	1,000	1,700	100	-	-	1,000
Operating transfers out	-	-	-	-	-	(100,000)	-
Total other financing sources (uses)	<u>100,000</u>	<u>1,000</u>	<u>1,700</u>	<u>100</u>	<u>-</u>	<u>(100,000)</u>	<u>1,000</u>
Excess (deficiency) of revenues and other sources over capital outlay and other uses	<u>217,115</u>	<u>112,210</u>	<u>46,840</u>	<u>60,570</u>	<u>9,753</u>	<u>15,120</u>	<u>12,000</u>
Fund balances (deficits), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,000</u>	<u>\$ -</u>

ACORNIA COUNCIL ON ACCOBS, INC.

Statement of Expenditures - Budget (ICAF Basis) and Actual -
Special Reserve Funds
Year Ended June 30, 1997

	Budgeted	Actual	Variance - Favorable (Unfavorable)
Tithe III-B			
Salaries	\$277,983	\$268,723	\$ 9,260
Fringe	19,038	27,321	(8,283)
Travel	8,034	7,358	1,676
Operating services	100,250	125,890	(25,640)
Operating supplies	26,817	22,457	22,360
Other costs	2,000	128	1,872
Capital outlay	14,928	28,280	(13,352)
	<u>\$410,074</u>	<u>\$484,837</u>	<u>\$ 7,377</u>
Tithe III-C-1			
Salaries	\$ 23,808	\$ 28,622	\$(4,814)
Fringe	1,998	3,422	(1,424)
Travel	3,607	1,999	1,608
Operating services	14,875	28,828	4,297
Operating supplies	1,354	1,354	202
Capital outlay	1,663	---	1,663
	<u>\$ 49,305</u>	<u>\$ 63,225</u>	<u>\$ (4,600)</u>
Tithe III-C-2			
Salaries	\$35,221	\$ 34,429	\$ 792
Fringe	4,613	5,184	(571)
Travel	26,822	28,529	(1,707)
Operating services	24,875	22,722	2,222
Operating supplies	1,473	3,423	(1,950)
Capital outlay	1,663	---	1,663
	<u>\$ 94,672</u>	<u>\$ 94,287</u>	<u>\$ 385</u>
Tithe III-D			
Salaries	\$ 2,816	\$ 2,014	\$ 802
Fringe	225	58	167
Travel	679	638	49
Operating services	662	672	102
Operating supplies	53	78	(25)
Other costs	680	---	680
Capital outlay	71	---	71
	<u>\$ 4,896</u>	<u>\$ 3,270</u>	<u>\$ 1,626</u>

(Continued)

Acadia Council on Aging, Inc.

Statement of Expenditures - Budget (GAAP Basis) and Actual -
Special Revenue Funds (Continued)
Year Ended June 30, 1987

	Budgeted	Actual	Variance - Favorable (Disadvantage)
Office			
Salaries	\$ 2,443	\$ 283	\$ 2,160
Fringe	204	50	154
Travel	394	7	387
Operating services	846	207	639
Operating supplies	70	15	55
Capital outlay	<u>3,687</u>	<u>3,057</u>	<u>630</u>
	<u>\$ 4,794</u>	<u>\$ 3,557</u>	<u>\$ 1,237</u>
Senior Center			
Salaries	\$ 3,000	\$ 784	\$ 2,216
Fringe	248	136	112
Travel	200	-	200
Operating services	1,815	3,181	(2,366)
Operating supplies	<u>385</u>	<u>13</u>	<u>372</u>
	<u>\$ 4,648</u>	<u>\$ 4,034</u>	<u>\$ 614</u>
Outcomes			
Salaries	\$ 5,794	\$ 6,409	\$ (615)
Fringe	484	612	(128)
Travel	2,094	1,953	141
Operating services	1,167	1,281	(114)
Operating supplies	97	348	(251)
Capital outlay	<u>178</u>	<u>-</u>	<u>178</u>
	<u>\$ 9,714</u>	<u>\$ 10,303</u>	<u>\$ (589)</u>

INTERNAL CONTROL, COMPLIANCE

AND

OTHER GRANT INFORMATION

internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Audita Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item FF-1.

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. Our consideration of the internal control structure over financial reporting would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

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

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Bonnie, Louisiana
October 30, 1997



**Darnall, Sikes
& Frederick**

U.S. Government Printing Office

**Independent Auditor's Report on Compliance with
Requirements Applicable to Each Major
Program and Internal Control over Compliance
in Accordance with OMB Circular A-133**

The Board of Directors
Acadia Council on Aging, Inc.
Crescent, Louisiana

Compliance

We have audited the compliance of Acadia Council on Aging, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Requirements that are applicable to its major federal programs for the year ended June 30, 1997. The Acadia Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of the Acadia Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the Acadia Council on Aging, Inc.'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, *Standards of Status, Local Governments, and Non-Profit Organizations*. These 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 Acadia Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as we consider 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 Acadia Council on Aging, Inc.'s compliance with those requirements.

As described in Item FF-2 in the accompanying schedule of findings and questioned costs, the Acadia Council on Aging, Inc. did not comply with

Statement of Objectives and Scope 100

Summary of Auditor's Results 101

Compliance with Requirements 102

Internal Control over Compliance 103

Summary of Findings and Questioned Costs 104

Summary of Findings and Questioned Costs 105

Summary of Findings and Questioned Costs 106

Summary of Findings and Questioned Costs 107

Summary of Findings and Questioned Costs 108

Summary of Findings and Questioned Costs 109

Summary of Findings and Questioned Costs 110

Summary of Findings and Questioned Costs 111

Summary of Findings and Questioned Costs 112

Summary of Findings and Questioned Costs 113

Summary of Findings and Questioned Costs 114

Summary of Findings and Questioned Costs 115

Summary of Findings and Questioned Costs 116

Summary of Findings and Questioned Costs 117

Summary of Findings and Questioned Costs 118

Summary of Findings and Questioned Costs 119

Summary of Findings and Questioned Costs 120

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Summary of Findings and Questioned Costs 122

Summary of Findings and Questioned Costs 123

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Summary of Findings and Questioned Costs 167

Summary of Findings and Questioned Costs 168

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Summary of Findings and Questioned Costs 173

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Summary of Findings and Questioned Costs 189

Summary of Findings and Questioned Costs 190

Summary of Findings and Questioned Costs 191

Summary of Findings and Questioned Costs 192

Summary of Findings and Questioned Costs 193

Summary of Findings and Questioned Costs 194

Summary of Findings and Questioned Costs 195

Summary of Findings and Questioned Costs 196

Summary of Findings and Questioned Costs 197

Summary of Findings and Questioned Costs 198

Summary of Findings and Questioned Costs 199

Summary of Findings and Questioned Costs 200

requirements regarding allowable costs/cost principles, period of availability of federal funds and reporting that are applicable to its Section 5311 - Non-urbanized Area Public Transportation Program. Compliance with such requirements is necessary, in our opinion, for the Acadia Council on Aging to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the Acadia Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997. The results of our auditing procedures also disclosed another instance of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 90-3.

Internal Control Over Compliance

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

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect Acadia Council on Aging, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 90-1.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not disclose all reportable conditions that are considered to be material weaknesses. However, we believe the reportable condition described in the accompanying schedule of findings and questioned costs as item 90-1 is a material weakness.

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

Dannell, Sikes & Frederick

a Corporation of Certified Public Accountants

Baton Rouge, Louisiana
October 14, 1993

ACADEIA COUNCIL ON AGING, INC.

Schedule of Expenditures of Federal Awards
Year Ended June 30, 1987

Program Title	Federal CFDA Number	Expenditures	Amounts to Subrecipients
Department of Health & Human Services			
Passed through the Louisiana Governor's Office of Elderly Affairs:			
Title III B-Supportive services	93.044	\$ 53,681	\$ -
Title III C-1-Congregate meals	93.043	48,818	-
Title III C-2-Home delivered meals	93.045	13,960	-
Title III B-In-home services	93.044	1,867	-
Title VII - Chapter 2 - Outcomes	93.043	5,730	-
Title III F-Preventive Health Services	93.043	3,873	-
Passed through the State Office of Family Support, Job Opportunities and Skills Training (3085):			
Project #4381	93.041	<u>34,120</u>	-
		<u>135,251</u>	-
Department of Transportation & Employment			
Passed through the City of Bayou:			
Federal Transit Administration - Non-urbanized Area Public Transportation, Project #1A-2B-0034, State Project #741-01-0033	20.909	<u>389,613</u>	-
Federal Emergency Management Agency			
Passed through the Phase X Program:			
Emergency Food and Shelter Program	93.129	<u>24,326</u>	-
		<u>\$308,892</u>	\$ -

SCOTIA COUNCIL ON ACCO, INC.

Schedule of Corrective Action Taken on Prior Year Findings
Year Ended June 30, 1997

There were no prior year findings.

ACADIA COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs
Year Ended June 30, 1997

Part I Summary of Auditor's Results

Major Program - Identification

The Acadia Council on Aging, Inc., at June 30, 1997, has two major programs: (1) Section 5311 - Public Transportation for Non-urbanized Areas, which receives funds from the Department of Transportation and Development "passed through" the City of Bayou and (2) JOBS - Job Opportunity and Basic Skills Training, which receives funds from the Department of Health and Human Services "passed through" the State Office of Family Support.

Main Program - Threshold

The dollar threshold to distinguish Type A and Type B programs is \$158,498 for the fiscal year ended June 30, 1997.

Low-Risk Audites

The Acadia Council on Aging, Inc. is not considered a low-risk auditee for the fiscal year ended June 30, 1997.

Auditor's Report - Financial Statements

An unqualified opinion has been issued on the Acadia Council on Aging, Inc.'s general purpose financial statements as of and for the year ended June 30, 1997.

Auditor's Report - Main Programs

In our opinion, the Acadia Council on Aging, Inc. does not comply with requirements regarding allowable costs/cost principles, period of availability of federal funds and reporting that are applicable to the Section 5311 - Nonurbanized Area Public Transportation Program for the year ended June 30, 1997.

Reportable Condition - Financial Reporting

The following reportable condition is internal control over financial reporting was disclosed and is considered a material weakness:

87-1 Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Council does not have adequate segregation of functions within the accounting system.

AGRIA COUNCIL OF AGING, INC.

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 1997

Part I Summary of Auditor's Results (Continued)

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

Material Noncompliance - Financial Statements

The results of our tests disclose no instances of noncompliance that are required to be reported under Government Auditing Standards.

Reportable Condition - Major Programs

91-1 Individual Segregation of Accounting Functions

Findings:

Due to the small number of accounting personnel, the Council does not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

97-3 Reimbursement of Transportation Expenses

Findings:

Expenses reported by the Council for reimbursement of Section 5311 - Public Transportation for Nonurbanized Areas program costs were inappropriately overstated as follows:

- (1) Payroll related expenses, including FICA, Medicare, unemployment insurance and worker's compensation, are requested for reimbursement using an estimated percentage based on salaries paid. The percentage used by the Council exceeds the amount of payroll related expenses actually paid.

LOUISIANA COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 1987

Part I Summary of Auditor's Results (Continued)

Finding Related to Federal Programs (Continued)

97-3 Allocation of Expenses Related to Federal Programs

Finding:

The Council allocates expenses to various programs on the general ledger using an indirect cost allocation plan. However, the Council is not consistent in applying the same rates to the reports filed with the program's oversight agency. As a result, total expenses reported to the program oversight agency usually exceed the amount of the expenses incurred and recorded on the general ledger. For the fiscal year ended June 30, 1987, the Council received reimbursements in excess of expenses incurred from the Department of Health and Human Services "passed through" the Louisiana Governor's Office of Elderly Affairs totaling \$17,688.

Recommendation:

The Council should ensure percentages used to allocate expenses on the general ledger are consistent with the percentages used on the reports filed with the program's oversight agency.

Part II Findings Relating to an Audit in Accordance with Government Auditing Standards

97-1 Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Council does not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

ACADIA COUNCIL ON AIRS, INC.

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 1991

Part 3. Findings and Questioned Costs Relating to Federal Programs

97-1 Individual Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Council does not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

97-2 Reimbursement of Transportation Expenses

Finding:

Expenses reported by the Council for reimbursement of Section 501(c)(3) Public Transportation for Nonmarketized Areas program costs were inappropriately associated as follows:

- (1) Payroll related expenses, including FICA, Medicare, unemployment insurance and worker's compensation, are requested for reimbursement using an estimated percentage based on salaries paid. The percentage used by the Council exceeds the amount of payroll related expenses actually paid.
- (2) Several expenses were requested both in the month incurred (accrual basis) and in a subsequent month when paid (cash basis). The Section 501(c)(3) Public Transportation for Nonmarketized Areas program requires expenses to be requested for reimbursement on the accrual basis. However, the general ledger is maintained using the cash basis which results in the occasional duplication of expenses requested for reimbursement as determined by comparing total expenses per the program reports to the general ledger for the fiscal year ended June 30, 1991.

Based on the above, request for reimbursement from the Department of Transportation and Development exceeds expenses paid totaling \$13,733.

BOEBA COUNCIL ON AGING, INC.

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 1987

Part 3 Findings and Questioned Costs Relating to Federal Programs

97-2 Reimbursement of Transportation Expenses (Continued)

Recommendation:

The Council must implement procedures to ensure estimates used to allocate cost are substantiated by costs incurred. Also, the Council should prepare a reconciliation of the general ledger (cash basis) to the program request for reimbursement report.

97-3 Allocation of Expenses Related to Federal Programs

Finding:

The Council allocates expenses to various programs on the general ledger using an indirect cost allocation plan. However, the Council is not consistent in applying the same rates to the reports filed with the program's oversight agency. As a result, total expenses reported to the program oversight agency usually exceeds the amount of the expense incurred and recorded on the general ledger. For the fiscal year ended June 30, 1987, the Council received reimbursements in excess of expenses incurred from the Department of Health and Human Services "passed through" the Louisiana Governor's Office of Elderly Affairs totaling \$32,668.

Recommendation:

The Council should ensure percentages used to allocate expenses on the general ledger are consistent with the percentages used on the reports filed with the program's oversight agency.

ARMED CORPUS OF MILITARY, INC.

Corrective Action Plan
Year Ended June 30, 1993

Response to Findings:

90-1 Individual Restriction of Accounting Positions

Management agrees that a complete segregation of duties may not be feasible due to the cost-benefit of hiring additional personnel and the size of the operation.

97-2 Reimbursement of Transportation Expenses

The Council has converted the general ledger for the Section 501-
Public Transportation for Nonsubsidized Areas program from the cash
basis to the accrual basis which is the same method used for
requesting reimbursement from the program's oversight agency.

97-3 Allocation of Expenses Related to Federal Compliance

The Council has updated the general ledger to reflect the
appropriate allocation percentages as used on the request for
reimbursement reports.

OTHER SUPPLEMENTARY INFORMATION

ANADIA COUNCIL ON AGING, INC.

Schedule of Disbursements to Board Members
Year Ended June 30, 1987

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

The following board members were reimbursed for mileage and travel expenses while attending to business of the Council:

Dorothy Brummond	\$413
Margarita Gonzalez	41
Betty Vinter	333
	\$787
	0000

AGADIA COUNCIL ON AGING, INC.

Main Conference
Year Ended June 30, 1997

An main conference was held on December 17, 1997, with the Agadia Council on Aging, Inc. In attendance were:

Lloyd Gaidry, Executive Director
Betty Constantis, Program Director
Ed Daigle, Bookkeeper
Laura Remick, Bookkeeper
Veronica Angel, Administrative Assistant
Joe Hugh, Governor's of Elderly Affairs
Sharon Bruzard, Dejas Area Agency
Margaret Constantis, Board Member
Robert Larvace, Board Member
Jocelin Hoffmann, Board Member
Frank Powell, Board Member
Theresa Richard, Board Member
Thomas Souler, Board Member
Betty Vicker, Board Member
Dulaine Wright, Board Member
Paula Rhee, CPA
Steven Stone, CPA

We reported on the results of our audit and our discovery of a material weakness in internal control, which is reported on pages 32 and 33.