

NEW ORLEANS COUNCIL ON AGING, INC.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2017

CASCIO & SCHMIDT, LLC
Certified Public Accountants

NEW ORLEANS COUNCIL ON AGING, INC.

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2017**

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NEW ORLEANS COUNCIL ON AGING, INC.

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**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

Within this section of the New Orleans Council on Aging, Inc.'s annual financial report, New Orleans Council on Aging, Inc.'s (NOCOA) management is pleased to provide this narrative discussion and analysis of the financial activities of the NOCOA for the year ended June 30, 2017. NOCOA's financial performance is discussed and analyzed within the context of the accompanying financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

Net Position - The assets of NOCOA exceeded its liabilities by \$192,871 (2016 - \$201,371), presented as "net position". Total net position is comprised of the following:

- Capital assets were fully depreciated as of June 30, 2017 and 2016, accordingly, investment in capital assets is zero.

	<u>2017</u>	<u>2016</u>
• Restricted assets		
Nutrition services	\$ 72,722	\$ 87,625
Other	<u>78,856</u>	<u>30,996</u>
	151,578	118,621
• Unrestricted	<u>41,293</u>	<u>82,750</u>
Total Net Position	\$ <u>192,871</u>	\$ <u>201,371</u>

Changes in Net Position - NOCOA's net position decreased by \$8,500 for 2017, and increased \$24,277 for 2016.

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces NOCOA's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also includes certain other additional information to supplement the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The **government-wide financial statements** are designed to provide readers with a broad overview of the New Orleans Council On Aging, Inc.'s finances, in a manner similar to a private-sector business.

The **Statement of Net Position** presents information on all of the New Orleans Council On Aging, Inc.'s assets and liabilities, with the difference between the two reported as **net position**. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the New Orleans Council on Aging, Inc. is deteriorating.

The **Statement of Activities**, reports how NOCOA's net position changed during the current fiscal year. All current year revenue and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the reliance of NOCOA's distinct activities or functions on revenues resulting from services provided by NOCOA, and to other governmental agencies.

The government-wide financial statements present governmental activities of NOCOA, that are principally supported by funding from the Governor's Office of Elderly Affairs, the City of New Orleans, and other various grants received by this agency over the fiscal year ended June 30, 2017.

The government-wide financial statements are presented on pages 12 and 13.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Council uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Council's most significant funds rather than the Council as a whole.

The Council uses only governmental funds.

Governmental funds are reported in the fund financial statements and encompass the same function reported as government activities in the government-wide financial statements. However, the focus is different with fund statements providing a distinctive view of the Council's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the programs and the commitment of spendable resources for the near-term.

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

The basic governmental fund financial statements are presented on pages 14 through 21 of this report.

Notes to the basic financial statements:

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 22 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Council's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund. These schedules demonstrate compliance with the Council's amended and final budget.

Title III (C1) - Congregate Meals Program, Title III (C2) - Home Delivered Meals Program. Title III B Supportive Services, NISP Cash in Lieu of Commodities, Supplemental Senior Center, Senior Center Program, and City of New Orleans - CDBG Program.

These schedules demonstrate compliance with the Council and final budget.

FINANCIAL ANALYSIS OF THE OFFICE AS A WHOLE

The Council implemented the new financial reporting model used in this report beginning with the fiscal year ended June 30, 2005. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Council as a whole.

The Council's net position at fiscal year-end was \$192,871 (2016 - \$201,371). The following table provides a summary of the Council's assets, liabilities and net position.

GOVERNMENTAL ACTIVITIES

<u>Assets</u>	<u>2017</u>	<u>2016</u>
Cash	\$ 391,935	\$ 297,266
Receivables	127,045	64,624
Capital assets	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 518,980</u>	<u>\$ 361,890</u>

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

Liabilities:

	<u>2017</u>	<u>2016</u>
Accounts payable and current liabilities	\$ <u>326,109</u>	\$ <u>160,519</u>
Total liabilities	<u>326,109</u>	<u>160,519</u>

Net Position:

Investment in net capital assets	\$ -	\$ -
Restricted	151,578	118,621
Unrestricted	<u>41,293</u>	<u>82,750</u>
Total Net Position	<u>\$ 192,871</u>	<u>\$ 201,371</u>

Overall, the Council reported net assets of \$192,871. This amount is \$8,500 less than the prior year.

Comparative data is accumulated and presented to assist analysis in future years.

The following table provides a summary of the Office's changes in net position:

Summary of Changes in Net Position

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Revenues:		
Operating grants and contributions	\$ 5,057,645	\$ 4,921,602
Charges for services	15,757	18,929
Interest income	17,021	16,862
Other income	<u>202,185</u>	<u>110,895</u>
Total Revenue	<u>\$ 5,292,608</u>	<u>\$ 5,068,288</u>
Expenses:		
Personnel	\$ 1,446,038	\$ 1,409,580
Fringes	242,163	258,374
Travel	66,198	61,098
Operating services	352,180	385,566
Operating supplies	73,708	98,705
Other costs	150,234	128,261
Full service contracts	<u>2,079,110</u>	<u>1,828,814</u>

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

	<u>2017</u>	<u>2016</u>
Expenses (continued)		
Food costs	695,587	669,925
Utility assistance	<u>195,890</u>	<u>203,688</u>
Total Expenses	<u>5,301,108</u>	<u>5,044,011</u>
Increase (decrease) in net position	(8,500)	24,277
Net position, beginning of year	<u>201,371</u>	<u>177,094</u>
Net position, end of year	\$ <u>192,871</u>	\$ <u>201,371</u>

GOVERNMENTAL REVENUES:

The Council is heavily reliant on municipal, state and federal grants to support its operations.

GOVERNMENTAL FUNCTIONAL EXPENSES:

The total function of the Council is to serve the elderly. A schedule of functional expenses is as follows.

<u>FUNCTIONS/PROGRAMS</u>	<u>2017</u>	<u>2016</u>
Program Expenses		
Supportive services	\$ 378,247	\$ 393,093
Nutrition services	1,017,838	972,476
Utility assistance	243,286	233,222
Multipurpose senior centers	2,295,403	1,832,596
Preventive Health	11,579	11,407
Retired senior volunteers	106,133	101,963
Senior companion	266,999	279,721
Caregiver	188,492	196,975
Senior Rx	<u>91,934</u>	<u>91,934</u>
Total Program Expenses	4,599,911	4,113,387
Supportive Services		
General and Administrative	<u>701,197</u>	<u>930,624</u>
Total Functional Expenses	\$ <u>5,301,108</u>	\$ <u>5,044,011</u>

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

FINANCIAL ANALYSIS OF THE COUNCIL'S FUNDS

Governmental Funds

As discussed earlier, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported an ending fund balance of \$192,871 (2016 - \$201,371), a decrease of \$8,500 (increase of \$24,277 for 2016). The unassigned fund balance totaled \$41,293; (2016 - \$82,750), which represents a decrease of \$41,457; (increase of \$35,228 for 2016).

Major and Non-Major Governmental Funds

The General Fund is the Council's primary operating fund. The General Fund balance for the year ended June 30, 2017 decreased by \$8,500; increased \$35,228 for 2016.

BUDGETARY HIGHLIGHTS

When the original budget was adopted, it was anticipated that the total revenues and total expenditures were going to approximate those of the previous fiscal year, adjusted for inflation and salary increases. While there were no significant deviations from the original approved budget, the Council ended the fiscal year with an operating deficit of \$8,500, and an operating surplus of \$24,277 in 2016.

CAPITAL ASSETS

Capital assets consist of the following:

	<u>2017</u>	<u>2016</u>
Depreciable assets:		
Transportation Equipment	\$ 171,859	\$ 171,859
Less Accumulated Depreciation	(171,859)	(171,859)
	\$ <u>-</u>	\$ <u>-</u>

There was no depreciation on the transportation equipment for the year ended June 30, 2017 (2016 - \$-0-).

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

ECONOMIC OUTLOOK

The funding for the 2017-2018 program year for the New Orleans Council on Aging is still affected by the current condition of the State of Louisiana's operating budget and the national economic conditions of the past year.

Currently, the State of Louisiana anticipates a budget short fall in the state operating budget for 2017-2018.

As the City of New Orleans continues to rebuild after the storm, there still exists a shortage of available services for the elderly. The City of New Orleans has discontinued direct health services to residents. This has placed a burden on clients to seek health services from a network of neighborhood clinics operated by two health organizations, or rely on the limited services provided by the LSU Health Systems.

The New Orleans Council on Aging is still experiencing a waiting lists for services.

Congregate Meals Sites, Home Delivered Meals (Meals on Wheels), Homemaker Services, and the operations of two (2) Senior Centers in City facilities are a priority for this organization.

Carrollton-Hollygrove was directly operated by the New Orleans Council on Aging in 2017 and 2016.

The Governor's Office of Elderly Affairs and the Administration on Aging, and our congressional delegation are aware of the need for addition services in the City of New Orleans. Our primary funding agencies are assisting us in developing additional funding to move forward in our mission.

The New Orleans Council on Aging has enlisted the aid of local companies and foundations to help with fundraising activities.

Entergy New Orleans, Meals on Wheels of New Orleans Fund, Inc., and Peoples Health Network, continue to make significant contributions.

Additionally, the Friends of the New Orleans Council on Aging continue to have productive fund raising activities with dinners and the Annual Halloween fundraising event.

The Board of Directors of the New Orleans Council on Aging continues to assist with fund raising activities for our organization.

**NEW ORLEANS COUNCIL ON AGING, INC.
MANAGEMENTS'S DISCUSSION AND ANALYSIS (UNAUDITED)**

June 30, 2017

Contacting the Council's Financial Management

The financial report is designed to provide a general overview of the Council's finances, to comply with state laws and regulations, and demonstrate the Council's commitment to public accountability. If you have any questions about this report or would like to request additional information, please contact the New Orleans Council on Aging, Inc.'s office at (504) 821-4121.

CASCIO & SCHMIDT, LLC

CERTIFIED PUBLIC ACCOUNTANTS

FRANCIS J. CASCIO, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
New Orleans Council on Aging, Inc.

We have audited the accompanying financial statements of the governmental activities and each major fund, and the aggregate remaining fund information of New Orleans Council on Aging, Inc., as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the New Orleans Council on Aging, Inc.'s basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the New Orleans Council on Aging, Inc. as of June 30, 2017, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited New Orleans Council on Aging, Inc.'s 2016 financial statements, and our report dated October 27, 2016, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

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 1 through 8 and pages 37 through 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the New Orleans Council on Aging, Inc.'s basic financial statements. The combining and nonmajor fund financial statements on pages 46 through 52, the statement of general fixed assets and changes in general fixed assets on page 53, the schedule of operating transfers in and out on pages 54 through 56, and the schedule of compensation, benefits and other payments to agency head on page 57, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements.

The statements and schedules stated in the preceding paragraph are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting and other record used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, those statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2017, on our consideration of the New Orleans 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 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 New Orleans Council on Aging, Inc.'s internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Cascio & Schmidt, LLC".

Metairie, Louisiana
September 21, 2017

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF NET POSITION

June 30, 2017

	<u>Governmental Activities</u>	<u>Summarized Comparative Information June 30, 2016 Governmental Activities</u>
ASSETS		
Cash and cash equivalents	\$ 391,935	\$ 297,266
Receivables		
Grant	127,045	64,624
Other	-	-
Capital assets, net of accumulated depreciation	<u>-</u>	<u>-</u>
Total assets	<u>518,980</u>	<u>361,890</u>
LIABILITIES		
Accounts payable and accrued liabilities	<u>326,109</u>	<u>160,519</u>
Total liabilities	<u>326,109</u>	<u>160,519</u>
NET POSITION		
Invested in capital assets	-	-
Restricted		
Nutrition services	72,722	87,625
Other	78,856	30,996
Unrestricted	<u>41,293</u>	<u>82,750</u>
Total net position	<u>\$ 192,871</u>	<u>\$ 201,371</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2017

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	SUMMARIZED COMPARATIVE INFORMATION For the Year ended June 30, 2016
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		
Primary Government					
Governmental Activities					
General	\$ 578,555	\$ -	\$ 1,390,228	\$ 811,673	\$ (72,937)
Supportive services	378,247	-	377,960	(287)	(6,777)
Nutrition services	1,017,838	15,757	984,080	(18,001)	703
Utility assistance	243,286	-	204,905	(38,381)	8,829
Multipurpose senior centers	2,295,403	-	1,569,624	(725,779)	124,061
Preventive Health	11,579	-	11,579	-	-
Retired senior volunteers	106,133	-	107,334	1,201	8,770
Senior companion	266,999	-	267,558	559	(24,233)
Caregiver	188,492	-	114,883	(73,609)	(12,998)
Senior Rx	91,934	-	91,934	-	-
Administration	<u>122,642</u>	<u>-</u>	<u>104,641</u>	<u>(18,001)</u>	<u>(18,000)</u>
Total Governmental Activities	\$ <u>5,301,108</u>	\$ <u>15,757</u>	\$ <u>5,224,726</u>	(60,625)	7,418
General Revenues:					
Special revenue taxes				37,194	-
Unrestricted interest				14,931	16,859
Transfers in (out)				-	-
Total general revenues and transfers				<u>52,125</u>	<u>16,859</u>
Change in net position				(8,500)	24,277
Net Position:					
Beginning of year				<u>201,371</u>	<u>177,094</u>
End of year				\$ <u>192,871</u>	\$ <u>201,371</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2017

	<u>GENERAL FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>
ASSETS		
Cash and cash equivalents	\$ 175,680	\$ 216,255
Receivables		
Grants	76,442	50,603
Due from other funds	<u>108,631</u>	<u>-</u>
Total assets	<u>\$ 360,753</u>	<u>\$ 266,858</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 319,460	\$ 6,649
Due to other funds	<u>-</u>	<u>108,631</u>
Total liabilities	<u>319,460</u>	<u>115,280</u>
Fund balances:		
Restricted	-	151,578
Unassigned	<u>41,293</u>	<u>-</u>
Total net position	<u>41,293</u>	<u>151,578</u>
Total liabilities and net position	<u>\$ 360,753</u>	<u>\$ 266,858</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

BALANCE SHEET
GOVERNMENTAL FUNDS - Continued

June 30, 2017

	TOTAL GOVERNMENTAL FUNDS	Summarized Comparative <u>Information</u> JUNE 30, 2016
ASSETS		
Cash and cash equivalents	\$ 391,935	\$ 297,266
Receivables		
Grants	127,045	64,624
Dues from other funds	<u>108,631</u>	<u>47,422</u>
Total assets	\$ <u>627,611</u>	\$ <u>409,312</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 326,109	\$ 160,519
Due to other funds	<u>108,631</u>	<u>47,422</u>
Total liabilities	<u>434,740</u>	<u>207,941</u>
Fund balances:		
Restricted	151,578	118,621
Unassigned	<u>41,293</u>	<u>82,750</u>
Total fund balances	<u>192,871</u>	<u>201,371</u>
Total liabilities and fund balances	\$ <u>627,611</u>	\$ <u>409,312</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS

June 30, 2017

	<u>June 30, 2017</u>	<u>Summarized Comparative Information June 30, 2016</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total Fund Balances at June 30, 2017 - Governmental funds	\$ 192,871	\$ 201,371
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets are \$171,859, and the accumulated depreciation is \$171,859.	<u>-</u>	<u>-</u>
Total Net Position of Governmental Activities	\$ <u>192,871</u>	\$ <u>201,371</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES

For the year ended June 30, 2017

	GENERAL FUND	TITLE III (C1) CONGREGATE MEALS PROGRAM	TITLE III (C2) HOME DELIVERED MEALS PROGRAM
REVENUES			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 100,000	\$ 266,529	\$ 567,975
City of New Orleans	915,128	-	-
Corporation for National and Community Services	-	-	-
State of Louisiana	-	-	-
Participant contributions	-	15,757	-
Contributions	215,506	2,639	-
Special revenue taxes	37,194	-	-
Interest income	14,931	-	-
Other income	<u>159,594</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>1,442,353</u>	<u>284,925</u>	<u>567,975</u>
EXPENDITURES			
Current:			
Personnel	140,634	131,731	268,683
Fringe benefits	57,975	20,437	45,395
Travel	10,139	370	29,296
Operating services	141,241	34,922	65,688
Operating supplies	16,762	1,826	6,836
Other costs	33,423	450	-
Full service contracts	485,775	-	-
Food costs	208,383	124,405	287,799
Utility assistance	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,094,332</u>	<u>314,141</u>	<u>703,697</u>
Excess (deficiency) of revenue over (under) expenditures	348,021	(29,216)	(135,722)
OTHER FINANCING SOURCES			
Transfers in	846,057	29,216	135,722
Transfers out	<u>(1,235,535)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(389,478)</u>	<u>29,216</u>	<u>135,722</u>
Net change in fund balances	(41,457)	-	-
FUND BALANCES			
Beginning of the year	<u>82,750</u>	<u>-</u>	<u>-</u>
End of year	\$ <u>41,293</u>	\$ <u>-</u>	\$ <u>-</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - Continued

For the year ended June 30, 2017

	<u>TITLE III B SUPPORTIVE SERVICES</u>	<u>NSIP CASH IN LIEU OF COMMODITIES</u>	<u>SUPPLEMENTAL SENIOR CENTER</u>	<u>SENIOR CENTER PROGRAM</u>
REVENUES				
Intergovernmental:				
Governor's Office of Elderly Affairs	\$ 369,310	\$ 124,570	\$ 450,374	\$ 299,944
City of New Orleans	-	-	-	-
Corporation for National and Community Services	-	-	-	-
State of Louisiana	-	-	-	-
Participant contributions	-	-	-	-
Contributions	-	-	-	-
Special revenue taxes	-	-	-	-
Interest income	-	-	-	-
Other income	-	-	-	-
Total Revenues	<u>369,310</u>	<u>124,570</u>	<u>450,374</u>	<u>299,944</u>
EXPENDITURES				
Current:				
Personnel	259,630	-	-	-
Fringe benefits	45,249	-	-	-
Travel	8,954	-	-	-
Operating services	41,115	-	-	-
Operating supplies	2,076	-	-	-
Other costs	-	-	-	90,390
Full service contracts	15,858	-	-	738,187
Food costs	-	-	-	-
Utility assistance	-	-	-	-
Total Expenditures	<u>372,882</u>	<u>-</u>	<u>-</u>	<u>828,577</u>
Excess (deficiency) of revenue over (under) expenditures	(3,572)	124,570	450,374	(528,633)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,572	-	-	528,633
Transfers out	<u>-</u>	<u>(139,473)</u>	<u>(450,374)</u>	<u>-</u>
Total other financing sources (uses)	<u>3,572</u>	<u>(139,473)</u>	<u>(450,374)</u>	<u>528,633</u>
Net change in fund balances	-	(14,903)	-	-
FUND BALANCES				
Beginning of the year	<u>-</u>	<u>87,625</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ 72,722</u>	<u>\$ -</u>	<u>\$ -</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - Continued

For the year ended June 30, 2017

	<u>CITY OF NEW ORLEANS CDBG</u>	<u>PARISH COUNCIL ON AGING - LINE - ITEM</u>	<u>SUPPLEMENTAL SENIOR CENTER PROGRAM 2</u>
REVENUES			
Intergovernmental			
Governor's Office of Elderly Affairs	\$ -	\$ 426,865	\$ 7,812
City of New Orleans	384,628	-	-
Corporation for National and Community Services	-	-	-
State of Louisiana	-	-	-
Participant contributions	-	-	-
Contributions	-	-	-
Special revenue taxes	-	-	-
Interest income	-	-	-
Other income	-	-	-
Total Revenues	<u>384,628</u>	<u>426,865</u>	<u>7,812</u>
EXPENDITURES			
Current:			
Personnel	40,433	51,373	-
Fringe benefits	-	7,760	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	12,732	-
Other costs	-	-	-
Full service contracts	483,752	280,000	-
Food costs	-	75,000	-
Utility assistance	-	-	-
Total Expenditures	<u>524,185</u>	<u>426,865</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures	(139,557)	-	7,812
OTHER FINANCING SOURCES (USES)			
Transfers in	139,557	-	-
Transfers out	-	-	(7,812)
Total other financing sources (uses)	<u>139,557</u>	<u>-</u>	<u>(7,812)</u>
Net change in fund balances	-	-	-
FUND BALANCES			
Beginning of the year	-	-	-
End of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - Continued

For the year ended June 30, 2017

	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	SUMMARIZED COMPARATIVE INFORMATION For the year ended June 30, 2016
REVENUES			
Intergovernmental			
Governor's Office of Elderly Affairs	\$ 319,230	\$ 2,932,609	\$ 2,980,019
City of New Orleans	-	1,299,756	1,300,575
Corporation for National and Community Services	368,279	368,279	360,883
State of Louisiana	12,356	12,356	14,144
Participant contributions	-	15,757	18,929
Contributions	226,500	444,645	265,981
Special revenue taxes	-	37,194	-
Interest income	2,090	17,021	16,862
Other income	<u>5,397</u>	<u>164,991</u>	<u>110,895</u>
Total Revenues	<u>933,852</u>	<u>5,292,608</u>	<u>5,068,288</u>
EXPENDITURES			
Current:			
Personnel	553,554	1,446,038	1,409,580
Fringe benefits	65,347	242,163	258,374
Travel	17,439	66,198	61,098
Operating services	69,214	352,180	385,566
Operating supplies	33,476	73,708	98,705
Other costs	25,971	150,234	128,261
Full service contracts	75,538	2,079,110	1,828,814
Food costs	-	695,587	669,925
Utility assistance	<u>195,890</u>	<u>195,890</u>	<u>203,688</u>
Total Expenditures	<u>1,036,429</u>	<u>5,301,108</u>	<u>5,044,011</u>
Excess (deficiency) of revenue over (under) expenditures	(102,577)	(8,500)	24,277
OTHER FINANCING SOURCES (USES)			
Transfers in	157,507	1,840,261	866,240
Transfers out	<u>(7,067)</u>	<u>(1,840,261)</u>	<u>(866,240)</u>
Total other financing sources (uses)	<u>150,437</u>	<u>-</u>	<u>-</u>
Net change in fund balances	47,860	(8,500)	24,277
FUND BALANCES			
Beginning of the year	<u>30,996</u>	<u>201,371</u>	<u>177,094</u>
End of year	<u>\$ 78,856</u>	<u>\$ 192,871</u>	<u>\$ 201,371</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the year ended June 30, 2017

	For the year ended <u>June 30, 2017</u>	<u>Comparative Information</u> For the year ended <u>June 30, 2016</u>
Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total government fund	\$ (8,500)	\$ 24,277
Capital outlay	<u>-</u>	<u>-</u>
Changes in net position of governmental activities	\$ <u>(8,500)</u>	\$ <u>24,277</u>

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

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

NOTE A - PURPOSE OF THE NEW ORLEANS COUNCIL ON AGING, INC., AND REPORTING ENTITY

1. Purpose of the New Orleans Council on Aging, Inc.

The purpose of the New Orleans Council on Aging, Inc. (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 Orleans 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; to provide for a 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 when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA), 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.

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

2. 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. However, before the Council on Aging could begin operations in a specific parish, its application or a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each Council on Aging in Louisiana must comply with the objectives of state laws and are governed by the policies and regulations established by GOEA.

The Board of Directors shall be composed of no less than eleven members, and no more than twenty-one. At present, there are 16 members. They are elected for terms of three years, with approximately one-third elected each year. Members of the Board are elected by secret ballot by the general membership of the New Orleans Council on Aging, Inc. The Board members shall reside in Orleans parish throughout their tenure.

Membership in the Council is open at all times, without restriction, to all residents of Orleans 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 New Orleans 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 GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special - purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, and set its own rates or charges. As previously mentioned,

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE A - PURPOSE OF THE NEW ORLEANS COUNCIL ON AGING, INC. AND REPORTING ENTITY - (Continued)

2. Reporting Entity - (Continued)

GOEA establishes the policies and regulations that all Councils must follow. Included in its policies is a provision that the Council's budget be approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive. Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Presentation of Financial Statements

The accompanying basic financial statements of New Orleans Council on Aging, Inc. have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

2. 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.

In the Government-Wide Statement of Net Position, the governmental type activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations, if any. The Council's net position is reported in three parts - investment in capital assets, restricted assets; and unrestricted assets. Investment in capital assets, are presented net of accumulated depreciation. Restricted assets consist of 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 assets include all other assets that do not meet the definition of "restricted" or "invested in capital assets."

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**2. Basic Financial Statements - Government-Wide Statements**

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 NSIP Cash In Lieu of Commodities 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 NSIP Cash In Lieu of Commodities 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 restricted resources first.

The Government-Wide Statement of Activities reports both the gross revenue and net revenue 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. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary grants. The Council did not receive any capital-specific grants this year.

The Council allocated its indirect costs among various functions and programs in accordance with 2CFR part 200. GOEA provides grant funds to help the 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 position resulting from the current year's activities.

3. Basic Financial Statements - Fund Financial 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, in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are 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.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. **Basic Financial Statements - Fund Financial Statements: - Continued**

Governmental fund equity is named "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 or earmarks certain resources to expend in a designated manner. In contrast to reserved 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 primary operating fund of the Council. It accounts for all financial resources, except those required to be accounted for in another 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 General Fund is the primary operating fund of the Council. It accounts for all financial resources of the Council, except those required to be accounted for in another fund.

The Title III C-1 Fund (Congregate Meals Program) is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Orleans Parish.

The Title III C-2 Fund (Home Delivered Meals Program) is used to account for Federal funds that are used to provide nutritional meals to homebound older persons.

The Title III B Fund (Supportive Services) is used to account for funds, which are used to provide various units of supportive social services to the elderly.

The N.S.I.P. Cash in Lieu of Commodities Fund is used to account for the administration of the nutrition programs for the elderly. The funds are 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. The primary purpose of the NSIP reimbursement is to provide money to the Council so that food and commodities may be purchased to supplement nutrition programs.

Community Development Block Grant Fund is used to account for funds, which are used to provide support to various senior centers for its operations and activities.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basic Financial Statements - Fund Financial Statements: - Continued

The Supplemental Senior Center Fund and Supplemental Senior Center Program 2 were 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 Senior Center Program is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates three senior centers in Orleans Parish, Louisiana. The other 10 senior centers are contracted by the Council with other non-profit organizations operating senior centers in Orleans Parish.

The Parish Council on Aging - Line - item Fund was established to account for funds that were appropriated by the Louisiana Legislature to provide support to various senior centers and the operation of the New Orleans Council on Aging, Inc.

Non-Major Special Revenue Funds

The Title III C - 1 Area Agency Administration Fund is used to account for a portion of the indirect costs of administrating 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 that each program's direct costs bear to the direct costs for all programs.

The Audit Funds are 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 the GOEA supplement.

Administrative Seed Funds are received by the Council to offset administrative costs of developing innovative programs for the elderly.

The Meals on Wheels are used to account for funds to provide home delivered meals to homebound elderly persons through restricted contributions from a non-profit organization.

The Retired Senior Volunteer Program Fund is used to account for Federal funds which are provided directly by the Corporation for National and Community Service (CNCS), and State funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for expenses incurred by senior citizens, age 55 and over, who have volunteered their time to assist non-profit and government entities in the parish.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basic Financial Statements - Fund Financial Statements: - Continued

Non-Major Special Revenue Funds - Continued

The Senior Companion Fund is used to account for Federal funds which are provided directly by CNCS and State funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for expenses incurred by low-income senior citizens, age 60 and over, who have volunteered their time to provide individual care and assistance to primarily the frail, elderly persons who are home-bound.

The III - E Caregiver Fund accounts for funds relating to the National Family Caregiver Support Program. The National Family Caregiver Support program is designed to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers. This program targets older, low-income individuals. Specific types of services that can be provided by this program include: Adult Day Care, Adult Health Care, Material Aid, Case Management, Personal Care, Counseling, Support Groups, Respite Care, Sitter Service, and Information and Assistance. Eligible participants include (1) adult family members, or another adult person, who provides uncompensated in-home and community care to an older person who needs supportive services or (2) grandparents, or a person 61 years of age or older, who is related to a child by blood or marriage and (1) lives with the child, (2) is the primary caregiver, and (3) has a legal relationship to the child or is raising the child informally.

The Title III - D Preventive Health Fund is used to account for funds used for disease prevention and health promotion activities or services, such as (1) equipment and material (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need."

Senior Rx Program is a senior drug program to assist the elderly in the City of New Orleans. Supplemental funding was also provided by Medicare Improvements for Patients and Providers Act (MIPPA).

Power To Care Fund is used to account for the administration of the program sponsored by Entergy. Entergy collects contributions from service customers and remits these funds to the New Orleans Council on Aging, Inc. so that it can provide assistance to the elderly and disabled living in Orleans Parish for the payment of their electric bills.

MIPPA Fund is used to provide support services for medicare eligible individuals in the New Orleans Area.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basic Financial Statements - Fund Financial Statements: - Continued

Non-Major Special Revenue Funds - Continued

The SIPP Program is to develop a volunteer network and build a coalition of professionals to help serve the medicare beneficiaries in Orleans Parish.

4. Measurement Focus and Basis of Accounting:

a. Accrual Basis - Government-Wide Financial Statements

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, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

b. Modified Accrual Basis - Fund Financial Statements - Continued:

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 transaction 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 claims and judgments are recorded as expenditures when paid with expendable available financial resources.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. **Interfund Activity:**

Interfund activity consists of transfers between funds and 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 position in the Government-Wide Financial Statements.

6. **Fair Value of Financial Instruments:**

Cash, cash equivalents, and temporary investments carrying amounts reported in the statement of net position approximate fair value because of the short maturities of those investments.

7. **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 \$5,000, 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 Position. 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, 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 capital assets consist of transportation equipment with a useful life of three years.

8. **Accrued 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. 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.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. 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 the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocations according to their grant or contract limitations.

10. 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.

11. Eliminations and Reclassifications:

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated. However, interfund receivables and payables are presented in the balance sheets of the governmental funds.

12. Restricted Assets

Restricted assets are reported in the Statement of Net Position when constraints are placed on their use, as follows:

Grant revenue from State of Louisiana for special projects.

13. Budgets

The Council is required by state law to adopt annual budgets for the General Fund and Special Revenue Funds. Each budget is presented on the accrual basis of accounting.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

14. Subsequent Events

The subsequent events of the corporation were evaluated through the date the financial statements were available to be issued (September 21, 2017).

15. Post Employment Health Care

Governmental Accounting Standards Board (GASB) 45, requires that post employment health care benefits be actuarially determined and accrued if such benefits are provided. New Orleans Council on Aging, Inc. does not offer health care to its retirees. Accordingly, no accrual is necessary for the year ended June 30, 2017.

16. Fund Equity

In 2016, the New Orleans Council on Aging, Inc. implemented the requirements of Government Accounting Standards Board (GASB) Statement No. 54 - *Fund Balance Reporting and Governmental Fund-Type Definitions*. In accordance with this statement, in the fund financial statements, fund balances of the governmental fund types are now categorized into one of five categories - Non-spendable, Restricted, Committed, Assigned, or Unassigned.

The classification of the fund balances are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of resources are either:
 - Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Council's board of directors, which is the Council's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Council did not have any committed resources as of year end.
- Assigned: This classification includes spendable amounts that are reported in governmental funds, other than the General fund, that are neither restricted nor committed, and amounts in the General Fund that are intended to be used for a specific purpose in accordance with the provisions of GASB Statement No. 54. The intent of an assigned fund balance should be expressed by either the Council's board of directors, or a subordinate high-level body, such as a finance committee, or an official, such as the executive director, that has the authority to assign amounts to be used for specific purpose. The Council did not have any assigned resources as of the year end.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Unassigned: This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in multiple classifications, the Council would use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, it reserves the right to selectively spend unassigned resources first and to defer the use of other classified funds.

17. Summarized Comparative Information

Summarized Comparative Information is presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in net position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE C - REVENUE RECOGNITION

For financial reporting, the General Fund, Title III B Supportive Services Program, Title III (C1) Congregate Meal Program, Title III (C2) Home Delivered Meals Programs, Title III D - Preventive Health, Title III E - Caregiver Program, State funded Senior Center Programs, Senior Rx Program, Parish Council on Aging - Line item and State Funds recognize revenue on a pro-rata basis of its approved budget. Retired Senior Volunteer Program (RSVP), Senior Companion Program (SCP), Power to Care, and Community Development Block Grant recognize revenue as received.

Intergovernmental grant revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is measurable and available (modified accrual basis). Intergovernmental grants do not allow the Council to recognize revenue under the grant award until actual costs are incurred or units of service are provided. Senior Center, Senior Rx, Title III B, C-1, C-2, D and E funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. Retired Senior Volunteer Program, Senior Companion, Community Development Block Grant are also recognized as revenue once the related cost has been incurred, and the grant reimbursement is measurable and available.

NSIP Cash In Lieu of Commodities program funds are earned and become susceptible to accrual based upon the number of units provided to program participants and are recorded as revenues at that time.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE C - REVENUE RECOGNITION - Continued

The Council encourages and receives contributions from clients to help offset the costs of the Title, C-1 and C-2 programs. Utility assistance funds are provided from public donations sponsored by Entergy, Inc. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict, therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

NOTE D - CASH

The Council's funds are required to be deposited and invested under the terms established by the Governor's Office of Elderly Affairs. The depository bank deposits for safekeeping and trust with the Council's third party agent approved pledged securities in an amount sufficient to protect the Council funds on a day-to-day basis. The Council may at its own discretion, invest funds in time deposits and certificates of deposit at interest rates approximating United States Treasury Bill rates.

At June 30, 2017, the carrying amount of the Council's deposits (cash and certificates of deposit) was \$391,935, and the bank balance was \$550,976. The entire bank balance throughout the year was covered by federal depository insurance or by collateral held by the Council's agent in the Council's name.

NOTE E - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follow:

	Balance <u>7/1/16</u>	Additions	Retirements	Balance <u>6/30/17</u>
Transportation equipment	\$ 171,859	\$ -	\$ -	\$ 171,859
Less: Accumulated Depreciation	<u>(171,859)</u>	<u>-</u>	<u>-</u>	<u>(171,859)</u>
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

There was no depreciation expense for the year ended June 30, 2017.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE F - RENTAL EXPENSE

The rental expense for the administrative offices for the year ended June 30, 2017 totaled \$107,226, and are leased under an operating lease for one year beginning August 1, 2016 and ending July 31, 2017, at \$8,976 per month.

The program offices for three senior centers are leased under a month to month operating lease. The rental expense totaled \$61,700 for the year ended June 30, 2017. The rental expense for the administrative and program offices totaled \$168,926 for the year ended June 30, 2017.

NOTE G - INTERFUND RECEIVABLES AND PAYABLES

Because the organization 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 costs under the grant programs. Such advances create short-term interfund receivables and payables. A summary of these interfund receivables and payable at June 30, 2017 are as follows:

	Due From <u>Other Funds</u>	Due To <u>Other Funds</u>
General Fund	\$ <u>108,631</u>	\$ <u>-</u>
Special Revenue Fund		
Corporation For National and Community Service	-	29,014
NSIP Cash in Lieu of Commodities	<u>-</u>	<u>79,617</u>
Total all funds	\$ <u>108,631</u>	\$ <u>108,631</u>

NOTE H - EMPLOYEE RETIREMENT PLAN

Effective July 1, 1990, the New Orleans Council on Aging, Inc. began providing retirement benefits to all of its employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate upon completion of one year of service and attainment of age 21. The formula for determining employer contributions is determined each Plan Year by a resolution of the Board of Directors. The Council's contribution for each employee is fully vested after five years of service. Voluntary employee contributions are permitted.

The Council's total payroll for the fiscal year ended June 30, 2017 was \$1,227,350. The Council's contributions were calculated by using the base salary amount of \$1,227,350. The Council made a 6% contribution, the same as in the prior year, on behalf of the Council's employees which totaled \$73,641.

NOTE I - INCOME TAXES

The Corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Corporation has adopted the provision of FASB ASC 740-10-25, which requires a tax provision be recognized or derecognized based on a "more likely than not" threshold. This applies to a position taken or expected to be taken in a tax return. The Corporation does not believe its financial statements include any uncertain tax positions.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - Continued

June 30, 2017

NOTE J - BOARD OF DIRECTORS' COMPENSATION

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

NOTE K - FEDERALLY ASSISTED PROGRAMS

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the 2003 Single Audit Act. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs.

In accordance with the 2003 Single Audit Act, and the Uniform Guidance, a schedule of federal awards is presented.

NOTE L - ECONOMIC DEPENDENCY

The Council received the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. 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.

SUPPLEMENTAL INFORMATION

NEW ORLEANS COUNCIL ON AGING, INC.

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 100,000	\$ 100,000	\$ -
City of New Orleans	917,304	915,128	(2,176)
Contributions	-	215,506	215,506
Interest income	-	14,931	14,931
Special revenue taxes	-	37,194	37,194
Other income	<u>-</u>	<u>159,594</u>	<u>159,594</u>
Total revenues	<u>1,017,304</u>	<u>1,442,353</u>	<u>425,049</u>
Expenditures			
Current:			
Personnel	200,000	140,634	59,366
Fringe benefits	67,200	57,975	9,225
Travel	-	10,139	(10,139)
Operating services	70,623	141,241	(70,618)
Operating supplies	14,806	16,762	(1,956)
Other costs	1,725	33,423	(31,698)
Food costs	-	208,383	(208,383)
Full service contracts	<u>562,950</u>	<u>485,775</u>	<u>77,175</u>
Total expenditures	<u>917,304</u>	<u>1,094,332</u>	<u>(177,028)</u>
Excess (deficiency) of revenues over (under) expenditures	100,000	348,021	248,021
Other financing sources (uses)			
Transfers in	-	846,057	846,057
Transfers out	<u>(100,000)</u>	<u>(1,235,535)</u>	<u>(1,135,535)</u>
Total other financing sources and uses	<u>(100,000)</u>	<u>(389,478)</u>	<u>(289,478)</u>
Net changes in fund balances	-	(41,457)	(41,457)
Fund Balances			
Beginning of year	<u>-</u>	<u>82,750</u>	<u>82,750</u>
End of year	\$ <u>-</u>	\$ <u>41,293</u>	\$ <u>41,293</u>

NEW ORLEANS COUNCIL ON AGING, INC.

TITLE III (C1) - CONGREGATE MEALS PROGRAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 266,529	\$ 266,529	\$ -
Participant contributions	13,000	15,757	2,757
Contributions	<u>-</u>	<u>2,639</u>	<u>2,639</u>
Total revenues	<u>279,529</u>	<u>284,925</u>	<u>5,396</u>
Expenditures			
Current:			
Personnel	131,731	131,731	-
Fringe benefits	20,437	20,437	-
Travel	370	370	-
Operating services	34,922	34,922	-
Operating supplies	1,826	1,826	-
Other costs	450	450	-
Food costs	<u>124,405</u>	<u>124,405</u>	<u>-</u>
Total expenditures	<u>314,141</u>	<u>314,141</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(34,612)	(29,216)	5,396
Other financing sources (uses)			
Transfers in	34,612	29,216	(5,396)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>34,612</u>	<u>29,216</u>	<u>(5,396)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

**TITLE III (C2) - HOME DELIVERED MEALS PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 567,975	\$ 567,975	\$ -
Participant contributions	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>567,975</u>	<u>567,975</u>	<u>-</u>
Expenditures			
Current:			
Personnel	268,683	268,683	-
Fringe benefits	45,390	45,395	(5)
Travel	29,296	29,296	-
Operating services	65,688	65,688	-
Operating supplies	6,836	6,836	-
Other costs	-	-	-
Food costs	<u>175,002</u>	<u>287,799</u>	<u>(112,797)</u>
Total expenditures	<u>590,895</u>	<u>703,697</u>	<u>(112,802)</u>
Excess (deficiency) of revenues over (under) expenditures	(22,920)	(135,722)	(112,802)
Other financing sources (uses)			
Transfers in	22,920	135,722	112,802
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>22,920</u>	<u>135,722</u>	<u>112,802</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

TITLE III B - SUPPORTIVE SERVICES FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET
 AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ 369,310	\$ 369,310	\$ -
Contributions	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>369,310</u>	<u>369,310</u>	<u>-</u>
Expenditures			
Current:			
Personnel	259,630	259,630	-
Fringe benefits	45,249	45,249	-
Travel	8,954	8,954	-
Operating services	41,115	41,115	-
Operating supplies	2,076	2,076	-
Other costs	-	-	-
Full service contracts	<u>17,300</u>	<u>15,858</u>	<u>1,442</u>
Total expenditures	<u>374,324</u>	<u>372,882</u>	<u>1,442</u>
Excess (deficiency) of revenues over (under) expenditures	(5,014)	(3,572)	1,442
Other financing sources (uses)			
Transfers in	5,014	3,572	(1,442)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>5,014</u>	<u>3,572</u>	<u>(1,442)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

NISP CASH IN LIEU OF COMMODITIES FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>34,324</u>	\$ <u>124,570</u>	\$ <u>90,246</u>
Total revenues	<u>34,324</u>	<u>124,570</u>	<u>90,246</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	34,324	124,570	90,246
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(34,324)	(139,473)	(105,149)
Total other financing sources and uses	(34,324)	(139,473)	(105,149)
Net changes in fund balances	-	(14,903)	(14,903)
Fund Balances			
Beginning of year	<u>87,625</u>	<u>87,625</u>	<u>-</u>
End of year	\$ <u>87,625</u>	\$ <u>72,722</u>	\$ (<u>14,903</u>)

NEW ORLEANS COUNCIL ON AGING, INC.

SUPPLEMENTAL SENIOR CENTER FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>450,374</u>	\$ <u>450,374</u>	\$ <u>-</u>
Total revenues	<u>450,374</u>	<u>450,374</u>	<u>-</u>
Expenditures			
Current:			
Full service contracts	<u>450,374</u>	<u>-</u>	<u>450,374</u>
Total expenditures	<u>450,374</u>	<u>-</u>	<u>450,374</u>
Excess (deficiency) of revenues over (under) expenditures	-	450,374	450,374
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>(450,374)</u>	<u>(450,374)</u>
Total other financing sources and uses	<u>-</u>	<u>(450,374)</u>	<u>(450,374)</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

SENIOR CENTER PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>307,757</u>	\$ <u>307,756</u>	\$ (<u>1</u>)
Total revenues	<u>307,757</u>	<u>307,756</u>	(<u>1</u>)
Expenditures			
Current:			
Personnel	-	-	-
Fringe benefits	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	-	90,390	(90,390)
Full service contracts	<u>307,757</u>	<u>738,187</u>	(430,430)
Total expenditures	<u>307,757</u>	<u>828,577</u>	(520,820)
Excess (deficiency) of revenues over (under) expenditures	-	(520,821)	(520,821)
Other financing sources (uses)			
Transfers in	-	528,633	528,633
Transfers out	<u>-</u>	(<u>7,812</u>)	(<u>7,812</u>)
Total other financing sources and uses	<u>-</u>	<u>520,821</u>	<u>520,821</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Note:

The actual amounts for the year ended June 30, 2017 include the Senior Center Program and Supplemental Senior Center Program 2.

NEW ORLEANS COUNCIL ON AGING, INC.

CITY OF NEW ORLEANS - CDBG PROGRAM
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
City of New Orleans	\$ <u>388,955</u>	\$ <u>384,628</u>	\$ (<u>4,327</u>)
Total revenues	<u>388,955</u>	<u>384,628</u>	(<u>4,327</u>)
Expenditures			
Current:			
Personnel	-	40,433	(40,433)
Fringe benefits	-	-	-
Travel	-	-	-
Operating services	-	-	-
Operating supplies	-	-	-
Other costs	-	-	-
Full service contracts	<u>388,955</u>	<u>483,752</u>	(<u>94,797</u>)
Total expenditures	<u>388,955</u>	<u>524,185</u>	(<u>135,230</u>)
Excess (deficiency) of revenues over (under) expenditures	-	(139,557)	(139,557)
Other financing sources (uses)			
Transfers in	-	139,557	139,557
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>139,557</u>	<u>139,557</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

PARISH COUNCIL ON AGING - LINE-ITEM
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

For the year ended June 30, 2017

	<u>FINAL BUDGETED AMOUNTS</u>	<u>ACTUAL AMOUNTS GAAP BASIS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
Revenues			
Intergovernmental:			
Governor's Office of Elderly Affairs	\$ <u>755,000</u>	\$ <u>426,865</u>	\$ <u>(328,135)</u>
Total revenues	<u>755,000</u>	<u>426,865</u>	<u>(328,135)</u>
Expenditures			
Current:			
Personnel	51,373	51,373	-
Fringe benefits	7,760	7,760	-
Travel	-	-	-
Operating services	330,000	-	330,000
Operating supplies	10,867	12,732	(1,865)
Food costs	-	75,000	(75,000)
Full service contracts	<u>355,000</u>	<u>280,000</u>	<u>75,000</u>
Total expenditures	<u>755,000</u>	<u>426,865</u>	<u>328,135</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	-
Fund Balances			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

For the year ended June 30, 2017

	TITLE III (C1) ADMINISTRATION	AUDIT FUND	ADMINISTRATIVE SEED FUNDS	MEALS ON WHEELS	MIPPA AAA OUTREACH
Revenues					
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 104,640	\$ -	\$ -	\$ -	\$ 700
Corp. for Nat'l. & Community Services	-	-	-	-	-
Louisiana Department of Insurance	-	-	-	-	-
Contributions	-	-	-	20,292	-
Interest income	-	-	-	2,075	-
Other income	-	-	-	-	-
	<u>104,640</u>	<u>-</u>	<u>-</u>	<u>22,367</u>	<u>700</u>
Expenditure					
Salaries	65,232	-	-	-	-
Fringe benefits	12,176	-	-	-	-
Travel	272	-	-	-	-
Operating services	25,615	18,000	-	-	-
Operating supplies	1,346	-	-	-	2,215
Other costs	-	-	-	-	-
Utility assistance	-	-	-	-	-
	<u>104,641</u>	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>2,215</u>
Grants to subrecipients:					
The Medical Team	-	-	-	-	-
Total Grants to Subrecipients	-	-	-	-	-
Total expenditures	<u>104,641</u>	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>2,215</u>
Excess (deficiency) of revenues over expenditures	(1)	(18,000)	-	22,367	(1,515)
Other financing sources (uses)					
Operating transfers in	1	18,000	-	-	1,515
Operating transfers out	-	-	-	(2,267)	-
Excess (deficiency) of revenues and other sources/uses over expenditures	-	-	-	20,100	-
Fund balance at July 1, 2016	-	-	1,000	-	-
Fund balance at June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 20,100</u>	<u>\$ -</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

For the year ended June 30, 2017

	<u>MIPPA SHIP</u>	<u>MIPPA ADRC</u>	<u>RETIRED SENIOR VOLUNTEER PROGRAM</u>	<u>TITLE III E CAREGIVER PROGRAM</u>	<u>TITLE III D PREVENTIVE HEALTH</u>	<u>SENIOR RX PROGRAM</u>
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ 4,750	\$ 3,200	\$ -	\$ 102,427	\$ 11,579	\$ 91,934
Corp. for Nat'l. & Community Services	-	-	106,133	-	-	-
Louisiana Department of Insurance	-	-	-	-	-	-
Contributions	-	-	1,201	100	-	-
Interest income	-	-	-	-	-	-
Other income	-	-	-	-	-	-
	<u>4,750</u>	<u>3,200</u>	<u>107,334</u>	<u>102,527</u>	<u>11,579</u>	<u>91,934</u>
Expenditures						
Salaries	-	-	71,412	68,374	-	69,718
Fringe benefits	-	-	17,052	15,208	-	5,333
Travel	-	-	2,993	262	-	1,000
Operating services	120	-	-	10,556	-	13,000
Operating supplies	-	3,030	8,245	3,552	-	2,883
Other costs	-	-	6,431	-	11,579	-
Utility assistance	-	-	-	-	-	-
	<u>120</u>	<u>3,030</u>	<u>106,133</u>	<u>97,952</u>	<u>11,579</u>	<u>91,934</u>
Grants to subrecipients:						
The Medical Team	-	-	-	75,538	-	-
Total Grants to Subrecipients	-	-	-	75,538	-	-
Total expenditures	<u>120</u>	<u>3,030</u>	<u>106,133</u>	<u>173,490</u>	<u>11,579</u>	<u>91,934</u>
Excess (deficiency) of revenues over expenditures	4,630	170	1,201	(70,963)	-	-
Other financing sources (uses)						
Operating transfers in	-	-	-	70,963	-	-
Operating transfers out	(4,630)	(170)	-	-	-	-
Excess (deficiency) of revenues and other sources/uses over expenditures	-	-	1,201	-	-	-
Fund balance at July 1, 2016	-	-	21,077	-	-	-
Fund balance at June 30, 2017	\$ <u>-</u>	\$ <u>-</u>	\$ <u>22,278</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS - Continued

For the year ended June 30, 2017

	<u>SENIOR COMPANION PROGRAM</u>	<u>SHIPP PROGRAM</u>	<u>POWER TO CARE</u>	<u>TOTAL</u>
Revenues				
Intergovernmental				
Governor's Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ 319,230
Corp. for Nat'l. & Community Services	262,146	-	-	368,279
Louisiana Department of Insurance	-	12,356	-	12,356
Contributions	-	-	204,907	226,500
Interest income	15	-	-	2,090
Other income	5,397	-	-	5,397
	<u>267,558</u>	<u>12,356</u>	<u>204,907</u>	<u>933,852</u>
Expenditures				
Salaries	231,631	13,473	33,714	553,554
Fringe benefits	10,417	924	4,237	65,347
Travel	12,912	-	-	17,439
Operating services	1,490	307	120	69,214
Operating supplies	2,776	298	9,137	33,476
Other costs	7,773	-	188	25,971
Utility assistance	-	-	195,890	195,890
	<u>266,999</u>	<u>15,002</u>	<u>243,286</u>	<u>960,891</u>
Grants to subrecipients:				
The Medical Team	-	-	-	75,538
Total Grants to Subrecipients	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,538</u>
Total expenditures	<u>266,999</u>	<u>15,002</u>	<u>243,286</u>	<u>1,036,429</u>
Excess (deficiency) of revenues over expenditures	559	(2,646)	(38,379)	(102,577)
Other financing sources (uses)				
Operating transfers in	26,000	2,646	38,379	157,504
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,067)</u>
Excess (deficiency) of revenues and other sources/uses over expenditures	26,559	-	-	47,860
Fund balance at July 1, 2016	<u>81</u>	<u>-</u>	<u>8,838</u>	<u>30,996</u>
Fund balance at June 30, 2017	<u>\$ 26,640</u>	<u>\$ -</u>	<u>\$ 8,838</u>	<u>\$ 78,856</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

For the year ended June 30, 2017

	GENERAL FUND	TITLE III (C1) CONGREGATE MEALS PROGRAM	TITLE III (C2) HOME DELIVERED MEALS PROGRAM	TITLE III B SUPPORTIVE SERVICES	NSIP CASH IN LIEU OF COMMODITIES
Revenues					
Intergovernmental					
Governor's Office of Elderly Affairs	\$ 100,000	\$ 266,529	\$ 567,975	\$ 369,310	\$ 124,570
City of New Orleans	915,128	-	-	-	-
Participant contributions	-	15,757	-	-	-
Interest income	14,931	-	-	-	-
Contributions	215,506	2,639	-	-	-
Special revenue taxes	37,194	-	-	-	-
Other income	159,594	-	-	-	-
	<u>1,442,353</u>	<u>284,925</u>	<u>567,975</u>	<u>369,310</u>	<u>124,570</u>
Expenditures					
Salaries	140,634	131,731	268,683	259,630	-
Fringe benefits	57,975	20,437	45,395	45,249	-
Travel	10,139	370	29,296	8,954	-
Operating services	141,241	34,922	65,688	41,115	-
Operating supplies	16,762	1,826	6,836	2,076	-
Other costs	33,423	450	-	-	-
Food costs (Note-see page 43)	208,383	124,405	287,799	-	-
	<u>608,557</u>	<u>314,141</u>	<u>703,697</u>	<u>357,024</u>	<u>-</u>
Grants to subrecipients:					
Advocacy Center, Inc.	-	-	-	15,858	-
Central City Economic Opportunity Corporation dba Central City Senior Center	20,000	-	-	-	-
Kingsly House, Inc. dba Kingsley House					
Adult Service Senior Center	5,833	-	-	-	-
Mercy Endeavors	15,000	-	-	-	-
Arthur Monday Senior Center	-	-	-	-	-
Senior Center Coordinator	-	-	-	-	-
Lower Algiers, Inc. dba					
Lower Algiers Senior Center	10,000	-	-	-	-
Uptown Area Senior Adult Ministry, Inc. dba					
Uptown Shepherd Senior Center	5,000	-	-	-	-
12 th Ward Save Our Community Organization dba					
Milan-Broadmoor Senior Center	10,000	-	-	-	-
Pontchartrain Community Center	-	-	-	-	-
New Orleans Health Corporation	112,952	-	-	-	-
Carrollton Hollygrove Senior Center	191,990	-	-	-	-

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - Continued

For the year ended June 30, 2017

	<u>GENERAL FUND</u>	<u>TITLE III (C1) CONGREGATE MEALS PROGRAM</u>	<u>TITLE III (C2) HOME DELIVERED MEALS PROGRAM</u>	<u>TITLE III B SUPPORTIVE SERVICES</u>	<u>NSIP CASH IN LIEU OF COMMODITIES</u>
Lakeview-Area Senior Adult Ministry, Inc.	15,000	-	-	-	-
Realization, Inc. dba Reality House Senior Center	5,000	-	-	-	-
Treme Community Education Program, Inc. dba Treme-Harmony House Senior Center	45,000	-	-	-	-
Gentilly Senior Center, Inc. dba Gentilly Senior Center	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Grants to Subrecipients	<u>485,775</u>	<u>-</u>	<u>-</u>	<u>15,858</u>	<u>-</u>
Total expenditures	<u>1,094,332</u>	<u>314,141</u>	<u>703,697</u>	<u>372,882</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	348,021	(29,216)	(135,722)	(3,572)	124,570
50 Other financing sources (uses)					
Operating transfers in	846,057	29,216	135,722	3,572	-
Operating transfers out	<u>(1,235,535)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(139,473)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(41,457)	-	-	-	(14,903)
Fund balance at July 1, 2016	<u>82,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,625</u>
Fund balance at June 30, 2017	<u>\$ 41,293</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,722</u>
Note: Food costs consist of the following:					
Raw food	\$ 108,360	\$ 64,691	\$ 149,655		
Other	<u>100,023</u>	<u>59,714</u>	<u>138,144</u>		
	<u>\$ 208,383</u>	<u>\$ 124,405</u>	<u>\$ 287,799</u>		

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - Continued

For the year ended June 30, 2017

	PARISH COUNCIL ON AGING - SENIOR CENTER	CITY OF NEW ORLEANS CDBG	SENIOR CENTER PROGRAM	SUPPLEMENTAL SENIOR CENTER PROGRAM	SUPPLEMENTAL SENIOR CENTER PROGRAM 2	TOTAL
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ 426,865	\$ -	\$ 299,944	\$ 450,374	\$ 7,812	\$ 2,613,379
City of New Orleans	-	384,628	-	-	-	1,299,756
Participant contributions	-	-	-	-	-	15,757
Interest income	-	-	-	-	-	14,931
Contribution	-	-	-	-	-	218,145
Special revenue taxes	-	-	-	-	-	37,194
Other income	-	-	-	-	-	159,594
	<u>426,865</u>	<u>384,628</u>	<u>299,944</u>	<u>450,374</u>	<u>7,812</u>	<u>4,358,756</u>
Expenditures						
Salaries	51,373	40,433	-	-	-	892,484
Fringe benefits	7,760	-	-	-	-	176,816
Travel	-	-	-	-	-	48,759
Operating services	-	-	-	-	-	282,966
Operating supplies	12,732	-	-	-	-	40,232
Other costs	-	-	90,390	-	-	124,263
Food costs	75,000	-	-	-	-	695,587
	<u>146,865</u>	<u>40,433</u>	<u>90,390</u>	<u>-</u>	<u>-</u>	<u>2,261,107</u>
Grants to subrecipients:						
Advocacy Center, Inc.	-	-	-	-	-	15,858
Central City Exonomic Opportunity Corporation dba Central City Senior Center	30,000	50,062	75,317	-	-	175,379
Kingsly House, Inc. dba Kingsley House Adult Service Senior Center	10,000	20,450	47,749	-	-	84,032
Mercy Endeavors	10,000	80,265	24,468	-	-	129,733
Arthur Monday Senior Center	30,000	-	99,484	-	-	129,484
Senior Center Coordinator	-	-	49,789	-	-	49,789
Lower Algiers, Inc. dba Lower Algiers Senior Center	30,000	23,604	78,477	-	-	142,081
Uptown Area Senior Adult Ministry, Inc. dba Uptown Shepherd Senior Center	10,000	40,404	61,340	-	-	116,744
12 th Ward Save Our Community Organization dba Milan-Broadmoor Senior Center	10,000	7,360	72,489	-	-	99,849
Pontchartrain Community Center	30,000	-	76,705	-	-	106,705
New Orleans Health Corporation	40,000	125,791	-	-	-	278,743
Carrollton - Hollygrove Senior Center	-	-	-	-	-	191,990

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS - Continued

For the year ended June 30, 2017

	PARISH COUNCIL ON AGING - <u>LINE - ITEM</u>	CITY OF NEW ORLEANS <u>CDBG</u>	SENIOR CENTER <u>PROGRAM</u>	SUPPLEMENTAL SENIOR CENTER <u>PROGRAM</u>	SUPPLEMENTAL SENIOR CENTER <u>PROGRAM 2</u>	<u>TOTAL</u>
Lakeview Area Senior Adult Ministry, Inc. Realization, Inc. dba	10,000	71,711	-	-	-	96,711
Reality House Senior Center	10,000	-	47,858	-	-	62,858
Treme Community Education Program, Inc. dba Treme-Harmony House Senior Center	30,000	51,225	46,404	-	-	172,629
Gentilly Senior Center, Inc. dba Gentilly Senior Center	<u>30,000</u>	<u>12,880</u>	<u>58,107</u>	<u>-</u>	<u>-</u>	<u>150,987</u>
Total Grants to Subrecipients	<u>280,000</u>	<u>483,752</u>	<u>738,187</u>	<u>-</u>	<u>-</u>	<u>2,003,572</u>
Total expenditures	<u>426,865</u>	<u>524,185</u>	<u>828,577</u>	<u>-</u>	<u>-</u>	<u>4,264,679</u>
Excess (deficiency) of revenues over expenditures	-	(139,557)	(528,633)	450,374	7,812	94,077
52 Other financing sources (uses)						
Operating transfers in	-	139,557	528,633	-	-	1,682,757
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(450,374)</u>	<u>(7,812)</u>	<u>(1,833,194)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-	(56,360)
Fund balance at July 1, 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,375</u>
Fund balance at June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,015</u>

Note: Food costs consist of the following:

Raw food	\$ 39,000
Other	<u>36,000</u>
	<u>\$ 75,000</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF GENERAL FIXED ASSETS AND CHANGES IN
GENERAL FIXED ASSETS

For the year ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
General fixed assets, at cost:				
Transportation equipment	\$ <u>171,859</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>171,859</u>
Total general fixed assets	\$ <u>171,859</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>171,859</u>
Investment in general fixed assets:				
Property acquired with the following funds:				
Title III C-2	\$ 17,409	\$ -	\$ -	\$ 17,409
General Fund	<u>154,450</u>	<u>-</u>	<u>-</u>	<u>154,450</u>
	\$ <u>171,859</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>171,859</u>

NEW ORLEANS COUNCIL ON AGING, I NC.

SCHEDULE OF OPERATING TRANSFERS IN AND (OUT)

For the year ended June 30, 2017

	<u>MIPPA ADRC</u>	<u>ACT 735- PCOA</u>	<u>MIPPA AAA OUTREACH</u>	<u>GENERAL</u>	<u>AUDIT FUNDS</u>
Title III B Supportive Services	\$ -	\$ 3,572	\$ -	\$ -	\$ -
Title III (C2) Home Delivered Meals Program	-	-	-	-	-
Senior Center Program	-	-	-	70,447	-
Title III E Caregiver Funds	-	70,963	-	-	-
NSIP	-	-	-	-	-
Act 735 - PCOA	-	(100,000)	-	-	-
General Fund	170	-	(1,515)	(70,447)	(18,000)
Audit Funds	-	-	-	-	18,000
Supplemental Senior Center Program	-	-	-	-	-
Supplemental Senior Center Program 2	-	-	-	-	-
Power To Care	-	-	-	-	-
MIPPA - AAA Outreach	-	-	1,515	-	-
Title III C1 - Administration	-	-	-	-	-
Senior Companion Program	-	-	-	-	-
Title III C 1 - Congregate Meals Program	-	25,465	-	-	-
Meals on Wheels	-	-	-	-	-
SHIPP Program	-	-	-	-	-
MIPPA SHIP	-	-	-	-	-
MIPPA - ADRC	(170)	-	-	-	-
City of New Orleans - CDBG Grant	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NEW ORLEANS COUNCIL ON AGING, I NC.

SCHEDULE OF OPERATING TRANSFERS IN AND (OUT)

For the year ended June 30, 2017

	MIPPA SHIP	SHIPP PROGRAM	SENIOR COMPANION PROGRAM	MEALS ON WHEELS	SUPPLEMENTAL SENIOR CENTER PROGRAM - 2	CITY OF NEW ORLEANS CDBG GRANT
Title III B Supportive Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Title III (C2) Home Delivered Meals Program	-	-	-	-	-	-
Senior Center Program	-	-	-	-	7,812	-
Title III E Caregiver Funds	-	-	-	-	-	-
NSIP	-	-	-	-	-	-
Act 735 - PCOA	-	-	-	-	-	-
General Fund	4,630	(2,646)	(26,000)	2,267	-	(139,557)
Audit Funds	-	-	-	-	-	-
Supplemental Senior Center Program	-	-	-	-	-	-
Supplemental Senior Center Program 2	-	-	-	-	(7,812)	-
Power To Care	-	-	-	-	-	-
MIPPA - AAA Outreach	-	-	-	-	-	-
Title III C1 - Administration	-	-	-	-	-	-
Senior Companion Program	-	-	26,000	-	-	-
Title III C 1 - Congregate Meals Program	-	-	-	-	-	-
Meals on Wheels	-	-	-	(2,267)	-	-
SHIPP Program	-	2,646	-	-	-	-
MIPPA - SHIP	(4,630)	-	-	-	-	-
MIPPA - ADRC	-	-	-	-	-	-
City of New Orleans - CDBG Grant	-	-	-	-	-	139,557
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

NEW ORLEANS COUNCIL ON AGING, I NC.

SCHEDULE OF OPERATING TRANSFERS IN AND (OUT) - Continued

For the year ended June 30, 2017

	TITLE III (C1) <u>ADMINISTRATION</u>	POWER TO CARE	SUPPLEMENTAL SENIOR CENTER PROGRAM	NSIP	TOTAL
	\$ -	\$ -	\$ -	\$ -	\$ 3,572
Title III B Supportive Services					
Title III (C2) Home Delivered Meals Program	-	-	-	135,722	135,722
Senior Center Program	-	-	450,374	-	528,633
Title III E Caregiver Funds	-	-	-	-	70,963
NSIP	-	-	-	(139,473)	(139,473)
Act 735 - PCOA	-	-	-	-	(100,000)
General Fund	(1)	(38,379)	-	-	(289,478)
Audit Funds	-	-	-	-	18,000
Supplemental Senior Center Program	-	-	(450,374)	-	(450,374)
Supplemental Senior Center Program 2	-	-	-	-	(7,812)
Power To Care	-	38,379	-	-	38,379
MIPPA - AAA Outreach	-	-	-	-	1,515
Title III C1 - Administration	1	-	-	-	1
Senior Companion Program	-	-	-	-	26,000
Title III C 1 - Congregate Meals Program	-	-	-	3,751	29,216
Meal on Wheels	-	-	-	-	(2,267)
SHIPP Program	-	-	-	-	2,646
MIPPA - SHPIP	-	-	-	-	(4,630)
MIPPA - ADRC	-	-	-	-	(170)
City of New Orleans - CDBG Grant	-	-	-	-	139,557
	\$ -	\$ -	\$ -	\$ -	\$ -

NEW ORLEANS COUNCIL ON AGING, I NC.

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the year ended June 30, 2017

Agency Head Name: Howard L. Rodgers, III

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 88,585
Benefits - retirement	\$ 5,315
Travel	\$ 8,566

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2017

<u>Federal Grantor/Pass Through Grantors/Program Title</u>	<u>GRANTOR PASS THROUGH CONTRACT #</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT YEAR ENDED</u>	<u>PROGRAM OR AWARD AMOUNTS</u>	<u>REVENUE RECOGNIZED</u>	<u>FEDERAL EXPENDITURES</u>	<u>PASS-THROUGH FUNDS</u>
<u>U. S. Department of Health and Human Services</u>							
Passed through the Louisiana Governor's Office of Elderly Affairs:							
Special Programs for the Aging							
Aging Clusters							
Title III C1 - Area Agency Administration	CFMS# 734380	93.045	6/30/17	\$ 78,480	\$ 78,480	\$ 78,480	\$ -
Title III B - Supportive Services	CFMS# 734380	93.044	6/30/17	223,061	223,061	223,061	15,858
Title III C1 - Congregate Meals	CFMS# 734380	93.045	6/30/17	244,251	244,251	244,251	-
Title III C2 - Home Delivered Meals	CFMS# 734380	93.045	6/30/17	157,745	157,745	157,745	-
NSIP - Cash in Lieu of Commodities	CFMS# 734678	93.053	6/30/17	124,570	124,570	<u>139,473</u>	<u>-</u>
						<u>843,010</u>	<u>15,858</u>
Title III D - Preventive Health	CFMS# 734380	93.043	6/30/17	11,579	11,579	11,579	-
Title III E - Caregiver	CFMS# 734380	93.052	6/30/17	76,820	76,820	76,820	-
MIPPA - Medicare Improvement for Patients and Providers Act		93.071	6/30/17	8,650	8,650	<u>8,650</u>	<u>-</u>
Total U. S. Department of Health and Human Services						\$ <u>940,059</u>	\$ <u>15,858</u>
<u>U.S. Department of Housing and Urban Development</u>							
Passed through City of New Orleans:							
Community Development Block Grant	CD# 50-213(99)	14.218	12/31/16	388,955	384,628	<u>384,628</u>	<u>384,628</u>
Total U.S. Department of Housing and Urban Development						\$ <u>384,628</u>	\$ <u>384,628</u>

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued

For the year ended June 30, 2017

	GRANTOR PASS THROUGH CONTRACT #	FEDERAL CFDA NUMBER	GRANT YEAR ENDED	PROGRAM OR AWARD AMOUNTS	REVENUE RECOGNIZED	FEDERAL EXPENDITURES	PASS- THROUGH FUNDS
<u>Corporation for Community and National Services</u>							
Retired Senior Volunteer Program		94.002	6/30/17	106,133	106,133	106,133	-
Senior Companion Program		94.016	3/31/17	255,324	84,782	62,563	-
Senior Companion Program		94.016	3/31/17	253,344	177,364	<u>179,814</u>	<u>-</u>
Total Corporation for Community and National Services						<u>348,510</u>	<u>-</u>
Total Federal Awards						<u>\$ 1,673,197</u>	<u>\$ 400,486</u>

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NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of New Orleans Council on Aging, Inc. under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Par 200., Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of New Orleans Council on Aging, Inc. it is not intended to and does not present the financial position, changes in net assets or cash flow of New Orleans Council on Aging, Inc.

B. Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

C. Indirect Cost Rate

New Orleans Council on Aging, Inc. has not elected to use the 10% de minimis indirect cost rate.

CASCIO & SCHMIDT, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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SOCIETY OF LOUISIANA CERTIFIED
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
New Orleans Council on Aging, Inc.

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, each major fund, and the aggregate remaining fund information of the New Orleans Council on Aging, Inc.'s as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise New Orleans Council on Aging, Inc.'s financial statements and have issued our report thereon dated September 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Orleans 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Orleans Council on Aging, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 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 what we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the New Orleans Council on Aging, Inc.'s financial statements are free of 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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 organization'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 organization'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 Legislative Auditor as a public document.

Cassio + Schmitt, LLC

Metairie, Louisiana
September 21, 2017

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Directors
New Orleans Council on Aging, Inc.

Report on Compliance for Each Major Federal Program

We have audited New Orleans Council on Aging, Inc.'s compliance with the types of compliance requirements described in OMB Compliance Supplement that could have a direct and material effect on each of New Orleans Council on Aging, Inc.'s major federal programs for the year ended June 30, 2017. New Orleans Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion for each of New Orleans Council on Aging, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New Orleans Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on New Orleans Council on Aging's Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, New Orleans Council on Aging, Inc., complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of New Orleans Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered New Orleans Council on Aging, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate to the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of New Orleans Council on Aging, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
September 21, 2017

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2017

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditors report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516 (a) yes no

Identification of major programs:

CFDA Numbers(s)	Name of Federal Program or Cluster
	U.S. Department of Health and Human Services
	Passed through Louisiana Governor's Office of Elderly Affairs:
	Aging Cluster
93.045	Title III C - 1 - Area Agency Administrative
93.044	Title III B - Supportive Services
93.045	Title III C1 - Congregate Meals
93.045	Title III C2 - Home Delivered Meals
93.053	NSIP - Cash in Lieu of Commodities

Dollar threshold used to distinguish between type A and type B programs: \$750,000.

Auditee qualified as a low-risk auditee? yes no

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

Year ended June 30, 2017

B FINANCIAL STATEMENTS FINDINGS

There were no findings related to the financial statements for the year ended June 30, 2017.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no items identified in the course of our testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.

NEW ORLEANS COUNCIL ON AGING, INC.

EXIT CONFERENCE

June 30, 2017

An exit conference was held with the New Orleans Council on Aging, Inc.'s Board of Directors and Executive Director at their administrative offices on November 8, 2017.

NEW ORLEANS COUNCIL ON AGING, INC.

STATEWIDE AGREED-UPON PROCEDURES

For the year ended June 30, 2017

CASCIO & SCHMIDT, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of New Orleans Council on Aging, Inc.
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by New Orleans Council on Aging, Inc. and the Louisiana Legislative Auditor on the control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures for the fiscal year July 1, 2016 through June 30, 2017. The New Orleans Council on Aging, Inc.'s management is responsible for those control and compliance areas identified in the Statewide Agreed-Upon Procedures.

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

The procedures and associated results are as follows:

Written Policies and Procedures

Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving.
- d) **Receipts**, including receiving, recording, and preparing deposits.
- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit card, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage.
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111 - 1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exception were noted.

Board (or Finance Committee, if applicable)

Obtain and review the board/committee minutes for the fiscal period, and:

- a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
- b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - ▶ If the budget-to actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.

- c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

No exception were noted.

Bank Reconciliations

Obtain a listing of client bank accounts from management and management's representation that the listing is complete.

Using the listing provided by management, select all of the entity's bank accounts (if five accounts or less) or one-third of the bank accounts on a three year rotating basis (if more than 5 accounts). For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:

- a) Bank reconciliations have been prepared:
- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

Results

There was no physical evidence that management reviewed the bank reconciliations.

Collections

Obtain a listing of cash/check/money order (cash) collection locations and management's representation that the listing is complete.

Using the listing provided by management, select all of the entity's cash collection locations (if five locations or less) or one-third of the collection locations on a three year rotating basis (if more than 5 locations). For each cash collection location selected:

- a) Obtain existing written documentation (e.g. insurance policy, policy manual, job description) and report whether each person responsible for collecting cash is (1) bonded, (2) not responsible for depositing cash in the bank, recording the related transaction, or reconciling the related bank account collected, recording related transactions or reconciling the related bank account (report if there are compensating controls performed by an outside party), and (3) not required to share the same cash register or drawer with another employee.

- b) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the entity has a formal process to reconcile cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, by a person who is not responsible for cash collections in the cash collection location selected.
- c) Select the highest (dollar) week of cash collections from the general ledger or other accounting records during the fiscal period and:
 - ▶ Using entity collection documentation, deposit slips, and bank statements, trace daily collections to the deposit date on the corresponding bank statement and report whether the deposits were made within one day of collection. If deposits were not made within one day of collection, report the number of days from receipt to deposit for each day at collection location.
 - ▶ Using sequentially numbered receipts, system reports, or other related collection documentation, verify that daily cash collections are completely supported by documentation and report any exceptions.

Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the entity has a process specifically defined (identified as such by the entity) to determine completeness of all collections, including electronic transfers, for each revenue source and agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, and agency fund forfeiture monies confirmation) by a person who is not responsible for collections.

Note

The collection procedures are not applicable. The organization receives electronic transfers from its grantors. The primary grantor is Governor’s Office of Elderly Affairs.

Disbursements - General (excluding credit card/fuel card/P-card purchases or payments)

Obtain a listing of entity disbursements from management or, alternately, obtain the general ledger and sort/filter for entity disbursements. Obtain management’s representation that the listing or general ledger population is complete.

Using the disbursement population from the paragraph above, randomly select 25 disbursements (or randomly select disbursements constituting at least one-third of the dollar disbursement population if the entity had less than 25 transactions during the fiscal period), excluding credit card/debt card /fuel card/P-card purchases or payments. Obtain supporting documentation (e.g. purchase requisitions, system screens/logs) for each transaction and report whether the supporting documentation for each transaction demonstrated that:

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- c) Payments for purchases were not processed without (1) an approved requisition and /or purchase order, or electronic equivalent; as receiving report showing the receipts of goods purchased, or electronic equivalent ; and an approved invoice.

Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the person responsible for processing payments is prohibited from adding vendors to the entity's purchasing/disbursement system.

Using entity documentation (e.g. electronic system control documentation, policy manual, written procedure), report whether the persons with signatory authority or who make the final authorization for disbursements have no responsibility for initiating or recording purchases.

Inquire of management and observe whether the supply of unused checks is maintained in a locked location, with access restricted to those persons that do not have signatory authority, and report any exceptions. Alternately, if the checks are electronically printed on blank check stock, review entity documentation (electronic system control documentation) and report whether the persons with signatory authority have system access to print checks.

If a signature stamp or signature machine is used, inquire of the signer whether his or her signature is maintained under his or her control or is used only with the knowledge and consent of the signer. Inquire of the signer whether signed checks are likewise maintained under the control of the signer or authorized user until mailed. Report any exceptions.

Note

The organization does not use a signature stamp.

Results

We selected a sample of 40 disbursements and found that 2 purchases were not approved.

Credit Cards

Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Using the listing prepared by management, randomly select 10 cards (or at least one-third of the cards if the entity has less than 10 cards) that were used during the fiscal period, rotating cards each year. If there is a change in practitioners, the new practitioner is not bound to follow the rotation established by the previous practitioner.

Obtain the monthly statements, or combined statements if multiple cards are on one statement, for the selected cards. Select the monthly statement or combined statement with the largest dollar activity for each card (for a debit card, select the monthly bank statement with the largest dollar amount of debit card purchases) and:

- a) Report whether there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g. mayor of a Lawrason Act municipality); these instances should not be reported.]]
- b) Report whether finance charges and/or late fees were assessed on the selected statements.

Using the monthly statements or combined statements selected, obtain supporting documentation for all transactions for each of the 10 cards selected (i.e. each of the 10 cards should have one month of transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:
 - ▶ An original itemized receipt (i.e., identified precisely what was purchased)
 - ▶ Documentation of the business/public purpose. For meal charges, there should also be documentation of the individuals participating.
 - ▶ Other documentation that may be required by written policy (e.g., purchase order, written authorization.)
- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the entity's written purchasing/disbursement policies and the Louisiana Public Bid Law (i.e. transaction is a large or recurring purchase requiring the solicitation of bids or quotes) and report any exceptions.
- c) For each transaction, compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. cash advances or non-business purchases, regardless whether they are reimbursed). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.

- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results

The entity has one bank credit card account with three credit cards billed on one bank statement.

A fee of \$30 was charged on the statement.

Nineteen of the 53 transactions did not document the business purpose for the purchases.

Travel and Expense Reimbursement

Obtain from management a listing of all travel and related expense reimbursements by person, during the fiscal period or, alternately, obtain the general ledger and sort/filter for travel reimbursements. Obtain management's representation that the listing or general ledger is complete.

Obtain the entity's written policies related to travel and expense reimbursements. Compare amounts in the policies to the per diem and mileage rates established by the U. S. General Services Administration (www.gsa.gov) and report any amounts that exceed GSA rates.

Using the listing or general ledger, select the three persons who incurred the most travel costs during the fiscal period. Obtain the expense reimbursement reports or prepaid expense documentation of each selected person, including the supporting documentation, and choose the largest travel expense for each person to review in detail. For each of the three travel expenses selected:

- a) Compare expense documentation to written policies and report whether each expense was reimbursed or prepaid in accordance with written policy (e.g., rates established for meals, mileage, lodging). If the entity does not have written policies, compare to the GSA rates and report each reimbursement that exceeded those rates.
- b) Report whether each expense is supported by:
 - ▶ An original itemized receipt that identifies precisely what was purchased. [Note: An expense that is reimbursed based on an established per diem amount (e.g., meals) does not require a receipt.].
 - ▶ Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individual participating).
 - ▶ Other documentation as may be required by written policy (e.g., authorization for travel, conference brochure, certificate of attendance).

- c) Compare the entity's documentation of the business/public purpose to the requirements of Article 7, Section 14 of the Louisiana Constitution, which prohibits the loan, pledge, or donation of funds, credit, property, or things of value, and report any exceptions (e.g. hotel stays that extend beyond conference periods or payment for the travel expenses of a spouse). If the nature of the transaction precludes or obscures a comparison to the requirements of Article 7, Section 14, the practitioner should report the transaction as an exception.
- d) Report whether each expense and related documentation was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

No exceptions were noted.

Contracts

Obtain a listing of all contracts in effect during the fiscal period or, alternately, obtain the general ledger and sort/filter for contract payments. Obtain management's representation that the listing or general ledger is complete.

Using the listing above, select the five contact "vendors" that were paid the most money during the fiscal period (excluding purchases on state contract and excluding payment to the practitioner). Obtain the related contracts and paid invoices and:

- a) Report whether there is a formal/written contract that supports the services arrangement and the amount paid.
- b) Compare each contract's detail to the Louisiana Public Bid Law or Procurement Code. Report whether each contract is subject to the Louisiana Public Bid Law or Procurement Code and:
 - ▶ If yes, obtain/compare supporting contract documentation to legal requirements and report whether the entity complied with all legal requirements (e.g. solicited quotes or bids, advertisement, selected lowest bidder).
 - ▶ If no, obtain supporting contract documentation and report whether the entity solicited quotes as a best practice.
- c) Report whether the contract was amended. If so, report the scope and dollar amount of the amendment and whether the original contract terms contemplated or provided for such an amendment.
- d) Select the largest payment from each of the five contracts, obtain the supporting invoice, compare the invoice to the contract terms, and report whether the invoice and related payment complied with the terms and conditions of the contract.

- e) Obtain/review contract documentation and board minutes and report whether there is documentation of board approval, if required by policy or law(e.g. Lawrason Act or Home Rule Charter).

No exceptions were noted.

Payroll and Personnel

Obtain a listing of the employees (and elected officials, if applicable) with their related salaries, and obtain management's representation that the listing is complete. Randomly select five employees/officials, obtain their personnel files, and:

- a) Review compensation paid to each employee during the fiscal period and report whether payments were made in strict accordance with the terms and conditions of the employment contract or pay rate structure.
- b) Review changes made to hourly pay rates/salaries during the fiscal period and report whether those changes were approved in writing and in accordance with written policy.

Obtain attendance and leave records and randomly select one pay period in which leave has been taken by at least one employee. Within that pay period, randomly select 25 employees/officials (or randomly select one-third of employees/officials if the entity had less than 25 employees during the fiscal period) , and:

- a) Report whether all selected employees/officials documented their daily attendance and leave(e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave).
- b) Report whether there is written documentation that supervisors approved, electronically or in writing, the attendance and leave of the selected employees/officials.
- c) Report whether there is written documentation that the entity maintained written leave records (e.g., hours earned, hours used, and balance available) on those selected employees/officials that earn leave.

Obtain from management a list of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. If applicable, select the two largest termination payments (e.g., vacation, sick, compensatory time) made during the fiscal period and obtain the personnel files for the two employees/officials. Report whether termination payments were made in strict accordance with policy and/or contract and approved by management.

Obtain supporting documentation (e.g. cancelled checks, EFT documentation) relating to payroll

taxes and retirement contributions during the fiscal period. Report whether the employee and employer portions of payroll taxes and retirement contributions, as well as the required reporting forms, were submitted to the applicable agencies by the required deadlines.

Results

For the 15 day payroll selected, employees signed in 188 times and signed out 145 times. Employees did not sign out 43 times.

An examination of the management personnel's time and attendance records revealed that their sick leave was not recorded properly. While there was sufficient leave to absorb the errors, we recommend that the sick leave records be adjusted for the errors noted during our test.

Ethics

Non-profit organizations are excluded from the Ethics Statewide Agreed-Upon Procedures.

Debt Service

Non-Profit organizations are excluded from the Debt Service Statewide Agreed-Upon Procedures.

Other

Inquire of management whether the entity had any misappropriation of public funds or assets. If so, obtain/review supporting documentation and report whether the entity reported the misappropriation to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Observe and report whether the entity has posted on its premisses and website, the notice required by R.S. 24:523.1 The notice (available for download or print at www.la.gov/hotline) concerns the reporting of misappropriation, fraud, waste, or abusive of public funds.

If the practitioner observes or otherwise identifies any exceptions regarding management's representations in the procedures above, report the nature of each exception.

Results

The notice relative to the reporting of misappropriation, fraud, waste, or abuse of public funds were not posted to the organization's website.

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

The purpose of this report is solely to describe the scope of testing performed on those control and compliance areas identified in the State Agreed-Upon Procedures, 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 Louisiana Legislative Auditor as a public document.

Cassio + Schmidt, LLC

Metairie, Louisiana
September 21, 2017