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**VERNON PRITCH
COUNCIL ON AGING, Inc.
LAFAYETTE, LOUISIANA**

**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
June 30, 1993**

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.

FEB 11 1994

Release Date _____

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ELLIOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

P. O. Box 1287

Monroe, Louisiana 70606-1287

(504) 238-3344

(504) 238-1111

Telex: 134-1954

W. Michael Elton, CPA

**UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL
STATEMENTS-GOVERNMENTAL ENTITY**

Independent Auditor's Report

Board of Directors
Vernon Council on Aging, Inc.
Monroe, Louisiana

I have audited the accompanying general-purpose financial statements of the Vernon 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 Vernon Council on Aging, Inc.'s management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

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

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Vernon 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.

As discussed in Note 15, the Council has substantially depleted its general fund balance surplus over the last three years and has also substantially increased its debt burden. The general purpose financial statements do not include any adjustment relating to the amounts and classification of liabilities that might be necessary if the Council is not able to meet its debts as they come due or if such debts are adjusted under the provisions of chapter 9 of the Federal bankruptcy code.

In accordance with Government Auditing Standards, I have also issued my report dated June 2, 1998, on my consideration of the Vernon Council on Aging, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

Elliot H. Assoc. "APAC"
Iccoville, Louisiana
June 2, 1998

ELLOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

P. O. Box 1287

Monroe, Louisiana 71406-1287

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W. Edwin Felt, CTR.

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

Board of Directors
Vernon Council on Aging, Inc.
Monroe, Louisiana:

I have audited the general-purpose financial statements of the Vernon Council on Aging, Inc., as of and for the year ended June 30, 1987, and have issued my report thereon dated June 2, 1988. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

In part of obtaining reasonable assurance about whether the Vernon Council on Aging, Inc.'s general-purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed two instances of noncompliance that is required to be reported under Government Auditing Standards which are described as follows:

Findings - Budget Variances. In Title III-B-In-Home, actual expenditures exceeded budget by \$494 or 5.5%. Also, Title III-F actual expenditures exceeded budget by \$884 or 24.60%.

Management Response: The Council will more closely monitor any excessive variances in the future and appropriately amend the budget.

Findings: This audit report is not being issued within the six months of the close of its June 30, 1987 fiscal year-end. This is a violation of 44 C.F.R. #21022(A)(3)(1)(a).

Management Response: The audit report is late because the audit firm had not completed its quality review within the prescribed time frame and therefore could not release the report until its review was completed and legislative auditor approval was obtained of its report.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Vermon Council on Aging, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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

Elliott & Assoc. "A.P.A.C."

Kennelville, Louisiana
June 2, 1998

Vernon Council on Aging, Inc.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Fiscal Year Ended June 30, 1997

I have audited the financial statements of Vernon Council on Aging, Inc. as of and for the year ended June 30, 1997, and have issued my report thereon dated June 2, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 1997 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses () Yes (X) No
 Reportable Conditions () Yes (X) No

Compliance

Compliance Material to Financial Statements (X) Yes () No

b. Federal Awards

Internal Control

Material Weaknesses () Yes () No (X) N/A
 Reportable Conditions () Yes () No (X) N/A

Type of Opinion on Compliance for Major Programs

Unqualified () Qualified ()
 Disclaimer () Adverse ()
 N/A (X)

Are these findings required to be reported in accordance with Circular A-133, Section .810(a)?

() Yes () No (X) N/A

c. Identification of Major Programs

(FNS Number(s))

Name of Federal Program

None

None

Roller threshold used to distinguish between Type A and Type B Programs: 2 N/A

Is the auditor a "low-risk" auditor, as defined by OMB Circular A-133?

() Yes () No (X) N/A

Section II Financial Statement Findings

- 1997.1 Budget Variances. In Title III-D-Gr-Home, actual expenditures exceeded budget by \$884 or 3.5%. Also, Title III-F actual expenditures exceeded budget by \$884 or 24.8%. These are violations of the Budgeting requirements of LSA-RS 39:1514 but do not have any effect on the financial statements. I recommend that in the future all funds be closely monitored and assessed as necessary.
- 1997.2 Late Filings: This audit report is not being issued within the six months of the close of the June 30, 1997 fiscal year-end. This is a violation of LA R.S. #24:11-3(A)(5)(a), but does not have any effect on the financial statements. All future reports should be issued within the required time frame.

Section III Federal Award Findings and questioned Costs

N/A

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1997
 (With comparative totals for June 30, 1996)

	Governmental Fund Types	
	General	Special Revenues
ASSETS		
Cash (Note 3)	\$ 3,806	\$ ---
Due from other governments (Note 4)	5,458	28,728
Due from other funds	6,853	---
Prepaid expenditures	---	---
Vehicles (Note 9)	---	---
Furniture and equipment (Note 9)	---	---
Land and buildings (Note 9)	---	---
Restricted asset (Notes 3 and 4):		
Cash	19,767	32,194
Amount to be provided for retirement of general long-term obligations (Notes 8/11)	---	---
Total assets	\$38,105	\$ 60,922
LIABILITIES		
Accounts payable	\$ 5,644	\$ 20,146
Refunds due to funding agencies	---	---
Payroll taxes payable	2,388	2,331
Annual leave payable (Note 8)	---	---
Due to other funds	---	4,663
Due to other entity (Note 4)	11,387	---
Mortgage payable (Note 11)	---	---
Total liabilities	\$9,313	\$28,139
FUND EQUITY		
Investment in general fixed assets (Note 9)	---	---
Fund balance (Note 14):		
Reserved for energy assistance (Note 10)	---	5,076
Unreserved:		
Designated-endowment fund	---	27,118
Undesignated	9,883	---
Total fund balance	\$9,883	\$32,194
Total fund equity	\$9,883	\$32,194
Total liabilities and fund equity	\$19,196	\$60,333

Exhibit A

Account Groups		Totals (Memorandum only)	
General Fixed Assets	General Long-Term Liabilities	1997	1998
\$ ---	\$ ---	\$ 1,804	\$ 4,389
---	---	47,187	28,266
---	---	6,093	17,899
---	---	---	6,858
167,933	---	167,933	167,933
68,289	---	68,289	67,826
343,029	---	343,029	343,029
---	---	43,951	39,172
---	386,152	386,152	386,662
\$ 379,152	\$386,152	\$ 816,871	\$ 969,466
\$ ---	\$ ---	\$ 25,989	\$ 9,136
---	---	---	---
---	---	5,337	1,524
---	6,199	6,199	12,901
---	---	6,253	13,699
---	---	11,297	---
---	188,563	188,563	217,673
---	208,252	208,898	259,263
578,192	---	578,192	617,986
---	---	6,076	6,321
---	---	37,118	26,576
---	---	8,687	25,321
---	---	42,661	67,217
618,192	---	621,229	685,286
\$ 379,152	\$386,152	\$ 816,871	\$ 969,466

The accompanying notes are an integral part of this statement.

WYOMING COUNCIL ON AGING, INC.
 COMBINED STATEMENT OF REVENUES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES

For the Fiscal Year ended June 30, 1967

(With comparative totals for the fiscal year ended June 30, 1966)

	General	Special Revenues	Totals (Memorandum only)	
			1967	1966
REVENUES				
Intergovernmental	\$ 11,778	\$ 340,288	\$ 351,077	\$ 373,448
Public support	38,484	---	38,484	41,828
Interest income	465	683	1,888	3,344
In-kind contributions	---	32,088	32,800	25,088
Miscellaneous	56,373	25,384	81,558	82,512
Total revenues	107,121	402,284	518,407	525,122
EXPENDITURES				
Current:				
Salaries	6,706	247,884	178,841	185,322
Fringe	1,352	27,154	28,288	34,484
Travel	418	8,888	10,296	14,284
Operating services	28,827	86,644	128,447	125,643
Operating supplies	23,088	8,028	32,109	26,028
Other costs	772	3,372	4,104	8,917
Materials	---	84,051	88,851	80,918
In-kind expenses	---	32,088	32,800	25,088
Capital outlay	458	---	458	123,883
Principal payments	18,108	---	18,108	171,721
Interest expense	18,108	---	18,108	18,328
Total expenditures	98,182	438,974	638,162	625,598
Excess of revenues over (under) expenditures	9,939	(36,690)	(428,300)	(100,325)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	61,324	136,948	280,272	314,413
Operating transfers out	(24,472)	(106,884)	(280,272)	(224,871)
Loan proceeds	---	---	---	225,980
Refund to funding agency	---	(438)	(438)	---
Excess of revenues and other sources over (under) ex- penditures and other uses (25,208)		38	(28,128)	(78,336)
FUND BALANCE				
beginning of year	35,884	32,374	62,217	145,552
End of year	\$ 8,081	\$ 32,394	\$ 42,081	\$ 67,317

The accompanying notes are an integral part of this statement.

WISCONSIN FARMER COUNCIL ON BEHALF, INC
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET (GRAP BASIS) AND ACTUAL - ALL FUND TYPES

For the Fiscal Year Ended June 30, 1967

	ORIGINAL FUND TYPE		Variance - Favorable (Indefinite)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ 11,779	\$ 11,779	\$ ---
Public support	55,185	38,688	(16,504)
Interest income	---	485	485
Miscellaneous	40,850	36,378	(4,472)
Total revenues	118,814	107,330	(11,484)
EXPENDITURES			
Current:			
Salaries	8,245	8,755	1,510
Fringe	1,837	1,302	(535)
Travel	829	418	(411)
Operating services	28,781	28,029	(752)
Operating supplies	28,160	23,028	(5,132)
Other costs	---	772	(772)
Capital outlay	---	450	(450)
Debt service:			
Principal payments	28,108	28,108	---
Interest expense	18,800	18,800	---
Total expenditures	98,565	98,382	(183)
Excess of revenues over (under) expenditures	20,249	9,948	(10,301)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	81,328	81,328	---
Operating transfers out	(185,700)	(184,822)	(878)
Excess of revenues and other sources over (under) expenditures and other uses	(104,123)	(103,696)	(427)
FUND BALANCES			
beginning of year	25,838	25,838	---
End of year	\$ 15,715	\$ 5,882	\$ (9,833)

The accompanying notes are an integral part of this statement.

Exhibit C

SPECIAL REVENUE FUND TYPE		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 348,458	\$ 349,288	\$ 830
32,000	32,800	800
32,000	32,800	800
408,058	402,288	5,770
168,447	167,854	593
21,477	23,154	(1,677)
9,500	9,000	500
99,847	96,640	3,207
1,571	5,018	(3,447)
3,400	3,332	68
98,000	94,011	3,989
32,000	32,800	800
428,053	429,825	(1,772)
124,284	122,629	1,655
---	4433	4433
130,849	138,949	(8,100)
1108,573	1103,601	4,972
9,502	73	9,429
22,193	22,321	128
\$ 13,703	\$ 32,324	\$ 18,621

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

Note 2 - Nature of the Business and Summary of Significant Accounting Policies**Nature of the Business:****Organizational purposes:**

The Vernon Parish Council on Aging, Inc. was incorporated in May, 1982. The basic purposes of the organization are as follows:

- A. To afford an avenue for working out a more complete understanding of the problems, interests and desires of the elderly people of Vernon Parish.
- B. To develop plans for assisting the elderly about the problems of aging and to implement such plans.
- C. To develop and implement plans whereby people who need to supplement their retirement income or those who wish to do so will be able to earn an income by their own efforts.
- D. To develop and implement plans for the improvement of health, social and recreational welfare of elderly people.
- E. To collect facts and statistics and make special studies of conditions pertaining to employment, health, financial status, recreation, social adjustment and other conditions affecting the welfare of the elderly of Vernon Parish and to interpret such findings and make recommendations for improvement to the Governor's Office of Elderly Affairs.

Significant Accounting Policies:**Financial reporting entity:**

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

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Statement of Presentation:

In April of 1964, the Financial Accounting Foundation established 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 1964, the GASB issued a codification of governmental accounting and financial reporting standards. The codification 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 revised Louisiana Governmental Audit Guide.

Organizations:

The local councils on the aging were created under Act No. 454 of 1964 for the welfare of the aging people in their respective parishes. Chapters 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 the policies and regulations established by the Governor's Office of Elderly Affairs and any other entity that provides the Council with federal or state funds.

Fund Accounting:

The accounts of the Vernon Parish Council on Aging, Inc. are organized on the basis of funds and account group, 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

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Fund Accounting (Cont'd.):

expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds presented in the financial statements in this report are grouped into one generic fund type and two broad fund categories as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Council are financed.

The acquisition, use, and balances of the Council's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The 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 source (state or local) from which they are derived.

The following are programs that comprise the Council's General Funds:

Local

Local funds are received from various local sources. These funds are not restricted to any special use.

FOCA (Act 136)

FOCA (act 136) funds are appropriated for the Governor's Office of Elderly Affairs by the Michigan Legislature for remittance to the Council on Aging. The Council may use these "Act 136" funds at its discretion.

VISION COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

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-C-3 Congregate Meals Fund

Title III-C-3 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

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 insure their independence, enhance their dignity, and encourage their involvement in and with the community.

Title III-C-2 Home-Delivered Meals Fund

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

Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

VENUE COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

Title III-F

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) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need." Title III-F funds are provided by the U.S. Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

Title III-C-3 Area Agency Administration Fund

Title III-C-3 Area Agency Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-C-3 area agency administrative 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 pay for administrative costs associated with the Title III and Senior Center programs.

Title III-B Supportive Services Fund

Title III-B funds are provided by the United States Department of Health and Human Services 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.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - NATURE OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Title III-D Fund

Title III-D Fund is used to account for funds which are used to provide In-Home Services to the frail and elderly person who is home-bound. 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.

USDA Cash-in-lieu of Commodity

The USDA Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement those programs.

Section 18

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

Endowment Fund

The Endowment Fund is a special account set aside by Board action for future endeavors and activities of the Council.

WISCONSIN COUNCIL ON AGING, INC.

NOTICE TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

provided by the Elderly Protection Agency. It is the further intent of the legislature to authorize only the least possible restriction on the exercise of personal and civil rights consistent with the person's need for services and to require that due process be followed in imposing such restrictions.

Energy Assistance Fund

The Energy Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. Contributions are received from Gulf State Utilities, Entex and Cloco for utility assistance payments for the qualified elderly. Funds received from Gulf States Utilities may be used for payments of any utility company bill, however, monies received from Entex and Cloco are restricted to their bills only. Payments are made directly to the utilities by the Council on behalf of qualified elderly participants. Each qualified participant is limited to two assistance payments per year.

Basis of Accounting:

Basis of accounting refers to when revenues and expenditures or expenses 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 basis applied.

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

Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various due from and due to accounts.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1 - Summary of the Business and Summary of Significant Accounting Policies (Continued)

Budgets and budgetary information:

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

1. The Governor's office of Elderly Affairs "OEA" - State of Louisiana notifies the Council each year as to the funding levels for each program grant.
2. The Executive Director prepares a proposed budget based on the funding levels provided by OEA and then submits the budget to the Board of Directors for approval.
3. The Board of Directors reviews and adopts the budget prior to June 30 each year.
4. The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Directors of the Council. Such amendments were not material in relation to original appropriations.
7. Expenditures cannot legally exceed appropriations on an individual fund level.

The Louisiana Governor's office of Elderly Affairs does not require the fund to adopt a budget for the Energy Assistance Fund.

Total Columns of Combined Statements - overview:

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting

VERMONT COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - Nature of the Business and Summary of Significant Accounting Policies (Continued)

principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Fixed Assets:

All items of property, plant and equipment are recorded as expenditures when purchased and are accounted for in the General Fixed Assets group of accounts. Such assets are maintained on a basis of original cost and no depreciation is computed or recorded thereon. Rescued fixed assets are stated at their estimated fair market value on the date donated.

Comparative Data:

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

Annual and Sick Leave:

The Council's liability for accumulated unpaid employee compensated absences has been recorded in the general long-term debt group of accounts. These amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees. The Council's sick leave policy does not provide for the vesting of sick leave.

Note 2 - Funding Policies and Sources of Funds.

The Council receives its monies through various methods of funding. Most of the funds are received on a grant basis from the Governor's Office of Elderly Affairs. Under this method funds are received as needed or on a monthly or quarterly allocation of the total budget (grant) in advance of the actual expenditures. The following programs are handled in this manner: Title III-B, Title III-C-1 and Title III-C-2, Senior Center, State Allocation Funds (Act 735), Title III-D In-Home Services, Title III-F Preventive Health, and WMA Cash In-lieu of Commodities.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2 - Funding Policies and Sources of Funds (Continued)

The Council receives contributions from several utility companies for energy assistance payments for elderly participants. The Council also receives proceeds from charitable gaming. The Council uses the proceeds of the gaming operations to help defray cost of its other services.

The Council encourages and receives contributions from clients to help offset the costs of programs.

Note 3 - Cash Collateral

At year end, the carrying amount of the Council's deposits was \$47,787 and the bank balance was \$46,202. Of the bank balance, \$46,202 was covered by Federal depository insurance.

Note 4 - Restricted Assets

At June 30, 1987, restricted assets consisted of the following:

Energy assistance monies	\$ 5,036
Endowment fund	27,136
Funds held on behalf of senior citizens for construction of walking path	11,787
Total restricted assets	\$43,959

The \$11,787 is temporarily being held by the VCOA on behalf of a group of concerned senior citizens who plan to form their own non-profit organization and construct a senior citizen's walking path in the next year.

Note 5 - In-Kind Contributions

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

VEHICLE COUNCIL OF ACHHS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6 - Due from Other Governments

The following amounts were due from other governments at June 30, 1993:

Governor's Office of Elderly Affairs:	
ESIA	\$ 3,125
DOTD-Section 18 Transportation	18,825
III-F	485
Department of Health and Human Resources - Medicaid	3,383
Office of Family Services - Project Independence	7,624
Various Community Action Councils	938
Total	\$34,480

Note 7 - Transfers In (DML)

These amounts represent transfers from various funds including Act 735 State Fund and the Local Contributions Fund to various other funds to supplement current year programs:

Fund	Transfers	
	In	Out
Miscellaneous Grant	\$ ---	\$ 4,500
1088 Cash-in-lieu of Concession	---	29,888
Act 735 State Funds	---	31,779
Senior Olympics	---	561
III-B	12,841	---
Audit	---	1,257
Senior Center	---	11,128
Local Fund	81,334	81,332
III-B	8,432	---
Section 18- Transportation	---	48,414
C-1 Fund	66,412	---
C-2 Fund	81,188	---
III-F	973	---
Medicaid	---	9,818
	\$228,223	\$228,273

VERNON COUNCIL ON AGING, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 8 - Annual Leave and Sick Pay

Sick pay is not vested and, therefore, is not recorded as a liability and not expensed until taken. There is no obligation to pay if an employee terminates. Each employee is entitled to twelve sick days per year.

Annual leave is based on the number of years of service and is earned as follows:

First year	12 days
Four to nine years	18 days
Ten years or more	24 days

Annual leave can be accrued up to a maximum of twenty-four (24) working days, and must be taken by employees who have worked the required amount of time, no later than June 30, of the current fiscal year; up to 30 days annual leave can be carried over from the fiscal year (July 1 to June 30).

As June 30, 1997, there was \$12,481 accrued in annual leave payable for all of the Council employees.

Note 9 - Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, <u>1996</u>		Additions	Deletions	Balance June 30, <u>1997</u>
Land and buildings \$	149,028	\$	---	\$	\$ 149,028
Vehicles	167,832		---		167,832
Furniture and equipment	<u>102,226</u>		<u>400</u>	<u>28,246</u>	<u>88,220</u>
Totals	<u>\$ 419,086</u>	\$	<u>400</u>	\$	<u>\$ 378,190</u>

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 10 - Changes in Resources or Designation of Fund Balance

The following schedule indicates changes in resources or designation of fund balance for the year ended June 30, 1987:

Energy Assistance Fund:	
Balance at June 30, 1986	\$ 6,932
Excess (deficiency) of revenues over expenditures	____(236)
Balance at June 30, 1987	<u>\$ 6,696</u>

Note 11 - General Long-Term Obligations

The following is a summary of transactions relating to the council's long-term debt during the fiscal year ended June 30, 1987:

	Balance July 1, 1986	Principal Additions	Reductions	Balance June 30, 1987
Mortgage payable	<u>\$217,671</u>	\$ _____	<u>\$ (12,388)</u>	<u>\$198,363</u>

Long-term debt consists of the following:

Mortgage payable--due in monthly installments
of \$3,134 including interest at 8.50%-secured
by building

\$198,363

VERBON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 11 - General Long-Term Obligations (Continued)

The annual principal requirements to amortize all debt outstanding follows:

<u>Financial year ended</u> <u>June 30,</u>	<u>Amount</u>
1998	\$ 21,184
1999	21,608
2000	21,608
2001	21,608
2002	21,608
2003 - 2004	21,922
Total	<u>\$213,518</u>

Included in the above maturities is \$64,967 in scheduled interest expense.

Changes in annual lease payable are as follows:

Balance - July 1, 1996	\$ 12,881
Additions	2,408
Deletions	<u>(12,398)</u>
Balance - June 30, 1997	<u>\$ 2,891</u>

Note 12 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, some board members were reimbursed for expenses incurred in conducting Council related activities.

Note 13 - 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. The Council has filed all necessary tax forms through the current fiscal year ended June 30, 1997.

VENNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 14 - Excess Expenditures Over Appropriations

For the fiscal year ended June 30, 1987, the following funds had expenditures in excess of appropriations:

Title III-C-1	\$3,850	3.91%
Title III-B-Supportive Services	5,100	4.69%
Title III-B-In-Home	694	5.59%
Title III-F	884	24.60%
Senior Diploian	2	.49%

Note 15 - Going Concern Discussion

In the audit report for the previous year ended June 30, 1986, the Council was classified as a "going concern". Although a new board is taking and has taken several steps to alleviate the Council's financial situation, the Council still classifies as a going concern for the fiscal year ended June 30, 1987 based upon the following factors:

- Depletion of the general fund type fund balance from \$180,883 at June 30, 1984 to \$8,887 at June 30, 1987;
- Continued reliance upon LORA funding to pay monthly overhead due to depletion of local fund surplus;

The Council agrees with the classification above; however, the new board has taken several steps to help the Council's financial position, including personnel cuts and an overall decrease in the per meal costs for C-1 and C-2 programs.

Note 16 - 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 accounts 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.

VERNON COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 12 - Settlements, Claims and Similar Contingencies

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

The Council receives 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 would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

The Council is involved in a dispute with the Vernon Community Action Agency over back rent from prior fiscal periods. The Inspector General's office is also investigating the matter as well as OCA. The Council states that \$29,110 is due but Vernon Community Action Agency alleges that nothing is due. An appeal has not been made under FASB 5 definitions at this time.

SUPPLEMENTARY DATA

Schedule 1

VERNON COLLECTIVE ON AGING, INC.
 STATEMENT OF PROGRAM REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - GENERAL FUND TYPE

For the fiscal year ended June 30, 1997

	Local Depreciated	FOIA (601,335)
REVENUE		
Intergovernmental:		
Office of Elderly Affairs	\$ ---	\$11,779
Public support:		
Rental income	28,888	---
Miscellaneous:		
Project Independence income	82,794	---
Interest income	485	---
Miscellaneous	11,985	---
Total revenues	<u>123,952</u>	<u>11,779</u>
EXPENDITURES		
Current:		
Salaries	6,705	---
Fringe	1,102	---
Travel	418	---
Operating services	28,685	---
Operating supplies	23,088	---
Other costs	712	---
Capital outlay	858	---
Principal payments	19,109	---
Interest expense	18,380	---
Total expenditures	<u>98,740</u>	<u>---</u>
Excess of revenues over (under) expenditures	<u>25,212</u>	<u>11,779</u>
OTHER FINANCIAL SOURCES (USES)		
Operating transfers in	61,374	---
Operating transfers out	(81,312)	111,779
Loan proceeds	---	---
Excess of revenues and other sources over (under) expenditures and other uses	125,299	---
FUND BALANCE (DEFICIT)		
Beginning of year	<u>15,985</u>	<u>---</u>
End of year	<u>140,892</u>	<u>111,779</u>

See independent auditor's report.

Schedule 3 (continued)

NUMBER OF SHARES	TOTAL
\$ ---	\$ 10,779
---	38,604
---	43,708
---	485
<u>1,423</u>	<u>13,418</u>
<u>1,423</u>	<u>103,321</u>
---	6,708
---	1,103
---	418
447	29,827
---	23,899
---	772
---	450
---	19,389
<u>---</u>	<u>18,188</u>
<u>447</u>	<u>88,182</u>
<u>861</u>	<u>7,328</u>
---	61,304
(983)	(94,472)
<u>---</u>	<u>---</u>
---	(25,289)
<u>---</u>	<u>36,816</u>
<u>2,000</u>	<u>2,487</u>

VERMONT COUNCIL ON AGING, INC.
 COMBINING STATEMENT OF PROGRAM REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
 For the fiscal year ended June 30, 1997

	Title III C-3	Title III C-2	Senior Center
REVENUES			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 22,202	\$ 28,166	\$ 28,488
Department of Health and Human Resources	---	---	---
La. Dept. of Labor	---	---	---
Public Support:			
In-kind contributions	8,500	8,500	3,880
Utility assistance payments	---	---	---
Client contributions	12,112	12,108	---
Other Income	---	---	---
Total revenues	42,814	58,284	36,368
EXPENDITURES			
Current:			
Salaries	28,825	21,842	15,400
Fringe	5,358	6,424	---
Travel	1,717	4,523	---
Operating services	22,874	21,544	---
Operating supplies	5,180	3,422	---
Other costs	---	1,110	---
Nutrition costs	56,431	27,420	---
Staff training	---	---	---
In-kind expenses on job training costs	8,500	8,580	3,000
Capital outlay	---	---	1000
Total expenditures	128,885	120,152	19,480
Excess of revenues over (under) expenditures	(86,071)	(61,768)	11,320
OTHER FINANCING SOURCES (USES)			
Refunds to funding agency	---	---	---
Operating transfers in	55,412	47,788	---
Operating transfers out	---	---	111,120
Excess of revenues and other sources over (under) expenditures and other uses	---	---	---
FUND BALANCES			
beginning of year	---	---	---
End of year	\$ -----	\$ -----	\$ -----
See independent auditor's report.			

Schedule 3
(Continued)

Title 111-C-1 Adoption	Title 111-B Services	Title 111-D La-Rose	Title 111F	100% Cash-in- lieu-of Commodities	Energy Assistance Fund
\$28,683	\$ 81,684	\$2,284	\$ 3,505	\$ 28,838	\$ ----
----	----	----	----	----	----
----	8,500	2,800	----	----	----
----	4,277	----	----	----	745
----	----	----	----	----	----
<u>\$28,683</u>	<u>\$91,456</u>	<u>\$4,284</u>	<u>\$ 3,505</u>	<u>\$ 28,838</u>	<u>\$ 745</u>
1,874	21,885	2,287	2,852	----	----
2,528	80,603	399	608	----	----
1,615	1,889	139	51	----	----
8,212	24,589	7,836	1,148	----	----
267	817	25	8	----	----
583	490	49	18	----	880
----	----	----	----	----	----
----	8,800	2,800	----	----	----
----	----	----	----	----	----
<u>\$28,187</u>	<u>\$112,252</u>	<u>\$13,206</u>	<u>\$ 4,828</u>	<u>-----</u>	<u>\$ 880</u>
436	(12,343)	(8,432)	(873)	20,830	(235)
(436)	----	----	----	----	----
----	12,343	8,432	873	----	----
----	----	----	----	<u>(20,830)</u>	----
----	----	----	----	----	4335
----	----	----	----	----	3,311
<u>\$-----</u>	<u>\$-----</u>	<u>\$-----</u>	<u>\$-----</u>	<u>\$-----</u>	<u>\$ 3,925</u>

VERNON COUNCIL ON AGING, INC.
 COMBINING STATEMENT OF PROGRAM REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
 For the fiscal year ended June 30, 1957

REVENUES	Medicaid	Employment Fund	Misc. Grant
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ ---	\$ ---	\$ 4,500
Department of Health and Human Resources	14,000		
1a. Dept. of Transportation	---	---	---
Public Support:			
In-kind contributions	---	---	---
Utility assistance payments	---	---	---
Client contributions	---	---	---
Other income	---	603	---
Total revenues	14,000	603	4,500
EXPENDITURES			
Current:			
Salaries	1,912	---	---
Fringe	1,036	---	---
Travel	628	---	---
Operating services	2,843	---	---
Operating supplies	71	---	---
Other costs	110	---	---
Nutrition costs	---	---	---
Staff training	---	---	---
In-kind expenses	---	---	---
On job training costs	---	---	---
Capital outlay	---	---	---
Total expenditures	6,880	---	---
Excess of revenues over (under) expenditures	9,119	603	4,500
OTHER FINANCING SOURCES (USES):			
Refunds to funding agency	---	---	---
Operating transfers in	---	---	---
Operating transfers out	12,812	---	14,280
Excess of revenues and other sources over (under) expenditures and other uses	(293)	603	---
FUND BALANCES			
Beginning of year	305	28,315	---
End of year	\$ ---	\$22,118	\$ ---

See independent auditor's report.

Schedule 2
(Continued)

Section 18 Transportation	Audit	Totals
\$ ---	\$ 1,317	\$ 203,879
---	---	18,805
49,414	---	49,414
---	---	33,000
---	---	748
---	---	24,640
---	---	503
49,414	1,317	492,386
---	---	167,654
---	---	27,154
---	---	8,000
---	---	94,640
---	---	8,014
---	---	1,000
---	---	94,061
---	---	---
---	---	32,000
---	---	---
---	---	438,824
49,414	1,317	(32,839)
---	---	1434
---	---	128,849
100,818	(1,317)	(100,881)
---	---	33
---	---	32,321
\$ ---	\$ ---	\$ 32,321

Schedule 3

VERNON COUNCIL ON AGING, INC.
 STATEMENT OF EXPENDITURES -
 REPORT AND ACTUAL - SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 1993

	Budgeted Expenditures	Actual Expenditures	Variance Favorable (Unfavorable)
TITLE III-C-1			
Salaries	\$ 28,918	\$ 28,825	\$ 93
Fringe	3,618	5,358	(1,740)
Travel	1,658	1,717	(59)
Operating services	28,946	28,074	872
Operating supplies	267	3,190	(4,023)
Nutrition costs	59,600	58,433	2,067
In-kind expenses	8,508	8,508	---
Totals	\$132,925	\$134,605	\$ (1,680)
TITLE III-C-2			
Salaries	\$ 48,578	\$ 47,842	\$ 736
Fringe	5,048	6,818	(1,770)
Travel	4,304	4,533	(229)
Operating services	28,786	21,586	7,200
Operating supplies	288	2,687	(2,399)
Other costs	---	3,130	(3,130)
Nutrition costs	28,608	17,628	11,080
In-kind expenses	8,882	8,882	---
Totals	\$124,284	\$119,126	\$ 5,158
SENIOR CENTER			
Salaries	\$ 15,480	\$ 15,480	\$ ---
Fringe	1,594	---	1,594
Operating services	---	---	---
In-kind expenses	3,440	3,440	---
Transfers to Title III-C-1	8,420	11,420	(3,000)
Totals	\$ 28,934	\$ 29,840	\$ (906)

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
For the Fiscal Year ended June 30, 1997

	Budgeted Expenditures	Actual Expenditures	Variance Favorable (Unfavorable)
TITLE III-C-1-ASDA AGENCY			
ADMINISTRATION			
Salaries	\$ 6,870	\$ 6,874	\$ 4
Fringe	877	3,628	(2,751)
Travel	1,570	1,615	(45)
Operating services	10,970	6,212	2,758
Operating supplies	242	267	(25)
Other costs	---	568	(568)
Totals	\$ 20,529	\$ 20,162	\$ 367
TITLE III-B -			
SUPPORTIVE SERVICES			
Salaries	\$ 68,984	\$ 71,005	\$ (2,021)
Fringe	6,718	10,603	(3,885)
Travel	1,967	1,400	567
Operating services	20,671	24,908	(4,237)
Operating supplies	721	857	(136)
Other costs	3,888	884	3,004
In-Kind expenses	2,580	2,580	---
Totals	\$112,429	\$118,287	\$ (5,858)
TITLE III-B-IN-SOME			
Salaries	\$ 2,192	\$ 2,383	\$ 191
Fringe	275	382	(107)
Travel	135	138	(3)
Operating services	7,409	7,916	(507)
Operating supplies	21	32	(11)
Other costs	---	48	(48)
In-Kind Expenses	2,580	2,580	---
Totals	\$ 12,612	\$ 13,220	\$ (608)

See Independent Auditor's Report.

Schedule 3
(Continued)

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
For the Fiscal Year Ending June 30, 1997

	Budgeted Expenditures	Actual Expenditures	Variance Favorable- Unfavorable
TITLE 111-F			
Salaries	\$ 2,844	\$ 2,851	\$ (7)
Fringe	358	409	(51)
Travel	48	51	(3)
operating services	338	1,190	(852)
operating supplies	7	8	(1)
other costs	---	38	(38)
Totals	\$ 3,584	\$ 4,528	\$ (944)
LONG TERM-TH-TERM OF COMMITMENT			
Transfers to			
Title 111-C-1	\$ 14,948	\$ 14,919	\$ 29
Transfers to			
Title 111-C-2	14,386	14,318	668
Totals	\$ 28,334	\$ 29,237	\$ (903)
EMERGE ASSISTANCE FUND			
other costs	\$ 1,000	\$ 880	\$ 120
MEDICAL			
Salaries	\$ 1,688	\$ 1,612	\$ (76)
Fringe	1,425	1,405	20
Travel	480	421	59
operating services	2,800	2,863	(63)
Operating supplies	100	71	29
Other costs	100	110	(10)
Transfers to			
Local	8,612	8,612	---
Totals	\$ 16,113	\$ 16,899	\$ (786)

See independent auditor's report.

VERNON COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 1997

	Budgeted Expenditures	Actual Expenditures	Variance Favorable (Unfavorable)
MISCELLANEOUS GRANT Transfers to Title 131-C-2	\$ 4,588	\$ 4,588	\$ -----
SEC. 18 TRANSPORTATION Transfers to Local	\$ 42,414	\$ 42,414	\$ -----
RIGHT FUND Transfers to Local	\$ 1,317	\$ 1,317	\$ -----

See independent auditor's report.

YOUNG COUNCIL ON AGING, INC.
STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - GENERAL FUND TYPE
For the Fiscal Year Ended June 30, 1990

	Budgeted Expenditures	Actual Expenditures	Variance Favorable (Unfavorable)
FOOD - FACT 3351			
Transfers to			
Title III-C-1	\$ 5,899	\$ 5,899	\$ ---
Transfers to			
Title III-C-2	5,899	5,899	---
Totals	\$ 11,798	\$ 11,798	\$ ---
LOCAL - UNASSIGNED			
Salaries	\$ 8,248	\$ 8,708	\$ 460
Fringe	1,837	1,203	(634)
Travel	829	518	(311)
operating services	33,393	28,589	(4,804)
operating supplies	20,180	23,099	(2,919)
other costs	---	772	(772)
Capital outlay	---	458	(458)
Principal payments	18,180	18,180	---
Interest expense	18,500	18,500	---
Transfers to			
Title III-C-1	28,494	28,884	(390)
Title III-C-2	36,479	36,878	(399)
Title III-B	875	973	(98)
Title III-B	12,343	12,343	---
Title III-D	8,432	8,432	---
Totals	\$ 218,549	\$ 218,542	\$ 7
REMIC SLIPFEE			
Operating services	\$ 440	\$ 442	\$ (2)
Totals	\$ 440	\$ 442	\$ (2)

See independent auditor's report.

Schedule 2

VERNON COUNCIL ON AGING, INC.
STATEMENT OF GENERAL FIXED ASSETS

For the Fiscal Year Ended June 30, 1997

General fixed assets, at cost:	
Vehicles	\$ 143,933
Furniture and equipment	48,330
Land and buildings	<u>342,609</u>
Total general fixed assets	\$ 534,872
Investment in general fixed assets	
Property acquired from -	
Title III-B	\$ 18,936
General Fund	485,809
Title III-C-1	21,236
Title III-C-2	4,387
State Funds-Res 335	877
Senior Center	30,536
Donated	10,466
Title III-F	5,240
Police Jury	1,877
Unknown	<u>221</u>
Total	\$ 628,382

See independent auditor's report.

Vermont Council on Aging, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 1997

(1) Listed below is a summary of the data for grants awarded and received during the year ended June 30, 1997.

Federal Grantor/Pass Through Grantors/Program Title

Department of Health and Human Services

Passed through the Louisiana Governor's Office:

Federal Catalog Number	Grant Period	Program Title
93.045	7/1/96 - 6/30/97	Title III-C-1
93.045	7/1/96 - 6/30/97	Title III-C-2
93.045	7/1/96 - 6/30/97	Title III-C-1-AAA
93.044	7/1/96 - 6/30/97	Title III-B-BB
93.046	7/1/96 - 6/30/97	Title III-D-1a-Bonus
93.043	7/1/96 - 6/30/97	Title III-F

Department of Agriculture

16.578 7/1/96 - 6/30/97

0288

Department of Transportation

Passed through The Vermont Facial Police Jury

28.508 7/1/96 - 6/30/97

Public Transportation for Nonurbanized Areas

TOTALS:

(2) Scope of Audit Pursuant to the Single Audit Act of 1994 and 1996 Circular A-128 (the "Single Audit").

(3) Summary of Significant Accounting Policies

The above statement of grant data has been prepared on the accrual basis of accounting.

See independent auditor's report.

Schedule 5

Debits Accrued	Revenues Recognized	Expenditures
\$ 56,810	\$ 56,810	\$ 56,810
20,286	20,286	20,286
15,487	15,487	15,487
69,817	69,817	69,817
1,950	1,950	1,950
3,500	3,500	3,500
40,000	20,838	20,038
—49,814	—49,814	—49,814
226,292	226,827	226,827

Schedule A

**Verizon Council on Aging, Inc.
COMPENSATION FOR BOARD MEMBERS**

For the Year Ended June 30, 1997

During the fiscal year ended June 30, 1997, no per diem payment or other compensation payments were made to board members. However, business expenses were reimbursed on an actual basis to certain board members and the Executive Director.

See independent auditor's report.

Vernon Council on Aging, Inc.
 SCHEDULE OF PRIOR YEAR FINDINGS

For the Fiscal Year Ended June 30, 1987

- SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**
- The audit for the year ended June 30, 1986, discussed contract labor and material costs totaling \$74,400 that were classified as questioned costs. The Attorney General has since investigated this issue but the results of the investigation have not yet been released.
- SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**
- There were no prior year findings relating to internal control and compliance material to federal awards.
- SECTION III MANAGEMENT LETTER**
- There was no management letter in the prior year audit report.

See independent auditor's report.

Vernon Council on Aging, Inc.
 MANAGEMENT'S CORRECTIVE ACTION PLAN

For the Fiscal Year Ended June 30, 1997

SECTION I	INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT
1997.1	Tania Parker, chief accountant, will more closely monitor budget variances for the fiscal year ending June 30, 1998. The June 30, 1997 variances were not as closely monitored due to her having extensive job duties at the time of the budget revision and thus not being able to more closely monitor the variances. This fiscal year, aggregate duties have returned to more normal patterns allowing her to closely check any variances.
1997.2	Myrtle Chance, Executive Director, will closely monitor the timely completion of the June 30, 1998 audit by December 31, 1998 and require the auditor to complete it in a timely fashion.
SECTION II	INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS
	N/A
SECTION III	MANAGEMENT LETTER
	N/A

See independent auditor's report.