

TABLE OF CONTENTS

Financial Report

St. Helena Council on Aging, Inc.
Greensburg, Louisiana

June 30, 1987

1.	INDEPENDENT AUDITOR'S REPORT	1
2.	REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	3
3.	REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR E-122	5
4.	GENERAL PURPOSE FINANCIAL STATEMENTS:	
•	Combined Balance Sheet - All Fund Types and Account Group(s)	8
•	Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types	8
•	Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General Fund	10
•	Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Special Revenue Fund	10
•	Notes to Financial Statements	17
5.	SUPPLEMENTARY FINANCIAL INFORMATION:	
•	Schedule 1 - Schedule of Program Revenues, Expenditures, and Changes in Fund Balance - General Fund	23
•	Schedule 2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds	28
•	Schedule 3 - Schedule of Program Expenditures - Budget VS. Actual	29
•	Schedule 4 - Comparative Statement of General Fixed Assets and Changes in General Fixed Assets	37
•	Schedule 5 - Schedule of Expenditures of Federal Awards	38

6.	SCHEDULE OF FINDINGS AND QUESTIONED COSTS	39
7.	CORRECTIVE ACTION PLAN	43
8.	SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS RELATIVE TO FEDERAL AWARD PROGRAMS	45
9.	EXIT CONFERENCE	46
10.	DATA COLLECTION FORM	47

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT
14485 ELD HAMBROCKS HIGHWAY, SUITE 4
BAYTOWN BRIDGE, LOUISIANA, 70301

MEMBER OF THE
INSTITUTE OF CERTIFIED CPAs

MEMBER OF THE
AMERICAN SOCIETY OF CPAs

PHONE (504) 878-1177

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
St. Helena Council on Aging, Inc.,
Greensburg, Louisiana.

I have audited the accompanying general-purpose financial statements of the St. Helena Council on Aging, Inc., Greensburg, Louisiana, as of and for the year ended June 30, 1987, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Council's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. These standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Helena Council on Aging, Inc., Greensburg, Louisiana, as of June 30, 1987, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report (see page 1) dated August 20, 1997, on my consideration of the St. Helena Council on Aging, Inc.'s internal control over financial reporting and my tests of its compliance with laws, regulations, contracts, and grants.

My audit was made for the purpose of forming an opinion on the general-purpose financial statements of the St. Helena Council on Aging, Inc., Greensburg, Louisiana, taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the St. Helena Council on Aging, Inc., Greensburg, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

Neil A. Farani, CPA

Baton Rouge, Louisiana,
August 20, 1997.

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

14085 OLD HANCOCK HIGHWAY, SUITE 4
BATON ROUGE, LOUISIANA 70818

PHONE (504) 835-1177

MEMBER OF THE
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
AMERICAN INSTITUTE OF CPAs

011 010 0000

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

To the Board of Directors,
St. Helena Council on Aging, Inc.
Greensburg, Louisiana.

I have audited the general-purpose financial statements of the St. Helena Council on Aging, Inc., Greensburg, Louisiana, as of and for the year ended June 30, 1997, and have issued my report thereon dated August 20, 1997. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the St. Helena Council on Aging, Inc.'s general-purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial 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 that are required to be reported under Government Auditing Standards. However, I noted certain immaterial instances of noncompliance that I have reported to the board of directors of the St. Helena Council on Aging, Inc. in a separate letter dated August 20, 1997.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the St. Helens Council on Aging, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect St. Helens Council on Aging, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the general-purpose financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 37-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider reportable condition 37-1 referred to above to be a material weakness.

I also noted other matters involving the internal control over financial reporting that I have reported to the Board of Directors of the St. Helens Council on Aging, Inc. in a separate letter dated August 20, 1997.

This report is intended for the information of the council's board of directors, management, the Legislative Auditor of the State of Louisiana, Capitol Area Agency on Aging - District 11, Inc., and the Louisiana Governor's Office of Elderly Affairs. However, this report is a matter of public record and its distribution is not limited.

Neil B. Fersoni, CPA

Baton Rouge, Louisiana,
 August 20, 1997.

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

144871 OLD HAMMOND HIGHWAY SUITE 4
BAYTOWN PLACE, LOUISIANA 70314

MEMBER OF THE
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
SOCIETY OF LOUISIANA CPAs

PHONE (504) 835-1177

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH ONE CIRCULAR A-113

To the Board of Directors,
St. Helena Council on Aging, Inc.
Greensburg, Louisiana.

Compliance

I have audited the compliance of the St. Helena Council on Aging, Inc., Greensburg, Louisiana with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-113 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1987. The St. Helena Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major programs is the responsibility of the St. Helena Council on Aging, Inc.'s management. My responsibility is to express an opinion on the St. Helena Council on Aging, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and one circular A-113, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-113 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the St. Helena Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of St. Helena's Council on Aging, Inc.'s compliance with these requirements.

In my opinion, the St. Helena Council on Aging, Inc.'s complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1997.

Internal Control Over Compliance

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

I noted certain matters involving the internal control over compliance and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, could adversely affect the St. Helena Council on Aging, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 97-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I consider reportable condition 97-1 referred to above to be a material weakness.

This report is intended for the information of the Council's board of directors, management, Louisiana governor's Office of Elderly Affairs, Capital Area Agency on Aging - District 21, Inc., and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Neil B. Ferrari, CPA

Baton Rouge, Louisiana,
August 20, 1997.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT CATEGORIES

St. Helena Council on Aging, Inc.
Geensberg, Louisiana

June 30, 1997

With Comparative Totals for the Year Ended June 30, 1996

	Governmental		Account Services		Totals	
	General	Special Revenue	General Assets	Long-Term Debt	1997	1996
ASSETS AND OTHER DEBITS						
Assets:						
Cash	\$ 7,138	\$ 487	\$ -	\$ -	\$ 7,625	\$ 4,688
Grants and contracts receivable	-	5,523	-	-	5,523	4,635
Accounts receivable	180	21	-	-	201	-
Due from special revenue fund	2,081	-	-	-	2,081	1,004
Restricted assets:						
Cash	-	181	-	-	181	250
Fixed assets	-	-	11,420	-	11,420	11,410
Other debits:						
Amount to be provided to retire long-term debt	-	-	-	2,458	2,458	2,094
Total assets and other debits	\$ 9,399	\$ 6,091	\$ 11,420	\$ 2,458	\$ 28,768	\$ 21,384
LIABILITIES, FUND EQUITY AND OTHER CREDITS						
Liabilities:						
Accounts payable	\$ -	\$ 2,400	\$ -	\$ -	\$ 2,400	\$ 2,284
Due to general fund	-	2,881	-	-	2,881	2,004
Long-term debt:						
Capital lease obligation	-	-	-	2,458	2,458	2,094
Total liabilities	-	\$ 5,281	-	\$ 2,458	\$ 4,858	\$ 4,382
Fund Equity and Other Credits:						
Fund balances:						
Restricted	-	181	-	-	181	250
Unrestricted - undesignated	8,828	-	-	-	8,828	1,289
Investment in general fixed assets	-	-	11,420	-	11,420	11,410
Total fund equity and other credits	\$ 8,828	\$ 181	\$ 11,420	-	\$ 20,328	\$ 16,950
Total liabilities, fund equity and other credits	\$ 8,828	\$ 6,091	\$ 11,420	\$ 2,458	\$ 28,786	\$ 21,334

The accompanying notes are an integral part of this statement.

**FINANCIAL STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND-TYPE**

**St. Helena Council on Aging, Inc.
Monroeville, Louisiana**

For the year ended June 30, 1987

With Comparative Totals for the Year Ended June 30, 1986

	General	Special Revenue	Totals	
			(Amounts in Dollars)	(1987)
REVENUES				
Intergovernmental	\$ 32,327	\$ 88,897	120,424	142,294
Public support	882	14,016	14,898	25,232
Interest Income	184	-	184	242
Program service fees	-	288	288	228
Miscellaneous income	82	-	82	-
Total revenues	33,475	103,181	136,655	167,996
EXPENDITURES				
Salaries	-	78,988	78,988	72,421
Fringe	-	12,967	12,967	13,444
Taxes	94	13,638	13,732	18,871
Operating services	-	8,287	8,287	7,284
Operating supplies	-	2,880	2,880	2,712
Other costs	142	8,822	8,964	5,211
Build	-	-	-	-
Capital outlay	-	-	-	2,380
Bank services	788	-	788	232
Utility assistance	-	1,562	1,562	1,822
Total expenditures	2,024	113,264	115,282	102,101
EXCESS OF REVENUES OVER (under) expenditures	11,451	(10,083)	8,424	65,895
NET FINANCIAL SOURCES (USES)				
Operating transfers in	4,916	36,373	41,289	60,211
Operating transfers out	(12,728)	(28,812)	(41,540)	(40,211)
Proceeds from capital lease acquisition	-	-	-	2,942
Excess of revenues and other sources over (under) expenditures and other uses	2,188	(154)	8,424	(1,243)
FUND BALANCES				
Beginning of year	5,248	155	5,403	2,164
End of year	\$ 7,436	\$ 301	\$ 7,737	\$ 5,516

The accompanying notes are an integral part of this statement.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND - GENERAL FUND**

St. Helena Council on Aging, Inc.
 Gretna, Louisiana

For the year ended June 30, 2003

	Budget	Actual	Variance- Favorable (Disadvantage)
REVENUES			
State governmental	\$ 12,190	\$ 12,500	\$ (300)
Public support	180	880	(700)
Interest income	130	384	(254)
Miscellaneous	-	80	80
Total revenues	<u>12,500</u>	<u>13,644</u>	<u>(1,144)</u>
EXPENDITURES			
Current:			
Salaries	-	-	-
Fringe	-	-	-
Travel	-	70	(70)
Operating services	-	-	-
Operating supplies	-	-	-
Office costs	330	341	(11)
Rent	-	-	-
Capital outlay	-	-	-
NET services	190	190	-
Total expenditures	<u>1,820</u>	<u>1,831</u>	<u>(11)</u>
Excess of revenues over (under) expenditures	10,680	11,813	(1,133)
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	4,816	4,816
Operating transfers out	(11,820)	(11,778)	42
Excess of revenues and other sources over (under) expenditures and other uses	(1,140)	4,844	\$ 5,984
FUND BALANCE (DEFICIT)			
Beginning of year	5,240	5,240	
Total year	<u>\$ 3,300</u>	<u>\$ 9,836</u>	

The accompanying notes are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 (BUDGET BASIS) AND ACTUAL - SPECIAL REVENUE FUNDS

St. Helena Council on Aging, Inc.
 Greensburg, Louisiana

For the year ended June 30, 1987

	Budget	Actual	Variance- Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 88,947	\$ 88,947	\$ -
Public support	22,868	14,818	2,247
Program service fees	200	200	(200)
TOTAL REVENUES	112,015	104,215	2,247
EXPENDITURES			
Current:			
Salaries	70,871	70,898	(27)
Fringe	21,798	11,847	12,111
Travel	28,824	13,818	2,828
Operating services	8,415	8,258	154
Operating supplies	2,899	2,858	(211)
Other costs	8,782	4,842	1,982
Debt	-	-	-
Capital outlay	-	-	-
Utility assistance	1,200	1,200	(207)
TOTAL EXPENDITURES	128,089	113,263	2,247
Excess of revenues over (under) expenditures	(16,074)	(8,048)	2,678
OTHER FINANCING SOURCES (USES)			
Operating transfers in	18,280	26,273	2,643
Operating transfers out	(12,855)	(28,511)	(17,656)
Excess of revenues and other sources over (under) expenditures and other uses	2,844	(104)	\$ (2,640)
FUND BALANCE			
Beginning of year	-	268	
End of year	\$ 2,844	\$ 164	

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

St. Helena Council on Aging, Inc.
Greensburg, Louisiana

June 30, 1997

Note 1 - Summary of Significant Accounting Policiesa. Reporting Entity:

In 1964, the State of Louisiana passed Act 458 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The St. Helena Council on Aging, Inc. is a non-profit, quasi-public corporation, which must comply with the policies and regulations established by the Louisiana Governor's Office of Elderly Affairs and the State of Louisiana. Other entities that provide the council with funds may impose some additional requirements.

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

The St. Helena Council on Aging, Inc. is not a component unit of Assumption primary government nor does it have any component units which are related to it. The Council has presented its financial statements as a separate special-purpose government.

Note 1 - Summary of Significant Accounting Policies - (continued)

b. Presentations of Statements:

In April of 1988, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1988, the GASB issued a Codification of Governmental Accounting and Financial Reporting Standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

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

c. Fund Accounting:

The Council uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

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

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting: (continued)

Governmental funds are used to account for all or most of the Council's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

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

• General Fund

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

The following programs comprise the Council's General Fund:

Local

Funds received from various local sources, such as allocations from the St. Helena Parish Police Jury, donations from the general public, program service fees, and interest income earned on unrestricted fund balances have been recorded in the local program of the General Fund. These funds are not restricted to any special use and may be used at the Council's discretion. Expenses which are not chargeable to specific programs because of budget limitations, or because of their nature, are recorded as local program expenditures.

FOOA - Act 755

FOOA (Act 755) funds are appropriated for the Council by the Louisiana legislature and remitted to the Council via the Louisiana Governor's Office of Elderly Affairs. The Council may use these "Act 755" funds at its discretion.

Note 1 - Summary of Significant Accounting Policies - (continued)

c. Fund Accounting: (continued)

• Special Purpose Funds - (continued)

Title III C-1 Congregate Meals Fund

The Title III C-1 Congregate Meals Fund is used to account for funds which are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II, Inc., and are allocated to provide nutritional congregate meals to the elderly in strategically located centers. During the year, the Council served about 14,500 meals to people eligible to participate in the program.

Title III C-2 Home Delivered Meals Fund

The Title III C-2 Home Delivered Meals Fund is used to account for funds which are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II, Inc., and are allocated to provide nutritional meals to the home-bound older person. During the year, the Council served about 29,560 meals to people eligible to participate in this program.

Title III-D Fund

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

Note 1 - Summary of Significant Accounting Policies - (continued)

• Special Revenue Funds - (continued)

Title III-F Fund

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

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 via the Capital Area Agency on Aging - District II, Inc. 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.

Most of the operating costs for this program are accounted for within the Title III B Fund. The senior center fund receives the revenue and pays for the cost of operating the community service centers by transferring most of its revenue to the Title III B Fund.

Note 1 - Summary of Significant Accounting Policies - (continued)

• Special Revenue Funds - (continued)

Miscellaneous Grant Fund

The Louisiana Legislature appropriated some special funds for various councils on aging throughout the state for fiscal year 1993. St. Helena Council on Aging, Inc. was one of the parish councils to receive a special grant of \$2,000 to be used as supplemental funds to operate its senior center program. The Governor's Office of Elderly Affairs provided these funds to the Council through the Capital Area Agency on Aging - District II, Inc.

Utility Assistance Fund

This fund is used to account for the administration of the utility assistance programs which are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish councils on the aging to provide assistance to the elderly for the payment of utility bills. The council receives its DDFND funds through the Capital Area Agency on Aging. Heating Grants and Heating Help funds are provided through the Louisiana Association of Councils on Aging, Inc.

Audit Fund

The Audit Fund is used to account for funds provided by the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council via the Capital Area Agency on Aging - District II Inc., that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

d. Account Group:

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

Note 1 - Summary of Significant Accounting Policies - (continued)

d. Account Groups - (continued)

General Fixed Assets

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

General Long-Term Debt

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. However, principal and interest payments on long-term liabilities (capital lease obligations) are accounted for in the General Fund because the Council intends to use General Fund revenues to pay them. The General Long-Term Debt Account Group shows only the measurement of financial position and is not involved with measurement of results of operations.

e. Basis of Accounting:

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

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

Note 1 - Summary of Significant Accounting Policies - (continued)

f. Transfers and Interfund Loans:

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

g. Budget Policy:

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

- The Capital Area Agency on Aging - District 12, Inc. (CAAA) notifies the Council each year as to the funding levels for each program's grant award.
- Revenue projections are also made based on grants from other agencies, program service fees, public support (including client contributions), interest income, and other miscellaneous sources.
- The Council's executive director prepares a proposed budget based on the funding levels provided by CAAA and then submits the budget to the Board of Directors for approval.
- The Board of Directors reviews and adopts the budget before June 30 of the current year for the next fiscal year.
- The adopted budget is forwarded to CAAA for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30).
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Note 1 - Summary of Significant Accounting Policies - (continued)

g. Budget Policies - (continued)

- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments. There were two budget amendments during the year. The last one was effective April 1, 1997. The budget amendments were approved by the Council's Board of Directors and by Capital Area Agency on Aging, Inc. using a similar procedure as the approval of the original budget.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.
- The Council may transfer funds between line items as often as required but must obtain prior approval from the Capital Area Agency on Aging District 21, Inc. and the Governor's Office of Elderly Affairs for funds received under contracts from these agencies.
- Expenditures cannot legally exceed appropriations at an individual fund level.

h. Total columns of combined statements - Overview:

Total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Whether in such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

i. Fixed Assets:

Assets which cost at least \$250 or which have an estimated useful life of greater than one year are capitalized as fixed assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

1. Fixed Assets: - (continued)

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

Donated assets represent \$1,000 of the year end total for fixed assets.

2. Comparative Data:

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

3. Annual and Sick Leave:

The Council's annual and sick leave policy does provide for the accumulation and vesting of leave. However, an employee cannot be paid for any accumulated but unused leave upon termination of employment. As a result, the Council has not accrued any costs relating to unused leave in the financial statements.

4. Related Party Transactions:

There were not any related party transactions during the fiscal year.

5. Reservation and Designations of Fund Balances:

The Council "reserves" portions of its fund balance that are not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets which make them only available to meet future obligations.

Designated allocations of fund balances result when the Council's management intends to expend certain resources in a designated manner. There were not any designations of fund balances as of June 30, 2007.

Note 1 - Summary of Significant Accounting Policies - (continued)

B. Restricted Assets:

Restricted assets consist of cash which has been received by the Council for the purpose of providing utility assistance to needy people. This cash resulted from donations made by the general public to various utility companies and is restricted by the donor to only this purpose. Restricted assets are offset by a corresponding reservation of fund balance.

C. 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.

Note 2 - Revenue Recognition - Intergovernmental Grants, Program Service Fees, Public Support, and Miscellaneous Revenues

Intergovernmental grant revenues and program service fees are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis). The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenues in the period received.

Intergovernmental Grants

Title III B, Title III C-1, Title III C-2, Title III D, and Title III F program funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenues at that time.

The Senior Center program and P008 (Act 315) funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until actual expenses are incurred.

Miscellaneous Grant and Audit revenues are recorded as revenues when the actual cost has been incurred, and the grant reimbursement is measurable and available.

Note 2 - Revenue Recognition - Intergovernmental Grants, Provider Service Fees, Public Support, and Miscellaneous Revenues - (continued)

Program Service Fees

The Council generates program service fees by completing Medicaid applications for people who want to receive services under that program. The Council receives a fee based upon a pre-established rate. These revenues are recorded at the time the services are provided.

Public Support and Miscellaneous Revenues

Public support revenues are derived from the Council's efforts to encourage and provide opportunities to program participants to contribute money or food stamps to help offset the costs of the Title III B, C-1, and C-2 programs. Utility assistance funds are provided from public donations under the HOME and Heat Helping Hands programs. Miscellaneous revenues result from reimbursements of meal costs when the Council has to purchase food for its clients from "alternate" vendors.

Note 3 - Cash

At June 30, 1997, the carrying amount of the Council's cash balance was \$7,692 and the related bank balance was \$12,822. All of the bank balance was covered entirely by federal depository insurance.

Note 4 - Grants and Contracts Receivable

Grants and contracts receivable at June 30, 1997, consisted of reimbursements for units of service provided or costs incurred under the following programs:

<u>Program</u>	<u>Fund</u>	<u>HOME</u>	<u>Vendor/ Collateral</u>
Title III B	Special Revenue	21,291	CRAA
Title III C-1	Special Revenue	1,480	CRAA
Title III C-2	Special Revenue	1,828	CRAA
Title III D	Special Revenue	61	CRAA
Title III F	Special Revenue	288	CRAA
Title III C-3	Special Revenue	314	St. Helens Parish Hospital
Total		25,813	

Note 3 - Changes in Fixed Assets

A summary of changes in general fixed assets is as follows:

<u>Asset Category</u>	<u>Balance 03-03-78</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06-30-80</u>
Office furniture & equipment	\$ 8,153	\$ -	\$ -	\$ 8,153
Restrictive equipment	498	-	-	498
Building improvements	333	-	-	333
Capital leases: Office equipment	2,348	-	-	2,348
Totals	\$ 11,332	\$ -	\$ -	\$ 11,332

Note 4 - In-kind Contributions

The Council received various in-kind contributions during the year. The Council does not present as revenue or expense the value of these contributions in the financial statements because their values could not be clearly and objectively determined.

The primary in-kind contributions consisted of free rent and utilities for the Council's main office, Montpelier, Greenbury, and Morgan Mills senior centers; two drivers paid by Title V funds; custodial services paid by the St. Helens Police Jury; and labor from several volunteers of the local community serving clients at the meal sites and delivering meals.

Note 5 - Board of Directors' Compensation

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

Note 2 - Retirement Plan

On July 1, 1988, The Council adopted the St. Helens Council As Aging, Inc. Pension Plan. This plan is a defined contribution pension plan which requires that the Council contribute 5% of each participating employee's gross wages each month. All employees age 21 and older with one year of service are eligible for participation in the plan. Benefits are fully and immediately vested from the first date an employee participates. Participants are not required to contribute to the plan. During fiscal year 1987 the Council was required to and did contribute \$1,068 to the pension plan for its eligible employees. This contribution covered \$41,180 of payroll costs for eligible employees. Total payroll costs for all employees was \$70,985. The Council is the plan administrator but receives guidance from Mutual of America Life Insurance Company in handling this responsibility. Plan amendments can be made at the discretion of the Council's board of directors.

If a participant terminates his employment he will receive retirement income beginning at Age 65 or earlier retirement date, if elected, based on the employer contributions made for him prior to his termination of employment, including any investment earnings on such contributions.

All contributions are presently being made to a general account composed primarily of high yielding bonds. The principal is guaranteed and is credited with interest at a rate subject to review and change by Mutual of American Life Insurance Company, the investment company. Such contributions are currently earning interest at approximately 4.75%.

As an investment alternative, contributions could be made to a pooled common stock fund similar to a mutual fund. Any investments made to this fund will result in participation sharing in the investment income and realized and unrealized gains and losses of the fund and, for this reason, investment experience will make the value of their accounts go up or down.

On December 27, 1988, the plan received an approved determination letter from the Internal Revenue Service under Section 401(a) of the Internal Revenue Code.

Note 9 - Income Tax Status

The Council, a nonprofit corporation, is exempt from Federal income taxation under Section 501 (c)(3) of the Internal Revenue Code of 1986, and as an organization that is not a private foundation as defined in Section 170(e) of the Code. It is also exempt from Louisiana income tax.

Note 10 - Lease Commitments

The Council has no operating leases. However, during fiscal year 1987, the council entered into a lease-purchase agreement for a new copy machine. Terms of this lease are as follows:

Monthly Payment	Number of months	Date Payment Begins	Imputed Interest Rate	Purchase Option
\$12.11	36	07-31-86	18.75%	\$200

Future minimum payments, by year and in the aggregate, under the capital lease are as follows as of June 30, 1987:

Fiscal year ended	Total
86-28-88	\$ 750
88-28-89	766
Total minimum lease payments remaining	1,516
Less imputed interest	(1180)
Present value of minimum lease payments	\$1,408

Note 11 - Changes in Long-Term Debt

The following is a summary of transactions relating to the Council's long-term debt during fiscal year 1987.

	Balance 01-31-86	Additions	Reductions	Balance 06-30-87
Capital lease obligations	\$ 2,094	\$ -	\$ (830)	\$ 1,408

Note 12 - Judgments, Claims, and Similar Contingencies

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

Note 13 - Federally Assisted PROGRAMS

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs to such an extent that they would materially affect the Council's financial position.

Note 14 - Interfund Transfers

Operating transfers in and out are listed by fund for 1997:

	Operating Transfers In	Operating Transfers Out
General Fund	\$ 4,916	\$ 12,728
Special Revenue Funds:		
Title III B	18,982	1,788
Title III C-1	-	6,233
Title III C-3	17,137	-
Title III D	244	-
Title III F	-	388
Senior Center	-	15,888
Miscellaneous grant	-	4,280
Total special revenue funds	36,333	28,531
Total all funds	\$41,249	\$ 41,259

Note 18 - Interfund Loans

Because the Council operates most of its programs under actual cost and unit-cost reimbursement type grants, it has to pay for costs using its general fund money and then request reimbursement for the advanced costs under the grant programs. Such advances create short-term interfund loans. A summary of these interfund loans at June 30, 1997, were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 2,599	\$ -
Special Revenue Funds:		
Title III C-1	-	1,483
Title III C-2	-	488
Title III E	-	9
Title III F	-	382
Total special revenue funds	\$ 2,599	\$ 2,362
Total all funds	\$ 2,599	\$ 2,362

Note 19 - Economic Dependency

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs 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 20 - Risk Management

The council is exposed to various risks of loss related to theft; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur.

SUPPLEMENTARY FINANCIAL INFORMATION

**SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND**

St. Helena Council on Aging, Inc.
Greensboro, Louisiana

FOR THE YEAR ENDED June 30, 1997

	Programs of the General Fund		Total
	Local	Act. 2006	
REVENUES			
Intergovernmental:			
Office of Elderly Affairs	\$ -	\$ 11,779	\$ 11,779
St. Helena Parish Police Jury	240	-	240
Public support	883	-	883
Interest income	104	-	104
Miscellaneous	-	-	-
Miscellaneous vendor receipts	80	-	80
Total revenues	1,687	11,779	13,466
EXPENDITURES			
Current:			
Salaries	-	-	-
Fringe	-	-	-
Travel	95	-	95
Operating supplies	-	-	-
Operating supplies	141	-	141
Other costs	-	-	-
Sole	-	-	-
Capital outlay	-	-	-
Debt service	618	-	618
Principal retirement	182	-	182
Interest	-	-	-
Total expenditures	1,024	-	1,024
Excess of revenues over (under) expenditures	663	11,779	12,442
OTHER FINANCING SOURCES (USES)			
Operating transfers in	4,818	-	4,818
Operating transfers out	(2,001)	(12,779)	(14,780)
Excess of revenues and other sources over (under) expenditures and other uses	4,880	-	4,880
FUND BALANCE			
Beginning of year	5,248	-	5,248
End of year	\$ 9,825	\$ -	\$ 9,825

COMPARISON STATEMENT OF REVENUES, EXPENSES, AND FINANCIAL POSITION
 FISCAL YEAR 2010

1

FINANCIAL POSITION

2

As of June 30, 2010

For the year ended June 30, 2010

Type of	FUND BALANCE			Fy 10	Fy 09	Fy 08	Fy 07	Fy 06	Fy 05	Total
	Am.	Reserve	Cont.							
\$ 14,700	\$ 6,000	\$ 4,000	\$ 4,700	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 6,000
-	-	-	-	-	-	-	400	-	-	400
-	-	4,000	600	-	-	-	-	-	-	4,600
-	-	2,000	-	-	-	-	-	-	-	2,000
\$ 0	-	-	-	-	-	-	-	-	-	\$ 0
\$ 0,000	\$ 6,000	\$ 4,700	\$ 4,700	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 6,000

REVENUES

Intercommunal
 Subsidies (Intercommunal Agency -
 Items A, B, C, D)
 Public Services
 LVA (Public Employees) (MOSM)
 Expenses (AAK)
 Clear contributions
 D. Salary Public (Employed
 employees)
 Indirect payments

Total revenues

EXPENSES

Current

Salaries
 Salaries
 Taxes
 Other
 Operating expenses
 Operating expenses
 Other costs
 Other
 Capital safety
 Other expenses

Intercommunal

Current expenses
 Current expenses

(High Expenses) (Items A, B, C, D)

Operating expenses
 Operating expenses

Current expenses
 Current expenses
 Current expenses

Total expenses

Expenses year

\$ 0,000

\$ 0,000

\$ 0,000

\$ 0,000

\$ 0,000

STATEMENT OF EXPENDITURES - BUREAU NO. ACTUAL

St. Helena Council on Aging, Inc.
Brennberg, Louisiana

For the year ended June 30, 1997

	Budget	Actual	Variance Favorable (Disfavorable)
LOCAL			
Tuition	\$ -	\$ 90	\$ (90)
Other costs	508	343	165
Post service	788	788	-
Transfers to other programs:			
Title III C-1	2,744	788	1,956
Title III B	-	248	(248)
Totals	\$ 3,770	\$ 2,003	\$ 1,767
	*****	*****	*****
FOUR - NOT FOR			
Transfers to other programs:			
Title III B	\$ 2,107	\$ 2,004	\$ 1,003
Title III C-2	6,418	6,475	(57)
Title III D	56	-	56
Totals	\$ 8,581	\$ 8,479	\$ 102
	*****	*****	*****
TITLE III A - SUPPORTIVE SERVICES			
Salaries	\$ 33,880	\$ 34,108	\$ (228)
Fringe	6,403	6,288	115
Travel	4,535	2,013	2,522
Operating services	1,083	745	338
Operating supplies	1,513	1,488	25
Other costs	11,457	2,506	8,951
Transfers out to the General Fund	-	1,708	(1,708)
Totals	\$ 60,861	\$ 60,507	\$ 354
	*****	*****	*****

TITLE III C-1 ADMINISTRATION

	<u>Budget</u>	<u>Actual</u>	Variance (Favorable/Unfavorable)
Salaries	\$ 2,479	\$ 2,589	\$ (110)
Travel	892	882	100
Travel	263	262	1
Operating supplies	264	268	(4)
Operating supplies	138	197	(159)
Other costs	<u>628</u>	<u>628</u>	<u>0</u>
Total	\$ 4,264	\$ 4,462	\$ (198)

TITLE III C-1 SERVICES

Salaries	\$ 10,612	\$ 10,199	\$ 413
Travel	1,254	1,078	176
Operating supplies	808	408	399
Transportation	-	2,000	(2,000)
General Fund	<u>1,287</u>	<u>3,428</u>	<u>(2,141)</u>
Total	\$ 13,761	\$ 17,112	\$ (3,351)

TITLE III C-2

Salaries	\$ 22,686	\$ 22,018	\$ 668
Travel	2,242	2,525	(283)
Travel	11,704	11,873	(169)
Operating supplies	874	2,488	(1,614)
Operating supplies	233	458	(225)
Other costs	<u>824</u>	<u>824</u>	<u>0</u>
Total	\$ 39,473	\$ 41,695	\$ (2,222)

	BUDGET	ACTUAL	Favorable- Unfavorable DIFFERENCE (\$-)
FOUR 111 B			
Salaries	\$ 540	\$ 538	\$ 2
Printing	210	148	62
Travel	18	18	0
operating services	25	18	7
operating supplies	9	12	(3)
other costs	278	273	5
Total	\$ 1,340	\$ 1,504	\$ 164
FIVE 111 B			
Salaries	\$ 695	\$ 743	\$ 48
Printing	335	98	237
Travel	14	7	7
operating services	19	6	13
operating supplies	7	4	3
other costs	33	29	4
Transfers out to the General Fund	-	288	(288)
Total	\$ 904	\$ 945	\$ 41
SEVEN CENTER			
operating services	\$ 4,343	\$ 3,843	\$ 500
operating supplies	380	380	-
Transfers out to: title 111 B	28,588	28,588	-
Total	\$ 33,311	\$ 32,811	\$ 500
VISIBILITY ASSISTANCE			
EMCS	\$ 1,400	\$ 1,400	\$ 0
Shipping Funds	380	317	63
Meeting Help	282	282	0
Total	\$ 2,062	\$ 2,000	\$ 62

Attachment 2
 08/07/2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Percent of</u> <u>Budget (000)</u>
AGIT			
Other costs	\$ 657	\$ 657	\$ 0.00
Totals	\$ 657	\$ 657	\$ 0.00
DISSEMINATION GRANT			
Transfers to other programs:			
Title III C-3	\$ 4,374	\$ 4,500	\$ 126
Title III F	50	-	(100)
Title III D	350	-	(100)
Totals	\$ 4,500	\$ 4,500	\$ 0.00

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

St. Helena Council on Aging, Inc.
Greensburg, Louisiana

For the year ended June 30, 1997

	Balance June 30, 1996	Additions	Disposals	Balance June 30, 1997
General fixed assets, at cost:				
Office furniture and equipment	\$ 8,151	\$ -	\$ -	\$ 8,151
Recreation equipment	698	-	-	698
Building improvements	323	-	-	323
Property leased under capital lease: Office equipment	2,368	-	-	2,368
Total general fixed assets	\$ 11,540	\$ -	\$ -	\$ 11,540
Investment in general fixed assets:				
Property acquired prior to 7/1/81**	\$ 3,165	\$ -	\$ -	\$ 3,165
Property acquired with funds from -				
FICA 311 B	368	-	-	368
FICA 311 E-1	215	-	-	215
FICA 311 E-2	3,088	-	-	3,088
FICA 311 F	9	-	-	9
FICA 311 G	2,094	-	-	2,094
Senior Center	187	-	-	187
General funds and local donations	4,363	-	-	4,363
Total investment in general fixed assets	\$ 11,812	\$ -	\$ -	\$ 11,812

**Records reflecting source from which assets were acquired were not maintained prior to 7-1-81.

STATEMENT OF EXPENDITURES BY FEDERAL AGENCY

U. S. Public Health Service, DHEC,
 Secondary, Louisiana

For the year ended June 30, 1991

FEDERAL QUANTIFIED-UNIFORM QUANTIFIED PROGRAM TITLE	FEDERAL CYCLE NUMBER	START DATE	PROGRAM OR AWARD NUMBER	FEDERAL REVENUE REIMBURSE	FEDERAL EXPENSE
U. S. Department of Health and Human Services - Administration on Aging					

***** Through The Secretary's Office of Elderly Affairs:					
Special Programs For The Aging:					
Title III, Part B - Grants for Supportive Services and Senior Centers	01-000	06/01/90	5 16,111	5 16,111	5 16,111
Title III, Part C-1 - Nutrition Services - Congregate Meals	01-005	06/01/90	14,400	14,400	14,400
Title III, Part C-2 - Nutrition Services - Home Delivered Meals	01-006	06/01/90	6,110	6,110	6,110
Subtotal (010-093-005)			36,621	36,621	36,621
Title III, Part D - Income Services See Part B for Details	01-004	06/01/90	000	000	000
Title III, Part F - Disease Prevention and Health Promotion Services	01-002	06/01/90	000	000	000
Total U.S. Department of Health and Human Services - Administration on Aging			36,621	36,621	36,621
Total Federal grants			5 36,621	5 36,621	5 36,621

Note A - Basis of Accounting - The accompanying schedule of expenditures of Federal awards has been prepared using the modified accrual basis of accounting as contemplated under generally accepted accounting principles and which is the same basis of accounting used for preparing the general purpose financial statements.

Note F - The U. S. Public Health Service, DHEC, did not pass-through any of its Federal awards to a subrecipient during the fiscal year.

SCHEDULE OF FINDINGS AND CORRECTED COSTS

St. Helena Council on Aging, Inc.
Greenberg, Louisiana

June 30, 1987

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the St. Helena Council on Aging, Inc.
2. One reportable condition was disclosed during the audit of the general-purpose financial statements and has been reported in the "Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards." The condition was reported as a material weakness.
3. No instances of noncompliance material to the general-purpose financial statements of the St. Helena Council on Aging, Inc. were disclosed during the audit.
4. One reportable condition disclosed during the audit of the major federal award programs was reported in the "Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133." The condition was reported as a material weakness.
5. The auditor's report on compliance for the major federal award programs for the St. Helena Council on Aging, Inc. expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for the St. Helena Council on Aging, Inc. are reported in Part C of this Schedule.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)

7. The programs tested as major programs are as follows:

Special Programs for the Aging:

- Title III, Part D - Grants for Supportive Services and Senior Centers; CFDA #93.044
- Title III, Part C-1 - Nutrition Services - Congregate Meals; CFDA #93.045
- Title III, Part C-2 - Nutrition Services - Home Delivered Meals; CFDA #93.045
- Title III, Part D - In-Home Services for Frail Older Individuals; CFDA #93.046, and
- Title III, Part F - Disease Prevention and Health Promotion Services; CFDA #93.043

8. The threshold for designating Types A and B programs was \$998,000.

9. Mr. Robert Council on Aging, Inc. was determined not to be a low-risk auditor.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

Reportable Conditions - Material Weakness

#97-1

Lack of Segregation of Duties

Condition: In fiscal year 1996 the Council began processing all accounting applications on a computer system. The Council's bookkeeper is responsible for (1) preparing scans of the original source documents, (2) entering data from those source documents, and (3) reviewing the system output. Data is not reviewed by anyone other than the bookkeeper before or after it is processed.

Criteria: The internal control structure of any organization should be designed to include the following:

(1) Provide for an appropriate segregation of duties.

(2) Provide for appropriate reviews and approvals of transactions, accounting entries, and system output.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)

Effect: Some bookkeeping errors occurred that were not detected until I discovered them during the audit. I made adjusting entries as necessary, therefore, the financial statements were not materially affected. None of the adjustments had any impact upon how much the Council received under its major federal award programs.

Cause: When one person is basically responsible for initiating, processing, and recording transactions with little or no oversight, errors can and will occur. There are three people in the Council's administrative office. Only one, the bookkeeper, has the knowledge and skills to perform the functions necessary to process transactions particularly using the computer.

Perspective: Due to the Council's small size, and lack of available funds to send employees to training, achieving the segregation of duties necessary to cure this reportable condition may take a long time. I cited this same finding last year and, although the director made some attempt to become more involved, he admits not knowing enough about the whole process thereby making his review of the bookkeeper's work superficial at best and of no real substance. The Council receives its federal awards under a unit cost contract. Therefore, expense allocation is not as important as it would be if the federal awards were reimbursed under an actual cost reimbursement contract. Further, the only federal award programs are Special Programs for the Aging which relate to Title III funding. Thus, incorrect cost allocation amongst these programs will not distort the general-purpose financial statements, but may report incorrect costs to the pass-through entity and management.

Questioned Costs: There were not any questioned costs related to this finding.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (continued)

Recommendation: The Council's director should continue to become more educated and informed about the accounting process and how the computer works so that his review can be more effective in catching errors timely. The director should consider how he might reassign duties amongst the office employees to achieve more separation of duties and eliminate the bookkeeper's control over 100% of certain accounting processes.

Management's response: See management's response in the Corrective Action Plan section of this report on page 44.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS
ADDITION**

Finding 87-1 noted in section B heretofore is also a material weakness in internal control over the Council's major federal award programs because the same internal control system is used for all Council activities. There were no questioned costs discovered by us that require reporting in this section. There were no other material findings that need to be reported in this section.

CORRECTIVE ACTION PLAN

St. Helena Council on Aging, Inc.
Greensburg, Louisiana

June 30, 1987

To the following oversight agencies for audit:

Federal: U.S. Department of Health and Human Services

State: Legislative Auditor of the State of Louisiana;
governor's Office of Elderly Affairs; and
Capital Area Agency on Aging, District 11, Inc.

St. Helena Council on Aging, Inc., Greensburg, Louisiana, respectfully submits the following corrective action plan for the year ended June 30, 1987.

Name and address of independent public accounting firm: Neil C. Ferrari, CPA, 14481 Old Hammond Highway, Suite 4, Baton Rouge, Louisiana, 70816.

Audit period: For the year ended June 30, 1987.

The findings from the June 30, 1987 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section A of the schedule, Summary of Audit Results, does not include findings and is not addressed in this corrective action plan.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITIONS - material weakness

Finding 87-01: Lack of Segregation of Duties

Recommendation: The Council's director should continue to become more educated and informed about the accounting process and how the computer works so that his review can be more effective in catching errors timely. The director should consider how he might reassign duties amongst the office employees to achieve more separation of duties and eliminate the bookkeeper's control over part of certain accounting processes.

(Corrective Action Plan continued on next page)

CORRECTIVE ACTION PLAN
(continued)

Action Taken: In response to finding 97-1, I propose the following corrective actions:

1. The clerk will begin familiarizing herself with the duties of the bookkeeper. She will also increase her skills in the use of the computer in order to be able to perform various functions in event the bookkeeper is disabled.
2. The director will continue to monitor all computer information in regard to all facets of the program. He will also monitor the approval of all bills prior to check signing. He will familiarize himself with computer operations.
3. The bookkeeper will continue her present duties. She will also take steps necessary for improvement and reduce relying on OAAA.
4. All staff will be involved in such things as contributions, accounting, and client services.

The St. Helena Council on Aging has only three office employees and is very short on funds. Our training opportunities are very limited.

6. FINDINGS - FEDERAL AWARD PROGRAMS REVIEW

The finding, recommendation, and action taken that was described for finding 97-1 also applies for this section.

If you have any questions regarding this plan, please call Mr. Reed Masdorn at (564) 222-4070.

Sincerely,



Mr. Reed Masdorn, Director

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
RELATIVE TO FEDERAL AGENCY PROGRAMS

St. Helena Council on Aging, Inc.
Grossburg, Louisiana

June 30, 1987

DEPARTMENT OF HEALTH AND HUMAN SERVICES - ADMINISTRATION ON AGING

1986 Finding No. 1 (Page 48, FR 86 report): Special Programs for the Aging

Condition: The finding was a reportable condition which was identified as a material weakness in the Council's internal control. In 1986 the Council began processing all accounting applications on a computer system. One person (the bookkeeper) was responsible for preparing source documents, entering source documents, and reviewing the computer's output. No data was reviewed by another person before or after processing. Therefore, the Council had not provided for an appropriate segregation of duties nor had it provided for appropriate reviews and approvals of transactions, accounting entries, and systems output.

Recommendation: The Council's director should compare input with output. He should review the output for reasonableness and follow up on anything he feels is unusual. Someone else besides the bookkeeper needs to learn how to use the critical applications on the computer, such as payroll and cash disbursements, just in case she gets sick or is on vacation. Finally, the Council should emphasize computer training for all administrative persons, especially the bookkeeper, to improve skills and reduce reliance on CRAA.

Current Status: There has been no substantive change, therefore, last year's finding remains uncorrected.

1986 Other Findings

Although other findings were noted in the 1986 report by the auditor, they were labeled as immaterial and are not required to be described in the schedule.

EXIT CONFERENCE

Ec. Balance Council on Aging, Inc.
Greensburg, Louisiana

June 28, 1987

The exit conference was held August 20, 1987, at the council's administrative office in Greensburg, Louisiana. The conference was attended by Neil G. Ferrari, C.F.A., and Mr. Reed Headorn, Executive Director of the Council.

I reported to Mr. Headorn a reportable condition that I considered to be a material weakness in the Council's internal control along with other immaterial internal control weaknesses. I reported no material instances of noncompliance with laws, regulations, contracts and grant agreements, however, I mentioned some immaterial instances to him.

I also offered some recommendations to Mr. Headorn that were not related to any specific findings.

The reportable condition that I considered to be a material weakness in the Council's internal control is described on page 40 of this report package. The minor weaknesses in the internal control, the immaterial instances of noncompliance, and my other recommendations have been reported to the Council's board of directors in a separate letter dated August 20, 1987.

Mr. Headorn acknowledged my findings and recommendations and stated that he would evaluate how to implement them. There were not any disagreements with the Council's management during the audit.

Data Collection Form for Reporting on

AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS

Complete this form, as required by OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

EXEMPTED

Single Audit (Washington)
1201 E. Third Street
Baltimore, MD 21202

PART I**GENERAL INFORMATION (To be completed by auditor, except for item F)**

1. Fiscal year ending date for this submission Month Day Year 06 / 30 / 97		2. Type of Circular A-133 audit <input checked="" type="checkbox"/> Single audit <input type="checkbox"/> Program-specific audit	
3. Audit period covered <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Other — Months <input type="checkbox"/> Biennial		4. Date received by Federal Obligor(s)	
5. Employer Identification Number (EIN) a. Auditee EIN 7-2-0-7-2-2-4-4-8			
b. Are multiple EINs covered in this report? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

6. AUDITEE INFORMATION

a. Auditee name St. Helena Council on Aging, Inc.	
b. Auditee address (street and post) 2nd Floor, Courthouse Square City Greenvillage State Louisiana ZIP Code 70441	
c. Auditee contact Name Fred Healdon Title Director	
d. Auditee contact telephone (504) 332 - 4090	
e. Auditee contact FAX (Optional) () -	
f. Auditee contact E-mail (Optional)	

g. AUDITEE CERTIFICATION STATEMENT - I, the undersigned, certify that to the best of my knowledge and belief, the auditor has: (a) engaged an auditor to perform an audit in accordance with the provisions of OMB Circular A-133 for the period covered in Part I, items 1 and 2; (b) the auditor has completed such audit and provided a report (audit report) which states that the audit was conducted in accordance with the provisions of the laws set out; (c) the information included in Parts I, 6, and 8 of this data collection form is true and correct; I declare that the foregoing is true and correct.

7. AUDITOR INFORMATION (To be completed by auditor)

a. Auditor name Neil G. Pawani, CPA	
b. Auditor address (street and post) 1041 Old Hammond Hwy, Ste 4 City Metairie, Louisiana ZIP Code 70006	
c. Auditor contact Name Neil G. Pawani Title CPA/Auditor	
d. Auditor contact telephone (504) 332 - 1177	
e. Auditor contact FAX (Optional) (504) 332 - 1180	
f. Auditor contact E-mail (Optional)	

h. AUDITOR STATEMENT - The data elements and information included in this form are limited to those required by OMB Circular A-133. The data collection form is included in Part I of this form, except for Part I, items 1 and 2, and is not a substitute for paragraph 6 of the system law, and parties may not use any procedure to alter the date of the auditor's report. A copy of the reporting package prepared by OMB Circular A-133 which includes the complete auditor's report, is available to its entity from the auditor at the address included in Part I of this form. Any report by OMB Circular A-133, the date value in Part I, 6, of this form was entered in this form by the auditor based on the report included in the reporting package. The auditor has not provided any additional auditing procedures in connection with the completion of this form.

Signature of auditor
 Neil G. Pawani CPA
 Date
 Mo Day Year
 10 / 10 / 97


 Fred R. Meador
 Name/Title of certifying official

Date
 Mo Day Year
 10 / 10 / 97

PART I GENERAL INFORMATION - Continued

8. Indicate whether the auditee has either a Federal registered or oversight agency for audit. (Mark one box.)

Congressional agency Oversight agency

9. Name of Federal registered or oversight agency for audit. (Mark one box)

<input type="checkbox"/> African Development Foundation	<input type="checkbox"/> Federal Emergency Management Agency	<input type="checkbox"/> Justice	<input type="checkbox"/> Peace Corps
<input type="checkbox"/> Agency for International Development	<input type="checkbox"/> Federal Mediation and Conciliation Service	<input type="checkbox"/> Labor	<input type="checkbox"/> Small Business Administration
<input type="checkbox"/> Agriculture	<input type="checkbox"/> General Services Administration	<input type="checkbox"/> National Aeronautics and Space Administration	<input type="checkbox"/> Social Security Administration
<input type="checkbox"/> Commerce	<input checked="" type="checkbox"/> Health and Human Services	<input type="checkbox"/> National Archives and Records Administration	<input type="checkbox"/> State
<input type="checkbox"/> Corporation for National and Community Service	<input type="checkbox"/> Housing and Urban Development	<input type="checkbox"/> National Endowment for the Arts	<input type="checkbox"/> Transportation
<input type="checkbox"/> Defense	<input type="checkbox"/> Institute for Museum Services	<input type="checkbox"/> National Endowment for the Humanities	<input type="checkbox"/> Treasury
<input type="checkbox"/> Education	<input type="checkbox"/> Inter-American Foundation	<input type="checkbox"/> National Science Foundation	<input type="checkbox"/> United States Information Agency
<input type="checkbox"/> Energy	<input type="checkbox"/> Interior	<input type="checkbox"/> Office of National Drug Control Policy	<input type="checkbox"/> Veterans Affairs
<input type="checkbox"/> Environmental Protection Agency			<input type="checkbox"/> Other - Specify _____

PART II FINANCIAL STATEMENTS (To be completed by auditee)

1. Type of audit report. (Mark one box)

Unqualified opinion Qualified opinion Adverse opinion Disclaimer of opinion

2. Is a "going concern" explanatory paragraph included in the audit report? Yes No

3. Is a reportable condition disclosed? Yes No - SAR to Item 5

4. Is any reportable condition reported as a material weakness? Yes No

5. Is a material noncompliance disclosed? Yes No

PART III FEDERAL PROGRAMS (To be completed by auditee)

1. Type of audit report on major program compliance

Unqualified opinion Qualified opinion Adverse opinion Disclaimer of opinion

2. What is the dollar threshold to distinguish Type A and Type B programs? \$ _____ 500k?

\$ 500,000

3. Did the auditee qualify as a low-risk auditee? \$ _____ 500k?

Yes No

4. Are there any audit findings required to be reported under § _____ 5106(d)?

Yes No

5. Which Federal Agencies are required to receive the reporting package? (Mark all that apply)

<input type="checkbox"/> African Development Foundation	<input type="checkbox"/> Federal Emergency Management Agency	<input type="checkbox"/> Justice	<input type="checkbox"/> Peace Corps
<input type="checkbox"/> Agency for International Development	<input type="checkbox"/> Federal Mediation and Conciliation Service	<input type="checkbox"/> Labor	<input type="checkbox"/> Small Business Administration
<input type="checkbox"/> Agriculture	<input type="checkbox"/> General Services Administration	<input type="checkbox"/> National Aeronautics and Space Administration	<input type="checkbox"/> Social Security Administration
<input type="checkbox"/> Commerce	<input type="checkbox"/> Health and Human Services	<input type="checkbox"/> National Archives and Records Administration	<input type="checkbox"/> State
<input type="checkbox"/> Corporation for National and Community Service	<input type="checkbox"/> Housing and Urban Development	<input type="checkbox"/> National Endowment for the Arts	<input type="checkbox"/> Transportation
<input type="checkbox"/> Defense	<input type="checkbox"/> Institute for Museum Services	<input type="checkbox"/> National Endowment for the Humanities	<input type="checkbox"/> Treasury
<input type="checkbox"/> Education	<input type="checkbox"/> Inter-American Foundation	<input type="checkbox"/> National Science Foundation	<input type="checkbox"/> United States Information Agency
<input type="checkbox"/> Energy	<input type="checkbox"/> Interior	<input type="checkbox"/> Office of National Drug Control Policy	<input type="checkbox"/> Veterans Affairs
<input type="checkbox"/> Environmental Protection Agency			<input checked="" type="checkbox"/> None
			<input type="checkbox"/> Other - Specify _____

PART III FEDERAL PROGRAMS - Continued

4. FEDERAL AWARDS EXPENDED DURING FISCAL YEAR

CFDA number / 50 -	Name of Federal program / 50 -	Amount expended / \$0 -	Major program / 50 -		Type of compliance requirement / 50 -	Amount of purchase total / \$0 -	Invoice copy (rating) / 0 -	Audit finding reference number(s) / 50 -
			Yes / 50 -	No / 50 -				
50-566	Title III, Part 6 - Grants for Supportive Services & Shelter Care (18a21)		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	0	\$0	97-1	
50-565	Title III, Part D-1 - Suburban Services	14,480	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	0	\$0	97-1	
50-565	Title III, Part D-2 - Suburban Services	1,479	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	0	\$0	97-1	
50-566	Title III, Part 6 - In-home Services for First-Order Individuals	1,680	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	0	\$0	97-1	
50-563	Title III, Part F - Outcase Promotion and Results Promotion Services	5,646	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	0	\$0	97-1	
		5	<input type="checkbox"/> Yes	<input type="checkbox"/> No	3	\$0		
		3	<input type="checkbox"/> Yes	<input type="checkbox"/> No	3	\$0		
		5	<input type="checkbox"/> Yes	<input type="checkbox"/> No	3	\$0		
		3	<input type="checkbox"/> Yes	<input type="checkbox"/> No	3	\$0		
		5	<input type="checkbox"/> Yes	<input type="checkbox"/> No	3	\$0		
		5	<input type="checkbox"/> Yes	<input type="checkbox"/> No	3	\$0		
TOTAL FEDERAL AWARDS EXPENDED		345,680						

5. ADDITIONAL LINES ARE NEEDED: PLEASE PHOTOGRAPH THIS PAGE, ATTACH APPROPRIATE PAGES TO THE FORM, AND SET AS RESULTS

File in the identifying number when the Catalog of Federal Domestic Assistance (CFDA) number is not available.

Type of compliance requirement. Circle the letter(s) of all that apply to audit finding and purchase total reported for each Federal program.

- A. Activity allowed or prohibited
- B. Allowable cost/reimbursement principles
- C. Cash management
- D. Data - Basic Act
- E. Financials
- F. Investments and real property management
- G. Marketing, level of effort, accounting
- H. Period of availability of funds
- I. Reporting
- J. Subrecipient monitoring
- K. Special tests and provisions
- L. State

Type of other compliance finding. Circle 1-10 all that apply.

- A. Major of requirements
- B. Debatable conditions
- C. Items reported

NEIL G. FERRARI

CERTIFIED PUBLIC ACCOUNTANT

140801 DEL MONTE ROAD HOUMA, LOUISIANA 70331

BATON ROUGE, LOUISIANA 70816

PHONE (808) 972-1177

MEMBER OF THE
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
AMERICAN INSTITUTE OF CPAs

MANAGEMENT LETTER

August 20, 1997

To the Board of Directors
St. Helena Council on Aging, Inc.
Greensburg, Louisiana

I have audited the general purpose financial statements of the St. Helena Council on Aging, Inc. for the year ended June 30, 1996, and have issued my report dated August 20, 1997. Professional standards require that I provide you with the following information related to my audit.

My Responsibility under Generally Accepted Auditing Standards and OMB Circular A-133

As stated in my engagement letter dated June 11, 1997 my responsibility, as described by professional standards, is to plan and perform my audit to obtain reasonable, but not absolute, assurance about whether the general purpose financial statements are free of material misstatement. Because of the concept of reasonable assurance and because I did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by me.

As part of my audit, I considered the internal control of the St. Helena Council on Aging, Inc. Such considerations were for the purpose of determining my audit procedures and to report on the internal control in accordance with OMB Circular A-133 and not to provide any assurance concerning such internal control structure.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the St. Helena Council on Aging, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my tests was not to provide an opinion on overall compliance with such provisions. Also, in accordance with OMB Circular A-133, I examined, on a test basis, evidence about the St. Helena Council on Aging, Inc.'s compliance with requirements applicable to major federal award programs for the purpose of expressing an opinion on the St. Helena Council on Aging, Inc.'s compliance with those requirements.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I am to advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the St. Helena Council on Aging, Inc. are described in Note 1 to the general purpose financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2007. I noted no transactions entered into by the St. Helena Council on Aging, Inc. during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the general purpose financial statements prepared by management and are based on management's current judgments. Certain accounting estimates are particularly sensitive because of their significance to the general purpose financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments.

Management's estimate of the indirect cost allocation was made using a budget plan developed at the beginning of the year. I evaluated the key factors and assumptions used to allocate indirect costs to determine if the plan was reasonable in relation to the financial statements taken as a whole. Although the actual results were different than your budgeted plan for allocating indirect costs, the differences did not materially affect the general purpose financial statements.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the general purpose financial statements that, in my judgement, may not have been detected except through my auditing procedures. These adjustments may include those proposed by me but not recorded by the St. Helena Council on Aging, Inc. that could potentially cause future financial statements to be materially misstated, even though I have concluded that such adjustments are not material to the current financial statements. I proposed entries for (1) certain revenues and expense reclassifications, (2) transfers amongst funds, and (3) adjustments to the general fixed asset and general long-term debt account groups. These adjustments were accepted by management. In my judgement, these audit adjustments, either individually or in the aggregate, could have had a significant effect on the St. Helena Council on Aging, Inc.'s financial report if they had not been made.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement as a matter, whether or not resolved to my satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the general purpose financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Consultations with other Independent Accountants

To the best of my knowledge, management has not consulted with or obtained opinions from other independent accountants during the past year that are subject to the requirements of Statement on Auditing Standards No. 99, "Reports on the Application of Accounting Principles."

Issues Discussed Prior to Retention of Independent Auditors

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the St. Helena Council on Aging, Inc.'s auditor. However, these discussions occurred in the normal course of our professional relationship and my responses were not a condition to my retention.

Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing my audit.

Matters Discussed With the Council's Director at the Exit Conference

- A. Reportable condition - Material weaknesses in internal control including internal controls relative to the management of major federal award programs.

Finding: Lack of segregation of duties.

My comments can be found on page 40 of the audit report.

- B. Other findings relating to weaknesses in the Council's internal control.

1. There are occasions where the director has not approved invoices for purchases the council has made until after the checks paying those bills have been signed by the board members. The board members who sign checks should make sure the director has approved in writing all bills to be paid before they can sign the checks.

2. The expense allocation of the insurance premium was not correct and I had to adjust it. Based on my review of the policy, \$2,000 of the premium related to liability coverage of drivers under the C-2 program and not liability coverage under the Senior Center program. This type of error can be caught by the director paying closer attention to how expenses are allocated when he reviews the supporting documentation for bills.
3. A C-2 driver was paid \$21 too much travel reimbursement. The error occurred when the bookkeeper incorrectly added up the mileage log submitted by the employee. The director should double check the bookkeeper's addition of mileage logs before approving the disbursement. Further, the Council should collect the \$21 overreimbursement from this employee.
4. An employee was paid for 2 weeks of work but the timesheet only showed one week was worked. No annual leave or sick leave slip was attached to the timesheet. I was told the employee promised to furnish the council a doctor's slip but none was obtained. The Council paid the employee before obtaining the doctor's slip and did not follow up when none was provided. The amount of payroll involved was \$88.13. If no doctor's slip is obtained, I recommend the Council withhold \$88.13 from this employee's next check. Future instances like this should be dealt with immediately. Also consider withholding pay until requested documents are provided by an employee who missed work.
5. I discovered during the audit that the bookkeeper had misunderstood the requirements relating to when pension contributions should be made by the Council on behalf of its employees. As of June 30, 1997, I calculated the Council had paid \$400 of pension contributions on behalf of employees not yet entitled to receive them. The \$400 total increased to \$187 by the end of July, 1997. It is my understanding that Mutual of America is helping the Council correct this error and will issue the Council a credit in fiscal year 1998 in the amount of the overpaid pension contributions. If future questions arise relating to pension plan interpretation, please call Tom Spadola at Mutual of America and myself to prevent errors from occurring.

C. Findings Related to Unmaterial Instances of Noncompliance

1. When I performed eligibility tests for CE participants, I noted one instance where an intake form was not fully completed. I also noted 2 instances where reassessments had not been timely performed. These instances should be corrected as soon as possible and a review of all files should be made to detect and resolve any more deficiencies in this area.
2. The Systems Survey Questionnaire given to me at the beginning of the audit should be signed by board members rather than the director. It should also be approved by the board and such approval documented in the minutes.
3. Expenses are being allocated based on the Council's budgeted cost allocation plan and not based on actual results. In particular, payroll cost allocations must be supported by time sheets kept by employees who work in more than one program. This is a federal requirement per Circular A-87. Fortunately, the Council only manages Title III programs, has a small number of employees, and is reimbursed under a unit cost method. This reduces the risk of a material error occurring that could lead to questioned costs and a return of federal money already spent. I recommend that Director and Bookkeeper get a copy of Circular A-87, read it, and apply it to the Council's operations. I can help the Council interpret what Circular A-87 means if they don't understand it.
4. Fixed assets have not been tagged. This needs to be done.

D. Other Recommendations

1. Verify whether or not the Police Jury's insurance policy covers any of the Council's personal property and liability at the main office.

2. Recommendations about how to record or accrue certain revenues and expenses in the future are as follows:
- A. Medical enrollment income should be recorded as a Title III B program income because it is a service provided under Title III B and the cost of the payroll for the employee who provides this service is coded to Title III B.
 - B. St. Helena Hospital revenues should be recorded as public support for the Title III C-1 program. This income has been restricted by the donor for use in Title III C-1. Do not record this revenue as a General Fund revenue.
 - C. Do not accrue revenues not received by year end from the Police Jury or St. Helena Hospital. Record them when they are received.
 - D. Do not accrue the Audit fee as a year end payable. Record the expense when you pay the fee.
3. Monitor closely all client contributions. I noted that on one route when the driver quit and another one took his place, that the monthly contributions increased significantly. Situations like this could indicate possible stealing of client donations.
4. Continue to budget the council's revenues and expenses for the Utility Assistance Program and the General Fund (local) activities. Make sure that board of directors approves these budgets as well as the Capital Area budget.

This information is intended solely for the use of the Council's Board of Directors, the Council's management, the Legislative Auditor of the State of Louisiana, and the Capital Area Agency on Aging - District 11, Inc., and should not be used for any other purpose.

Sincerely,

Neil C. Ferrari

Neil C. Ferrari
Certified Public Accountant

ST. HELENA COUNCIL ON AGING

1111 BAYVIEW
4001 N. BAYVIEW, SUITE 100, ST. HELENA, LA 70584
504-733-4470

WILLIAM M. ADAMS
Public Auditor

October 14, 1997

Legislative Audit Advisory Council
Legislative Auditors Office
P.O. Box 54387
Baton Rouge, La. 70804-9387

Dear Sir:

The following actions have been taken on findings of the audit of the St. Helena Council on Aging:

- B.
1. All bills will be pre-approved by the Director's (signature) before checks are signed.
 2. The proper accounting adjustment will be made on this in the future.
 3. The \$21.00 overpaid will be reimbursed by the employee.
 4. Employee will be required to get doctor's approval slip. This will be required in the future when applicable.
 5. This has been corrected and a check was received from Mutual of America to cover this amount. The auditor was advised of this action.
- C.
1. Being complied with.
 2. Will be complied with.
 3. Circular A-87 has been received. Any necessary questions will be submitted to our auditor.
 4. All assets are now tagged.
- D.
1. The Council on Aging Office is covered under the Police Jury's insurance.
 2. A - B - C - D All of these will be complied with as directed by the auditor.
 3. All contributions are closely monitored by all office personnel (Director, Adm. Ass., Bookkeeper, Clerk, and CI & OI Coordinator).
 4. This will be continued. All budgets will be approved by the Board of Director's.

Please let me know if there is any further information you need.


Reed S. Henderson
Director