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**LAFAYETTE COUNCIL
ON AGING, INC.**

Financial Report

Year Ended June 30, 1967

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 JAN 14 1968

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**Darnall, Sikes
& Frederick**

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Independent Auditor's Report

The Board of Directors
Lafayette Council on Aging, Inc.
Lafayette, Louisiana

We have audited the accompanying general purpose financial statements of the Lafayette Council on Aging, Inc., as of and for the year ended June 30, 1993, 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 A-133, "Standards for Financial Statements, and Non-Financial Organizations". These standards and OMB Circular A-133 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 Lafayette Council on Aging, Inc. as of June 30, 1993, 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 6, 1993, on our consideration of the Lafayette 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.

1993/06/30

1993/06/30

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Lafayette 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.

Bossier, Louisiana
October 6, 1997

GENERAL PURPOSE FINANCIAL STATEMENTS
(CORPORATE STATEMENTS - OVERVIEW)

LAKEVIEW COUNTY, IN 46346, INC.

**Combined Balance Sheet - All Fund Types and Account Types
June 30, 1987**

	Governmental		Proprietary		Total
	Fund Types		Fund Types		
	General	Special	Plant	Long Term	
ASSETS					
Cash	\$ 494,000	\$ 1,144,500	\$ -	\$ -	\$ 1,638,500
Prepaid expenses	87	-	-	-	87
Due from other funds	4,039	94,392	-	-	98,431
Accounts receivable	11,757	4,231	-	-	15,988
Fund assets	-	-	804,750	-	804,750
Amount to be provided for retirement of general long term debt	-	-	-	28,150	28,150
Total assets	\$ 510,683	\$ 1,243,123	\$ 804,750	\$ 28,150	\$ 1,586,706
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Accounts payable	\$ 477	\$ 1,144	\$ -	\$ -	\$ 1,621
Unearned revenue	10,000	4,467	-	-	14,467
Accrued interest and financial benefits payable	1,144	-	-	-	1,144
Due to other funds	44,948	4,700	-	-	49,648
Long-term debt -					
Accumulated amortization	-	-	-	9,444	9,444
Note payable	-	-	-	24,262	24,262
Total liabilities	\$ 56,569	\$ 10,311	\$ -	\$ 33,710	\$ 100,590
Fund Equity					
Investments in fixed assets	-	-	804,750	-	804,750
Fund balances -					
Unreserved, undesignated	45,863	701,609	-	-	747,472
Reserved, designated	5,788	-	-	-	5,788
Reserved	29,752	236,805	-	-	266,557
Total fund balances	\$ 81,403	\$ 938,414	\$ -	\$ -	\$ 1,019,817
Total fund equity	\$ 81,403	\$ 938,414	\$ 804,750	\$ -	\$ 1,624,567
Total liabilities and fund equity	\$ 138,072	\$ 1,178,528	\$ 804,750	\$ 33,710	\$ 1,555,060

The accompanying notes are an integral part of this statement.

LAFAYETTE COUNCIL ON AGING, INC.

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - All Governmental Fund Types
Year Ended June 30, 1977

	General	Special Revenue	Total (Memoranda Only)
Revenues:			
Intergovernmental	\$ 27,100	\$1,059,825	\$1,086,925
Program	-	58,689	58,689
Local and miscellaneous	82,750	312,666	395,416
In-kind	-	48,382	48,382
Total revenues	<u>109,850</u>	<u>1,479,562</u>	<u>1,589,412</u>
Expenditures:			
Current -			
Salaries	18,750	787,376	806,126
Fringe	2,675	83,268	85,943
Travel	1,323	33,867	35,190
Speaking services	25,834	150,165	175,999
Operating supplies	278	31,013	31,291
Other costs	13,657	146,329	160,986
Capital outlay	10,815	26,185	37,000
In-kind	-	48,382	48,382
Total expenditures	<u>83,328</u>	<u>1,385,568</u>	<u>1,468,896</u>
Excess (deficiency) of revenues over expenditures	<u>26,522</u>	<u>93,994</u>	<u>(678)</u>
Other financing sources (uses):			
Operating transfers in	-	182,566	182,566
Operating transfers out	(68,361)	(118,329)	(186,690)
Total other financing sources (uses)	<u>(68,361)</u>	<u>64,237</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(41,839)</u>	<u>15,757</u>	<u>(678)</u>
Fund balances, beginning of year	<u>96,386</u>	<u>68,118</u>	<u>164,504</u>
Fund balances, end of year	<u>\$ 54,547</u>	<u>\$ 103,875</u>	<u>\$ 158,422</u>

The accompanying notes are an integral part of this statement.

LAKEVIEW COUNTY OF ARIZONA, INC.

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget Comparison Basis and Actual - All Governmental Fund Types
Year Ended June 30, 1997

	General Fund			Special Revenue Funds		
	Budgeted	Actual	Variance (Deficit/Surplus)	Budgeted	Actual	Variance (Deficit/Surplus)
Revenues:						
Intergovernmental	\$ -	\$ 27,100	\$ 27,100	\$ 420,000	\$ 420,000	\$ 0.00
Fees	-	-	-	60,000	58,000	2,000
Local and miscellaneous	148,000	80,750	67,250	100,000	110,000	10,000
Grants	-	-	-	50,000	50,000	0.00
Total revenues	<u>148,000</u>	<u>107,850</u>	<u>(40,150)</u>	<u>1,070,000</u>	<u>1,038,000</u>	<u>(32,000)</u>
Expenditures:						
Salaries	10,000	10,100	100	770,000	770,000	0.00
Fringe	1,000	1,000	0.00	60,000	60,000	0.00
Travel	1,000	1,100	100	50,000	50,000	0.00
Contract services	24,000	21,000	3,000	110,000	120,000	10,000
Contract support fee	0.00	0.00	0.00	10,000	10,000	0.00
Other costs	20,000	11,400	8,600	170,000	160,000	10,000
Facilities	10,000	10,000	0.00	40,000	40,000	0.00
Other	-	-	-	10,000	10,000	0.00
Total expenditures	<u>66,000</u>	<u>54,600</u>	<u>11,400</u>	<u>1,110,000</u>	<u>1,160,000</u>	<u>50,000</u>
Revenue in excess of expenditures	<u>82,000</u>	<u>53,250</u>	<u>28,750</u>	<u>(40,000)</u>	<u>(22,000)</u>	<u>18,000</u>
Other financing sources (uses):						
Special tax transfer in	-	-	-	100,000	100,000	0.00
Special tax transfer out	(100,000)	(100,000)	0.00	(100,000)	(100,000)	0.00
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Change (decrease) of revenues and other sources over expenditures and other uses	<u>18,000</u>	<u>(46,750)</u>	<u>(64,750)</u>	<u>40,000</u>	<u>(22,000)</u>	<u>62,000</u>
Fund balances, beginning of year	<u>50,000</u>	<u>50,000</u>	<u>0.00</u>	<u>50,000</u>	<u>50,000</u>	<u>0.00</u>
Fund balances, end of year	<u>\$ 68,000</u>	<u>\$ 3,250</u>	<u>\$ 64,750</u>	<u>\$ 90,000</u>	<u>\$ 28,000</u>	<u>\$ 62,000</u>

The accompanying notes are an integral part of this statement.

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

a. Presentation 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 December 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 488 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 prepared its financial statement as a separate special-purpose government.

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating assist centers and transportation. A board of Directors, consisting of 15 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 Lafayette 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 display 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 balances 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:

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

The following fund comprises the Council's General Fund:

Local

Local funds are received from various local sources.

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 Hospice Services Fund

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

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.

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Title III-E-1 Home-Bound Meals Fund

Title III E-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 meals to home-bound elder persons.

Title III-D Fund

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

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 (counseling/nutrition, 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.

LAPARITEE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Senior Center Fund

The Senior Center Fund is used to account for the administration of Senior Center Program Funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

Substance Fund

The Substance Program was established to investigate and receive complaints of any relevant nature on behalf of individuals, especially aged individuals who are residents of long-term care facilities. Substance 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.

Senior Community Service Employment Fund
Article VI

The Senior Community Service Employment Fund is used to account for funds which are used to provide, foster, and promote useful part-time work opportunities in community service

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

activities for low-income persons who are 65 years old and older. These funds are provided by the Department of Labor through the National Senior Citizens Education and Research Center which in turn "passes through" the funds to the Council.

Foster Grandparents Fund

The Foster Grandparents Fund is used to account for federal funds which are provided directly by the Corporation for National Service and state funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for expenses incurred by low-income, senior citizens, age 60 and over, who have volunteered their time to assist in providing companionship and guidance for physically and mentally handicapped children and children who have been abused and neglected in the juvenile justice system, or have other special needs.

FOIA (Act 335)

FOIA (Act 335) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. These funds are accounted for in a separate special revenue fund to facilitate tracking of this revenue 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.

Seniorard House

This fund reports the activity of a facility operated by the Council for the Senior Center and other community activities.

United Seniors Fund

This fund reports assistance received from the community's regular United Appeals activity.

LACROSSE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The funds are received upon application to the United Divers Agency and are subject to reporting to, and monitoring by, that Agency.

Elderly Housing Management Fund

The Elderly Housing Management Fund represents management fees and expenditures relating to the management of Home Injures Estates (a Wisconsin community).

Family Spring Network Case Management Fund

This fund is used to account for revenues received from Life Plans, Inc. and is to be used for the purpose of assisting elderly and disabled persons in identifying and locating appropriate service providers capable of addressing their health and other aging and disability related problems.

FEMA Fund

The FEMA 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. Funds are provided by the Federal Emergency Management Agency through the United Way of America which in turn "passes through" the funds to the Council.

Community Care Program Fund

This fund is used to account for revenues and expenditures associated with the Council providing homemaker services to the elderly of the parish who are on the waiting list for the services provided by the Council. Revenue is received from the parson willing the services.

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Medicaid of Louisiana Fund

The Medicaid of Louisiana Fund is used to account for the revenue and expenditures associated with the services the Council rendered in being a Medicaid Enrollment Center.

Senior Olympics Fund

This fund is used to account for the revenues and expenditures associated with the Senior Olympics fundraising event.

Willness Card Fund

This fund is used to account for the revenues and expenditures associated with a discount prescription card sale fundraising event.

Capital Assistance Fund

The Capital Assistance Fund is used to account for the revenues and expenditures associated with the purchasing of fixed assets.

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 Lafayette Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

LAFAYETTE COLLEGE ON AGENCIES, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

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.

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 both 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.

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

6. 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.

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.

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

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.

C. Fund 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.

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. Invested fixed assets are stated at their estimated fair market value on the date donated.

D. Cash and Interest-Bearing Deposits

Cash and interest bearing deposits includes amounts in demand deposits and money market accounts.

E. Annual and Sick Leave

The Council's policy allows full time employees to carry forward 18 days of unused annual leave, and 30 days of unused sick leave. Full-time employees earn 1 day of sick leave and 1 day of annual leave per month. An employee may be paid for 18 days of unused annual leave and any compensatory time

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

accumulated upon separation. However, no days of unused sick leave may be paid upon separation. The liability for accumulated unpaid vacation at June 30, 1997, is included in the General Long-Term Debt Account Group.

5. 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 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.

Note 4. Cash and Interest-Bearing Deposits

Under state law, the Council may deposit funds within a fiscal agent 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 law and national banks having principal offices in Louisiana. As June 30, 1997, the Council has cash and interest-bearing deposits (cash balances) totaling \$187,947 as follows:

Cash deposits	\$ 26,500
Money market accounts	161,447
Total	<u>\$187,947</u>

LaFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 4 Cash and Interest-Bearing Deposits (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the remaining bank balances) must be covered 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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding of custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) as June 30, 1997, are covered as follows:

Bank balances	<u>\$218,281</u>
Federal deposit insurance	\$10,000
Pledged securities (Category 3)	<u>128,823</u>
Total	<u>\$356,104</u>

Pledged securities in Category 3 include unsecured or unregistered investments for which the securities are held by the broker or dealer, or by the trust department or agent, but not in the Council's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 38:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 90 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

Note 5 Operating Transfers In, Out

	<u>Funds transferring out:</u>		
	<u>Elderly Housing</u>	<u>Art. 729</u>	<u>United</u>
			<u>Oliver</u>
<u>Funds transferring in:</u>			
Foster Grandparents Program	\$ -	\$ -	\$ 103
Title III-C-1	4,551	-	3,432
Title III-C-2	13,386	3,325	13,386
Title III-B	368	16,857	4,986
Subsidies:	967	2,366	-
Title III-D	<u>128</u>	<u>428</u>	<u>-</u>
	<u>\$19,480</u>	<u>\$23,626</u>	<u>\$22,467</u>

LAFALETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 5 Operating Transfers In, Out (Continued)

	Funds transferring out:			Total
	General	Senior	Miscellaneous	
Funds transferring in:				
Foster Grandparents Program	\$ -	\$ -	\$ -	\$ 160
Title III-C-1	3,959	-	-	11,960
Title III-C-2	49,382	-	-	70,000
Title III-B	-	69,709	4,380	96,000
Outcomes	-	-	-	1,330
Title III-D	-	-	-	608
	<u>\$43,341</u>	<u>\$69,709</u>	<u>\$4,380</u>	<u>\$112,318</u>

Note 6 Interfund Reimbursements, Payables

	Interfund Reimbursements	Interfund Payables
General Fund	\$ 6,506	\$84,580
Foster Grandparents	-	3,420
Community Base Program	714	-
Elderly Housing Management	48,678	-
Family Caring Network	13,158	-
Title III-C-1	1,308	-
Title III-C-2	1,309	-
Remuneration House	11,358	-
Senior Olympics	3,214	-
Medicaid of Louisiana	-	362
FEMA	-	2,866
Title III-B	-	300
United Officers	1,590	-
Wellness Card	-	182
	<u>\$71,998</u>	<u>\$88,080</u>

Note 7 Reserved Fund Balance

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

Lafayette Council on Aging, Inc.

Notes to Financial Statements

Note 7 Reserved Fund Balance (Continued)

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:

	Balance July 1, 1996	Revenue July 1, 1996 - June 30, 1997	Disbursements July 1, 1996 - June 30, 1997	Balance June 30, 1997
Gift Taxes Utilities (Project Care)	\$1,345	\$3,943	\$4,505	\$ 783

The Council has other assets which are restricted in their application by virtue of the donor's intention or commitments already entered into by the Council. These amounts are also reported as Reserved Fund Balance. These include encroachment deposits required by the U.S. Department of Housing and Urban Development (HUD) in connection with elderly housing projects undertaken and sponsored by the Council. Other restricted assets arise because of gifts realized and collected for the specific facility for the Council. Other assets, like the utility assistance above, are restricted by the terms and nature of the grant. Finally, some assets represent "deposits" pledged to confirm the Council's intentions with respect to certain projects. Related accumulated income is included in some of the restricted balances. Details on the reserved balances are set out below:

Lafayette Elderly Housing Project	\$13,486	(HUD Equity)
Seniors Elderly Housing Project	18,974	(HUD Equity)
Utility Assistance	183	(Terms of grant)
Miles for Meals	<u>5,621</u>	
Total Reserved Fund Balance	<u>\$38,164</u>	

Note 8 Designated Fund Balance

The Board of Directors has designated funds for future building repairs in the amount of \$5,598.

Note 9 Judgments, Claims, and Similar Contingencies

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

LOUISIANA COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 9 Judgments, Claims, and Similar Contingencies (Continued)

The Council receives revenues from various Federal and State grant programs which are subject to final review and approval as to appropriability 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 in such an amount that they would materially affect the Council's financial position.

Note 10 Economic Dependency

The Council receives the majority of its revenues from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs and the National Senior Citizens Education and Research Center. 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 Program Year-Ends

All of the operating programs have a June 30 year-end, coinciding with the fiscal year of the Council, except for the Foster Grandparent Program and the NISM Program which are not funded through the Area Agency, and have a September 30 year-end. These statements reflect Foster Grandparent activity for the above program for the year ended June 30, 1987.

Note 12 Unrelated Business Income

The Council operates an activity which was determined for the year ended June 30, 1987, 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 (Broussard House, a Special Revenue Fund) is, therefore, considered to be "unrelated business income" and is subject to Federal taxes. The expenses as 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

LAFAYETTE COUNCIL ON AIDS, INC.

Notes to Financial Statements

Note 12: Unrelated Business Income (Continued)

accounting treatment, specifically with respect to "capital outlay expenditures" which for tax reporting must be capitalized and depreciated rather than totally expensed. The Council did not incur any capital outlay expenses during this reporting year.

The expenses of the Broadwood House as reported in these financial statements and in the Form 990T may be reconciled as follows:

Expenses per 990T	\$11,438
Less: Depreciation expense	(582)
Plus: Taxes paid	<u>288</u>
Expenses per financial statements	<u>\$11,094</u>

Note 13: Changes in Long-Term Debt

	Balance June 30, 1998		ADDITIONS	DEDUCTIONS	Balance June 30, 1999
Notes payable	\$33,808	\$ -	\$ 4,987	-	\$38,795
Accrued annual lease	<u>8,318</u>	<u>884</u>	-	-	<u>9,202</u>
Total	<u>\$42,126</u>	<u>\$ 884</u>	<u>\$ 4,987</u>	<u>\$ -</u>	<u>\$47,013</u>

In 1991, the Council purchased the building that they are currently occupying. They signed a fifteen year loan with Lafayette Building Association on February 8, 1991, bearing interest at a variable rate, currently 7.825%, with monthly payments of \$689.

The annual requirements to service all debt outstanding at June 30, 1999, including interest payments of \$9,318, are as follows:

Year Ending June 30,

1998	\$28,717
1999	7,303
2000	7,303
2001	7,303
2002 and thereafter	<u>2,518</u>
	<u>\$43,814</u>

LAFAYETTE COUNCIL ON AGING, INC.

Notes to Financial Statements

Note 14 In-Kind Contributions

The Council received various in-kind contributions during the year which have been valued at their estimated fair market value and presented in this report as revenues. Related expenses, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income.

Note 15 Deficit Fund Balances

The YMCA Program has a deficit fund balance of \$3,448 which is due to the program having a September 30 year-end and the program expense most of its allotted revenues by June 30. As the program year-end, the deficit balance will be eliminated.

The Medicaid of Louisiana Fund and the Wellness Card Fund also have deficit fund balances of \$74 and \$192, respectively, at June 30, 1991.

Note 16 Excess Expenditures Over Appropriations

At year-end, the Council has several funds whose expenditures exceeded appropriations. The individual funds and the amount of the excess expenditures are:

Yule Y-Becker ALBEN	<u>\$ 7,842</u>
YMCA Program	<u>3,448</u>
Medicaid of Louisiana	<u>74</u>
Senior Olympics	<u>2,142</u>
Wellness Card	<u>192</u>
General Fund	<u>\$17,698</u>

SUPPLEMENTAL INFORMATION

SCHEDULES OF INDIVIDUAL FORMS

LAGUYETTE COUNSEL ON ACING, INC.

Statement of Revenues, Expenditures, and
Changes in Fund Balances - General Fund
Year Ended June 30, 1987

Local and miscellaneous:	\$ 1,728
RMI Revenue	20,000
Parish council	1,500
State grant	13,869
Office rental	43,349
Newspaper	2,381
Interest income	2,983
Project Cash	5,808
City of Seattle	9,273
Sales for meals	4,268
Economic Fair Revenue	2,481
Fundraising	<u>2,388</u>
Miscellaneous	<u>102,812</u>
Total revenues	
Expenditures:	
Current -	18,120
Salaries	2,025
Fringe	1,325
Travel	33,834
Operating services	716
Operating supplies	13,423
Other costs	<u>14,802</u>
Capital outlay	<u>45,110</u>
Total expenditures	
Excess of revenues over expenditures	<u>29,162</u>
Other financing uses:	<u>166,361</u>
Operating transfers out	
Deficiency of revenues over expenditures and other uses	<u>(129,199)</u>
Fund balance, beginning of year	<u>84,266</u>
Fund balance, end of year	<u>\$ 17,187</u>

LAKEVILLE COUNTY, OHIO, 1967

Summary Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Special Revenue Funds
Year Ended June 30, 1967

	1966	1966	1966	1966	1966	Balance
	1966	1966	1966	1966	1966	1966
Revenues:						
Intergovernmental	418,872	4,11,871	4,12,051	42,179	42,852	4,62,050
Programs	4,627	4,627	4,627	-	-	-
Local and shared taxes	75,380	-	88	-	-	-
Grants	-	-	-	-	-	-
Total revenues	498,879	4,16,525	4,16,766	42,179	42,852	4,62,050
Expenditures:						
Salaries	40,000	40,000	41,247	100	-	2,850
Printing	75,817	7,253	7,253	154	-	701
Travel	5,104	776	4,406	1,881	-	11
Special fee services	48,977	4,462	11,343	183	2,187	8,100
Operating supplies	10,417	1,778	1,266	38	-	1,144
Other costs	2,837	675	1,276	78	-	-
Capital outlay	-	-	-	-	2,199	-
Reserve	-	-	-	-	-	-
Total expenditures	203,148	51,774	78,801	5,604	2,387	12,956
Excess (deficiency) of revenues over expenditures	295,731	3,64,751	3,37,965	36,575	40,465	449,094
Other financing sources (uses):						
Operating transfers in	46,140	46,140	46,877	466	-	-
Operating transfers out	-	-	-	-	-	182,101
Total other financing sources (uses)	46,140	46,140	46,877	466	-	182,101
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-	-
Level balances (deficit), beginning of year	-	-	-	-	-	-
Level balances (deficit), end of year	0 -	0 -	0 -	0 -	0 -	0 -

Statement	March 31, 1959 \$1000	July 31 - 1959 \$1000	Year ended 6/30/59 \$1000	Oct. 31, 1959	December 31, 1959	Dec. 31, 1958	Share holders' Equity	Total Assets 1959
411,419	\$ 4,300	888,710	888,173	\$ 21,424	\$ -	\$ 25,897	\$ -	\$ -
-	-	45,076	383	-	11,778	-	29,881	1,110
<u>411,419</u>	<u>4,300</u>	<u>933,786</u>	<u>888,556</u>	<u>21,424</u>	<u>11,778</u>	<u>25,897</u>	<u>29,881</u>	<u>1,110</u>
44,004	-	47,788	24,088	-	1,478	-	1,078	61
1,000	-	47,778	4,707	-	87	-	111	4
2,000	-	1,306	4,268	-	100	-	111	50
1,000	-	10,762	1,545	-	8,478	-	100	-
100	-	1,286	1,798	-	107	-	-	-
101	-	-	64,154	-	-	-	1,764	1,568
-	-	-	100	-	-	-	-	-
<u>48,114</u>	<u>-</u>	<u>107,634</u>	<u>74,583</u>	<u>-</u>	<u>11,863</u>	<u>-</u>	<u>1,953</u>	<u>1,583</u>
<u>459,333</u>	<u>4,300</u>	<u>1,041,420</u>	<u>963,139</u>	<u>21,424</u>	<u>23,641</u>	<u>25,897</u>	<u>31,834</u>	<u>1,663</u>
1,111	-	-	81	-	-	-	-	-
-	<u>11,000</u>	-	<u>111</u>	<u>111,000</u>	-	<u>111,000</u>	<u>111,000</u>	-
<u>1,111</u>	<u>11,000</u>	-	<u>111</u>	<u>111,000</u>	-	<u>111,000</u>	<u>111,000</u>	-
-	-	11,961	10,387	-	679	1,101	2,441	1,431
-	-	<u>1,000</u>	<u>4,300</u>	-	<u>1,071</u>	-	<u>10,500</u>	<u>10,500</u>
\$ -	\$ -	\$ 1,000	\$ 24,688	\$ -	\$ 1,787	\$ 11,107	\$ 11,107	\$ 11,107

(Last month)

LANFORD QUARTZ CO. ARIZONA, INC.

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Special Revenue Funds (Continued)
Year Ended June 30, 1997

	General	Sanctuary	Medical	Senior	Welfare	Capital	
	Fund	Fund	Fund	Fund	Fund	Fund	
	0001	0002	0003	0004	0005	0006	0007
Revenues:							
Intergovernmental	\$ 2,507	\$ -	\$ -	\$ -	\$ -	\$24,478	\$ 27,493
Grants	-	-	-	-	-	10,589	10,589
Local and State Taxes	-	1,748	183	8,139	737	-	10,807
Service	-	-	-	-	-	-	28,181
Total revenues	2,507	1,748	183	8,139	737	35,067	72,355
Expenditures:							
Current -							
Salaries	-	1,874	204	1,564	-	-	3,642
Fringe	-	85	73	81	-	-	243
Travel	-	-	-	1,130	-	-	1,130
Operating supplies	-	-	-	975	185	-	1,160
Operating capital	-	-	-	1,839	181	-	2,020
Other costs	8,588	-	-	558	-	-	9,146
Capital Outlay	-	-	-	-	-	25,870	25,870
Grants	-	-	-	-	-	-	47,152
Total expenditures	8,588	1,959	277	3,577	366	25,870	30,537
Excess (deficiency) of revenues over expenditures	(6,081)	(211)	(94)	(4,438)	(629)	-	(11,453)
Other financing sources:							
Grants -							
Operating transfers in	-	-	-	-	-	-	187,176
Operating transfers out	-	-	-	-	-	-	(178,152)
Total other financing sources (used)	-	-	-	-	-	-	9,024
Excess (deficiency) of revenues and other sources over expendi- tures and other uses	(6,081)	(211)	(94)	(4,438)	(629)	-	(11,429)
Fund balances (deficits), beginning of year	(1,353)	(30)	21	8,665	-	-	8,303
Fund balances (deficits), end of year	\$ (7,434)	\$ (241)	\$ (73)	\$ 4,227	\$ (629)	\$ -	\$ (3,926)

LAFAYETTE COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (GAAP Basis) and Actual -
All Special Revenue Funds
Year Ended June 30, 1997

	Budgeted	Actual	Variance - Favorable (Unfavorable)
Title IIIA			
Salaries	\$164,130	\$169,300	\$ 5,170
Fringe	17,387	14,868	2,519
Travel	5,450	3,534	1,916
Operating services	46,352	48,973	(2,621)
Operating supplies	8,085	13,437	(5,352)
Other costs	3,882	3,802	80
	<u>\$245,086</u>	<u>\$238,944</u>	<u>\$ 6,142</u>
Title IIIA.1			
Salaries	\$ 38,284	\$ 38,828	\$ (544)
Fringe	3,173	3,843	(670)
Travel	427	718	(291)
Operating services	3,889	4,843	(954)
Operating supplies	1,180	1,818	(638)
Other costs	422	673	(251)
	<u>\$ 46,485</u>	<u>\$ 53,833</u>	<u>\$ 7,348</u>
Title IIIA.2			
Salaries	\$ 95,000	\$ 81,363	\$ 13,637
Fringe	8,999	9,300	(301)
Travel	14,171	14,836	(665)
Operating services	14,566	15,242	(676)
Operating supplies	3,120	3,206	(86)
Other costs	2,382	3,218	(836)
	<u>\$143,338</u>	<u>\$137,665</u>	<u>\$ 5,673</u>
Title IIIA.3			
Salaries	\$ 733	\$ 780	\$ (47)
Fringe	78	106	(28)
Travel	3,263	2,581	682
Operating services	309	332	(23)
Operating supplies	11	78	(67)
Other costs	34	38	(4)
	<u>\$ 4,438</u>	<u>\$ 4,185</u>	<u>\$ 2,533</u>

(Continued)

LAFAYETTE COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (BAP Basis) and Actual -
 Special Revenue Funds (Continued)
 Year Ended June 30, 1981

	Budgeted	Actual	Variance - Favorable (Unfavorable)
Table III-F			
Operating services	\$ -	\$ 3,047	\$ (3,047)
Capital outlay	<u>5,043</u>	<u>3,583</u>	<u>1,460</u>
	<u>\$ 5,043</u>	<u>\$ 3,047</u>	<u>\$ -</u>
Senior Center			
Salaries	\$ 2,400	\$ 2,400	\$ (300)
Fringe	321	321	84
Travel	150	31	119
Operating services	4,380	4,128	1,070
Operating supplies	<u>1,300</u>	<u>1,165</u>	<u>135</u>
	<u>\$ 10,651</u>	<u>\$ 10,046</u>	<u>\$ 1,301</u>
Subcenters			
Salaries	\$ 10,382	\$ 10,134	\$ 466
Fringe	1,311	1,004	385
Travel	4,388	3,333	3,064
Operating services	1,475	1,418	357
Operating supplies	181	179	37
Other costs	<u>182</u>	<u>252</u>	<u>31</u>
	<u>\$ 18,109</u>	<u>\$ 16,362</u>	<u>\$ 2,937</u>
Table V - Senior ADDED			
Salaries	\$470,387	\$471,968	\$(43,681)
Fringe	50,180	49,478	487
Travel	2,671	1,938	933
Operating services	10,388	20,700	484
Operating supplies	3,080	3,284	(284)
Interest	<u>16,562</u>	<u>21,513</u>	<u>(7,077)</u>
	<u>\$554,266</u>	<u>\$570,869</u>	<u>\$(68,471)</u>

(Continued)

LAFAYETTE COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (DMMF Basis) and Actual -
Special Revenue Funds (Continued)
Year Ended June 30, 1997

	Budgeted	Actual	Variance - Favorable (Unfavorable)
Elder Transportation Program			
Salaries	\$ 28,356	\$ 29,885	\$ (1,529)
Fringe	4,000	4,123	(123)
Travel	1,875	4,368	(2,493)
Operating services	5,990	7,943	(1,953)
Operating supplies	800	1,798	(898)
Other costs	143,833	146,138	(2,305)
Capital outlay	-	388	(388)
In-kind	22,981	22,899	-
	<u>\$224,835</u>	<u>\$228,440</u>	<u>\$ (3,605)</u>
Residential Meals			
Salaries	\$ 950	\$ 1,078	\$ (128)
Fringe	74	87	(13)
Travel	90	44	46
Operating services	31,580	9,478	2,602
Operating supplies	-	462	(462)
	<u>\$ 33,194</u>	<u>\$ 11,099</u>	<u>\$ 22,095</u>
Elderly Housing Management			
Salaries	\$ 3,610	\$ 3,008	\$ 602
Fringe	375	377	(2)
Travel	390	117	273
Operating services	-	535	(535)
Other costs	1,380	1,566	(186)
Capital outlay	325	-	325
	<u>\$ 6,080</u>	<u>\$ 5,603</u>	<u>\$ 477</u>
Family Service Network			
Salaries	\$ 52	\$ 64	\$ (12)
Fringe	5	4	1
Travel	60	39	21
Other costs	2,126	2,568	(442)
	<u>\$ 2,343</u>	<u>\$ 2,675</u>	<u>\$ (332)</u>

(Cont. Line#0)

LAFAYETTE COUNCIL ON AGING, INC.

Statement of Expenditures - Budget (EAP Basis) and Actual -
 Special Revenue Funds (Continued)
 Year Ended June 30, 1997

	Budgeted	Actual	Variance - Favorable (Unfavorable)
IFGA			
Other costs	\$ 3,200	\$ 3,185	\$ (15)
Community Care Program			
Salaries	\$ 1,200	\$ 1,051	\$ 149
Fringe	76	83	(7)
	\$ 1,276	\$ 1,134	\$ 142
Medical of Louisiana			
Salaries	\$ 900	\$ 924	\$ (24)
Fringe	75	73	2
	\$ 975	\$ 997	\$ (22)
Senior Olympics			
Salaries	\$1,800	\$ 1,804	\$ (4)
Fringe	79	81	(2)
Travel	1,800	1,150	(650)
Operating services	1,250	915	335
Operating supplies	600	5,829	(5,229)
Other costs	6,000	688	5,312
	\$ 9,829	\$ 9,667	\$ 162
Wellness Care			
Operating services	\$ 370	\$ 370	\$ (0)
Operating supplies	105	821	(716)
	\$ 475	\$ 821	\$ (346)
Capital Assistance			
Capital work	\$20,818	\$20,818	\$ -

INTERNAL CONTROL, COMPLIANCE AND OTHER
GRANT INFORMATION



**Darnall, Sikes
& Frederick**

Chartered Accountants (Public Accountants)

**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**

The Board of Directors
Lafayette Council on Aging, Inc.
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Council on Aging, Inc., as of and for the year ended June 30, 1997, and have issued our report thereon dated October 6, 1997. We have 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 A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

Compliance

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

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Lafayette Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the General 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

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Lafayette, Louisiana
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Lafayette, Louisiana
Reference to Report

Internal control over financial reporting that, in our judgement, could adversely affect the Lafayette Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assumptions of management in the general purpose financial statements. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as Item 97-1.

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 as defined above. However, we believe the reportable condition described in the Schedule of Findings and Questioned Cost as Item 97-1 is a material weakness.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record and its distribution is not limited.

Darmall, Sikes & Frederick

A Corporation of Certified Public Accountants

Monroe, Louisiana
October 6, 1997



**Dumall, Silkes
& Frederick**

Chartered Accountants - Certified Public Accountants

**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
Lafayette Council on Aging, Inc.
Lafayette, Louisiana**

Compliance

We have audited the compliance of Lafayette Council on Aging, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget, OMB Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 1997. The Lafayette Council on Aging, Inc.'s major federal program is identified on 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 the major federal program is the responsibility of the Lafayette Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the Lafayette 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, "Audits of States, 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 assessing, on a test basis, evidence about the Lafayette Council on Aging, Inc.'s compliance with these 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 Lafayette Council on Aging, Inc.'s compliance with these requirements.

In our opinion, the Lafayette Council on Aging, Inc. complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1997.

Accountant's
Signature

Internal Control Over Compliance

The management of the Lafayette 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 Lafayette 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 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.

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

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

Darnall, Sikgs & Frederick

A Corporation of Certified Public Accountants

Monroe, Louisiana
October 4, 1992

LAFAYETTE COUNCIL ON AGING, INC.

Schedule of Expenditures of Federal Awards
Year ended June 30, 1993

Program Title	Federal CFDA Number	Expenditures	Amounts to Reimburse:
Department of Health & Human Services			
Services			
Passed through the Louisiana Governor's Office of Elderly Affairs:			
Title 110-B-Supportive services	93-044	\$ 73,331	\$ -
Title 110-C-1-Congregate meals	93-043	3,438	-
Title 110-C-2-Home delivered meals	93-043	3,967	-
Title 110-D-Income services	93-044	2,787	-
Title VII - Chapter 2 - Subchapter	93-042	18,139	-
Title 110-F-Preventive Health Services	93-043	<u>5,385</u>	-
		<u>108,887</u>	-
Corporation for National Service			
Foster Grandparents	70-004	<u>148,422</u>	-
Department of Labor			
Passed through the National Senior Citizens Education and Research Center:			
Title 9 - Senior citizens	17-228	<u>583,350</u>	-
Federal Emergency Management Agency			
Passed through United Way of Louisiana: Emergency Food and Shelter Program			
	43-358	<u>2,451</u>	-
Department of Transportation & Administration			
Federal Transit Administration - Capital Assistance Grant, Project #1A-14-0012, State Project #734-99-0139			
	30-510	<u>80,810</u>	-
		<u>\$830,570</u>	<u>\$ -</u>

OTHER SUPPLEMENTARY INFORMATION

LAKESIDE COUNCIL ON ACING, INC.

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

There were no prior year findings.

LAFAYETTE 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 Lafayette Council on Aging, Inc., at June 30, 1997, had one major program: Title V - Senior AIDS, which received funds from the Department of Labor 'passed through' the National Senior Citizens Education and Research Center.

Major Program - Threshold

The dollar threshold in distinguishing Type A and Type B programs is \$300,000 for the fiscal year ended June 30, 1997.

Low-Risk Audites

The Lafayette 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 Lafayette Council on Aging, Inc.'s general purpose financial statements as of and for the year ended June 30, 1997.

Auditor's Report - Major Program

In our opinion, the Lafayette Council on Aging, Inc. complied, in all material respects, with the requirements that are applicable to its major federal program for the year ended June 30, 1997.

Reportable Conditions - Financial Reporting

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

97-1 Pay Rate per Job Classification

Finding:

The pay rate used to calculate the employee's salary for the pay period selected differed from the pay rate per the individual's personnel folder as one of twenty-one payroll disbursements issued from the Title V Program. In both instances cited, the employee's pay rate used to calculate the employee's salary for the pay period selected did not agree to the employee's personnel folder nor the approved budget. As a result, the employees were underpaid \$.85 per hour.

LAFAYETTE COUNCIL ON AGING, INC.

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

Part I Summary of Auditor's Results (Continued)

Recommendation:

The Council should implement procedures to insure personnel files and payroll disbursements are updated and maintained in such a manner to ensure that personnel are paid according to their job classification and approved budget rates.

Material Noncompliance - Financial Reporting

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

Reportable Condition - Major Program

There is nothing to be reported in relation to reportable conditions in internal control over compliance over the major program.

Finding Related to Federal Programs

The audit did not disclose any material noncompliance or questioned costs relative to its federal programs.

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

93-1 Pay Rate per Job Classification

Finding:

The pay rate used to calculate the employee's salary for the pay period selected differed from the pay rate per the individual's personnel folder on two of twenty-nine payroll disbursements tested from the Title V Program. In both instances noted, the employee's rate used to calculate the employee's salary for the pay period selected did not agree to the employee's personnel folder nor the approved budget. As a result, the employees were underpaid \$1.25 per hour.

Recommendation:

The Council should implement procedures to insure personnel files and payroll documents are updated and maintained in such a manner to ensure that personnel are paid according to their job classifications and approved budget rates.

LAFAYETTE COUNCIL ON AGING, INC.

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

Part 3 Findings and Questioned Costs Relating to Federal Programs

The audit did not disclose any material noncompliance or questioned costs relative to the federal programs.

LAKEVIEW COLLEGE ON ACTIVE, INC.

Concession Action Plan
Year Ended June 30, 1997

Response to Finding SP-1:

As of October 1, 1996, all Title V Program participants are paid the federal minimum hourly wage rate regardless of job classification and the Council will implement the necessary procedures to insure that all employees are paid in accordance with approved pay rates per the adopted budget.

LAFAYETTE COUNCIL ON ACCOHO, INC.

Schedule of Disbursements to Board Members
Year Ended June 30, 1997

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:

Believe Falson	\$ 98
Louis Rivette	<u>238</u>
	<u>\$336</u>

LAFAYETTE COUNCIL ON AGING, INC.

Exit Conference

Year Ended June 30, 1997

An exit conference was held on October 15, 1997, with the Lafayette Council on Aging, Inc. In attendance were:

Bill Winchester, President
Luis Rivetta, Treasurer
Clara LaBlanc, Director
Bila Andrus, Director of Finance
Sharon Remmond, Cajon Area Agency
Christine Hamberry, CPA
Paula S. Sims, CPA

We reported on the results of our audit and our discovery of a material weakness in internal control, which is reported on pages 36 and 37.