

Lincoln Council On Aging, Inc.

*Financial Statements
For The Year Ended June 30, 2025*



Lincoln Council on Aging, Inc.
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For The Year Ended June 30, 2025

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Lincoln Council on Aging, Inc.
Ruston, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund and the aggregate remaining fund information of the Lincoln Council on Aging, Inc. as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund and the aggregate remaining fund information of the Lincoln Council on Aging, Inc., as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Lincoln Council on Aging, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-11 and 33-39 be presented to supplement the basic financial statements. Such information is the responsibility and management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not

express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincoln Council on Aging's basic financial statements. The accompanying other financial information consisting of the schedule of compensation, reimbursements, benefits, and other payments to agency head on page 50 is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2026, on our consideration of the Lincoln Council on Aging, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lincoln Council on Aging, Inc.'s internal control over financial reporting and compliance.

Cameron, Hines & Company (APAC)

West Monroe, Louisiana
June 12, 2026

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025

The following discussion and analysis of Lincoln Council on Aging, Inc.'s financial performance provides an overview of the Council's financial activities for the year ended June 30, 2025. Please read it in conjunction with the financial statements, which begin on page 12.

FINANCIAL HIGHLIGHTS

- The Council showed a net increase in overall net position of \$56,622 or 10.05% this year.
- Net Capital Assets of the Council decreased by \$16,169.
- No deficit fund balances exist at year-end.
- The *unassigned* fund balance for the Council's General Fund was \$178,949 at year-end, which is an increase of \$37,317 from the prior year.

HOW TO USE THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 12 and 13) provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances. Fund financial statements begin on page 14. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statements by providing information about the Council's most significant funds.

Our auditors have provided assurance in their independent auditors' report, located immediately after this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditors are providing varying degrees of assurance about Supplementary Financial Information required by GASB Statement 34 and Supplementary Financial Information required by GOEA and Uniform Guidance that follow later in this reporting package. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

Reporting the Council as a Whole Using Government-Wide Statements

Our analysis of the Council as a whole begins on page 4. An important question to ask about the Council's finances is, "Is the Council as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the statement of Activities (referred to collectively as the Government-Wide Financial Statements) report information about the Council as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-Wide statements can be found on pages 12 to 13 and report the Council's net assets and changes in them. Some of the net assets are restricted which means they can only be used for a specific purpose. The Statement of Net Position is designed to present the financial position of the Council as of year-end. Over time, increases or decreases in the Council's net position are one indicator of whether its financial position is improving or deteriorating. However, to assess the overall financial position of the Council, you will need to consider other non-financial factors, such as the condition of the Council's capital assets and facilities, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

Lincoln Council on Aging, Inc.

Management's Discussion and Analysis

For the Year Ended June 30, 2025

The Statement of Activities provides information that shows how the Council's net position changed as a result of this year's activities. All of the Council's significant activities are reported in the Statement of Activities. These activities include an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include various supportive social services, nutritional services, utility assistance, and disease prevention and health promotion. All activities of the Council are considered to be governmental activities. A governmental activity is one where the Council uses money it receives from government grants and contracts, along with donations from the general public, to pay for the services it provides to the general public, or a segment of the general, such as the elderly. In other words, the people benefiting from the services are not required to pay for what they receive. If the Council charged fees to cover all or most of the cost of providing a service, that activity would be classified as a business-type activity. The council does not have any business-type activities. However, the Council does charge a small monthly fee to people who rent Medic Alert units and a fee for persons under 60 years old to ride the Council's vans. We do not view the fees we charge for these activities as a business-type activity because we do not intend to make a profit or recover the full cost of providing the service.

Reporting the Council's Most Significant Funds Using Fund Financial Statements

Our analysis of the Council's major funds begins on page 10. The Fund Financial Statements can be found on pages 14 to 15 and provide detailed information about the most significant funds – not the Council as a whole. In the Fund Financial Statements you will see a General Fund and a variety of Special Revenue Funds. The General Fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. By using separate funds to track revenues and expenditures, we can control and manage funds for particular purposes or we can show that the fund is meeting legal responsibilities for using certain grants and other money.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at the year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. We have presented the difference between the net assets of governmental activities and the fund balances of the governmental funds in reconciliation at the bottom of the Balance Sheet for Governmental Funds. In addition, the difference between the change in net assets for the governmental funds and the change in net assets for the governmental activities has been presented in a reconciliation on the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 to 31. You should read the notes before making assumptions or drawing conclusions about the Council's financial condition.

Supplementary Financial Information Required by GASB Statement 34

The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025

budget. The schedules compare the original and final appropriated budgets to actual budget results for the Council's fiscal year. We have also opted to present positive and negative variances between the final budget and actual amounts.

Major funds are those funds whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria but which we believe is important to present for the Council's financial statement users.

Management's Discussion and Analysis is also required supplementary information (RSI) by GASB Statement 34. However, it is presented as the first item in this reporting package and not with the other RSI by GASB Statement 34.

Other Supplementary Financial Information Required by GOEA

The Council has also presented other required supplemental information in this report package.

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present as schedules the information on pages 40 to 41. This information will be used by GOEA to verify the accuracy of information the Council submitted to it during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

AN ANALYSIS OF THE COUNCIL AS A WHOLE USING GOVERNMENT-WIDE FINACIAL STATEMENTS

The following table reflects condensed information on the Council's net assets:

	<u>2025</u>	<u>2024</u>
Assets		
Current and Other	\$ 561,371	\$ 533,332
Capital Assets, net	323,672	339,841
Total Assets	<u>885,043</u>	<u>873,173</u>
Liabilities	<u>\$ 264,858</u>	<u>\$ 309,610</u>
Net Position		
Invested in Capital Assets, Net of Related Debt	323,672	339,841
Restricted	117,564	82,090
Unrestricted	178,949	141,632
Total Net Position	<u>\$ 620,185</u>	<u>\$ 563,563</u>

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025

As of June 30, 2025, The Lincoln Council on Aging “as a whole” had assets greater than its liabilities by \$620,185. The Council’s total net position increased from \$563,563 to \$620,185. This equates to an increase of 10.05%.

The Council’s unrestricted net position increased by \$37,317 or 26.35% for the year. About 28.85% of the Council’s net position is unrestricted as of June 30, 2025. It is important that the Council have unrestricted net assets so that we will have resources available to adapt to changes in the economy, emergencies, unexpected needs, and reductions in termination of grant revenues by government agencies.

The Council’s restricted net position increased by \$35,474 or 43.21% because the Council was able to meet the constraints imposed by the donors or grantors of the resources. Net assets are reported as restricted when the constraints placed upon the assets used are either (a) externally imposed by a grantor, contributor, laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The net position that have been invested in capital assets are presented net of any related outstanding debt incurred to acquire them. For both years presented, there is no debt that has been subtracted from the capital assets amounts. Our policy is to acquire capital assets by paying cash and avoiding debt. This policy helps to assure us that decreases in the Council’s future revenues won’t impact its ability to provide a certain level of service to our clients and program participants.

The liability for compensated absences has not changed very much during the year. This liability represents what the Council would owe to its employees as of year-end for unused vacation leave. If employee vacation patterns are similar from year to year and if the number of employees remains about the same, then the amount owed at year-end will not change very much from year to year. This liability could adversely affect the Council’s financial position if we were to have to lay off a significant portion of our workforce. This event would trigger the immediate payment of unused vacation to the terminated employees resulting in the Council having to use unrestricted net assets to make payments.

Other liabilities decreased by \$44,752 this year. The primary reason for the decrease is related to the Council’s not providing enough units of service and by not being able to spend CARES Act funds and American Recovery Plan funds. Sometimes the Council receives money from grants in advance before it spends the money. Under the terms of most of the Council’s grants and contracts, the Council is not entitled to keep the money until it spends the money for an allowable purpose. Any money that has been received but not spent as of year-end must be presented as a liability in the Council’s financial statements. Accordingly, if the Council does not spend the money by the time the grant or contract expires, it will have to refund the unused portion.

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Table 2 illustrates the revenues and expenses that caused the change in net position over the two-year period.

Table 2		
Increase (Decrease) in Net Position		
	<u>2025</u>	<u>2024</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 6,498	\$ 7,368
Operating Grants and Contributions	381,016	390,225
Capital Grants and Contributions	-	-
General Revenues:		
Interest Income	3,319	6,056
Other General Revenues	284,927	250,035
Total Revenues	\$ <u>675,760</u>	\$ <u>653,684</u>
Direct Program Expenses for Health Welfare, and Social Services Function:		
Supportive Services:		
Homemaker	8,443	6,280
Information and Assistance	14,650	10,531
Legal Assistance	-	-
Outreach	1,837	1,345
Transportation	160,039	102,613
Nutrition Services:		
Congregate Meals	87,730	73,697
Home Delivered Meals	274,168	316,943
Outreach	364	299
Nutrition Education	948	810
Utility Assistance	14,716	8,855
Disease Prevention and Health Promotion	11,928	8,460
Caregiver Support	-	2,472
Direct Administration Expenses	44,315	107,001
Total Expenses	<u>619,138</u>	<u>639,306</u>
Increase (Decrease) in Net Position	\$ <u><u>56,622</u></u>	\$ <u><u>14,378</u></u>

The Council's total revenues increased by \$22,076 from last year. Total expenses decreased by \$20,168 or 3.10% versus last year. The primary reason for the increase in revenue relates to increases in grant revenues. The decrease in expenses relates to less units of service. Generally, unless new sources of funds are found, or unless the amounts of the grants and contracts are raised, it is difficult for us to expand current levels of service or start new programs.

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025

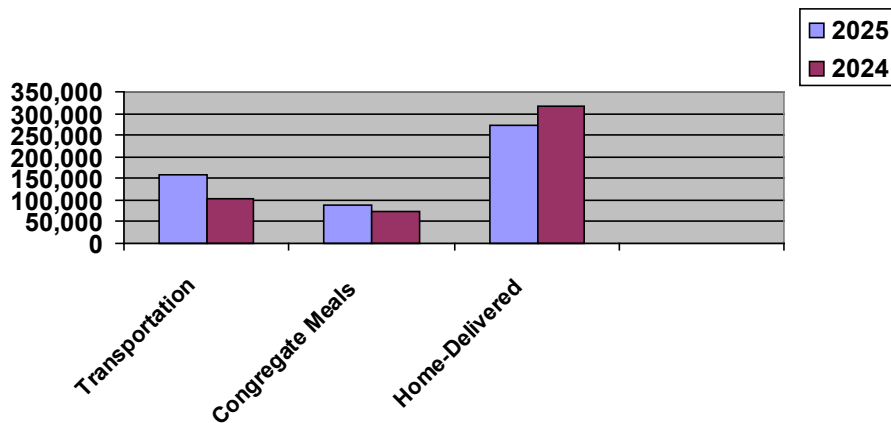
AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

Most of the Council's activities are funded by federal, state, or local grants. These grants amount to approximately 87.22% of the revenues of the Council in 2025 and 90.04% in 2024. Some of these grants are restricted which means that the money can only be used in certain programs. The amount of funds available from most of the grants remains rather constant from year to year; however, some grant amounts may change based upon the level of service provided by the Council under the terms of the particular grant award.

The Council also receives donations from its clients and the general public. These revenues help to lessen the financial burden on the Council and allow it to maintain and expand services. Public support revenues represented 4.68% of the total revenues in 2025 and 4.51% in 2024.

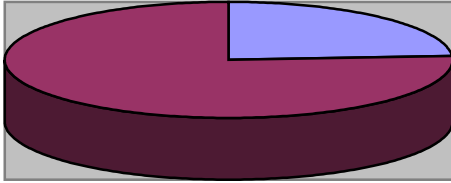
The Council invests idle funds and is able to earn some interest on this money each year. The investment earnings are used or accumulated as necessary to meet expenses each year.

When reviewing the Government-Wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. As you can see, the Council's largest activities are related to transportation and nutrition services. The Council's main focus is to meet the needs of the elderly citizens of Lincoln Parish. There is a high demand for these services; therefore, resources are channeled to meeting the demand.

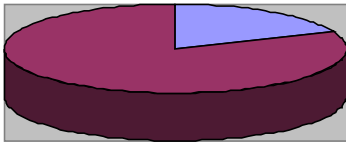


You will also note that most of the governmental activities have more expenses than revenues. We expect this situation to occur and have prepared the Council's budgets for these activities with this in mind. Traditionally, general revenues are used to cover the excess of expenses over revenues in these activities.

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025



2025 Expenses by Type		
Administrative Expense	44,315	9%
Direct Expenses	463,416	91%
Total	<u>507,731</u>	



2024 Expenses by Type		
Administrative Expense	107,001	19%
Direct Expenses	444,844	81%
Total	<u>551,845</u>	

Another indication of how we are using money efficiently can be analyzed by comparing the amount of administration costs from year to year as well as calculating the percentage administration expenses bears in relation to total expenses. For 2025, total administrative expenses were \$44,315, or 9% of total expenses in comparison, total administration expenses for 2024 were \$107,001, or 19%.

**AN ANALYSIS OF THE COUNCIL'S FUNDS USING GOVERNMENTAL FUND
FINANCIAL STATEMENTS**

Fund Balances

The Council showed a combined governmental fund balance of \$178,949 (as shown on the Fund Financial Statement's balance sheet at page 14) at the end of this year, which is an increase of \$37,317 versus last year.

Revenues

The combined fund revenues increased \$22,076 this year versus last year, or 3.38%.

Expenditures

Total expenditures decreased by \$19,959 this year, or 3.12%.

- Meals expenditures increased by \$601.
- There were no capital expenditures in the current year.

Lincoln Council on Aging, Inc.
Management's Discussion and Analysis
For the Year Ended June 30, 2025

AN ANALYSIS OF THE GENERAL FUND BUDGET

Over the course of this past fiscal year the budget was amended one time. The primary reasons for amending the budget are to account for unanticipated changes in both revenues and expenditures and to prevent compliance violations under the Council's grant from GOEA.

You can find schedules of the original and amended budgets for the General Fund in the *Supplementary Financial Information* Required by GASB Statement 34 section of this report on pages 33 to 39. When you review the budget versus actual schedule, you will note that the favorable and unfavorable variances are not very large. This is a result of the budget amendment process, which allows me the opportunity to use hindsight to adjust the forecast that it made at the beginning of one year. With only one month left in the fiscal year at the time the budget is amended, the risk of a significant budget overrun is reduced because of our ability to more accurately predict what will occur over a shorter period of time versus a longer period of time.

AN ANALYSIS OF CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the year, the Council had \$323,672 in fixed assets net of accumulated depreciation. This amounted to a net decrease of \$16,378 from last year.

Table 4
Capital Assets, Net of Depreciation at Year End

	2025	2024
Vehicles, Furniture & Equipment	\$ -0-	\$ -0-
Buildings & Improvements	323,672	339,841
	<u>\$ 323,672</u>	<u>\$ 339,841</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Council receives most of its funding from federal and state agencies. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. In setting its budget for fiscal year 2026, it was important that we deliver at least the same level of service to our clients and the public as we did in 2025. All of the Council's grants and contracts from the usual federal and state agencies have been approved for FY 2025. There have been no significant changes to the funding levels or terms of the grants and contracts. Accordingly, we have set our initial budget to provide the same programs and levels of service next year. GOEA has also approved the Council's budget for next year. There are no plans to add any significant programs for next year.

CONTACTING THE COUNCIL'S MANAGEMENT

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask more information, you should contact Michelle Wright, the Council's Executive Director, at the Council's main office located at 1000 Saratoga Street, Ruston, LA, by phone (318) 255-5070, or by e-mail at mdwright@suddenlinkmail.com.

BASIC FINANCIAL STATEMENTS

Lincoln Council on Aging, Inc.
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 153,762
Due from GOEA	407,609
Capital Assets, net of Accumulated Depreciation	323,672
Total Assets	\$ 885,043
Liabilities and Net Position	
Liabilities	
Accounts Payable	\$ 11,239
Due to GOEA	253,619
Total Liabilities	264,858
Net Position	
Invested in Capital Assets, Net of Related Debt	323,672
Restricted For:	
Utility Assistance	1,917
Senior Center Activities	22,330
Nutritional Services	93,317
Unrestricted	178,949
Total Net Position	620,185
Total Liabilities and Net Position	\$ 885,043

The accompanying notes are an integral part of this financial statement.

Lincoln Council on Aging, Inc.
Statement of Activities
For The Year Ended June 30, 2025

			<u>Program Revenues</u>			<u>Net (Expense) Revenue and Increase (Decrease) in Net Assets</u>
	<u>Total Direct Expenses</u>	<u>Indirect Expenses</u>	<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Activities</u>
Primary Government: Functions/Programs						
Governmental Activities:						
Health, Welfare & Social Services:						
Supportive Services:						
Homemaker	\$ 2,136	\$ 6,307	\$ -	\$ -	\$ 1,437	\$ (7,006)
Information and Assistance	10,063	4,587	-	-	6,986	(7,664)
Legal Assistance	-	-	-	-	-	-
Outreach	690	1,147	-	-	479	(1,358)
Transportation	114,745	45,294	772	-	65,028	(94,239)
Nutritional Services:						
Congregate Meals	75,913	11,817	2,762	-	66,104	(18,864)
Home Delivered Meals	232,249	41,919	2,964	-	239,951	(31,253)
Outreach	220	144	-	-	268	(96)
Nutrition Education	756	192	-	-	763	(185)
Utility Assistance	14,716	-	-	-	-	(14,716)
Disease Prevention and Health Promotion:						
Wellness	8,194	-	-	-	-	(8,194)
Health Promotion: Evidence Based	3,734	-	-	-	-	(3,734)
National Family Caregiver Support:						
Respite Care	-	-	-	-	-	-
Information and Assistance	-	-	-	-	-	-
Personal Care	-	-	-	-	-	-
Administration	44,315	-	-	-	-	(44,315)
Total Governmental Activities	<u>\$ 507,731</u>	<u>\$ 111,407</u>	<u>\$ 6,498</u>	<u>\$ -</u>	<u>\$ 381,016</u>	<u>\$ (231,624)</u>

General Revenues:

Grants and Contributions not restricted to specific programs	233,504
Unrestricted Investment Earnings	3,319
Miscellaneous	51,423
Total General Revenues, Special Items, and Transfers	<u>288,246</u>
Changes in Net Position	<u>56,622</u>
Net Position - Beginning	<u>563,563</u>
Net Position - Ending	<u>\$ 620,185</u>

The accompanying notes are an integral part of this financial statement.

Lincoln Council on Aging, Inc.
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Title III-B	Title III-C-1	Title III-C-2
Assets				
Cash and Cash Equivalents	\$ 89,139	\$ -	\$ -	\$ -
Due from GOEA	76,200	55,451	50,090	118,843
Due From Other Funds	24,849	-	-	-
Total Assets	\$ 190,188	\$ 55,451	\$ 50,090	\$ 118,843
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 11,239	\$ -	\$ -	\$ -
Deferred Revenues	-	-	-	-
Due to GOEA	-	-	30,880	25,207
Due to Other Funds	-	55,451	19,210	93,636
Total Liabilities	11,239	55,451	50,090	118,843
Fund Balances				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted For:				
Senior Citizen Activities	-	-	-	-
Nutritional Services	-	-	-	-
Utility Assistance/Weatherization	-	-	-	-
Assigned To:				
Unassigned	178,949	-	-	-
Total Fund Balances	178,949	-	-	-
Total Liabilities and Fund Balances	\$ 190,188	\$ 55,451	\$ 50,090	\$ 118,843

Amounts reported for *Governmental Activities* in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds

Net Position of Governmental Activities

NSIP USDA	Senior Center	Non-Major Funds	Total Governmental Funds
\$ 62,571	\$ -	\$ 2,052	\$ 153,762
3,658	58,724	44,643	407,609
27,088	-	157,754	209,691
<u>\$ 93,317</u>	<u>\$ 58,724</u>	<u>\$ 204,449</u>	<u>\$ 771,062</u>

\$ -	\$ -	\$ -	\$ 11,239
-	-	-	-
-	-	197,532	253,619
-	36,394	5,000	209,691
<u>-</u>	<u>36,394</u>	<u>202,532</u>	<u>474,549</u>

-	-	-	-
-	22,330	-	22,330
93,317	-	-	93,317
-	-	1,917	1,917
-	-	-	178,949
<u>93,317</u>	<u>22,330</u>	<u>1,917</u>	<u>296,513</u>
<u>\$ 93,317</u>	<u>\$ 58,724</u>	<u>\$ 204,449</u>	

323,672

\$ 620,185

The accompanying notes are an integral part of this financial statement.

Lincoln Council on Aging, Inc.
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2025

	General Fund	Title III-B	Title III-C-1	Title III-C-2	NSIP USDA
Revenues					
Intergovernmental:					
Governor's Office of Elderly Affairs (GOEA)	\$ 100,000	\$ 73,933	\$ 66,785	\$ 139,727	\$ 14,424
Public Support (Restricted)					
Entergy	-	-	-	-	-
United Way	-			25,154	
Other Donors	-	-	-	-	-
Public Support (Unrestricted)					
Other General Public	-	-	-	-	-
Program Service Fees (Charges for services)					
Transportation	-	-	-	-	-
Meals	-	-	2,762	2,963	-
Other Services	-	772	-	-	-
Interest Earned	2,515	-	-	-	772
Miscellaneous	51,423	-	-	-	-
Total Revenues	153,938	74,705	69,547	167,844	15,196
Expenditures					
Health, Welfare & Social Services					
Personnel	-	78,493	24,365	55,377	-
Fringe	4,010	6,235	1,938	4,504	-
Travel	-	198	132	7,665	-
Operating Services	497	38,973	6,327	21,971	-
Operating Supplies	115	5,209	231	6,544	-
Other Costs	177	-	-	-	-
Meals	-	-	54,737	178,107	-
Utility Assistance	-	-	-	-	-
Capital Outlays	-	-	-	-	-
Total Expenditures	4,799	129,108	87,730	274,168	-
Excess of Revenues over Expenditures	149,139	(54,403)	(18,183)	(106,324)	15,196
Other Financing Sources (Uses)					
Operating Transfers - In	-	54,403	18,183	106,324	-
Operating Transfers - Out	(111,822)	-	-	-	-
Total Other Financing Sources (Uses)	(111,822)	54,403	18,183	106,324	-
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	37,317	-	-	-	15,196
Fund Balances, Beginning of Year	141,632	-	-	-	78,121
Fund Balances, End of Year	\$ 178,949	\$ -	\$ -	\$ -	\$ 93,317

Net Changes in Fund Balances - Total Governmental Funds

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

 Depreciation Expense

 Capital asset purchases capitalized

Changes in Net Position in Governmental Activities

Senior Center	Non-Major Funds	Total Governmental Funds
\$ 78,298	\$ 116,200	\$ 589,367
-	-	-
-	-	25,154
-	-	-
-	-	-
-	-	-
-	-	5,725
-	-	772
-	32	3,319
-	-	51,423
<u>78,298</u>	<u>116,232</u>	<u>675,760</u>
43,662	17,339	219,236
3,454	1,349	21,490
58	220	8,273
14,835	18,817	101,420
4,872	607	17,578
-	-	177
-	-	232,844
-	1,951	1,951
-	-	-
<u>66,881</u>	<u>40,283</u>	<u>602,969</u>
<u>11,417</u>	<u>75,949</u>	<u>72,791</u>
10,913	11,833	201,656
-	(89,834)	(201,656)
<u>10,913</u>	<u>(78,001)</u>	<u>-</u>
<u>22,330</u>	<u>(2,052)</u>	<u>72,791</u>
-	3,969	
<u>\$ 22,330</u>	<u>\$ 1,917</u>	

72,791

(16,169)
-
(16,169)
\$ 56,622

The accompanying notes are an integral part of this financial statement.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

NOTE 1 – Purpose of the Council on Aging and Summary of Significant Accounting Policies

The accounting and reporting policies of the Lincoln Council on Aging, Inc. (the Council) conform to the accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The following is a summary of certain significant accounting policies used by the Council:

a. Purpose of the Council on Aging:

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in Lincoln Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish and state; to provide for the mutual exchange of ideas and information on the parish and state level; to conduct public meetings to make recommendations for needed improvements and additional resources; to promote the welfare of aging people; to coordinate and monitor services of other local agencies serving the aging people of the parish; to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) and other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

The primary services provided by the Council to the elderly residents of Lincoln Parish include providing congregate and home delivered meals, nutrition education, information and assistance, outreach, material aid, home repairs, utility assistance, personal care, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

b. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. In 1979, the Louisiana Legislature created the Governor's Office of Elderly Affairs (GOEA) (La. R.S. 46:931) with the specific intention that GOEA administer and coordinate social services and programs for the elderly population of Louisiana through sixty-four parish voluntary councils on aging.

Before a council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R. S. 46:1602. Each council on aging in Louisiana must comply with the state laws that apply to quasi-public agencies, as well as the policies and regulations established by GOEA.

The Lincoln Council on Aging, Inc. is a legally separate, non-profit, quasi-public corporation. The Council incorporated under the provisions of Title 12 Chapter 2 of the Louisiana Revised Statutes and received its charter from the Governor of the State of Louisiana and began operations on November 1, 1974.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

A board of directors, consisting of 15 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of, but not limited to, representatives of the Parish's elderly population, general public, private businesses, and elected public officials. Board members are elected in the following manner:

- Ten members shall be appointed by the Lincoln Parish Police Jury to represent the elderly population in their respective districts.
- Two members shall be appointed by agencies that serve the elderly (one from the Social Security Administration and one from the Department of Social Services or Department of Health and Human Resources).
- Three at-large members from throughout Lincoln Parish shall be elected by the general membership at the Council's annual meeting.

Although the Lincoln Parish Police Jury appoints a voting majority of the Council's board, the Lincoln Parish Police Jury does not intend to impose its will to affect the operations of the Council. Further, the Lincoln Parish Police Jury only provides the Council about 1% of its total annual revenues (not including any pass-through DOTD funds from FTA) and does not assume any specific financial burdens of the Council. As a result, the Council is not a component unit of the Lincoln Parish Police Jury.

Membership in the Council is open at all times, without restriction, to all residents of Lincoln Parish who have reached the age of majority and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 14, *The Financial Reporting Entity*, the Lincoln Council on Aging, Inc. is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on the criteria set forth in this statement, the Council has presented its financial statements as a special-purpose, stand-alone government; accordingly, it is applying the provisions of Statement 14 as if it were a primary government.

c. Basis of Presentation of Statements of the Basic Financial Statements:

The Council's basic financial statements consist of "government-wide" financial statements on all activities of the Council, which are designed to report the Council as a whole entity, and "fund" financial statements, which purpose are to report individual major governmental funds and combined nonmajor governmental funds.

Both the government-wide and fund financial statements categorize primary activities as either "governmental" or "business" type. The Council's functions and programs have all been categorized as "governmental" activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the government-wide financial statements do not include any of these activities or funds.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

d. Basic Financial Statements – Government-Wide Statements

The Council's basic financial statements include both government-wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the government-wide statement of net position, the governmental type activities column (a) is presented on a consolidated basis by column, (b) recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in capital assets, net of related debt accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowing that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The Council's policy is to use restricted resources first to finance its activities except for nutrition services. When providing nutrition services, revenues earned by the Council under its USDA contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the USDA revenues when paying for nutrition program costs. Quite often unrestricted resources are available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using unrestricted resources first.

The government-wide statement of activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The statement of activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operation and capital grants and contributions, to derive the net cost of each function or program. Program revenues most directly associated with the function or program to be used to directly offset its cost. Operation grants include operation-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. The statement of activities shows this allocation in a separate column labeled "indirect costs allocations." In addition, GOEA provides grant funds to help the

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The government-wide statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

e. Basic Financial Statements – Government-Wide Statements

The financial transactions of the Council are reported in individual funds in the Fund Financial Statements. 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. Resources are allocated to and accounted for 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 reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when management tentatively sets aside amounts to reserve fund balances. Designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Council:

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.

The following types of programs comprise the Council's General Funds:

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General Fund. Expenses incurred, which are not chargeable to specific programs, are recorded as "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged as "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

Senior Activities

The participants at the Council's Senior Center generate public support through activities to help offset the cost of operating these centers as well as to raise funds for activities that are not paid for through the grants from the Governor's Office of Elderly Affairs. The types of activities used to raise these funds consist of craft sales, raffles, dances, and refreshment sales. There is no restriction on how the net proceeds of these activities are used. However, any expenses paid by the Council to assist the senior citizens in producing revenues for their activities must be reimbursed to the Council by the senior citizens from the revenues they generate.

PCOA (ACT 735)

PCOA (ACT 735) funds are appropriated for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (GOEA). The Council may use the "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

Local Transportation

The Council also provides transportation services to local agencies for a fee. These program service fees and their related costs are accounted for within the "local transportation" program of the General Fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services – Administration on Aging to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Major Special Revenue Funds

The Title III B Fund is used to account for funds, which are used to provide various units of supportive social services to the elderly. GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive social services, along with the number of units provided during the fiscal year, are as follows:

	<u>Units</u>
Information and Assistance	42
Outreach	80
Homemaker	0
Transportation for people	
Age 60 or older	2,189
Legal	41
Utility Assistance	0

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

The Title III C-1 Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Ruston and Dubach areas. During the year the Council served **8,352** meals to people eligible to participate in this program. In addition to the meals serviced, the Council also provided 24 units of nutritional education to eligible participants.

The Title III C-2 Fund is used to account for funds that are used to provide nutritional meals to homebound older persons. Using Title III C-2 funds the Council served **30,828** meals during the year to people eligible to participate in this program.

The Title III – E Fund is used to account for National Family Caregiver Support Program (NFCSSB) funds used to provide multi-faceted older individuals who are relative caregivers. NFCSSB Caregiver Services include (1) **0** units of information about services/education, (2) **0** units of assistance with access to services, (3) **0** counseling/support groups, (4) **-0-** units of respite care, (5) **0** supplemental services including material aid, personal care and sitter services. **0** units of personal care services were provided during the fiscal year. These funds were used in Title III C2 program.

The N.S.I.P. Fund is used to account for the administration of Nutrition Program for Elderly funds provided by the United States Department of Agriculture through the *Governor's Office of Elderly Affairs*, which in turn "passes through" the funds to the Council. For the period July 1 to September 30, 2000, the Council received reimbursements from GOEA on a per unit basis (about 55 cents/meal) for each congregate and home-delivered meal served to an eligible participant. Beginning October 1, 2000, GOEA began distributing USDA funds to each parish council on aging in Louisiana based on how many meals each council on aging served in the previous year in relation to the total meals served statewide by all councils. The primary purpose of the USDA reimbursement is to provide money to the Council so that United States food and commodities may be purchased to supplement nutrition programs.

Non-Major Special Revenue Funds

The Title III C Area Agency Administration Fund is used to account for a portion of the indirect costs of administering the Council's programs. Each fiscal year GOEA provides the Council with funds to help pay for the costs of administering the Council's special programs for the elderly. The amount of funding is not enough to pay for all the indirect costs. As a result, the Council will allocate its indirect costs to this fund first. Once the GOEA funds are completely used, any indirect costs, in excess of the funds provided by GOEA, are distributed to other funds and programs using a formula based on the percentage each program's direct costs bear to direct costs for all programs.

The Title III D Fund is used to account for funds used for disease prevention and health promotion activities. During the year **276** units of wellness service were provided to eligible participants in this program.

The Senior Center Fund is used to account for administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

foster their independence, enhance their dignity, and encourage their involvement in and with the community. The senior centers for Lincoln Parish are located in Ruston and Dubach. Senior Center funds can be used at Council programs that benefit the elderly. Accordingly, during the fiscal year, the Senior Center fund transferred a portion of its grant revenue to the Title III B Fund to subsidize that program's cost of providing supportive services to elderly persons who use the center.

The Utility Assistance Fund is used to account for the administration of utility assistance programs that 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 provided assistance to the elderly for the payment of utility bills. The Council receives its Project Care donations directly from Entergy Corporation. Entergy Helping Hands donations are provided through the Louisiana Association of Councils on Aging, Inc. (East Baton Rouge COA). During the year, the Council was able to provide 8 units of service with these funds.

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements. The cost allocated to this fund is equal to GOEA supplement. Excess audit costs have been distributed to other funds and programs using the Council's indirect cost allocation formula.

The Supplemental Senior Center Fund was established to account for funds that were appropriated by the Louisiana Legislature for the various councils on aging throughout Louisiana to supplement each council's primary grant for senior center operations and activities.

The Title III – E fund is used to account for National Family Caregiver Support Program (NFCSP) funds used to provide a multi-faceted system of support services for family caregivers and for grandparents or older individuals who are relative caregivers. NFCSP Caregiver Services include (0) information about services/education, (0) assistance with access to services, (0) counseling/support groups, (-0-) respite care, (0) supplemental services including material aid, personal care and sitter services.

During the year, the Council was able to provide 0 units of service with these funds. However, the funds were used in the Title III C2 program.

f. Measurement Focus and Basis of Accounting:

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

1. Accrual Basis – Government-Wide Financial Statements (GWFS):

The Statement of Net Assets and the Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses,

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

2. Modified Accrual Basis – Fund Financial Statements (FFS):

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. “Measurable” means the amount of the transactions can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues “available if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principle and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

g. Interfund Activity

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.

h. Cash and Cash Equivalents:

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amount that equal their fair values.

i. Investments:

GASB Statement 31 requires the Council to report its investments at fair value, except for investments in non-participating interest-earning contracts, such as non-negotiable certificates of deposit with *redemption terms that do not consider market rates*. This type of investment is reported using cost-based measure, provided that the fair market value of the contract is not significantly affected by the impairment of the credit standing of the issuer or other factors. Investments that included securities traded on a national or international exchange are valued based on their last reported sales price. Investments that do not have an established market are reported at estimated fair value.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

j. Prepaid Expenses/Expenditures:

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets. In the Fund Financial Statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditures. At the year-end, there were not any prepaid expenses.

k. Capital Assets:

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

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

Buildings	40 years
Building Improvements	20 years
Equipment	5-7 years
Vehicles	5 years

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category of capital asset, management has used 10% of the vehicle's initial cost as a salvage value estimate.

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

l. Unpaid Compensated Absences:

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. Management has estimated the current and long-term portions of this liability based on historical trends. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year. An amount is added to this total for social security and medicare taxes.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, no amounts have been accrued as fund liabilities as of year-end in the Fund Financial Statements. The differences in the methods of accruing compensated absences creates a reconciling item between the fund and government-wide financial statement presentations.

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

m. Allocation of Indirect Expenses:

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship of direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

n. 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.

o. Elimination and Reclassifications:

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Certain amounts relating to prior year balances have been reclassified in the accompanying financial statements in order to conform with current year presentation.

p. Deferred Revenues

The Council reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred revenues arise when the Council receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

q. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

r. Budget Policy

The Council used the following procedures to derive in the budgetary data, which has been presented on pages 33-39 of these financial statements.

NOTE 2 – Revenue Recognition

Revenues are recoded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

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

NOTE 3 – Cash

Custodial credit risk – deposits. The Council's cash and certificates of deposit consist of deposits with financial institutions. State statutes govern the Council's investment policy.

Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, and savings accounts or savings certificates of savings and loan associations and repurchase agreements. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates the local government investment pool. Collateral is required for demand deposits, certificates of deposit, savings certificates of savings and loan associations and repurchase agreements at 100% of all amounts not covered by deposit insurance. Obligations that may be pledged as collateral are obligations of the United States government and its agencies and obligations of the state and its subdivisions. Per Louisiana State law, collateral is not required for funds invested in LAMP.

The following is a schedule of the Council's cash and certificates of deposit at June 30, 2025. Differences between the Council's balances and the bank balances arise because of the net effect of deposits-in-transit and outstanding checks.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

	<u>Book Balance</u>	<u>Bank Balance</u>
Cash on Deposit	<u>\$ 153,762</u>	<u>\$ 158,786</u>

The Council's deposits are collateralized as follows:

FDIC Insured Deposits	\$158,786
Uninsured Deposits:	
Collateralized	-
Total Deposits	<u>\$158,786</u>

Credit risk. The Council's only investments are the certificates of deposit mentioned above, therefore the Council is exposed to no credit risk.

Concentration of credit risk. The Council does not limit the amount that may be invested in securities of any one issuer. Applicable state statutes do not place limits on credit concentration.

Interest rate risk. The Council manages its exposure to declines in fair values by limiting the maturity of its investments to not longer than one year.

NOTE 4 – Government Grants and Contracts Receivable

Government grants and contracts receivable represent amounts owed to the Council under a grant award or contract with a provider of federal, state, or local funds; such amount being measurable and available as of year-end. Government grants and contracts receivable at year-end, consist of reimbursements for expenses incurred under the following programs:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
PCOA	General	GOEA	\$ 75,000
III-B Supportive Services	III-B	GOEA	55,451
III-C-1 – Congregate Meals	III-C-1	GOEA	50,090
III-C-2 – Home Delivered Meals	III-C-2	GOEA	118,843
NSIP	NSIP	GOEA	3,658
Senior Center	COA	GOEA	58,724
III-C AAA	III-C AAA	GOEA	16,915
III-D Preventive Health	III-D	GOEA	2,881
III-E National Family Caregiver Support	III-E	GOEA	16,663
MIPPA	General	GOEA	1,200
SC Supplemental 1	COA	GOEA	2,325
SC Supplemental 2	COA	GOEA	5,859
			<u>\$ 407,609</u>

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

NOTE 5 – Changes in Capital Assets

A summary of changes in capital assets is as follows:

Capital Assets	Balance 06-30-24	Increases	Decreases	Balance 06-30-25
Vehicles	\$ 288,040	\$ -	\$ -	\$ 288,040
Furniture and Equipment	126,362	-	-	126,362
Building & Improvements	571,726	-	-	571,726
Subtotal	986,128	-	-	986,128
Accumulated Depreciation:				
Vehicles	288,040	-	-	288,040
Furniture & Equipment	126,257	-	105	126,362
Buildings & Improvements	231,990	-	16,064	248,054
Subtotal	646,287	-	16,169	662,456
Net Capital Assets	\$ 339,841	\$ -	\$ 16,169	\$ 323,672

Depreciation was charged to governmental activities as follows:

Administration	\$ 16,064
Supportive Services:	
Wellness & Recreation (Non-priority services)	<u>105</u>
Total depreciation expense for Governmental activities	<u>\$ 16,169</u>

NOTE 6 – Due to GOEA

A summary is as follows at year-end:

Program	Provider	Amount
III-C-1 – Congregate Meals ARP	GOEA	\$ 36,698
III-C-2 – Home Delivered Meals ARP	GOEA	25,207
III-E National Family Caregiver Support	GOEA	45,522
III-B ARP	GOEA	86,437
III-E ARP	GOEA	49,027
III-C AAA ARP	GOEA	7,201
III-D Preventive Health ARP	GOEA	2,327
MIPPA	GOEA	1,200
Totals		\$ <u>253,619</u>

The programs listed above have unearned revenues for this fiscal year because insufficient units of service provided. Accordingly, the money will have to be returned to GOEA.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

NOTE 7 – Board of Director’s Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-pocket costs they might incur on behalf of the Council in accordance with the Council’s applicable reimbursement policy.

NOTE 8 – In-Kind Contributions

The Council received \$2,400 in various in-kind contributions during the year, which have been valued at their estimated fair market value, and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income (loss) in the governmental fund types.

The primary in-kind contributions consisted of free rent for two meal sites and office.

A summary of the in-kind contributions and their respective values is as follows:

<u>Program</u>	<u>Amount</u>
Facility Rentals	\$ 2,400
Total In-Kind Contributions	<u>\$ 2,400</u>

NOTE 9 – Income Tax Status

The Council, a non profit corporation, is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code, and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

The provisions of FASB Interpretation No. 48 (FIN 48) were adopted by the organization on July 1, 2009. The adoption of FIN 48 did not result in any changes to net assets or deferred income tax liabilities.

Accrued interest and penalties associated with uncertain tax positions are included as a component of the provision for income taxes. There were no unrecognized tax benefits at July 1, 2009. For the fiscal year ended June 30, 2025, there were no unrecognized tax benefits, or accrued interest and penalties.

The Council files Form 990, an informational tax return in the U.S. federal tax jurisdiction. Federal tax returns prior to 2022 are closed.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

NOTE 10 – Lease and Rental Commitments

The Council leases a copy machine for \$187.50 per month. The lease operates on a month-to-month basis. Total rent expenditures/expenses of \$2,250, have been included in these financial statements.

NOTE 11 – Judgment, Claims, and Similar Contingencies

There is no litigation pending against the Council as of year-end. The Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

NOTE 12 – Contingencies-Grant Programs

The Council participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the collectibility of any related receivable at year-end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Council.

NOTE 13 – Economic Dependency

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

NOTE 14 – Interfund Receivables and Payables

Because the Council operates most of its programs under cost reimbursement type grants, it has to pay for costs using its General Fund money and then request reimbursement for the advanced cost under the grant programs. Such advances create short-term interfund loans.

NOTE 15 – Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or 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. There have been no significant reductions in coverage from the prior year. No settlements were made during the year that exceeded the Council's insurance coverage.

Lincoln Council on Aging, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

NOTE 16 – Interfund Transfers

Interfund transfers to and from are listed by fund for the fiscal year as follows:

Funds Transferred From:									
	<u>General</u>	<u>NSIP</u>	<u>Title</u>	<u>Title</u>	<u>Non-</u>	<u>Title</u>	<u>Supplemental</u>		
			<u>III-B</u>	<u>III-C-</u>	<u>Major</u>	<u>III-E</u>	<u>Senior</u>		<u>Totals</u>
				<u>1</u>			<u>Center</u>		<u>To</u>
Transfer To:									
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-						
AAA	-	-	-	-	8,909	-	-	-	8,909
III B	9,885	-	-	-	44,518	-	-	-	54,403
III C1	-	-	-	-	18,183	-	-	-	18,183
III C2	101,937	-	-	-	4,387	-	-	-	106,324
III D	-	-	-	-	-	-	-	-	-
Non-Major	-	-	-	-	2,924	-	-	-	2,924
Sr.	-	-	-	-	-	-	10,913	-	10,913
Center									
Totals									
From	\$111,822	-	-	-	\$78,921	-	10,913	-	\$201,656

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

NOTE 17 - Subsequent Events

Date of Management Evaluation

Management has evaluated subsequent events through June 12, 2026, the date on which the financial statements were available to be issued.

In October, 2024, the Louisiana Legislative Auditor's Office began freezing the payment of public funds allocated to the Council due to non-compliance related to the late submission of the Council's fiscal year end June 30, 2024 and 2025 financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Lincoln Council on Aging, Inc.
Budgetary Comparison Schedule - General Fund
For The Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
Revenues				
Intergovernmental:				
Governor's Office of Elderly Affairs:				
PCOA	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Other GOEA Programs	-	-	-	-
Public Support	-	-	-	-
Investment Income	-	-	2,515	2,515
Miscellaneous	-	-	51,423	51,423
Total Revenues	100,000	100,000	153,938	53,938
Expenditures				
Current:				
Personnel	-	-	-	-
Fringe	-	-	4,010	(4,010)
Travel	-	-	-	-
Operating Services	-	-	497	(497)
Operating Supplies	-	-	115	(115)
Other Costs	-	-	177	(177)
Full Service Contracts	-	-	-	-
Audit Fees	-	-	-	-
Meals	-	-	-	-
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
Total Expenditures	-	-	4,799	(4,799)
Excess (deficiency) of Revenues over Expenditures	100,000	100,000	149,139	49,139
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(100,000)	(100,000)	(111,822)	(11,822)
Total Other Financing Sources (Uses)	(100,000)	(100,000)	(111,822)	(11,822)
Net increase (decrease) in fund balances	-	-	37,317	37,317
Fund Balances, Beginning of Year	141,632	141,632	141,632	-
Fund Balances, End of Year	\$ 141,632	\$ 141,632	\$ 178,949	\$ 37,317

See independent auditors' report.

Lincoln Council on Aging, Inc.
Budgetary Comparison Schedule - Title III B Fund
For The Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
Revenues				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 83,208	\$ 71,253	\$ 73,933	\$ 2,680
Public Support	-	-	772	772
Total Revenues	83,208	71,253	74,705	3,452
				-
Expenditures				
Current:				
Personnel	75,274	65,798	78,493	(12,695)
Fringe	5,886	5,145	6,235	(1,090)
Travel	2,883	1,650	198	1,452
Operating Services	36,272	36,543	38,973	(2,430)
Operating Supplies	9,286	8,315	5,209	3,106
Other Costs	145	142	-	142
Full Service Contracts	-	-	-	-
Meals	-	-	-	-
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
Total Expenditures	129,746	117,593	129,108	(11,515)
Excess (deficiency) of Revenues over Expenditures	(46,538)	(46,340)	(54,403)	(8,063)
Other Financing Sources (Uses)				
Transfers In	46,538	46,340	54,403	8,063
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	46,538	46,340	54,403	8,063
Net increase (decrease) in fund balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

Lincoln Council on Aging, Inc.
Budgetary Comparison Schedule - Title III C-1 Fund
For The Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
Revenues				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 66,963	\$ 88,106	\$ 66,785	\$ (21,321)
Public Support	-	-	2,762	2,762
In-Kind Resources	-	-	-	-
Total Revenues	66,963	88,106	69,547	(18,559)
Expenditures				
Current:				
Personnel	25,007	24,780	24,365	415
Fringe	1,956	1,938	1,938	-
Travel	261	192	132	60
Operating Services	5,241	5,908	6,327	(419)
Operating Supplies	533	812	231	581
Other Costs	937	1,192	-	1,192
Full Service Contracts	-	-	-	-
Meals	45,200	67,006	54,737	12,269
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
In-Kind Resources	-	-	-	-
Total Expenditures	79,135	101,828	87,730	14,098
Excess (deficiency) of Revenues over Expenditures	(12,172)	(13,722)	(18,183)	(4,461)
Other Financing Sources (Uses)				
Transfers In	12,172	13,722	18,183	4,461
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	12,172	13,722	18,183	4,461
Net increase (decrease) in fund balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

Lincoln Council on Aging, Inc.
Budgetary Comparison Schedule - Title III C-2 Fund
For The Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
Revenues				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 190,611	\$ 206,882	\$ 139,727	\$ (67,155)
United Way	-	-	25,154	25,154
Program Service Fees	-	-	2,963	2,963
Total Revenues	190,611	206,882	167,844	(39,038)
Expenditures				
Current:				
Personnel	84,632	71,879	55,377	16,502
Fringe	6,618	5,621	4,504	1,117
Travel	9,699	7,958	7,665	293
Operating Services	24,710	24,389	21,971	2,418
Operating Supplies	11,926	7,491	6,544	947
Other Costs	1,055	1,293	-	1,293
Full Service Contracts	-	-	-	-
Meals	101,700	135,000	178,107	(43,107)
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
Total Expenditures	240,340	253,631	274,168	(20,537)
Excess (deficiency) of Revenues over Expenditures	(49,729)	(46,749)	(106,324)	(59,575)
Other Financing Sources (Uses)				
Transfers In	49,729	46,749	106,324	59,575
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	49,729	46,749	106,324	59,575
Net increase (decrease) in fund balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

Lincoln Council on Aging, Inc.
Budgetary Comparison Schedule - NSIP Fund
For The Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
Revenues				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 14,424	\$ 14,424	\$ 14,424	\$ -
Public Support	-	-	-	-
Interest Earned	-	-	772	772
Total Revenues	14,424	14,424	15,196	772
Expenditures				
Current:				
Personnel		-	-	-
Fringe	-	-	-	-
Travel	-	-	-	-
Operating Services	-	-	-	-
Operating Supplies	-	-	-	-
Other Costs	-	-	-	-
Full Service Contracts	-	-	-	-
Meals	-	-	-	-
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
Inkind	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of Revenues over Expenditures	14,424	14,424	15,196	772
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net increase (decrease) in fund balances	14,424	14,424	15,196	772
Fund Balances, Beginning of Year	78,121	78,121	78,121	-
Prior Period Adjustment			-	
Fund Balances, End of Year	\$ 92,545	\$ 92,545	\$ 93,317	\$ 772

See independent auditors' report.

Lincoln Council on Aging, Inc.
Budgetary Comparison Schedule - Senior Center Fund
For The Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Favorable (Unfavorable)
Revenues				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ 51,876	\$ 50,059	\$ 78,298	\$ 28,239
Public Support	-	-	-	-
In-Kind Resources	-	-	-	-
Total Revenues	<u>51,876</u>	<u>50,059</u>	<u>78,298</u>	<u>28,239</u>
Expenditures				
Current:				
Personnel	46,291	48,597	43,662	4,935
Fringe	3,620	3,800	3,454	346
Travel	145	114	58	56
Operating Services	19,474	21,874	14,835	7,039
Operating Supplies	11,269	8,129	4,872	3,257
Other Costs	91	100	-	100
Full Service Contracts	-	-	-	-
Meals	-	-	-	-
Utility Assistance	-	-	-	-
Capital Outlays	-	-	-	-
In-Kind Resources	-	-	-	-
Total Expenditures	<u>80,890</u>	<u>82,614</u>	<u>66,881</u>	<u>15,733</u>
Excess (deficiency) of Revenues over Expenditures	<u>(29,014)</u>	<u>(32,555)</u>	<u>11,417</u>	<u>43,972</u>
Other Financing Sources (Uses)				
Transfers In	29,014	32,555	10,913	(21,642)
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>29,014</u>	<u>32,555</u>	<u>10,913</u>	<u>(21,642)</u>
Net increase (decrease) in fund balances	-	-	22,330	22,330
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,330</u>	<u>\$ 22,330</u>

See independent auditors' report.

Lincoln Council on Aging, Inc.
Notes to Budgetary Comparison Schedules
For The Year Ended June 30, 2025

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

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

The executive director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.

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

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

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

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

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 for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

Amounts were not budgeted for revenues and expenses for the utility assistance fund because they were not legally required and the amount of revenues to be received under this program could not be determined.

Lincoln Council on Aging, Inc.
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
For The Year Ended June 30, 2025

	Title III-E	Title III-C - AAA	Title III-D	Utility Assistance	Supplemental Senior Center
Revenues					
Intergovernmental:					
Governor's Office of Elderly Affairs (GOEA)	\$ -	\$ 22,552	\$ 3,814	\$ -	\$ 3,100
United Way of America	-	-	-	-	-
Public Support (Restricted)					
Entergy	-	-	-	-	-
Client Contributions	-	-	-	-	-
Other Donors	-	-	-	-	-
Public Support (Unrestricted)					
United Way	-	-	-	-	-
Other General Public	-	-	-	-	-
Program Service Fees (Charges for services)					
Transportation	-	-	-	-	-
Other Services	-	-	-	-	-
Interest Earned	-	-	-	32	-
Total Revenues	-	22,552	3,814	32	3,100
Expenditures					
Health, Welfare & Social Services					
Personnel	-	17,339	-	-	-
Fringe	-	1,349	-	-	-
Travel	-	87	-	-	-
Operating Services	-	12,079	6,738	-	-
Operating Supplies	-	607	-	-	-
Other Costs	-	-	-	-	-
Full Service Contracts	-	-	-	-	-
Meals	-	-	-	-	-
Utility Assistance	-	-	-	1,951	-
Capital Outlays	-	-	-	-	-
InKind Contributions	-	-	-	-	-
Total Expenditures	-	31,461	6,738	1,951	-
Excess of Revenues over Expenditures	-	(8,909)	(2,924)	(1,919)	3,100
Other Financing Sources (Uses)					
Operating Transfers - In	-	8,909	2,924	-	-
Operating Transfers - Out	-	-	-	-	(3,100)
Total Other Financing Sources (Uses)	-	8,909	2,924	-	(3,100)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	-	-	(1,919)	-
Fund Balances, Beginning of Year	-	-	-	3,969	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ 2,050	\$ -

Supplemental Senior Center #2	MIPPA	ARP III-AAA	ARP III-B	ARP III-C1	ARP III-C2	ARP III-D	ARP III-E	Total
\$ 7,813	\$ -	\$ 8,909	\$ 44,518	\$ 18,183	\$ 4,387	\$ 2,924	\$ -	\$ 116,200
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	32
7,813	-	8,909	44,518	18,183	4,387	2,924	-	116,232
-	-	-	-	-	-	-	-	17,339
-	-	-	-	-	-	-	-	1,349
-	-	-	-	-	-	-	-	87
-	-	-	-	-	-	-	-	18,817
-	-	-	-	-	-	-	-	607
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,951
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	40,150
7,813	-	8,909	44,518	18,183	4,387	2,924	-	76,082
-	-	-	-	-	-	-	-	11,833
(7,813)	-	(8,909)	(44,518)	(18,183)	(4,387)	(2,924)	-	(89,834)
(7,813)	-	(8,909)	(44,518)	(18,183)	(4,387)	(2,924)	-	(78,001)
-	-	-	-	-	-	-	-	(1,919)
-	-	-	-	-	-	-	-	3,969
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,050

See independent auditors' report.

Lincoln Council on Aging, Inc.
Comparative Schedule of Capital Assets
And Changes in Capital Assets
For The Year Ended June 30, 2025

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Capital Assets:				
Vehicles	\$ 288,040	\$ -	\$ -	\$ 288,040
Furniture and equipment	126,362	-	-	126,362
Buildings & Improvements	571,726	-	-	571,726
Total Capital Assets	<u>\$ 986,128</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 986,128</u>
Investments in Capital Assets:				
Property acquired with funds from-				
Ombudsman	\$ 1,257	\$ -	\$ -	\$ 1,257
Title IIIB - SS	3,834	-	-	3,834
Title IIIC - AAA	2,055	-	-	2,055
Title IIIC - 1	32,832	-	-	32,832
Title IIIC - 2	76,842	-	-	76,842
Title IIID Preventive Health	8,835	-	-	8,835
Senior Center	49,184	-	-	49,184
General funds and local donations	617,908	-	-	617,908
PCOA	175,659	-	-	175,659
Acquired before 1985	17,722	-	-	17,722
Total Investment in Capital Assets	<u>986,128</u>	<u>-</u>	<u>-</u>	<u>986,128</u>

See independent auditors' report.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Lincoln Council on Aging, Inc.
Ruston Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund and the aggregate remaining fund information, of the Lincoln Council on Aging, Inc. as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated June 12, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency, listed as item 2025-01 and 2025-04.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lincoln Council on Aging, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses item 2025-02 and 2025-03.

Lincoln Council on Aging, Inc.'s Response to Findings

Lincoln Council on Aging, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Council's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

West Monroe, Louisiana
June 12, 2026

Cameron, Hines & Company (APAC)

Lincoln Council on Aging, Inc.
Schedule of Findings and Responses
For The Year Ended June 30, 2025

To The Board of Directors
Lincoln Council on Aging, Inc.

We have audited the financial statements of the Lincoln Council on Aging, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated June 12, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2025, resulted in an unmodified opinion.

Section I- Summary of Auditors' Reports

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

Deficiencies in Internal Control

Material Weakness _____ yes X no

Significant Deficiencies not considered to be
Material Weaknesses X yes _____ no

Compliance

Compliance Material to Financial Statements X yes _____ no

B. Federal Awards – N/A

Material Weakness Identified _____ yes _____ no

Significant Deficiencies not considered to be
Material Weaknesses _____ yes _____ no

Type of Opinion on Compliance For Major Programs

Unqualified _____ Qualified _____

Disclaimer _____ Adverse _____

Are their findings required to be reported in accordance with Uniform Guidance?

C. Identification of Major Programs: N/A

Dollar threshold used to distinguish between Type A and Type B Programs.

Is the auditee a “low-risk” auditee, as defined by Uniform Guidance?

**Lincoln Council on Aging, Inc.
Schedule of Findings and Responses
For The Year Ended June 30, 2025**

Section II- Financial Statement Findings

2025-01 Segregation of Duties

Condition:

During the audit, it was noted that the same employee, (the Executive Director) is responsible for entering all transactions into the accounting system, preparing deposits, and reconciling the bank statements. She also has the authority to sign checks as well.

Criteria:

Segregation of duties is essential for effective controls to reduce the risk of errors.

Cause:

The Council has a small staff that does not allow for proper segregation of duties.

Potential Effect:

The result is the danger that intentional or unintentional errors could be made and not be detected in a timely manner.

Recommendation:

We recommend that the Board members keep an active role in the accounting process by approving invoices before payment, reviewing the bank statements each month, and signing checks.

Management's Response:

Board members do take an active role in the accounting function. All checks require two signatures, and when possible, two board members with signature authority sign checks and one board member reconciles the bank statements. Beginning in July, 2025, an outside CPA was contracted to handle most of the accounting function, including entering data, preparing payroll, cutting vendor checks and reconciling the bank statements on a monthly basis.

2025-02 Late Submission of Audited Financial Statements

Condition:

The Council did not submit its audited financial statements to the Louisiana Legislative Auditor on a timely basis.

Criteria:

Louisiana Revised Statute 24:513 requires that audited financial statements be submitted to the Louisiana Legislative Auditor within six months of the end of the fiscal year.

Cause:

Unknown.

Potential Effect:

The Council is not in compliance with state law.

**Lincoln Council on Aging, Inc.
Schedule of Findings and Responses
For The Year Ended June 30, 2025**

2025-02 Late Submission of Audited Financial Statements (Continued)

Recommendation:

We recommend that the Council take steps to help ensure that its audited financial statements are submitted to the Louisiana Legislative Auditor on a timely basis going forward.

Management's Response:

The Council will implement procedures to help ensure that its audited financial statements are submitted to the Louisiana Legislative Auditor on a timely basis going forward.

2025-03 Budget Authority and Control

Condition:

It was noted that actual expenditures on the general fund exceeded the total budgeted expenditures by more than five percent.

Criteria:

Under Louisiana law, statute 39:1311 requires that the budget must be amended when actual expenditures and other uses, within a fund, exceed budgeted expenditures and other uses by more than five percent.

Cause:

The Council did not amend its General Fund budget for the variance on expenditures.

Potential Effect:

The Council is not in compliance with state budget law.

Recommendation:

We recommend that the Council monitor its budget on a regular basis so that amendments can be made in a timely manner in order to comply with state budget laws.

Management's Response:

The Council normally amends its budgets in June of each year. The Council only prepares and adopts budgets for funds received from GOEA. We will monitor future budgets closer.

Lincoln Council on Aging, Inc.
Schedule of Findings and Responses
For The Year Ended June 30, 2025

2025-04 Reconciliation of Bank Statements

Condition:

During the audit, it was noted that bank reconciliations had not been completed in a timely manner.

Criteria:

Segregation of duties is essential for effective controls to reduce the risk of errors.

Cause:

The Council has a small staff that does not allow for proper segregation of duties.

Potential Effect:

The result is the danger that intentional or unintentional errors could be made and not be detected in a timely manner.

Recommendation:

We recommend that all bank statements be reconciled as soon as the bank statements are received and reviewed by a Board member shortly thereafter.

Management's Response:

Bank reconciliations are now being done by an outside CPA.

Section III- Federal Award Findings and Question Costs

This section is not applicable for this entity.

**Lincoln Council on Aging, Inc.
Schedule of Prior Year Findings
For the Year Ended June 30, 2025**

Internal Control and Compliance Material to the Financial Statements

2024-01 Segregation of Duties

Condition:

During the audit, it was noted that the same employee, (the Executive Director) is responsible for entering all transactions into the accounting system, preparing deposits, and reconciling the bank statements. She also has the authority to sign checks as well.

Recommendation:

We recommend that the Board members keep an active role in the accounting process by approving invoices before payment, reviewing the bank statements each month, and signing checks.

Status:

Not cleared. See 2025-01.

2024-02 Late Submission of Audited Financial Statements

Condition:

The Council did not submit its audited financial statements to the Louisiana Legislative Auditor on a timely basis.

Recommendation:

We recommend that the Council take steps to help ensure that its audited financial statements are submitted to the Louisiana Legislative Auditor on a timely basis going forward.

Status:

No longer applicable.

**Lincoln Council on Aging, Inc.
Schedule of Prior Year Findings
For the Year Ended June 30, 2025**

Section III-Federal Award Findings and Question Costs – N/A

Management Letter

No management letter was issued.

Lincoln Council on Aging, Inc.
Schedule of Compensation, Reimbursements, Benefits,
And Other Payments to Agency Head
For The Year Ended June 30, 2025

Agency Head:

Executive Director - Michelle Wright

Purpose:

Salary	\$ 65,833
Benefits - Payroll Taxes and Insurance	5,036
Travel	-
Reimbursements	300
Total Compensation, Benefits and Other Payments	<u>\$ 71,169</u>

See independent auditors' report.

Lincoln Council on Aging, Inc.
Management's Corrective Action Plan
For The Year Ended June 30, 2025

2025-01 Segregation of Duties

Condition:

During the audit, it was noted that the same employee, (the Executive Director) is responsible for entering all transactions into the accounting system, preparing deposits, and reconciling the bank statements. She also has the authority to sign checks as well.

Recommendation:

We recommend that the Board members keep an active role in the accounting process by approving invoices before payment, reviewing the bank statements each month, and signing checks.

Management's Response:

Board members do take an active role in the accounting function. All checks require two signatures, and when possible, two board members with signature authority sign checks and one board member reconciles the bank statements. Beginning in July, 2025, an outside CPA was contracted to handle most of the accounting function, including entering data, preparing payroll, cutting vendor checks and reconciling the bank statements on a monthly basis.

2025-02 Late Submission of Audited Financial Statements

Condition:

The Council did not submit its audited financial statements to the Louisiana Legislative Auditor on a timely basis.

Recommendation:

We recommend that the Council take steps to help ensure that its audited financial statements are submitted to the Louisiana Legislative Auditor on a timely basis going forward.

Management's Response:

The Council will implement procedures to help ensure that its audited financial statements are submitted to the Louisiana Legislative Auditor on a timely basis going forward.

2025-03 Budget Authority and Control

Condition:

It was noted that actual expenditures on the general fund exceeded the total budgeted expenditures by more than five percent.

Recommendation:

We recommend that the Council monitor its budget on a regular basis so that amendments can be made in a timely manner in order to comply with state budget laws.

**Lincoln Council on Aging, Inc.
Management's Corrective Action Plan
For The Year Ended June 30, 2025**

Management's Response:

The Council normally amends its budgets in June of each year. The Council only prepares and adopts budgets for funds received from GOEA. We will monitor future budgets closer.

2025-04 Reconciliation of Bank Statements

Condition:

During the audit, it was noted that bank reconciliations had not been completed in a timely manner.

Recommendation:

We recommend that all bank statements be reconciled as soon as the bank statements are received and reviewed by a Board member shortly thereafter.

Management's Response:

Bank reconciliations are now being done by an outside CPA.

Lincoln Council On Aging, Inc.

*Independent Accountants' Report on
Applying Agreed-Upon Procedures*

For the Year Ended June 30, 2025



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Lincoln Council on Aging, Inc.
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024, through June 30, 2025. The Lincoln Council on Aging, Inc.'s management is responsible for those C/C areas identified in the SAUPs.

The Lincoln Council on Aging, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024, through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:¹
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. **Disbursements**, including processing, reviewing, and approving.
 - iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the

¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.

completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. ***Ethics***², including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings: The entity does not have any written policies and procedures.

2) Board or Finance Committee³

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

² The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.

³ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds⁴, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.⁶

Findings: The entity did not have any board or finance committee meetings.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts⁷ (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

⁴Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act.

⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.

⁶ No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings.

⁷ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.

Findings: The entity did not have any bank reconciliations.

4) Collections (excluding electronic funds transfers)⁸

- A. Obtain a listing of deposit sites⁹ for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations¹⁰ and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.¹¹
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

⁸ The Collections category is not required to be performed if the entity has a third-party contractor performing all collection functions (e.g., receiving collections, preparing deposits, and making deposits).

⁹ A deposit site is a physical location where a deposit is prepared and reconciled.

¹⁰ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office. For school boards only, the practitioner should consider the deposit site and collection location to be the same if there is a central person (secretary or bookkeeper) through which collections are deposited.

¹¹ The practitioner is not required to test for completeness of revenues relative to classroom collections by teachers.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt¹² at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Findings: Two exceptions noted where there were no receipts supporting the deposit; therefore, we were unable to test whether the receipts were sequentially prenumbered, traced to the deposit slip, or deposited within one day of collection.

5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and

¹² As required by Louisiana Revised Statute 39:1212.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Findings: One exception noted where the employee responsible for processing payments was able to add or modify vendor files. One exception noted where the employee who mails the checks was responsible for processing payments. One exception noted where the disbursement did not match the related original itemized invoice. Five exceptions noted where the disbursement documentation did not include evidence of segregation of duties.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards¹³. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have

¹³ Including cards used by school staff for either school operations or student activity fund operations.

10 transactions subject to inspection)¹⁴. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Findings: One exception noted where there was no evidence that the statement and supporting documentation were reviewed and approved by someone other than the authorized cardholder. One exception noted where there was a finance charge assessed on the selected statement.

7) Travel and Travel-Related Expense Reimbursements¹⁵ (excluding card transactions)

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings: No exceptions noted.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management’s representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner’s contract, and

¹⁴ For example, if 3 of the 5 cards selected were fuel cards, transactions would only be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #7B were fuel cards, procedure #7C would not be applicable.

¹⁵ Non-travel reimbursements are not required to be inspected under this category.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law¹⁶ (e.g., solicited quotes or bids, advertised), if required by law;
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Findings: No exceptions noted.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials¹⁷ employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials¹⁸ documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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

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

¹⁸ Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Findings: No exceptions noted.

10) Ethics¹⁹

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Findings: This procedure is not applicable to this entity.

11) Debt Service²⁰

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Findings: This procedure is not applicable to this entity.

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

²⁰ This AUP category is generally not applicable to nonprofit entities. However, if applicable, the procedures should be performed.

12) Fraud Notice²¹

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings: No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267²². The requirements are as follows:

²¹ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs and the notice is available for download at www.la.gov/hotline

²² While it appears to be a good practice for charter schools to ensure its employees are trained to keep their information technology assets safe from cyberattack, charter schools do not appear required to comply with 42:1267. An individual charter school, though, through specific provisions of its charter, may mandate that all employees/officials receive cybersecurity training.

- i. Hired before June 9, 2020 - completed the training; and
- ii. Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Findings: We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment²³

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
 - i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Findings: This procedure is not applicable to this entity.

Management's Response

We agree with the results of the procedures and will address the identified exceptions.

We were engaged by the Lincoln Council on Aging, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs.

²³ While it appears to be a good practice for charter schools to ensure it has policies and training for sexual harassment, charter schools do not appear required to comply with the Prevention of Sexual Harassment Law (R.S. 42:341 et seq). An individual charter school, through the specific provisions of its charter, may mandate sexual harassment training.

Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Lincoln Council on Aging, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

West Monroe, Louisiana
June 18, 2026

Cameron Hines & Company (APAC)