

**FINANCIAL REPORT**  
**EAST FELICIANA COUNCIL ON AGING, INC.**  
**CLINTON, LOUISIANA**

**June 30, 2022**

**Michael R. Choate & Company**  
**Certified Public Accountants**

**FINANCIAL REPORT**  
**EAST FELICIANA COUNCIL ON AGING, INC.**  
**CLINTON, LOUISIANA**

**June 30, 2022**

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East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

June 30, 2022

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **East Feliciana Council on Aging, Inc.**

The Management's Discussion and Analysis of the East Feliciana Council on Aging, Inc.'s (the Council) financial performance presents a narrative overview and analysis of the Council's financial activities for the year ended June 30, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

This has been a very challenging two plus years for the Council on Aging with the **COVID-19 pandemic**.

The Senior Center and Congregate meals were closed beginning in March 2020 per Governor's orders. We continued to provide frozen meals and increased meal delivery and telephoning to stay in touch with Seniors. At the time of this report, we are now back to normal activities.

The Council on Aging initiated its ninth annual "Adopt an Elderly" campaign. Letters were mailed to businesses, churches and local organizations asking for donations to our Home Delivered Meals Program. We received a total of about \$17,815. DOTD transportation program revenue also increased with the Council allowed to collect 100% of transportation costs instead of 50% of costs. The Governor's office of Elderly Affairs and the American Rescue ACT also helped us during this last year of getting past the pandemic.

### **FINANCIAL HIGHLIGHTS**

The Council's assets exceeded its liabilities at the close of fiscal year 2022 by 507,055 (net position) which represents a 28% increase from last fiscal year.

Cash and investments were \$378,227 at June 30, 2022 compared to \$246,603 at June 30, 2021. This is an increase \$131,624. Cash position is very sound.

The Council's total revenue increased \$10,845 (or 1.5%) primarily due to DOTD 5311 Transportation program increase of \$28,385. Adopt an Elderly increased \$4,140. CARES ACT revenue decreased (\$46,609) but American Rescue Act increased \$25,131. Miscellaneous income decreased (\$12,450). DHH Medicaid transportation increased \$7,611. Participant contributions increased \$5,584.

The Council's total expenditures decreased (\$10,515) (or 1.7%). Operating services decreased (\$3,639) while salaries and fringe increased \$10,884; operating supplies increased \$22,626; meals decreased (\$3,422) and other costs decreased (\$8,712) and capital outlay decreased (\$30,659).

As a result of subtracting total expenditures from total revenue, the Council's net position increased by \$109,737 this fiscal year. Last year net assets increased by \$137,714.

## **SERVICE HIGHLIGHTS**

The units of service provided for Fund Year 2021-2022 was still unusual compared to the prior years because of COVID. **The Council on Aging provided a total of 34,530 units of service** to the senior citizens of East Feliciana Parish from July 1, 2021 through June 30, 2022. The prior year units of service were 39,746. Overall Service units increased to help during the Pandemic.

### **Transportation**

Transportation units of service were down for the year as follows:

Title III-B Services to Elderly 6,523    Last year: 3,052

### **Meals**

Meals served totaled 21,863 in 2022 and 25,307 in 2021. Home delivered meals are based on 250 serving days a year. Congregate meals are based on 250 serving days a year. Notice the shift to Home delivered meals because of COVID-19 pandemic.

#### **Home Delivered Meals**

Meals – 15,643

Last year – 25,307

#### **Congregate Meals**

Meals – 6,220

Last year – N/A Covid Restrictions

## **OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's annual report consists of five parts: (1) management's discussion and analysis (this section) (2) basic financial statements (3) required supplementary information, and (4) the optional section that presents combining statements for non-major governmental funds and other supplementary information and (5) various governmental compliance reports and schedules by certified public accountants and management.

The basic financial statements include two kinds of statements that present different views of the Council:

### **Government-wide Financial Statements**

The government-wide financial statements (see Exhibits A and B) are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private sector business. The **statement of net position** presents information on all of the Council's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating. The **statement of activities** presents information showing how the Council's net assets change during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows.

Revenues and expenses are reported in this statement from some items that will only result in cash flows in future fiscal periods. The governmental activity of the Council is health and welfare which is comprised of various programs that include supportive services, nutritional services, utility assistance, and multipurpose senior center in Clinton, Louisiana.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Council are governmental funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. (Exhibit C and D)

The Council has presented the General Fund, Title III B – Supportive Services Fund, Title III C-1- Congregate Meals Fund, Title III C-2 – Home Delivered Meals Fund as major funds. (Exhibit C & D) All non-major governmental funds are presented in one column, titled “Total Non-Major Funds”. Combining financial statements of the non-major funds can be found in the Combining Fund Statements that follow the basic financial statements (Page 33).

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit E of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted budget (Pages 28 to 31). In addition to these required elements, the Council has a section of supplementary information. The Governor’s Office of Elderly Affairs (GOEA) has required the Council to present combining statements that provide details about our non-major governmental funds and details about capital assets and the changes in capital assets. This

information will be used by GOEA to verify the accuracy of information submitted to them during the year and to help monitor certain compliance requirements set forth in the grants that it has with the Council (Page 37 and 38).

The Office of Management and Budget (OMB) through its Circular A-133 requires a Schedule of Expenditures of Federal Awards. This schedule will present required information about the Council's federally funded programs in a manner that can facilitate financial and compliance analysis by the agencies that have granted federal money. (Page 36)

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the Council's financial position. As of June 30, 2022, assets exceeded liabilities by \$507,055. A large portion of the Council's net position (75%) reflects its cash and investment in certificates of deposit. The Council has strong liquidity.

### **Special Revenue Fund Budgetary Highlights**

The budget was amended once during the year. The primary reasons for amending the budget are to prevent compliance violations under the Council's grants for GOEA due to unanticipated changes in revenue and expenditures. There were no major differences between the original Special Revenue Fund budget and the anticipated results.

Required supplementary information budgetary comparisons schedules were prepared for the General Fund and each major Special Revenue Fund (Pages 28 to 31).

## **CAPITAL ASSETS**

The Council's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$56,209 (net of accumulated depreciation). This investment in capital assets includes office furniture, fixtures, vehicles, machinery and equipment (see table below).

	<u>2022</u>	<u>2021</u>
Office furniture, fixtures and equipment	\$ 41,124	\$ 35,045
Building Improvements	41,507	41,507
Vehicles	<u>14,897</u>	<u>14,897</u>
Sub Total	97,528	91,449
Less accumulated depreciation	<u>(41,319)</u>	<u>(29,834)</u>
Capital Assets, Net	<u>\$ 56,209</u>	<u>\$ 61,615</u>

Certain major capital asset events during the current fiscal year were purchased 1 computer, and 2 A/C units. Additional information on the Council's capital assets can be found in the Note 6, Exhibit E of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Council receives most of its funding from federal and state agencies and local taxes. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. Even with COVID-19 there have been no significant changes to the funding levels or terms of the grants and contracts. The Governor's Office of Elderly Affairs (GOEA) has approved the Council's budget for fiscal year 2020-2021. There are no plans to add or delete any significant programs for next fiscal year.

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Actual expenditures from previous fiscal year in relation to expected needs in the current year including impact of COVID-19 restrictions.
- Consideration of funding to be received from GOEA, DOTD, DHH and EF Police Jury.
- Interest revenues have been budgeted with anticipation of no increase in interest rates.
- Salaries and benefits are based on the number of employees needed to perform necessary services and the related benefits.
- Travel rates in accordance with state Travel regulations.
- Services the Council will provide along with estimated service costs.
- Estimate of operation supplies needed to perform necessary services.
- Detail plan of equipment and vehicles needed to be purchased.

<b>Condensed Statement of Net Position</b>			
	June 30,		Dollar
	2022	2021	Change
Current and other assets	\$ 477,473	\$ 353,758	\$ 123,715
Capital assets	56,209	61,615	(5,406)
Total assets	\$ 533,682	\$ 415,373	\$ 118,309
Short-term liabilities outstanding	-	309	(309)
Other liabilities	26,627	17,746	8,881
Total liabilities	26,627	18,055	8,572
Net Assets:			
Invested in capital assets, net	56,209	61,615	(5,406)
Non spendable	21,934	22,712	(778)
Restricted	2,500	2,500	-
Unassigned	426,412	310,491	115,921
Total net position	\$ 507,055	\$ 397,318	\$ 109,737

### Governmental Activities

Governmental activities increased the Council net position \$109737. Key elements of this increase are as follows:

<b>Condensed Changes in Net Position</b>			
	June 30,		Dollar
	2022	2021	Change
Revenues:			
Program revenues:			
Charges for services			
Operating grants and contributions	\$ 565,627	\$ 546,530	\$ 19,097
General revenues:			
Grants and contributions not restricted	173,741	169,602	4,139
Unrestricted investment earnings	88	29	59
Miscellaneous	1,458	13,908	(12,450)
Total revenues	740,914	730,069	10,845
Expenses:			
Health and welfare	631,177	592,355	38,822
Total expenses	631,177	592,355	38,822
Increase (decrease) in net assets	109,737	137,714	(27,977)
Net assets beginning of year	397,318	259,604	137,714
Net assets end of year	\$ 507,055	\$ 397,318	\$ 109,737



## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$477,473 an increase of \$124,024 in comparison with the prior year. An unreserved fund balance of \$453,039 is available for spending at the Council's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed. This is reflected on Page 16.

The General Fund is the chief operating fund of the Council. At the end of the current fiscal year, unassigned fund balance of the general fund was \$453,053 while total fund balance increased to \$474,973 (Page 17). As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balances and total fund expenditures. The fund balance of the Council's General Fund increased by \$124,024 during the current fiscal year. (Page 17)

Other major funds, including Title III B – Supportive Services Fund and Title III C-2 – Home Delivered Meals Fund and Title III C-1 Congregate Meals had no change in fund balances. These funds are reimbursed by federal and state grants. Expenditures that are not covered by the grants are covered by transfers from the General Fund.

## **REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the Council's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Board of Directors  
C/O Cyndi McManus, Executive Director  
East Feliciana Council on Aging, Inc.  
P.O. Box 986  
Clinton, Louisiana. 70722  
Phone (225) 683-9862



## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
East Feliciana Council on Aging Inc  
Clinton, Louisiana

### **Opinion**

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Council on Aging Inc, Clinton, Louisiana, (the Council) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Council on Aging as of and for the year ended June 30, 2022 in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. We are required to be independent of East Feliciana Council on Aging and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope of timing of the audit, significant audit findings, and certain internal control matters that I identified during the audit.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 1 through 9) and budgetary comparison information (pages 30 through 33) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### **Other Supplementary Information**

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The accompanying Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Non Major Governmental Funds and the Comparative Schedule of Capital Assets and Changes in Capital Assets are presented for purposes of additional analysis by the Governor's Office of Elderly Affairs (GOEA). In addition, Louisiana Revised Statute 24:513 (A)(3), as amended, requires the Council to present a supplemental schedule of Compensation, Benefits and Other Payments Made to the Council's Executive Director for the fiscal year. These schedules are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

The information in these three schedules is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, I have also issued my report dated December 4, 2022 on my consideration of the Council's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Baton Rouge, Louisiana,  
December 4, 2022

  
Michael R. Choate & Company, CPAs

## GOVERNMENT WIDE STATEMENT OF NET POSITION

EAST FELICIANA COUNCIL ON AGING, INC.  
CLINTON, LOUISIANA

June 30, 2022

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash	\$ 378,227
Grants and contracts receivable	73,483
Other receivable	3,829
Prepaid expenditures:	
Insurance	11,830
Van lease, net of amortization	10,104
Capital assets, net of accumulated depreciation	56,209
<b>Total Assets</b>	<b>\$ 533,682</b>
<b>Liabilities</b>	
Accounts payable	\$ -
Accrued compensated absences	26,627
<b>Total Liabilities</b>	<b>26,627</b>
<b>Net Position</b>	
Invested in Capital Assets	56,209
General fund:	
Non spendable:	
Prepaid expenditures	21,934
Unassigned	426,412
Special Revenue - restricted	2,500
<b>Total Net Position</b>	<b>\$ 507,055</b>

The accompanying notes are an integral part of this statement.

**GOVERNMENT WIDE STATEMENT OF ACTIVITIES  
EAST FELICIANA COUNCIL ON AGING, INC.  
CLINTON, LOUISIANA**

For the year ended June 30, 2022

Functions / Programs	Program Revenues					Net (Expense) Revenue and Increases (Decreases) in Net Assets
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities						
Health, Welfare & Social Services						
Supportive Services:	\$ 115,727	\$ 80,420		\$ 93,302	\$ -	(102,845)
Personal Care					-	-
Other Services					-	-
Homemaker					-	-
Information and Assistance					-	-
Legal Assistance					-	-
Outreach					-	-
Transportation	211,497	95,021		393,093	-	86,575
Nutrition Services:						
Congregate Meals	26,826	15,090		27,296	-	(14,620)
Home Delivered Meals	50,616	21,693		49,961	-	(22,348)
Multipurpose Senior Centers				40,926	-	40,926
Administration		14,287		1,975	-	(12,312)
Total governmental activities	\$ 404,666	\$ 226,511	\$ -	\$ 606,553	\$ -	\$ (24,624)
General Revenues:						
Grants and contributions not restricted to specific programs						132,815
Unrestricted Investment Income						88
Miscellaneous						1,458
Total general revenues						134,361
Increase in net position						109,737
Net position - beginning of the year						397,318
Net position - end of the year						\$ 507,055

The accompanying notes are an integral part of this statement.

## **FUND FINANCIAL STATEMENTS**



Balance Sheet  
Governmental Funds  
East Feliciana Council on Aging, Inc.

June 30, 2022

	General Fund	Title III B	Title III C-1	Title III C-2	Total Non Major Funds	Total Governmental Funds
<b>Assets</b>						
Cash	\$ 389,739	\$ (5,583)	\$ (1,820)	\$ (6,609)	\$ 2,500	\$ 378,227
Grants and Contracts Receivable	59,471	5,583	1,820	6,609	-	73,483
Other receivable	3,829	-	-	-	-	3,829
Prepaid Expenses	11,830	-	-	-	-	11,830
Prepaid Van lease	10,104	-	-	-	-	10,104
<b>Total Assets</b>	<b>\$ 474,973</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 477,473</b>
<b>Liabilities and Fund Balance</b>						
<b>Liabilities</b>						
Accounts Payable	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Non spendable:						
Prepaid Expenditures	21,934	-	-	-	-	21,934
Unassigned:						
General Fund	453,039	-	-	-	-	453,039
Restricted:						
Special Revenue Fund	-	-	-	-	2,500	2,500
<b>Total Fund Balances</b>	<b>474,973</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>477,473</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 474,973</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,500</b>	

Amounts reported for governmental activities in the statement of net assets are different because:  
Capital assets used in governmental activities are not financial resources reported in funds  
Compensated absences applicable in governmental activities are not due in the current period  
and therefore not reported in the funds.

56,209

(26,627)

Net position of Governmental Activities

\$ 507,055



Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
East Feliciana Council on Aging, Inc.  
Clinton, LA  
For the Year Ended June 30, 2022

	General Fund	Title III B	Title III C-1	Title III C-2	Total Non-Major Funds	Total Governmental Funds
<b>REVENUES</b>						
Intergovernmental						
Capital Area Agency on Aging	\$ 1,975	\$ 51,825	\$ 19,479	\$ 34,205	\$ -	\$ 107,484
American Rescue Plan	-	17,152	232	7,747	-	25,131
Governor's Office of Elderly Affairs	100,000	-	-	-	40,926	140,926
CARES ACT	-	-	-	-	-	-
Department of Transportation	310,476	-	-	-	-	310,476
Department of Health & Hospitals	79,311	-	-	-	-	79,311
East Feliciana Police Jury	15,000	-	-	-	-	15,000
Public Support						
Contributions - Adopt-n-Elderly	17,815	-	-	-	-	17,815
Participant Contributions	3,306	3,937	1,374	2,241	-	10,858
Investment Income	88	-	-	-	-	88
Miscellaneous	1,458	-	-	-	-	1,458
Inkind Contributions	-	20,388	6,211	5,768	-	32,367
Total Revenues	529,429	93,302	27,296	49,961	40,926	740,914
<b>EXPENDITURES</b>						
Health, Welfare, & Social Services						
Current:						
Personnel	152,761	121,772	25,279	36,381	-	336,193
Fringe	25,497	12,820	3,656	4,840	-	46,813
Travel	2,524	762	54	127	-	3,467
Operating Services	50,112	26,989	2,284	11,066	-	90,451
Operating Supplies	48,236	7,135	954	2,975	-	59,300
Meals	2,600	-	2,736	9,773	-	15,109
Capital outlay	6,079	-	-	-	-	6,079
Other Costs	18,709	6,281	742	1,379	-	27,111
Inkind	-	20,388	6,211	5,768	-	32,367
Total Expenditures	306,518	196,147	41,916	72,309	-	616,890
Excess (deficiency) of Revenues over Expenditures	222,911	(102,845)	(14,620)	(22,348)	40,926	124,024
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	102,845	14,620	22,348	-	139,813
Transfers Out	(98,887)	-	-	-	(40,926)	(139,813)
Total other Financing Sources and Uses	(98,887)	102,845	14,620	22,348	(40,926)	-
Net Increase (Decrease) in Fund Balances	124,024	-	-	-	-	124,024
<b>FUND BALANCES</b>						
Beginning of the Year	350,949	-	-	-	2,500	353,449
End of the Year	\$ 474,973	\$ -	\$ -	\$ -	\$ 2,500	\$ 477,473

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental  
Funds to the Statement of Activities  
East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

Year Ended June 30, 2022

Net Increase (decrease) in fund balances – total governmental funds	\$ 124,024
Governmental funds report capital outlays as expenditures. However, in the <b>Statement of Activities</b> the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays is more than depreciation expense.	(5,406)
Some expenses reported in the <b>Statement of Activities</b> do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Compensated absences	<u>(8,881)</u>
Increase (decrease) in net position of governmental activities	<u>\$ 109,737</u>

## NOTES TO FINANCIAL STATEMENTS

### **East Feliciana Council on Aging, Inc. Clinton, Louisiana**

**June 30, 2022**

#### **Note 1 - Summary of Significant Accounting Policies**

a. Statement of Presentation:

The accompanying financial statements conform to generally accepted accounting principles for local government units as prescribed by Statement 1, Governmental Accounting and Financial Reporting Principles published by the National Council on Governmental Accounting, and Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants.

The local councils on the aging were created under Louisiana Act No. 456 of 1964 for the welfare of the aging people in their respective parish.

b. Fund Accounting:

The accounts of the Council are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds 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 upon determination of changes in financial position, rather than upon net income determination. The following are the Council's governmental funds:

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.

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

Note 1 - Summary of Significant Accounting Policies (continued)

Governmental Fund (continued):

expenditures for specified purposes. Most of the Council's special revenue funds are provided by GOEA.

The Title III funds are provided by the United States Department of Health and Human Services – Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to council.

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

**Major Special Revenue Funds**

A fund is considered major if it is the primary operating fund of the council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category type.

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance (458), telephoning (5,114), and outreach (93) to people age 60 and older. Total units of service were 34,530 which includes transportation of (6,523).

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. The Council served 6,220 congregate meals this year.

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. The Council delivered 15,643 meals this year.

**Non Major Special Revenue Funds**

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 in turn "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.

#### Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. These funds are “passed through” the Governor’s Office of Elderly Affairs.

The following are the funds which comprise the Council’s **General Fund**:

PCOA Fund – The PCOA fund accounts for the supplemental unrestricted revenues provided through the Governor’s Office of Elderly Affairs.

Other Local – Other Local funds accounts for interest income and miscellaneous unrestricted revenue.

Transportation Fund – Nonelderly The Council provides various transportation services to the residents of East Feliciana Parish who are not 60 years old for a fee. The fee ranges from \$5.00 to \$8.00 per one-way trip and is based on whether the trip is in the parish or out of the parish. A Medicaid transportation program also is available. These program revenue, service fees and their related cost are accounted for within the “Nonelderly Transportation” program of the General Fund. In contrast, transportation services provided to residents who are at least 60 years old are accounted for in the “Elderly Transportation” program of the Title III B Fund.

#### Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the assets estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Building Improvements	20 years
Equipment	5 - 7 years
Vehicles	5 years
Computers	3 years

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

c. 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 as an asset or liability through the various due from and due to accounts.

d. Budget Policy:

Budgets for the programs are prepared by the Council's Executive Director and approved by the grantors and the Council's board of directors.

e. Compensated Absences:

The Council's policy for annual leave permits employees to accumulate earned but unused annual leave. Accordingly, a liability for the unpaid annual leave has been recorded in the **Government-Wide financial statements**. Management has estimated the current and long-term portions of this liability based on the Council's policy as it relates to accruing (earning) and using vacation leave. Accordingly, all amounts earned and unused as of year-end are considered a current liability for purposes of the **Statement of Net Position**.

The amount recorded as compensated absences liability was determined using the number of vested hours for each employee multiplied by the employee's wage rate in effect at the end of the year. An amount is added to this total for Social Security and Medicare taxes.

In contrast, the **governmental funds** in the fund financial statements report only compensated absences liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, payments for vacation leave will be recorded as fund expenditures in the various governmental funds in the year in which they are paid or become due on demand to terminated employees. As a result no amounts have been accrued as fund liabilities as of year-end in the **fund financial statements**. The difference in the methods of accruing compensated absences creates a reconciling item between the fund and the government-wide financial statement presentations.

The Council's sick leave policy does not provide for vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absence in the financial statements relative to sick leave.

f. Management's Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

g. Revenue Recognition

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting. Revenues are recorded in the Fund Financial Statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

**Note 2 - Board of Director's Compensation**

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

**Note 3 - In Kind Financial Assistance**

The in-kind contributions that the Council received during the year consisted primarily of free rent and utilities relating to the use of the main administration office in Clinton and meal sites in Clinton and Jackson, Louisiana.

A summary of the in-kind contributions and their estimated values are as follows:

Facility Rental	\$32,367
Volunteer Workers	<u>0.0</u>
Total In-Kind Expenditures	\$32,367

**Note 4 - Economic Dependency, Uncertainties**

The Council receives a significant portion of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs, Louisiana Department of Transportation and the Capital Area Agency on Aging-District II, Inc. 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 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 5 - Transfers**

	<u>Transfers Out</u>	<u>Transfers In</u>
<u>SPECIAL REVENUE FUNDS</u>		
Title III B		
General Fund/PCOA	-	\$61,919
Senior Center	-	30,014
Supplemental Senior Center	-	10,912
General / DOTD		-
MIPPA		-
General / Medicaid		-
General/ Police Jury		-
Title III C-1		
General/PCOA	-	14,620
General	-	
Title III C-2		
General/Adopt Elderly	-	-
General/PCOA	-	22,348
Senior Center		
Title III B	30,014	-
Supplemental Senior Center		
Title III B	10,912	-
MIPPA		
General –Transportation		-
<u>GENERAL FUND</u>		
General/ Medicaid		-
Police Jury	-	-
Title III B/PCOA	61,919	-
Title III C-1/Adopt Elderly	-	-
Title III C-1/General/PCOA	14,620	-
Title III C-2/General PCOA	22,348	-
	-	
<b>Total</b>	<b>\$ 139,813</b>	<b>\$139,813</b>

**Note 6 - General Fixed Assets**

The changes in fixed assets are as follows:

	Balance <u>6/30/2022</u>	Balance <u>6/30/2021</u>
Furniture & Equipment	\$ 41,124	\$ 35,045
Building Improvements	41,507	41,507
Vehicles	<u>14,897</u>	<u>14,897</u>
	<u>\$ 97,528</u>	<u>\$ 91,449</u>

**Note 7 – Deposits With Financial Institutions**

At June 30, 2022, The Council had bank balances totaling \$378,227. Bank balances totaling \$250,000 are insured by federal deposit insurance while deposits over \$250,000 are collateralized by securities held by the depository bank in the Council's name. This is considered a "Category 1" credit risk in accordance with GASB Statement 3.

GASB Statement 3 categories deposits into three categories of credit risk:

1. Insured by FDIC or collateralized with securities held by the Council or by its agent in the Council's name. (Category 1)
3. Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Council's name. (Category 2)
4. Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Council's name; or collateralized with no written or approved collateral agreement. (Category 3)

**Note 8 – Grants & Accounts Receivable**

Accounts receivable at June 30, 2022 included the following funds:

<u>Special Revenue</u>		
	Title III B	\$ 5,583
	Title III C-1	1,820
	Title III C-2	6,609
	MIPPA	-
<u>General Fund</u>	EF Police Jury	1,250
-	Medicaid	7,811
	Section 5311	50,410
	Total	<u>\$ 73,483</u>

**Note 9 – Income Tax Status**

East Feliciana Council on Aging, Inc. is a tax-exempt organization as described in Section 501(c) (3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization other than a private foundation. The Council, therefore, is not subject to income taxes. However, income from activities not directly related to the Council's tax-exempt purpose is subject to taxation as unrelated business income. The Council had no such income for the year ended June 30, 2022.

On July 1, 2013, the Council adopted the provisions of the Accounting for Uncertainty in Income Taxes Topic of the FASB ASC, which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Council's income tax returns. Management evaluated the Council's tax positions and concluded that the Council had taken no uncertain tax positions that required adjustments to the financial statements to comply with the provisions of this guidance. East Feliciana Council on Aging, Inc. is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for tax years prior to June 30, 2019.

**Note 10– Subsequent Events**

Management has evaluated subsequent events through December 4, 2022; the date the report was available to be issued.

No events have occurred which would require adjustment or disclosure in the financial statements.

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND**

**EAST FELICIANA COUNCIL ON AGING, INC.  
CLINTON, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2022**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	\$ -	\$ 10,028	\$ 1,975	\$ (8,053)
Governor's Office of Elderly Affairs	100,000	100,000	100,000	-
Department of Health and Hospitals	70,000	70,000	79,311	9,311
East Feliciana Police Jury	4,035	4,035	15,000	10,965
Department of Transportation	188,892	283,125	310,476	27,351
Other:				
Miscellaneous	-	-	1,458	1,458
Contributions - Adopt-n-Elderly	-	-	17,815	17,815
Contributions - Participants	1,700	3,000	3,306	306
Investment Income	-	-	88	88
Contributions in Kind	-	-	-	-
Total Revenues	<u>364,627</u>	<u>470,188</u>	<u>529,429</u>	<u>59,241</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	-	-	-	-
Personnel	150,640	161,590	152,761	8,829
Fringe	25,354	26,458	25,497	961
Travel	6,621	5,637	2,524	3,113
Operating services	34,065	40,141	50,112	(9,971)
Operating supplies	34,078	44,175	48,236	(4,061)
Meals	-	-	2,600	(2,600)
Capital outlay	-	10,028	6,079	3,949
Other	13,869	12,159	18,709	(6,550)
Total Expenditures	<u>264,627</u>	<u>300,188</u>	<u>306,518</u>	<u>(6,330)</u>
Excess of Revenues over (under) Expenditures	100,000	170,000	222,911	52,911
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in ...	-	-	-	-
Operating transfers out	(100,000)	(100,000)	(98,887)	1,113
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	70,000	124,024	54,024
<u>FUND BALANCES</u>				
Beginning of year	350,949	350,949	350,949	-
End of year	<u>\$ 350,949</u>	<u>\$ 420,949</u>	<u>\$ 474,973</u>	<u>\$ 54,024</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGET (GAAP BASIS) AND ACTUAL  
SPECIAL REVENUE FUND - TITLE III-B**

**EAST FELICIANA COUNCIL ON AGING, INC.  
CLINTON, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2022**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	\$ 51,825	\$ 51,825	\$ 51,825	\$ -
American Rescue Plan			\$ 17,152	
State of Louisiana				-
Other:				
Miscellaneous				-
Contributions		4,000	3,937	(63)
Contributions in Kind	20,388	20,388	20,388	-
Total Revenues	<u>72,213</u>	<u>76,213</u>	<u>93,302</u>	<u>(63)</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	20,388	20,388	20,388	-
Personnel	120,744	124,027	121,772	2,255
Fringe	12,757	13,103	12,820	283
Travel	1,386	737	762	(25)
Operating services	24,669	25,862	26,989	(1,127)
Operating supplies	8,542	8,476	7,135	1,341
Meals				-
Capital outlay				-
Other	22,364	8,425	6,281	2,144
Total Expenditures	<u>210,850</u>	<u>201,018</u>	<u>196,147</u>	<u>4,871</u>
Excess of Revenues over (under) Expenditures	(138,637)	(124,805)	(102,845)	21,960
<u>OTHER FINANCING SOURCES USES</u>				
Operating transfers in	138,637	124,805	102,845	(21,960)
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGET (GAAP BASIS) AND ACTUAL  
SPECIAL REVENUE FUND - TITLE III C-1**

**EAST FELICIANA COUNCIL ON AGING, INC.  
CLINTON, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2022**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	\$ 19,479	\$ 19,479	\$ 19,479	\$ -
American Rescue Plan	-	-	232	232
State of Louisiana				-
CARES ACT				-
Other:				
Miscellaneous				-
Contributions	500	1,000	1,374	374
Contributions in Kind	6,211	6,211	6,211	-
Total Revenues	<u>26,190</u>	<u>26,690</u>	<u>27,296</u>	<u>606</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	6,211	6,211	6,211	-
Personnel	30,581	28,955	25,279	3,676
Fringe	4,198	4,027	3,656	371
Travel	336	161	54	107
Operating services	2,392	2,190	2,284	(94)
Operating supplies	723	1,021	954	67
Meals	2,500	2,500	2,736	(236)
Capital outlay				-
Other	1,285	1,027	742	285
Total Expenditures	<u>48,226</u>	<u>46,092</u>	<u>41,916</u>	<u>4,176</u>
Excess of Revenues over (under) Expenditures	(22,036)	(19,402)	(14,620)	4,782
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	22,036	19,402	14,620	(4,782)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGET (GAAP BASIS) AND ACTUAL  
SPECIAL REVENUE FUND - TITLE III C-2**

**EAST FELICIANA COUNCIL ON AGING, INC.  
CLINTON, LOUISIANA  
FOR THE YEAR ENDED JUNE 30, 2022**

<u>REVENUES</u>	<u>BUDGETS</u>		<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Intergovernmental:				
Capital Area Agency on Aging, Inc.	\$ 34,205	\$ 34,205	\$ 34,205	\$ -
American Rescue Plan		\$ 7,747	7,747	
State of Louisiana				
CARES ACT				-
Other:				
Miscellaneous				-
Contributions	2,300	2,100	2,241	141
Contributions in Kind	5,768	5,768	5,768	-
Total Revenues	<u>42,273</u>	<u>49,820</u>	<u>49,961</u>	<u>141</u>
<u>EXPENDITURES</u>				
Current:				
Expenditures in Kind	5,768	5,768	5,768	-
Personnel	29,831	36,962	36,381	581
Fringe	4,268	4,953	4,840	113
Travel	457	265	127	138
Operating services	10,445	10,803	11,066	(263)
Operating supplies	3,157	3,228	2,975	253
Meals	8,400	8,500	9,773	(1,273)
Capital outlay				-
Other	1,743	1,690	1,379	311
Total Expenditures	<u>64,069</u>	<u>72,169</u>	<u>72,309</u>	<u>(140)</u>
Excess of Revenues over (under) Expenditures	(21,796)	(22,349)	(22,348)	1
<u>OTHER FINANCING SOURCES</u>				
<u>USES</u>				
Operating transfers in	21,796	22,349	22,348	(1)
Operating transfers out	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SUPPLEMENTARY FINANCIAL INFORMATION**

**Required by: Governor's Office of Elderly Affairs**



Statement of Revenues, Expenditures, and Changes in Fund Balances  
Non-Major Special Revenue Funds  
East Feliciana Council on Aging, Inc.  
Clinton, LA

For the Year Ended June 30, 2022

	<u>MIPPA</u>	<u>Senior Center</u>	<u>Sup. Senior Center</u>	<u>Total Non- Major Funds</u>
<b>REVENUES</b>				
Intergovernmental				
Capital Area Agency on Aging	\$ -	\$ -	\$ -	\$ -
Governor's Office of Elderly Affairs	-	30,014	10,912	40,926
Public Support				
Contributions-other restricted	-	-	-	-
Client Contributions	-	-	-	-
Investment Income	-	-	-	-
Miscellaneous	-	-	-	-
Inkind Contributions	-	-	-	-
Total Revenues	<u>-</u>	<u>30,014</u>	<u>10,912</u>	<u>40,926</u>
<b>EXPENDITURES</b>				
Health, Welfare, & Social Services				
Current:				
Personnel	-	-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Operating Services	-	-	-	-
Operating Supplies	-	-	-	-
Other Costs	-	-	-	-
Capital Outlay	-	-	-	-
Inkind Expenditures	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of Revenues over Expenditures	<u>-</u>	<u>30,014</u>	<u>10,912</u>	<u>40,926</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(30,014)	(10,912)	(40,926)
Total other Financing Sources and Uses	<u>-</u>	<u>(30,014)</u>	<u>(10,912)</u>	<u>(40,926)</u>
<b>Net Increase (Decrease) in Fund Balances</b>	-	-	-	-
<b>FUND BALANCES</b>				
Beginning of the Year	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
End of the Year	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>

The accompanying notes are an integral part of this statement.

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

East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

For the year ended June 30, 2022

	<u>Balance</u> <u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
<b>General Fixed Assets:</b>				
Vehicles	\$ 14,897			\$ 14,897
Building improvements	41,507			41,507
Office Furniture and Equipment	35,045	6,079		41,124
<b>Total Fixed Assets</b>	<u>\$ 91,449</u>	<u>\$ 6,079</u>	<u>\$ -</u>	<u>\$ 97,528</u>
<b>Investment in General Fixed Assets:</b>				
Property acquired with funds from-				
Title III-B				-
General fund - other	25,422			25,422
PCOA	51,193	6,079		57,272
United Way	14,834			14,834
Department of Transportation - AARA				-
<b>Total Investments in General Fixed Assets</b>	<u>\$ 91,449</u>	<u>\$ 6,079</u>	<u>\$ -</u>	<u>\$ 97,528</u>

**SUPPLEMENTARY FINANCIAL INFORMATION**  
**REQUIRED BY: OMB CIRCULAR A-133**

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

For the year ended June 30, 2022

<u>Grants Passed Through State of Louisiana and Capital Area Agency on Aging</u>	<u>Federal CFDA Number</u>	<u>Program Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Capital Area Agency on Aging- District II, Inc.				
Title III Part C-1	93.045	\$ 16,557	\$ 16,557	\$ 16,557
Title III Part C-2	93.045	6,481	6,481	6,481
Title III Part B	93.044	29,864	29,864	29,864
Title III Part B American Rescue Plan	93.044	14,579	14,579	14,579
Title III Part C-1 American Rescue Plan	93.045	8,531	8,531	8,531
Title III Part C-2 American Rescue Plan	93.045	6,585	6,585	6,585
<u>Louisiana Department of Health &amp; Hospitals</u>				
Medicaid Transportation		79,311	79,311	79,311
<u>Louisiana Department of Transportation</u>				
Non Elderly Transportation Section 5311 LA-2020-007	20.509	310,476	310,476	310,476
Totals		<u>\$ 472,384</u>	<u>\$ 472,384</u>	<u>\$ 472,384</u>

**Schedule of Compensation, Benefits and Other Payments to the  
Council's Executive Director**

**East Feliciana Council on Aging, Inc.  
Clinton, Louisiana  
For the year ended June 30, 2022**

**Executive Director's (Agency Head) Name: Cyndi McManus**

<b>Purpose</b>	<b>Amount</b>
Salary - McManus	\$ 45,942
Benefits-insurance (health and life)	
Benefits-retirement	
Benefits-Other (describe)	
Benefits-Other (describe)	
Car allowance	
Vehicle provided by government (enter amount reported on W-2)	
Per diem	
Reimbursements	
Travel	
Registration fees	
Conference travel	\$ 1,000
Housing	
Unvouchered expenses (example: travel advances, etc.)	
Special meals	
Other - Petty Cash Reimbursements	

**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed in  
Accordance With Government Auditing Standards**

To the Board of Directors,  
East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Feliciana Council on Aging, Clinton, Louisiana, (the Council) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued my report thereon dated December 4, 2022.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, I do not express an opinion on the effectiveness of the Council's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control over financial reporting was for the limited purpose described in

the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purposes of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Baton Rouge, Louisiana,  
December 4, 2022

  
Michael R. Choate & Company, CPAs

## **FINDINGS AND QUESTIONED COSTS**

### **Internal Accounting and Administrative Controls and Compliance**

East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

June 30, 2022

There were no material weaknesses found in compliance or in the Internal Accounting and Administrative Controls which required corrective action.



## **PRIOR YEAR AUDIT FINDINGS**

East Feliciana Council on Aging, Inc.  
Clinton, Louisiana

June 30, 2022

### **MATERIAL WEAKNESSES – JUNE 30, 2021**

Last year there were no material weaknesses found in compliance or in internal accounting and administrative controls which required corrective action.

## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

East Feliciana Council on Aging, Inc.  
Clinton, Louisiana, USA

To the Board of Directors of East Feliciana Council on Aging, Inc. and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by East Feliciana Council on Aging, Inc. and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

### **Procedures:**

1. Determine if the following accounting **policies are in writing** and address the issues described in the attached Appendix.

Budgeting	Payroll/ Personnel	Ethics
Purchasing	Contracting (vendors)	Debt service
Disbursements	Credit cards	Information technology
Receipts	Travel and expense reimbursements	/ disaster recovery
Sexual harassment		

2. Test compliance with the above accounting policies using the procedures described in the thirteen AUP categories in the attached Appendix.

**Findings:**

**1. Written policies exist for all the AUP categories except:**

Sexual harassment policy and procedures is in process.

**2. Testing of all other AUP categories:**

**Board or Finance committee** – no findings

**Bank reconciliations** – no findings

**Collections** – no findings

**Non payroll disbursements** - no findings

**Credit cards** – No findings

**Travel expenditures** – no findings

**Contracts** (vendors) – N/A no findings

**Payroll** – no findings

**Ethics** – no findings

**Debt service** –N/A no findings

**Fraud notice** – no findings

**Information technology / disaster recovery** – no findings

**Sexual harassment** – N/A not required this year.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

December 4, 2022  
Baton Rouge, Louisiana

  
Michael R Choate & Company CPAs

## APPENDIX

# ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

## **Procedures**

Report all exceptions to the following procedures, either after each procedure or after all procedures, within each of the fourteen AUP categories. “Random” selections may be made using Microsoft Excel’s random number generator or an alternate method selected by the practitioner that results in an equivalent sample (e.g., those methods allowed under the AICPA Audit Guide - *Audit Sampling*).

### ***Written Policies and Procedures***

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1. Obtain and inspect the entity’s written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity’s operations:<sup>4</sup>
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.
  - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
  - e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
  - f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
  - g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4)

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<sup>4</sup> For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization’s operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

- h) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***<sup>5</sup>, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

### ***Board or Finance Committee***<sup>6</sup>

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- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds<sup>7</sup>, and semi-annual budget-

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<sup>5</sup> The Louisiana Code of Ethics is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

<sup>6</sup> These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

<sup>7</sup> Proprietary and special revenue funds are defined under GASB standards. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary and special revenue operations that are not required to be budgeted under the Local Government Budget Act.



## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

- to-actual, at a minimum, on all special revenue funds<sup>7</sup>. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds<sup>8</sup> if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

### ***Bank Reconciliations***

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3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts<sup>9</sup> (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections (excluding electronic funds transfers)<sup>10</sup>***

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4. Obtain a listing of deposit sites<sup>11</sup> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

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<sup>8</sup> R.S. 24:513 (A)(1)(b)(iv) defines public funds.

<sup>9</sup> Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

<sup>10</sup> The Collections category is not required to be tested if the entity has a third party contractor performing all collection functions (i.e., receiving collections, preparing deposits, and making deposits).

<sup>11</sup> A deposit site is a physical location where a deposit is prepared and reconciled.

***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures  
– Fiscal Years Ending 12/31/2021 through 11/30/2022***

5. For each deposit site selected, obtain a listing of collection locations<sup>12</sup> and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - e) Trace the actual deposit per the bank statement to the general ledger.

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<sup>12</sup> A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office.



## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

### ***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
  - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons

## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

who maintained possession of the cards<sup>13</sup>. Obtain management’s representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing)<sup>14</sup>. For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

### ***Travel and Travel-Related Expense Reimbursements<sup>15</sup> (excluding card transactions)***

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

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<sup>13</sup> Including cards used by school staff for either school operations or student activity fund operations.

<sup>14</sup> For example, if 3 of the 5 cards selected were fuel cards, only 10 transactions would be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #12 were fuel cards, Procedure #13 would not be applicable.

<sup>15</sup> Non-travel reimbursements are not required to be tested under this category.

## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law<sup>16</sup> (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

### ***Payroll and Personnel***

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16. Obtain a listing of employees and officials<sup>17</sup> employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

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<sup>16</sup> If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

<sup>17</sup> "Officials" would include those elected, as well as board members who are appointed.

## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

- a) Observe all selected employees or officials<sup>18</sup> documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### ***Ethics<sup>19</sup>***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

### ***Debt Service<sup>20</sup>***

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<sup>18</sup> "Officials" would include those elected, as well as board members who are appointed.

<sup>19</sup> The Louisiana Code of Ethics is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a nonprofit, the procedures should be performed.

<sup>20</sup> This AUP category is generally not applicable to nonprofit entities; however, if applicable, the procedures should be performed.

## ***Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures – Fiscal Years Ending 12/31/2021 through 11/30/2022***

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

### ***Fraud Notice***

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe the entity has posted, on its premises<sup>21</sup> and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.<sup>22</sup>

### ***Information Technology Disaster Recovery/Business Continuity***

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25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
  - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
  - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

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<sup>21</sup> Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs.

<sup>22</sup> This notice is available for download or print at [www.lja.la.gov/hotline](http://www.lja.la.gov/hotline).



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- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

### ***Sexual Harassment<sup>23</sup>***

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- 26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
- 27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- 28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
  - a) Number and percentage of public servants in the agency who have completed the training requirements;
  - b) Number of sexual harassment complaints received by the agency;
  - c) Number of complaints which resulted in a finding that sexual harassment occurred;
  - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - e) Amount of time it took to resolve each complaint.

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<sup>23</sup> A private non-profit that is subject to audit by virtue of the receipt of public funds does not appear to be subject to the sexual harassment law, R.S. 42:341, et seq. However, the non-profit could be subject to the law as part of its agreement to receive the public funds.